



Office of the
Deputy Prime Minister

Creating sustainable communities

A Framework for City-Regions

Working Paper 2

City-Regions: Policy and practice

Lessons from France,
Germany and the
Netherlands

urban



Office of the
Deputy Prime Minister

Creating sustainable communities

A Framework for City-Regions

Working Paper 2

City-Regions: Policy and practice

Lessons from France, Germany and the Netherlands

February 2006

Simon Marvin

Alan Harding

(SURF), University of Salford

Brian Robson

(CUPS), University of Manchester

Office of the Deputy Prime Minister: London

Office of the Deputy Prime Minister
Eland House
Bressenden Place
London SW1E 5DU
Telephone: 020 7944 4400
Website: www.odpm.gov.uk

© Crown copyright 2006.

Copyright in the typographical arrangement rests with the Crown.

This publication, excluding logos, may be reproduced free of charge in any format or medium for research, private study or for internal circulation within an organisation. This is subject to it being reproduced accurately and not used in a misleading context. The material must be acknowledged as Crown copyright and the title of the publication specified.

For any other use of this material, please write to HMSO Licensing, St Clements House, 2-16 Colegate, Norwich NR3 1BQ. Fax: 01603 723000 or e-mail: licensing@bms0.gov.uk.

February 2006

Product Code 05HC03589/2

CONTENTS

CHAPTER 1	5
The context	
CHAPTER 2	7
The workshop	
CHAPTER 3	10
Observations from Europe	
CHAPTER 4	18
Conclusions and implications	
APPENDICES	20
A. Workshop purpose and programme	20
B. Guidance for workshop speakers	23
C. Speaker biographies	25
D. Workshop attendees	27

CHAPTER 1

The context

1.1 This Working Paper is one of the key outputs from a study entitled *A Framework for City-Regions*¹ (FCR) commissioned by ODPM from a consortium led by the SURF Centre at the University of Salford in December 2004. The overall purpose of the study is to develop the evidence base that is needed if there is to be any sustained move towards a national policy framework for City-Regions. There are already signs of a move in this direction. The preparation of development plans for eight City-Regions in northern England as part of the 'Northern Way' strategy, led by specific city-regional partnerships/groupings and the three northern Regional Development Agencies, is a case in point. Interest in the development of a city-regional perspective within the policy process has also been driven by:

- The recent, demonstrable and growing success of key metropolitan areas in leading the transition to a knowledge-based economy, domestically and internationally.
- The early successes of new metropolitan governance arrangements for London in promoting a more strategic and widely-supported development programme for the capital and its hinterland.
- The key role that City-Regions – which are invariably larger than single local authority districts but do not 'map onto' standard administrative regions – are playing within the overall pattern of regional development.
- The potential role that city-regional development can therefore play in helping the Government achieve its Regional Economic Performance PSA targets both in the short term, when the focus is upon improving regional performance across the board, and in the longer term, when the aspiration is to help reduce differentials in regional economic growth rates.

1.2 The FCR study is being delivered in a number of stages which involve:

- Identifying the 'footprints' of cities (i.e. 'city-regional geographies') through the mapping of various 'flow' data (e.g. travel-to-work, travel-to-travel, travel-to-shop, travel-to-be-entertained).
- Reviewing the way in which the key drivers of city-regional growth are understood.

¹ The final report, *A Framework for City-Regions* is available from ODPM Publications, £14, ISBN13-978 185 112 8365.

- Assessing the potential added value of a city-regional approach for policy formulation at the national, regional and sub-regional/local scales.
- Exploring the lessons arising from recent experiences with the reform and delivery of urban-regional policies, and sub-national institutional reform, elsewhere in Europe.

1.3 Other Working Papers in the FCR study series deal with city-regional ‘mapping’ and the potential value – analytically and in terms of policy formulation and delivery – of a city-regional approach. The key concern of this paper is to review initial findings from the study’s international comparative work.

CHAPTER 2

The workshop

2.1 The principal mechanism through which the FCR study team chose to interrogate European experiences was a workshop on 'Comparative European City-Regional Policy' held at the Department of Transport on 1 March 2005. Appendix A reproduces the rationale, themes and programme for that day. What lay behind the workshop plan was the wish to examine the extent to which 'city-regionalism' had become a feature of policy formulation and delivery and/or institutional change strategies in a variety of European contexts, at both national and sub-national scales. In designing the programme for the day, we were conscious that:

- 'Europe' is a heterogeneous and not an homogenous space in terms of the economic, social, political and administrative histories and trajectories of its member states, and we therefore needed to balance a wish to reflect national and sub-national diversity with a commitment to generating insights that could genuinely inform policy and institutional debate in England.
- The term 'City-Region' did not necessarily have cross-national currency, and hence we needed to encourage a broader focus upon the extent to which (a) national, 'top-down' reforms had aimed to encourage the integration of policy approaches (or, indeed of administrative units) at a scale larger than the standard 'unit' of local government, and (b) 'bottom-up' integrative activity at the cross-district scale had proceeded in parallel with, as a result of, or independently from any identifiable top-down initiatives.
- A distinction between 'top-down' and 'bottom-up' initiatives and changes was critical if we were going to allow for the fact that there is wide variation, across Europe, in degrees of Governmental centralisation and sub-national autonomy, the nature of central-sub-national government relations and hence the ownership and locus of 'city-regionalism'.
- Whilst the recent focus of attention in respect of the potential of City-Regions in the English context has quite clearly been placed upon economic issues, it was perfectly possible that 'city-regional' initiatives elsewhere in Europe may have been driven by different concerns, foremost among which are the search for (a) better public service delivery (irrespective of actual or potential effects upon economic innovation and change), and (b) subsidiarity and the location of particular policy-making and delivery functions and capacities at the lowest feasible scale.

