

# CITY CENTRE STRATEGY AND POLICIES TO EXTEND ITS BENEFITS TO WIDER COMMUNITIES: THE CASE OF BIRMINGHAM, UK

## I. Overview and profile of the city

**B**irmingham is a city of nearly 1 million residents and forms the heart of a conurbation of 2.2 million, making it the second largest urban area in the UK after London. It is the unofficial capital of the West Midlands region, with a population of 5.3 million. Located approximately 110 miles to the North-west of the capital, it is at the cross roads of the country's major transport networks with several motorways and inter-city rail lines coming together in the area. Birmingham is a classic case of a European industrial city struggling to adapt to the effects of globalisation, de-industrialisation, structural economic change and increasing inter-city competition at a transnational scale. Its recent history is one of affluence and expansion in much of the post-Second World War period, following by a sharp decline in the 1970s and 1980s as its industrial base contracted, and a modest, uneven revival over the past ten years based around the re-invigoration of its city centre.

Birmingham's economy, long driven by the automotive, engineering and metal-working trades, remains structurally weak despite some positive changes in recent years. The city's record on economic and employment growth consistently trails the regional and national averages although there have been some indications that the gap may be closing. The annual average unemployment of 7.8% in 2003 compares to rates of 3.1% for the West Midlands region and 2.7% for the UK as a whole. The city-wide total masks sharp disparities between districts. Figures for November 2003 show that nine of Birmingham's 39 wards – all located in the inner city – had unemployment levels of more than 12%, more than four times the national average (Birmingham Economic Information Centre 2003, 2002).

Birmingham's population has declined steadily since the 1960s, fuelled by out-migration to other parts of the region, although the rate of decrease has slowed during the past 20 years. The population fell by approximately 3% from 1991-2001, against a rise of 1% in the region and 3% in England. Its demographic character is distinct in two respects. Birmingham's population is disproportionately young with 44% of the population under 30 compared to 38% in England. There is also a very large and growing ethnic minority population, representing nearly 30% of residents, with Pakistani, Indian and Black Caribbean communities forming the largest groups. The city's problems of low levels of economic activity and education/qualifications compared to regional and national averages are particularly pronounced among some of its ethnic minority communities, most notably the Pakistani, Bangladeshi and Black Caribbean groups (Birmingham City Council, 2003; Birmingham Economic Information Centre, 2001).

## II. Context

In the 19<sup>th</sup> century Birmingham emerged as one of the UK's foremost industrial centres, establishing a worldwide reputation as a focus of engineering and metal working trades. In the 20<sup>th</sup> century the city evolved into the hub of the British automotive industry, and the manufacture of automobiles and components became the heart of the local economy and an intrinsic part of its culture. Birmingham benefited greatly from the economic boom of the post-Second World War period and as late as the early 1970s the city enjoyed a situation of virtually full employment.

However by the early 1980s Birmingham was experiencing a severe socio-economic crisis precipitated by the collapse of its manufacturing base. From 1971-1987 the city lost 149,000 manufacturing jobs, representing 46 per cent of the sector total, and nearly a quarter of overall city employment. Heavy reliance on the automotive industry and related metal-working and engineering sectors, combined with the weak underlying structure of its manufacturing base left Birmingham particularly vulnerable to recession and de-industrialisation processes from the late 1970s through the early 1990s. This was a sharp, swift blow for a city that had boomed through much of the 20<sup>th</sup> century and had experienced a related expansion of population and substantial immigration through this time.

Birmingham's decline took place later and more sharply than that in other major industrial centres such as Newcastle, Manchester or Liverpool. This economic legacy also left the city with a weak presence in the fast-growth service sectors which began to drive the national economy in the 1980s and could potentially compensate for manufacturing job losses. These problems were further exacerbated by the scale, nature and pace of Birmingham's redevelopment from the 1950s through early 1970s, particularly in the city centre. This involved considerable demolition of the historic fabric of the city centre following wartime bombing to be replaced by poor quality, unappealing single-use buildings dominated by highway infrastructure. The most notorious aspect of this redevelopment was the imposing Inner Ring Road – a wide, partially elevated structure known as the "concrete collar" that constrained the city centre and created an inhospitable environment for pedestrians. Its effect was to cut off the heart of the city from the urban fabric and to prevent it from playing a full role in the life of the city. As a result, Birmingham and its city centre in particular became associated with a poor urban environment and negative image that undermined its ability to nurture the growth of new service sector activities.

The economic decline and weak underlying structure led the growth of related problems of dereliction, mass unemployment (much of it long-term in character) and multiple deprivation. Further, these adverse processes fuelled a substantial out-migration of affluent households and families to towns and rural areas in surrounding counties, where growth of new businesses and economic activities was more buoyant. The effects of this were compounded by the city's difficulty in retaining its young, skilled people and university graduates. By the 1980s, therefore, Birmingham's policy makers confronted a severe and worsening socio-economic crisis that threatened to lock the city in a vicious cycle of urban decline.

