



Appendix 7

Inner Circle Consulting –
Case for cities report



A CASE FOR CITIES

IN LOCAL GOVERNMENT
REORGANISATION AND
ENGLISH DEVOLUTION



September 2025

Foreword

England's smaller cities are some of our the nation's greatest assets. English cities are economically dynamic centres of innovation, creativity, and culture - places with long history, deep roots and bold ambitions. From cathedral cities to the once historic market towns turned modern hubs, they generate ideas, nurture talent, and power regional economies. Their scale gives them something unique: the ability to connect people, place, and opportunity in ways that can transform lives and strengthen whole regions. They deserve attention, to be recognised and celebrated

Equally we can't deny that cities face their own distinct challenges - the reality is that many of our cities embody both the UK's greatest potential and its starkest inequalities. My city of Oxford is a prime example. In Oxford, world-class scientific and technological research labs sit only a few hundred metres from communities living in severe housing poverty. At the same time as Oxford's scientists produce the medicines of the future, men in the worst-off parts of my city live on average for twelve fewer years than in the best-off areas.

This is not unique to Oxford. Across the UK, smaller and medium-sized cities drive regional economies and provide opportunity for surrounding towns and rural communities, they carry the weight of complex challenges without the powers to address them at the scale required - we need governance which reflects our challenges and opportunities across cities. Cities like Oxford have different profiles to their surrounding counties that risk being 'swallowed up' into them. Instead, governance should reflect the fact that local people want and need control over their own economic development, housing, education, transport, social care and other services.

This is why getting the governance right matters. Our country is highly centralised. That centralisation will not diminish if our smaller cities have less control over their development, with this ceded to counties. Instead, we need to enable and empower cities to realise their potential, building on successful metro mayor models by making them fit for our smaller and medium-sized cities.

So much of the potential in cities remains untapped. Getting this right means our cities could be doing even more to drive national prosperity, strengthen communities, and tackle the great challenges of our age, from the housing crisis to health inequalities, from decarbonisation to skills – yet too many are held back by governance systems designed for a different era.

This timely report sets out the promise of cities and the reasons why they must be recognised meaningfully in Local Government Reorganisation and Devolution through city-led unitaries which are right-sized, with commitment to with a long-term cities strategy, and investment in their collective power, as a network of high-performing cities.

This fascinating report sets out the case for cities - what places like Oxford, Lincoln, Norwich and Exeter could deliver for our country and its economy if local people had more control. If we want stronger public services, higher productivity, and thriving local economies, then we must give our cities the powers to act with clarity, coherence, and confidence.

The Rt Hon. Anneliese Dodds,
Member of Parliament for Oxford East

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Cities are being held back – now is the time to let them grow

Cities are our engines of growth and prosperity. But they are constrained and limited by outmoded boundaries and governance structures – with many city boundaries defined half a century ago and some as far back as the 19th century. English cities have remained underpowered, underbounded and underfunded as European and global competitors have grown and evolved at a faster pace.

Under this government there is a unique chance for change – a vital window of opportunity presented by Local Government Reorganisation (LGR) and regional devolution to create the conditions for our cities to flourish. But this window of opportunity is closing.

We must seize this moment. Now is time to invest in city-led unitary authorities, and back them with a long term strategy that unlocks their full potential for innovative, inclusive growth and prosperity, not just for cities but for the benefit of the whole country and every community.

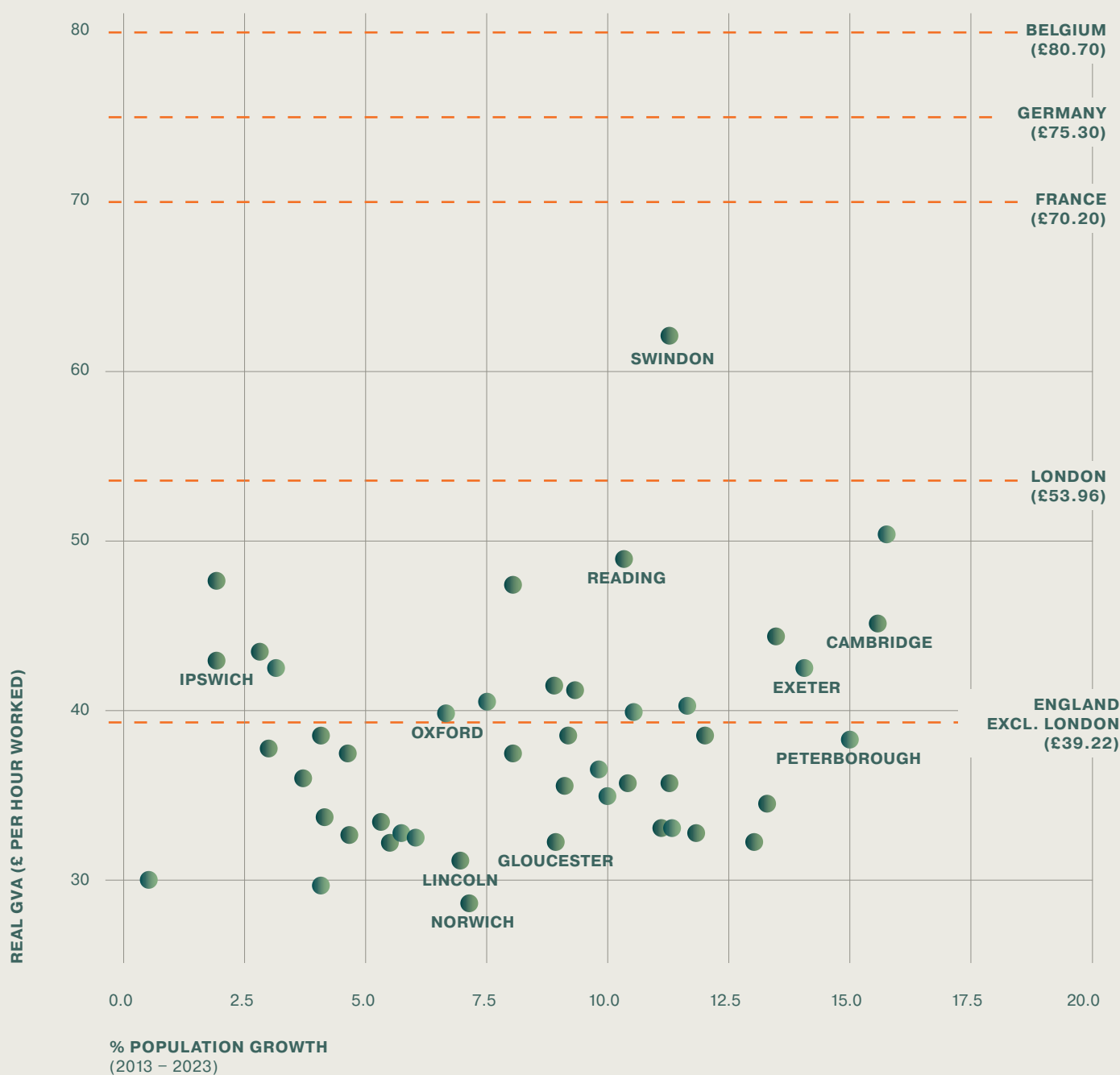
This report has been prepared on behalf of a coalition of fast-growing smaller cities of national significance



The untapped potential of English cities

The data shows that cities in England have untapped potential when we compare them to international averages and perform unevenly when compared to national benchmarks. Local government reorganisation and devolution represent a chance to address the barriers to urban growth and unlock potential for greater prosperity.

REAL GVA PER HOUR WORKED (2023)
VS POPULATION GROWTH (2013 – 2023)



- GVA per hour worked: ICC Strategic Place Index, 2025 informed by ONS, UK small area gross value added estimates, 2022
- Population: ONS, Estimates of the population for the UK, England, Wales, Scotland, and Northern Ireland, 2024
- International comparators: OECD Productivity levels, Gross Domestic Product per Hour Worked, 2023 (using average 2023 US/GBP conversion rate)

A summary of our recommendations

To create the conditions for a networks of enabled cities to contribute to our collective future, we need to:

Empower cities through single-tier governance

By creating a new generation of city-led unitaries, distinct from county-scale models, so cities can govern at the right scale to deliver growth, reform, and prevention for their communities.

Right-size city-led unitaries

By reforming outmoded boundaries so cities can plan and deliver across the real places where people live, work, and move.

Commit to a long term national cities strategy

By establishing a long term cross-government strategy that recognises cities' role in delivering national missions and key commitments such as the spending review and industrial strategy.

Back a polycentric England

By investing in a connected network of high-performing cities, beyond the core city-led metropolitan areas, to drive balanced growth across England and the UK.

Hardwire prevention into public services

By equipping cities to lead on prevention by aligning health, housing, and care services at the urban scale, with the data, powers, and partnerships needed to act early.

Embed city-led unitaries in devolution deals

By ensuring all Mayoral Strategic Authorities (MSAs) have strong, empowered city-led unitaries, capable of driving delivery and shaping strategy from the ground up.



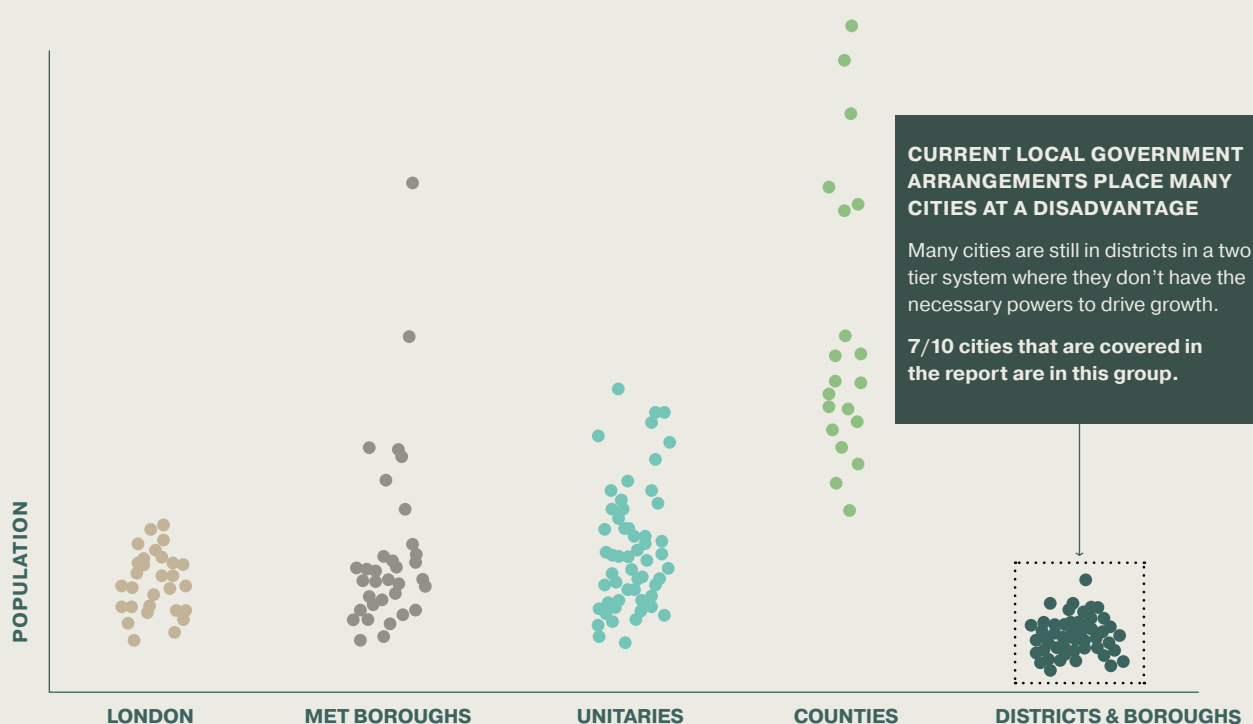
Scaling from national ambitions to local growth

Cities in England are now making the case for HM Government to use this moment to empower them through the creation of city-led unitary authorities – a governance structure that reflects the needs of its citizens through focused, democratic leadership at the right scale.

This is a chance to unlock the full value of past and current commitments: the Industrial Strategy identifies high priority sectors rooted in cities and the Spending Review sets out investment in the infrastructure that connects them. Without local government that is fit for purpose, however, delivery will remain nothing more than an ambition.

Regional government holds primary power around local growth, economy and skills. It needs right-sized, city-led unitary local authorities that can be the driving force to deliver the key projects and programmes to foster the conditions for meaningful change.

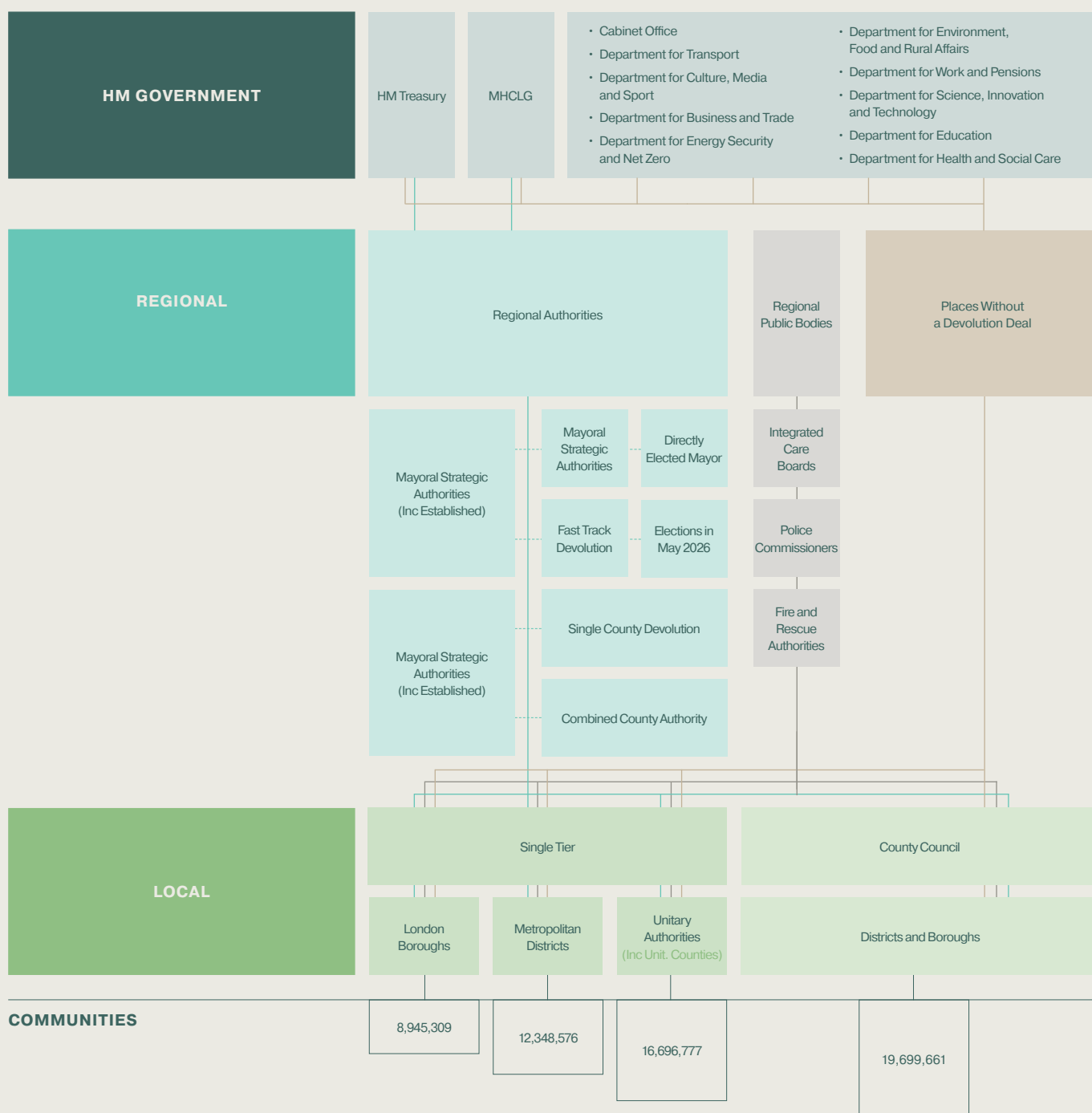
The UK Government's Plan for Change commits to mission-led approach to government. One that recognises fixing the foundations of the economy means fundamental reform to the way government goes about its business.