- There is significant value in assessing ‘negative’ as well as positive lessons from Europe; thus, for example, we chose to examine experience in one country (the Netherlands) where we were aware that recent attempts to create ‘city provinces’ had stalled, in much the same way as the move toward elected regional assemblies in England did last year, once the option was put to voters in a referendum.

2.2 With these observations in mind, we chose to examine recent developments in France, Germany and the Netherlands, three countries whose stage of economic development is directly comparable to that of the UK but which are characterised by different political and institutional histories, structures and arrangements and by different patterns of urbanisation. Thus, for example:

- **France**, like the UK, has historically had a highly centralised state but has increasingly been characterised by substantial Governmental decentralisation. Its urban system remains dominated by Paris but there is (a) a longstanding policy concern to encourage countervailing sites of economic power and (b) recent evidence of high levels of peripheral urban growth, particularly around traditionally less industrialised provincial cities.
- **Germany** has long had a highly decentralised, federal, state strong redistribution of resources between richer and poorer areas of the country, and a balanced urban system in which no one City-Region dominates but many have highly distinct economic specialisms.
- **The Netherlands** has a much more fluid political and administrative system in which high dependence by local authorities on central government finance co-exists with dense interaction and negotiation between scales of government. Its urban system lies between the French and German cases, with pronounced economic specialisms occurring across a small number of key metropolitan areas, particularly within the Randstad.

2.3 For each of these countries, we chose expert speakers whose track records in urban and regional research had been built upon in-depth examination of the key issues we wished to cover. The experts were chosen for their knowledge of developments within the national and sub-national contexts most relevant to their research but also for their familiarity with cross-national trends and changes, including those within the UK. This combination of strengths, we felt, would enable issues of cross-national comparability and replicability to be addressed most effectively. For each of the countries, we identified one expert speaker able to comment authoritatively upon *national* urban/regional policy and/or approaches to institutional change and a second speaker able to analyse ‘bottom-up’, *sub-national* processes of cross-district collaboration and capacity-building.

2.4 The guidance we offered to workshop speakers, reproduced in Appendix B, was deliberately designed to be open-ended in order to allow for relatively unrestricted

interpretations of recent changes rather than imposing a strict, and potentially limiting, England-centric framework. A set of mini-biographies and contact details for the speakers who attended the seminar is reproduced in Appendix C.

- 2.5 The workshop was very well attended by a mixture of representatives from central government departments, regional agencies, sub-regional organisations, local authorities, academic institutions and international bodies interested in urban/regional development, all of whom contributed to the day's discussions. A full list of attendees is reproduced in Appendix D.

CHAPTER 3

Observations from Europe

The PowerPoint slides and notes used by speakers for their presentations to the workshop along with notes made by FCR study team members during speakers' oral presentations and subsequent discussion/feedback sessions, provide the raw material upon which this section is based. Rather than attempt to capture all the detail, this section provides an overview of the key issues and themes raised and debated during the course of the workshop under a series of headings dealing with the 'construction' of City-Regions as (a) formal, administrative structures, (b) less formalised co-operative entities and networks, and (c) imagined territories.

3.1 CITY-REGIONS AS POLITICAL-ADMINISTRATIVE UNITS?

3.1.1 The first key observation is that in none of the countries whose experiences we examined is there a formal tier of directly elected government whose geography consistently approximates to City-Regions or functional urban areas. As is the case in the UK:

- The lowest tier of urban government – be it a commune, a municipality or a 'city' – invariably covers only a limited proportion of the continuous, built-up urban area and the wider hinterland it serves. The extreme case, here, is France, which contains 36,000 nominally independent communes, covering a national population of around 60m people.
- Intermediate levels of government – be they based upon provinces (in the Netherlands), Länder (in Germany), départements or regions (as in France) – comprise administrative rather than 'functional' creations whose boundaries do not generally relate particularly closely to current or historical patterns of urbanization. Even in the exceptional cases of Germany's three nominal 'city-states' – centred upon the port cities of Hamburg and Bremen and the capital, Berlin – it is clear that, whilst their administrative areas contain relatively high proportions of their respective metropolitan populations, the areas of influence of the central cities spill over inter neighbouring administrative territories. The Ile de France region centred upon Paris and covering a population of some 12m people is the one example in the three countries we examined where the geography of an intermediate tier of government covers an expansive urbanized area.

Two implications follow for the role and status of City-Regions.