Birmingham City Council, the local authority within the city boundaries, recognised an urgent need to modernise and diversify the city economy and to address related social and environmental problems that undermined the city's long-term prospects. The resulting re-think led to a strategic decision to develop a key new sector for the city – business tourism and

related service functions – and to use this as a means to begin the regeneration of the city centre.

The decision to develop a business tourism base of national and international significance was built upon the successful precedent of the National Exhibition Centre, opened on the city's eastern fringes in 1976. While this became a highly successful venue of European importance and a key new economic asset for Birmingham, its wider impacts for the city were limited due to its location and the nature of its business.

It was hoped that expansion of the business tourism function in the city centre would spur the regeneration of the central district which was seen to be falling far short of its potential but which represented one of the key assets to be exploited in reviving the city economy. The policy innovations that followed in the realms of planning and economic development were intended not only to kick-start the growth of this key sector, but also to re-integrate the city centre into the mainstream of urban life – in particular its role as a source of new employment, public spaces and community amenities, quality of life improvements and broadening of the housing stock.

The explicit concern for Birmingham's poor and deprived populations was only of secondary importance at this stage. The overriding priority and ambition was to make a start on re-ordering the underlying structure of the local economy and to create the conditions within which the fortunes of the city population might improve. As one commentator wrote: "the main aims were to create a new economic base to the other key industries in the region. This excluded the incorporation of the local population into the urban regeneration strategy in a central position. Any trickle-down effect was perceived as a benefit, yet was secondary" (Smyth, 1994). Such trickle-down effects might transpire through direct employment, the spin-off impact for job creation and rehabilitation of the urban realm, and the generation of new confidence in the city among outsiders and locals alike.

### III. Description of Initiatives

The city council response focused on twin investments set within an innovative new approach to planning and the urban realm within the city centre area. The first major set of initiatives comprised the development of a series of flagship projects designed to lead Birmingham's move into international business tourism and related leisure sectors. The schemes were clustered together in what is now known as the Convention Centre Quarter on the west side of the city centre. The main elements were:

**International Convention Centre/Symphony Hall (ICC):** A £180 million facility intended to provide the best purpose-built convention centre in Europe and one of the best concert halls in the world. Some £50 million of the cost was borne by the EU Structural Funds, with the remainder coming from the city council through a specialist company created in partnership with the city's Chamber of Commerce. It was opened in April 1991.

**National Indoor Arena (NIA):** A £57 million venue with maximum capacity of 13,000, used primarily for sporting events of national and international scale, but also for entertainment and exhibition/conference activities. Some £23 million was raised by the city through the sale of the Brindleyplace site with an extra £3 million from the Sports Council. This was opened in October 1991.

**Hyatt Hotel:** A £31 million four-star hotel with 319 rooms and extensive leisure facilities. Intended to complement the ICC and provided a major modern addition to the city skyline. This is a complex three-way joint venture between the city council, Hyatt Regency Ltd, and construction company Trafalgar House, supported by a £6 million Urban Development Grant.

These flagship projects were typical of the kind of urban development undertaken by Britain's regional cities in the 1980s and 1990s. However in Birmingham's case a key factor behind their longer-term success and impact was the attention paid to creating a much enhanced urban environment in the immediate surroundings. Main elements of this investment included:

**Centenary Square:** A major pedestrian public space providing an extensively landscaped approach to the ICC area from the city centre core. The square included high-profile pieces of public art and is the city's prime site for civic and public events.

**Downgrading of the Inner Ring Road:** The lowering of the ring road at the juncture between the above projects and the traditional city core. Subways were replaced by a wide pedestrian bridge, creating an attractive and clear link between the two areas. This linked the ICC to the main commercial and retail districts and formed the heart of the emerging visitor corridor.

**Canal Network and Infrastructure:** Birmingham's extensive canal network had fallen into disrepair during recent decades but several environmental initiatives improved the fabric of the canals themselves in addition to the provision of new towpaths, bridges, access points and signage.

These investments created not only a high quality setting for the flagship projects, but also the beginnings of much stronger connectivity with the existing city core district and other districts in the vicinity. Birmingham's development of flagship projects thus differed from that undertaken in many North American, British and European cities in that they were well integrated with the wider urban fabric from the beginning. This in turn created positive conditions

for follow-on investments and for use of this new urban space by the local population, a point to which this paper will return.

Even more important for the longer term was the coupling of the prestige projects in an ambitious spatial vision for the wider city centre. The 1987 Highbury Initiative, a gathering of local actors and international professional experts, developed a new vision for an enlarged city centre which would enable it to play a full role in city life and economic revival.

Most important among the key principles was the breaking of the "concrete collar" Inner Ring Road, promotion of greater pedestrian priority and the development of a series of distinctive quarters surrounding the main core along the lines of central districts found in many European cities. Other main principles included development of an east-west pedestrian route through the core; the canal network as a focus for regeneration; a "streets and squares" approach to regeneration and a greater emphasis on mixed uses.