LGR offers a once-in-a-generation chance to reset local authorities in line with the ambitions of the English Devolution White Paper. Cities, alongside their other regional partners can become equal, accountable partners in devolution, with the powers and scale to compete on a national and global stage – supporting growth that benefits the whole economy.

THE CURRENT STATE OF ENGLISH GOVERNANCE

Cities offer a clear path to greater prosperity - but too many are buried at the bottom of a complex picture of power and governance, which is holding them back.



Creating a future for English cities within local government reorganisation and devolution

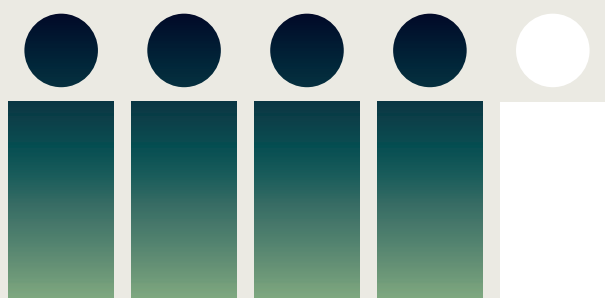
Cities are where most of us make a home. Their streets, schools, homes, and businesses form the places we know intimately. They spin the threads of our lives from study to work and weave human connections that bridge the length of our lives.

Though urban areas represent just eight percent of England's total land area, some eighty percent of us live in them. Cities shape our regions and environments far beyond their centres. They create patterns that connect places and people and communities. They hold vital clusters of innovation and knowledge that drive regional economies upon which our national growth agenda depends. They offer the chance for conditions in which all can flourish with equal access to opportunity.

Cities are so much more than economic engines. But they face distinct challenges – housing density, infrastructure pressures, deprivation in multiple dimensions, air quality, and transport connectivity. For too long we have concentrated attention and growth in just a handful of metropolitan centres and many other cities have been left without the basic tools they need to realise their potential. This has come at a cost, in the failure to recognise cities as distinct places with the capacity to nurture shared priorities and values, identity and belonging; a failure to understand what different people need and to provide those services.

Addressing these challenges can create a more sustainable path that leads to the right growth, in the right places, while reducing pressures on our network of towns and rural areas. LGR offers a real chance to support and grow a distinct and diverse network of thriving cities, each with an equal voice to represent their communities, going far beyond a 'lowest common denominator' approach and instead tapping huge reserves of potential.

Given the right tools and circumstances, cities can support housing growth and investment in public transport, build thriving, varied economies on regional strengths and celebrate the power of the UK's diversity. These are not abstract ideals. They can be our future.



In England, over 4 in 5 people live in urban areas across networks of cities and towns.

Economic dynamism is not confined to the capital or core cities.

English cities are powering growth and can be empowered to do more. The graphs below illustrate that cities are outpacing national averages in population, employment, and housing stock growth, while places like Swindon and Milton Keynes deliver higher productivity per hour worked than London. Cities are also seeing rising incomes, with strong disposable household income levels growth across regions.

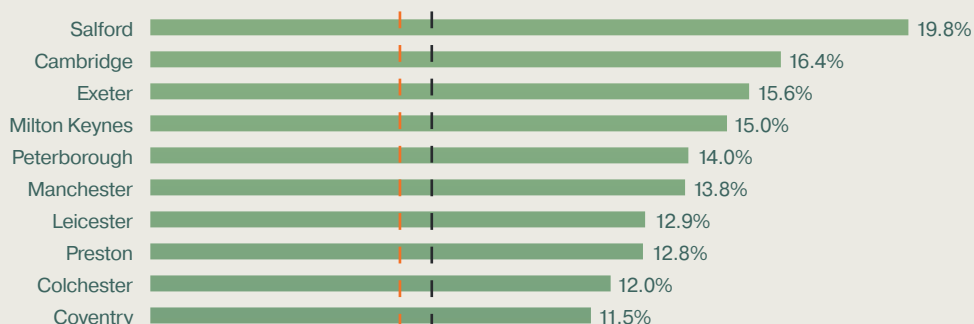
CITIES ARE LEADING THE WAY ACROSS THESE POSITIVE GROWTH INDICATORS

POPULATION GROWTH

2013–2023

-- LONDON (6.6%)

-- ENGLAND (7.4%)



GVA PER HOUR

2023

-- LONDON (£53,96)

-- ENGLAND (£42,39)

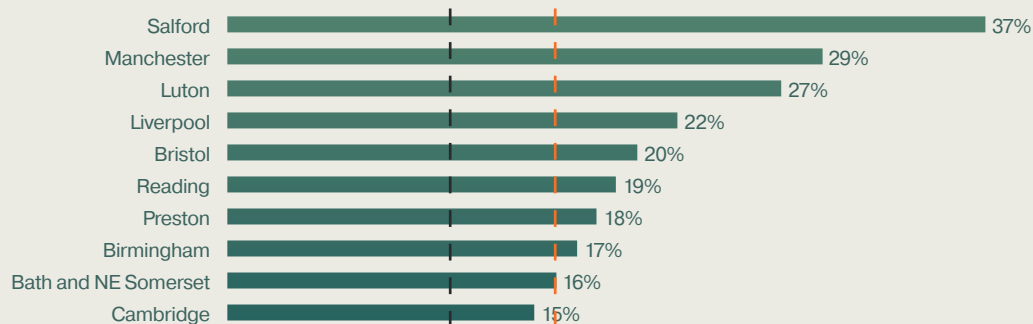


EMPLOYMENT GROWTH

2015–2023

-- LONDON (16%)

-- ENGLAND (10%)



GROSS DISPOSABLE HOUSEHOLD INCOME PER HEAD

2021

-- LONDON (£32,330)

-- ENGLAND (£23,338)



Creating a future for English cities within local government reorganisation and devolution

“National economic growth will only come from increasing the productivity of places across the UK, many of which underperform relative to their international comparators. We cannot be place-blind: we must identify and accelerate the highest-potential opportunities in each, while tackling their specific investment barriers.”

UK Modern Industrial Strategy, 2025

THE UK’S MODERN INDUSTRIAL STRATEGY HIGH POTENTIAL SECTORS PER CITY

These 10 cities have economic strengths that closely align to the government’s industrial strategy. They are well-placed to work as constituent members of Mayoral Strategic Authorities to deliver high-value growth and prosperity beyond their borders.

Sectors	Oxford	Cambridge	Norwich	Peterborough	Reading	Ipswich	Gloucester	Swindon	Exeter	Lincoln
Advanced Manufacture	✓	✓		✓		✓	✓	✓	✓	
Clean Energy Industries			✓			✓	✓	✓	✓	
Creative Industries				✓	✓	✓				
Defence		✓	✓	✓			✓			
Digital & Technologies	✓	✓	✓		✓	✓	✓		✓	✓
Financial services						✓		✓		
Business Services					✓				✓	✓
Life Sciences	✓	✓	✓	✓				✓	✓	
Other	Biotechnology, data science, quantum technology, robotics	AI, advanced engineering, agri-tech	Healthcare, construction, maritime, logistics	Agri-food and drinks, advanced materials, construction, and logistics	Retail, logistics, culture	Port and logistics, tourism and hospitality, culture	Intelligence, security and cybersecurity, digital comms, AgriTech	Logistics, healthcare, automotive, aerospace	Environmental science, healthcare, advanced engineering	Retail, food and beverage

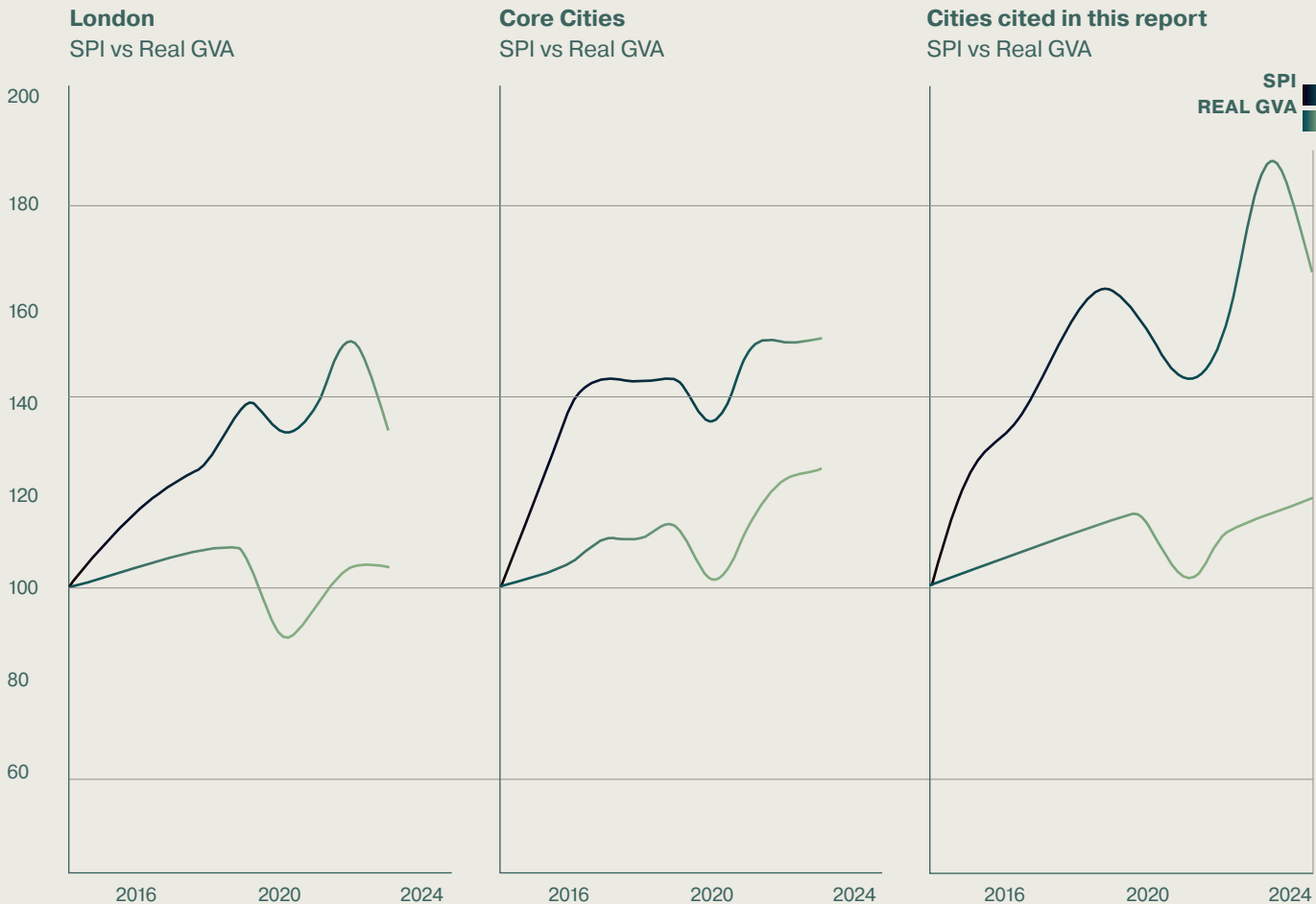
Cities outside of London have demonstrated resilience and potential in driving positive outcomes for their communities beyond growth in GVA.

Inner Circle Consulting’s Strategic Place Index assesses performance across 20 metrics relating to economies, local planning and housing, transport and the environment to create a more holistic view about place prosperity than just looking at the growth in economic output alone. It shows contrasting growth trajectories with rising SPI values since 2014 for London and the selected smaller cities pre-pandemic while bouncing back post-pandemic initially until they fall back.

While following a national trend on economic growth, these cities have outpaced London and core cities on both growth and our wider measures of prosperity even in a constrained context.

The trend shows on these wider measures of economic performance, cities outside of London and core cities achieved a higher rate of recovery from external shocks, alongside a greater proportional impact following events such as the global financial crisis, Brexit and Covid-19 pandemic.

STRATEGIC PLACE INDEX ANALYSIS



Outmoded boundaries, lost voices

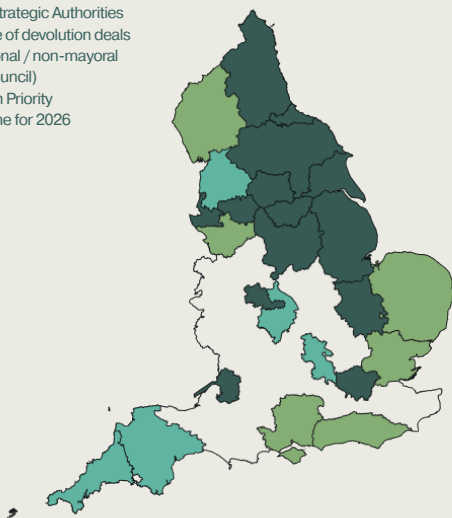
Existing city boundaries are misaligned with the needs of their communities of interest and the places they live in. These misaligned structures reduce efficiency, stifle housing growth, and fragment public service delivery, and force us to live in a democratic deficit. We must use this moment to address this – and reflect the opportunity for cities to plan for growth across a broader urban area, reflecting how people really live, work and move.

In 1972 the Local Government Act redrew local authority boundaries across the England, securing existing boundaries and creating new lines to limit the growth of urban areas. In effect, it marked a line between a city and the communities beyond and created a two-tier structure that diluted the representation of communities in key decision-making.

Fifty years, later, the growth potential of many cities is still dictated by these lines. In Ipswich, for example, the city boundary across 30 square kilometres has remained unchanged since the 19th century.

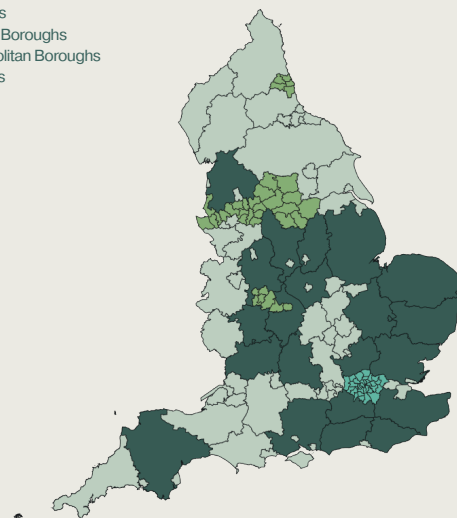
DEVOLUTION DEALS

- Mayoral Strategic Authorities
- Other type of devolution deals (foundational / non-mayoral / single council)
- Devolution Priority Programme for 2026



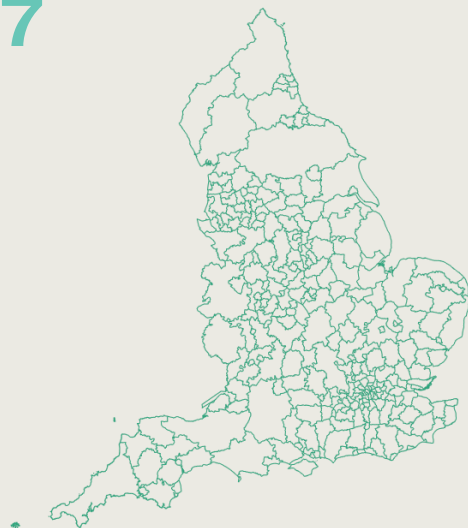
COUNTIES AND UNITARIES

- Counties
- London Boroughs
- Metropolitan Boroughs
- Unitaries



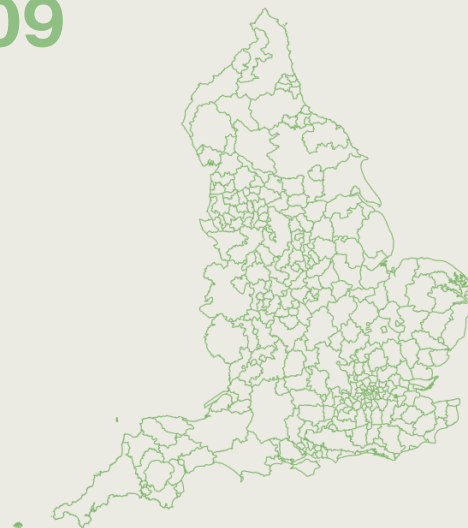
LOCAL AUTHORITY DISTRICTS

317



LOCAL PLANNING AUTHORITIES

309



These boundaries - drawn intentionally close to the original urban core in many cities in order to limit growth – undermine both local leadership and a locally led planning system which can only function well if it is considering a place as a whole – if it is right-sized, with the right boundaries - aligned to their true footprint and function.

