

Transforming North Staffordshire Overview



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Partnership

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Foreword by Will Hutton, Chief Executive, The Work Foundation

North Staffordshire is at a crossroads. Despite the significant economic, social and environmental challenges it faces, it has an opportunity in 2008 to start building on its assets and turning its economy around to become a prosperous, creative and enterprising place to live, work and study. To do this, however, requires the three local authorities in the area – Stoke-on-Trent, Newcastle-under-Lyme and Staffordshire Moorlands – to work together in order to agree a vision of the future, and then to deliver it.

As this report highlights, the area has assets on which to build – the universities, the location in central England, the creative elements of ceramics, the low costs of starting businesses in the area, the beautiful countryside. But it needs to face up to the significant challenges of adapting to a changing economy: the need for physical transformation, for worklessness to be reduced, for skills to be raised, and for local people to raise their aspirations and to be engaged in an ambitious agenda for change.

When you read this report, and the five evidence papers supporting it, the urgency of action is indisputable. But whilst The Work Foundation's analysis provides an important foundation on which the area can build in order to finalise its plans, North Staffordshire's future is in North Staffordshire's hands. No report can change an area. The key to change will be to start in the next twelve months a long-term programme of transformational change that will capitalise on these assets and make a substantial difference to the productivity and to the people of North Staffordshire.

The experience of other places shows that change takes decades. This means it must start now, and it must be visible and show tangible change, often, to create the hope and momentum that will take North Staffordshire forward not just during the next twelve months but over the next three decades. Transformation is a possibility in 2008. Leaders in North Staffordshire need to use the next twelve months to ensure that transformation over the next thirty years becomes a certainty.



Will Hutton
Chief Executive
The Work Foundation

About this report: In February 2007 the North Staffordshire Regeneration Partnership commissioned The Work Foundation to undertake an independent review of the economic and social circumstances of North Staffordshire (the three local authorities of Stoke-on-Trent, Newcastle-under-Lyme and Staffordshire Moorlands). There were three objectives for the study: first, to develop a distinctive and evidence-based vision for North Staffordshire; second, to ensure that key stakeholders were engaged in the process and agreed with this vision; and third, to raise the profile of the area.

This report sets out our findings and recommended vision. It builds on our conversations with key stakeholders, as well as on our review of available literature and data (using our *Ideopolis* framework). The report sets out why the area needs to act, what the challenges and opportunities are in the context of a changing economy, recommends a vision for the area to aspire to, and makes headline recommendations about priorities for action to address the difficulties North Staffordshire faces, as well as other potential areas for action over time.

It is important to note that this report does not, and cannot, provide ‘the answer’ to North Staffordshire’s challenges, nor was it ever intended to be a detailed implementation plan. What the report does do is set out an independent review of where North Staffordshire is now, as well as outlining the beginnings of a road map for change.¹ What the North Staffordshire Regeneration Partnership recognise, however, is that for this report and ‘road map’ to lead to transformation relies on action, by them and by stakeholders across the area. The findings and analyses of this independent report are therefore being used to inform the Regeneration Partnership’s detailed implementation plan, with clear priorities for the next three years and beyond, to help make transformation of North Staffordshire a reality.

What the evidence – ours and yours – shows is that North Staffordshire faces difficulties that cannot wait. Despite being well connected into the national economy in a central location in England, having two universities, and having competitive labour and land costs, North Staffordshire is not only below average on a substantial range of indicators but on some measures, such as population, is going against the national trend of rising prosperity and growth.

¹ The detailed analysis, including a statistical review of where you are now, the results of our consultation with stakeholders and our detailed recommendations, is in the five supporting evidence papers.

There are four issues that make it increasingly important that North Staffordshire take action now (see Section One). First, as knowledge intensive industries (this is high to medium tech manufacturing, finance, business services, communications, health, education, cultural services, air and sea travel) increasingly become drivers of competitive advantage across the UK economy, North Staffordshire finds itself falling behind. It has lower than average proportions of these knowledge intensive industries, and of knowledge intensive workers and residents. This makes it more difficult to increase the productivity of the area, already well below the English average. With the decline of employment in the manufacture of ceramics (although knowledge intensive design expertise in ceramics remains), North Staffordshire needs to define a new 'purpose' for itself in the changing economy and to increase the proportion of higher skilled, higher value jobs in the area.

Second, at a time of growing prosperity that has brought economic success to many areas, including the post-industrial cities of Manchester, Leeds and Sheffield, North Staffordshire as a whole is defying the national trend of prosperity. The area still faces significant economic and social difficulties that persist despite some local successes and the considerable efforts of many local stakeholders to transform the area. The combination of the ongoing decline in employment in ceramics, the lack of growth in employment in other sectors – partly as a consequence of a lack of appropriately skills in the area – and too many regeneration projects foundering at the early stages of implementation means that the transformation of the physical environment, shifts in the economy and attitudinal changes that have happened in other cities have not happened in North Staffordshire. It all adds up to the area running the risk of falling so far behind that it will be very difficult to even catch up.

Third, whilst North Staffordshire is well connected within England, at present people and knowledge based firms are taking advantage of this to pass by or leave the area. With the nearby economies of Manchester and Birmingham growing rapidly, there is a need to ensure that North Staffordshire is no longer bypassed by investors or by skilled workers and families looking to relocate but instead benefits from and complements the successes of its near neighbours.

Fourth, local, regional and national policies are aligning and there is a temporary window of opportunity to make change happen. The creation of the North Staffordshire

Regeneration Partnership (NSRP) has made it possible for the area to develop a vision and action plan that will be implemented across North Staffordshire². This opportunity is being further reinforced by a growing local desire for change across the public, private and third sector, the cross-party consensus that a shared vision is required and continued support from Advantage West Midlands, the West Midlands Regional Assembly and English Partnerships. National policy, most recently set out in the Local Government White Paper, Sub National Review and Comprehensive Spending Review, is also increasingly recognising the importance of working at a sub regional level to transform local economies, creating an important opportunity for North Staffordshire to change its future.

These four issues are combining to make it vital that North Staffordshire take action now to address the difficulties it faces. Based on an analysis of where North Staffordshire stands now using the *Ideopolis* framework developed by The Work Foundation, these difficulties are significant, particularly in Stoke-on-Trent (see Section Two). Twice the national average rate of worklessness, population decline, high levels of people without qualifications, lack of commercial accommodation and poor internal connectivity are key issues that North Staffordshire needs to address and our analysis shows that major intervention is required if North Staffordshire is to prevent long-term terminal decline.

Yet it is clear that there is a local, regional and national determination to address these difficulties. There are also a number of opportunities on which the area can capitalise more effectively. These include: the universities and emerging specialisms linked to them; good location and external connectivity; low land and labour costs; and changes in the provision of housing and commercial accommodation. It is within North Staffordshire's gift to change its future by building on these assets.

This report highlights two potential visions for North Staffordshire's future (see Section Three): one developed by the group of local stakeholders and one developed based on feedback from interviewees. We would recommend accepting a version of the second vision (set out below) as the one that has resonated most with local leaders. Whilst we recognise it is likely to require some amends before it is finally agreed, it responds to the local desire to have a distinctive 'North Staffordshire' vision, as well as building on and responding to the group of local stakeholders' desire to reflect the business competitiveness and quality of life within the area.

² Although it is important to note that the relationships of the local authorities with the NSRP vary: for example, Staffordshire Moorlands was not part of the Regeneration Zone, whilst Stoke-on-Trent and Newcastle-under-Lyme were

The best of both in North Staffordshire: prosperity and quality of life by design

By 2030 North Staffordshire will be offering the best of both to residents and visitors:

- A place at the heart of the UK's creative ceramics businesses and ceramics tourist industry;
- A place for growing knowledge businesses and for ambitious knowledge workers;
- A place for enjoying the delights of the city, market towns and the countryside – from the Potteries shopping centre to the Peak District National Park;
- A place for working, studying at the universities and enjoying attractions like Alton Towers and Waterworld;
- A place ambitious for growth but concerned always with sustainability.

To achieve this vision, however, prioritisation is absolutely crucial. This is a key message emerging from North Staffordshire stakeholders; reinforced by our research, particularly case studies of other cities. There are many actions that can be undertaken to respond to the series of difficulties with which North Staffordshire is grappling and a series of detailed recommendations for consideration by North Staffordshire are set out in Evidence Paper D. There is a considerable danger, however, that by trying to do everything North Staffordshire does not complete the key activities required to transform its economy. With this in mind, we have set out the key actions that our and your analysis suggests should be priorities in the short and medium-term. These are:

Short-term priorities – deliver in next twelve months

1. Agree a shared vision for the whole of North Staffordshire and a focused delivery plan – with clear priorities – to achieve this vision and to ensure projects and policies are coordinated.
2. Create a network of 'North Staffordshire Ambassadors' to raise aspirations within North Staffordshire and to promote the area, with clear objectives for the network.

Short and medium-term priorities – some tangible progress in next twelve months

These cannot be delivered in twelve months but tangible progress should be made

3. Progress city centre developments informed by the City Centre Development Framework. Projects need to be well-coordinated, clearly linked to the overall vision and priorities and have clear accountabilities and detailed delivery plans agreed. There should be tangible signs of change within the year.
4. Invest in transport between the city centre, Stoke-on-Trent station, Staffordshire University, Newcastle-under-Lyme and Keele University. In the first twelve months the city centre bus station should be replaced as a tangible sign of progress.
5. Develop a long-term programme to address worklessness and deprivation (considering interventions in schools, with employers and to raise aspirations overall). It will take decades to change, but needs to be a priority. Within the first twelve months some tangible progress should be made, for example through a mentoring programme and focusing efforts on a small number of deprived wards.
6. Progress development of the Keele University Science Park and the University Quarter.
7. Finalise plans for development of Newcastle Town's retail and business accommodation with priority placed on growing its professional services and a distinctive retail offer.

Medium-term priorities

These are priorities that are still vital but marginally less urgent than those above (although some, such as those based in Staffordshire Moorlands, may start to happen in the next twelve months because of local impetus). In the next two to three years these are important issues on which to deliver:

8. Grow the knowledge intensity of the area through capitalising upon the universities and FE colleges and improving support for knowledge-intensive enterprises.
9. Invest in a quality of life strategy across North Staffordshire in order to attract and retain higher income residents as well as to improve the quality of life of existing residents. This will need to pull together the North Staffordshire Tourism strategy, Renew's work on housing and the development of creative industries, as well as Leek and Cheadle masterplans.
10. Build on the Creative Quarter to use creative industries as a catalyst for regeneration and work towards a high profile event in five years.

All of these priorities must be underpinned by a commitment to **sustainable development** and managing the environmental impact of all projects. With such a

significant physical and social transformation of the area planned, North Staffordshire has a real opportunity to lead the way in this area. Each individual priority is discussed in more detail in Section Three.

To reinforce the importance of priorities, we have developed scenarios for the future if North Staffordshire does nothing, does everything, or focuses on key priorities (see Section Four). This illustrates that North Staffordshire can make a difference if it prioritises its investment and actions.

In the light of this analysis, our conclusions (see Section Five) are that North Staffordshire does have an opportunity to turn itself round if it acts in a strategic and concerted way to face its significant economic, social and environmental challenges. By agreeing a shared vision and clear priorities for action, developing a detailed delivery plan, and then working together on these key priorities across Newcastle-under-Lyme, Staffordshire Moorlands and Stoke-on-Trent, North Staffordshire could, over the next twenty years, start to transform its economy, environment and quality of life.

The Work Foundation relied upon many people to produce this final report. The authors (Alexandra Jones, Laura Williams, Naomi Clayton and Peter Carroll) would like to thank the North Staffordshire Regeneration Partnership and leaders for their support, engagement and challenge throughout the process of the work, as well as all the participants in the Forum group on 9 May and those who gave up many hours of their time to participate in the Action Planning Group. Participants came from many sectors – private, public and voluntary – and their commitment was integral to our work. Evidence Paper E contains most of their names: we hope the whole report reflects their insights. We would also like to thank Paul Hildreth for his comments and involvement throughout the work. As always, any errors contained in the work are the responsibility of The Work Foundation.

1. Introduction

1.1 This report

In February 2007 the newly created North Staffordshire Regeneration Partnership commissioned The Work Foundation to undertake an independent review of the economic and social circumstances of North Staffordshire (the three local authorities of Stoke-on-Trent, Newcastle-under-Lyme and Staffordshire Moorlands). There were three objectives for the study: first, to develop a distinctive and evidence-based vision for North Staffordshire; second, to ensure that key stakeholders were engaged in the process and agreed with this vision; and third, to raise the profile of the area.

This work came about principally because the North Staffordshire Regeneration Partnership (NSRP)³ recognised that, for North Staffordshire to improve there was a need for key stakeholders across North Staffordshire to agree a distinctive and evidence-based vision of the future and to work together to deliver a small number of transformational projects across the area. Previous action plans and strategies for the area have tended to founder at the implementation stage because of a lack of consensus across the whole area about the key priorities. Lack of management and delivery experience of large scale urban regeneration projects, multiple market failure and a focus on short to medium term spend, rather than longer term priorities, have also proved to be significant stumbling blocks.

To address the lack of consensus about the key priorities for the area and ensure that North Staffordshire recognised the key challenges it faced, The Work Foundation undertook three key strands of work.

The **first strand of work** was an independent analysis of the evidence about where North Staffordshire stands now, based on an extensive literature review and data analysis of North Staffordshire, and on analysis of wider changes in markets, regeneration policy and practice, and social trends. The framework for this analysis has been The Work Foundation's research into the drivers of successful knowledge cities and knowledge city regions. This research, building on literature reviews, data analysis and fourteen UK and international case studies⁴, identified the concept of the '*Ideopolis*', a sustainable knowledge intensive city that drives growth in the wider city region as a vision with which local authorities and Regional Development Agencies (RDAs) could identify and to which

³ Members in January 2008 included representatives from: Stoke-on-Trent City Council, Newcastle-under-Lyme Borough Council, Staffordshire Moorlands District Council, Staffordshire County Council, Advantage West Midlands, English Partnerships, Housing Corporation, North Staffordshire Primary Care Trust, Keele University, the Learning and Skills Council, Staffordshire University, three private sector and three community members, and the Government Office for the West Midlands

⁴ The full *Ideopolis: Knowledge City regions* report is available for download from <http://www.theworkfoundation.com/futureofwork/research/ideopolis/index.aspx>

they aspired. It also identified nine drivers of successful knowledge cities (set out in more detail in Section Two). These drivers provide a structure against which places can assess their strengths and weaknesses in the knowledge economy, and have been tested on a number of UK and international cities⁵ before being applied to North Staffordshire.

The **second strand of work** was a process to engage key stakeholders in agreeing a distinctive, evidence-based vision for North Staffordshire, and in committing to actions to take this vision forward. To do this The Work Foundation conducted interviews with approximately twenty key stakeholders (including local, regional and national representatives), agreed with the NSRP. These interviews, together with the literature review and data analysis, were used to produce early findings structured around the *Ideopolis* drivers about the key difficulties and opportunities facing North Staffordshire.

These early findings were presented to approximately eighty local stakeholders at an event in North Staffordshire in May 2007. Participants were asked to vote on the most important difficulties and opportunities and a degree of consensus about these was established (Evidence Paper C). The event findings were used to help structure further research going forward. A small group of participants from a range of sectors and organisations also volunteered to be involved in ongoing Action Planning Groups to take forward these findings and develop them into a vision for the future. The results of this work, including a vision for the future, are set out in Evidence Paper C and demonstrate a widespread commitment to making change happen across North Staffordshire.

Whilst the Action Planning Group was working The Work Foundation continued to conduct further research into the key issues emerging. We also met with key stakeholders, both individuals and groups, including the North Staffordshire MPs, the Enterprise and Innovation Group, the Marketing Group, the Newcastle-under-Lyme Local Strategic Partnership, a group of local businesses, representatives of the Medical Technologies Group amongst others. In total and including large meetings, The Work Foundation spoke to over 200 people in the local area. The majority of stakeholders – although not all – have been supportive of the work and its emerging findings.

The **third and final strand of work** is the communication of the findings of this report and of North Staffordshire's response, seeking to raise the profile not only of the

⁵ The Department for Communities and Local Government is one of the sponsors of the next phase of research into *Ideopolis*. HM Treasury, the Department for Innovation, Universities and Skills and the Department for Transport are on the Advisory Group.

challenges that North Staffordshire is facing but also of its assets and of how the area is seeking to change.

This **independent report** builds on our conversations with you, as well as our independent review of available literature and on data analysis (using our *Ideopolis* framework). The report sets out why the area needs to act, what the challenges and opportunities are in the context of a changing economy, recommends a vision for the area to aspire to, and makes headline recommendations about priorities for action, as well as suggesting other potential additional areas for action over time. The detailed analysis, including a statistical review of where the area is now, the results of our consultation with stakeholders and our detailed recommendations, is contained within the five supporting evidence papers:

- Evidence Paper A – Overview of shifts towards the knowledge economy;
- Evidence Paper B – Further detail on North Staffordshire now;
- Evidence Paper C – Action Planning Group’s recommended vision and actions;
- Evidence Paper D – Detailed analysis of what North Staffordshire needs to do;
- Evidence Paper E – The Work Foundation’s approach.

It is important to note that what these detailed documents do not contain is the ‘silver bullet’ for North Staffordshire. This is partly because no silver bullet exists: as all stakeholders recognised North Staffordshire’s challenges are complex and multi-faceted, and so too are the actions that will help to address these issues. But it is also because no report can transform an area. Whilst the insights and recommendations contained in our work provide the beginnings of a roadmap for change, the key to transformation will be how North Staffordshire translates these into the development and implementation of a detailed delivery plan that local leaders own, and that has clear priorities for action.

1.2 Overview of North Staffordshire – diverse but inter-linked

Before reviewing why change needs to happen and where North Staffordshire is now, it is important to understand its history. ‘North Staffordshire’ is an area that includes the unitary authority of Stoke-on-Trent, the borough council of Newcastle-under-Lyme and the district council of Staffordshire Moorlands⁶, and these are the areas on which we have focused when analysing the local economy and society.

⁶ See Evidence Paper C for a map. As Newcastle-under-Lyme and Staffordshire Moorlands sit within the northern part of Staffordshire County we have been working with stakeholders from the County as well.

This formal link between the three urban areas is new: historically the area now called North Staffordshire grew organically as a series of towns and villages around the natural resources of clay, coal and iron ore, and therefore did not have an obvious 'city centre' in the way that most university towns or other industrial cities did. Stoke-on-Trent did not become a single local authority until 1910 and until then consisted of the six towns of Stoke, Hanley, Burslem, Tunstall, Fenton and Longton. What the area did have from the seventeenth century, nonetheless, was the pottery industry. By the mid-1700s the area was the centre of ceramic production in England and by the early 19th century it was the thriving centre of the international ceramics industry.

As in other industrial areas, however, the story of the twentieth century has been one of continual manufacturing decline. As a sub region dominated particularly by ceramics, the area (particularly Stoke-on-Trent) has been affected considerably by these changes in the wider economy. In 1948 79,000 people were employed in 'the potteries': now this figure is around 7,000. Eighty pottery factories have closed since 1975 with the manufacture of ceramics moving to lower wage economies. Changing consumer markets continue to impact on demand for the products and brands on which North Staffordshire had built its reputation. Although 'knowledge intensive' jobs in the design of ceramics have tended to remain (and currently support several factory shops in the local area), the decline in the number of jobs in the industry has hit the area, and its people, hard. Combined with the difficulties created by poor quality land and housing in the city centre, lower than average skills levels and a lack of other specialist industries, the area has experienced significant economic, social and environmental challenges as a result of these changes. Economic growth for the area continues to lag behind that of the West Midlands and the UK⁷.

Yet, as one interviewee commented, '*North Staffordshire is not a continuous whole and there is a lot of variation (within the area)*'⁸. North Staffordshire is an area of many contrasts, reflected on most economic and social indicators. For example, recent work by Experian has found that average GVA growth per annum in Newcastle-under-Lyme between 2000 and 2005 was ten times higher than that in Stoke-on-Trent in the same period⁹. Staffordshire Moorlands is a vital source of highly skilled residents for the sub region, with 28 per cent of its population having degrees or above compared to 17 per cent within Stoke-on-Trent¹⁰. Stoke-on-Trent, however, provides most of the area's

⁷ See *Updating the North Staffordshire Integrated Economic Development Strategy* (October 2007) Experian

⁸ Work Foundation interview for Transforming North Staffordshire project

⁹ See *Updating the North Staffordshire Integrated Economic Development Strategy* (October 2007) Experian

¹⁰ Work Foundation analysis of the Annual Population Survey 2005

employment (52 per cent), has a strongly-connected station only 95 minutes from London and 45 minutes from Manchester, a city centre (Hanley) that came 43rd in Experian's 50 largest retail centres in the UK¹¹ and still has strengths in ceramics in Burslem and Tunstall¹².

The differences between parts of North Staffordshire, combined with the history of the area as separate towns with strong local identities, have contributed to a historic sense within North Staffordshire that its constituent towns and rural communities do not really need to work together. As this report will indicate, however, this is an utterly false premise. North Staffordshire is heavily inter-connected, with different areas contributing distinctive and vital attributes. This is illustrated by Figure A on the next page¹³, which shows commuting patterns within North Staffordshire of over 10 people and demonstrates the strong links between the different areas.

Wider economic changes, combined with the way the area works, make it increasingly urgent that North Staffordshire pulls together as a sub region, that it capitalises on the diversity of its assets rather than dissipating them, and that it takes action now to transform its infrastructure, restructure its economy and invest in its people. Figure B on page 16 supports this argument, giving a picture of North Staffordshire now. It shows that:

- More people commute out of North Staffordshire as a whole (by 8,971) than commute into the area;
- More people commute to and from Manchester than to or from Birmingham;
- More people are leaving the area for elsewhere in the UK than moving into the area;
- Key industries are scattered rather than being focused in one or two centres;
- Development sites are scattered around North Staffordshire and are mainly outside the urban areas.