This vision was embodied in the new *City Centre Strategy* which replaced a traditional land use planning framework and was subsequently integrated in the city's main strategic document - *The Birmingham Plan*. Through the 1990s this framework was augmented by individual quarter plans outlining more detailed visions and development principles for different parts of the enlarged city centre. This Highbury-inspired planning framework, and the wider strategic ambitions for the city centre which it encompassed, remain the driving vision behind city centre regeneration and development to this day. The creation of such a strategic vision for the wider city centre provided an essential spatial context for the flagship projects which made possible the longer term impacts and the spread of benefits to a wide range of local residents.

The linking of the new quarters with and core, and progress toward other Highbury objectives, were re-inforced through the 1990s by a rolling programme of improvements of the urban environment and public realm. These investments, with substantial support from the EU Structural Funds, continued the integration of the major projects into the wider city centre fabric, and further opened up the core for new economic activities and cultural and civic uses. Main elements included:

**Victoria Square:** the city's historic civic space re-designed as a traffic free piazza with extensive new landscaping and public art

**Pedestrianisation of New Street:** the re-vitalisation of a key retail artery completed the unbroken pedestrian link between the ICC and the city's main railway station

**Further breaches of the inner ring road barrier:** projects to create safe surface-level crossing at two key points enabling easy pedestrian access to the Chinese, Markets and Jewellery Quarters adjacent to the core

**Remodelling of Old Square and Bull Street:** the removal of dangerous, unappealing subways and the creation of new public spaces and safe, easy crossing points in the heart of the retail and commercial districts.

The initial flagship projects, the rolling programme environmental investments and the accompanying spatial policy framework, all created the conditions for a re-invigoration of the city centre. In particular, it provided a conducive context for follow-on private investment that now carries most of the momentum of ongoing change in the central parts of the city. From the mid-1990s the momentum of public investment in the city centre infrastructure and improvements began to wane, and much of the continued investment was funded by private developers or other external sources, including the European Union or national lottery funds.

However, the political commitment to developing business tourism, city centre regeneration and diversifying the economy remained a key strand of city policy.

More recently, the city council's attention has turned to the regeneration of the Eastside district of the city centre. Plans for the transformation of this rundown and under-invested industrial district adjacent to the city core were first unveiled in 1999, and have evolved through masterplanning and consultation processes since then. The overall project is expected to take 10-15 years to achieve. It represents a critical evolution of Birmingham's city centre strategy as it combines elements of continuity with preceding policy initiatives discussed above and some new perspectives on regeneration in this area. In particular, it is an attempt to broaden and diversify the kinds of activities, users and residents in the city centre while still contributing to the city's strategic aims of economic diversification/modernisation and reversing the processes of out-migration and loss of young, skilled people. Important dimension of the plans, some of which are beginning to bear fruit include:

*Educational activities:* new university and further education facilities (expansions of existing institutions) and niche institutions in post-16 education, particularly in fields with practical applications. Education also features predominantly in two major projects: the Millennium Point science and technology centre (already open); and a proposed new Library of Birmingham.

*Creative industries:* the economic emphasis is on facilitating indigenous business growth through start-ups and small firms rather than the inward investment focus in other districts. Much of this will concentrate on fast-growth sectors including media, design, and IT related activities in which the city is beginning to develop a critical mass.

*Affordable and innovative housing:* new housing provision in the area is intended to be less expensive than that recently completed elsewhere in the city centre, with a broader range of types including forms of integrated live/work communities overlapping with some of the growing economic functions in the area.

It is envisaged that the new facilities and activities will be linked through creation of a major new linear park (featuring substantial areas of green space unlike the harder landscaping of recent public spaces elsewhere in the city centre) and other environmental initiatives such as the opening up of this district's canal network.

Perhaps most importantly, these characteristics of the proposed regeneration have significant implications for the likely range of users and residents in Eastside. It is possible that Eastside may have particular relevance for younger residents of Birmingham and for its ethnic minority communities, by virtue of the nature of projects and activities planned. In this respect Eastside is likely to complement what has occurred elsewhere in the city centre rather than just replicating it.

It is still early in the Eastside regeneration process and it is by no means certain that all of the proposed developments will come to fruition. However, there are enough signs of progress and momentum at this stage (early 2004) to suggest that this will lead to a significant transformation of the area and greatly strengthen the benefits of the city centre regeneration policy for Birmingham residents across the socio-economic spectrum.