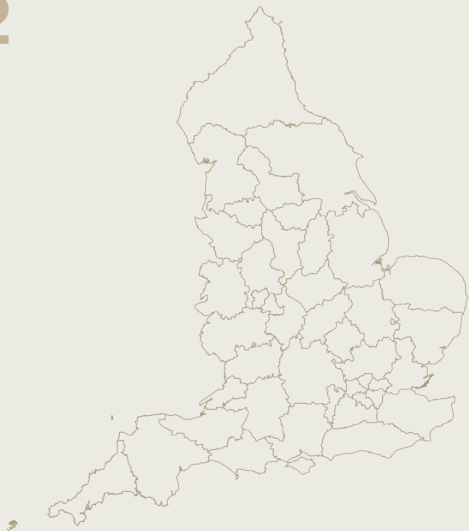
For most cities this situation means they are yet to have the opportunity to represent their potential or to be effective delivery partners for their MSA. While London and the core cities have had a strong voice in the national growth agenda and a seat at the table through their metropolitan areas, there is a long list of cities that have not had the forum to be heard effectively. This comes at a cost to the whole country.

We have lived far too long with artificial divisions across places that do not reflect people’s day-to-day lives and needs. When the reach of cities is not reflected in the structure of their local government nor recognised by national policy, our whole system becomes constrained, fragmented and less effective.

The voices of English cities – with all their creativity and potential to address modern challenges – have been lost: the voice of citizens gets lost in a world that doesn’t recognise their democratic say, the voice of those who are directly impacted by the decisions of cities but can’t participate in decision-making, and ultimately the voices of the cities themselves.

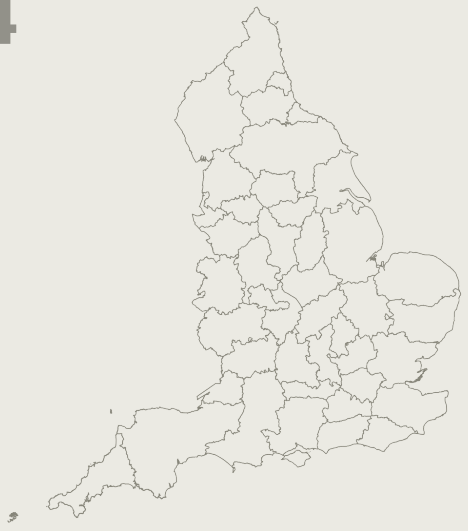
INTEGRATED CARE BOARDS

42



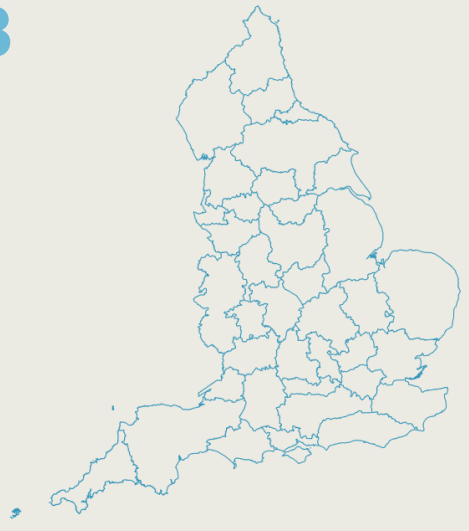
FIRE & RESCUE AUTHORITIES

44



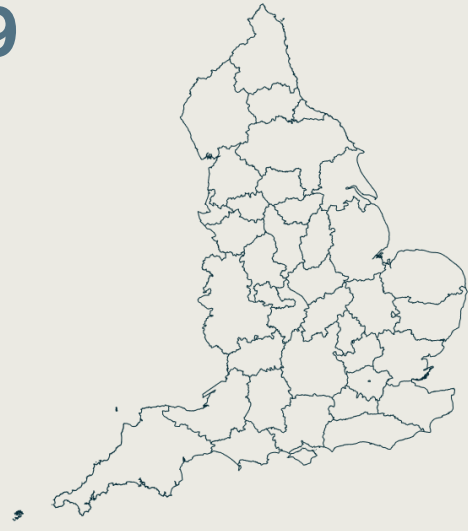
LOCAL SKILLS IMPROVEMENT PLAN

38



POLICE FORCE AREAS

39



Outmoded boundaries, lost voices

For decades, successive Acts of Parliament have layered incremental reforms onto outdated structures, leaving cities constrained by boundaries and powers designed for another century. The legacy of this piecemeal policymaking is a system that manages decline rather than shaping growth.

1972 was when the last major reorganisation of local government happened

LOCAL GOVERNMENT ACT 1888

Created county councils and county boroughs, introducing the first elected councils for administrative counties in England and Wales.

LOCAL GOVERNMENT ACT 1972

Created the modern two-tier system of metropolitan counties & districts (in big urban areas) and non-metropolitan counties & districts (elsewhere).

Six new metropolitan counties (Greater Manchester, Merseyside, South Yorkshire, Tyne and Wear, West Midlands, West Yorkshire).

Removed many historic county boroughs (e.g., Norwich, Leicester, Nottingham became part of wider counties).

LOCAL GOVERNMENT ACT 1992

Established the Local Government Commission for England to review structures.

Led to unitary authorities being created in many areas from 1995-1998 (e.g., Bristol, Leicester, Herefordshire, York, Reading, Plymouth).

This began a piecemeal dismantling of two-tier structures in urban areas.

LOCAL GOVERNMENT ACT 1894

Created urban and rural district councils, adding a third tier of local governance in many areas.

LOCAL GOVERNMENT ACT 1986

Abolished the six metropolitan county councils and the Greater London Council (GLC).

Their powers devolved to borough/district councils or joint boards.

This began a long phase of centralisation and reduced regional governance.

SCOTLAND ACT, GOVERNMENT OF WALES ACT, NORTHERN IRELAND ACT 1998

Created Scottish Parliament, Welsh Assembly, and Northern Ireland Assembly.

Transferred substantial legislative and policy powers to devolved nations:

England remained without equivalent devolution.

“I did this out of a desire to see that we did not draw metropolitan areas that would encourage a massive urban sprawl from the existing urban areas.

I considered it right to deal with the growth problem of some of our conurbations very much more by developing our regional planning strategies, and deciding where new growth points should take place, rather than just drawing wide boundaries around the metropolitan areas, which could well have resulted in an unnecessary urban sprawl from those areas.

It was an attitude of planning that made me come to that decision to draw the boundaries rather closer than they would otherwise have been.”

Rt Hon Peter Walker MP, Secretary of State for the Environment

GLA ACT 1999

Created the Mayor of London and London Assembly, the first directly elected city leader in England.

Marked the start of English mayoral devolution.

**LOCAL DEMOCRACY,
ECONOMIC DEVELOPMENT AND
CONSTRUCTION ACT 2009**

Proposal for elected regional assemblies in England defeated (78% voted no).

Ended regional devolution agenda outside London for a decade.

LOCALISM ACT 2011

Introduced new freedoms for local councils, including the General Power of Competence.

**NORTH EAST REGIONAL ASSEMBLY
REFERENDUM 2004**

Proposal for elected regional assemblies in England defeated (78% voted no).

Ended regional devolution agenda outside London for a decade.

**LOCAL DEMOCRACY,
ECONOMIC DEVELOPMENT AND
CONSTRUCTION ACT 2009**

Established the statutory basis for creating combined authorities and economic prosperity boards.

Aimed to promote local democracy, improve governance, and support economic development.

Laid the groundwork for later devolution deals by enabling groups of councils to collaborate formally on transport, regeneration, and economic development.

MANCHESTER DEVOLUTION DEAL 2014

Greater Manchester Devolution Deal (including a directly elected Mayor from 2017).

Outmoded boundaries, lost voices

Today our cities are still constrained and contained by decisions made decades ago. This hasn’t just led to lost growth, but has created democratic deficits where urban communities are excluded from urban government. What is needed now is not another incremental fix, but a paradigm shift – empowering cities with the tools to address the challenges they face so they can plan, grow and thrive.

EARLY DEVOLUTION AGREEMENTS
2015-2017

Series of bespoke “devolution deals” negotiated with city regions (Liverpool City Region, West Midlands, Tees Valley, West of England, Cambridgeshire & Peterborough)

Devolution deals negotiated bilaterally with central government - leading to a patchwork of powers and geography

LOCAL GOVERNMENT CHRONICLE REPORTS 2019

Government pushes for further unitarisation as part of efficiency and growth agenda

LEVELLING UP WHITE PAPER 2022

Sets a framework for three levels of devolution deals

“County Deals” for non-metropolitan areas

Reaffirms push for unitary local government in areas seeking Level 3 (maximum powers)

Encourages alignment of boundaries to functional economic areas

CITIES AND LOCAL GOVERNMENT DEVOLUTION ACT 2016

Enabled combined authorities with directly elected mayors

Provided powers over transport, housing, planning, skills, some health and social care integration

DEVOLUTION AND LOCAL RECOVERY WHITE PAPER (DELAYED) 2019

Signalled intention for more mayors, unitarisation, and stronger place-based leadership

LEVELLING UP WHITE PAPER 2022

Sets a framework for three levels of devolution deals

Introduces “County Deals” for non-metropolitan areas

Reaffirms push for unitary local government in areas seeking Level 3 (maximum powers)

Encourages alignment of boundaries to functional economic areas

“If you want to grow cities to drive our national economy – do not lose the opportunity to turn the dial on cities, drive mission growth for the rest of this government and beyond.”

Caroline Green, Chief Executive
Oxford City Council

ENGLISH DEVOLUTION WHITE PAPER: “POWER AND PARTNERSHIP: FOUNDATIONS FOR GROWTH” 2025

For the first time Devolution and Local Government Reorganisation come together within one strategy

Key provisions and structural guidance included via the English Devolution and Community Empowerment Bill, introduced on 10 July 2025

Establishes a framework for more devolution with new strategic authorities, guidelines for restructuring two-tier areas into unitaries and creation of the Mayoral Council for England

DEVOLUTION PRIORITY PROGRAMME 2025

In February 2025, the government introduced the Devolution Priority Programme (DPP), fast-tracking six regions toward Mayoral Strategic Authorities by May 2026. The selected areas are:

- Cumbria
- Cheshire & Warrington
- Norfolk & Suffolk
- Greater Essex
- Sussex & Brighton
- Hampshire & Solent

LOCAL GOVERNMENT REORGANISATION 2025

Local Government Reorganisation commences, impacting all county and district areas, in addition to neighbouring unitaries

NEW COMBINED AUTHORITIES ANNOUNCED 2023-2024

Deals agreed for new CAs in North East, East Midlands, York & North Yorkshire

INDUSTRIAL STRATEGY 2025

Published on 23 June 2025, marking a 10-year national growth plan to drive investment in eight high priority sectors (known as the “IS-8”) and strengthen the role of R&D and industrial policy in regional growth

Accompanied by sector-specific plans in July–August 2025, covering life sciences, advanced manufacturing, clean energy, digital, creative industries, and more

Emphasises regional clusters, devolution delivery structures, and aligning immigration and workforce policy with economic priorities

DEVOLUTION AND COMMUNITY EMPOWERMENT ACT 2025

How right-sized cities can deliver balanced growth and future-proof public services

The Devolution White Paper, along with the Government's Industrial Strategy and the funding flowing from the Spending Review, marks a new long term ambition for England. This ambition offers a rare chance to lift the barriers holding back many of our cities – but doing so demands disruption to the status quo.

Right-sizing city boundaries can deliver better outcomes and democratic accountability, ensuring growth happens in the right places, delivering on the things that we fundamentally need and hold dear in our local places, and preventing crisis for the most vulnerable in society.

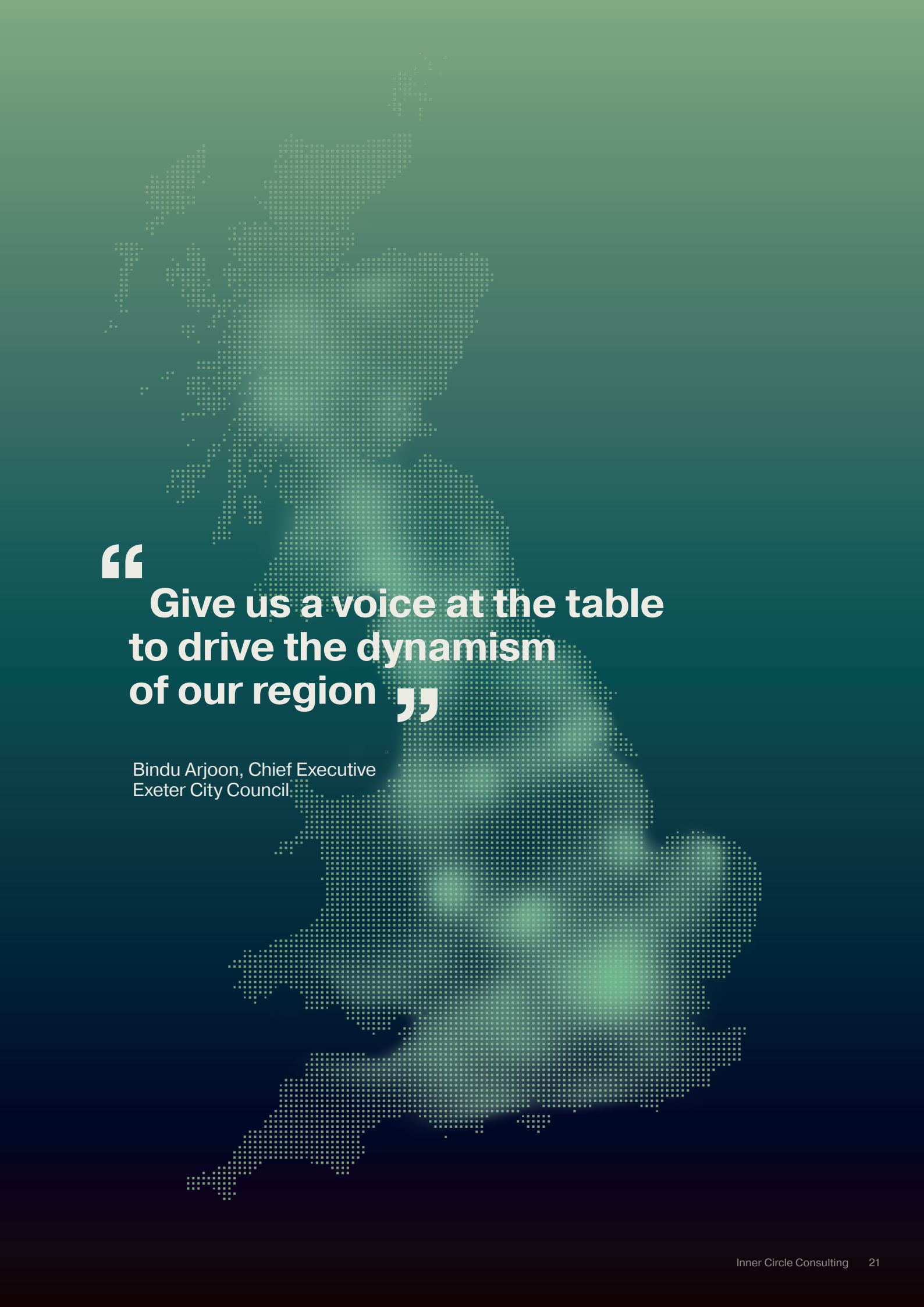
When cities are enabled to deliver they allow for the allocation of capacity and focus across all areas. Towns and rural areas then benefit too – able to form stronger local economies and affected less from displaced demand that aggravates tensions, and detracts attention from delivery.