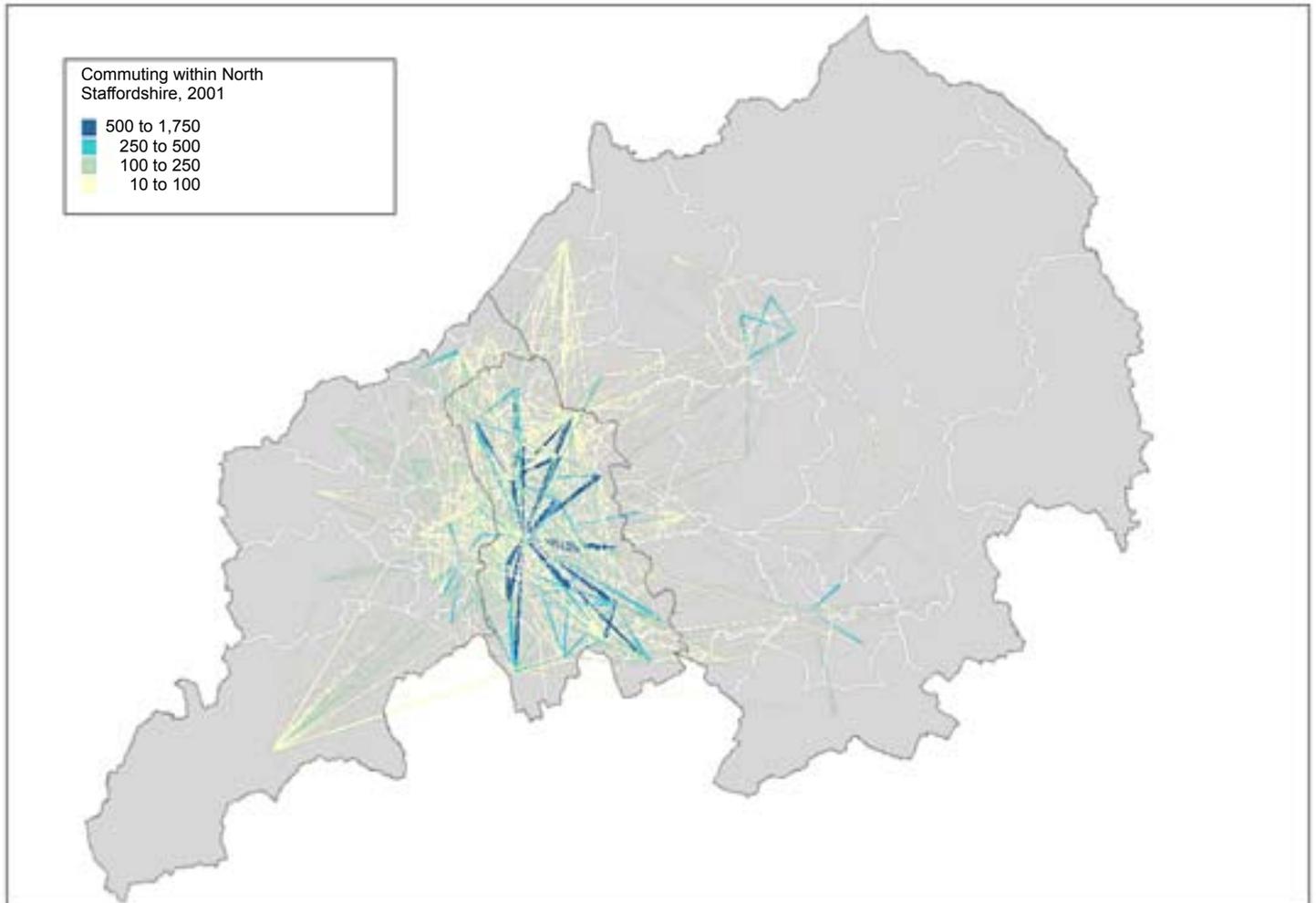
It also demonstrates that, despite the strength of its connections, with particularly strong links to the north and Manchester as well as some links to Birmingham, North Staffordshire is being bypassed by the stronger, more resurgent economies of Manchester and Birmingham. The dispersed nature of development in the area is serving to reinforce rather than counter this trend, with so many centres currently being created

¹¹ Experian 2007 Retail Ranking and 2017 predictions, see <http://press.experian.com/documents/showdoc.cfm?doc=2822>

¹² Based on The Work Foundation's analysis of the Annual Business Inquiry survey, see Figure B for details

¹³ Statistics are based on Work Foundation analysis of the 2001 census and 2005 ABI data. Change in industries is measured between 1998 and 2005

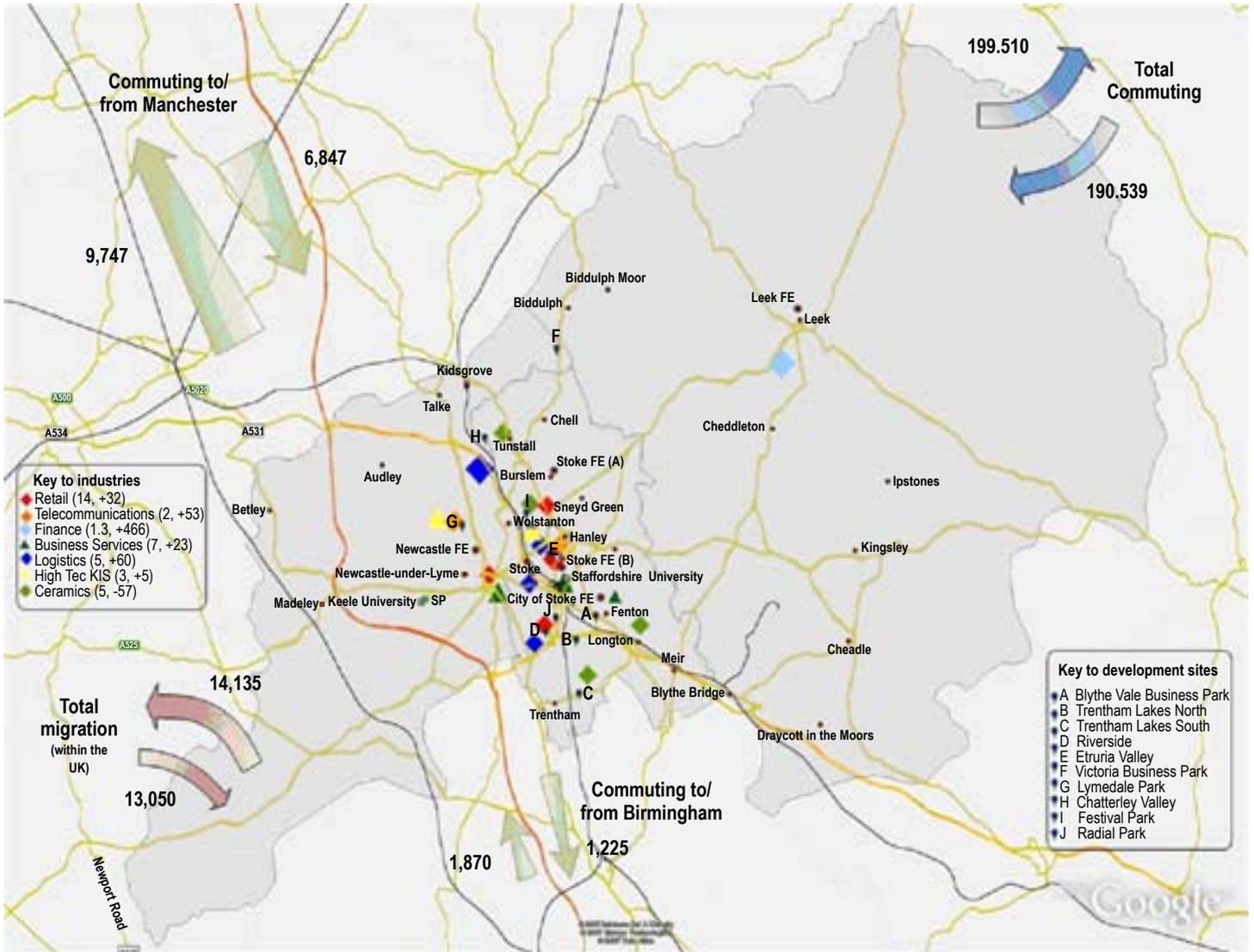
Figure A: Commuting Patterns within North Staffordshire



Source: 2001 Census Data

Summary: This map shows the areas of Stoke-on-Trent, Newcastle and Staffordshire Moorlands and highlights all links of over ten commuters within North Staffordshire for work. It highlights that all parts of North Staffordshire have strong links with each other, with many choosing to live in one area and work in another.

Figure B: Map of North Staffordshire – industry concentrations, commuting patterns and development sites



Source: Work Foundation analysis of the 2001 census and 2005 ABI data. Change in industries is measured between 1998 and 2005.

Summary: The map above shows commuting patterns, migration patterns, concentrations of industry and development sites.

For commuting, it shows that 199,510 people commute out of the North Staffordshire sub region and 190,539 commute into the whole sub region each day. Looking only at people commuting to/from Manchester and Birmingham, it is clear that there are stronger travel to work patterns with Manchester than Birmingham. Other commuters are travelling to various areas around North Staffordshire (and a few further afield eg London).

For migration, it shows that more people are leaving the area to live elsewhere in the UK than are moving into North Staffordshire. It does not include migrants from or to overseas.

Concentrations of industry are indicated by the key on the left and show which areas have the highest concentration of particular sectors and % change between 1998 and 2005.

The development sites are indicated by the key on the right and are scattered around the sub region.

that it becomes difficult to define any clear sense of ‘place’ in North Staffordshire or demonstrate to businesses and individuals why they should locate in North Staffordshire rather than the larger conurbations to the North and South.

1.3 Why is change so urgent? As the next section shows in more detail, North Staffordshire faces difficulties that cannot wait. We recognise that not all local stakeholders will agree with all of our analyses and recommendations. We are hopeful, however, that all will recognise the need for urgent action. As one interviewee put it, *‘one of the biggest strengths is the fact that people recognise the need to move beyond where we are now and bring about some change’*.

Many reports have sought to document the difficulties facing North Staffordshire, including the then Office of the Deputy Prime Minister’s report on *State of the Cities* (2006) as well as regional, sub regional and local authority strategy and research

documents. As one interviewee for this project put it, *'there has been a plethora of reports which document how bad the area is'*. It is not the intention of this report to repeat unhelpfully the bleak picture that many of these analyses paint but rather to identify the opportunities for change and imperatives for immediate action. Nonetheless, it is important to review the context that makes it so urgent that North Staffordshire agree and implement a plan for transformation now, as well as to understand the difficulties that North Staffordshire faces. There are four key reasons that make it increasingly important that North Staffordshire now works together to transform its economy.

First, because knowledge is increasingly a primary driver of competitive advantage across the UK economy. Since the 1970s, the ability to use, share and analyse knowledge has become a key driver of economic growth and wealth creation in all sectors of the economy. This growing knowledge economy is characterised by The Work Foundation as 'what you get when you bring together powerful computers and well-educated minds to meet an expanding demand for knowledge based goods and services'. Or, more formally, the knowledge economy is: *'The share of national income and employment produced by innovating organisations combining ICT and highly skilled labour to exploit global scientific, technological, and creative knowledge networks'* (Brinkley, 2006)¹⁴.

For North Staffordshire, as with everywhere else, there are three dimensions to this knowledge economy story. There has been rapid growth in knowledge intensive industries, including high to medium tech manufacturing, finance, business services, communications, health, education, cultural services, air and sea travel¹⁵. In the UK as a whole we are fast approaching the point where more than half of economic activity and employment in many developed economies will be generated within knowledge intensive industries¹⁶. In North Staffordshire only 45 per cent of employment is in these industries.

Whilst everyone uses knowledge in their work, there has also been rapid growth in demand for workers with a degree or above, particularly in knowledge intensive industries¹⁷. Again, this has not been the case in North Staffordshire: as Section Two details the area has below average levels of highly skilled individuals and above average levels of people with low or no skills.

¹⁴ Brinkley, I. (2006) *Defining the Knowledge Economy*: The Work Foundation

¹⁵ The Work Foundation regards the best available definition as that of Eurostat, which includes these industries. See Evidence Paper A for more details.

¹⁶ Brinkley, I. (2006) *Defining the Knowledge Economy*: The Work Foundation

¹⁷ SSSA Working Futures 2004 - 2014

Also, increasing affluence has led to a growth in demand for services and the ‘experience economy’¹⁸ – sectors such as retail, leisure and tourism – requiring innovation from businesses in all sectors who are seeking to ‘add value’ to what they do and offer a better experience to customers. This generates demand for lower and intermediate skill occupations in these sectors, as well as knowledge jobs. North Staffordshire has some strengths in these areas but does not currently offer the high quality of life that would help entice more high earners to live as well as work in the area.

North Staffordshire urgently needs to recapture a ‘purpose’ in the growing knowledge economy. It needs to grow the proportion of high productivity, highly skilled employment in knowledge industries such as medical technologies. Given North Staffordshire’s current low skills profile and building on some existing assets (for example being part of the Peak District National Park, regional theatres, Alton Towers and Waterworld), the area also needs to capitalise upon the growth of the experience economy which is likely to provide higher volumes of employment, even if these are likely to be less productive.

Second, **North Staffordshire needs to change now because other places are so far ahead.** Despite a central location, two universities and competitive labour and land costs, North Staffordshire is not only below average on a range of indicators but, on some measures such as population, is going against the national trend of rising prosperity and growth. And whilst the towns of North Staffordshire remain known for their industrial past, other cities and city regions across the UK are thriving. The last few years have seen most of Britain’s cities undergoing an urban renaissance¹⁹ – economic growth and restructuring, population growth, regeneration and a dynamic urban public policy agenda. The stories of Manchester, Leeds, Glasgow, Sheffield and Bristol are well told and whilst these cities have different histories from North Staffordshire and indeed have economic, social and environmental difficulties of their own, their visible successes make North Staffordshire’s economic performance – or lack of it – even more significant and in need of urgent action. North Staffordshire is bucking the national trend of prosperity and interviewees recognised this:

‘Everyone is trying to regenerate themselves. The vast majority of areas have been at it longer and are starting from a better base. Relatively we are playing a catch-up game.’

¹⁸ Spending on services, rather than physical goods, doubled between 1970 and 2005, from 27 per cent of household income to 54 per cent.

¹⁹ *Our Cities Are Back* (2004) Core Cities

‘The problems for North Staffordshire have magnified as other cities have developed.’

As set out in the next section, North Staffordshire does not perform well in relation to a wide range of economic and social indicators – productivity, employment, skills, deprivation – as well as lacking a thriving city centre or the internal links that would make it easy for residents, businesses or visitors to navigate the area. Whilst other areas, such as Sheffield and Newcastle, experienced a significant and much more sudden downturn in the 1980s, Stoke-on-Trent has been gradually declining. Recent efforts to regenerate the area have tended to be poorly coordinated, founder at an early stage of implementation and have too little impact on the key challenges the area faces. Improving the residential and commercial accommodation, improving transport, increasing skills, increasing the proportion of highly productive employment, increasing the proportion of good quality jobs at all skills levels, improving the quality of life and attracting new residents all take time – but too many interventions have not started or made too little difference, in contrast to other cities. To start to catch up action must be taken now as the experience of other cities is that it takes decades to really turn an area around.

Third, North Staffordshire is very well connected into the national economy but it is **currently being bypassed by new knowledge based investment and skilled workers which are going to the stronger, more resurgent economies of Manchester and Birmingham**. More people are going to work in Manchester and Birmingham than are coming to North Staffordshire and more people are migrating out than moving in. It is vital that North Staffordshire seek to establish a clear purpose in the changing economy, improve the quality of life to make it a more attractive residential prospect, and make the most of its assets to ensure that it is no longer bypassed but instead benefits from the successes of its near neighbours.

Fourth, North Staffordshire must act now because **the local, regional and national policies are aligning** and there is a temporary window of opportunity to make change happen. North Staffordshire cannot transform itself without a clear vision and actions that are planned for the whole of North Staffordshire. The creation of the North Staffordshire Regeneration Partnership (NSRP) has made this possible. The NSRP must secure funding to plan and deliver a transformational agenda that has authority across North Staffordshire – which will require, as discussed below, agreeing a shared vision and

resolving governance issues to clarify what the partnership can make decisions on and to make it possible for the three local authorities and their key partners to work together to deliver key priorities.

Case Study: Stuttgart

Stuttgart was facing commercial melt-down in the early 1990s and, faced with this impending disaster, the 179 local authorities voted to transfer resources to a central association, the Verband Region Stuttgart, with control over planning, transport, marketing and major construction projects to catalyse the economy. The result has been a dramatic improvement in the city's economic health²⁰. A more flexible and comprehensive economic development strategy was created in 1995 and legally binding regional spatial development plan in 1998. A range of municipal alliances and civic associations have also been established at a regional scale, with strong private sector engagement. More recently, however, local authorities have sought to strengthen their power more rather than the VRS.

More widely at a local level there is a growing appetite for change: the stakeholders engaged as part of the workshops run by The Work Foundation demonstrated a passion and commitment to transforming the area. Cross-party agreement to a vision for the future is another vital step to gaining the local agreement to move forward and at a regional level Advantage West Midlands and the West Midlands Regional Assembly has been involved in this report and both have signalled support for urgent action in North Staffordshire. English Partnerships has also played a crucial role. National government policy, most recently set out in the Local Government White Paper, Sub National Review and Comprehensive Spending Review, is also increasingly recognising the importance of working at a sub regional level to transform local economies. Clearly there is national, regional and local interest and commitment to supporting the transformation of North Staffordshire. This does not mean, however, that the funding and support will be there forever: this has been described as the '*last chance saloon*' for North Staffordshire by more than one interviewee.

1.4 Before reviewing North Staffordshire against The Work Foundation's *Ideopolis*
Leading framework, it is important to reflect the emphasis placed on leadership at all levels by all
change interviewees. There have been strategies which aimed to transform North Staffordshire before. Some have succeeded in making some changes but none of these strategies,

²⁰ *Seeing the Light? Next Steps for City Regions*: New Local Government Network. See http://www.region-stuttgart.de/sixcms/sr_living_region/ for more details

even when they have been implemented, have been delivered in such a way that they have resulted in transformation. Given this track record and the increasing gap between North Staffordshire and other locations that have succeeded in implementing regeneration plans successfully and are thriving, it is now urgent that the whole of North Staffordshire works together to transform its economy.

Case Study: Reversing Decline in Sheffield

Sheffield experienced a severe economic shock in the 1970s and 1980s, leading to the loss of much of the city's industrial power base and severe unemployment. The establishment of the Sheffield First Partnership in 1998 proved to be a significant step in achieving the long-held desire for economic regeneration. Sheffield First was designed to provide the city with a forum where key stakeholders, including the police, the health service and the public, private, community and voluntary sectors could come together to build a shared vision for the city and devise the 'Masterplan', the framework for the financial planning and detailed implementation work necessary to achieve the collective vision. The partnership has managed one of the largest capital investment programmes in the country and overseen a remarkable economic turnaround in just ten years. Professor Michael Parkinson, speaking at the recent Core Cities conference in Nottingham in November 2007, commented on this turnaround, saying, 'Sheffield is the city that has made the greatest strides in terms of quality of life. The city leaders have taken it from being a tired, rundown city to one of the best provincial cities.'²¹

Interviewees at all levels have emphasised to The Work Foundation that for transformation to happen, leaders at all levels across North Staffordshire need to own a shared vision and drive it forward. There is recognition that different organisations face different challenges. Staffordshire Moorlands, for example, was recently assessed as an 'excellent' local authority, whilst Stoke-on-Trent's new management team has been making significant changes, resulting in their Comprehensive Performance Assessment score improving dramatically from one star ('not improving adequately') in 2006 to three stars ('improving well') in 2008

In practice, this means tackling institutional and infrastructural barriers within and between organisations, making visible progress to build trust and aspiration amongst stakeholders and the local community through demonstrating the change is happening, building capacity to deliver on large scale urban regeneration projects, committing to very

²¹ Extract from 'Regeneration and Renewal' magazine - 16 November 2007.

specific actions and then delivering on those commitments. It means those at middle and more junior management levels taking responsibility to ensure that policy documents, plans and actions contribute to the overall vision and to making change happen. And it means politicians across the local area agreeing on core priorities and ensuring these are the focus for action and investment, as without political leadership change cannot happen.

The creation of the North Staffordshire Regeneration Partnership, growing cross-party consensus on the need for change and the enthusiasm of the NSRP groups such as the Enterprise and Innovation Group, the Marketing Group, the North Staffordshire Regeneration Partnership Development Group and the Action Planning Group (set up for this report) are a real opportunity for transformation to happen in North Staffordshire. This time it needs to happen.

2. Where is North Staffordshire now?

2.1 The *Ideopolis* framework

The framework for The Work Foundation's analysis of North Staffordshire has been its research into the drivers of successful knowledge cities and knowledge city regions. This research, building on literature reviews, data analysis and fourteen UK and international case studies²², identified the concept of the '*Ideopolis*', a sustainable knowledge intensive city that drives growth in the wider city region as a vision with which local authorities and RDAs could identify and to which they aspired. It also identified nine drivers of successful knowledge cities, which are:

1. **Creating the physical knowledge city** – having the architecture and accommodation that knowledge intensive businesses and workers require;
2. **Building on what's there** – recognising existing strengths and weaknesses and playing to these;
3. **'Diverse specialisation'** – having a diverse range of economic specialisms for which the city or city region is known;
4. **High skill organisations** – organisations that rely on the 'high road' to productivity through high quality jobs and highly skilled people;
5. **Vibrant education sector embedded in community and economy** – one or more universities linking closely with the city or city region and businesses, supported by good education institutions helping all individuals develop their skills;
6. **Distinctive 'knowledge city' offer** – a distinctive offer for knowledge intensive businesses and workers who are considering investing, working and living in the city or city region, supported by diverse cultural and leisure facilities;
7. **Leveraging strong connectivity within and outside the city region** – good communications infrastructure combined with quick links both within the city/city region and to other cities/city regions via air, rail and road;
8. **Strong leadership around knowledge city region vision, supported by networks and partnerships** – civic or private sector leadership around the vision of a knowledge intensive city region, based on strong networks across different industries;
9. **Investing in communities** – investing in strategies to ensure the whole community experiences the benefits of knowledge intensity and that quality of life is increased.

²² The full *Ideopolis: Knowledge City regions report* is available for download from <http://www.theworkfoundation.com/futureofwork/research/ideopolis/index.aspx>

These drivers provide a structure against which places can assess their strengths and weaknesses in the knowledge economy, and have been tested on a number of UK and international cities. The Department for Communities and Local Government is one of the sponsors of the next phase of research into this framework, whilst HM Treasury, the Department for Innovation, Universities and Skills and the Department for Transport are on the Advisory Group and have been involved in advising us how to develop this framework and concept.

The *Ideopolis* framework has provided the backbone of this report and enabled us to identify priorities for action that will support North Staffordshire to transform against the backdrop of a changing knowledge economy. In particular, we have drawn on our finding that those places that need to turn round their economies need to focus on physical regeneration (examples are Sheffield and Manchester) combined with investment in growth of knowledge-intensive businesses through assets such as the universities (Glasgow, Sheffield, Newcastle upon Tyne) and long-term investment in addressing issues of worklessness and skills (Glasgow, Newcastle upon Tyne). These findings are reflected in our priorities.

This section analyses North Staffordshire's economic and social circumstances against one or more of the drivers listed above, grouping drivers together where it is clear that they are strongly related. A more detailed analysis of North Staffordshire's difficulties is set out in Evidence Paper B.

2.2 North Staffordshire's economy

Although it is difficult to second guess how the economy will continue to develop, The Work Foundation's research highlights that the most successful knowledge intensive places are those that have a higher proportion of knowledge intensive industries and knowledge intensive jobs²³. Three *Ideopolis* drivers are particularly relevant here. One is having a high proportion of high skill organisations, with high levels of productive 'knowledge jobs' that can attract affluent knowledge workers and knowledge based industries to the area. The second is building on existing strengths, recognising existing strengths and weaknesses and playing to these. The third is developing diverse specialisms, managing the risk of over-reliance on one or two industries in case of economic decline in specific industries. Successful places usually have a diverse range of economic specialisms for which the area is known.

²³ See p.16 of this document and Evidence Paper A for a more detailed definition

North Staffordshire faces a number of difficulties in relation to responding to the changing knowledge economy however. The key issues are summarised in Figure C below.

Figure C: North Staffordshire's economy difficulties

- **Poor comparative economic performance:** Long-term economic growth continues to lag behind that of the West Midlands and UK and has declined in recent years²⁴. Between 1995 and 2003 per capita Gross Domestic Product (GDP) fell from 96 per cent of the UK average to 81 per cent²⁵;
- **Significant differences in economic performance within the area:** For example, recent work by Experian found that between 2000 and 2005, Newcastle-under-Lyme's annual average growth in Gross Value Added (GVA) was 2 per cent, ten times higher than average growth in Stoke-on-Trent in the same period²⁶;
- **Slow transition to a 'knowledge economy':** 45 per cent of total employment is in knowledge based industries, compared to a national average of 52 per cent. More than half of this employment is in the public sector (the national average is 42 per cent);
- **Low employment rate** of 72.1 per cent, compared to a national average of 74.3 per cent;
- **Double the national average of Incapacity Benefit claimants:** 12 per cent of the population are on Incapacity Benefit, compared to a national average of 6 per cent. 22 per cent of residents in Stoke-on-Trent are on some form of benefit;
- **Low earnings:** Average weekly workplace earnings are £311.40, compared to a national average of £372.50. 19 per cent of residents in Stoke-on-Trent live in low-income households;
- **Commuting:** 8,971 more people commute out of North Staffordshire than commute into the area;
- **Lack of an enterprise culture:** The recent Enterprise Options study found that if North Staffordshire had the national average rate of business activity it would create an additional 525 businesses per annum²⁷.

While other cities thrive, North Staffordshire lags behind on almost every economic indicator. Productivity is low, average wages are low and rates of self-employment are low. On many measures, the sub region is well behind other places that have also

²⁴ *RENEW baseline survey update*, Ecotec 2007, cited in Renew North Staffordshire Business Plan

²⁵ *North Staffordshire Regeneration Zone, Enterprise Options Update Final Report*, Meridien pure

²⁶ *Updating the North Staffordshire Integrated Economic Development Strategy* (October 2007) Experian

²⁷ *North Staffordshire Regeneration Zone, Enterprise Options Update Final Report*, Meridien pure

struggled with years of post-industrial decline but are now starting to show positive signs of change, such as the Black Country and Humberside. There are exceptions within the area, with Staffordshire Moorlands and Newcastle-under-Lyme performing better than Stoke-on-Trent on productivity measures (for example Gross Value Added). However, as a whole, the sub region has poor economic performance that is concerning for local decision-makers but also at the national level as the area is not contributing to the national economy. A key issue is the number of people on Incapacity Benefit. Reducing this from a level which is twice the national average would make a significant contribution to the area's productivity.

One of the key reasons for North Staffordshire's low levels of productivity is the area's low levels of employment in knowledge intensive industries – 45 per cent of employment, compared to 50 per cent in West Midlands and 52 per cent in Great Britain. It makes it more challenging that the majority of knowledge intensive employment the area does have is concentrated in education and health, which is less productive than private sector knowledge intensive industries²⁸. Low average weekly workplace earnings suggests too that many local jobs are not high value or knowledge intensive, making it difficult to grow productivity or for the area to offer career paths that will attract or retain talented people.