The city council remains a key actor in the continuing regeneration of the city centre, but the nature of its role has changed somewhat from the early 1990s. Rather than being a direct provider of new facilities, it now acts as a facilitator – preparing the planning and spatial policy context, brokering stakeholder interests in the area, and putting together funding pack-

ages for key early projects. Since 2001, a major priority has been to secure funding for the demolition of the ring road in this part of the city centre and its replacement by a surface level boulevard, landscaping and pedestrian routes. This initiative, completed in late 2003, has already released several new sites for employment-generating uses, greatly improved the pedestrian environment, and created the conditions for further investments – including some educational facilities – in the immediate vicinity.

#### IV. Successes Achieved

The transformation of Birmingham's city centre since the early 1990s has been one of the most high profile and commented upon cases of urban regeneration in Britain and Europe. This renaissance has earned the city and particularly the city council a large number of professional and practitioner accolades over the years. Most recently, Birmingham was selected by the UK Government as a Beacon Council for Town Centre Regeneration in acknowledgement of the area's transformation and the success of the local authority's vision and supporting policies that it has pursued for the past ten years (Department of Transport, Local Government, and Regions, 2001).

However such large-scale city centre regeneration, and particularly that which involves expensive prestige projects, has come in for considerable criticism in academic debate since the 1980s. Birmingham has been no exception, and its city centre strategy has not been without controversy. Most notably, in the early 1990s two local academics undertook a major research project that contested the claimed benefits of Birmingham's major projects and city centre approach, sparking a vigorous debate in the media and political circles. Their work criticised the extent and quality of new employment creation, and the degree to which the new economic activity benefited the city's more deprived communities, particularly as substantial public money went into the early projects (Loftman and Nevin, 1994). Their critique raised some valid issues but many of their claims can be rebutted and subsequent research has attempted to provide a fuller, more balanced picture of this long-term policy. The most important issue in this respect is timescale. Policy innovations such as Birmingham's city centre strategy require several years in which to take hold and begin delivering the indirect, knock-on impacts which are often the most significant outcomes. A short-term perspective on the part of critics or boosters does not provide a fair or helpful picture of a policy's value for the city and its residents.

Recent research into Birmingham's city centre experience provides a fuller picture of the impacts (Barber 2002, 2001). The economic benefits include direct and indirect impacts. In direct terms, the new facilities have succeeded in positioning Birmingham as an international conference venue, hosting the G8 Summit and many other events of national and European importance. The city centre business tourism sector has also increased the volume of visitors to the city (particularly high spending overseas visitors) and a strong improvement in its position relative to other British cities (now ranking third behind London and Edinburgh). The growth of this important economic function has had extensive knock-on effects in terms of visitor spending and the emergence of new complementary facilities in the leisure, hotel and catering sectors. Employment growth in these sectors has also outpaced regional and national averages since the early 1990s (Birmingham Economic Information Centre, 2002).

The indirect impacts of the city's strategy and investments are more evident. Following the initial major investments, the city centre has experienced a steady, accelerating surge in private sector investment that has gained momentum noticeably since around 1998-1999. The character of this investment has shifted over time but taken together it represents not only a substantial physical transformation but a major step in the fundamental restructuring of the city-region's economy in the medium term, and from that, the prospects of the city's residents including its deprived communities. The main elements of this investment include:

**Brindleyplace:** a £300 million mixed use development adjacent to the ICC and the canal network, combining offices, restaurants, shops, cultural amenities and the first substantial private sector housing in the city centre. Started in 1993 and to be completed in 2004, this was the key development that took forward the momentum begun by the public sector and established wider confidence in a city centre revival

**Broad Street Leisure Area:** a multitude of new bars, clubs, restaurants and leisure/cultural amenities in the immediate ICC/Brindleyplace area. It is now a leisure/entertainment hub of regional significance.

**The Mailbox:** a major canal-side mixed-use development comprising offices, restaurants, high value retailing and hotels. It built upon the foundations set by the other investments and opened up a key new pedestrian route between the city core and the canal network.

**City Centre Housing:** Since 1998 the centre has seen a striking growth in the development of new housing, a highly welcome trend given the city's previous problems of urban environment and image, and the challenges of halting out-migration and retaining young people. By late 2003 nearly 4,000 new homes had been completed with a further 2,100 under construction, and the new city centre population is beginning to reach a critical mass that supports new services and amenities.

**The Bullring:** a £500 million redevelopment of an outdated shopping centre to provide a retail centre of regional importance. Completed in September 2003, it also included new facilities for the city markets (traditionally catering for the city's less affluent residents), refurbishment of the city's parish church, and a much improved urban environment with attractive new pedestrian linkages between the city core and the surrounding quarters.

Finally, the momentum of these and other smaller scale investments has also created the confidence to make the Eastside ambitions a viable proposition and underpinned the readiness of stakeholders to become involved. With regard to the major developments, the city council has worked alongside private interests, with some success, to secure important improvements to the public realm and environment alongside the commercial activities.