Cities can also be stronger collectively than they are individually. Rather than competing against each other, cities across England could better compete with their global counterparts and capitalise on unrealised opportunities. Our European counterparts show that a polycentric model – a network of empowered, connected cities - works. It delivers balanced and resilient growth. It enables a more resilient public sector. It allows different places to develop their own strengths and to lead the way in different sectors. It also enables cities to lead in service reform.

Cities can ensure prevention of crisis in their most deprived and vulnerable areas by devising and delivering frameworks for better lives lived well from the start. They can deliver integration, and innovation at scale. Many already are doing this. With the right support they have the potential to continue to deliver excellent, innovative, preventative services across a wider footprint and better integrate public services. With the right scale comes real impact and ongoing capacity-building.

Cities can be the trusted delivery partners in each existing and future MSA, representing the needs of urban communities of interest – capable of leading delivery and convening partners to nurture regional growth and shared prosperity.

All of this can happen when cities are governed by an enabled and democratic local government.



“

**Give us a voice at the table
to drive the dynamism
of our region ”**

Bindu Arjoon, Chief Executive
Exeter City Council

Lost opportunities – What could go wrong?

**We have the chance to set cities on a course for growth,
if we get this moment right**

The Government's current approach to LGR risks not recognising the distinct role that cities have to offer. There is a strong chance therefore that new boundaries will be drawn based on accounting measures that reflect an already failing system, rather than the opportunity for change, leaving cities to stagger into a new era without the right tools.

A squeezed and straitened local government sphere is often driven by an aversion to risk that seeks tweaks, not transformations. But without a fundamental shift in our approach to governance, there is a chance that we may never realise the opportunity of devolution to power regional economic growth and investment.

Without this fundamental shift

We will not maximise the growth we need from opportunities such as the Oxford to Cambridge Corridor, nor pave the way for opportunities to connect cities like Gloucester and Swindon in the west and Norwich and Ipswich in the east.

We will not harness the opportunity to ensure that housing targets and infrastructure keep pace with needs, because the communities to which they are intrinsically linked will still be voiceless.

We will not deliver growth in the priority sectors set out in the Industrial Strategy because we cannot maximise investment across the public and private sector in vital areas like defence and transport.

Cities that have been waiting for change, laying the groundwork for change, recognising the potential they might untap should change be offered, will continue to see opportunities for investment pass them by.

These cities will nonetheless keep striving to adapt and innovate, to support communities that have lost a say and in which need continues to grow, to overcome the lack of coherence in how their urban geography can be planned and its daily impact. As they did during austerity and the pandemic, these cities will continue to respond to the grand challenges of the 21st century as best they can. But it could be so much better.

PROJECTED GROWTH
UK GVA (£ BILLIONS):
 HISTORICAL DATA (2000–2020)
 AND GROWTH SCENARIOS

- HISTORICAL TREND – 2000–2020
- PESSIMISTIC SCENARIO – STATUS QUO
- OPTIMISTIC SCENARIO – CITIES EMPOWERED
- TRANSFORMATIONAL SCENARIO – POLYCENTRIC NETWORK
- INCLUSIVE, PREVENTION FOCUSED GROWTH



- ONS, UK small area gross value added estimates, 2022;
- NB: Illustrative projections on growth scenarios

Choices made today will define the future of England's economy

In October 2024 forecast the Office for Budget Responsibility (OBR) forecasted that total potential economic output is projected to grow by an average 1.5 per cent over 2024 to 2028. The key to addressing this is to deliver the UK's mission of economic stability and growth by empowering cities and regions. The future of England's economy could follow very different paths, and the choices we make today will determine which one.

An alternative future is within reach

We can choose to create the right conditions for cities to achieve their potential. We can choose bold action and believe in the potential of our cities.

HM Government could take notice of an opportunity in LGR that is within its grasp and back cities to lead, through governance reform, investment and the creation of a long term strategy for cities that speaks to the potential of devolution and reform.

We have the recommendations to help make this happen.

“Allow us to move into the future instead of being held back by the past – then we can play a proper role in delivering missions.”

Helen Pluck, Chief Executive,
Ipswich Borough Council

Our recommendations

How we can make it happen

Empower cities through single-tier governance through city-led unitaries

Address the lack of coherence in the structure of local government across the UK. Use LGR to create a new generation of city-led unitaries, distinct from a rural county-unitary – reflecting their functional geography and allowing them to act at the scale necessary to deliver growth, prevention, and innovation.

Right-size cities to match their communities of interest

Use this moment of reform to address misalignment in boundaries so they instead support cities to plan effectively for growth across a broader urban area that reflects how people actually live, work, and move rather than outdated administrative lines.

Commit to a long term national cities strategy

Establish a long term cross-government strategy that recognises cities' role in delivering on key commitments such as the spending review and industrial strategy. Powering economic growth, innovation, Net Zero, housing, and inclusive prosperity.

Back a polycentric England and invest in a network of high-performing cities

End the over-concentration of growth in a few metros by investing in a distributed network of city nodes (e.g. through corridors like Oxford to Cambridge growth arcs), giving a voice and value to cities beyond those which have become the strongest.

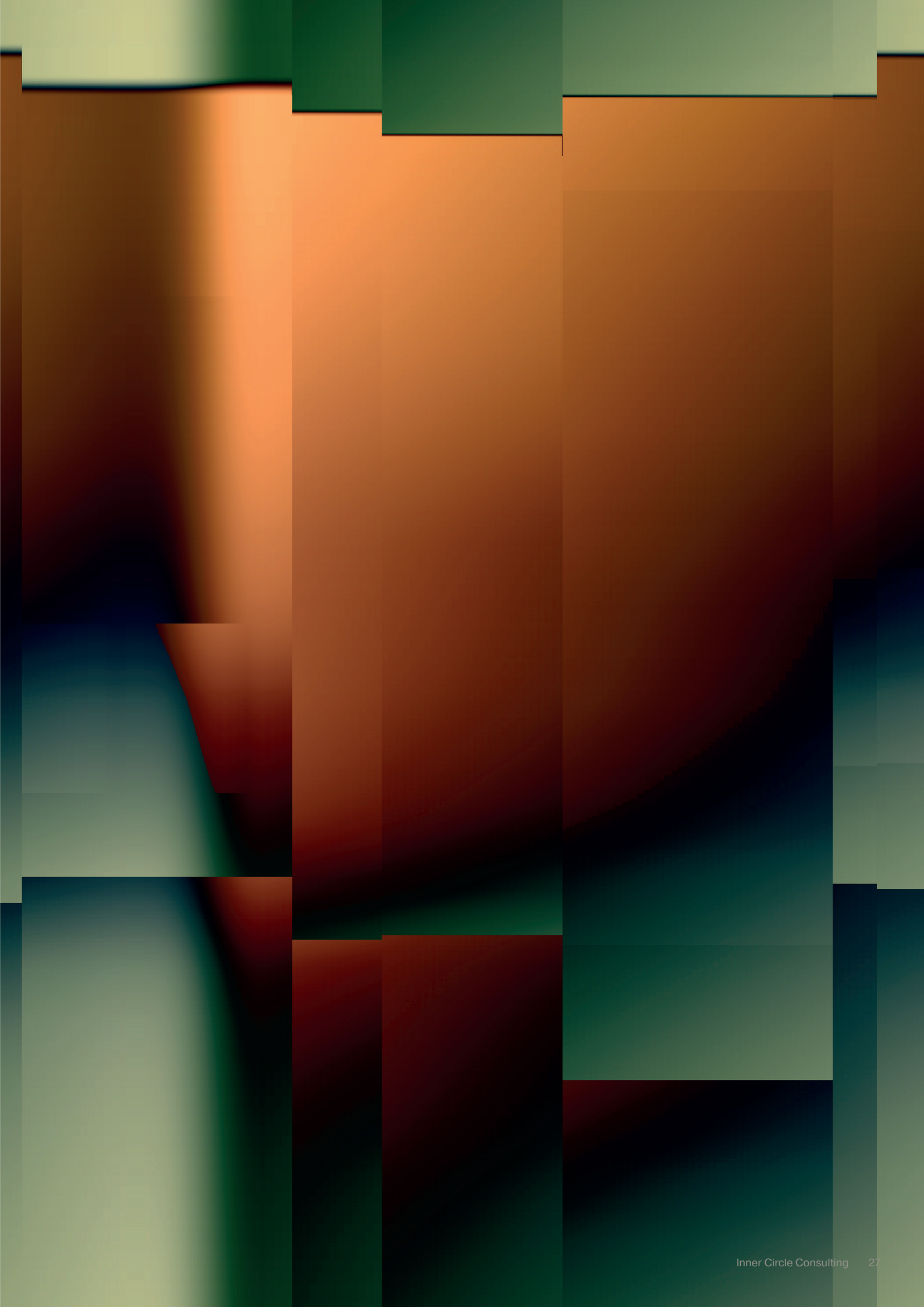
Hardwire prevention into public services at the right scale

Use this moment to reform service delivery, giving cities the power to deliver effectively on prevention by aligning services across health, housing, and welfare at the urban scale, with the data, powers, and partnerships needed to act early.

Recognise city-led unitaries within devolution

The next generation of MSAs will be led by poly-urban areas. Each with distinct identities. Ensure MSAs have strong, empowered city-led unitaries across each region – who understand local needs, can convene partners, and lead delivery. Ensure that all cities - not just large metros – have a seat at the table and access to a Mayoral Combined Authority who has powers, funding mechanisms, and autonomy to drive growth.

CASE STUDIES



People-first cities

The future of cities can be centred around people and their needs. With powers aligned to their true communities of interest, prevention can be built into services and reach those who need it most.

GOVERNANCE & POLICY

It starts here, with cities led by visible, democratically accountable leadership at the scale where people live and work.

Devolved finance and powers will allow cities to invest strategically, balance growth with prevention, and deliver decisions rooted in local priorities. The outcome will be responsive local democracy people can trust, one which drives better outcomes continuously learns, improves and can adapt to future change.

ECONOMY

Cities will power the economy through a strong, network of polycentric cities.

They will attract inward investment, grow high-value sectors, and foster clustering and agglomeration that boosts innovation. This will generate jobs, raise wages and drive productivity that ripples out across their region, fuelling faster national growth and helping the UK compete globally for talent, trade and innovation.

TRANSPORT & INFRASTRUCTURE

Cities will lead clean, modern and reliable transport networks which connect people to opportunity. Getting it right means sustainable connections that cut congestion and emissions, improve air quality and link people to jobs and services across and between cities. Integrated systems will underpin balanced and sustainable growth.

PLACE

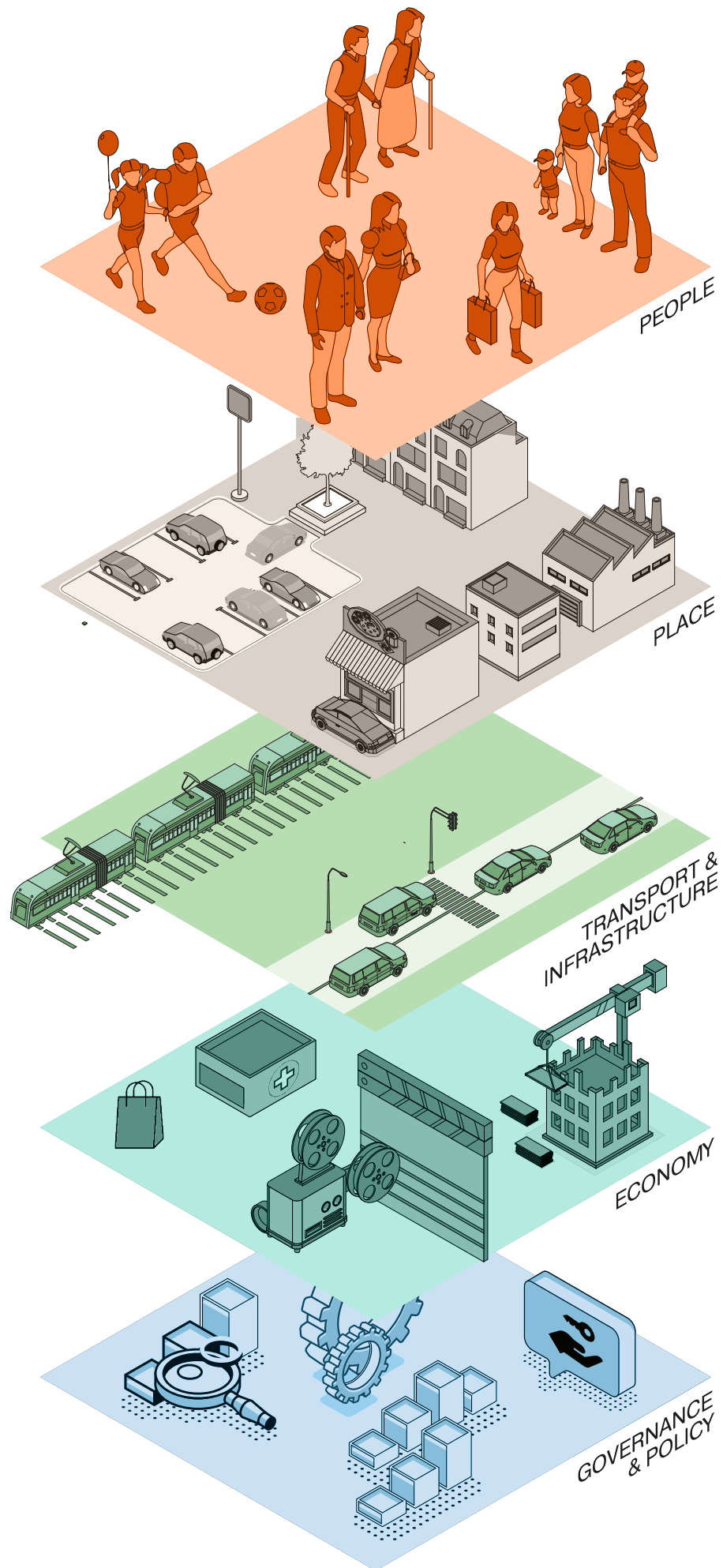
Cities will plan homes, jobs, community and green spaces together, not in silos.

With the powers to shape local places, cities will be able to take a joined-up, place-based approach to revitalising places, delivering affordable homes at pace, and creating better quality, accessible neighbourhoods. Success will mean reduced inequalities across regions, thriving high streets, and places where people and businesses grow side by side.

PEOPLE

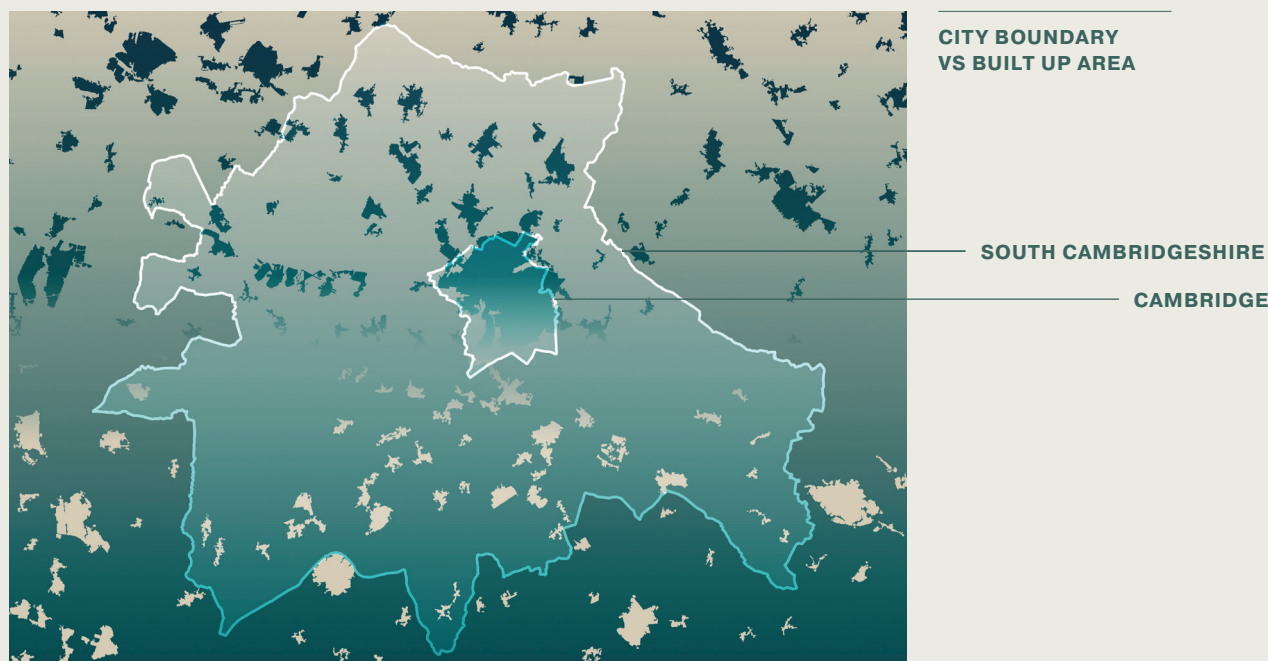
Cities will bring together housing, health, education, skills and community to serve the people who have a real stake in them.