The area is very dependent on a small number of large employers (JCB, Britannia, the universities, local government), a large number of small employers in ceramics (especially in Stoke-on-Trent) and a mix of employment in education (schools), retail and bars. Creating more knowledge intensive businesses is one way for North Staffordshire to broaden its business base and address the productivity gap. Yet despite recent progress in terms of business support and winning a national award for the area's enterprise strategy there remains a lack of skilled individuals who are starting, and sustaining, businesses in the local area. Attracting and retaining people who have the skills to do this and might be able to capitalise on assets such as the university would support North Staffordshire to help address this enterprise gap. So too would provision of suitable premises, with many interviewees commenting that start-ups and relocations were lost due to a lack of suitable premises. More efforts need to be made to make North Staffordshire the place that high growth businesses and specialist knowledge industries want to start-up, grow and relocate through investment in university specialisms, improving enterprise support and improving the attractiveness of the area as a place to live for highly skilled people.

²⁸ Clayton, N. (2008) *From Enterprise Priorities to Enterprise Powerhouses: The Role of the Public Sector in the UK's Knowledge Economy*: The Work Foundation

Case Study: Changing economy of Newcastle upon Tyne and Tyneside

Following the decline of the coal industry, Newcastle upon Tyne has worked hard to reshape its economy and develop new specialisms. Particular successes have included: partnership working between the university, National Health Service (NHS) and other partners to develop the Centre for Life, a science and stem cell research centre; development of creative and cultural industries through working with Gateshead to develop the BALTIC and Sage Gateshead; and the creation of Sage plc, a software spin-out from Newcastle upon Tyne University that is now a FTSE 100 company based in a custom-built business park just outside the city centre. Between 1998 and 2004, Newcastle upon Tyne saw an increase of 11 per cent in its knowledge based businesses²⁹.

Despite these significant difficulties, however, North Staffordshire does have some assets on which to build. Newcastle-under-Lyme's economy has been performing relatively well in recent years with over half its local employment (53 per cent) in the private sector and growing its employment by 27 per cent in the last ten years³⁰. These service sector strengths also mean that Newcastle-under-Lyme is predicted by Experian, even without any interventions, to grow faster than Stoke-on-Trent to 2021³¹.

The knowledge economy in the area is also growing with Staffordshire Moorlands and Newcastle-under-Lyme witnessing some significant growth in employment in financial and hi-tech knowledge industries over the last decade, albeit from a small base. In terms of 'diverse specialisation' there are small numbers of private sector knowledge intensive industries scattered across the sub region, including high quality ceramics, medical and healthcare technologies, environmental technologies, creative industries and professional services, and there are opportunities for these to grow, creating diverse specialisms for the area. It is vital that North Staffordshire create more high skill, high value jobs in order to improve its productivity and as part of its bid to attract more highly skilled workers – and residents – into the area.

Consolidating employment in logistics is also an opportunity, given growth in the sector as a whole. By 2016 the distribution sector is expected to employ more people than manufacturing, whilst salaries are between 10 to 17 per cent higher than in the

²⁹ See *Newcastle upon Tyne: A Case Study: Ideopolis 1* The Work Foundation

³⁰ *Updating the North Staffordshire Integrated Economic Development Strategy* (October 2007) prepared by Experian for Renew North Staffordshire

³¹ *Updating the North Staffordshire Integrated Economic Development Strategy* p. 26

manufacturing sector and the additional value produced by distribution organisations has increased by 30 per cent over the last decade³². Despite providing relatively low GVA, it is an important source of employment growth and makes a valuable contribution towards tackling worklessness – vital in North Staffordshire. There are already distribution facilities available in the area, capitalising on North Staffordshire’s very central location in England, and there are opportunities to grow the knowledge intensity of these jobs, for example IT workers needed to manage delivery systems.

However, there is a need for the area to ensure that provision of land for logistics is managed appropriately and in an environmentally sustainable way. As the 2005 Integrated Economic Development Strategy commented, increasing the proportion of land devoted to logistics may not help to attract vital investment in office accommodation, aspirational housing and city living³³. It is vital that planning for logistics accommodation is improved, that there are efforts to grow the quality of jobs in the sector, and that it is integrated into the broader North Staffordshire plans so it does not undermine efforts to develop office accommodation within the area.

The ‘experience economy’ is the final area to highlight as a North Staffordshire asset. Whilst we would argue strongly that North Staffordshire needs to grow the proportion of employment in high skill, high value sectors, it is also important to recognise that there is increased demand for ‘experience’ services and that many of the jobs in these sectors match the existing skills of those in the sub region. As argued in the next section, the distinctiveness of North Staffordshire’s towns creates an interesting tourism offer and it is one of the areas where all three local authorities could benefit from joint working. For example, one idea suggested was joint development of the canals, learning lessons from Birmingham, see the case study on page 30.

2.3
North
Staffordshire’s
place and
infrastructure

*‘The look and feel of North Staffordshire does not send the message to local residents or people externally that this is a place that has stopped declining’.*³⁴

Our *Ideopolis* research confirmed the importance of infrastructure to successful places. Two key drivers related to this were creating the physical knowledge city, which is about having the architecture and accommodation that knowledge intensive businesses and

³² *Making & Moving: The Future Prospects for British Industry* (Spring 2007) GVA Grimley, Cranfield University School of Management

³³ *Integrated Economic Development Strategy* (2005) DTZ Peda, p.8

³⁴ Work Foundation interviewee

Case Study: Birmingham canal network

The canal network was part of the reason that Birmingham and the Black Country developed. It is now providing a focus for development and urban regeneration. Gas Street Basin, Brindley Place and Aston Science Park have made positive use of canal side settings and over 15 miles of canal have been improved for safe and enjoyable walking. The city is keen to do more, however, and is using its 2002 city centre canal development framework to continue this investment, especially through the Gun Quarter and Warwick Bar.³⁵

workers require. Case studies throughout this report of places that have transformed themselves in recent years (Manchester, Glasgow, Sheffield) highlight the importance of this as an early phase in their transformation.

Also important to successful places is another *Ideopolis* driver leveraging strong connectivity within and outside the economic geography of the area. This is about good communications infrastructure, combined with strong transport links that enable relatively easy travel for workers between their residence and workplace, for businesses to link with other businesses in different cities and for consumers to travel to places offering services they wish to buy. Both types of connectivity are important for the economic success of places in the knowledge economy.

North Staffordshire has advantages and disadvantages in terms of its place and infrastructure. Location remains a key advantage for the area, with North Staffordshire centrally located in England, short distances from major cities (Manchester, Birmingham, London) and well connected to markets by road and rail, as well as close to Manchester, Birmingham and East Midlands airports. However, this is also a disadvantage because North Staffordshire does not currently attract enough investment in – meaning that it is *'easy to travel straight through'* and *'any investment is drawn like magnets towards Birmingham and Manchester, instead of drawing it from them'*³⁶ the way that North Staffordshire is inter-connected and the poor quality of its infrastructure makes 'place' one of the most significant barriers to North Staffordshire's future economic growth.

Figure D below summarises the difficulties North Staffordshire is facing in terms of its place and infrastructure.

³⁵ See <http://www.birmingham.gov.uk/canalc corridor.bcc>

³⁶ Work Foundation interviewees

Figure D: North Staffordshire's place and infrastructure difficulties

- **Lack of coherent sense of place:** 'North Staffordshire' is not well known externally and within the sub region strong local identities can frustrate attempts to create a stronger sense of place;
- **Not capitalising on city centre:** Hanley is the city centre based on volume of jobs, travel to work patterns (19,600 travel there from within the sub region) and the decision to locate the Potteries shopping centre there. Yet the extent to which this is disputed within the local area should not be under-estimated and North Staffordshire has struggled to agree that either Stoke-on-Trent is a city at the heart of the North Staffordshire is the sub region, or that it has a city centre (which should more specifically be defined as the area bounded by the Potteries ring road), let alone to capitalise effectively on the city centre;
- **Not capitalising on assets across the sub region:** Different areas have different strengths. Stoke-on-Trent remains the largest source of employment in the sub region but also has many of the most significant social challenges and areas suffering from very high levels of deprivation. As Experian's recent study illustrates, Newcastle-under-Lyme is growing employment in health and the private sector and has higher annual average GVA growth than Stoke-on-Trent³⁷. Keele is an important source of knowledge based industries such as medical technologies. Staffordshire Moorlands has JCB and Britannia as key employers, as well as providing 12,000 workers to the rest of the sub region each day, being part of the Peak District National Park and offering a good quality of life attractive to mobile workers. These distinctive assets need to be part of a whole sub region strategy.
- **Poor internal transport links:** Lack of an integrated transport strategy across the whole of North Staffordshire means that assets such as Stoke-on-Trent station, overall location and access to roads (A50, A500, M6 etc) are not maximised and local people without employment are not easily linked to centres of employment;
- **Low demand and poor quality housing:** Despite progress by the Housing Pathfinder Renew, housing quality remains poor.
- **Executive housing:** A study of business perceptions of the area found the sub region's housing to be one of the most significant deterrents to locating in the area³⁸.
- **Lack of business accommodation:** Lack of premises in the urban core, particularly industrial premises between 1,000 and 4,000 ft² (100-400m²) of sufficient quality, makes it difficult to attract inward investment, especially given the poor environmental quality³⁹.

³⁷ *Updating the North Staffordshire Integrated Economic Development Strategy*: p12

³⁸ Research Associates (2003) *Business Perceptions of the North Staffordshire Area*

³⁹ Daniel & Hulme and InStaffs, quoted in Enterprise Options Update Final report 2007

The significance of these issues as barriers to North Staffordshire's economic and social transformation should not be underestimated: North Staffordshire's lack of coherence as a place is very unusual. The fact that The Work Foundation's *Ideopolis* research has found that investment in physical regeneration is a vital early stage in turning around poor performance in places only makes it more critical that the area recognises how significant the challenges in relation to 'place' are and starts to address these.

One of the key issues needing to be addressed immediately is the dispersal of development and the lack of a city centre. Whilst it remains a disputed issue within the sub region, Stoke-on-Trent is a city at the heart of the North Staffordshire sub region and it does have a city centre – otherwise known as Hanley. Figure E (overleaf) illustrates this, showing that Hanley is the main commuting centre in North Staffordshire⁴⁰. The city centre has the highest concentration of jobs and (as Hanley) came 42nd in Experian's league table of the top 50 shopping opportunities in the UK, with an estimated £645m spend there in 2007⁴¹.

Yet currently North Staffordshire does not capitalise upon its city centre (which could be more tightly defined as the area within the Potteries ring road, when this is completed, with 'Hanley' being the residential area outside this). Road signposts randomly alternate calling it the city centre or Hanley, resulting in many people getting lost, and politicians and officials locally continue to debate whether it really is the city centre. Links from Stoke-on-Trent railway station are poorly signposted and not of high quality. And the city centre itself is 'seen as dirty and run down with ... a lack of smart business accommodation and the sorts of businesses such accommodation attracts'⁴², with the retail offer seen as being less high quality than needed to attract high income earners. There is also a lack of appropriate business workspace, leading to many businesses choosing to locate on nearby business sites such as Festival Park, further undermining the urban offer and making it more difficult for different areas to develop distinctive specialisms.

Part of the reason that there is an ongoing dispute about the city centre is that North Staffordshire, unlike many economically successful English cities, has never had a historic city centre to provide a strong commercial and retail core to the local economy.

⁴⁰ Evidence Paper C contains information on commuting patterns for Leek, Burslem, Hartshill, Longton and Stoke

⁴¹ Experian 2007 Retail Ranking and 2017 predictions, see <http://press.experian.com/documents/showdoc.cfm?doc=2822>

⁴² North Staffordshire Regeneration Zone, Enterprise Options Update Final Report August 2007 p.10

Instead it has always had multiple centres – and this is an asset that makes North Staffordshire distinctive. Whilst it is still vital to capitalise more effectively on the city centre to kick-start the local economy, this is not to say that the area cannot benefit from its ‘polycentricity’. Having areas with distinctive specialisms, from Burslem to Cheadle, is an opportunity for North Staffordshire to attract a wider range of residents, visitors and businesses. But this will only happen if there is a vision for the whole of North Staffordshire that actively seeks to make the most of these assets and if they are properly linked to a resurgent city centre, learning from places such as the Black Country which has sought to take a similar approach.

Case Study: Black Country

The Black Country study began in 2004, when political leaders recognised the need for radical change to counter the last 30 years of decline and at the same time the Secretary of State asked for a review of the inter-connected issues facing the Black Country. Over three years a 30 year vision was agreed based on widespread public consultation and a detailed review of evidence.

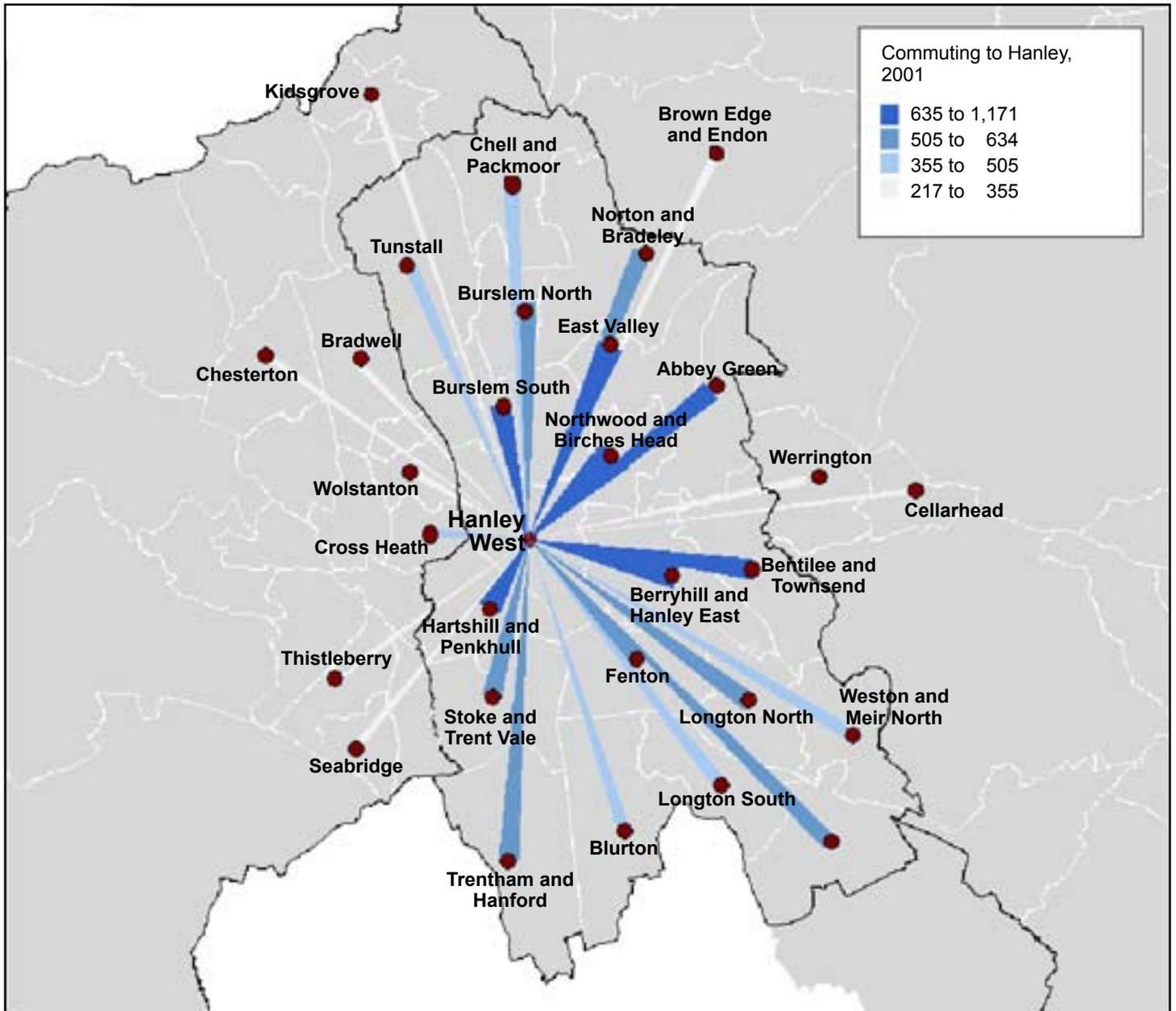
In September 2007 the Government endorsed the plans of the four Black Country authorities – Wolverhampton, Walsall, Sandwell and Dudley – to build on the distinctive strengths of the city and town centres in the Black Country as well as to develop a new strategic centre at Brierley Hill. The aim of the plans is to create ‘a rich mix of historic and new communities with access to all Black Country Centres for shopping, leisure and work’⁴³. In practice, this will mean improving public transport, providing better access to green spaces, building on the canal network and nature reserves, and enhancing quality of life. By capitalising upon the existing assets of the city and town centres, as well as developing a strategic centre, the Black Country is starting to change the way that residents and investors live and work in the area and making more of its key strengths.

Newcastle-under-Lyme is the other key strategic centre for North Staffordshire besides the city centre. It attracts around 7,000 workers each day, is closest to Keele University and the Science Park, and its economy is predicted to continue to grow. The recent Experian report reviewing the potential of Stoke-on-Trent and Newcastle-under-Lyme’s economies suggested that, even without interventions, Newcastle-under-Lyme’s annual average GVA growth between 2005 and 2021 was likely to be around 2.4 per cent, compared to a predicted 1.3 per cent for Stoke-on-Trent⁴⁴. Predicted continuation of

⁴³ See <http://www.blackcountryconsortium.co.uk/homep.asp?PageRef=1> for more details

⁴⁴ *Updating the North Staffordshire Integrated Economic Development Strategy*: p24

Figure E: Commuting to city centre (Hanley) - (highlights all links of over 200 people)



Summary: This map shows all commuting patterns of over 200 people to the city centre in North Staffordshire. It highlights the centrality of the city centre to employment in the sub region, as well as showing the multiple areas in which those working in the city centre live. There are particularly strong links between the city centre and Burslem, Northwood and Birches Head, East Valley, Bentilee and Townsend, Berryhill and Hanley East, and Harshill and Penkhull.

growth in employment in the private sector, including market services such as law, in Newcastle-under-Lyme should be capitalised upon to help attract more knowledge intensive businesses to the area, with more made of the town's strategic position and potential within the sub region.

There are also other centres that could be capitalised upon more effectively. Staffordshire Moorlands is a vital part of the North Staffordshire sub region. It is not only home to JCB, Britannia and Alton Towers, with over 4,000 people commuting to jobs there from Newcastle-under-Lyme and Stoke-on-Trent, but also has the highest proportion of resident skilled workers in the sub region (27 per cent have a degree or above). Over 12,000 workers each day⁴⁵ commute to Stoke-on-Trent and Newcastle-under-Lyme. In the Staffordshire Moorlands' Community Strategy the local area has aspirations to both develop the local economy and develop the area's role as 'a place to live and a place to visit for recreational purposes'⁴⁶. More could be made of the local authority's assets, including its businesses, its high performing schools, location in the Peak District National Park and its recreational opportunities.

Other places also have their own distinctive strengths on which the area could capitalise more effectively, for example Tunstall, Burslem and Fenton have strengths in ceramics. This is at the heart of the aims of the Burslem Regeneration Company, which aims to develop the town through art and craft-led renaissance, building on the creative heritage of the area to create a 'place of quality where people will be inspired to want to live, work, visit and enjoy their recreation and leisure time'⁴⁷. The contribution that this could make to development of North Staffordshire's creative industries and tourism is considerable – provided, as with all the plans for individual areas in North Staffordshire, that the plans are made part of the overall North Staffordshire transformational strategy, rather than standing alone or becoming detached. There is a clear need for national, regional and sub regional partners to agree and commit to a programme of physical transformational change focusing on a small number of key priorities in the short, medium and longer term.

Poor internal transport infrastructure makes it more difficult, however, for the area to do this. Inadequate links between the major station in the area, Stoke-on-Trent, and the city centre in particular, as well as a poor quality bus station within the city centre are two of the most significant barriers to the sub region making the most of its assets. Greater

⁴⁵ 2001 Census

⁴⁶ Staffordshire Moorlands Draft Sustainable Community Strategy 2007 – 2020, p.10

⁴⁷ Work Foundation interviewee

investment in walking and cycling routes, making use of the canals and waterways, is also vital as car ownership in the sub region is low and investing in the canals could reap benefits for tourism as well. Investment in transport is likely to deliver substantial benefits for the area in creating a greater sense of place, improving its competitiveness and addressing worklessness through increasing the accessibility of employment across the sub region, as well as having the potential to make it more environmentally sustainable.

2.4 North Staffordshire's people

The changing economy in North Staffordshire has and will continue to have significant implications for the ways that people live, work and consume in the area. Investment to transform the physical infrastructure coupled with the changing nature of jobs require an improved approach to equipping residents with the skills that they need to be part of the transformed North Staffordshire, to ensuring that they can secure 'good jobs', to attracting new people to the sub region and to mitigating some of the challenging implications of the shift to a knowledge based economy.

As the economy changes and high skills are becoming increasingly in demand, most places still have high numbers of people who lack high, or indeed any, skills and may struggle not just to fill the 'knowledge jobs', but to find any employment or to benefit from the wider region's success. This is why investing in communities, another *Ideopolis* driver, is important: ensuring that the potential benefits of a growing knowledge economy and a better quality of life are experienced by the whole community, and mitigating some of the negative consequences of the shift to a knowledge based economy.

The growing importance of qualifications and skills requires education institutions to respond to the demands of individuals and employers. Another *Ideopolis* driver centres around the presence of a vibrant education sector embedded in the community and economy. Research consistently links the average level of qualifications in a city with economic growth, with considerable evidence to show that the highly skilled are more productive and that skilled cities are best able to adapt to economic change⁴⁸. Lack of skills is also associated with unemployment, constrained growth and innovation in firms and lower wages. This driver is partly about education institutions which in their own right generate economic activity and anchor and support the growth of knowledge based businesses, but is also about ensuring that the people living and working within the sub region have access to education and training that will lead to better social and economic outcomes for themselves and for their local communities.

⁴⁸ Edward L. Glaeser & Albert Saiz (2003) 'The Rise of the Skilled City', Harvard Institute of Economic Research Discussion Paper Number 2025.

Given that North Staffordshire, and particularly Stoke-on-Trent, has generations of people leaving schools with poor qualifications, some of the highest teenage pregnancy rates in the country and some of the highest rates of worklessness in the UK, these two drivers are vital issues for the area. Whilst solutions are, of course, inextricably linked to the economic and infrastructural challenges already explored within this paper, they are important to discuss in more detail in order to better understand what the likely implications and possible solutions to these challenges area. Figure F below summaries some of the interrelated challenges that North Staffordshire needs to address in terms of its people.

North Staffordshire's population declined by around 1,000 each year between 2000 and 2003 and overall more people have been leaving the area than have moved in. Those most likely to leave the area are skilled young people, leaving an ageing population behind. One of the reasons for this is regarded as a lack of high value jobs and a poor quality of place offered within some areas of North Staffordshire. As other research has demonstrated, in part this is about jobs, housing and the provision of public services, but is also about the access to services, leisure, culture and other lifestyle related activities.

Another reason that many skilled young people with families are likely to be leaving is that North Staffordshire lacks a critical mass of high skill organisations. Even in knowledge intensive industries, the proportion of people qualified to degree level⁴⁹ is low compared to national averages. Indeed, the proportion on this group in Stoke-on-Trent is amongst the lowest in the country. Furthermore, Stoke-on-Trent has one of the highest proportions of people working within knowledge industries without level 2 qualifications. Newcastle-under-Lyme broadly matches regional averages but these are below national averages. Therefore, alongside the lack of knowledge specialisms, North Staffordshire is also lacking high skill organisations that will both attract and retain people with high skills in the area.

It was widely acknowledged by interviewees that there is a 'reliance on low wage sectors'⁵⁰. Many of the jobs in North Staffordshire are low value and low wage (around 18 per cent below the national average). It was also acknowledged, however, that currently the skills base means that it is difficult to attract inward investment from high value organisations for whom human capital is the most important location factor, with concerns that this was creating a vicious cycle where lack of high skilled individuals makes it harder

⁴⁹ A proxy for job level, used because of the lack of better proxies available.