The economic implications for the city have been very important. In general terms, the changes have enabled the city centre (and Birmingham as a whole) to strengthen its competitive position as a hub of financial and professional services (the fastest growing part of the city economy), retail, leisure and entertainment, tourism (business and leisure), and to some extent the creative and cultural industries. Further, it is enabling the city to (re) establish itself as a regional capital in these respects and to take full advantage of underlying structural changes that are re-invigorating many urban economies throughout the western world.

Analysis has shown that the new developments in the Convention Centre Quarter alone account for more than 13,000 jobs across a range of sectors. While much of this (particularly among office tenants) represents re-locations from elsewhere in the city, these transfers have often facilitated expansion of the businesses involved, and in all cases have freed significant sites and space that have been redeveloped or re-used for commercial, residential and mixed uses – thereby providing a significant net benefit for the city and particularly for the role of its central districts, with consequent impacts upon sustainable development (Barber 2002, 2001)

The city's own economic analysts acknowledge that official data probably underestimates the direct and indirect employment impacts of this development investment. However, it is recognised that the city centre is the driver of new employment creation in Birmingham

and, most critically, leading the diversification that improves the longer term prospects for the city and those residents and communities worst affected by the restructuring crisis of the 1970s to the 1990s.

Further, the employment generated represents a wide cross-section of jobs, from well paid professional and managerial posts to "entry-level" position in retailing, hospitality and catering. The investment is thereby creating opportunities not only for the well educated but also for those with limited qualifications and experience in the labour market. It therefore represents an important new source of opportunity for many city residents, including those in poor and deprived households, if they have the means and willingness to access them. Finally, the city centre location means these new jobs are easily reached by public transport or, in the case of inner city districts, by walking or cycling. This is an important factor given Birmingham's high proportion of households without access to a car – disproportionately concentrated among the poor and ethnic minority populations.

Alongside the substantial economic impacts, it is important to note another less tangible dimension of the city centre policy – its effect on urban quality of life. The city council's initiatives and subsequent private investments have created a highly attractive, safer and more vibrant urban environment that is regularly used by a range of residents and visitors, including young people, families, and a wide cross section of city cultures. While much of the follow-on development is of a profit-making, commercial nature, the revived city centre includes extensive spaces and places that allow simple enjoyment of city life without the need to expend substantial amounts of money. Further, the squares and open spaces are frequently used to host a range of cultural and civic events – from New Year's Eve parties to arts festivals and religious celebrations reflecting the multi-cultural fabric of the city population – the vast majority of which are free. Public opinion of such re-making of urban space is very difficult to ascertain, but regular polling undertaken by the city council shows a general support for the transformations that have occurred and the amenities and spaces now provided.

Finally, when considering the achievements of this strategy and its relevance to the city's poorer population, it is important to place it in the wider policy picture. The city centre policy is the focus of Birmingham's response to the restructuring challenge, but it is only one of many policy strands in the city that are tackling aspects of its socio-economic challenge. The city centre strategy can provide only a partial solution to much more complex problems of multiple deprivation in substantial parts of Birmingham. Other mainstream services run by the city council and area-based initiatives shaped and funded by central government play the most important roles in this respect. The city centre policy can and does create job opportunities of many sorts and creates the conditions for new activity in many urban growth sectors. It is creating opportunities in a city which is still haemorrhaging employment in many other parts of its economy. In short, it can affect the demand side of the labour market. However there is a recognition that the benefits for deprived communities can only be realised through attention to the supply side as well – enabling Birmingham residents to access the opportunities being created. While this has traditionally been the focus of wider regeneration and social policy domains, there is a growing interest in how the form and direction of city centre policy itself can assist in improving the prospects for deprived communities and individuals.

## V. Lessons and Future Directions

This city centre regeneration field of urban policy raises a dual challenge for city policy makers. On the one hand, the need to instigate and sustain a regeneration momentum and a re-invigorated role for the city centre to begin with; and, at the same time, to encourage a distribution of benefits for the widest possible range of local residents and communities – and particularly those most in need and most affected by socio-economic restructuring processes. There can of course be a tension between these objectives. Experience from many cities shows that success in the first respect can generate a redevelopment dynamic that makes the distribution dimension more difficult to achieve. As the city centre process in Birmingham matures, there is a growing appreciation of the need to focus more clearly on the distributional issues while not undermining the conditions that made revival possible in the first place. The debate is beginning to move in new directions, with a stronger focus on how policy can be adapted to deliver wider benefits.