With powers aligned to their true communities of interest, prevention will be built into services to reach those who need it most. Health, housing and community support will be joined up across the urban footprint, supported by the data, powers and partnerships to act early and effectively. The result will be healthier, more resilient communities, with prevention



Cambridge

A new era of inclusive innovation



The UK's long-term competitiveness depends on cities that can match the pace and scale of global leaders, places that create world-class innovation, scale businesses, and partner with investors to plan for the skills of the future, embedding labour market resilience into the national economy while driving local competition. Globally, cities compete not only for investment, but for talent, space, and the ability to scale, conditions that rely on the right governance, infrastructure, and housing in place.

Innovating in high growth Sectors

Greater Cambridge leads Europe in innovation intensity. In partnership with Cambridge University, it attracts global talent, produces breakthrough research and discoveries, and nurtures high-growth spin-outs in R&D, collaborating in sectors from defence, life sciences, to advanced engineering, to AI and technology. As part of the Golden Triangle and Oxford-Cambridge Corridor, the city consistently attracts some of the highest private investment for UKPLC in the UK and has the highest proportion of degree educated residents outside of London.

As a driver of the Cambridgeshire Peterborough Combined Authority, Greater Cambridge plays a central role in attracting investment to grow the regional economy. Investors like Cambridge Innovation Capital lead venture funding across clusters that span the city and wider area, including a recent £100m opportunity fund supporting UKPLC growth.

Delivering the UK's new Industrial Strategy is made possible through cities like Cambridge leveraging their partnerships to continue to grow – but there is potential for so much more.

Connecting innovation to unlock inclusive growth

With spatial inequality rising across the UK, and social mobility in many regions is falling. Greater Cambridge's challenge lies in aligning growth with the needs of its local communities - unlocking better services for residents who face barriers to accessing the economy.

This means planning across housing, transport, education, and other key services so that the benefits of innovation reach those who need them most. Housing supply constraints and high values have made the city unaffordable for many, pushing demand and inequality across the region. With Greater Cambridge's population set to grow by over 25% to 400,000 by 2040, inclusive growth is both an imperative for people in the city and an economic necessity.

Like many cities, Cambridge recognises the potential to drive inclusive growth for an area which reflects the true geography of the urban area. With intent inclusive growth can ensure that investment in the city improves outcomes and addresses inequalities across the urban area and region, delivering more responsive services (particularly for vulnerable groups), co-ordinating infrastructure, and providing better value for money at a time where councils face increasing financial pressures.

Industrial Strategy

“National economic growth will only come from increasing the productivity of places across the UK, many of which underperform relative to their international comparators. The IS-8 are active in every nation and region of the UK, but we cannot be place-blind: we must identify and accelerate the highest-potential opportunities in each, while tackling their specific investment barriers.”

The UK’s highest patenting city

308.7 patent applications per 100,000 residents (2021) – highest in the UK and more than twice the rate of any other UK city.

– University of Cambridge

This can be achieved while also creating the conditions for new and growing businesses to scale faster. By delivering 57,000 homes in the city and at new towns of Waterbeach, Northstowe and Cambourne, alongside state-of-the-art labs, science parks, offices, and transport links, the city could retain top global talent, foster spin-outs from its research base, and attract the next wave of inward investment.

The opportunity of right-sizing Cambridge would be felt far beyond Greater Cambridge. Cambridge’s innovation economy already generates £80bn in annual turnover; with governance aligned to its true footprint, that figure could grow substantially, driving national GDP, supporting the UKPLC, and creating a pipeline of accessible high-value jobs for decades to come. The Cambridge x Manchester partnership aims to pool knowledge to support start ups and scale ups to support jobs and opportunities. By linking its growth directly to national missions, driving high growth sectors from defence, net zero technologies to life sciences, Cambridge can remain a global leader while powering inclusive growth far beyond its boundaries.

“Cambridge is truly a global city and one of the most innovative and knowledge-intensive in the world. But it needs the right local government reform to ensure the city is not held back from further growth, that it better align services for a rapidly expanding population, and to prevent outdated boundaries from holding back its full potential.”

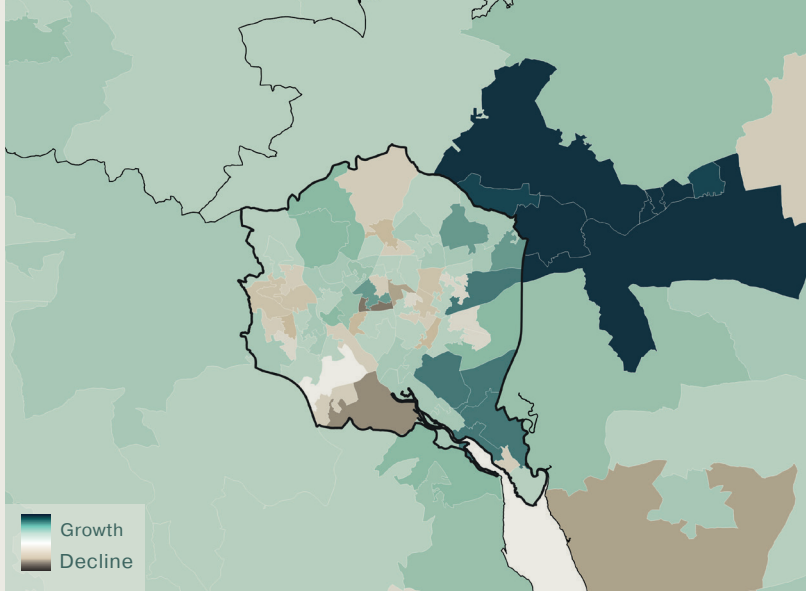
Cllr Cameron Holloway, Leader of the Council,
Cambridge City Council

CAMBRIDGE LOCATION QUOTIENT OF INDUSTRIAL STRATEGY		LQ GVA	LQ Business counts	LQ Employee counts
Cities like Cambridge are key to growing high potential industrial sectors. Cambridge’s sector specialisms across business count and employment is significant compared to the national average across these sectors	Advanced Manufacture	0.32	2.00	1.56
	Clean Energy	0.78	1.80	1.04
	Creative Industries	1.01	2.09	2.42
	Defence	1.23	3.69	10.01
	Digital & Technologies	1.74	4.73	5.51
	Financial Services	3.09	1.41	0.81
	Life Sciences	2.55	4.75	5.91
	Professional & Business Services	1.26	2.02	1.58

• The Data City

Exeter

Planning for growth



POPULATION GROWTH 2011-2021

- Between 2011 and 2021, Exeter's population grew by 11%
- Meanwhile, areas surrounding Exeter grew by c. 53%
- Areas east of Exeter experienced the highest growth rate, with c. 290%

Cities shape communities across their local area – they manage land use trade-offs, delivering sustainable infrastructure, and working with partners to bring forward good growth. With tightly constrained boundaries and without the powers to act, the result is piecemeal, creating disconnect and failing to address uneven patterns of growth.

Across the UK, growth is spilling beyond city limits into areas with no single accountable authority. On the fringe of cities, new dormitory housing and commercial developments are often car-dependent, and lack services within walking distance. Large scale new housing is often disconnected from jobs. This pattern of growth has come to define the fringe of urban areas across the UK, where new neighbourhoods have become uniform - distinct in their lack of identity, connection to place, heritage and culture.

Within city boundaries, the picture is different but equally challenging: pockets of concentrated deprivation, ageing housing stock, and low levels of investment. Without tackling the structural constraints that drive and reinforce these patterns, the gap will only widen.

Spatial Development Strategies offer a chance to change this regionally - aligning housing and employment growth with transport, sustainability, and placemaking at the scale of functional economic areas. Delivering this requires city-led unitary authorities with the capacity and expertise to shape new and existing communities.

Match boundaries to real communities

Exeter is one of the UK's fastest-growing cities, an economic engine for the South West and a national leader in climate science, health innovation, and advanced research. It is home to the Met Office, Exeter Science Park, and a globally ranked university that contributes over £540 million to the local economy. Exeter's strength lies not only in its institutions and strong partnerships, but in its ability to connect people, places, and ideas, across towns, rural areas, and coastal communities.

With the right powers across the right geography, Exeter will build over 40,000 homes and create inclusive, healthy and sustainable communities.

Homes are being planned on Exeter's fringe - developments that rely on city hospitals, schools, sport, retail and cultural offer, but sit beyond its powers to plan, fund, or integrate effectively. These fringe communities function as part of the city but are disconnected from public transport routes, sitting outside the city's formal reach and leaving no single institution accountable for coordinating investment and place making.

Previous attempts to work together with neighbouring districts on the Greater Exeter Strategic Plan (GESP) failed due to lack of political support, leaving Exeter to concentrate on a brownfield first approach, but without the ability to plan across a true urban geography. However, brownfield land is often unviable and will not deliver enough affordable homes without significant government subsidy and funding for infrastructure.



**CITY BOUNDARY
VS BUILT UP AREA**

Unlock clean, inclusive regional growth

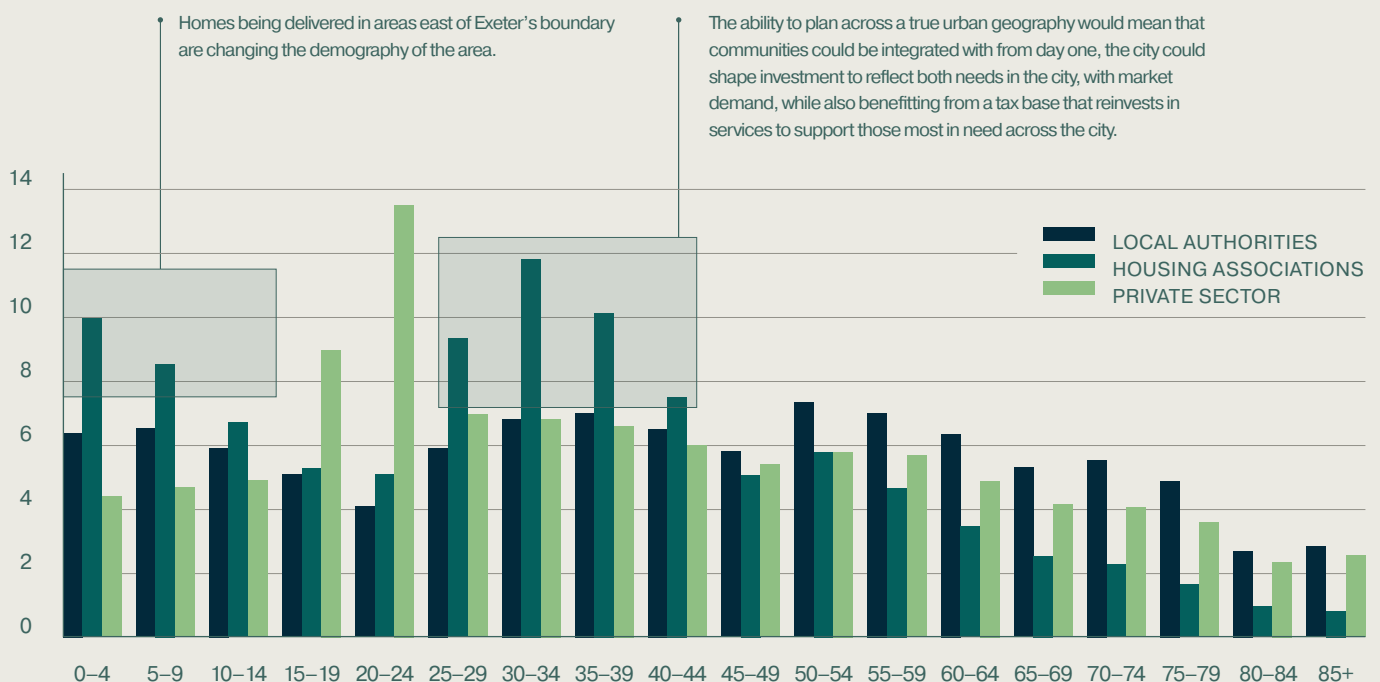
With the highest patent application rates in the region and national recognition for its net-zero leadership, Exeter is positioned to deliver clean, inclusive growth for the South West. Planning for the right growth, in the right places, will mean investment can be shaped to deliver communities for the future. It could unlock housing, regenerate brownfield land, and scale its innovation economy, benefiting communities across the urban area and beyond.

Exeter is not simply a city - it is a regional connector, a national climate hub, and a driver of shared prosperity. It has delivered, despite structural constraints. With the right powers, it won't just keep pace but lead the way. Back Exeter, and it will deliver for its people, its region, and the future of the UK economy.

“A unitary council that includes the City of Exeter and surrounding areas would deliver a new approach to strategic planning, taking forward the recommendations of the Devon Housing Commission in an enhanced partnership with Homes England and the Devon & Torbay Combined County Authority to deliver a pipeline of large-scale housing sites and a Strategic Housing Plan for Devon”

Bindu Arjoon, Chief Executive
Exeter City Council

**AGE PROFILE OF EXETER
AND ITS' SURROUNDING AREAS**
(% OF RESIDENTS BY AGE RANGE)



Gloucester

Regeneration and placemaking



**CITY BOUNDARY
VS BUILT UP AREA**

Regeneration done well creates lasting value for people and place. It means shaping neighbourhoods where families are proud to live, where local businesses have the space to grow, and where investment strengthens identity as well as the economy. It is the renewal of streets, the creation of homes, and the building of places that reflect the aspirations of the people who live in them. Importantly, regeneration is more than physical transformation—it is a systems approach that integrates housing, infrastructure, and economic development to address grand challenges such as the housing crisis to the cost of living, demographic change and climate resilience.

Cities are the proving grounds for regeneration and placemaking. With the right powers and partnerships, they can overcome decades of underinvestment to deliver vibrant, sustainable neighbourhoods that fuel regional and national prosperity. For Gloucester, regeneration and placemaking have become defining tools for strengthening its economy, unlocking new opportunities and creating places that are inclusive, resilient and connected.

A city focused on renewal

In recent years, Gloucester has proven its regeneration capability and track record through a series of strategic projects. The transformation of Gloucester Docks, led by the Gloucester Heritage Urban Regeneration Company, created new homes, public space and a thriving cultural and leisure

destination that has attracted visitors and investment. Building on this foundation, the Council is now delivering ambitious schemes including Kings Quarter and The Forum. New offices, apartments and cultural facilities alongside the University of Gloucestershire's new campus in the former Debenhams building, and the Greyfriars Quarter project are being delivered, supported by Levelling Up funding. To guide and sustain this momentum, a new city masterplan has recently been launched, setting out a long-term framework for housing, jobs, infrastructure and placemaking over the next two decades.

Building the capacity to shape regeneration has been led by Gloucester City Council and was necessary to address the significant challenges facing the city, including the decline of traditional manufacturing and issues with outdated infrastructure. The docks and recent projects are marking a proactive approach to place shaping by reclaiming brownfield sites. The council has taken an active role in overcoming the challenges of regeneration by building consensus, cross-party support and securing the investment needed to revitalise Gloucester.