- 3.1.2 First, and most obviously, the ‘power in the system’ lies somewhere other than at the city-regional scale. In the case of the Netherlands, central departments and municipalities – particularly those covering the core areas of large cities – are the key players and the provinces are relatively weak. In the highly sub-nationally fragmented French system, the national state has traditionally been the principal player but the power of central departments and their decentralized ‘field agencies’ to shape sub-national decision-making has steadily and voluntarily been reduced over the last 20 years as a result of successive decentralization reforms. These have strengthened the capacity and status of sub-national government, including relatively new but fairly weak elected regional authorities. Germany has the most decentralized, federal system. There, the Länder are responsible for discharging most public policy functions (including, for example, major expenditure areas like health, education and transport, in many cases through or in partnership with municipal authorities), but within a framework that is powerfully shaped both by the Federal government, which shares ‘strategic’ investment responsibilities, and by a commitment, written directly into the national constitution, to the redistribution of resources between rich and poor Länder.
- 3.1.3 In all cases, however, the constitutionally subordinate position of local (urban) authorities is attenuated by the operation of political systems which, whilst very different, accord much higher status to sub-national political leaders than is the case in the UK. In France, the ability of politicians simultaneously to hold positions of power within different tiers of government – the so-called ‘*cumul des mandats*’ (accumulation of mandates) principle – has meant that ‘local’ politicians, and particularly key city mayors, can on occasion also be cabinet ministers or leaders of départements or regional councils. In the Netherlands, a mayoral position in one of the key core city authorities is not seen as inferior to a senior national government post; indeed there are examples of direct individual movements between national and city government. Similarly, in Germany, key Länder politicians are more comparable in status to UK government ministers than they are to local authority leaders. Whilst this obviously does not mean that every sub-national politician within these three national contexts necessarily carries national weight, it does mean there are far greater opportunities than exist in the UK for sub-national – including ‘urban’ – concerns to be projected effectively onto the national political stage.
- 3.1.4 Second, the historical paucity of truly ‘city-regional’ authorities means that the development of city-regionalism could only feasibly follow one of two broad routes: additional formal administrative reform; or more voluntaristic forms of inter-municipal co-operation. Within the three countries we examined, a concerted attempt to follow the more formal route had recently been attempted in only one case, the Netherlands. In the cases of Germany and France, moves towards formal ‘city-regional’ structures have been more limited and patchy.
- 3.1.5 The proposal to move to the creation of ‘city provinces’ centred upon the largest Dutch cities in the mid-1990s was ‘fed’ by a number of policy concerns. From a central departmental perspective, at a time when national government was concerned with

the then relatively sluggish economic performance of key cities, a city-regional approach was seen as a way of developing a more 'rational' and integrated policy framework that could reduce conflicts between neighbouring urban authorities (core cities, suburbs, new towns) and enable the more effective pursuit of national competitiveness. Within the core city, there was a growing acceptance that (a) the traditional route to extending the zone of influence of the city authority – land annexation – was increasingly constrained and (b) the way to address issues that had previously been taken care of through annexation, e.g. the provision of land for residential and commercial development, along with others created by more dispersed patterns of urbanization and higher levels of personal mobility, needed to be negotiated more effectively with neighbouring authorities.

- 3.1.6 A great deal of work was put into preparing the ground for the move to city-provinces, building upon the voluntary co-operation that had been established through inter-municipal – but hardly city-regional – bodies (e.g. the Regional Orgaan Amsterdam, or ROA). Central departments drew up plans to pool resources that would normally flow into city province areas in a fragmented way - in policy area-specific tranches and through individual local authorities - as a way of providing co-ordinated incentives for strategic city-regional co-operation. In the particular example we looked at, Amsterdam City Council, at the same time, 'bit the bullet' and agreed to the potential breaking up of the city into a number of smaller political-administrative units in order to assuage fears amongst neighbouring authorities that Amsterdam would otherwise have been 'first amongst equals' within any new city-province. The initiative collapsed, however, when a referendum held with the putative residents of the proposed city-province voted overwhelmingly against its creation. Even though referendums are not politically binding in the Netherlands, there was consensus not to proceed with the Amsterdam city-province. Subsequently, a similar referendum result in neighbouring Rotterdam triggered the abandonment of idea of formal, administrative city-provinces.
- 3.1.7 Whilst there were a number of 'technical' difficulties with the move to city-provinces that were not resolved in advance of the referenda, the key reasons that voter attitudes were negative, according to our experts, were that (a) the plan was generally seen as technocratic, exclusive and elite-dominated rather than rooted in popular concerns and experiences, and (b) there was a great deal of resistance to the idea of the existing cities of Amsterdam and Rotterdam 'losing' their identities.
- 3.1.8 In the German case, the strongly decentralized, federal structure of government means that it would be difficult for a 'top-down' approach to City-Regions to develop or have any real purchase, even though national planning frameworks have long been organized around the principle of a 'balanced' urban system. Instead, any moves towards city-regional structures and arrangements are determined primarily at a sub-national scale, through pressure exerted by or through the Länder. The example that was examined at the seminar, that of Greater Frankfurt, is somewhat exceptional by national standards in that the perceived needs of Frankfurt, as the country's financial capital, and the city's dominant position within the Land of Hessen, has driven the

city-regional debate more forcefully there than is typically the case for other German cities. The other, only roughly comparable case involves protracted debate over the creation of a greater Berlin through the merger, post-reunification, of the Länder of Berlin and Brandenburg. In an echo of the Dutch experience, the citizens of Berlin voted in favour of this option at a referendum but their counterparts in Brandenburg voted against, resulting in an overall rejection of the proposal.

- 3.1.9 The longer-run search for better formal integration of policy towards the Frankfurt City-Region, by contrast, bore fruit much earlier, in 1974, when the Land (Hessen) established the Umlandverband Frankfurt (UVF), a directly elected strategic authority along the lines of the former Greater London Council (GLC), covering 43 local authority districts and a population of 1.6m. (The core city of Frankfurt has a population of around 600,000). The UVF initially had strategic responsibilities in the areas of planning, transport, waste disposal, sewage, water, environmental protection and sports/leisure. Responsibilities for economic development and place marketing were added later. As with the GLC, however, the UVF did not so much overcome tensions between the city and its hinterland as institutionalise them. The UVF's struggle to achieve political consensus was formally recognised first in 1995, when responsibilities for transport and economic development were transferred to unelected, special purpose bodies.
- 3.1.10 Subsequently, in 2001, following national legislation that encouraged better co-ordination of 'regional' (i.e. sub-Länder level) planning, the UVF was abolished and a new set of arrangements put in its place, based upon the larger Frankfurt Rhine Main region, covering 75 local authority areas and a population of 2.1m. The 2001 reform saw the creation of: the Planungsverband Frankfurt Rhine Main (PVFRM), a relatively weak strategic planning body along the lines of the old London Planning Advisory Council; the 'Rat der Region' (council of the region), a directly elected body which acts as a forum for city-regional policy issues and has the power to establish specific single purpose bodies where there is consensus to do so; and a range of expanded, pre-existing single purpose bodies, for example in the fields of transport and economic development (which act much like Passenger Transport Executives and RDAs in England). Experience so far with this more variegated 'solution' suggests that the single purpose agencies are seen as successful but that broader strategic issues concerning, for example, the cost to the city of Frankfurt of maintaining strategic assets used by geographically dispersed city 'users' and social segregation in the city-regional housing market, remain difficult to address.

