Talking trade-offs

Deliberations on a higher-productivity future in the Birmingham and Greater Manchester urban areas

Tania Burchardt, Tara Goatley & Lindsay Judge

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The Economy 2030 Inquiry

The Economy 2030 Inquiry is a collaboration between the Resolution Foundation and the Centre for Economic Performance at the London School of Economics, funded by the Nuffield Foundation. The Inquiry's subject matter is the nature, scale, and context for the economic change facing the UK during the 2020s. Its goal is not just to describe the change that Covid-19, Brexit, the Net Zero transition and technology will bring, but to help the country and its policy makers better understand and navigate it against a backdrop of low productivity and high inequality. To achieve these aims the Inquiry is leading a two-year national conversation on the future of the UK economy, bridging rigorous research, public involvement and concrete proposals. The work of the Inquiry will be brought together in a final report in 2023 that will set out a renewed economic strategy for the UK to enable the country to successfully navigate the decade ahead, with proposals to drive strong, sustainable and equitable growth, and significant improvements to people's living standards and well-being.

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Summary

The cities of Manchester and Birmingham may have illustrious economic histories but today, both underperform the national average on a number of key economic measures. This is especially the case when it comes to productivity growth, which is so essential for driving sustained improvements in the overall living standards of residents, the region and the nation too. But as the Economy 2030 Inquiry has previously shown, accelerating productivity in each city region would require radical reforms, and entail a number of tough trade-offs to be made. But change should not and cannot be imposed without consent: without popular engagement and support, local leaders will likely find implementing a long-term vision for growth a very tough gig indeed, and it may flounder as a result.

So, is there a programme of wholesale change that could drive up productivity that the public feel happy to endorse? In June and July this year, we ran deliberative public engagement processes with residents of Greater Manchester (GM) and Birmingham urban area (BUA) to explore this important question. The workshops, one in each city, brought together a broadly representative group of 30 residents from each city region to discuss and debate what they think is needed if their areas are to truly prosper. Over the course of one-and-a-half days, we heard what really mattered to the residents of these two great city regions; how they wanted key trade-offs to be resolved; and what the stumbling blocks were likely to be when it comes to a strategy for growth.

So, what did we find? To begin, it was clear that the vast majority of participants understood the case for change. They were disappointed that these once-great cities had not only failed to progress in recent years, but in the eyes of many, had experienced decline. Comparisons with peer cities in Europe that were more productive hit home (whereas comparisons with London usually just annoyed). Residents loved their cities, and wanted the chance to thrive without having to move elsewhere, both for themselves and future generations. That said, participants were realistic: they understood that there were no quick fixes, and that a more productive city would require serious change on many fronts.

But participants were also deeply ambivalent about the single-minded pursuit of growth. First and foremost, they were profoundly concerned that a higher-productivity city would be a less equal one, and that an influx of high-paid professionals would underscore existing inequalities and drive up costs (especially housing). Critically, participants worried that higher inequality would undermine social cohesion and damage well-being. Moreover, for many, the notion of a 'prosperous city' was incompatible with signs of destitution such as homelessness and food bank use, or with poverty wages and poor

conditions in non-graduate jobs. As a result, they could only accept a programme for growth if it went hand-in-hand with a strong social safety net and expanded opportunities for all.

Alongside scepticism about 'trickle-down' economics, participants were also unconvinced that the gains from growth would 'ripple out' to more down-at-heel parts of the city region without deliberate policy intent. Many spoke about how degraded both the high street and public spaces such as playgrounds were in their local areas, and were hostile to a growth strategy that would only improve the 'look' of the city centre. Good spatial planning and adequate investment both for development and then upkeep were seen as crucial for fostering well-functioning communities. Moreover, although there was limited resistance to local development in the workshops – most accepted that a higher-productivity city might require more house building in their neighbourhoods – participants were adamant that green spaces must be protected and maintained.

Relatedly, good public services were viewed as an essential corollary of any growth strategy. To begin, participants saw improved education provision as key to enabling future generations to benefit from the job opportunities a higher-productivity city would bring. Equally, a more extensive public transport system was not a controversial proposition: many were prepared to forgo their car for commuting purposes so long as the buses and trams were safe, reliable and affordable. But public services were also viewed as an important bulwark against inequality as they brought people from different income brackets together. Participants were fearful that without renewed investment in schools, parks, the health service and the like, wealthier residents would simply 'go private', leaving lower-income residents with an increasingly residualised and poor-quality provision.