Scaling regeneration

Gloucester is a historic city in the South West of England with a dynamic and evolving economy. With an economy exceeding £4 billion and home to 5,000 businesses, the city has established strengths in advanced manufacturing, cyber technology, and green industries, with the latter emerging as

Key Statistics

The successes of Gloucester's urban regeneration has delivered the following in the last decade:

£700m+ investment

700 city centre homes delivered

**1,000 new jobs created and
2,100 safeguarded**

Gloucester is a model for how cities can deliver large-scale, complex projects in a way that respects heritage while creating modern, sustainable places. The capacity built through this programme is now in place, ready to be scaled up across the wider city.

a key growth area in recent years. A strong labour market and well-qualified workforce underpin this resilience, while the city's rich heritage and sustained investment in regeneration continue to strengthen its retail and visitor economy.

Despite some challenges, such as slower job growth and connectivity gaps, Gloucester's strategic regeneration projects are helping attract investment and improve infrastructure. Building on the success of the docks, regeneration must now continue to improve and focus on the city centre – addressing the lack of urban living and growing the night-time economy to deliver prosperity to communities across the city.

Gloucester has already demonstrated what's possible, re-claiming brownfield land, attracting investment, and delivering homes and jobs that changed the city's trajectory. But the task now is to scale this success across the whole city. As a partner in a future MSA and with powers as a city-led unitary authority, Gloucester has the potential to scale this track record at pace to align regeneration with housing, skills, and infrastructure to tackle deprivation, deliver affordable homes, and create spaces for high-growth sectors, in doing so realising a regenerated and thriving city for its residents and driving growth for the regional and national economy.

“In Gloucester we know that regeneration is more than bricks and mortar – it is about renewing communities, restoring pride, and creating neighbourhoods that support prosperity. Empowering cities to lead regeneration and placemaking is not just a governance preference - it is a strategic imperative. Cities like ours must be trusted with the tools and autonomy to shape futures that are locally driven, nationally significant, and globally competitive.”

Jon McGinty, Managing Director
Gloucester City Council

The power of placeshaping

Gloucester City Council is a convening force in the city's place coalition, bringing together public, private, and civic partners to shape regeneration and drive inclusive economic growth. The Council plays a strategic leadership role by coordinating efforts across sectors, leveraging its assets and expertise, and championing the city's long-term ambitions. Its proactive approach includes direct investment in enabling infrastructure, unlocking complex sites, stewarding development that reflects local priorities, and forging strategic partnerships with the private sector.

By collaborating on shared goals such as regeneration, infrastructure, and innovation, the Council helps create an attractive environment for investment, offering streamlined planning processes, co-investing in key sites, and providing tailored support for businesses. Early and consistent engagement with partners ensures public policy is aligned with market needs, while showcasing Gloucester's assets, workforce, and growth potential. In doing so, the Council builds investor confidence, unlocks funding, accelerates delivery, and strengthens the capacity to deliver regeneration at scale in a way that is inclusive, sustainable, and locally led.

Ipswich

Unlocking connectivity for national growth

Transport is not just a local service - it's a national enabler of productivity, trade, and resilience. When cities that anchor freight, logistics, and energy infrastructure can't shape their own transport systems, the ripple effects are felt across the economy. Connectivity also drives quality of life: better networks support healthier, cleaner, more liveable cities.

Ipswich sits at the heart of the East of England's economic corridor, strategically located just one hour from London and at the crossroads of the A12 and A14, and the rail junction between the Great Eastern and Felixstowe to the Midlands Main Lines. It connects and delivers services that enable Freeport East and the Port of Felixstowe - Britain's largest container port and a nationally critical trade & energy hub for the rest of the UK. Ipswich's rail infrastructure is central to national ambitions to accelerate net zero through the decarbonisation of logistics and freight – investment in the freight chord has already more than doubled the number of containers which can be conveyed by rail.

Sitting in the UK's clean growth arc, supporting green maritime fuels, offshore wind, and hydrogen, Ipswich's contribution reaches well beyond its formal borders. This network supports thousands of businesses nationwide, from advanced manufacturing to food and drink exports. Fast-tracked devolution for the region will deliver an MSA from May 2026, and with the right conditions in place, this will enhance the voice of the region while attracting investment across growth sectors.

Stalled infrastructure

The A14 is a nationally significant strategic artery that connects international markets through Felixstowe, powering UK PLC, the golden logistics triangle and markets across the UK. The Orwell Bridge carries the A14 over the River Orwell. Every time it closes, whether for weather, maintenance, or incidents, costs the city economy around £1 million per day, bringing traffic to a standstill, pushing HGVs and commuter traffic into the city to a standstill, and affecting businesses and air quality. A proposed relief road could alleviate these pressures, improving reliability for freight and cutting emissions in the city centre. But consultation on the scheme failed to meaningfully involve Ipswich's residents, the very people most affected by the congestion and pollution caused by bridge closures. Instead, decision-making was dominated by voices from outside the city who experience few of the local impacts, skewing the results and ultimately halting progress.

This is the consequence of boundaries that place critical infrastructure decisions outside the hands of those who live with their effects: poorer democratic accountability, delayed solutions, and continuing economic loss.



**CITY BOUNDARY
VS BUILT UP AREA
2025**

An integrated solution

A city-led unitary, aligned to Ipswich's true economic geography, would enable the city to:

- Lead integrated transport planning across the city in partnership with a future MSA.
- Secure targeted investment to modernise freight routes and deliver long term resilience at the Orwell Bridge.
- Ensure infrastructure consultations are driven by local voices, with decisions reflecting the lived experience of congestion, pollution, and disruption.
- Expand sustainable transport, from electric bus fleets to cycle superhighways, cutting congestion and improving air quality.
- Link housing and employment growth to low-carbon, high-capacity public transport, reducing car dependency.

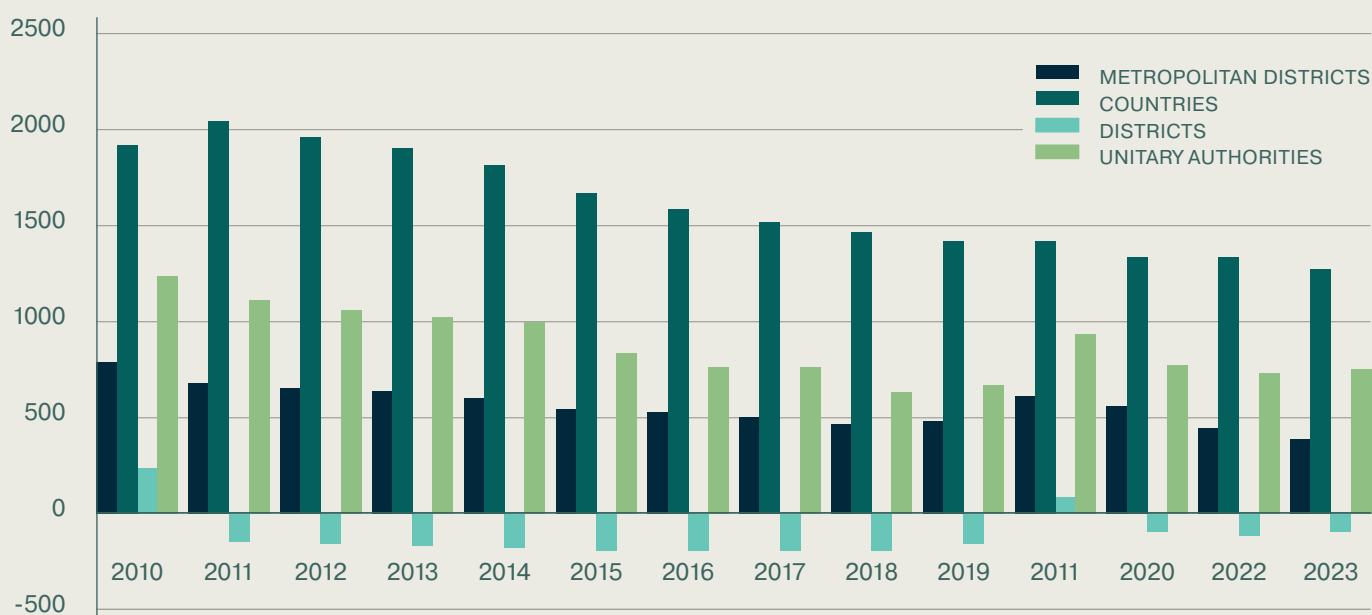
By aligning economic priorities with transport planning and putting decision-making in the hands of those directly affected, Ipswich could protect its role in national logistics, improve business resilience, and deliver cleaner, healthier streets for residents. This is not only about getting goods to market, but about creating a transport system that is accountable, sustainable, and built for the future.

“Ipswich has the people, the potential, and the position to be a major driver of growth, but only if it has the powers to shape its own future. For too long, decisions affecting the town have been taken by those outside it, with missed opportunities on housing, infrastructure, and investment. Strong, right-sized governance would allow us to plan for growth, tackle inequality, and build a healthier, more resilient population - unlocking benefits not just for Ipswich, but for Suffolk, the East of England, and the UK economy.”

Helen Pluck, Chief Executive
Ipswich City Council

UNLOCKING CONNECTIVITY FOR NATIONAL GROWTH

LOCAL AUTHORITY SPENDING POWER ON HIGHWAYS AND TRANSPORT SERVICES



• : Local Authority Finances, House of Commons Library

Lincoln

Addressing urban outcomes



**CITY BOUNDARY
VS BUILT UP AREA
2025**

Cities concentrate both the worst health outcomes and the greatest opportunities for improvement.

Improving health in cities depends on decisions made beyond the health system – transport, housing, planning, and environment all have critical roles.

Key messages from the Chief Medical Officer's annual report 2024: Health in Cities

Lincoln is a fast-growing and ambitious city – home to a thriving knowledge ecosystem and boasting a rich cultural and historical identity. However, like many other cities, it is also a place of stark contrasts, where spaces of innovation and growth sit alongside concentrated deprivation and poor health. The UK's Chief Medical Officer's 2024 Health in Cities report highlights that urban populations face a unique combination of pressures: higher levels of air pollution, limited access to green space, higher rates of obesity, mental ill health and long-term conditions. These challenges are often entrenched in specific neighbourhoods and limit people's ability to live well, work, and age healthily.

For Lincoln, the only city in a largely rural county, these pressures are particularly acute. The city anchors services, jobs and education for surrounding towns and villages, while carrying the weight of concentrated deprivation within its boundaries. Life expectancy differs by more than a decade between communities only miles apart, reflecting the persistent link between health, inequality and demand for public services. Without the ability to align housing, health, transport and infrastructure, in many cities these inequalities will persist and constrain growth.

Lincoln's role at the heart of regional growth

Lincoln has already shown how partnership and targeted investment can change the trajectory of communities. Its neighbourhood working model has successfully brought together voluntary sector partners, housing providers, and public agencies to focus on the determinants of health and wellbeing at local level. This experience provides a foundation to design services that are preventative, joined-up, and responsive to community needs.

In contrast, the city is a hub of economic activity it is a centre of higher education, home to a number of universities and colleges. In key sectors the city sits at the heart of innovative clusters in defence and security, and the creative economy, and with growing digital and technology sectors. The city has potential to accelerate these high-priority sectors to improve productivity, skills and employment across the city and wider region.

However, there are constraints to this economic success. Lincoln's current boundaries date back to the 1970s which prevent the city from taking action across a functional urban geography. Most employment growth in recent decades has been absorbed by areas like North Hykeham, functionally part of Lincoln's economy but outside its authority to coordinated infrastructure or long-term planning.

“Lincoln has always punched above its weight, delivering for residents and businesses despite the constraints of a two-tier system. With the right tools, we can go much further — aligning housing, health, skills and infrastructure to meet the needs of our communities and unlock their potential. Our ambition is to create a city where outcomes improve across the board: healthier neighbourhoods, better wages, higher skills, and stronger connections to opportunity. With a right-sized authority, Lincoln can become a model of how small but ambitious cities drive inclusive growth and resilience for the UK economy”

Angela Andrews, Chief Executive and Town Clerk
City of Lincoln Council

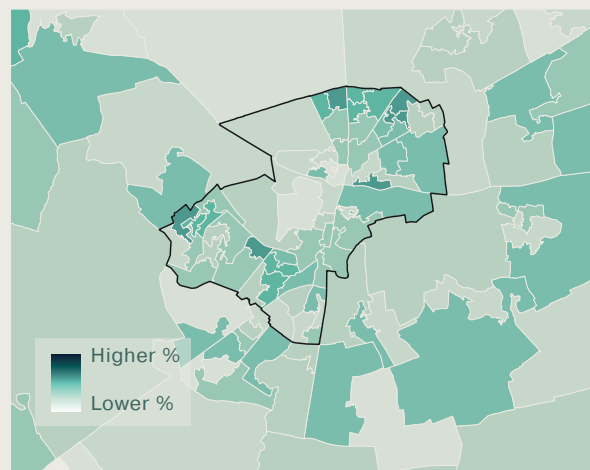
Designing growth for prevention

For Lincoln, improving outcomes sits at the heart of its future across a broader urban geography:

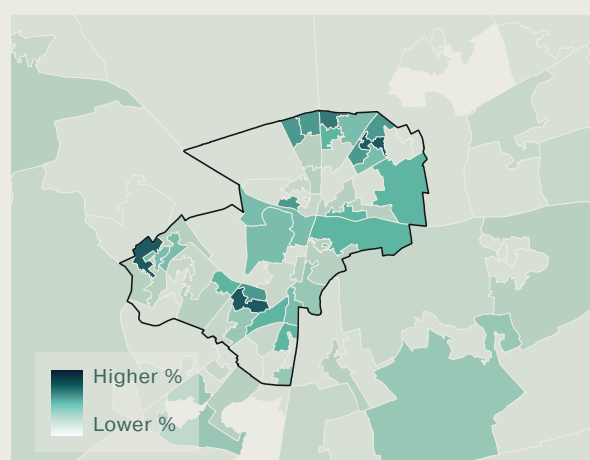
- **Live well** – raising wages, opportunity, and living standards
- **Age well** – shifting from crisis response in care to early intervention and prevention.
- **Reduce inequality** – tackling deprivation and entrenched health inequalities through integrated services.
- **Connect** – improving productivity and growth through coordinated transport and digital infrastructure.
- **Improve skills** – linking education to higher-value jobs in a modern economy.

With a right-sized unitary, Lincoln could better coordinate across housing, transport, and health systems, accelerate the delivery of affordable homes, and plan infrastructure that serves both city residents and surrounding communities - This would allow the city to deliver on its role as a growth engine for the region while directly improving life outcomes for those who need it most.

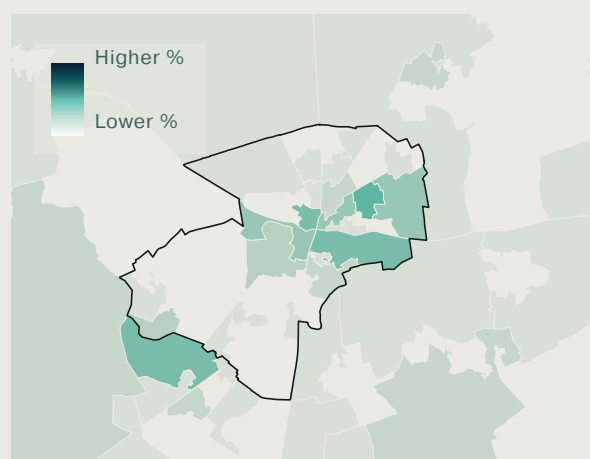
For Lincoln, the opportunity is to build on what works locally and extend it across a functional geography. With the right tools to align housing, health, skills and infrastructure, the city can better address the root causes of poor outcomes while supporting growth in high-value sectors. Addressing this is dependent on giving cities the right powers across the right-size geography - with this they can shape the city to deliver healthier homes, walkable neighbourhoods, and integrated health and social services - create inclusive growth and resilient local systems which become the foundation for hard-wiring prevention into our public services.