3.2 CITY-REGIONALISM AS ENABLED/ENGINEERED VOLUNTARY CO-OPERATION

- 3.2.1 Lyon is as much an exception within the French context as Frankfurt is in Germany. Although it is the country's 'second city', it has not been subject to the same amount of 'national' attention as Paris, whose structures of governance have historically been

seen as exceptional and where strategic decision-making has been powerfully shaped by government departments. Thus, for example, the city of Paris, which also has the status of a *département*, has had an elected Mayor only since 1977 and policy integration for the Greater Paris area – the *Ille de France*, which covers a further 8 *départements* and contains 12m people – has traditionally been achieved through state rather than local policy. This has changed slowly over the course of the last 20 years as a result of decentralisation reforms and the creation of the directly elected *Ille de France* regional authority. Whilst this change is resulting in the slow ‘normalisation’ of Paris governance, however, it still remains the case that policy for and within France’s key City-Region is more heavily shaped by national departments and agencies and the central city than it is by its nominal ‘city-regional’ authority.

- 3.2.2 Lyon, by contrast, is exceptional not because of the city’s position in the national urban hierarchy and/or the differential way it is treated by central government, but because it (a) helped blaze the trail, subsequently followed by other cities, of ‘bottom-up’ inter-municipal co-operation, and (b) has taken the process of ‘upscaling’ further than any other French city. Lyon was one of four cities – the others being Bordeaux, Lille and Strasbourg - that took advantage of enabling legislation, first passed in 1966, to create a ‘*communauté urbaine*’ for the urbanised area that has the city of Lyon at its core in 1967. In their first manifestations, the *communautés urbaines*, which could be formed voluntarily by communes covering a population of 50,000 or more, were seen primarily as a response to the extreme fragmentation of local administration in France. Co-operative inter-municipal arrangements, it was felt, could enhance local capacity and build critical mass in order to improve service delivery in areas such as planning, public works, transport, traffic regulation, water, waste and fire services.
- 3.2.3 The *communauté urbaine* for Lyon, popularly known as ‘Grand Lyon’, covers 55 communes with a combined population of 1.1m. Each commune nominates three elected members to serve on its governing body whose President – as is automatic in all such cases – is the Mayor of the core city. The subsequent successes of all the cities that were amongst its ‘early movers’ suggests that the *communauté urbaine* initiative delivered upon its original goal of raising the quality of public services and in so doing enabled key French cities to modernise themselves effectively. In the case of Lyon, though, a combination of the capacity afforded by an indirectly elected authority for Grand Lyon and an active, stable and nationally influential local political class with good connections to the city-regional business community has gone further. It has provided much of the impetus behind a long-term and visionary approach to the economic development and internationalisation of the City-Region and helped solidify support for a series of city-focused ‘*grands projets*’ that have underpinned it.
- 3.2.4 Whilst Lyon arguably remains ‘ahead of the game’ in terms of intelligent, rescaled urban governance, however, a process of catch-up on the part of other provincial French cities has been gathering pace. The decentralisation reforms that began under the Socialist government in the early 1980s initially concentrated mainly upon strengthening existing tiers of sub-national governance and the creation of new

directly elected regional authorities. A further key aim of the ongoing decentralisation programme, however, has been to build upon the experience of the original *communautés urbaines* and encourage co-operation between – as well as a strengthening of the capacity of – sub-national ‘units’ of government. In essence, the national strategy has been to work innovatively around the status quo rather than reform it directly.

- 3.2.5 The first sustained attempt to promote inter-municipal co-operation, again focused mainly upon improving public service delivery capacity, was the ‘Loi Joxe’ in 1992. Whilst this is seen as having been effective in certain rural areas, however, its urban successes were fewer and further between, not least because the incentives made available for co-operation were seen as limited. In contrast, the ‘Loi Chevènement’ in 1999 is generally seen as representing a turning point in the legal landscape of inter-municipal co-operation. This introduced stronger financial incentives for the creation of *Communautés de Communes*, *Communautés d’Agglomérations* and *Communautés Urbaines* in terms of both support from central government departments and the provision of an independent, local (business) tax base to new *communauté* structures.
- 3.2.6 The result has been an explosion of new co-operative arrangements to the extent that, by 2004, there were 2,461 groupings with a specific and distinct tax base, co-ordinating 26,748 communes and covering a population of 51m and 1,028 inter-municipal structures with a single business tax rate, incorporating 13,362 communes covering a population of nearly 38m. This initiative should be seen in context; in some cases it has done little more than ‘create’ new units of indirectly elected government of around the same size as current UK local authorities. As an exercise in ‘rescaling’ that has lessons for the way in which urban authorities can be encouraged to co-operate, however, it clearly has much to offer.
- 3.2.7 A similar process has occurred, with rather less intensity, in Germany. As in France, the effort that has recently been put into encouraging cross-district co-operation, particularly but not exclusively for key conurbations, represents an attempt by national government to promote innovation in spite of the status quo rather than as a direct challenge to it. This has occurred in a context of renewed debate about the ‘rigidity’ of the constitutional settlement in Germany, the difficulty of pursuing institutional reform in the face of the constitutionally unassailable position of the *Länder*, and concerns about the extent to which a commitment to ‘equalizing living conditions’ across the country through massive fiscal redistribution has both affected the competitiveness and adaptability of German industry and commerce and put pressure on the national welfare state.
- 3.2.8 The key legislation, in this instance, was the 1998 Law on Regional Planning; the first of its kind in 20 years. This restated the longstanding Federal commitment to the equalisation of living conditions, based upon a balanced national urban system, but promoted greater flexibility in the way in which this overarching goal could be interpreted and achieved. In particular, it enabled new forms of ‘regional’ co-operation