But the workshop discussions showed that well-functioning public services were important for another reason: they engender trust in the state's ability to deliver. Frayed provision after a decade of austerity, combined with a multitude of examples of never- or only part-fulfilled development schemes in both GM and BUA, had left participants sceptical about both politicians' intentions and the state's capabilities to effect change for the better. This lack of trust was very problematic, undermining residents' ability to imagine a better future or to 'get behind' a programme of decisive action. However, participants also wanted clear-sighted and visionary leadership to enable these cities to prosper. But as well as emboldened leaders, residents also wanted politicians to be subject to more scrutiny and to take the views of the public into greater account.

All in all, although the public are often perceived as resistant to change, our deliberations showed this was far from the case. But this did not mean that participants were prepared to give politicians carte blanche when it came to the pursuit of growth: they made plain

that the gains from growth must be (and felt to be) widely shared if they were to give their broad consent to a productivity strategy. But the deliberations also brought home that the public will only get behind a plan for growth if their trust is gained and retained along the way. Transparent processes are part of this equation, but early and demonstrable benefits of growth for all are crucial for success too.

Boosting productivity in the UK's 'twin second cities' entails a huge amount of change

The UK's 'twin second cities', Manchester and Birmingham, both have illustrious economic histories. Manchester is often styled as the 'cradle of the industrial revolution'; was the birthplace of the flying shuttle; and where the first programmable computer was invented, for example. Likewise, Birmingham was where the assembly line was pioneered in the early 1800s; metal manufacturing grew from a craft to a heavy industry; and the pneumatic tyre was conceived. Indeed, Birmingham was considered so successful in the 1960s that an Act of Parliament was passed in 1965 prohibiting further office development in the city in an attempt by central government to 'rebalance' growth across regions.[1]

But times change. Today, both cities lag behind on many economic measures. Figure 1 shows, for example, that on the eve of the pandemic, the average worker in the Birmingham urban area (BUA) produced just over £50,000 in gross value added (GVA) a year, and in Greater Manchester (GM), that figure stood at £52,000.[2] But both city regions were significantly less productive than the average UK worker (£59,000), a concerning finding given that in a service-dominated economy like ours, large cities *should* be more productive than the nation overall.[3] Moreover, there is little evidence of 'catch up' over time. In the previous fifteen years, the productivity of the average worker grew 6 per cent in real terms in BUA and 12.5 per cent in GM, compared with 14 per cent nationwide.

1   See, for example: H Overman, Booming Birmingham and the need for rebalancing, CEP Urban and Spatial Programme blog, May 2013.
2   Throughout this note, we consider what rising productivity in Greater Manchester and the Birmingham urban area (formally, the West Midlands urban area) would mean for residents. We use these geographies because they are 'functional urban areas' i.e. they operate as one coherent economic unit. The boundaries of GM coincide with the Greater Manchester Combined Authority (GMCA), but the functional and political boundaries do not align as neatly in the West Midlands. For further details, see Box 1 in: P Brandily et al., A tale of two cities (Part 1): A plausible strategy for productivity growth in Birmingham and beyond, Resolution Foundation, September 2023; P Brandily et al., A tale of two cities (Part 2): A plausible strategy for productivity growth in Greater Manchester, Resolution Foundation, September 2023.
3   See, for example: P Swinney & K Enenkel, Why big cities are crucial to 'levelling up', Centre for Cities, February 2020.

FIGURE 1: **Birmingham and Manchester are significantly less productive than the nation overall**

Real gross value added per worker: UK and selected core functional urban areas
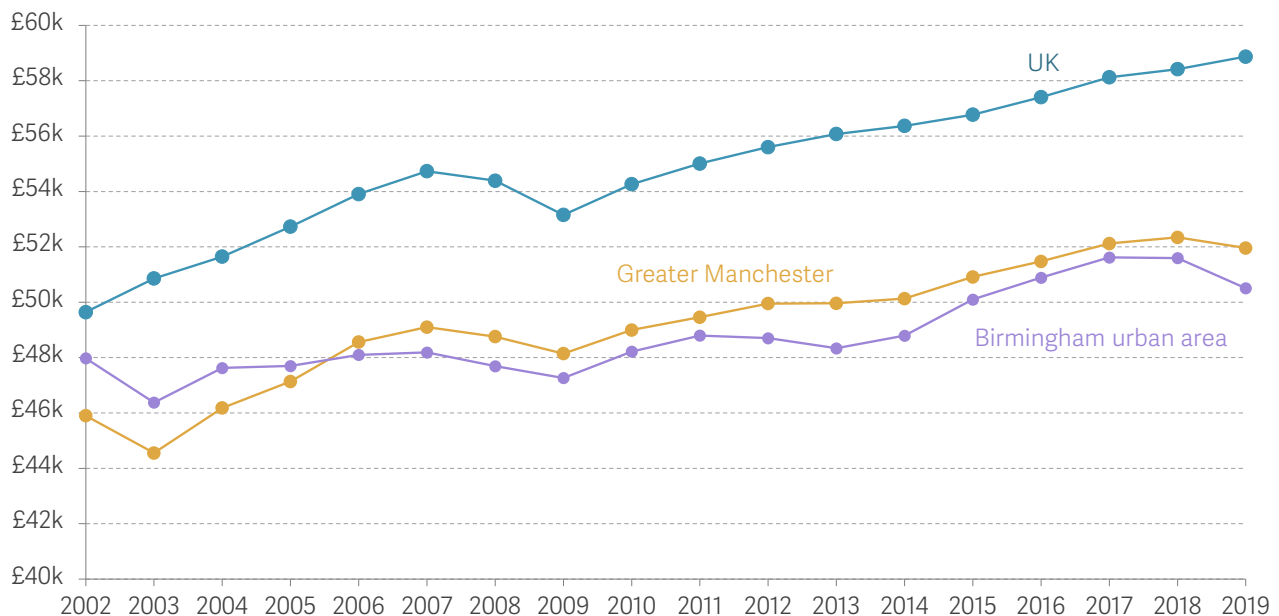
NOTES: Deflated to 2019 prices using CPI deflator.
SOURCE: Analysis of ONS, Regional economic activity by gross domestic product dataset.