⁵⁰ Interview conducted by The Work Foundation for this project

Figure F: North Staffordshire's 'People' challenges

- **Net migration:** Whilst 13,050 people moved into North Staffordshire, 14,135 people left (Census 2001). In particular those of family age (aged 25-44, with children under 15) are still leaving⁵¹.
- **Low skill equilibrium:** A fifth of North Staffordshire's working age population have a degree or above, compared to a national average of 27 per cent, whilst a fifth have no qualifications, compared to a national average of 14 per cent. Those with low/no qualifications reach over 70 per cent in some wards. Stoke-on-Trent is in the top 5 per cent of districts with the highest percentage of working age residents without level 2 qualifications (basic qualifications).
- **High levels of worklessness:** In North Staffordshire, 25% of the working age population is economically inactive (that is, not in employment, education or training). This compares to 21% in Great Britain as a whole and rises to almost 27% in North Staffordshire. The impacts of such high levels of inactivity are significant for individuals, families and communities and relate to the economy, health, social factors and quality of life.
- **Deprivation:** According to the Index of Multiple Deprivation 2004, Stoke-on-Trent is England's 18th most deprived district. Newcastle-under-Lyme is 138th and Staffordshire Moorlands 182nd.
- **Health:** Staffordshire Moorlands is the healthiest area and Stoke-on-Trent the least healthy in North Staffordshire. In Stoke-on-Trent, teenage pregnancy rates, death rates from major causes and rates of recorded and self-reported ill-health are higher than the English average and almost 1 in 4 adults is obese. Life expectancy is lower than the English average⁵².

to attract high skill organisations, so high skill individuals do not locate there. Even for lower skill requirements, the labour market in North Staffordshire has not always caught up with the demands of a changed economy: 'There are plenty of people to employ but many of them haven't got the right skills. For example, *Retailer* has to recruit from South Birmingham as they can't find the right skills in North Staffordshire'⁵³.

Skills and worklessness also have a strong spatial element. The high value employment that does exist tends to be located outside urban centres, as do the high skill individuals (who may not even live in North Staffordshire). Furthermore, as in other places,

⁵¹ Renew North Staffordshire Business Plan

⁵² NHS community health profiles, see www.communityhealthprofiles.info

⁵³ Interviews conducted by The Work Foundation for this project

deprivation and worklessness in North Staffordshire is concentrated in pockets: in some wards seven out of ten people have low/no qualifications (well over the national average) and these wards also have a very low proportion of graduates. This means that there are some wards in North Staffordshire where worklessness and benefit dependency – and many associated issues such as poor health - are concentrated.

It is vital that North Staffordshire invest in the skills of its workforce for the short, medium and long term, and that these issues are addressed. Alongside job growth, North Staffordshire needs to focus on removing the barriers to work that stop people from filling vacancies that arise in the existing labour market. For example, many long-term unemployed people struggle with ‘softer’ skills in demand from employers, including team work and communication, or even with some of the fundamentals such as turning up punctually for work each day⁵⁴.

Within North Staffordshire the poor transport links serve to further exclude some areas within the sub region from participating in the economy. Child care issues and health issues, both mental and physical, are other barriers to participation, with health being a particularly significant challenge in Stoke-on-Trent (described as the ‘sick city’ in one report by Leeds University which found that, in twenty wards in the city, half of men could expect to die before retirement age).

Aspiration is also seen as a significant challenge for the area. Despite many interviewees commenting on the ‘friendly and hard-working people’ of the area, the statistics highlight that there are generations of families who have low or no qualifications and many commented on a culture of acceptance – ‘it’s good enough for Stoke’ – rather than aspiration.⁵⁵ This lack of aspiration to change cannot be underestimated. It is a significant barrier to transforming the area and particularly to engaging those people who are more likely to be deprived and struggling to adapt to the changes in the wider economy. If North Staffordshire could get some of its workless back into employment it would start to address the productivity gap as well as contribute to improving its poor performance in terms of social indicators.

Not only is long term investment required to transform the skills and aspirations of many in North Staffordshire – both investing in those with no skills and seeking to develop a greater proportion of people with high level skills for knowledge intensive jobs – but there

⁵⁴ Jones, A. et al (2005) *Marks & Start: Opening the Door to Employment* The Work Foundation

⁵⁵ Work Foundation interviewee

is also a need to ensure value for money through effective coordination where possible. For example, the vision for reorganisation of Stoke-on-Trent's secondary schools under the Building Schools for the Future scheme, with £200 million of investment expected, needs to be linked to the wider regeneration delivery plan. Similarly, transformation projects such as the University Quarter create the opportunity to provide a much more joined up approach to meeting the skills needs of individuals and employers through a 'people' focus for the area that will also involve more tangible physical change and new buildings. Holding to the ambition of the University Quarter to improve skills and grow knowledge businesses within North Staffordshire is critical. If the area is to reduce worklessness and grow knowledge intensive businesses, its overall regeneration strategy needs to ensure there is a focus on physical and social transformation, and particular on the skills of North Staffordshire's people.

2.5

North Staffordshire's leadership

*'Leadership comes before anything.'*⁵⁶

The importance of leadership should not be underestimated in driving successful places in the knowledge economy. Strong leadership around a knowledge vision, supported by networks and partnerships was identified as a key driver of successful knowledge intensive places in the *Ideapolis* research, which found that all had strong civic, private and/or third sector leadership aiming to create greater knowledge intensity in the area, and which were based on strong networks across different industries. The research also identified leadership as particularly important to those cities seeking to turn around failing economies, with Sheffield and Manchester examples of where leadership has made a significant difference. For interviewees across North Staffordshire, as the quote above indicates, leadership was seen as vital.

Figure G on the next page summarises the difficulties North Staffordshire is facing in terms of its leadership.

Most interviewees regarded leadership as critical to the transformation of North Staffordshire and nearly three in five (58 per cent) of those attending the Forum meeting held in May 2007 said that lack of an agreed strategy and agreed priorities was the key challenge for the leadership. This is not to suggest that leaders, whether MPs, local politicians, civic officers or business leaders, are not working very hard to make change

⁵⁶ Work Foundation interviewee

Figure G: North Staffordshire's leadership difficulties

- **Lack of vision and implementation for North Staffordshire:** There have been plenty of strategies in the past few years but there has been no agreed vision for North Staffordshire (including Newcastle-under-Lyme, Staffordshire Moorlands and Stoke-on-Trent) and, despite considerable progress in some areas – including the establishment of the North Staffordshire Regeneration Partnership – more delivery of priorities is required to achieve transformation;
- **Lack of accountability and clear decision-making structures:** This means decisions take longer than they need to, it is unclear who should be doing what, and innovation is frustrated;
- **Lack of empowered leadership across civic, private and third sector:** Many interviewees highlighted the need for leadership from all sectors and at all levels if North Staffordshire is to change. Innovation and managed risk-taking were not regarded as being encouraged;
- **Need experience of delivery of complex large-scale change:** There is a need to invest in managers in the public, private and third sectors to support the delivery of change.

happen – they are and it is clear that progress is being made. It is also important, as highlighted earlier, to distinguish between the different challenges facing different organisations within North Staffordshire and some of the weaknesses highlighted in this document apply particularly to one or two organisations. The organisational issues within Stoke-on-Trent City Council are recognised by interviewees and external assessors as quite different to those within Newcastle-under-Lyme or Staffordshire Moorlands Councils, or indeed those within other organisations such as the local health Primary Care Trusts.

Nonetheless, there is a sense within North Staffordshire that the transformation of the area can only be achieved if different organisations at different stages of development work together. Consensus amongst leaders across North Staffordshire about where the area should be headed, with an agreed vision providing a framework for decision-making and an agreed delivery plan that highlights priorities for action (informed by and informing local strategies, policy documents and decisions) is vital if the area is to transform itself. For this to happen, issues around governance will need to be resolved with clarity about which bodies have the power to take decisions in different areas.

Lack of progress has not been because of a shortage of attempts to create a strategy. As one interviewee put it: 'the lack of progress has not been down to lack of plans'⁵⁷. Instead key barriers to progress have included:

- a. **No clear sense of 'North Staffordshire'**: The strength of local identities is regarded as having held North Staffordshire back in the past, not because local pride is unhelpful – it's vital – but because it has made it difficult to make bold decisions for the whole area and resulted in lots of individual projects, some of which have not complemented other ongoing work. There is a need to ensure that these local identities are maximised – building high value jobs and some tourism around ceramics, for example – without compromising the need to ensure investment is focused and prioritised.

Case Study: Leadership and the 'Team Manchester' approach

The leadership of Sir Howard Bernstein, Chief Executive of Manchester City Council is often cited as a key driving force behind the regeneration of Manchester city centre and its surrounding region. In the twenty years since the formation of the Association of Greater Manchester Authorities, his committed and consistent leadership has driven the production of an ambitious collective vision for the Manchester region and of the 'Team Manchester' collaborative strategies and actions needed to achieve this vision.

Case Study: Leadership in Sheffield

Whilst there is very little history of collaborative working in Sheffield, there is almost universal agreement that the Sheffield One partnership has been a success. The Chief Executive of Sheffield One and the strong support of the partners have been identified as crucial to the success of the regeneration initiative. The efforts made to secure cross-party support in the early stages of the Sheffield First Partnership should be seen as equally critical to the success of the venture, as they have meant that Sheffield Council has remained committed to the 'Masterplan' and the policy of city centre regeneration despite changes in political control.

- b. **Lack of focus**: There has not been absolute priority to maintain focus on delivering the major projects that will begin to transform North Staffordshire. This has meant that even where there have been successes; these can be undermined by action, or lack of it, in another area. For example in

⁵⁷ Work Foundation interviewee

Stoke-on-Trent the business park near the city centre, Festival Park, has been a considerable success but failure to link it easily to the city centre has meant little retail benefit and further hollowing out of the city centre. Lack of consistency has also undermined progress.

- c. **Lack of management capacity:** North Staffordshire and particularly Stoke-on-Trent faces significant challenges around management capacity to deliver large-scale and complex projects. This is an urgent issue for the area as there has not previously been investment in bringing in groups of experts to directly deliver large scale economic regeneration projects prior to the creation of the North Staffordshire Regeneration Partnership. This is starting to change but remains an ongoing challenge. There are also issues in the private sector, where improved management and leadership could contribute to improved productivity, and in the third sector, where there is scope for considerable innovation to help address the significant economic and social issues facing North Staffordshire.
- d. **No clarity about governance or accountability for delivery:** When strategic plans have been agreed interviewees have argued that Stoke-on-Trent City Council in particular has overly complex decision-making structures which have frustrated progress, with a lack of clarity about who does what and how each project contributes to the whole. Complex governance structures across the whole of North Staffordshire are also cited as a challenge to cross-boundary working. The NSRP helps with this but there remains a need for greater clarity about the role of each local authority in the governance structure of the partnership, as well as about how the different groups (Marketing, Enterprise) link to the Board and what their remits are. Without clearer governance, decision-making structures and accountabilities, it is difficult to know who is responsible for what – and who to congratulate/censure if something fails.
- e. **Short term, stop and start approach to projects:** Many projects keep stopping and starting, with little clarity about why this has happened, why plans change or what this means for the overall vision. The focus tends to be on the short-term rather than the long-term and the resulting lack of tangible results have left people cynical and less willing to engage.

- f. **Fragmented decision-making:** If North Staffordshire is going to invest in the city centre, this requires thinking about all the implications of this, from large decisions about housing to smaller decisions about where to site a bus stop. Many interviewees spoke of their frustration at large projects being undermined by smaller decisions, particularly within Stoke-on-Trent, and at the way that core policy documents in North Staffordshire say different things. All those working in North Staffordshire need to know the vision and key priorities and to take decisions that support these rather than undermine them. Within local authorities, local area agreements need to reflect local area's role in delivering the vision and agree what is monitored, the strategic rationale for action, and how it connects to the wider North Staffordshire vision.

- g. **Poor consultation and communication:** Engaging with key stakeholders in North Staffordshire is enormously complex and requires meeting with a wide variety of people. Communication is poor in many areas, meaning that many people are surprised by ongoing projects, not kept aware of progress and have to attend a multitude of meetings just in order to keep up with key people, leaving little time to do their job. Much greater clarity is required about who does what, with improved communications to key people. Again, Stoke-on-Trent City Council is seen as facing particular challenges in this regard. Changing this will help to establish a culture of greater trust and will reduce the time it takes to agree and implement strategies.

- h. **Lack of aspiration:** There is a wider sense of lack of aspiration across the area, particularly Stoke-on-Trent, which translates into lack of engagement in transformational strategies for the area, lack of entrepreneurship and lack of engagement in workforce development. Raising aspirations and engaging local people in change is vital to creating a sustainable strategy for the area.

- i. **Poor expectation management:** Expectations of immediate transformation have been too high – it takes decades to transform an area but some actions can be accomplished more quickly. Those leading the work need to be clearer about what is happening and when.

- j. **Lack of distributed leadership:** Interviewees also argued that there is not enough encouragement of innovation within North Staffordshire, leaving many people feeling disempowered and unable to take action or make decisions. The complexity of decision-making structures further inhibits rapid decisions being made, reduces clarity about who to go to in order to get a decision made and leaves people feeling unable to influence outcomes. There is not enough 'distributed leadership' in the area and a feeling that instead of encouraging social enterprises and not-for-profit organisations to innovate and rewarding success, that larger institutions are keen to run everything and inhibit local action.

The new leadership at Stoke-on-Trent City Council and Newcastle-under-Lyme, as well as the creation of the North Staffordshire Regeneration Partnership, create significant opportunities to address some of these barriers to delivery such as leadership and management capacity, the need for a long-term perspective and a clear way to work together. Change is already happening as demonstrated in Stoke-on-Trent's CPA rating jumping from one to three stars. Yet for these changes to be effective over the long-term there is a need for individuals and institutions to be supported by a clear governance structure that sets out which bodies have authority to make which decisions, and what the inter-relationships are between different organisations. It is also vital that leaders across North Staffordshire agree a shared vision and delivery plan, that a strong team of officials is built to drive through delivery of this plan, and that where experts are needed in some areas of North Staffordshire, they are brought in to fill the skills and capacity gaps that still exist.

2.6 North Staffordshire's image Linked to leadership is the importance of creating a distinctive 'knowledge city region' offer for North Staffordshire – a distinctive offer for knowledge intensive businesses and workers who are considering investing, working and living in the area, supported by diverse cultural and leisure facilities. Our *Ideopolis* research found that having a clear 'offer' can support the development of knowledge businesses when it helps people understand the benefits of living and working in the area, when it changes perceptions about the area, and when the 'offer' is firmly rooted in the reality of life and work in the area.

There are two elements to this. The first is about changing internal perceptions of the area and, critically, changing aspirations. The people who live in North Staffordshire

need to believe that it is being transformed, to have pride in the area, and to believe it offers them opportunities of good quality jobs and a high quality of life for themselves and their family. For this to happen requires other activities around the economy, skills and infrastructure to happen. Without this shift in the image of the place in the minds of the people who live there, it is very difficult for the area to change its external image as it will not be based on reality.

The second element is about the external image, however, and about communicating more effectively with the outside world. This is not just about marketing. It is about prioritising: considering what the area's assets are, how they measure up against what potential residents, visitors and investors might be looking for, and then how these can be capitalised upon and communicated more effectively to target groups (for example high value businesses or knowledge workers). This 'external perspective' thinking should also inform the development of the vision and implementation plan for North Staffordshire, as currently a number of interviewees identify the area as 'too internally focused' and not thinking enough about its role in the wider economy⁵⁸.

Figure H on the next page summarises the main difficulties North Staffordshire is facing in terms of its image.

The image of North Staffordshire is intrinsically linked to the economic history of the sub region. Whilst this image may contribute to the tourism offer, it has been found to hamper inward investment and to contribute to the perception of decline and decay. Interviewees and strategy documents recognise how the external perceptions of the sub region are hindering transformation, for example the North Staffordshire Zone Implementation Plan comments that 'poor internal and external image is apparent'⁵⁹. Another report remarks that 'Outdated infrastructure, degraded environment, gaps in local business, high levels of social exclusion, inadequate skills levels and low educational attainment...paint a very negative image for the area'⁶⁰.

This has been an issue for several cities that have worked to transform themselves from post-industrial economies to new economies, attracting investment and people. For example, Glasgow has experienced similar headlines about a sizeable proportion of the population living in areas where life expectancy is comparable with developing countries.

⁵⁸ Work Foundation interviewee

⁵⁹ DTZ Pbeda Consulting - IEDS

⁶⁰ DTZ Pbeda Consulting - IEDS

Figure H: North Staffordshire's image difficulties

- **Low aspirations:** In many parts of the sub region, particularly Stoke-on-Trent, there are generations of families with low or no qualifications and a history of worklessness. Most importantly this is a barrier to people participating in the economy but low aspirations was identified by interviewees as a barrier to North Staffordshire 'feeling' more hopeful and having pride as a thriving place. Low aspirations were also identified as a significant challenge to North Staffordshire changing its external image as this needs to be based on the reality of the sub region, including the aspirations of its people;
- **North Staffordshire does not have a clear image:** The outside world has no idea where North Staffordshire is. It does know Stoke-on-Trent, but its reputation is poor and there is confusion about the difference between 'Stoke' the town and 'Stoke' the abbreviation that most people use for Stoke-on-Trent. Newcastle-under-Lyme gets confused with its larger namesake Newcastle upon Tyne. Most people do not realise that either Stoke-on-Trent or Newcastle-under-Lyme are in Staffordshire and that North Staffordshire includes part of the Peak District National Park;
- **Not capitalising upon events to change the image:** The Ceramics Festival and other events are not used strategically to encourage a different image of North Staffordshire;
- **Poor quality facilities for overnight visitors:** Hotels, conference facilities and restaurants are identified as being less high quality than required to incentivise people to stay overnight⁶¹.

Learning from Glasgow's experience, a line needs to be drawn under the negative perceptions of the towns that make up North Staffordshire. Instead the area needs to identify a long term strategy and starting to demonstrating, through a few high-profile and visible actions, that the area has stopped declining and is open to the new economy is critical to the transformation of North Staffordshire. North Staffordshire needs to be proactive about changing this image – but it does need to be based on reality.

Although historically North Staffordshire has lacked a marketing strategy that is for the whole sub region, the Staffordshire Destination Management Partnership now has a ten year strategy with a five year action plan. This plan is seeking to capitalise and exploit upon the existing tourist attractions in the sub region – Alton Towers (currently the most dominant), the distinctively strong brand of Ceramics for North Staffordshire, the Potteries

⁶¹ Interviewee comments, also see Stoke-on-Trent Hotel Development Strategy RGA 2002

Case Study: Re-Branding Glasgow

Glasgow continues to face significant and sometimes high profile difficulties in the form of high levels of poverty, unemployment (16 per cent), inactivity (32 per cent) and notably low life expectancies. However the city now projects a strong and confident image both nationally and internationally under the 'Scotland with Style' brand. In fact, Glasgow's regeneration and re-branding exercise following the 'Glasgow's Miles Better' strategy has been so successful that it is now able to collaborate with the more internationally renowned Edinburgh on an equal footing under the 'Glasgow-Edinburgh Collaboration Initiative'. This collaboration should help Glasgow to further improve its economic performance and so address the ongoing inequality issues in the city.

Museum and Art Gallery, the market towns and Peak District National Park. Other areas marked for development include the International Centre for Design, canal system and town centre markets.

The ceramics industry has a strong and distinctive brand in North Staffordshire which the strategy is seeking to harness and exploit to the sub region's benefit. The strategy also seeks to play to the distinctive strengths of different parts of North Staffordshire, for example Stoke-on-Trent focusing on ceramics, Newcastle-under-Lyme on food and drink and Staffordshire Moorlands on its tourist attractions such as Alton Towers and the Peak District. There is not a great deal of resource to support this work however (for example there is no Destination Management Organisation), and this has made it more difficult to deliver on elements of the tourism action plan such as co-marketing of attractions, hotels and restaurant and associated industry to increase visitor numbers and their length of stay. Transport and other associated infrastructure also needs to support this industry by connecting visitors across the sub region and would be one of the key benefits for areas such as Staffordshire Moorlands of being linked with a North Staffordshire brand as well as the Peak District brand, since the easiest way to get to many of Staffordshire Moorlands' attractions by public transport is via Stoke-on-Trent station. Improving the canals also offers a way to link up the sub region.

2.7 The analysis above, and the more detailed analysis in Evidence Paper B, shows that
Conclusions North Staffordshire is facing some very significant difficulties. It lags behind many other comparable sub regions on many economic and social indicators and has been bucking the national trend of increased prosperity. It is clear from our commission and the

interviews we have conducted, however, that leaders in North Staffordshire recognise the importance of transforming the area. It is worth noting, however, that not everyone does recognise the scale of the challenge that North Staffordshire faces or the extent to which it lags behind other areas.

The next section sets out a vision that North Staffordshire stakeholders have themselves developed, an alternative vision building on this and best practice, and recommended priorities for action.

3. Vision for the future of North Staffordshire and priorities for action

3.1 Creating a shared vision

The North Staffordshire Regeneration Partnership and the North Staffordshire leaders have all been clear that there is a need for North Staffordshire to take action to transform its economy. To do this, all stakeholders consulted agree that North Staffordshire needs a shared and aspirational vision for the future – and that this vision will only be useful if it leads to implementation of a small number of key priorities that will be transformational.

An effective shared vision has three key purposes:

1. It shapes and informs the way the area thinks about itself and its future aspirations;
2. It supports the identification of priorities for all groups and stakeholders working in the area to create that future;
3. It shapes and informs the way others think about the area and its future.

The power of a shared vision to bring stakeholders together and to contribute to the transformation of places is evident in a number of now thriving cities such as Manchester.

Case Study: Shared vision for Manchester City Region

Manchester City Region's vision, set out in the City Region Development Programme 2006, is: *By 2025, the Manchester City Region will be: 'A world class City Region at the heart of a thriving North.'* More detailed aspirations include: competing successfully at a European and global level for investment, visitors and jobs; having a thriving knowledge economy with outstanding commercial, cultural and creative activities; being inclusive; having a high quality of life; and GVA levels to match those of London and the South East⁶².

What is most striking about the Manchester City Region, however, is the degree of consensus amongst key stakeholders – or 'Team Manchester', as they call themselves – across different sectors about where the city region is now, where it is heading and how successful it is going to be⁶³. Stakeholders of course continue to debate which priorities are most important to delivery of the vision and how these should be implemented. Nonetheless, the consensus about where they are heading is established across the city region, building on the history of joint working created by the Association of Greater Manchester Authorities. This consensus has made a substantial contribution to the transformation of the city region's economy and society.

⁶² The Manchester City Region Development Programme 2006: Accelerating the Economic Growth of the North

⁶³ See The Work Foundation's case study of Manchester city for further details

There have been many previous visions for the future of North Staffordshire, each based on a detailed analysis of the difficulties facing the area. A couple of options for a vision for the future are set out in this report, one that has been created by the Action Planning Group, a coalition of North Staffordshire stakeholders (the detail of their recommendations is set out in Evidence Paper C) and one that builds on this and is recommended by The Work Foundation as being a slightly shorter, more distinctively 'North Staffordshire' vision for the area to consider.

3.1.1 Links with the West Midlands

Recognising that it was vital that North Staffordshire's future plans were embedded within the work of the wider West Midlands region, the Action Planning group benefited from the involvement of representatives from both Advantage West Midlands and the West Midlands Regional Assembly.

This report and our research have also sought to strongly link the North Staffordshire vision to the West Midlands Regional Economic Strategy 'Connecting to Success' and its vision for the West Midlands region: 'To be a global centre where people and businesses choose to connect'⁶⁴. This strategy focuses on both the economy – growing the business base – and on investing in the skills of current residents, equipping them to respond to the changing economy. The aim is that the West Midlands maintain and enhance its attractiveness as a location in which people and businesses choose to invest, work, learn, visit and live. Overall, the strategy aims to close the £10 billion 'output gap' between the performance of the West Midlands and that of the UK as a whole, measuring progress by tracking GVA per head in the region compared to the UK average.

The 'Connecting to Success' strategy explicitly highlights North Staffordshire's cluster of knowledge assets as being of importance to diversifying the West Midlands economy into higher value added sectors ('improving competitiveness' p.74), as well as the potential that North Staffordshire offers to work across regional boundaries by enhancing economic links between the Potteries and South Cheshire area (p.77).