for territories – in practice some version of City-Regions – that could be defined by individual Länder and delivered through a variety of forms, including regional management systems, regional contracting procedures and regional planning conferences. It also encouraged inter-regional co-operative structures, for example through networks of cities or ‘bio-regions’ across Länder boundaries.

- 3.2.9 Compared to the changes that have taken place in France and Germany, relatively little attention has recently been paid to either the city-regional issue or the promotion of inter-municipal co-operation in the Netherlands, once the city-province ‘movement’ came to an abrupt end. This is not to argue that informal inter-municipal groupings do not exist and are not encouraged to some degree by national government. The co-operative structures that prefigured the plans for city provinces (e.g. ROA, in Amsterdam), for example, are still in operation. There are also inter-municipal groupings representing the north-eastern and south-western ‘wings’ of the Randstad which act as forums for policy debate at an enlarged geographical scale. It is nonetheless striking that the policy coalitions that supported the abortive move toward city-provinces have apparently disappeared as quickly as they have.
- 3.2.10 There are two possible explanations for this. One is that the city-province debate represented a brief and unsuccessful departure from some deeply established ways of conducting the business of urban governance in the Netherlands. On this view, recent years have simply seen the reassertion of the very strong inter-relationships that exist between Dutch national and local government and a rapid rediscovery of the capacity that this affords to national departments, for as long as they accept the transaction costs it imposes, of ‘holding the ring’ in terms of the pattern of delivery of public services and investments between municipalities. It is instructive to note, for example, that within months of the collapse of the plan for the Amsterdam city-province, the core city, for the first time in decades, was allowed to annex neighbouring territory within which it could realize its plans for new residential and commercial development without having to enter into negotiation with other municipalities.
- 3.2.11 The second explanation is more concerned with a shift in the national approach to urban policy in recent years. On this view, the momentum behind a move toward ‘city-regionalism’ depended upon a highly economic view of the issues facing Dutch cities at a time when national urban policy was focused upon improving the competitiveness of key ‘gateway’ cities such as Amsterdam and Rotterdam. In this context, the strengthening of the ‘mainport’ functions of Amsterdam (through Schiphol airport) and Rotterdam (through its global port function) and the reinvigoration of the urban labour market were seen to depend upon a series of compromises between those areas within the main Dutch City-Regions that had benefited from the previous policy regime (e.g. new towns and suburbs) and those that had suffered from the decentralization of population and employment (i.e. the core cities). Because this goal has largely been achieved by other means, however, and because national political attention has increasingly focused upon issues of immigration, citizenship and

cohesion, urban policy has come to be dominated by social/cultural rather than economic issues which demand a neighbourhood rather than a city-regional approach.

3.3 CITY-REGIONS AS 'IMAGINED GEOGRAPHIES'

3.3.1 The third form of city-regionalism/inter-municipalism that was discernible from the European comparative material presented at the seminar was less institutional in its focus and more related to the way that conceptual understandings of the 'reach' and importance of cities are built up and then mobilized within policy debates. In the Lyon case, in particular, it was clear that 'Grand Lyon' was just one of the scales that had proven useful to the 'upscaling' and repositioning of the city. Also important were:

- The Region Urbaine de Lyon, an area comprising 571 communes and covering a population of 2m people. This is seen by many as a better reflection of the 'area of influence' around Lyon and forms the basis on which, for example, the influential Chamber of Commerce, ADERLY (a key public-private inward investment agency supported by the communauté urbaine and the département, amongst others) and the Lyon technopole strategy are organized, spatially. Even though the 'boundary' of the area does not match that of any public authority, it is used as a statistical unit for data gathering purposes by INSEE, the state statistics service.
- The 'Réseau de Villes' area, comprising a network of eight urban areas within the Rhone-Alpes region, which the city of Lyon has encouraged as a way of encouraging inter-urban collaboration whilst also positioning Lyon, as the largest urban area, at the centre of a broader network of economically dynamic places, *and*
- Le Grand Sud-Est, which performs the same function as the latter but on a broader canvas, linking a string of key Mediterranean and Alpine City-Regions from Barcelona, in the west, to Turin, in the east, and Geneva, to the north-east.

3.3.2 Whilst Lyon proved the most inventive of the cities we examined in its ability to invent new geographies that positioned it effectively as a 'natural' centre, particularly for investment and trade, a similar process was found in Frankfurt, driven by a desire to present the city as a 'global' player. Here, the principal 'imaginary City-Region' was Frankfurt Rhine Main, an area covering a population of 5.2m, comprising more than 200 municipalities and stretching beyond the borders of Hessen into two neighbouring Land. Once again, the boundaries of this super City-Region did not map onto those of any public authority but it did describe the area covered by the Chamber of Commerce and was also used for the purposes of official statistics.

3.3.3 Consistent with the points made above (3.3), 'imaginary City-Regions' were less evident in the Dutch case. It is worth pointing out, however, that the Randstad is more of an imaginary construct than a real unit of administration.