As outlined above, the city centre strategy has been effective in diversifying the economy, rebuilding the heart of the city in civic life and creating substantial new employment opportunities. At the same time, many severe problems remain – the economic structure is still weak relative to the region and the country as a whole, and deprivation remains deeply entrenched in much of the city. Notably, the most acute problems of unemployment and related problems are heavily concentrated in wards immediately adjacent to the city centre area. Clearly there remains a key challenge of harnessing the momentum of city centre change for the benefit of these areas and their residents. The evolving context has highlighted three strands of response:

- Extending the spatial policy focus to other centres with the city - encouraging physical, economic and social improvements so that these areas can develop a more sustainable economic base that in turn helps to underpin the social and environmental fabric of the area.
- Improving the fortunes of inner city districts by harnessing the momentum of city centre redevelopment as it pushes further outwards from the city core
- Making more explicit links between employment opportunity and need in the wider urban area

All of these are being pursued in different ways by the city council and relevant partners in the public and private sector. With regard to the first strand, a strategic shift in this direction was signalled by the Highbury 3 Conference in 2001, a direct successor to the seminal events in the late 1980s. However this event brought together a diverse range of city stakeholders and focused on the need to extend the city centre successes of recent years to the city's less buoyant neighbourhoods and suburban centres. As a result, developing "A City of Flourishing Neighbourhoods" has been established as a core corporate objective for the city council. This signals the city's intentions and priorities more than the deployment of substantial new funding. It creates a framework for the city's own support services in several policy domains, and for investment from other external sources.

The other two strands of policy response are of more direct relevance to the evolution of city centre policy. Recent experience in Birmingham highlights several areas of ongoing policy innovation:

### **Economic benefits and job creation**

There is a growing appreciation of the need to strengthen the targeting of new employment to match opportunities and need. While there are no definitive data regarding the spatial and social breakdown of city centre employment, it is estimated that in-commuters take up around 40 per cent of all jobs in Birmingham, and this proportion may be particularly high for professional and managerial occupation. However, it was argued above that the continuing city centre jobs growth does have strong potential to benefit the deprived populations if they can access the new opportunities. Direct job quotas are not possible in Britain but policy makers are making stronger efforts to exploit this potential where possible.

One indicator of the possibilities is Birmingham's experience with the Bull Ring. A specific initiative for this massive, high profile redevelopment project was set up to give unemployed city people the opportunity to apply for new employment positions being created. The Bullring Jobs 2003 partnership between the city council, Birmingham and Solihull Learning and Skills Council (a government agency), Jobcentre Plus (a national employment agency) and developers (the Birmingham Alliance) actively promoted the new vacancies through the use of mobile recruitment buses which travelled around the city's more deprived communities as well as the city centre, and through the staging of jobs fairs. These outlets plus a web-site and high profile advertising campaign were intended to get individuals to register their interest and to access relevant training and preparation for the job application process. Candidates still had to go through the normal interview process that is carried out by private employers. The results of this exercise are still being collated but initial indications are that of 5,500 new jobs about 2,230 were taken by people who went through the partnership. Of those, more than 1,000 were previously unemployed and approximately half of those from Birmingham were from ethnic minority groups (Birmingham City Council, Regeneration Unit, personal communication). The experience with this initiative suggests that with a concerted effort on the part of public and private partners it is possible to harness city centre redevelopment for the direct benefit of deprived and poor populations in the urban area. A significant proportion of these retail and catering jobs are part-time and relatively low paid, but they perform the vital role of providing individuals with a valuable first step into the mainstream labour market.

### **Education and skills**

Related to the previous point, there is a greater attention to the need to develop and expand post age 16 education and training provision for deprived populations in order that they may access opportunities and participate more generally in the wider process of urban transformation; there is a particular need for an emphasis on skills relating to growth areas of the local economy. At a time when urban competitiveness is driven by the quality of a city's "human capital" it is vital that cities like Birmingham improve their skills and qualifications base – it is critical not only for city residents themselves but for the city's ability to attract investment and nurture the expansion of existing businesses.

This challenge is mainly addressed through the compulsory education system and the higher education sector. However there is also scope for city centre policy and related initiatives to contribute, particularly by facilitating a greater complementarity between the character of new development and the education/employment aspirations. This potential is

becoming evident in the city's emerging Eastside regeneration project. Already, two further education colleges are moving to the district as part of major expansion programmes, and many of the teaching specialisms to be housed in the new facilities are directly related to economic sectors that are emerging in Eastside and planned for further expansion. This opens up possibilities for mutual benefits in a variety of ways including training, work placements, business development, expert advice, graduate careers and others. This is particularly important for the city as many of these fields (such as media and performing arts) are ones where Birmingham has traditionally exported talented young people.

A second dimension of the educational challenge centres on policy support for specialist training centres of direct relevance to developments taking place in the city centre. Two such cases are currently being addressed – the Bordesley Centre in Sparkbrook and the proposed Construction Industry Training College in Bordesley Green. Both have been allocated new funding support through the mechanism of the East Birmingham/North Solihull Regeneration Zone, a policy framework that links areas of opportunity and need – in this case the eastern side of the city centre and the Eastern Corridor of neighbourhoods extending out through east Birmingham to the neighbouring borough of Solihull. This provides the spatial focus for targeted investments by Advantage West Midlands, the regional development agency, and the European Structural Funds. Both training centres are located outside the city centre, but in close proximity to it, and this initiative represents an explicit attempt to link such facilities and the deprived, ethnic minority communities that they serve with emerging opportunities in the city centre. In this respect the policy is a marked advance on the approaches utilised ten years earlier.