The strategy also explicitly recognises the importance of prioritising development within North Staffordshire, and in particular the Regeneration Zone, as one of the primary urban areas in the West Midlands – and also one of the areas in which deprivation and

⁶⁴ Draft Regional Economic Strategy, Advantage West Midlands, October 2007

disadvantage is concentrated and there is multiple market failure (p.74). Regeneration Zones are regarded as being critical to help deliver four strategic objectives in particular:

- ‘Regenerating our most deprived communities’ (priority 2.6), ‘developing links with economic and employment opportunity and bolstering cohesion for the long-term’ (p.60);
- ‘Driving up ambition and aspiration’ (priority 3.3) to create a culture of employment, enterprise and learning throughout the region, raising demand for skills from employers and individuals and inspiring young people and adults to make the best of talents and opportunities (p.66);
- ‘Skills for employment and enterprise’ (priority 3.4) to increase levels of employment in higher value added jobs and reduce economic inactivity by ensuring that those with higher aspirations are able to gain the skills they need to gain employment and to progress to higher value added jobs (p.67);
- ‘Defining employability’ (priority 3.5) to respond proactively to evolving economic needs and demographic patterns by supporting employers to articulate current and future skills demand (p.67).

Our analysis reinforces the importance of meeting these four objectives to the future of North Staffordshire.

To ensure that the analysis conducted for this independent report can contribute to wider regional decisions, the structure of our final recommendations (see Evidence Paper D) builds not only on the *Ideopolis* framework but also links with the themes in the Regional Economic Strategy of Business, People, Place and A Powerful Voice (in our report these are Economy, People, Place, Leadership and Image). Our emphasis upon the importance of linking actions around the economy, place and people in particular reflects the ‘Connecting to Success’ argument that they are inter-connected and inter-related.

The draft vision for North Staffordshire was informed too by the vision for the Regional Spatial Strategy of ‘an economically successful, outward looking and adaptable region which is rich in culture and environment, where all people, working together, are able

to meet their aspirations and needs without prejudicing the quality of life of future generations'. For example, the emphasis in this report on investing in existing urban areas reflects the Regional Spatial Strategy's objectives, as does the emphasis on improving the infrastructure within the sub region.

**3.2
Vision for
the future
of North
Staffordshire**

This section sets out two alternative visions for North Staffordshire. Before discussing each one it is important to note that **both are underpinned by a commitment to sustainable development**, which needs to run through all activities that North Staffordshire undertakes.

3.2.1 North Staffordshire stakeholders' vision

Through a series of workshops, stakeholders drawn from a wide spectrum of organisations and sectors developed the following vision for the future:

Our desire is to transform North Staffordshire, raising its business competitiveness and quality of life to, and beyond, the national level.

We will create this success through determined and passionate leadership, local enterprise, creativity and innovation.

Our Five Priorities

Economy: To attract new businesses, grow and develop existing business, grow our knowledge economy, grow GVA, and build a stronger entrepreneurial culture;

Place: To create a stronger sense of place, pride and belief, be bold and creative around the design of new space and buildings, and ensure that the enabling infrastructure of housing, transport, education at all levels⁶⁵ and new technology supports competitiveness and quality of life;

People: To strengthen the community through good jobs, health and well being, skills, quality housing and sustainable development;

Leadership: To show the leadership that delivers the vision and promotes North Staffordshire to the wider world;

Image: To catalyse cultural change to raise civic pride, purpose and belief.

Serving the communities of Newcastle-under-Lyme, Staffordshire Moorlands and Stoke-on-Trent

⁶⁵ Pre-school to university, apprenticeship to life-long learning

The Action Planning Group argued that realisation of this vision by 2030 will mean that North Staffordshire will have:

- **A thriving city centre and prosperous Newcastle-under-Lyme town centre**, both linked to vibrant town centres, prospering business parks and beautiful countryside, supported by appropriate infrastructure;
- **An enterprising, creative and innovative culture** that supports business creation and growth and enables the sub region to prosper, with GVA, employment levels and business start-up rates at the regional average;
- **Distinctive specialisms and business growth** (albeit not necessarily high numbers of jobs) in ceramics and design, medical and healthcare technologies and environmental technologies, with growth also in logistics;
- **A high quality of life for all people and communities**, linked to high quality housing, high performing education institutions and good health;
- **A more highly skilled population** that continues to invest in the skills of its residents;
- **A positive external image** that attracts inward investment, tourism and students;
- **The passion and leadership** to work together across the sub region.

This vision and the accompanying picture of life in 2030 were agreed by the group to combine the required aspiration, excitement and practicality that would help North Staffordshire to change.

3.2.2 The Work Foundation's suggested vision

Whilst we would endorse the sentiments of the vision above, we recognise the comments of many interviewees that the vision could be made more North Staffordshire specific, recognising the distinctive assets and challenges of the area, and also more realistic, as the situation in North Staffordshire will take decades to move towards the national average. With this in mind, and having reviewed visions of city regions and other sub regions (many of which it should be noted are not particularly distinctive), we suggest the following alternative:

The best of both in North Staffordshire: prosperity and quality of life by design

By 2030 North Staffordshire will be offering the best of both to residents and visitors:

- A place at the heart of the UK's creative ceramics businesses and ceramics tourist industry;
- A place for growing knowledge businesses and for ambitious knowledge workers;
- A place for enjoying the delights of the city, market towns and the countryside – from the Potteries shopping centre to the Peak District National Park;
- A place for working, studying at the universities and enjoying attractions like Alton Towers and Waterworld;
- A place ambitious for growth but concerned always with sustainability.

We recognise that this will need further work before being agreed but recommend that this vision is shorter and is more distinctively about North Staffordshire. Measures of success against this vision would need to be assessed by reviewing the following measures and ensuring there was improvement:

- GVA in absolute terms and in relation to the regional and national average;
- Proportion of employment in knowledge intensive industries (including ceramics);
- Levels of worklessness in relation to the regional and national average;
- Proportion of people with low/no skills and high skills in relation to the regional and national average;
- Population (resident and visitor).

Once the vision is finalised these measures should be reviewed and finalised, and then milestones set as targets for North Staffordshire to aim for over the next five to ten years.

3.3
Translating
the vision
into practice

To translate either vision into practice it is important to identify the three key themes emerging from the review of the evidence base and the consultation with stakeholders.

First, North Staffordshire must transform its economy. This will require increasing the proportion of knowledge based industries and knowledge based jobs, as these are the main source of productivity. Given the existing strengths and skills profile of North

Staffordshire it will also require capitalising upon the growth of the ‘experience economy’ – retail, tourism and leisure. There are opportunities too to increase the proportion of knowledge intensive jobs in industries that are not characterised as knowledge intensive, such as logistics. For economic growth to be sustainable it is vital also that North Staffordshire invest in the skills of its residents to ensure that they can take up the available jobs.

Second, North Staffordshire must transform its infrastructure. Dispersal of business sites is only serving to further undermine the city centre and Newcastle-under-Lyme, whilst poor connections between key transport links, the universities, important tourist sites such as Alton Towers and business parks are making it even more difficult to create a sense of place and ‘buzz’ about North Staffordshire. Infrastructure needs to support the economy and to link the people in the area to new employment centres in a sustainable way. This means prioritising investment in the city centre and Newcastle-under-Lyme, investing in higher quality public transport within North Staffordshire, linking Stoke-on-Trent station to the city centre and university more effectively, linking housing regeneration to the economic strategy, investing in business accommodation in urban areas and investing in sustainable methods of transport. All infrastructure developments need to be planned in a sustainable way to ensure high standards of architecture, design and linked transport planning.

Third, North Staffordshire must transform its quality of life. Even if there are more jobs available – the main reason that people choose one area over another⁶⁶ – North Staffordshire will struggle to attract high income residents to spend money locally and further regenerate the economy without offering a better quality of life. This means building on the assets it already has, particularly its market towns, the Cultural Quarter, retail and leisure offer in the city centre, Trentham, and the leisure offer throughout the sub region, but also ensuring sustainable high quality housing is available to attract highly qualified workers to live as well as work in the area. Strategies for regeneration – to invest in housing and schools and to address worklessness, crime and health problems – need to be linked to the economic strategies so that residents can be linked to jobs and do not miss out on the benefits of economic transformation.

Without action on all three of these issues – action that builds realistically on North Staffordshire’s existing assets – North Staffordshire cannot hope to transform itself and

⁶⁶ The Work Foundation quality of life survey

many of the current residents in particular will be badly let down. And running through all of these issues is the importance of **sustainability** – of economic growth, of people, of the environment and area. This is increasingly vital and needs to be a backbone of the work in the area.

Prioritisation of specific activities is crucial however. The multiple difficulties with which North Staffordshire is grappling could be addressed by a series of activities, and a set of detailed recommendations are set out in Evidence Paper D to identify some of the suggestions that have emerged from the evidence base and interviewees.

There is a danger, however, that by trying to do everything North Staffordshire struggles to complete some of the key activities that are required to transform its economy. With this in mind, we have set out recommended priorities for action in the next three years. What should be noted about these recommended priorities is first that they are just recommendations: it is up to the North Staffordshire Partnership Board and the North Staffordshire political leaders to agree what should be done and to implement a detailed delivery plan that contains detailed milestones and objectives.

Second, having priorities does not mean that nothing else will happen within the conurbation in the next few years, for example that investment being primarily focused on the city centre, with progress also being made in developing Newcastle Town, should prevent the five towns in Stoke-on-Trent and market towns in Staffordshire Moorlands developing. But it is a strong argument, based on our analysis of the evidence, that North Staffordshire needs to prioritise its investment if the decline of recent years is to be reversed. Lack of coordination and focus on key priorities, as well as lack of experience in delivery of large-scale regeneration and multiple market failure, have all contributed significantly to North Staffordshire's failure to transform in recent years. It is vital this changes and having a set of clear priorities are at the heart of this.

3.4 Ten key priorities in the short and medium term

The ten priority actions that our analysis suggests will support North Staffordshire to transform its economy in the short and medium-term are as follows.

Short-term priorities - deliver in next twelve months

1. Agree a shared vision for the whole of North Staffordshire and a focused delivery plan – with clear priorities – to achieve this vision and to ensure projects and policies are coordinated.

2. Create a network of 'North Staffordshire Ambassadors' to raise aspirations within North Staffordshire and to promote the area, with clear objectives for the network.

Short and medium-term priorities - some tangible progress in next twelve months

These cannot be delivered in twelve months but tangible progress should be made

3. Progress city centre developments informed by the City Centre Development Framework. Projects need to be well-coordinated, clearly linked to the overall vision and priorities and have clear accountabilities and detailed delivery plans agreed. There should be tangible signs of change within the year.
4. Invest in transport between the city centre, Stoke-on-Trent station, Staffordshire University, Newcastle-under-Lyme and Keele University. In the first twelve months the city centre bus station should be replaced as a tangible sign of progress.
5. Develop a long-term programme to address worklessness and deprivation (considering interventions in schools, with employers and to raise aspirations overall). It will take decades to change, but needs to be a priority. Within the first twelve months some tangible progress should be made, for example through a mentoring programme and focusing efforts on a small number of deprived wards.
6. Progress development of the Keele University Science Park and the University Quarter.
7. Finalise plans for development of Newcastle Town's retail and business accommodation with priority placed on growing its professional services and a distinctive retail offer.

Medium-term priorities

These are priorities that are still vital but marginally less urgent than those above (although some, such as those based in Staffordshire Moorlands, may start to happen in the next twelve months because of local impetus). In the next two to three years these are important issues on which to deliver:

8. Grow the knowledge intensity of the area through capitalising upon the universities and FE colleges and improving support for knowledge-intensive enterprises.

9. Invest in a quality of life strategy across North Staffordshire in order to attract and retain higher income residents as well as to improve the quality of life of existing residents. This will need to pull together the North Staffordshire Tourism strategy, Renew's work on housing and the development of creative industries.
10. Build on the Creative Quarter to use creative industries as a catalyst for regeneration and work towards a high profile event in five years.

The ten recommended priorities are discussed in more detail below. Other recommendations are contained in Evidence Paper D and will need to be reviewed as part of an overall plan for North Staffordshire.

A. Short-term priorities: deliver in next 12 months

Recommendation 1: Agree a shared vision for the whole of North Staffordshire and a focused delivery plan – with clear priorities – to achieve this vision and to ensure projects and policies are coordinated.

Why: Recent progress on joint working with the creation of the North Staffordshire Regeneration Partnership, cross-political party working groups and the consensus of the North Staffordshire Leaders that this work is required are significant steps towards agreeing a vision for the whole of North Staffordshire. The next step towards transforming North Staffordshire is agreeing a vision of the future that is shared by all the key stakeholders, finalising governance structures and developing a focused delivery plan with clear funding strategies and delivery arrangements.

Manchester Ideopolis: City region working with Wigan

38 per cent of Manchester's businesses are knowledge intensive, meaning they are driving growth in the city. In contrast, 25 per cent of Wigan's businesses are knowledge intensive (the 'tipping point'). Manchester is the city that clearly has the potential to drive growth in the Greater Manchester region – but Wigan could build on other assets such as access to countryside, that appeals to knowledge workers. Both cities have benefited from working together as part of the Association of Greater Manchester to develop different specialisms, rather than competing for investment and knowledge workers.

What: We recommend that North Staffordshire agree and finalise a shared vision for the whole area. This report suggests two alternatives: one 'bottom-up' vision developed by multiple stakeholders and one developed by The Work Foundation that builds on this 'bottom-up' version but with some amendments in response to stakeholder feedback. We recommend that leaders accept this second vision, set out below. Whilst we recognise that this will require some further work before final adoption, we would argue that it is shorter, more memorable and more distinctively 'North Staffordshire'.

The best of both in North Staffordshire: prosperity and quality of life by design

By 2030 North Staffordshire will be offering the best of both to residents and visitors:

- A place at the heart of the UK's creative ceramics businesses and ceramics tourist industry;
- A place for growing knowledge businesses and for ambitious knowledge workers;
- A place for enjoying the delights of the city, market towns and the countryside – from the Potteries shopping centre to the Peak District National Park;
- A place for working, studying at the universities and enjoying attractions like Alton Towers and Waterworld;
- A place ambitious for growth but concerned always with sustainability.

Whatever the final vision agreed is, it should be agreed at the earliest possible moment. There is a temptation to spend so long agreeing the vision that delivery is less of a priority: this cannot happen in North Staffordshire.

Once the vision is agreed then a detailed delivery plan must be developed that includes clear milestones and sets out measurable objectives to be achieved within certain time frames. This report starts to highlight potential actions but the final delivery plan must be owned by North Staffordshire.

Governance structures also need to be finalised in the next twelve months. The North Staffordshire Regeneration Partnership has evolved over time: its remit, responsibilities and organisational structure now need to be finalised to enable the area to deliver on its priorities.

How: Specific actions should include:

- Representatives from the NSRP Board, North Staffordshire local leaders and North Staffordshire MPs should meet, together with private sector and community representatives, to discuss and agree a shared vision to 2030. A communications strategy will then need to be devised to ensure that all key stakeholders, including the local communities and the employees of the local authorities and delivery bodies, are aware of the vision and what it means for them (this will need to link with the delivery plan, see below).
- Finalise the structure of the NSRP and how it is organised. The near-finalised Board includes representatives from Stoke-on-Trent City Council, Newcastle-under-Lyme Borough Council, Staffordshire Moorlands District Council and Staffordshire County Council, as well a range of partners from the public, private and voluntary sector, reflecting best practice elsewhere⁶⁷. Membership now needs to be finalised so the Board can settle in as a body, with agreement about which organisations will have lead responsibility (and chair) key meetings. There are lessons here from other cross-boundary structures, for example in Leeds City Region different local authorities chair the main body and the groups in charge of the four key work-strands.

As part of finalising the structure it is also important to formally agree accountabilities and ensure these are transparent through publishing information about who is accountable for which area. Formally agreeing and publishing the office structure and scrutiny process will contribute to greater clarity about how the Board works and how it will drive forward delivery.

- Agree and publicise the relationship of local authorities to the NSRP: For the NSRP to be successful it is important that there is greater clarity and transparency about the relationship of each local authority to the North Staffordshire Regeneration Partnership Board. This will involve agreement of the role that each local authority plays on the Board and subsidiary groups, as well as the issues on which the Board will have delegated authority to take decisions for all or part of the sub region. Whilst we recognise that some local authorities have concerns about this, and that all local

⁶⁷ As stated above, members in January 2008 included representatives from: Stoke-on-Trent City Council, Newcastle-under-Lyme Borough Council, Staffordshire Moorlands District Council, Staffordshire County Council, Advantage West Midlands, English Partnerships, Housing Corporation, North Staffordshire Primary Care Trust, Keele University, the Learning and Skills Council, Staffordshire University, three private sector and three community members, and the Government Office for the West Midlands

authorities already have their own strategies in a range of areas (eg Community Strategies for Staffordshire Moorlands, Newcastle-under-Lyme and Stoke-on-Trent) it is vital to have an open discussion about this in the next twelve months and agree the terms on which the Board is operating. The agreements reached then need to be publicised.

- Agree and publicise the remit of the subsidiary groups and their relationship to the NSRP within local authorities and to those groups: The subsidiary bodies to the NSRP have been set up but there is a lack of clarity about their remit, their authority and their relationship to the NSRP. This needs to be resolved to enable the groups to make progress, and also to ensure that the Board is fully aware of what the groups are doing. This should involve, as a minimum, agreeing the remit of each Board and ensuring that minutes of meetings are circulated to Board members. It is also important to ensure that the different groups – Development, Enterprise, Marketing and Renew – are able to help ensure that individual projects are coordinated as part of an overall vision for North Staffordshire.
- Develop a detailed delivery plan to transform North Staffordshire with clear priorities, milestones and objectives for action, as well as strategies to gain funding to support each of the priorities. This plan should be signed off by the NSRP and by local political leaders as agreement across the board will be required to ensure the plan is delivered. This delivery plan should be informed by the Regional Economic Strategy and Spatial Strategy as well as by each local authority's strategies to identify clear priorities for the sub region as a whole. It should also consider scenarios for how the new jobs in the city centre will affect demand within the sub region for ICT, housing and public services such as education and transport.

This is not to suggest that the only activity in the sub region will be what is in the delivery plan: clearly local communities will still progress their own plans for development, even where these are not included in the delivery plan priorities. Nor is it to suggest that North Staffordshire has a joint core strategy that covers every issue. It is to argue, however, that there is a need for the sub region as a whole to invest most substantially in agreed priorities that will realise benefits across North Staffordshire. There is a need too for improved coordination of projects across North Staffordshire – particularly but not only relating to the core priorities – to avoid the piecemeal approach that has all too often prevailed in the past.

- Ongoing investment in the capacity of leaders and managers working in the North Staffordshire Regeneration Partnership, and in key local authorities such as Stoke-on-Trent, to deliver large-scale transformation is required: One of the main barriers to implementation of previous strategies has not only been lack of consistent focus but also skills and capacity issues, something that is already starting to change within the area. Within the next twelve months it is important that skills and capacity gaps for delivery of the NSRP plan are identified and that experts are brought in to support key leaders and managers across the area where required. A programme of support and mentoring should also be put in place to help enable leaders and managers to deliver a very demanding programme of work.
- Develop a communications strategy: It is important that the NSRP communicate effectively with key stakeholders, both internal and external, to ensure that there is awareness not only of intended actions but that successes are celebrated and a sense of momentum is created. This will help ensure that strategies, policy documents and decisions are better coordinated and feed into the overall vision and delivery plan for North Staffordshire.

When: Agreeing the vision, finalising the structure, resourcing and governance of the NSRP and developing the detailed delivery plan need to happen in the next twelve months.

Further recommendations on leadership are in Evidence Paper D.

Recommendation 2: Create a network of 'North Staffordshire' Ambassadors to raise aspirations within North Staffordshire and to promote the area, with clear objectives for the network

Why: Two issues were raised by interviewees again and again as barriers to progress in North Staffordshire. The first was low aspirations, regarded as one of the most significant barriers to addressing worklessness, raising skills and changing the sub region. The second was leadership, with most interviewees cynical about the likelihood of making change happen. Neither issue can be addressed quickly. Nonetheless, we suggest that one way of visibly demonstrating commitment to change and seeking to raise aspiration would be through creating a network of 'North Staffordshire' Ambassadors with the

objectives of raising local aspirations, improving local capacity and working together to help drive change in the area.

What: During the course of The Work Foundation's research we have spoken to many stakeholders who are enthusiastic about involvement in changing internal and external perceptions of North Staffordshire. We would recommend that one of the NSRP groups – probably the Marketing Group but working closely with the Staffordshire Destination Management Partnership – be tasked with agreeing objectives for this network against which it can be measured. These objectives should focus on three key issues.

First, the network should aim to raise the aspirations of people living in North Staffordshire. Part of this will be about involving high profile 'Ambassadors' in communicating plans for the transformation of North Staffordshire and, vitally, communicating where successes have been achieved to create a sense of progress in the area. This will need to be an integral part of the communications strategy for the delivery plan. There is also considerable enthusiasm to develop and pilot a mentoring programme for young people, involving high profile 'Ambassadors' working with young people in the area to raise aspirations and provide role models.

Second, the network should be a source of support and expertise to those implementing the North Staffordshire vision and delivery plan. Those who are 'Ambassadors' are signing up to support the plan and are a pool of individuals who might be asked to be members of project groups to drive forward specific objectives, to be expert advisors or help link leaders with other experts they need to speak to, to be mentors or to actively endorse and communicate the plan within the local area.

Third, the network should seek to promote the distinctive assets of North Staffordshire externally – but only based on current realities eg agreeing a strategy to promote the medical and healthcare technologies cluster. This element of the network should also involve ensuring that North Staffordshire is more externally focused when it comes to policy discussions (for example contributing to regional and national discussions of policy).

Case Study: Glasgow and the City of Culture

In the mid 1980s Glasgow was an example of post-industrial decline with the decline of heavy manufacturing industry. There were sustained and heavy job losses: total employment fell from almost 560,000 in 1950 to only 380,000 by 1991. Manufacturing was hit hardest, with 90 per cent of the job losses in this sector alone.

It became clear that the city government needed to take action to reverse this trend by changing its image and presenting a new – distinctive – niche for itself. It chose to build on historic strengths in cultural industries. In 1990, the city was designated the European Capital of Culture – an international flagship event of which it took full advantage to invest in infrastructure and other industries. Buildings were cleaned, new public art was installed and an ambitious programme of cultural events was launched.

As a result of this and a series of further cultural events based around the 1999 designation of Glasgow as a City of Architecture and Design, Glasgow has become a place where people actively want to live. It has developed a distinctiveness based around a positive model of creative sector regeneration.

How: Specific actions should include:

- The NSRP, working with the Marketing Group and Staffordshire Destination Management Partnership should agree specific objectives for the North Staffordshire Ambassadors and measures of success to ensure it does not simply become a ‘talking shop’. These objectives need to be clear and to ensure that some tangible change is achieved within the next twelve months. The Marketing Group should be asked to identify members of this network (which should include businesses, civic organisations, voluntary organisations and others) and to present to the NSRP a process for coordinating the network and evaluating to what extent it is achieving its objectives.
- The Ambassadors should be an integral part of the communications strategy for the delivery plan. Having high profile support from key stakeholders across the area signals the importance of this plan to North Staffordshire and involving Ambassadors in celebrating success as it happens will also help gain press coverage and demonstrate continuity. High profile individuals may also help to engage people in the

process and should be part of the consultation process. Measures of success could include:

- Key figures in North Staffordshire publicly promoting the importance of sub regional working;
- Celebration of a tangible success in the first twelve months, organised by the Ambassadors;
- Local people feel they know what is happening in the area and approval ratings are high;
- Recognition that Hanley is the city centre and most public documents refer to it as 'the city centre', rather than Hanley.

One suggestion to publicly show the breadth of support for the North Staffordshire vision and delivery plan is that at any local launch of the delivery plan, key stakeholders should publicly sign a book to demonstrate their support for cross-North Staffordshire working and for the priorities in that delivery plan.

- Develop a pilot mentoring programme: The NSRP Marketing Group should review whether it would be possible to create a pilot mentoring programme for young people in a particularly deprived ward within North Staffordshire. This would need to have clear objectives, have a resourcing strategy, and be evaluated at the end of a set period of time. There is real enthusiasm for this to happen and by involving high profile Ambassadors for the area, it could contribute to the fifth priority of addressing worklessness in the long-term and raising aspirations.
- When signing up, members of the North Staffordshire Ambassadors should be asked to identify any areas where they are willing to provide mentoring support. Implementation of the North Staffordshire vision and delivery plan will require support from across the area, as well as access to a wide range of expertise. If members of the network identified issues on which they would be willing to provide coaching support or have expertise, this would provide leaders with a person to speak to informally should there be barriers to delivery. Ambassadors should also be asked to indicate whether they would be willing, in principle, to be involved in project groups on specific issues so that the NSRP can draw on a wide range of talent and expertise within the area.