CHAPTER 4

Conclusions and implications

- 4.1 It is not the intention of the FCR study team to draw firm conclusions from its comparative European work until the rest of its activities are completed. It is only then that we feel we will have been able to form a comprehensive picture of the value of a city-regional approach from the vantage points of national departments, regional agencies and sub-regional and local actors within the English context and to distil the most directly appropriate lessons from the work reported here. By way of an interim assessment, however, we can offer a number of observations based on the experiences of 'city-regionalism' and inter-municipal co-operative arrangements in France, Germany and the Netherlands.
- 4.2 The clearest message to come out of the seminar is that there is no single model of city-regional policy or institution-building 'out there' that can simply be transferred to and reproduced within the English context. Partly this is down to profound differences in national and sub-national institutional structures and histories and how these condition the way in which City-Regions, or forms of inter-municipal co-operation, are thought about and 'delivered'.
- 4.3 Just as important, however, is variation in the range of purposes for which the notion of the City-Region or the 'upscaled city' has been used. These have varied, over time and between places; sometimes focusing upon improvements in direct public service delivery, sometimes driven by a desire to locate 'strategic' policy-making at the most appropriate (democratically accountable) scale, and sometimes linked to a search for greater urban competitiveness, domestically or internationally. As a result, there can be no substitute for having a clear view about what it is that any move towards a national framework for City-Regions is designed to achieve. Only then is it feasible to make some key choices about policy reform and institutional design.
- 4.4 In general terms, the options that emerge from our review of French, German and Dutch experience are: the creation of new formalised city-regional or inter-municipal structures; the development of less formal and institutionalised cross-boundary co-operation; and the employment of 'imaginary geographies' for the purposes of analysis, networking and policy-formation. None of the options are without risk.
- 4.5 The 'institutional route' to City-Regions has been tried in a number of contexts without a great deal of success. That is not to argue that the creation of new, elected city-regional or upscaled city authorities is impossible. What it does mean, however, is that formal institutional restructuring needs to recognise and overcome resistance

from those that are most threatened by it (including higher levels of government that might lose responsibilities and suburban local authorities) and to build coalitions for change amongst those that are more likely to welcome it (which are likely to include central city authorities, business communities, economic development agencies, universities).

- 4.6 The European experience suggests that progressive coalitions for change are easier to build when reform concentrates upon working around the status quo rather than trying to revolutionise it. What has clearly helped, here, is the development of a system of incentives, particularly by national government, capable of encouraging more co-operative and strategic behaviour of local authorities and stakeholders.
- 4.7 The Lyon case in particular appears to hold some valuable lessons: that a uniform national 'system' of City-Regions may not be an immediately realisable or worthwhile goal; that, notwithstanding this, national incentives are important; and, that the negotiations for either institutional or informal change are most likely to be sensitively managed if they are driven from below rather than above.
- 4.8 Change, if it is to be effective, is unlikely to be resource neutral. However financial resources are not the only potential motivator behind behavioural change within and across organizations. The European evidence suggests strongly that investment in greater understanding of city-regional dynamics and potential has been critical to achieving 'buy-in' to new, more co-operative and strategic ways of working.

APPENDIX A

Workshop purpose and programme

COMPARATIVE EUROPEAN CITY-REGIONAL POLICY: LESSONS FROM FRANCE, GERMANY AND NETHERLANDS

ODPM Framing City-Regions Workshop
1 March 2005

Held at Department for Transport, Great Minster House,
Marsham Street, London.

RATIONALE

This workshop focuses on the transferability and replicability of the lessons from key European case study countries and cities for English city-regional policy. Some understanding of European experiences has filtered into English policy debates in recent years but a more considered and sophisticated analysis of their potential relevance and transferability is needed. The workshop will critically assess what lessons can be learned from the evolution of 'top down' and 'bottom-up' approaches to city-regional development in France, Germany and the Netherlands that are relevant to and applicable within an English context. The speakers have been chosen for their general expertise in urban policy at local, sub-national and national levels, their in-depth knowledge of developments within their specific national contexts and their familiarity with the UK context which enables them to appreciate and assess key issues relating to the transfer and replicability of policy and practice. All the collaborators have conducted substantial recent research that underpins their presentations, are fluent in both the language relevant to their case studies and in English and have access to all relevant policy documents and policy contacts.

THEMES

The workshop is designed to meet the needs of key national, regional and city-regional officials through an analysis of two critical themes for UK policy:

LEARNING FROM NATIONAL CITY-REGIONAL POLICY FRAMEWORKS

The purpose of this theme will be to examine relevant evidence from the three European case study countries regarding the extent to which provincial City-Regions contribute to overall national economic performance and the key factors involved in the promotion of economic growth at the sub-national level. The three have been chosen to illustrate the variety of governmental structures and urban systems. Thus:

- **France**, historically, has had a highly centralised state but has recently been characterised by a shared, long-term commitment to decentralisation and devolution. Its urban system remains dominated by Paris but there is a long and still evolving concern to encourage countervailing economic power within provincial City-Regions.
- **Germany** has long had a highly decentralised, Federal state and a balanced urban system, in which no one City-Region dominates but many have highly distinct economic specialisms.
- **The Netherlands** has a much more fluid, negotiated system with a high degree of interaction between scales of government. Its urban system lies between the French and German cases, with a concentration of specialisms in the cities of the Randstad.

The presentations on national experiences will concentrate upon elaborating an understanding of the urban policy context within each national states and the way in which key policies affecting the development of cities and City-Regions have evolved. They will outline the appropriate context for the individual city case study presentations and provide a broad assessment of the successes and limitations of national approaches that are relevant within the English context.