### **Diversity and affordability of new housing**

There is a new opportunity to develop balanced, sustainable communities in the city centre, in close proximity to the economic revival that is taking place. The new city centre residential development of recent years is a very welcome process that underpins the long-term sustainability of the city centre regeneration. However alongside this success has come a rapid escalation of house prices and land values so that the majority of new housing is well above average prices in the Birmingham areas. There is evidence that individuals such as public sector workers on moderate incomes and university graduates are finding it difficult to afford city centre property, let alone those on low incomes (Barber and Blackaby, 2003).

Prior to the mid-1990s city centre housing was dominated by public housing in large estates increasingly afflicted by poor conditions and socio-economic problems. Policy makers were therefore keen to encourage a diversification of housing by tenure and type. However, it is recognised that the pendulum may have swung too far in the other direction and the city council is now seeking new ways of securing a more balanced provision that would enable less affluent households to enjoy city centre life and proximity to the increasing opportunities that it offers. There are two main ways in which this is being pursued.

First, the city council planning and housing departments implement an affordable housing policy on all developments of 25 units or more. Up to 35 per cent of all new homes must be "affordable", usually through a mix of homes for sale at below market prices, for shared ownership and social rent. In practice, the development costs in the city centre make this a difficult focus of negotiation between developers and city council officials.

Second is the creation of innovative new approaches to development in sites or small areas that could provide substantial numbers of more affordable homes. A new *City Centre Living Forum*, comprising key actors from the public and private sectors, is exploring options which may involve setting up new forms of joint development agency to exploit opportunities. The potential for these is particularly strong in areas of the city centre, such as Eastside, that have yet to experience significant new housing development. Such innovations are important to sustain growth of the city centre market in the long term but also to enable this area to play a significant role in addressing the general shortage of affordable and social housing in Birmingham as a whole.

### **Enhancement of surrounding inner city areas**

There is an excellent opportunity to harness the development momentum for the benefit of surrounding communities - to deliver integration, connectivity and diversity rather than displacement. Birmingham city centre policy has not yet led to substantial displacement of existing residents or businesses. However the development momentum is pushing outward and pressure is beginning to build on adjacent districts, raising a key challenge for policy makers. An ideal situation would be one in which this momentum neither leads to displacement of communities, many of them deprived, nor to a complete halt to this momentum. Rather, the opportunity is to harness this develop for the positive and sustainable restructuring of these areas that have experienced significant difficulties in recent years.

This is a difficult challenge given the complexities and dynamism of market forces now at work, but it is being addressed for the first time in a large area immediately to the south of the Birmingham city centre. The Attwood Green regeneration area was formerly the social housing estate of Lee Bank, associated with poor housing conditions, high levels of deprivation and environmental decline despite its very central location. The city council, lacking the funds to carry out a large-scale restructuring of the estate, has formed a partnership with Optima Community Association (a Registered Social Landlord developing non-profit housing) and Crest Nicholson, a major private developer, which is involved in the largest sub-area closest to the city core. Together they are carrying out a comprehensive multi-year regeneration project that diversifies the housing tenures and integrates a wider mix of uses to encourage long-term sustainability. In the "Park Central" phase nearest to the city core, a development agreement involving all three partners outlines plans for the development of 1,400 new homes, most of them for private sale, alongside new shared ownership and social housing, the refurbishment of existing social housing and significant demolition of other older homes. Substantial new commercial, retail and leisure development is also planned in addition to two major parks in the heart of the area. The net effect is a clear shift towards private provision while retaining a substantial element of new social housing in a much improved environment, underpinned by a social and economic regeneration programme throughout the Attwood Green area.

It is too early to discern the effectiveness of this innovative plan, but social housing tenants have been closely involved in the management and planning of the entire process, and early sales of the private homes (at prices considerably lower than other prevailing elsewhere in the city centre) have been very strong despite the area's previous negative image. Policy makers are watching this initiative with keen interest and it is likely to lead to similar

restructuring of other districts adjacent to the city centre. Attwood Green reflects the growing potential to mobilise the dynamism of the city centre development process in order to secure benefits for inner city communities and to hopefully integrate them more fully into urban life in a sustainable manner.

The four areas outlined above represent important new directions for city centre policy and ways that it can be adapted to secure more direct benefits for Birmingham's poorer and deprived communities. A final, broader policy challenge merits brief mention here. Birmingham is in acute need of *a step change in the quality of public transport provision*, and particularly the creation of a high capacity underground, metro or light rail network serving all key areas of economic activity and concentrations of population. An initial Metro line serving the wider conurbation covers a small part of the city but offers none of the connectivity to other city districts that is critical for an urban transit system. It is often referred to as the largest conurbation in Western Europe lacking such a network and it is decades behind its European counterparts in this respect.