MAP 1: HEALTH
PERCENTAGE OF RESIDENTS REPORTING BAD AND VERY BAD HEALTH, BY LSOA (2021), ONS (Census 2021)



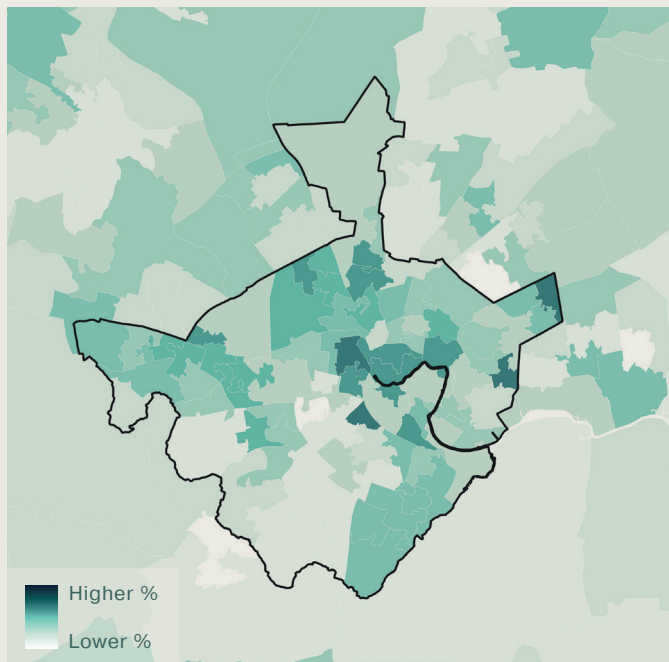
MAP 2: DEPRIVATION
PERCENTAGE OF HOUSEHOLDS DEPRIVED BY 3 OR 4 DIMENSIONS, BY LSOA (2021), ONS (Census 2021)



MAP 3: EMPLOYMENT
EMPLOYMENT COUNT BY LSOA, 2023, ONS (Business Register and Employment Survey)

Norwich

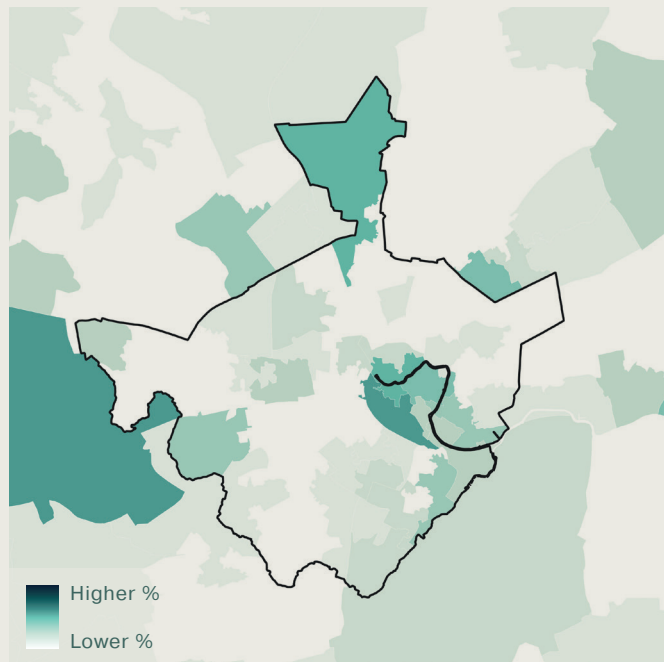
Putting communities at the heart of decision-making



ECONOMIC INACTIVITY

2023

The spatial distribution of outcomes and opportunity in Norwich varies across the city, reflecting patterns which can be seen across every city in the UK. Areas of highest economic inactivity sit adjacent to areas of highest GVA with high concentration of businesses - but the boundary intersecting these areas inhibits the ability to coordinate, or to connect opportunity to communities, ONS (Business Register and Employment Survey)



EMPLOYMENT

% Of residents (aged 16+) economically inactive due to long term sickness or disability (2021), ONS (Census 2021)

When communities have a voice, it mobilises participation, builds social ties, and creates a web of accountable structures, from local leadership to neighbourhood groups. This is the foundation for trust, confidence, and local pride. Yet many of our cities are facing a democratic deficit.

Strong local democracy depends on governance that matches the places people identify with: where they live, work, and travel. In Norwich, residents want a stronger voice and clearer accountability – but outdated boundaries dilute representation, and weaken the public's trust in decision-making

Devolution will only succeed if it is built from the ground up, empowering communities to shape their places. Without this participation, new governance structures risk being seen as remote and disconnected from the lives of people.

The principles for this are set out in the English Devolution and Community Empowerment Bill which calls for Local Authorities to create effective neighbourhood governance and stronger community voice.

Building participation from the ground up

Norwich, a city steeped in a proud history of science, arts, and innovation, stands as a unique civic and economic centre within a predominantly rural East of England. Often described as an “island economy”, its distinct character, specialised sectors, and self-reliant partnerships have fostered a unique blend of strengths for a city of its size. Also, initiatives like Norwich’s 2040 City Vision (2018), the “We Are Norwich” Community-led Plan (2024), and the Norfolk Roadshows have given residents a direct role in shaping priorities, and have



**CITY BOUNDARY
VS BUILT UP AREA**

“Norwich has the ambition, partnerships, and track record to drive growth for the whole region. With governance that reflects the city people actually live and work in, we can unlock greater opportunities – delivering better services, more homes, and giving every community a stronger voice, a clearer identity, and a fairer say in the decisions that shape their future.”

Louise Rawsthorne, Chief Executive
Norwich City Council

The Opportunity to Connect Urban Communities

Reorganisation is a chance to deliver differently. A new Greater Norwich Unitary Council would create a single, accountable body that reflects the city’s true footprint and identity. By bringing decision-making closer to the people who live, work, and travel in and around Norwich, it would bring stronger accountability, clearer representation for communities, and would give residents a clearer voice and a fairer say in shaping their future.

This change could also drive growth and deliver significant savings, unlocking around 26,000 new homes, supporting 50,000 more residents within the local plan period, generating £31 million in Council Tax and £2–3 million in New Homes Bonus each year, and achieving £10–13 million of annual service savings.

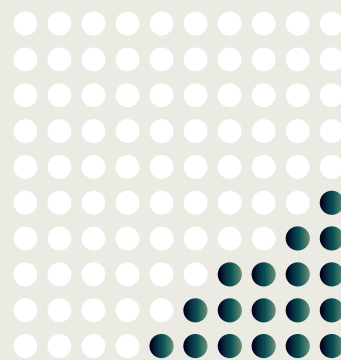
A city-led unitary authority for Greater Norwich is not merely an administrative adjustment; it is an opportunity to restore trust, strengthen local identity, and ensure that the benefits of growth directly translate into better outcomes for local people across the region.

laid the groundwork for an economy built on community, the environment and with inclusion at its heart.

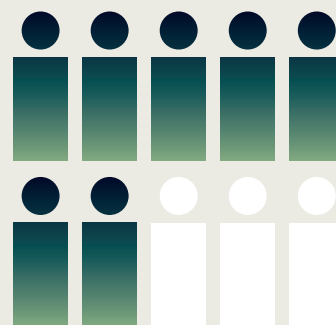
The £9.9 billion Greater Norwich economy supports 158,000 jobs and 10,500 businesses, it’s economic dominance in the east of England attracts investment which has ripple effects across the UK economy. Since 2010, it has outpaced the economic growth of larger UK cities, with a 64% increase.

Despite these strengths, Norwich’s growth potential remains curtailed by its existing boundaries: over half (54%) of Greater Norwich’s GVA and 47% of its jobs are beyond the city council area, creating division, diluting accountability, and limit the city’s ability to act on the issues that matter most to people. While fringe communities – such as Hellesdon and Trowse – are excluded from decisions on the city they identify with.

Public engagement has consistently highlighted confusion with the current two-tier system – with residents often with different councils for different services – and underscored a clear desire for a more streamlined local government. Stakeholders widely support a unitary authority to eliminate duplication, improve coordination, ensure equitable allocation of resources, and enable simple, more accountable decision-making.



Only 18% of residents across Great Britain find it easy to understand ‘who does what’ in local government



7 out of 10 people say they know little or nothing about how local government is structured

Oxford

Matching ambition with the right tools to deliver

The importance of getting housing and infrastructure right for the next generation cannot be underestimated. In every corner of the UK, there is a fundamental need for an affordable supply of quality housing with a range of tenures. This needs to be delivered alongside space for innovative sectors to scale to drive the national economy, while also protecting and nurturing vital social and green infrastructure.

Cities are the test beds for balancing the needs of people, place and planet, with partnerships and the critical mass already in place and populations which are poised to grow if they have the space to do so. Delivering this requires intentional design, enabling cities to plan coherently to balance their distinct needs.

Oxford is globally recognised, home to the world's No. 1 university and some of the UK's most transformative breakthroughs. Steeped in centuries of scholarship. The city excels in life sciences, biotechnology, data science, quantum technology, and robotics, forming a strong technology cluster, that drives regional growth. Oxford's two universities generate well over £16bn wider economic impact per year to UKPLC.

Yet decisions critical to Oxford's future, housing, transport, and infrastructure are fractured across city and county lines, and underpowered in the absence of an MSA to provide the enabling infrastructure that could unlock critical infrastructure.

One city, two realities

Oxford's global reputation tells only half the story. Behind its global status lies a stark contrast: a third of households in Oxford experience at least one form of deprivation. Life expectancy varies by more than a decade between neighbourhoods mere miles apart.

Bringing together housing, health, care, education and skills to tackle problems at their roots and raise the aspirations of all residents allowing the city to move from reacting to crisis toward building resilience and opportunity.

“Oxford is primed and ready to grow, with the infrastructure and economy of scale in place to create new homes at pace, space for businesses to grow, opportunities for investment, places for families and communities to connect”

Caroline Green, Chief Executive
Oxford City Council

OXFORD'S GROWTH MISSIONS

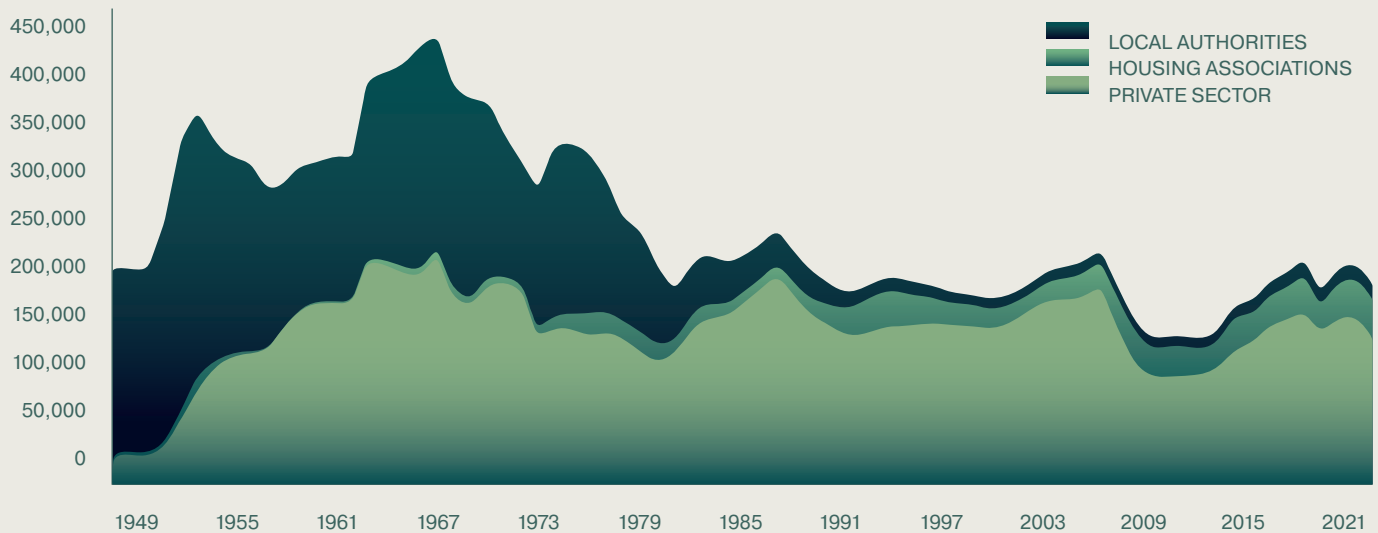
- Enabling the rapid expansion of Oxford's key knowledge economy sectors to create a globally significant ecosystem
- Accelerating housing delivery to unlock the economy, tackle ingrained inequality and reduce strain on public services
- Empowering communities in Oxford and its surrounding area to benefit from regeneration and a more innovative approach to public service delivery
- Providing a powerful voice at the Mayoral Strategic Authority table to ensure delivery of central Oxfordshire's wider infrastructure needs.

**CITY BOUNDARY
VS BUILT UP AREA**



HOUSE BUILDING 1949 – 2024 COMPLETIONS BY SECTOR

While supply is far from the only issue facing the UK housing market, enabling Local Authorities to build more homes is key to meeting the Government's target of building 1.5 million homes.



A focus on delivery

A right-sized urban-led unitary would give Oxford the tools to act with intent, delivering growth across four distinct mission with clarity and pace.

Equipped across a geography which reflects the urban community and powered by a future MSA for the region, a Greater Oxford Council would cover Oxford and the communities within its Green Belt that are naturally linked to the city by work, transport and leisure, enabling carefully shaped development, not sprawl. Transport decisions would no longer be made at a distance. A modern, integrated network could finally take shape, cutting congestion, boosting access, and matching the scale of local need.

Oxford can deliver up to 40,000 new homes by 2040 - 40% of them genuinely affordable - create 29,000 new jobs, and add £2bn to the UK economy every year, driving better outcomes across the region. Homes, workspaces, infrastructure and services would be planned together, not in silos. By building homes where jobs are, Greater Oxford would create growth that's clean, compact and connected, supporting net zero while preserving green space.

Oxford already drives major returns for the UK economy but given the ability to plan and deliver as one place, with clarity, accountability and pace, it could do even more - giving Oxford the tools to match its ambition, so that innovation, sustainability and fairness work hand in hand.

Peterborough

Renewal through prevention



**CITY BOUNDARY
VS BUILT UP AREA**
2025

Peterborough is one of the UK's fastest-growing cities, with clusters in Defence & Intelligence, Life Sciences, and Advanced Manufacturing that make it a natural driver of regional growth. Acting as a hub for surrounding rural areas, it has seen major developments like Fletton Quays and Northminster, new strategies for inclusive growth and better jobs, and partnerships with Homes England and the Combined Authority - all providing a strong foundation to build on.

To turn this potential into lasting change, Peterborough needs the right tools and structures – while the city is growing fast, so are the pressures on public services.

Responding to demand and change

Public services across the UK face rising demand and stretched budgets. Without the ability to coordinate prevention at the right scale, cities can be locked into a costly cycle of crisis response rather than tackling root causes.

Devolution has brought investment in housing, infrastructure, and skills, but in many places it has not changed how services are delivered day-to-day. Fiscal devolution also remains limited, with the UK still one of the most centralised countries in the OECD, while local authority spending on social care, SEND, and temporary accommodation continues to rise - from £60.0bn in 2015–16 to £72.8bn in 2023–24 (NAO, 2025) – reflecting growing pressures.

Communities under pressure

Despite progress, many communities in Peterborough face entrenched challenges: low skills and earnings, stagnant economic opportunity, rising inequality, and a widening gap in health and wellbeing. Parts of the city sit within the most deprived deciles nationally, with higher-than-average demand for social care, housing support, and children's services.

Local services work hard to respond, but fiscal restraint and fragmented governance often force a focus on crisis management rather than prevention. This is costly - financially, socially, and economically – and it undermines public confidence in the institutions meant to serve them. Without change, Peterborough risks remaining locked into arrangements that neither meet local needs nor contribute fully to national priorities.

Right-sizing for prevention and growth

A right-sized, city-led unitary authority would bring together the levers for housing, health, education, skills, and economic development under one accountable body.

This would enable Peterborough to:

- Design and deliver targeted, preventative services, reducing long-term demand on acute care, improving outcomes, and lowering costs.