LEARNING FROM EUROPEAN CITY-REGIONS

The second theme looks at the issue of transferability from the perspective of individual City-Regions. This will entail an appreciation of:

- (a) the way in which national policy frameworks and influences over sub-national policy environments have shaped developments at the city-regional scale, *and*
- (b) the way governing capacities and strategies have evolved city-regional level. The case studies are:
 - **Greater Lyon**, where there has recently been a strong focus on the formation of long term city-regional strategy and capacity across numerous and highly fragmented communes.

- **Frankfurt am Main**, where the case study focus will be on understanding the additionality of a city-regional perspective within a highly federalised structure.
- **Greater Amsterdam**, where the value of Dutch major cities policies designed to share urban and national competencies and investment in intergovernmental co-operation to incentivise city-regional collaboration will be examined.

Three overarching concerns will shape the workshop discussions. First, they will summarise the role of the relevant City-Regions in national economic and regional economic policy. Second, they will review the extent to which urban development strategies are organised at a city-regional level and how diverse sub-national authorities and other stakeholders are encouraged to collaborate in order to spread the benefits of a city-regional approach and regions. Third, they will set out an understanding of cities' capacities to work with regional and national authorities, review the mechanisms that are put in place to elaborate and deliver strategy and assess the interaction between local/sub-regional and national priorities.

PROGRAMME

10.00 – Coffee and Registration

10.30 – Opening remarks by the Chair, Greg Clark

10.35 – Introduction by Paul Hildreth ODPM

10.40–12.40 Session 1 National Policy Frameworks

10.40–11.00 France – Dr. Gilles Pinson, St. Etienne

11.00–11.20 Germany – Dr. Frank Eckhardt, Weimar

11.20–11.40 Netherlands – Dr. Jan van der Meer, Rotterdam

11.40–12.40 Discussion

12.40–1.40 – Lunch

1.40–3.50 Session 2 City-Regional Policy Frameworks

1.40–2.00 Greater Lyon – Dr Sally Randles, Manchester University

2.00–2.20 Frankfurt – Dr Stuart Wilks-Heeg, Liverpool University

2.20–2.40 Amsterdam – Dr. Pieter Terhorst, Amsterdam

2.40–3.40 Discussions – Facilitated by Greg Clark

APPENDIX B

Guidance for workshop speakers

The workshop falls into two parts. The morning session looks at the extent to which a city-regional agenda has developed from a top-down, national perspective. It deals with key urban/regional policy changes (in the very broadest sense), recent experiences with the reform of sub-national government institutions, and the relationship – if any – between the two. The afternoon session takes a bottom-up perspective and looks at the way in which sub-national interests and organisations have responded to changes introduced by higher levels of government and/or developed independent forms of city-regionalism. It is designed to analyse the importance of the city-regional scale in terms of understanding, strategy-development and governance.

We have deliberately chosen the case study examples examined in the afternoon from the countries explored in the morning so that the event as a whole can look at the interaction between the national and the more localised drivers and effects of an emergent city-regional approach. The key issues and questions that are examined in the two sessions are as follows:

1 NATIONAL QUESTIONS ('TOP-DOWN')

Please orientate a maximum of 8 slides around the following questions:

- To what extent has there been a substantial change in approach to sub-national development policies and strategies in the last 20 years? What form have these taken and why?
- Have there also been significant attempts to reform the structures of sub-national governance and, if so, how do these relate to the pattern of policy change?
- What spatial scales have the delivery of policy, sub-nationally, generally focused upon and where does the notion of the City-Region fit into this picture?
- Has the case for the different potentials of cities, City-Regions or regions been important to recent changes and how has this been reflected? (e.g. in different approaches to different places)

- Is it the case that improved economic performance amongst key City-Regions, which is a general trend across Europe, has clearly and explicitly been supported by policy and institutional changes? If not, have the needs of City-Regions been recognised informally or have they been unintended beneficiaries of policy change?
- Who supports and who opposes the further development of the city-regional agenda at the national level and how are approaches to City-Regions likely to evolve in the future?
- What are the critical and transferable lessons that may be of relevance to the English context?

2 LOCAL QUESTIONS ('BOTTOM-UP')

- To what extent do 'city-regional' policy frameworks and governing arrangements exist in your area? [And if they do not, to what degree have policy frameworks and governing arrangements been 'upscaled' beyond the scale of single local authorities?]
- How recent are these frameworks and arrangements, and what factors have contributed to their emergence? (e.g. financial pressures, policy changes, structural changes introduced by higher levels of government, evidence/perception of problems with previous frameworks/arrangements)
- Who supports and who opposes 'city-regionalism', how and with what effect? (Municipalities, municipal departments, regional agencies, other public sector bodies, private and voluntary sector interests etc.)
- What is the status of the City-Regions *vis-à-vis* other levels of governance and how is this manifested?
- What are the major achievements of city-regionalism? (Substance, process, influence. Economic, social, physical, environmental.)
- What lessons, positive and negative, could be learned from this experience for the development of city-regionalism in England?

APPENDIX C

Speaker biographies

Dr. Frank Eckardt is Junior Professor of the Sociology of Globalization at the Institute for European Urban Studies at the Bauhaus-Universität Weimar. An urban sociologist by training, he completed a Ph.D. at the University of Kassel on the politics of regional development policies. Currently he is the coordinator of an EU Project on “Future Urban Research in Europe” (FUTURE). His recent publications include “Soziologie der Stadt” (2004).

Bauhaus-University Weimar
Fakultät Architektur
Albrecht-Dürer-Str. 2
D - 99421 Weimar
Germany
frank.eckardt@archit.uni-weimar.de

Dr. Gilles Pinson is a Graduate of Sciences Po., Paris, a Doctor and Senior Lecturer in Political Science at Jean Monnet University in Saint-Etienne and a researcher at the Centre de Recherche sur l'Administration Publique de Saint-Etienne. His main research interests are in urban politics and policies, urban planning, urban governance and local democracy.