The development of such a system, on top of the extensive but inadequate bus service, is essential to the realisation of the other priorities discussed in this paper and to the linking of areas of opportunity and need, thereby avoiding the spatial mismatch of employment that can afflict major cities undergoing restructuring processes. Public transport remains the missing gap in spatial policy in Birmingham (and other British regional cities): advances in planning, economic development, regeneration and housing policy have not been matched by innovations in transport. The current institutional context (involving near total dependency on central government approval and funds) offers Birmingham no realistic prospect for a full network within the next 20 years. There is a clear need for city and regional policy makers to seek new ways of delivering new infrastructure and sustaining such services in the longer term. Again, innovative long-term partnerships with private sector interests may be likely and indeed necessary.

## VII. Replicability

The ability of Birmingham City Council or any other urban local authority to achieve desired objectives depends upon sufficient financial and legislative autonomy and appropriate support from higher levels of Government. Birmingham's city centre policy has evolved in a particular urban and institutional context, but several dimensions of the policy are key to its success and should be seen as priorities for replication elsewhere. Most importantly, they transcend traditional departmental boundaries and represent areas where holistic approaches and ways of working are critical.

*A consistency of vision:* city centre policy in Birmingham and elsewhere is a long-term undertaking, requiring sustained investment over time and a stable framework within which the anticipated follow-on impacts can emerge. In particular, a key challenge in this policy field is to create the confidence required for businesses, stakeholders and individuals to make a commitment to the area. This means, above all, engendering a clear sense among those concerned about where the district is heading, the local authority's aspirations for the future and the specific policy context within which they will be operating, developing, living and working. The consistency of Birmingham's spatial vision for the city centre as shaped in the Highbury process of the late 1980s has provided such a stable framework despite fluctuations in political priorities and leadership, and the changing dynamics of property markets over time. Consistency of vision and the ability to articulate this to stakeholders is even more important if this policy is to move on towards more direct delivery of benefits for poor and deprived residents in the longer term.

*Co-operation with the private sector:* resource constraints are a common feature for local authorities in many countries, and funding for major investments and capital projects is particularly vulnerable. In this context city policy makers need to think proactively about how best to harness the resources and expertise of private interests in pursuing their own policy and social objectives. There is an imperative to develop relations as early as possible in regeneration processes, not only to maximise the potential for harnessing private actors' considerable resources, but also to steer their involvement towards achievement of holistic goals. By engaging directly with private actors, local authorities improve their ability to *shape* market conditions rather than just *react* to them – a priority that planning academic Patsy Healey (1999) cites as critical in securing sustainable, balanced urban regeneration (and one which Birmingham has generally pursued to good effect). The success of the Bull Ring employment initiative was a direct result of close relations between the city council and the developers that began several years earlier at the start of the development process.

*Use of properly resourced regeneration vehicles:* city centres are by definition complex urban environments subject to powerful market pressures that affect land and property markets. The public sector's ability to guide the character of development, and establish long-term certainty and confidence may in some cases require the use of dedicated regeneration vehicles endowed with substantial powers of intervention in land and property. These may be especially important in districts on the fringes of city centres where there can be particularly difficult challenges (such as complex land conditions and ownership; or the presence of existing residential communities) as well as substantial opportunities. Again, such vehicles may require formal co-operation with private interests but this is to be welcomed and a positive means of steering development in a positive direction in the medium term.

*Cross-sectoral working within the public sector:* effective policy for city centre regeneration implies a substantial involvement across all domains of spatial policy – planning, economic development, transport and housing. Too often individual departments can operate within their own structures and processes, a situation that undermines the effectiveness of overall policy and the ambition to generate long-term certainty and confidence. In Birmingham the creation of a dedicated small Eastside team to oversee the regeneration process at a strategic level across these domains is a positive step. While it does not have dedicated funding or policy autonomy, it can take a broad approach to the task at hand and leads in the creation of some joint venture arrangements with other partners for parts of the district.

*Communication, engagement and marketing:* the many tangible initiatives in city centre policy need to be supported by communication and liaison – both within individual districts and across the city as a whole. This is necessary both to explain the policy and its rationale, and the efforts being made to extend benefits to the widest possible community. The imperative of communication with residents exists across the full spectrum of city council activity but aspects of city centre regeneration make this particularly important – it is high profile, it can cause immense disruption to daily life and it can lead to impressions, sometimes voiced by Birmingham politicians and community leaders, that the city council is pumping money into city centre redevelopment while the suburbs struggle to prosper. In Birmingham, this perception is mistaken, but perceptions matter and continued local authority support for city centre regeneration, however justified, may well strain the tolerance of residents and stakeholders in deprived communities. At the same time, the experience thus far at Attwood Green suggests that where a community is engaged from the early stages of the process in a transparent and honest manner, it can be willing to participate fully in policy development and implementation. This in turn makes possible the sustainable realisation of the policy's broader long-term objectives.

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