- Drive inclusive economic growth, building on its strategic location and diverse workforce to attract investment and create jobs.
- Align housing delivery with infrastructure and skills, ensuring growth meets the needs of both new and existing residents.
- Restore public trust through clearer accountability and decision-making that reflects the lived reality of local communities.

The benefits go far beyond short-term savings. Growing the local economy, delivering the housing the city needs, preventing future demand for public services, and rebuilding trust in local government all create far greater returns to the public purse.

Peterborough's future lies in renewal, building the capacity, confidence, and resilience of its communities. With the right-size, the city can shift from managing crisis to enabling opportunity, becoming not just a fast-growing city, but a fair, healthy, and prosperous one that contributes meaningfully to regional and national success.



£42.3 billion spent by local authorities on adult and children's social care in 2023-24

NAO 2025

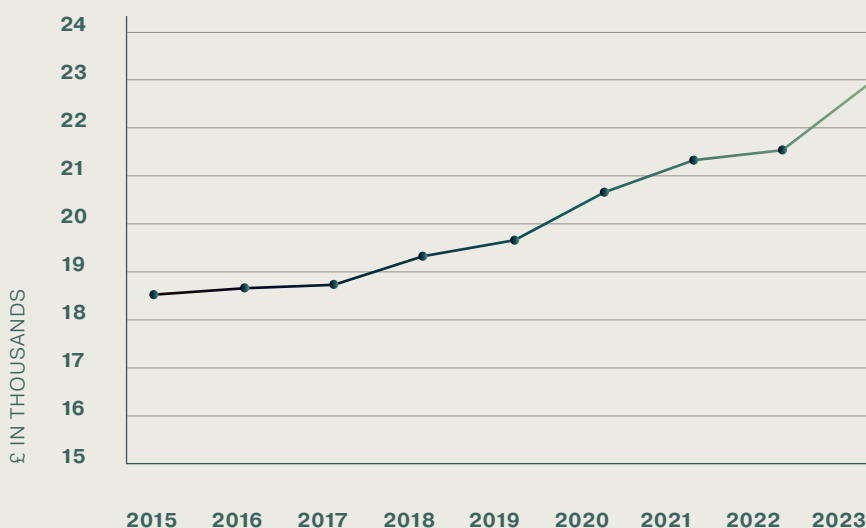


42 Local Authorities receiving **exceptional financial support** since 2011

“Peterborough has the scale, diversity, and ambition to drive growth and improve lives – but we need the powers, resources, and accountability to match our role. Without aligning governance to our real economy, we’re stuck managing crises instead of preventing them. With the right structures, we can deliver better services, stronger communities, and growth that benefits the whole region.”

Matt Gladstone, Chief Executive
Peterborough City Council

**NET CURRENT EXPENDITURE
IN ADULT SOCIAL CARE BY LOCAL
AUTHORITIES (ENGLAND)**



£2.13 billion spent on temporary accommodation by local authorities in 2023-24; this is **nearly double** what was spent in 2015-16

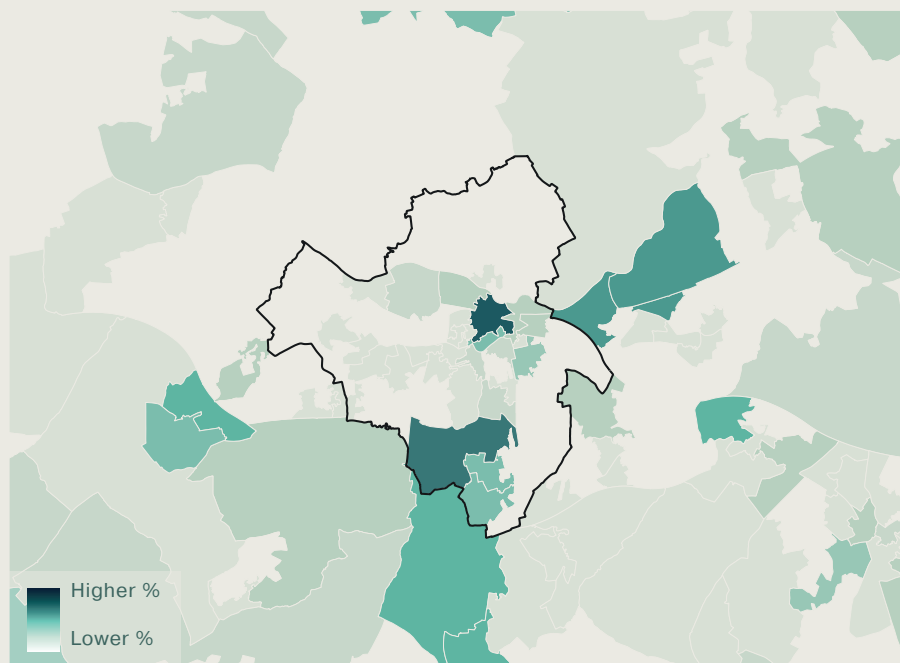
NAO 2025, ONS

Local authorities faced a **£200–800 million annual gap** between SEND high needs spending and funding (2018–22), resulting in **£3.3 billion of accumulated deficits** by 2024

Institute for Fiscal Studies, 2024

Reading

Densification and potential as a unitary



ECONOMIC OUTPUT

GROSS VALUE ADDED (GVA)
BY LSOA, 2022

- ONS (Small area gross value)

READING OUTPERFORMS THE NATIONAL AVERAGE ON KEY METRICS

- Population growth 10.3% between 2013 and 2023, compared to 6.6% in London and 7.4% in England.
- Productivity £48.5 (GVA per hour 2023), compared to £42.4 in England.
- Employment growth 19% between 2015 and 2023, compared to 16% in London and 10% in England

Getting density right is about more than housing numbers – it is about attracting investment to shape vibrant, liveable neighbourhoods where communities thrive and businesses and institutions cluster - it creates dense networks of knowledge, skills, and innovation that drive growth. Density at the right scale is what makes public transport viable, what allows housing and services to be delivered efficiently, and what turns a collection of firms into a thriving cluster or innovation ecosystem. For cities, it is the foundation of productivity, resilience, and long-term prosperity.

Compared to global competitors, UK cities are less dense – a legacy from our approach to urban planning, regulation, and housing system. The result is lower productivity, missed opportunities for clustering, and a system that struggles to deliver the homes and infrastructure people need. Unlocking this means unlocking the benefits of agglomeration: connected, sustainable cities that power local prosperity and the national economy.

Building on Reading's track record

As a unitary authority since 1998, Reading has demonstrated what's possible when urban areas have the tools to act. It has become one of the UK's most dynamic and fastest growing economies, consistently ranking among the top five urban areas for productivity. While Reading does not hold formal city status, it functions at economically and functionally at city scale, with a population of more than 230,000 across its wider

footprint and anchoring prosperity across the Thames Valley and the South East.

Reading boasts a thriving knowledge economy, powered by the University of Reading, and is home to major global employers including Microsoft and Oracle, alongside a flourishing start-up scene and cultural offer. Reading also boasts exceptional connectivity, with one of the busiest rail stations in the country, served by the Elizabeth Line and supported by a growing network of sustainable transport infrastructure.

With limited land, Reading has led on compact, sustainable development – focusing growth in its dense, well-connected town centre. Major regeneration schemes like Station Hill, Minster Quarter, and Broad Street Mall are set to than double the number of homes in central Reading by 2041.

The opportunity of right-sizing

Reading's potential is held back by outdated 1911 boundaries. The Centre for Cities defines Reading's Primary Urban Area (PUA) as extending into surrounding areas, reflecting the reality of where people live and work. Over half of the functional population and workforce are outside the borough, yet housing, transport, and health planning remain fragmented.

This mismatch means growth risks becoming extractive: housing delivered without infrastructure, health services stretched, green space limited, and too few options for families in a market dominated by single-tenure build-to-rent. Population



**CITY BOUNDARY
VS BUILT UP AREA**
2025

change adds further pressure — with a growing older population, a large student and young professional base, and nearly half of residents identifying as Black, Asian or other ethnicity, Reading is among the most diverse and dynamic urban areas in the South East, but faces the challenge of integrating services across fragmented governance.

Reading has already shown what density done well can achieve: strong productivity, compact regeneration, and one of the UK's most competitive urban economies. But to sustain this, governance must match the Reading's true scale. Aligning powers across its wider functional area would enable Reading to plan housing, health, and infrastructure together – densifying with intent, building resilience into services, and supporting inclusive growth.

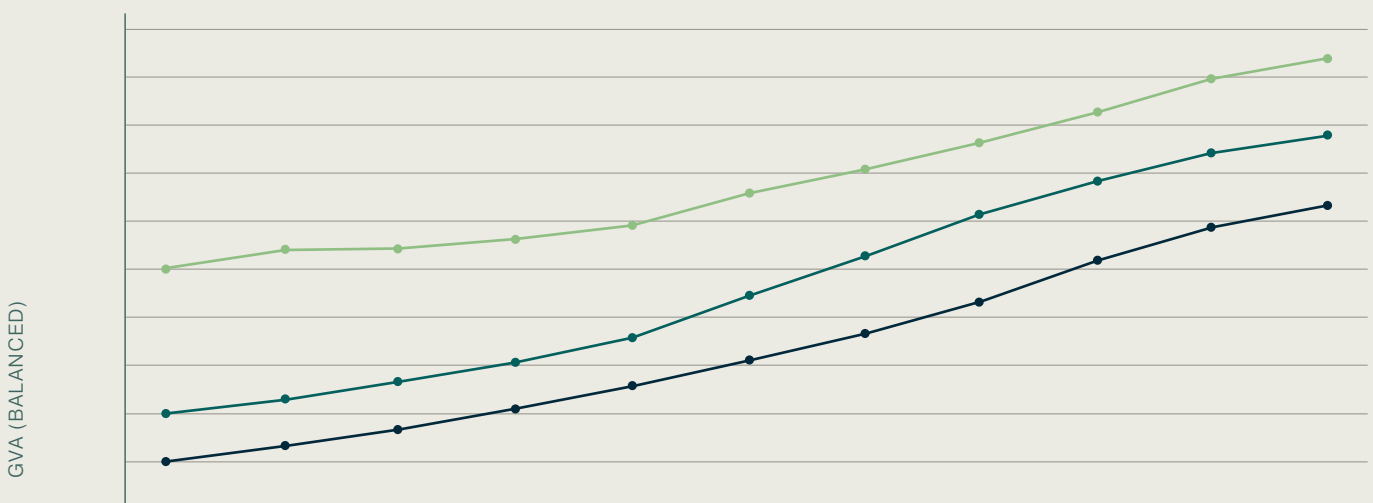
With the right tools, Reading can go further - not just as one of the UK's most productive economies, but as one of its most liveable: a community where density creates value for people,

“Reading has shown what can be achieved when a place has the tools to act. We’ve delivered growth, regeneration, and one of the UK’s most productive economies. But to sustain this success, and to make sure density works for people as well as businesses, we need the ability to plan at the scale our town really operates. With the right governance, Reading can be both one of the most productive and one of the most liveable urban areas in the UK.”

Jackie Yate, Chief Executive
Reading Borough Council

**CURRENT PRICE (SMOOTHED) GVA
(BALANCED) PER HOUR WORKED**

—●— READING
—●— SOUTH EAST
—●— ENGLAND



Swindon

Cities in devolution

“Swindon is ready to be a driving force in the Thames Valley’s future – combining exceptional connectivity, the most affordable housing and business space in the region, and the capacity to deliver over 25,000 new homes and 10,000 jobs.

Maximising these opportunities depends on having equal partners in devolution – with this in place we could turn this potential into a powerful engine for growth, supporting the Oxford–Cambridge Arc, unlocking investment, and strengthening sustainable transport links to drive a future devolved region.”

Samantha Mowbray, Chief Executive
Swindon City Council

Local Government Reform alongside devolution is reshaping government across England. The dawning of this exciting new era for regional growth is one where each place will be governed by a unitary local authority alongside a Mayoral Strategic Authority. This shift is designed to level the playing field - building on success of established MSAs which have emerged and have shown the power of strong regional leadership, with a voice at a national level to drive inward investment and advocating unapologetically for people and businesses in place.

For devolution to succeed, it is essential that constituent local authorities are equal partners in shaping the future of their region. Getting this right means unlocking a genuinely polycentric urban network, supported by rural towns and villages where unitary authorities collaborate rather than compete - looking beyond boundaries, building on each other’s strengths, and realising their untapped potential.

Powering the Thames Valley

Joining the right regional authority has the potential to be game changing, enabling Swindon, enabling expansion of their offer to UK PLC across a connected and innovative network of empowered cities and towns working in partnership.

As a unitary council, Swindon has had access to powers across a functional geography. The town is a major hub for economic opportunity and boasts one of the highest productivity rates nationally at £48.7 GVA per hour, compared to £36.0 nationally.

Strategically located at the junction of the M4, Great Western Mainline, and A420 corridor, Swindon is a natural anchor for the Thames Valley. It connects seamlessly to Oxford, Reading and Bristol, and is only 47 minutes from London, powering supply chains from Heathrow to the western growth arc.

Swindon is home to global employers and private sector investment and is leading development of the UK’s largest speculative logistics and advanced manufacturing site: the Panattoni Park development that will deliver 7.2 million square feet of best-in-class logistics, industrial and data centre real estate.

Swindon also offers one of most affordable housing markets in the Thames Valley & Swindon sub-region – vital infrastructure to ensure the wider region both attracts and retains talent to support business growth. With the capacity to deliver 25,000 new homes and 10,000 jobs, Swindon has the potential to strengthen the wider Thames Valley housing and labour market. Easing development pressure in some of the UK’s most renowned rural landscapes.

Swindon has invested in the capabilities needed to deliver this pipeline of affordable and sustainable development, supported by public transport, green space, and low-carbon infrastructure. This makes it essential to the regions housing strategy, high-tech manufacturing and aim of accelerating net zero – ensuring growth translates into improved outcomes in health, education, and social care services for residents.

Boundary misalignment

As a unitary authority, Swindon has built delivery capability and has powers to act. What it lacks is alignment. Current boundaries fall short of the communities that depend on it - places like Wroughton, South Marston, & parts of Wiltshire and Oxfordshire rely on Swindon's infrastructure, services, and labour market.

This creates a planning and service delivery mismatch, one that places unsustainable pressure on health, education, and social care services, creating pressures that the council is expected to manage but not resourced to plan for.

Equal partners in devolution

Swindon's success is tied to the success of its neighbours. Without the right foundations in place, both local and national economies are less resilient and slower to recover from shocks.

The future of the Thames Valley and Swindon region depends on fixing the foundations that hold back other regions, so they can build on shared strengths and innovate beyond the restrictions of boundaries. Bolstered by a strong and resilient local economy, Swindon can deliver a new wave of inclusive, clean growth, powering the Thames Valley region and creating ripple effects across UK economy.

Swindon's coalition has contributed to the economic success of the city with:



**One of the highest
GVA per hour
nationally (£48.7)**



**One of the highest
employment rates
nationally (82.5%)**

The power of local place coalitions

The Devolution White Paper recognises the important role of local business boards made up of employers, committed investors, and institutions pulling in the same direction.

Swindon has this foundation already in place in its unique place coalition – a network of major businesses and institutions that anchor prosperity locally and enable cities like Swindon to drive inclusive and sustainable growth through connected networks that drive clustering and knowledge networks. The coalition includes:

- **Nationwide Building Society** – Headquartered in Swindon since 1992, Nationwide is the world's largest building society and one of the city's biggest employers, committed to mutual ownership and long term investment.
- **Thermo Fisher Scientific** – A global life sciences leader with nearly 400 staff in Swindon, driving innovation in pharmaceuticals with over \$200m recent investment in vaccine and drug manufacturing.
- **The NHS (GWR Legacy)** – Swindon's pioneering role in healthcare through the Great Western Railway Medical Fund helped shape the model for the NHS, embedding a proud tradition of innovation in public services.
- **RWE** – A global energy giant with specialist engineering operations in Swindon, supporting the energy transition and exporting expertise across Europe, Asia, and beyond.
- **Arval UK** – A leader in vehicle leasing and fleet management, headquartered in Swindon, delivering innovation in mobility and sustainable transport solutions.

For further information on the Case for Cities report, contact our team:



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