- The Marketing Group and Staffordshire Destination Management Group should develop an external relations strategy for North Staffordshire, building on where the area is now. This should involve two elements. First, helping ensure that North Staffordshire is more externally focused when it comes to policy discussions, for example ensuring that representatives from the area are more involved in regional and national policy discussions, working closely with Advantage West Midlands and the Regional Assembly. Second, developing a strategy to promote existing assets of the area, for example the medical and healthcare technologies cluster, the design element of ceramics, the strengths of the universities. Over the longer term this strategy is likely to grow and should be reviewed on an annual basis.

When: The Marketing Group and the Staffordshire Destination Management Partnership should set up this network and deliver two or three tangible objectives within the next twelve months.

Further recommendations on worklessness, leadership and image are in Evidence Paper D.

B.
Short and
medium-term
priorities:
some tangible
progress
in next
12 months

There are a number of areas for priority action that cannot be fully delivered within twelve months but that nonetheless should be started as a priority, and on which early and tangible progress should be made. These are:

Recommendation 3: Progress city centre developments informed by the City Centre Development Framework. Projects need to be well-coordinated, clearly linked to the overall vision and priorities and have clear accountabilities and detailed delivery plans agreed. There should be tangible signs of change within the year.

Why: Whilst it remains disputed within the sub region, there is a city centre in North Staffordshire – Hanley⁶⁸. Despite containing the highest proportion of employment and being a strong retail centre, North Staffordshire has not done enough to capitalise upon it and locally there is still too much debate about whether Stoke-on-Trent really is a city, and then whether Hanley (or the area surrounded by the soon-to-be-completed Potteries ring road) really is the city centre.

⁶⁸ This is shown as Hanley West on the maps as this is the name of the central ward.

Part of the result of this failure to capitalise on what is, in practice, the city centre, is that Stoke-on-Trent has a relatively small number of city centre jobs in comparison with other similar sized urban areas (Stoke-on-Trent has 22,000 city centre jobs, whereas similar-sized Derby has 32,000, Wolverhampton 35,000, Leicester 47,000 and Nottingham 59,000). The city centre needs substantial investment urgently to make it 'feel' of higher quality, attract affluent spenders and improve the available business workspace. The lack of suitable high quality premises for established larger businesses as well as small and growing businesses is highlighted as a key challenge to further business growth. This is particularly the case as North Staffordshire needs the service and knowledge businesses that would demand these types of commercial accommodation in order to boost its economy.

Case Study: Sheffield City Centre regeneration

The Sheffield First Partnership identified the regeneration of Sheffield City Centre as a key task for the city, particularly since the creation of an out-of-town shopping centre, Meadowhall, had undermined the city centre dramatically. The 'Sheffield One' Urban Regeneration Company was established to deliver physical improvements through facilitating partnerships between existing agencies and bringing together disparate funding streams. Together, Sheffield One and the Council drew up a comprehensive masterplan for the city centre based around seven transformational projects with a collective value of £1 billion.

With the successful completion of these projects, Sheffield now has an impressive range of high quality office buildings and hotels and an attractive new public realm in the form of the Winter Gardens, Peace Gardens and the Millennium Square. It also boasts the refurbished City Hall concert facility and a new gateway to the city at Stoke-on-Trent station. The rejuvenation of the city centre sends a visible message that Sheffield is on the up to both residents and the outside world which will be further boosted by the creation of the £500 million New Retail Quarter in the city centre.

North Staffordshire could also do more to capitalise upon its creative industries to recreate the city centre. Creative venues in the sub region include the Regent Theatre, New Vic Theatre and Victoria Hall, whilst museums include the Potteries Museum and Art Gallery, Etruria Industrial Museum, the Gladstone Working Pottery Museum and Brindley Water Mill. The most distinctive creative industry remains ceramics, which increasingly

has employment in creative positions rather than manufacturing. Research commissioned by Stokeworks in 2003 identified 1,030 creative industries enterprises in Stoke-on-Trent, turning over in the region of £217m each year and employing about 7,704 full time equivalent members of staff (based on one part time employee being 0.5 FTE)⁶⁹. The ceramic industries in Burslem, the Burslem School of Art, the Hothouse, incubation space at Staffordshire University and development of the Cultural Quarter to date have helped provide some space for creative industries and there is the opportunity to capitalise upon this more effectively, particularly through the Creative Quarter and linking it to the plans of the Burslem Regeneration Company.

What: To start an 'economic bonfire' in North Staffordshire it is vital that funding is focused on the area most likely to see economic growth. Consultation with interviewees across North Staffordshire demonstrates considerable consensus that the 'bonfire' needs to focus on the city centre and on Newcastle-under-Lyme (see below) and on the growing areas around them such as the University Quarter and Keele University as the areas with most potential⁷⁰. The city centre, however, is in most need of considerable investment.

A framework for the development of the city centre has already been established in the Stoke-on-Trent City Centre Development Framework and Investment Strategy (published in December 2005). This sets out clearly the major projects required to deliver 'an exciting physical and economic environment appealing to investors, developers, residents, businesses and visitors alike.'⁷¹ The vision is to deliver 'a prosperous City Centre that is the heart, soul and mind of our region'⁷². Objectives in this plan include:

- Reinforcement of Stoke-on-Trent as a regional shopping centre;
- Economic regeneration through a new City Living offer and a high value Business District;
- Support through the expansion of the cultural offer;
- Good connection through multi-modal movement options; and
- The creation of a setting of a high quality public realm within which people can be entertained and which people can use as part of their everyday life.

⁶⁹ Stokeworks (2003) Stoke-on-Trent – A creative city?, cited in Number 4 Broad Street Feasibility Study

⁷⁰ Experian's work reinforces this, see *Updating the North Staffordshire Integrated Economic Development Strategy* (October 2007)

⁷¹ Stoke-on-Trent City Centre Development Framework and Investment Strategy (December 2005) p.4

⁷² Stoke-on-Trent City Centre Development Framework and Investment Strategy (December 2005) p.8

Specific projects highlighted include:

- 'To put in place a fantastic retail offer linking the East West Precinct to the Potteries Shopping Centre and creating a high quality vibrant street scene running North/South through the City core;
- To develop a high value Business District which will house corporate headquarters, financial and professional services businesses and public administration;
- Provide at least 500 homes with potential for more in the City Centre to appeal to in-movers as well as existing residents;
- To create a civic quarter which links together the business and retail district and provides a beautiful public realm within which the museum, library and other public buildings sit;
- To establish in the City Centre the highest possible quality public transport network serviced from a multi-modal interchange but also delivering high quality, high frequency network connections to the City Centre's hinterland;
- Over time to provide landmark buildings that articulate the qualities of the City – particularly bringing out the hilltop location and articulating the vertical form of the City;
- Through an enhanced public realm strategy to set in place a series of spaces and places within which people can be entertained, and people can use as part of their everyday life;
- Deliver further value added functions to the City Centre particularly in the hotel, tourism and leisure market, building on the strong cultural offer centring on the Regent Theatre and Victoria Hall, and seeking to capture new areas of business, conferencing, tourism and business to business activity⁷³.

This framework is being used to inform a delivery strategy which needs to be finalised for each of the key projects identified, including clear accountabilities and dates for key outputs. Some progress has already been made on individual project areas (eg the East /West Precinct, the Business District). The challenge now is to ensure that the NSRP Development Group, set up to monitor delivery of the physical projects, ensures that all developments for the city centre are fully coordinated with development of the University Quarter and linked to the overall vision for North Staffordshire, that they are as demanded as possible, and that clear accountabilities are set up with milestones for tangible outputs.

⁷³ City Centre Development Framework, p.10-11

How: Specific actions should include:

- Formal agreement by the NSRP that the area surrounded by the soon-to-be-completed Potteries ring road is the city centre and needs to be treated differently to the smaller market town centres within North Staffordshire. The existence of the city centre continues to be the subject of debate and by the NSRP and political leaders publicly supporting the message that Hanley is the city centre of Stoke-on-Trent, it is more likely that this will become accepted. This means that the area should be referred to as the city centre (unless talking about the residential district) in all NSRP policy documents, letterheads and publications, to demonstrate the commitment of the partnership to capitalising more effectively on the city centre. The NSRP should also discuss providing sufficient resources to the city centre to ensure it is well supported (for example, one interviewee commented that currently the city centre receives less janitorial and maintenance resources than other town centres within Stoke-on-Trent⁷⁴).
- The NSRP, working with the Development Group, agree accountabilities and milestones for transforming the city centre in the North Staffordshire delivery plan. Work is ongoing to translate the City Centre Development Framework into a detailed implementation plan. In the next twelve months these plans must be finalised. Clear accountabilities, milestones and output dates need to be agreed, as well as a process for ensuring that all the separate projects are effectively coordinated and complementary. Communication of intentions, milestones and progress, both within organisations and externally, is also vital. The Stoke-on-Trent City Centre Partnership provides an important vehicle for communication about plans and progress and consideration needs to be given to whether dedicated resource should be provided for this group – for example a Business District Officer – to ensure that plans are implemented effectively.
- Plans for the Business District need to be about high value businesses and to be more demand-led: Plans for the Business District, under discussion for years, need to be finalised and put into action using the framework established by the Stoke-on-Trent City Centre Development Framework (with greater clarity established about the role of the Business District in the overall North Staffordshire Core Spatial Strategy⁷⁵).

⁷⁴ Work Foundation interviewee

⁷⁵ Please note that this is for Stoke-on-Trent and Newcastle-under-Lyme: Staffordshire Moorlands currently has a separate spatial strategy.

Based on our research, there are only two additional comments we would make on the City Centre Development Framework. First, we would strongly reinforce the focus on ‘corporate headquarters, financial and professional services businesses and public administration’⁷⁶, both larger organisations and smaller organisations requiring ‘grow-on’ space, with some space for residential and retail use. Meridian pure’s recent overview of enterprise options estimates that 111,000 square feet will be needed in the next three years, an increase on their 2004 estimate because the firm formation rate has risen⁷⁷. 32,000 square feet of move-on space is also predicted to be required in the Stoke-on-Trent district over the next six years. Growing the proportion of higher value businesses in the area is vital to North Staffordshire’s future productivity and to attracting more high income residents.

Second, we recommend that steps are taken to make the Business District more demand-led. To do this the NSRP should work closely with businesses (for example through the Enterprise and Innovation Group set up by the NSRP) and with the Stoke-on-Trent City Centre Partnership, a tri-sector stakeholder entity which aspires to move to a Business Improvement District in the city centre in 2010. Current proposals are quite supply-led and run the risk of not designing the district in a way that is attractive to target businesses. To ensure this risk is managed means engaging with businesses to understand what would encourage them to locate in the Business District and to work with the NSRP to help work through potential challenges, for example the need to balance business demand for car parking (highlighted in the City Centre Development Framework⁷⁸) with the need for sustainable transport strategies. Where possible, businesses that are known to be seeking premises should be approached to consider whether bespoke premises could be built for them in the city centre. This would prevent them moving to Festival Park or elsewhere. Bespoke offices can be a considerable incentive too for businesses to stay in an area⁷⁹.

- Make, and demonstrate, progress on the East West Precinct. The new retail store and bus station referred to as the East West Precinct has been discussed for some time. To demonstrate that change is happening, one suggestion was to create a building wrap that advertises the new centre and the forthcoming changes to the city, with some changeable panels to update people as plans evolve. Again it is vital

⁷⁶ City Centre Development Framework, p.10

⁷⁷ North Staffordshire Regeneration Zone, Enterprise Options Update August 2007, meridian pure

⁷⁸ Stoke-on-Trent City Centre Development Framework and Investment Strategy (December 2005) p.37

⁷⁹ Work Foundation interviews in a range of cities

that plans for development of the East and West Precincts are linked to those for the Business District, University Quarter and Creative Quarter.

- Rename the 'Cultural Quarter' the 'Creative Quarter' and ensure plans to develop the area capitalise upon North Staffordshire's creative strengths and contribute to growing the city centre's night-time economy (see also Recommendation 8 below for medium-term objectives). We recommend first renaming the 'Cultural Quarter' as the 'Creative Quarter' to reflect what its role should be: to stimulate production and consumption of high quality creative services.

For this Quarter to be successful, however, it needs to complement other plans for the city centre and to be distinctive. There are a number of Creative Quarters being developed in the UK and North Staffordshire needs to make the most of its historic strengths in this area – principally ceramics – as well as building on the strengths of the education institutions in order to be of benefit to North Staffordshire as an attractor of businesses and visitors. The fact that Staffordshire University, City of Stoke-on-Trent Sixth Form College and Stoke-on-Trent College offer about 185 creative industries related courses, with nearly 2,000 students completing creative industries related courses in the city each year. Stoke-on-Trent also has two creative industries related special status schools.

In the next twelve months plans to develop the Creative Quarter need to be finalised and linked much more closely particularly with the development of the University Quarter, as there are some complementary areas of work, as well as with the plans of the Burslem Regeneration Company. This will maximise the benefits of all of these projects and reduce duplication. Key objectives should include using the Creative Quarter to develop the ceramics tourism offer in the city centre and Burslem, making it a core objective that the Creative Quarter is developing knowledge-intensive businesses in the local area and starting to make visible progress on changing what remains a quiet area of the city.

One recommendation for demonstrating tangible progress in the next twelve months was made by the Cultural Quarter sub-group of the City Centre Partnership. They suggested that a design scheme should be created for Piccadilly, with shop front improvement grants coupled with subsidised rent/rates for creative businesses and

a design scheme. This is seen as having the potential to ‘tip the balance in one of the quietest parts of the City Centre to one where survival rates are above average’⁸⁰. Further progress on the Creative Quarter will need to happen over the next few years, measured against key milestones.

- Finalise plans to create new public spaces in the city centre. Investment in the public realm in this way would help to identify it as the city centre, as well as facilitating event opportunities. One suggestion for quick progress in this area would be the levelling of the raised beds at Albion Square. Any plans to create new public spaces, however, will need to be integrated into overall plans for the city centre.

When: Transforming the City Centre will take years, as the experience of Glasgow, Sheffield and Manchester demonstrates. Bearing this and the existence of the City Centre Development Framework in mind, the recommendations above have tried to focus on early priorities for action, whilst recognising that creation of the East West Precinct, the Business District, the Creative Quarter, the improved public realm etc will take a long time.

In these first twelve months, however, it is vital that the NSRP build on the progress made on various components of the City Centre Development Framework to finalise detailed delivery plans, ensure they are complementary and coordinated with each other and with plans to develop the University Quarter. Accountabilities need to be established and tangible progress on implementing these projects made within the next twelve months. Conversations should also be had with businesses to ensure that the Business District in particular is as demand-led as possible and that those businesses currently looking for premises are consulted on whether they would want custom-built offices in the city centre.

Further recommendations on ‘place’ are in Evidence Paper D.

Recommendation 4: Invest in transport between the city centre, Stoke-on-Trent station, Staffordshire University. Newcastle-under-Lyme and Keele University. In the first twelve months the city centre bus station should be replaced as a tangible sign of progress.

⁸⁰ Work Foundation interviewee

Why: One of the key challenges to creating a stronger sense of place, making more of its assets or attracting businesses is poor internal transport. As the North Staffordshire Local Transport Plan identifies, this is a key issue for North Staffordshire, with challenges including:

- 'Many people in North Staffordshire find access to essential services (education, healthcare, employment and retail facilities) and local facilities difficult or impossible;
- Serious congestion on key strategic roads and junctions has a significant negative impact on the local economy, people's quality of life and the prospects for the sustainable regeneration of North Staffordshire;
- Bus routes operating on congested roads cause delays, unreliability and reduced viability of services;
- Sensitive locations experience high levels of noise and poor air quality from traffic;
- Despite good progress there are still too many people killed or injured on the roads of North Staffordshire;
- Transport interchange facilities poorly serve their users who often fear crime and personal security problems;
- Poor environmental quality of important aspects and locations of North Staffordshire;
- The population of North Staffordshire suffers from poor levels of health and significant health inequalities'⁸¹.

Challenges include the bus system, which the Stoke-on-Trent Regeneration Strategy describes within the city centre as a 'plethora of convoluted bus routes within the City Centre often 'behind' retail areas leading to an incoherent and disjointed public realm'⁸². Other transport connections also contribute to this disjointedness. The A500 runs alongside the railway line, bypassing the city centre rather than drawing people into the centre of the sub region. And out of the main employment areas, bus connections are patchy from the north to the east and from the far south to other areas. It is therefore unsurprising that the area is subject to a considerable amount of traffic congestion. If the focus is to be on the 'economic bonfires' of the city centre to Newcastle-under-Lyme, linking Keele University, Staffordshire University, Stoke-on-Trent station right through to Festival Park, there is a need to develop transport links that support this.

⁸¹ Quoted/paraphrased where appropriate from North Staffordshire Local Transport plan, Executive Summary p.5

⁸² Source: *Regeneration Strategy, City of Stoke-on-Trent*

Case Study: Investing in transport infrastructure in the three cities

With overlapping travel-to-work areas, retail and housing markets, Nottingham, Derby and Leicester comprise a geographically disparate functional economic area. In light of this geographic dispersion, the ‘three cities’ collaboration initiative identifies improving transport links and infrastructure within the sub region and between the sub region and London as a key priority for growth.

The three cities sub region successfully tendered to be designated as a New Growth Point Area. As part of this status, the sub region will receive government funding and support to improve connectivity and public transport between the three cities and between each city and Nottingham East Midlands airport. The three cities have also lobbied for more frequent rail services to London to maximise the potential of increased connectivity to London and the rest of Europe via the new Channel Tunnel rail link at St Pancras.

Better transport links would contribute to addressing the significant challenges of worklessness within the area by linking deprived communities to employment, would make the area easier to navigate and more attractive for businesses and contribute significantly to its competitiveness. It would also help to create a greater sense of place and benefit areas such as Staffordshire Moorlands through improving connectivity within the sub region to support not only commuters but also tourism.

What: There is already a North Staffordshire Local Transport plan covering Stoke-on-Trent and the more urban areas of Newcastle-under-Lyme and Staffordshire Moorlands. However, at present there is not a sufficiently clear framework for delivery and accountabilities agreed across the three local authorities and this needs to be addressed over the next twelve months. Given the other early priorities, early progress should focus primarily on improving transportation links to, within and from the city centre and Newcastle-under-Lyme (including the town centre and Keele University). The first significant successes should be around links between the city centre, University Quarter and Stoke-on-Trent station, linked with development of the city centre.

How: Specific early actions should include:

- Invest in local buses and replace the city centre bus station: Buses are the best public transport option for linking up the sub region and creating a greater sense of 'place'. Whilst other options have been discussed by interviewees, such as monorails and trams, these are very unlikely to gain the necessary public funding in the face of stiff competition from cities such as Leeds which have yet to gain a tram system despite having a considerably higher population. Buses are the best available answer for North Staffordshire in the short and medium term and it is vital that there is investment in this service. Within the city centre, buses should be given more priority and the city centre bus station should be replaced as part of the East West precinct development. As the City Centre Development strategy highlights, future opportunities such as integrated ticketing should also be provided for in the redevelopment of bus stops and the city centre bus station⁸³.
- Simplify bus routes and link communities with high levels of worklessness to centres of employment (see Recommendation 5). With development of the East West precinct and the city centre there is likely to be job opportunities, particularly if pre employment initiatives are implemented to help overcome some of the barriers to gaining work. Creating these routes and investigating other means of overcoming barriers to using public transport (eg introducing concessions for target workless groups, improving travel information and improving safety) could all help contribute to improving the accessibility of the sub region and to reducing worklessness.
- Make progress on strengthening the links between Keele University, the University Quarter and Stoke-on-Trent station/city centre: Investigate whether a subsidised bus service could be developed to link the university more effectively to Stoke-on-Trent station, the city centre and the University Quarter. This is very important for current and future staff, students and visitors both to the University and the growing number of Science Park companies, and would support further development of the medical and healthcare technologies cluster, as well as links between Keele and Staffordshire Universities.

⁸³ City Centre Development Strategy, p.30

- Within the City Centre ensure that plans for the Business District and Creative Quarter include a Park and Ride site at Etruria: Most of the numerous Park and Ride studies undertaken for North Staffordshire have identified potential Park and Ride sites as being at Etruria, in the vicinity of Britannia Stadium and alongside Hanley Bentilee Link⁸⁴. Chatterley Valley is also seen as having potential. Within the city centre, plans for Etruria should be developed alongside plans for the Business District and any progress on creating a Park and Ride site should be ‘accompanied by dedicated, efficient, reliable and priority routes with appropriate parking supply (restrictions) in the City Centre’⁸⁵. This should also be made part of improved links between Festival Park and the city centre. Whilst businesses currently located in Festival Park are unlikely to move, they can be linked more effectively with the city centre to enable individuals to go to the city centre for lunchtime eating out or shopping and for drinks after work. This would help the city centre’s twilight, retail and leisure economy.
- Start a three to five year programme to improve signposting: This would send a signal to the wider sub region about its sense of ‘place’, making it easier to travel around whether by car, train, foot or cycle. First, a long term programme should be started to update signs about the city centre to reinforce its importance. This would ensure that when the city centre has been transformed, the signs are in place and it is easy for visitors or potential investors to find it and see how much it has changed. Lessons from other places (eg Atlanta) suggest that it can take between three and five years to replace all signs and ensure a maintenance and updating programme is in place, so starting this work now would send a clear message of confidence as well as ensure the process was finished when the city centre developments are, rather than a few years later. The city centre should also consistently be referred to as the city centre with Hanley in brackets. Second, a long-term programme should be started to make it easier for visitors to walk, cycle, get the bus or drive around the sub region and find different places/attractions. The signposting should be tested on people who do not know the region well.

When: Transport is a vital issue for North Staffordshire, not only in terms of linking its physical developments but also to link deprived communities to employment and address some of the social challenges within the sub region. In the next twelve months some

⁸⁴ Work Foundation interviewee

⁸⁵ Work Foundation interviewee

progress should be made on improving local transportation, focusing primarily on the city centre, Stoke-on-Trent station, the University Quarter, Newcastle-under-Lyme and Keele University. Further work will be required at the station (for example, investigating the option to use brownfield land on the east of Stoke-on-Trent station to create a drop off point, car park and taxi rank, creating a pull-in and turn around area for buses, improving the quality of taxis). Improved pedestrian access, more cycling facilities and well-signposted routes, development of the canal areas are all issues that also need to be dealt with in the medium-term, particularly from a sustainability perspective as well as investment in the quality of taxis. In the medium to longer term it is also vital that public transport to key areas of the sub region such as Staffordshire Moorlands are improved, and that local stations are made part of long-term plans for improvement.

Recommendation 5: Develop a long-term programme to address worklessness and deprivation and to raise aspirations (considering interventions in schools, with employers and to raise aspirations overall). It will take decades to change, but needs to be a priority. Within the first twelve months some tangible progress should be made, for example through a mentoring programme and focusing efforts on a small number of deprived wards.

Why: North Staffordshire has twice the national average of people on Incapacity Benefit and there are multiple social difficulties which the area is seeking to address, particularly in Stoke-on-Trent although also in some wards within Newcastle-under-Lyme and Staffordshire Moorlands. Challenges include higher than average rates of poverty, poor health, teenage pregnancy and crime and substance abuse. High – and well above average – levels of people with low or no skills, low levels of people with high skills, and many people who have skills that are not appropriate for the changing jobs that are available are amongst the most significant barriers to North Staffordshire adapting successfully to the changes in the wider economy.

What: North Staffordshire faces huge challenges in this area that will take decades to address. Nonetheless, it needs to start now. Long term objectives should include:

- Raising the skills levels within the sub region so that it has a national average of people with at least level 2 skills. To do this will require work with schools, colleges and employers to raise demand for skills from individuals and employers, and to ensure high quality supply of skills;

Case study: North Derbyshire and North Nottinghamshire

Skillsbuilder is a national programme run by the Coalfields Regeneration Trust to tackle worklessness resulting from pit closures. SRB provided £203,000 (matched with £579,000) to enable the project to run in North Nottinghamshire and extend its work to those affected by local manufacturing industry redundancies. The project works with redundant workers to assess their skills needs and supports their retraining into an appropriate industry through an intermediate labour market scheme. The project placed trainees with construction, electrician, and plumber employers – sectors where there are skills shortages. This project offered a wage subsidy and contributed to external training costs, in return for permanent job outcomes⁸⁶

- Addressing the multiple barriers to work facing many workless individuals, including low skills (both formal and ‘soft’), physical and mental health problems, lack of affordable and flexible childcare, transport problems or having been on benefits for a significant amount of time⁸⁷;
- Increasing the proportion of highly skilled workers, working with universities.