Maître de Conférences en Science Politique
Université Jean Monnet de Saint-Etienne
Faculté de Droit
2 rue Tréfilerie
42023 Saint-Etienne Cedex 2
France
gilles.pinson@free.fr

Dr. Sally Randles is a Research Fellow at the ESRC Centre for Research on Innovation and Competition, Manchester Business School. She has a first degree in Marketing, an MBA and a PhD in Economic Geography where her thesis compared the political economy of Manchester and Lyon. She worked in the private sector and local government, before returning to academia. She has particular interests in inter- & intra- territorial competition and multi-scalar geographies. Her recent work has focused upon innovation in environmental technologies and services, where she is co-editing a book entitled ‘Industrial Ecology and Spaces of Innovation’, and market research services where she is co-authoring a book on the history and significance of market research in contemporary market economies.

ESRC Centre for Research on Innovation and Competition (CRIC)
Manchester Business School
University of Manchester
Harold Hankins Building
Booth Street West, Precinct Centre
Manchester M13 9QH
Sally.Randles@manchester.ac.uk

Dr. Pieter Terhorst is Assistant Professor in Economic Geography in the Department of Geography and Planning and an active member of the Institute for Metropolitan and International Development Studies (AMIDST) at the University of Amsterdam. His major field of interest is the interplay between urban economic development and state forms.

Amsterdam Institute for Metropolitan and International Development Studies
Faculty of Social and Behavioural Sciences,
Universiteit van Amsterdam,
Nieuwe Prinsengracht 130
1018 VZ Amsterdam
Netherlands
p.j.f.terhorst@uva.nl

Dr. Jan van der Meer is Associate Professor of Regional and Urban Economics and Associate Director of the European Institute for Comparative Urban Research (EURICUR) at Erasmus University in Rotterdam. He represents EURICUR on the Eurocities Working Group on Urban Research and has advised the Rotterdam City Development Corporation (OBR) on urban economic development issues. He specialises in international comparative work on urban development and urban management. His current research focuses upon “Empowering cities through new forms of cooperation”.

Erasmus University Rotterdam
P.O. Box 1738 Room H12-21
3000 DR Rotterdam
Netherlands
vandermeer@few.eur.nl

Dr. Stuart Wilks-Heeg is Lecturer in Social Policy at the University of Liverpool. His research on Frankfurt was carried out as part of his Ph.D. thesis, which compared London and Frankfurt as world cities. His other current research interests include local democracy, urban regeneration and cultural policy. He is Editor of the journal *Local Economy*.

Department of Sociology, Social Policy and Social Work Studies
The University of Liverpool
Eleanor Rathbone Building
Bedford Street South
Liverpool L69 7ZA
swilks@liverpool.ac.uk

APPENDIX D

Workshop attendees

Mark Barnett	Office of the Deputy Prime Minister
Ann Bridges	Newcastle City Council
Penny Camateras	Leeds City Council
Tony Champion	Centre for Urban and Regional Development Studies, University of Newcastle
Sarah Cheesbrough	Office of the Deputy Prime Minister
Greg Clark	Office of the Deputy Prime Minister
Maggie Crosby	Office of the Deputy Prime Minister
Kevin Dodds	HM Treasury
Greg Dyche	Government Office for Yorkshire and Humberside
Frank Eckardt	Bauhaus Universität Weimar
Lorena Esposito	Institute of Public Policy Research
Martin Eyres	Liverpool City Council
Sarah Fielder	Office of the Deputy Prime Minister
Jenny Ford	Bristol City Council
Alan Freeman	Greater London Authority
Ian Gordon	London School of Economics
Andrew Hall	Nottingham City Council
Alan Harding	Centre for Sustainable Urban and Regional Futures, University of Salford
Hazel Hetherington	Government Office for the West Midlands
Paul Hildreth	Office of the Deputy Prime Minister
Alastair Johnson	Dept for Environment Food and Rural Affairs
Susan Loughhead	Dept for International Development
Adam Marshall	Institute of Public Policy Research
Simon Marvin	Centre for Sustainable Urban and Regional Futures, University of Salford

Paul May	Learning and Skills Council, West of England
Liz McCarty	Government Office for the South West
Tony Medawar	Dept of Trade and Industry
Claire Megginson	Government Office for the North East
Tayo Nwaubani	Dept for International Development
Thomas O'Brien	Merseyside Partnership
Kathy Pain	Institute of Community Studies
Bea Parkes	Dept for International Development
Michael Parkinson	European Institute for Urban Affairs
John Parr	University of Glasgow
Anthony Payne	East Midlands Development Agency
Rachel Phillipson	Dept for International Development
Gilles Pinson	Université Jean Monnet - Saint Etienne
Bob Pullen	Office of the Deputy Prime Minister
David Pywell	Birmingham City Council
Sally Randles	University of Manchester
Michelle Reeves	London Development Agency
Brian Robson	Centre for Urban Policy Studies, University of Manchester
Andrés Rodríguez-Pose	London School of Economics
Paul Rogerson	Leeds City Council
Paul Rowsell	Office of the Deputy Prime Minister
Angela Ruotolo	Office of the Deputy Prime Minister
Robert Rutherford	Office of the Deputy Prime Minister
Roger Sumpton	Advantage West Midlands
Gwen Swinburn	World Bank
Charles Tarvin	Office of the Deputy Prime Minister
Pieter Terhorst	Amsterdam Institute for Metropolitan and Development Studies, Universiteit van Amsterdam
Jan van der Meer	Erasmus Universiteit Rotterdam
Stuart Wilks-Heeg	University of Liverpool