To meet these objectives will require a combination of a strategic and localised approach. There is no ‘one size fits all’ approach to worklessness: ‘flexibility and local autonomy are critical to effective worklessness interventions’⁸⁸. Successful interventions do, however, tend to be coordinated at a sensible level of geography – in this case the sub region – but to be designed in a holistic, client-centred and customised way for the particular needs of local clients. Taking a long term and strategic approach to worklessness across North Staffordshire means that worklessness should be a key part of strategies to improve the physical regeneration of the area and to invest investment in housing, skills, transport, health and crime, and that projects should be coordinated and investment targeted. It also means that interventions by local providers can be evaluated. Having local autonomy about how interventions are delivered, however, means that interventions can be tailored to the specific needs of individual clients: a critical success factor for worklessness initiatives.

⁸⁶ See SQW Alliance review www.sqw.co.uk/file_download/26

⁸⁷ *Helping People from Workless Households into Work* (2007) National Audit Office, p.6

⁸⁸ *Effective Interventions to tackle worklessness: review of evidence* (2005) ERS, Northumbria University and Durham Business School, p.2

How: Specific actions to start in the next twelve months, as part of much longer-term programmes, should include:

- The NSRP should develop a long term strategy to address the multiple and complex worklessness issues within North Staffordshire. This should provide a strategic framework for holistic worklessness interventions, ensuring they are coordinated but that local autonomy is encouraged. This means that key partners within North Staffordshire, including the Learning and Skills Council, Jobcentre Plus and key community providers, will need to agree an overall approach and priority issues to address. This will help ensure that some of the barriers to work such as transport, which can only be addressed at a sub regional or higher level, are dealt with at this strategic level. It will also help coordinate approaches to larger employers when seeking to develop work placements, making it easier to implement good practice such as engaging employers from the start, working within their interests and capacity, creating confidence and communicating regularly⁸⁹. When developing the strategy stakeholders should consider piloting some interventions primarily in a small number of target areas that are the most deprived; an approach being taken by some of the City Strategies eg that of Greater Manchester)⁹⁰. It is also vital that the overall worklessness strategy review a range of interventions, including investment in young people (eg working with schools, mentoring), pre-employment placements with employers and taking a personalised approach to contact with individuals facing significant barriers to work.
- The NSRP should also ensure that delivery of the overall worklessness strategy is localised where possible. This learns from the successes of other interventions about being client centred: the most successful interventions are those where organisations work in partnership and with sufficient autonomy to take a holistic approach to client need. For example, some individuals will be in greater need of post placement support than others. For most local areas, people are more likely to engage with worklessness interventions if local people are employed as advisers, premises are located centrally or somewhere accessible to the local community, and advisers do outreach work, for example visiting GP surgeries, libraries and community centres⁹¹.

⁸⁹ *Effective Interventions to tackle worklessness: review of evidence* (2005) ERS, Northumbria University and Durham Business School

⁹⁰ See <http://www.dwp.gov.uk/welfarereform/pathfinders.asp>

⁹¹ *Effective Interventions to tackle worklessness*

- The North Staffordshire Learning and Skills Group should create in the next twelve months a skills map for the sub region as the basis for engagement with local employers: Working with education providers – the two universities and the four further education institutions as well as schools – and with employers the Group should create a skills map for the sub region that focuses on where are the gaps now and predicted in the future, and strive to respond. For example, there are likely to be considerable opportunities linked to construction and the local FE colleges in particular (especially Stoke-on-Trent as it has a COVE in this area) should be talking to employers about how they can train local residents and link them with the growing opportunities.
- As part of the worklessness strategy, seek to build on existing assets and the city centre development through pre-employment initiatives that will train the ‘job-ready’ unemployed and link them to employment. There are many examples of retail-led regeneration including such initiatives as standard – the development of the Birmingham Bullring is a good example – and the outcomes are largely positive in terms of ensuring that the jobs created have an impact on local economic activity rates and in terms of being able to include ‘skilled and ready to work’ people in the business offer. Established programmes such as Marks & Start, run by Marks & Spencer, are an opportunity to link those out of work to employers already in the area⁹². The development of the East West precinct in the city centre and of retail in Newcastle Town creates an opportunity to do this over the next twelve months. Other existing major employers, including those in tourism, healthcare and public services, may also be willing or able to get involved, particularly if appropriate pre-employment initiatives are developed and can then be customised for them.
- Make use of public sector procurement specifications to encourage social inclusion and sustainable job creation. North Staffordshire can work with the construction, retail and other firms that will be involved in the regeneration of the sub region to ensure that employment created as a direct result of the funding available uses recruitment mechanisms to tackle social inclusion and worklessness. For example, specifying that contractors and developers commit to employing a number of people currently not working or inactive and work alongside Job Centre Plus to achieve this; or, working with contractors who commit to investing in the skills of their labour force.

⁹² See Jones, A. et al (2005) *Marks & Start: Opening the Door to Employment*: The Work Foundation

- Link the Building Schools for the Future programme with the work of the NSRP and invest in ongoing improvement of education at primary and secondary level across North Staffordshire: The Building Schools for the Future programme in Stoke-on-Trent needs to ensure that its long-term strategy and delivery plans link with those of the NSRP; this needs to happen urgently. Over the next twelve months work should continue to improve the performance of poor performing schools across the area and to seek funding to invest in a long-term enterprise programme for schools to encourage enterprise and entrepreneurship. Whilst some tangible results may be measurable in the next twelve months such as linking plans or delivery of small-scale initiatives, it needs to be clearly acknowledged that this is an activity that needs to be sustained over the long-term if it is to make a difference to the future of North Staffordshire.
- Pilot a mentoring programme with North Staffordshire Ambassadors: Pilot a mentoring programme with young people to raise aspirations, see priority one above.
- Develop and implement a 'public sector employment compact' whereby public sector organisations commit to working with Job Centre Plus and training providers to ensure that the accessibility of jobs within the public sector is improved and creating opportunities to people who are not working but able to work. The Action Planning Group has demonstrated a willingness to become involved with setting this up.
- Link health interventions to the overall NSRP strategy: Health remains an ongoing challenge in North Staffordshire. Without a healthy workforce, achieving the other actions will be even more challenging. During the next twelve months the PCT should ensure that interventions to improve health are strongly linked with the overall NSRP plans and the NSRP should formally recognise the important role these have to play. Pathways to Work and the Condition Management programme also contributes to this.
- Work with the Primary Care Trusts in the North Staffordshire area to investigate options for improving local health outcomes and addressing barriers to employment. The local PCT has already indicated its strong engagement in contributing to the local area, for example through employing local companies where possible to deliver some of its obligations. It may be worth also exploring opportunities to link initiatives

to address mental and physical health problems within the area to pre-employment initiatives, as carried out within Scotland (see below). This could be reviewed within the next twelve months as a precursor to a longer-term programme.

Case Study: Pre-employment initiatives in NHS Scotland Boards

Recognising the link between health inequalities and worklessness, the Scottish Government has been working with NHS Boards to set-up pre-employment initiatives that support local unemployed job seekers through training programmes and into jobs within the boards. Working closely with Job Centre Plus and local partners, these initiatives have supported over a thousand people into sustainable employment with benefits to the Boards themselves in terms of recruitment, to local communities that are served by the Boards and to the wider and potentially long-term health of Scotland. There are many examples of other approaches to pre and post employment programmes that could be learnt from in North Staffordshire.

When: Worklessness and the barriers to employment facing many individuals in North Staffordshire is one of the most significant challenges facing the area, and one of the most difficult issues to address, requiring a very long-term perspective. Over the next twelve months it is vital to develop a long-term strategic approach that will encourage partnership working across the area and to support more localised interventions, enabling organisations to work in partnership to respond in a holistic way to the needs of individuals.

The development of the city centre creates opportunities for pre-employment initiatives and other issues that should be considered are interventions with young people, raising demand from all employers for higher level skills, improving health across the area, and ensuring that evaluation frameworks are in place early on to enable assessment of the success of all initiatives. For any of these programmes to make a difference, however, North Staffordshire will need to sustain them and to work closely with other partners at a national, regional and local level.

Recommendation 6: Progress development of the Keele University Science Park and the University Quarter.

Why: Successful knowledge intensive places are those that build on their education institutions' supply of graduate labour and their research assets. For North Staffordshire, this means building on the strengths of Keele University, Staffordshire University and the local FE colleges – Leek, Newcastle-under-Lyme and Stoke-on-Trent. Some progress has already been made in the 'true cluster'⁹³ of medical and healthcare technologies in Keele Science Park, whilst health has been the fastest growing sector in the area⁹⁴. There are further opportunities to build on this and other areas of specialism, particularly through further development of the Science Park and progressing plans for the University Quarter.

Case Study: Investing in the Liverpool Science Park

Opened in January 2006, the £10 million Liverpool Science Park is a joint partnership between Liverpool City Council, the University of Liverpool and Liverpool John Moores University. It aims to provide a base for developing young research-based companies in the science, engineering, biotechnology and IT sectors by offering high quality accommodation, business support from Business Liverpool and links to specialist experts in the Liverpool region.

Within fourteen months of opening the science park had attracted seventeen companies and achieved 68 per cent occupancy, making it the fastest growing science park in the UK. There are now thirty young companies based at the Liverpool Science Park and it has entered the second phase of planned development.

What: There are two key priorities in relation to the education institutions in the first year (not counting the importance of investment in schools highlighted under Recommendation 5).

First, investing in accommodation for knowledge-intensive businesses attracted to Keele University's research strengths by extending the Science Park. The AWM supported expansion of Keele University's Science Park is a critical part of North Staffordshire's development of knowledge based industries. This is currently planned to involve the

⁹³ *Cluster Focused Action Plan* for North Staffordshire

⁹⁴ *Updating the North Staffordshire Integrated Economic Development Strategy* (October 2007)

identification and masterplanning of a fourth phase of the Science Park and the possible acquisition and site preparation of the Peacock Hay site in the Chatterley Valley to create a Medi-Park. This would enable North Staffordshire to build on the knowledge intensive cluster that already exists – medical and healthcare technologies – and to link growth of this to other sectors including environmental technologies.

Second, implementing plans for the University Quarter. This covers 390 acres of land between Stoke-on-Trent station and the city centre and is a vital component of North Staffordshire regeneration because of its focus on education-led regeneration and increasing the proportion of highly skilled workers in the North Staffordshire area. The Quarter aims to 'generate a thriving knowledge economy that is globally connected leading to sustainable prosperity and an ambitious and dynamic community. It aims to create an integrated learning experience, focussed upon creativity, skills and employability, promoting participation and progression⁹⁵ and progress is already being made against this vision by the partners⁹⁶. Against three cross-cutting themes of technology, employer engagement and a 'Healthy City', the main projects for the University Quarter have been identified as being: a Science Centre; a Sports Village; a Performing Arts/Music hub; a Media Place/Creative Village; and a Knowledge Hub. Property strategies have already been prepared for the development of college and university facilities, with feasibility studies being conducted by GVA Grimley, whilst concept design proposals are in place for the Science Centre, Sports Village and Performing Arts Centre. An outline business plan is in the process of being finalised, according to the most recent update, as are plans to work closely with the community in south Stoke-on-Trent to ensure they are fully involved and engaged⁹⁷.

How: Specific actions include:

- Progress the extension of the Science Park: This should be a key priority within the North Staffordshire delivery plan, including accountabilities and key milestones agreed for the project. It is also important the Science Park is put in the context of other projects within the area to ensure it is linked effectively to the wider North Staffordshire economy through transport links and strong enterprise relationships. This is important to help ensure that these developments do not act as magnets away

⁹⁵ University Quarter Update November 2007

⁹⁶ Partners working on the University Quarter include Staffordshire University, Stoke-on-Trent College of Further Education, City of Stoke-on-Trent Sixth Form College, NSRP, North Staffordshire Learning & Skills Council, Advantage West Midlands and the Sanctuary Housing Association.

⁹⁷ University Quarter Update November 2007

from the core urban centres, particularly the city centre and Newcastle Town: the Science Park is primarily intended to be an attractor for highly knowledge intensive and productive businesses that would not otherwise locate in the sub region.

- Develop a specific strategy to grow medical and healthcare technology companies, building on existing and planned assets. The NSRP should formally support the medical and healthcare technologies group as being a core part of the NSRP plan and require the group to submit a more detailed plan in the next twelve months about how to maximise and grow this sector. This should consider how to make the most of new developments including the 'super hospital', the new £3 million clinical research centre at Hartshill and a new Health Care Careers and Skills Academy. This strategy should learn lessons from other cities seeking to grow similar clusters such as Manchester, Sheffield and Newcastle upon Tyne. For example, Sheffield has benefited from entrepreneurs incubating businesses and supporting them to make use of available university research⁹⁸. The medical and technologies group should also work with the NSRP to identify reasons why the businesses in the Science Park succeed or fail, looking specifically at changes in the external market; businesses' needs for 'grow-on' space; support for intellectual property and copyright management; and demand for business advice about how to change management practices with a larger team (a key current barrier to growth). Part of the medical and healthcare technologies group strategy should include a dissemination and promotion strand, devised in conjunction with the Marketing Group, InStaffs and the Staffordshire Destination Management Partnership to identify whether there are events and conferences that can be developed eg building on the January medical conference. This would help publicise the specialism.
- Progress the University Quarter and ensure it is fully linked to the overall North Staffordshire vision, including development of the Business District and Creative Quarter: In the next twelve months the University Quarter needs to continue to deliver on key milestones and to ensure that its plans contribute to the wider North Staffordshire vision and North Staffordshire Core Spatial Strategy. Ensuring that, for example, the Media Place/Creative Village complements the Creative Quarter so that investment in both is maximised will be vital. So too will exploring ways in which the University Quarter provides an opportunity to improve links between Stoke-on-Trent

⁹⁸ See *Priorities for Sheffield City Region in the Knowledge Economy* (2007): The Work Foundation

station and the city centre and, helps to improve the environment of Stoke-on-Trent station to make it a more attractive residential prospect for potential commuters to Manchester and Birmingham. The plans for the Quarter need to be considered in, and supported by, all strategies for addressing the skills deficit within the area.

When: The extension of the Science Park and the development of the University Quarter should make tangible progress over the next twelve months. Also within that time frame, the medical technologies group should work with the Enterprise and Innovation Group to devise specific strategies for the next three years to grow the medical and healthcare technologies sector in North Staffordshire.

Recommendation 7: Finalise plans for development of Newcastle Town’s retail and business accommodation with priority placed on growing its professional services and a distinctive retail offer.

Why: Newcastle-under-Lyme is the other key strategic centre for North Staffordshire. It attracts around 7,000 workers each day and, as the Experian update of the Integrated Economic Development Strategy shows, Newcastle-under-Lyme’s economy has been performing relatively well in recent years with over half its local employment (53 per cent) in the private sector and growing its employment by 27 per cent in the last ten years⁹⁹. These service sector strengths also mean that Newcastle-under-Lyme is predicted by Experian, even without any interventions, to grow faster than Stoke-on-Trent to 2021¹⁰⁰. Newcastle-under-Lyme has a strategic position within North Staffordshire being the nearest town centre to Keele University and the Science Park, sitting between Keele University and Staffordshire University, and having some areas of higher quality housing for higher income workers.

Newcastle Town does not need the substantial investment that the city centre requires, nor should development of Newcastle Town distract or detract from the vital redevelopment of the city centre. Nonetheless, it is important that North Staffordshire takes early action to capitalise upon Newcastle-under-Lyme’s position as one of the most attractive places within the sub region for knowledge intensive businesses to locate.

⁹⁹ *Updating the North Staffordshire Integrated Economic Development Strategy* (October 2007) prepared by Experian for Renew North Staffordshire

¹⁰⁰ *Updating the North Staffordshire Integrated Economic Development Strategy* p. 26

Some work has already been done on what these developments could look like, with current proposals including the Waterside Quarter, Live/ Work office quarter, Northern Gateway and Northern Quarter, Small and Medium sized Enterprise (SME) developments and the historic town centre including the open air market¹⁰¹. Assuming that these developments, as well as Keele Science Park, happen, Experian's work predicts that they will push up employment in business services, transport, wholesaling, retailing, Education and high tech manufacturing, from 39,800 in 2005 to 47,300 by 2021¹⁰².

Case study: Cambridge

A technology firm which moved to Cambridge said that a major factor in their decision to move to the city had been being able to work with a landlord who was aware of the needs of knowledge businesses, had flexible contracts, and was willing to work with businesses to create the environment in which they wanted to work.

What: Newcastle-under-Lyme has already been developing plans for development of its Town Centre through the Area Action Plan, although the detail of this is currently under review. A review of the Experian strategy and the evidence we have analysed, the early priorities for Newcastle Town are development of its strengths in professional services by developing appropriate office accommodation. In the next twelve months plans for this should be finalised, linked to the overall vision for North Staffordshire. Plans for offices will, of course, need to be in the context of a holistic plan for Newcastle Town that includes development of retail and leisure accommodation, as well as development of the public realm: something that the Area Action Plan the local authority is already developing will address.

How: Specific actions should include:

- Recognise Newcastle Town as the other key strategic town in North Staffordshire: Experian's predictions for Newcastle-under-Lyme highlight its potential to grow its private sector businesses and particularly its professional and business services, as well as to provide an independent retail offer. RENEW North Staffordshire has also identified Newcastle Town Centre as having the potential to 'accommodate a vibrant housing market which caters for a mixed income community'. As a consequence the city centre and Newcastle-under-Lyme should both be recognised as key strategic centres in North Staffordshire (although not requiring the same levels of investment).

¹⁰¹ See Newcastle Town Centre Area Action Plan 2007

¹⁰² *Updating the North Staffordshire Integrated Economic Development Strategy* (October 2007) p.40

- Finalise plans for Newcastle Town's future development and make some progress on delivery: The Area Action Plan should be finalised with clear milestones for delivery of key outputs, linked with the overall delivery plan for North Staffordshire. Plans should ensure that the town maintains its historic distinctiveness as well as catering for mixed development (office and retail) that provides an opportunity to capitalise upon Newcastle-under-Lyme's potential. In the short term, given North Staffordshire's shortage of knowledge intensive businesses and the fact that Newcastle-under-Lyme is in the short-term one of the most attractive places in the conurbation for these businesses to locate, we would suggest that development of professional and business service accommodation should be a key priority.

A finalised plan should be supported by a mix of public and private sector funding – although it should be recognised that the scale of public investment will not be as great as in the city centre. Nonetheless, as one of the most attractive town centres in the North Staffordshire area for knowledge-intensive businesses, it is important to ensure that Newcastle Town receives sufficient investment to fulfil its potential.

When: The plans and associated funding should be finalised over the next twelve months, with some tangible progress made on progressing development of knowledge-intensive office accommodation.

**C.
Medium-term
priorities**

These are issues that still remain vital to the sub region, but that should be seen as more medium-term issues that follow on from the previous priorities. There are still other areas for potential action, detailed in Evidence Paper D that can be enacted over the next fifteen years but the following medium-term priorities are ones we have identified as particularly important for action in the next two to three years:

Recommendation 8: Grow the knowledge intensity of the area through capitalising upon the universities and FE colleges and improving support for knowledge-intensive enterprises.

Why: If North Staffordshire is to thrive, it needs to develop its knowledge intensive businesses and highly skilled individuals. This means capitalising in particular upon the universities – North Staffordshire's principal knowledge assets – but also linking the universities with the FE colleges, growing existing businesses and attracting new

businesses. The further and higher educational institutions are already working on a range of projects within the sub region that have the potential to make a significant difference to the area, particularly the Science Park, University Quarter and development of specialisms such as medical and healthcare technologies. Capitalising further upon other assets that these universities and colleges have will be key to growing the knowledge intensity of North Staffordshire over the medium to longer term.

It is also important to note that support for small and medium-sized enterprises (SMEs) is increasingly likely to need to respond to the needs of knowledge intensive businesses. This is because in recent years the number of SMEs in less knowledge intensive sectors has been declining as the larger firms have bought or crowded out many SMEs, taking advantage of the economies of scale associated with this size, as well as confidence in a well-known 'brand'. In contrast, the balance between large and small firms in knowledge based sectors has remained roughly the same, meaning that more and more SMEs in the UK economy are in knowledge intensive sectors. There has been a similar shift in the nature of self employment as more well-educated entrepreneurs set up their own businesses selling knowledge intensive services. This is not to suggest that all start-ups will be knowledge-intensive, but simply that North Staffordshire should ensure that its enterprise support can respond to the needs of knowledge intensive businesses as these are likely to make up a larger proportion of businesses in the future.

Case Study: Bristol

Many of those interviewed in Bristol believe that the city's strength – and its future potential – relies on a diverse economic base that is sufficiently specialised to have the niche in some markets. The city economy is dominated by the finance, business and property sectors, making up around 35 per cent of all firms and 29 per cent of the workforce. Within the wider city region around Bristol, there are specialist industries in aerospace/defence, computer services, financial and business services, media and creative industries, tourism and higher education. Networks for specialised industries are well developed, encouraging businesses to remain in the city and providing established support for those making decisions to invest there.

What: With this in mind, we would recommend that the NSRP seek to work closely with the two universities in the medium-term to help identify additional projects to help grow knowledge intensity within the sub region. These should build on individual specialisms

(for example, environmental technologies within Keele, media in Staffordshire) and also involve joint projects where possible, for example linking design and medical and healthcare technology expertise, as was the case when Intelligent Orthopaedics was spun-out from both universities. Learning from other cities such as Manchester, early involvement of the universities in decisions about the sub region, as well as ensuring that projects have mutual benefits for the university and the place in which they are based, are important to successful partnerships.

Enterprise policies should also be implemented that aim to remove barriers to growth of high potential SMEs. This should be regardless of sector although there should be recognition that knowledge based SMEs are growing faster than other SMEs and that growth of knowledge intensive SMEs will have a greater impact on the local economy, meaning appropriate support should be in place.

How: Specific actions should include:

- Review how the NSRP could most effectively work with the two universities to maximise their contribution to the sub region and the sub region's contribution to them: The two universities are already heavily involved in many meetings and partnerships but have expressed willingness to take on a further role, for example Staffordshire University's commitment to a regional leadership to 'transform the communities and economies on our own doorstep'. The NSRP should seek to work with the universities closely to investigate how partnership working could be further improved to maximise the contribution that the local area makes to the university and vice versa.
- Review whether Keele and Staffordshire University could develop a joint enterprise: This will be up to the two universities but it is worth looking at lessons from places such as Emilia Romagna to consider whether the two universities would benefit from a joint enterprise to develop more spin-off knowledge intensive businesses (such as Intelligent Orthopaedics) together.
- Build on the expertise of Ceram and Staffordshire University in particular to promote application of research to ceramics and to develop a strong network of high skilled craftsmen and women in the area. This should aim to encourage sharing ideas

and innovation through links with the universities in North Staffordshire and other nearby cities, encouraging innovative sharing of ideas and showcasing where spin-offs have been generated (eg production of orthopaedic discs, rubber glove moulds etc). It should also aim to link ceramics businesses with wider markets – regionally, nationally and internationally – and provide access to services to help companies protect intellectual property and copyright are more easily available, as this is about the sustainability of the knowledge base.

- Investigate the potential to develop an environmental technology cluster. Keele's strengths in this area, from scientific to policy focused research, combined with some companies already in the Science Park, mean that this is a potential area for expansion and creating a 'centre of excellence'. Other places, such as Sheffield, have grown this sector in recent years and there is potential for North Staffordshire to make use of the medical and healthcare facilities to do the same. Contact should be made with places such as Sheffield, who have grown this sector in recent years, to learn lessons about how to do this.
- Develop an innovation framework: Ensure that North Staffordshire develops, and publicises, a joined-up innovation support framework for knowledge based businesses that brings together the enterprise services and the universities. Key elements of an innovation framework highlighted by Peter Lovatt's European Innovation Scoreboard are: research and intellectual property; entrepreneurs and an innovation network; access to capital; business support and advice on issues such as workforce development, HR, business growth, copyright and intellectual property management; and a high quality environment appropriate for that business. This would make it easier to set up knowledge based businesses in the area and make it more likely they will survive.
- Develop academic and business networks to support the growth of innovative and knowledge intensive businesses. Regular seminars should be set up bringing together small firms and academics with common interests, with the firms setting out the difficulties they are facing and then working through potential solutions with the academics. Wider networks should also be developed by sector, building on the existing networks such as the Staffordshire Business and Environment Network, the FineST network supported by AWM and the Chamber of Commerce, to encourage

sharing of ideas. These networks should also help businesses to link with wider markets in the region, nationally and internationally to help North Staffordshire businesses understand and reach their markets more effectively. There are opportunities to learn lessons from cities such as Sheffield and Newcastle upon Tyne in this area.

- Invest in high growth businesses, regardless of sector: North Staffordshire needs to encourage the development of high growth businesses, regardless of sector, as long as growth of these businesses will not create long term problems (for example environmental issues). This means building on existing enterprise services and ensuring that businesses have access to finance, help with management of IP, premises and business advice as part of one package. This should link with areas of expertise, for example Ceram, Staffordshire University and the City Museum for ceramics. Lessons can also be learned from experiences such as that of Biocomposites, a company supported by Keele to diversify from ceramics into medical and healthcare technologies.

When: Work on this area should be prioritised from 2009 onwards.

Recommendation 9: Invest in a quality of life strategy across North Staffordshire in order to attract and retain higher income residents as well as to improve the quality of life of existing residents. This will need to pull together the North Staffordshire tourism strategy, Renew's work on housing and the development of creative industries.

Why: Whilst North Staffordshire does have knowledge intensive jobs, and the aim is that in the future these will grow, it is also vital for the area to attract and retain high income residents who will spend their money locally to create local multiplier effects. Investing in quality of life across the area for current residents is vital, but so to is North Staffordshire taking action to attract higher income future residents and regular visitors. This means investing in health, leisure, cultural and creative industries.

Case Study: Munich

Despite not being the capital of Germany, Munich holds a position as the headquarter location of many German businesses. These include Allianz, BMW, EPCOS, Infineon, MAN, Munich Re, Siemens, Microsoft Germany, Oracle Germany, ProSiebenSat.1 Media. They are attracted by the high skill level of the population and the city's quality of life¹⁰³.

What: North Staffordshire needs to not only grow its economy and jobs but also to offer high quality residences, leisure, cultural activities, green spaces and communities. It already has some assets in this area, particularly the market towns in Staffordshire Moorlands, the Cultural Quarter in the city centre, Trentham and the leisure offer throughout the sub region (eg Alton Towers, Waterworld). It is also important to ensure that sustainable high quality housing is available to attract highly qualified workers to live as well as work in the area.

How: Specific actions should include:

- Review existing housing strategies to consider whether there is enough provision to attract higher income workers: There are a number of plans already in place concerning housing, for example Renew has recently launched a Business Plan focusing on priority urban areas in Stoke-on-Trent and Newcastle-under-Lyme and housing within Staffordshire Moorlands is being allocated as part of the Local Development Framework. These plans should be regularly reviewed, particularly in the medium-term, to consider to what extent the sub region as a whole is providing higher quality housing to attract higher income workers. Prosperous suburbs throughout the North Staffordshire area would help to deliver local spend and generate economic multipliers, making it more likely that retail and leisure developments within the sub region are sustainable. If there are deemed to be gaps, plans should be set in place to address this throughout the sub region as economic growth cannot be sustainable without increasing the proportion of highly paid and highly skilled workers who live as well as work in the sub region.
- Identify joint projects as a sub region to develop local tourism, building on the North Staffordshire Tourism Strategy 2004 – 2014. Tourism is one of the key areas where all three local authorities within North Staffordshire can benefit demonstrably from

¹⁰³ Munich case study, *Ideopolis*

working together to improve accessibility of existing attractions, build on assets across the area such as the canals and increase the proportion of visitors staying overnight and longer in the sub region. The Staffordshire Destination Management Partnership has made a significant contribution to tourism within the area, as has the development of the North Staffordshire Tourism Strategy. However, there are as yet no organisational resources behind this, such as a Destination Management organisation for the whole of North Staffordshire. This would help to create a clearer 'tourism offer' for the whole area that ensures people are aware that there are towns and countryside, interactive family activities (eg ceramics, Alton Towers) as well as sporting activities and cultural activities. The organisation should seek to promote how people travel around North Staffordshire – without a car this is almost impossible at present – and what there is to do for different groups of people. It will also require making more of existing strengths, such as ceramics, and updating them to become more interactive attractions for families, learning from other attractions. It is important to ensure that plans for tourism reinforce North Staffordshire's focus on urban centres where possible.

- Invest in Leek and Cheadle: As highlighted in the North Staffordshire Tourism Strategy 2004 – 2014, Staffordshire Moorlands contains a wealth of attractions including the Peak District National Park, Biddulph Grange, Rudyard Lake and Alton Towers. Leek is the gateway to the Peak District in the area, however, so should be the first priority for investment in the Moorlands and should be master planned to ensure that its potential is maximised. There is also potential to master plan Cheadle to create a town that is a sustainable market town as well as somewhere that services Alton Towers.
- Work with Staffordshire Destination Management Partnership, and a united North Staffordshire Destination Management organisation, to develop the 'experience' side of ceramics. This could involve creating a more interactive and family oriented day out in the Potteries (perhaps linked to Alton Towers as a 'family weekend' offer). Pottery tours should be 'higher end', with fewer trips to 'seconds' shops and more pride in what is produced in the area. As part of this North Staffordshire should continue to host, and make more of, the Ceramics Festival (as set out in the Tourism Strategy and Festivals and Events strategy).

- Review recommendations in the North Staffordshire Retail and Leisure Study regarding development of amenities related to leisure and retail aspects of quality of life, for example health and fitness, cinemas, bowling and bingo clubs are identified as needed in different parts of the sub region¹⁰⁴.
- Sustainability must be a core element of development plans: The master plan and all development plans need to consider environmental impact and to ensure that high environmental standards, as well as high quality design standards, are maintained – and to publicise this as part of North Staffordshire’s ‘offer’. This should also be maintained in the future.
- Develop ‘offers’ for key target markets of high skill workers: This should include young professionals seeking affordable housing and an easy commute to Manchester/ Birmingham; experienced professionals who want access to quality of life and interesting jobs; and potential entrepreneurs. The Marketing Group should seek to develop these offers in detail.

When: Some activities in this area will be starting within the next twelve months because of local plans, for example work on Leek and Cheadle and the Renew strategies. However, we would recommend that these issues are prioritised in the medium-term, from 2009 onwards.

Recommendation 10: Build on the Creative Quarter to use creative industries as a catalyst for regeneration and work towards a high profile event in five years.

Why: Many cities that have transformed themselves have made use of some kind of catalyst, usually a combination of external circumstances and internally generated change. In recent years there has been increased interest in the contribution of cultural and creative industries. This is partly because they play such an important role in the UK’s economy, accounting for 7.3 per cent of gross value added in 2004 (two-thirds of this is accounted for by software, including computer games and electronic publishing, publishing, TV and radio)¹⁰⁵. It is also because there are a number of examples of post-industrial cities stimulating their regeneration through creative and cultural industries. For example, the culture of Manchester in the 1980s was seen as vital for changing

¹⁰⁴ North Staffordshire Retail and Leisure Study 2005 – 2021, Executive Summary, p.7

¹⁰⁵ Hutton, W. et al (2007) *Staying Ahead: the economic performance of the UK’s creative industries*: The Work Foundation

perceptions of the city, whilst in Glasgow the 1990 City of Culture bid and the investment in culture-led regeneration was a turning point in the city's fortunes.

Case Study: Manchester and the Hacienda

During the 1980s the 'Madchester' pop culture and Tony Wilson's role at the Hacienda was cited as being influential in repositioning 'a grim northern city... as a young person's residence on a major scale... It located the city and local government alongside radical pop and chic'. The emerging creative and cultural class is regarded as having shaped the city centre, particularly the night-time economy and the social networks and capital so important to the city¹⁰⁶. It has also contributed to the changed image of Manchester and the focus on more recent developments such as the Lowry Centre (2000) in Salford Quays, the Imperial War Museum North in Trafford Park and the URBIS Exhibition Centre (2002). The announcement of the BBC relocation to Salford has recently reinforced the city's claim to be England's second centre of culture¹⁰⁷.

In North Staffordshire there are already some creative industries and creative successes on which to build, including the ceramics industries, local theatres, museums and incubation spaces. There is also a precedent of a large-scale event creating pride within the local area: the Garden Festival in 1986, which involved reclaiming land and included sculptures and artwork from over 100 artists, Anthony Gormley among them, was regarded as a great success¹⁰⁸. Capitalising upon these existing strengths, as well as the good location between Manchester and Birmingham, could help North Staffordshire to attract creative industries and to retain the young graduates from Staffordshire University who are currently looking for jobs elsewhere because there are few jobs available and few places for them to produce and sell their work¹⁰⁹. Creative industries are an important source of GVA as well as having an impact upon the 'feel' of a place.

Creative industries cannot and should not, however, be the main element of a regeneration strategy. Whilst high value jobs and businesses are created within the sector, the number of jobs may be low and the 'value' or output of businesses may not be high. Brighton's experience highlights this. It also shows that the development of a creative sector, and creative jobs, takes time, and that often the significant benefits to a city are in its reputation over time as much as in terms of economic benefits. Glasgow's

¹⁰⁶ Case Study of Manchester for *Ideopolis* Knowledge City Regions (2006), The Work Foundation

¹⁰⁷ Harrison, J. 'Culture-Led Regeneration in England's North-West' in *Regional Studies Association Newsletter* No.266, p.13 (Summer 2007)

¹⁰⁸ Cultural Development Business Plan 2007/08

¹⁰⁹ Number 4 Broad Street Feasibility Study, nmp

Case Study: Investing in Culture in Newcastle upon Tyne

Investment in the creative industries and cultural works like the Angel of the North in Newcastle upon Tyne is credited with creating a renewed sense of pride amongst city residents and transforming external perceptions of the city. Although questions remain about how many local residents use the BALTIC and Sage Centre, they send a strong message about the upward trajectory of Newcastle upon Tyne and the neighbouring local authority of Gateshead and have sparked to further regeneration of the city centre by the private sector. They have also led to an expansion in the size of the experience economy in the area.

experience also demonstrates the need to make investment in creative industries part of a wider strategy for transformation. People will always move for jobs first so whilst creative industries can catalyse regeneration, as in Glasgow, they do this best when they are part of an overall strategy for transformation. This is why we have identified building on the Creative Quarter as a medium-term priority, once some of the changes in North Staffordshire have started to happen.

What: The Creative Quarter will be developed as part of the city centre developments (identified as priorities). In the medium term, building on the events and festivals strategy and the creative industries strategy, North Staffordshire should seek to actively build on its creative industry assets, particularly ceramics and university specialisms in media and design. This has the potential to create a distinctive reputation for the area as well as to strengthen the potential of the city centre to be a creative hub and place where consumers wish to spend their leisure time.

How: Specific actions to build on the existing creative industry assets of North Staffordshire include:

- Work with Staffordshire University and the Cultural Development team to develop an 'offer' for creative industry businesses seeking low-cost premises and access to the facilities at Staffordshire University and Burslem. Where possible these premises should be based in the city centre Creative Quarter and the review should consider whether these should be small as 'grow-on' space is available already in the Creative Village at Staffordshire University. This should be linked to a wider enterprise strategy and to the Burslem Regeneration Strategy;

- Investigate options for a high-profile event the area can host from 2012 onwards: Learning from other cities, in the medium term North Staffordshire should also review whether it could attract a high profile event in the future (for example 2012, around the Olympics, or later) which would act as a showcase for the changes within the city. This should be reviewed carefully: for every Manchester Commonwealth Games and Glasgow City of Culture, there is a less successful Sheffield Youth Games. It is also important that North Staffordshire does not seek to compete for too high profile an event: it needs to be realistic about what it could and could not attract.

When: Development of the Creative Quarter and the implementation of the festival and events strategy mean that the foundations for this will start to be laid in the next twelve months. It should be seen as a priority in the medium-term, however, that creative industries are seen as a vehicle for communicating the changes in the area as well as a vehicle for creating change and encouraging visitors and workers to come to the area. Plans should be developed in 2009 to take this forward.

4. Potential scenarios for the future of North Staffordshire

To reinforce the importance of focusing on key priorities, with a range of short, medium and longer term plans, we have developed potential scenarios for the future to assess the benefits of different actions for North Staffordshire's future.

This section looks at three potential scenarios:

1. 'Policy Off' Scenario – None of the planned projects are undertaken and North Staffordshire continues on current trends;
2. 'All Policy' Scenario – All of the planned projects are undertaken;
3. 'Priority Policy' Scenario – A prioritised number of projects are undertaken.

It draws on stakeholder interviews, our own analysis and the analysis conducted by Experian for Renew North Staffordshire¹¹⁰. The assumption here is that the policies in place will be effectively designed, delivered and will meet their objectives.

4.1 Scenario 1: 'Policy Off'

This scenario assumes that none of the planned projects are undertaken. Although this seems unlikely, North Staffordshire's track record of not delivering on all its key priorities means this scenario should not be dismissed as entirely impossible. Based on our analysis, and the work done by Experian, a 'policy off' scenario will produce the following very poor outcomes in North Staffordshire:

Place: The incoherent spatial layout of the sub region will continue to act as a disincentive to people and organisations to locate in North Staffordshire. Car dependency and congestion will continue as transport does not link people to the places they need to get to for work and leisure, making the area less environmentally sustainable. Demand for houses remains low as there is insufficient local employment. The inequalities built into the infrastructure of the sub region will persist with higher earning and skilled people living and consuming outside of the area.

Economy: North Staffordshire will continue to lag behind other places in terms of its knowledge economy and be bypassed in choice for new private sector knowledge based investment and skilled workers by Manchester and Birmingham. Productivity will remain low and below average (for example, Experian estimates that North

¹¹⁰ This analysis covers Newcastle-under-Lyme and Stoke-on-Trent only (not Staffordshire Moorlands) and as such should be treated with appropriate caution in application to North Staffordshire as a whole.

Staffordshire's average annual GVA baseline growth will be 1.7 per cent between 2005 and 2021 compared to a national average of 2.6 per cent). In addition, Experian estimates that the number of jobs in the sub region will decline and relates this to the further contraction of employment within ceramics. The absence of policies which aim to support the growth of specialist industries to create jobs will further reinforce the poor economic outlook for North Staffordshire.

People: Without any sign of transformation in the economy or a revitalisation of North Staffordshire's spaces and sense of place, new people will not be attracted to live in the area and young people who gain qualifications will continue to move away in order to use the skills that they have gained. Without investment in the 'place' and economy of North Staffordshire, the main outcomes for people will be further constraint on the opportunities that will lead to an improved quality of life and better social outcomes. Without a skilled labour market, North Staffordshire will continue to struggle to attract knowledge based firms for whom the quality of human capital is the primary relocation driver. Health outcomes are poor and North Staffordshire will continue to need public spending to deal with the implications of ongoing inequalities.

Leadership: There will continue to be a lack of shared leadership across North Staffordshire, with local divisions and local identities constraining progress. The failure of this work to make a difference has led to cynicism about partnership working and isolated working, further exacerbating both the difficulties that the sub region faces as well as the frustrations of those wanting to contribute to the transformation of North Staffordshire.

Image: Without the leadership or any sign of transformation, it is likely that North Staffordshire will continue to be associated with the decline of old industries. The lack of co-ordinated and coherent marketing strategies will ensure that whilst other urban areas become known for their revival in the knowledge economy, North Staffordshire will not and this will have wide reaching implications for the future success of the sub region.

4.2 As we have discussed, one of the difficulties facing previous attempts to transform North
Scenario 2: Staffordshire has been the 'jam-spreading' of resources to deal with local political divides,
'All Policy' making it more difficult to coordinate local plans and to projects having less impact than

they might otherwise. Based on our analysis, an 'all policy' scenario runs the danger of continuing to invest in such a wide range of projects that it will be difficult to create the sense of place that North Staffordshire requires, as well as to reinvigorate the local economy:

Place: The tension between city centre and out of town developments will continue and out-of-town business developments will continue to be particularly attractive to businesses, further denuding the urban centres. There is a lack of clarity about the distinctive strengths of different places in North Staffordshire, meaning that investment follows individual projects rather than an overall planning strategy and there is no clear sense of place, making it confusing for residents, businesses and visitors.

Economy: Despite many activities to secure relocations and to support business growth, there is no development of clear specialisms. Strategic and transport links between different developments – such as Festival Park, the City Centre, the Cultural Quarter, Stoke-on-Trent station, the University Quarter and Newcastle-under-Lyme – are not well established, meaning they are not benefiting economically, for example in terms of footfall, from links with each other.

People: There are a number of projects but they are not coordinated and returns on the investment are not as high as expected. There continue to be difficulties in linking people to jobs, especially if they do not have a car, and it is difficult to know which projects will continue as funding is becoming difficult to gain for so many different areas.

Leadership: Without consensus about what the priorities are and what the vision for North Staffordshire is there is a great deal of confusion about which projects are priorities, how they should be adapted to complement each other and how places should work together. It is difficult for all the projects to be linked and to make decisions at a North Staffordshire level because there is so much activity.

Image: There is so much going on in the area that it is difficult to know how North Staffordshire has changed and people are overwhelmed by all the different activities, without knowing what North Staffordshire specialises in and how it works as one place in which to live, invest, study work or visit.

4.3 Scenario 3: 'Priority Policy' As Experian's analysis of the likelihood of planned policies and strategies being implemented suggests, some potential projects are less likely to happen or to reach their objectives than others. Drawing on this analysis and our own work, we would argue that North Staffordshire needs to recognise this scenario as not only the most likely but also the most desirable. As we see it, this approach will impact on the area in the following ways:

Place: North Staffordshire has developed a master plan for the sub region that considers sustainability and environmental issues. It also aims to ensure that all infrastructure projects reinforce the 'purpose' of different parts of North Staffordshire, for example supporting Staffordshire Moorlands as a tourist centre and as offering a high quality of life to residents. The sub region has invested in the city centre and Newcastle-under-Lyme as 'twin hubs' of the local economy. The housing development strategy is linked to the economic strategy and to the overall master plan for the area, and more people are moving into the sub region.

Economy: The focus on key knowledge specialisms and the experience economy, and on improving enterprise support, will support economic growth in North Staffordshire that responds to wider changes in the economy and builds on its assets. Experian estimate that with successful implementation of 'more likely' policies, annual GVA growth will be closer to the national and regional averages and the number of jobs within the area will be maintained rather than in decline. There is a strong 'offer' for businesses considering locating in the area that demonstrates links with Manchester and Birmingham as well as the universities and the number of businesses, especially in knowledge industries, is growing.

People: Investment in the skill mix of the existing population will start to tackle the long standing difficulties of worklessness and benefit dependency. Policies that improve quality of life will also help to attract and retain people and provide North Staffordshire with the human capital needed to attract and develop more knowledge based businesses. Experian estimates that the total population in the area will grow if the 'most likely' policies are implemented.

Leadership: There is a need for immediate action, speed and quick wins. Consensus and focus around the key priorities for the sub region will enable leaders to take effective decisions and to deliver on their promises as well as to make the

most of the enthusiasm of leaders from businesses and third sector organisations. Individuals will be empowered to make innovation projects happen that fit within the wider vision for North Staffordshire.

Image: With a coherent and co-ordinated approach to marketing North Staffordshire, a distinctive and more forward looking image of the sub region will be developed that builds on and is reinforced by the noticeable changes that are made within the area.

4.4 Summary

The future for North Staffordshire depends on the internal decisions that are taken now and also on the external changing economic and policy context at regional, national and global levels. The decline of the ceramics industry can be partly attributed to the global ceramics market and the changing nature of consumer demand. Therefore, whilst responses to these scenarios may be determined internally, it is also critical that decisions are always located within the wider economy and policy context. This means that North Staffordshire specific policies must be able to actively respond to and seek to manage the consequences of external and market shifts.

North Staffordshire cannot afford to move to a 'policy off' scenario. Nor can it afford to implement all the projects that it could, as this would disperse funding, diffuse outcomes and not necessarily lead to the desired transformation. Instead North Staffordshire needs to streamline its policies to ensure that all activities are working towards achieving the agreed vision for the sub region. A focused, coherent set of policies, phased according to the priorities that the sub region faces and that are implemented and achieve their objectives will, in both the long and short term, catalyse and sustain the transformation of North Staffordshire. Whilst actions need to be ambitious and aspirational, there are some basic building blocks that can be put in place to instigate wider change – and these are the issues on which North Staffordshire should focus.

As the Experian report shows, when the funding attached to different interventions comes to an end it is likely that there will be a period of transition as development activities slow down. This means that the transformation of North Staffordshire needs to be approached with sustainability in mind so that the long-term improvement of the sub region can be achieved in such a way that the area thrives without relying on significant public subsidy. In light of the current public spending agenda, this becomes even more important.

5. Conclusions

North Staffordshire has much to do if it is to transform its economy. There is a real danger that this is the last chance that North Staffordshire will have to create a strong sense of place, a stronger economy and a high quality of life for current and future residents. Yet there are assets on which it can build to do this and a window of opportunity for the area to make strategic decisions that could lead to it looking very different over the next twenty years.

We would recommend accepting a version of the second vision (set out below) as the one that has resonated most with local leaders. Whilst we recognise it is likely to require some amends before it is finally agreed, it responds to the local desire to have a distinctive 'North Staffordshire' vision, as well as building on and responding to the group of local stakeholders' desire to reflect the business competitiveness and quality of life within the area.

The best of both in North Staffordshire: prosperity and quality of life by design

By 2030 North Staffordshire will be offering the best of both to residents and visitors:

- A place at the heart of the UK's creative ceramics businesses and ceramics tourist industry;
- A place for growing knowledge businesses and for ambitious knowledge workers;
- A place for enjoying the delights of the city, market towns and the countryside – from the Potteries shopping centre to the Peak District National Park;
- A place for working, studying at the universities and enjoying attractions like Alton Towers and Waterworld;
- A place ambitious for growth but concerned always with sustainability.

To achieve this vision, however, prioritisation is absolutely crucial. This is a key message emerging from North Staffordshire stakeholders; reinforced by our research, particularly case studies of other cities. There are many actions that can be undertaken to respond to the series of difficulties with which North Staffordshire is grappling and a series of detailed recommendations for consideration by North Staffordshire are set out in Evidence Paper D. There is a considerable danger, however, that by trying to do everything North Staffordshire does not complete the key activities required to transform its economy. With this in mind, we have set out the key actions that our and your analysis suggests should be priorities in the short and medium-term. These are:

Short-term priorities - deliver in next twelve months

1. Agree a shared vision for the whole of North Staffordshire and a focused delivery plan – with clear priorities – to achieve this vision and to ensure projects and policies are coordinated.
2. Create a network of 'North Staffordshire Ambassadors' to raise aspirations within North Staffordshire and to promote the area, with clear objectives for the network.

Short and medium-term priorities – some tangible progress in next twelve months

These cannot be delivered in twelve months but tangible progress should be made

3. Progress city centre developments informed by the City Centre Development Framework. Projects need to be well-coordinated, clearly linked to the overall vision and priorities and have clear accountabilities and detailed delivery plans agreed. There should be tangible signs of change within the year.
4. Invest in transport between the city centre, Stoke-on-Trent station, Staffordshire University, Newcastle-under-Lyme and Keele University. In the first twelve months the city centre bus station should be replaced as a tangible sign of progress.
5. Develop a long-term programme to address worklessness and deprivation (considering interventions in schools, with employers and to raise aspirations overall). It will take decades to change, but needs to be a priority. Within the first twelve months some tangible progress should be made, for example through a mentoring programme and focusing efforts on a small number of deprived wards.
6. Progress development of the Keele University Science Park and the University Quarter.
7. Finalise plans for development of Newcastle Town's retail and business accommodation with priority placed on growing its professional services and a distinctive retail offer.

Medium-term priorities

These are priorities that are still vital but marginally less urgent than those above (although some, such as those based in Staffordshire Moorlands, may start to happen in the next twelve months because of local impetus). In the next two to three years these are important issues on which to deliver:

8. Grow the knowledge intensity of the area through joint projects between the two universities and the FE colleges, building on complementary specialisms, to create centres of excellence that are strongly linked to the business community and enterprise network.
9. Invest in a quality of life strategy across North Staffordshire in order to attract and retain higher income residents as well as to improve the quality of life of existing residents. This will need to pull together the North Staffordshire Tourism strategy, Renew's work on housing and the development of creative industries.
10. Build on the Creative Quarter to use creative industries as a catalyst for regeneration and work towards a high profile event in five years.

All of these priorities must be underpinned by a commitment to **sustainable development** and managing the environmental impact of all projects. With such a significant physical and social transformation of the area planned, North Staffordshire has a real opportunity to lead the way in this area. Each individual priority is discussed in more detail in Section 3.

The time that transformation will take should not be under-estimated – which means that actions to make this happen need to start now and need to engage with all the residents and businesses within the sub region who are passionate about transforming North Staffordshire. By agreeing priorities for action now and working together across Newcastle-under-Lyme, Staffordshire Moorlands and Stoke-on-Trent, North Staffordshire could, over the next twenty years, start to transform and to realise its vision of raising its business competitiveness and quality of life to, and beyond, the national level.

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