This picture is concerning because productivity growth underpins improvements in *overall* living standards. (It is, of course, possible to boost the incomes of *some* groups of people in the absence of productivity growth by redistributing the money in the economy, but that is both politically hard and will eventually run out of road.)[4] But if 'business as usual' is not a strategy for accelerated productivity growth in GM and the BUA, what is? Previous Economy 2030 research has set out a programme for action for both cities, grounded in historical and comparative evidence and sharpened through conversations with local policy makers over the course of six months.[5] Through this, we identify six key changes that would be necessary *and* sufficient to enable both cities to move to a new, higher-productivity equilibrium, but that also bring with them some crucial trade-offs as follows:

• GM and BUA both need to attract (and retain) more high-value services firms, in industries such as insurance, accountancy, media and finance. This means the nature of the cities' economy will change. Although the 'everyday economy' is a crucial source of employment city-wide (more than half of the workforce in both

4   Resolution Foundation & Centre for Economic Performance, LSE, Stagnation nation: Navigating a route to a fairer and more prosperous Britain, Resolution Foundation, July 2022.

5   P Brandily et al., A tale of two cities (Part 1): A plausible strategy for productivity growth in Birmingham and beyond, Resolution Foundation, September 2023; P Brandily et al., A tale of two cities (Part 2): A plausible strategy for productivity growth in Greater Manchester, Resolution Foundation, September 2023.

GM and BUA work in jobs like retail, hospitality and care), and manufacturing will continue to have a role to play in key locations in the cities (especially in BUA), neither element of the local economy can act as the key driver of growth.[6]

- These high-value services firms will not locate in GM or BUA in the absence of a large high-skilled workforce. Despite both cities being home to some of the UK's most prestigious universities, they have a low graduate workforce share (39 per cent in GM and 36 per cent in BUA, compared to 44 per cent nationwide). This needs to change.

- Upskilling the existing (adult) population is unlikely to affect the high-skilled share, although retaining more of the graduates both cities produce could boost the skilled workforce to a limited extent. Rather, both GM and BUA will most likely need to expand their populations by 180,000 and 165,000 additional graduates respectively to get the necessary productivity boost. This would mean more 'incomers' who are wealthier than the average existing resident.

- More people mean more demand for housing, in cities that both already show serious signs of housing stress (there are 54,000 families on social housing waiting lists in BUA, for example, and 74,000 in GM). The two cities therefore need to up their game when it comes to house building, at least doubling current plans. But this brings with it hard decisions about land (densify already built-up areas, or encroach on green space?), about the types of homes to build (flats versus houses?), and their price point (market or social rent?).

- High-value services firms benefit from clustering (or in economists' parlance, 'agglomeration') and the most natural place for them to locate is the central business district of a city.[7] This means most of the new, well-paid jobs that are part and parcel of a more productive city will be based in the city centres of GM and BUA, and that there will be tough trade-offs about the best use of land in the central precinct (for example, whether residential properties should be built there or land used for low-value activities such as parking).

- Finally, workers need to be able to get to the central business district at scale, something that is implausible (as well as undesirable from an environmental point of view) by expanding road and car use in GM and BUA. An efficient and widespread mass transit system is the hallmark of a productive city, but that requires significant national investment and a major change in behaviour by residents.[8]

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6   The 'everyday economy', sometimes referred to as the 'foundational economy', encompasses local goods and services that cannot traded across areas or borders (think, for example, of hairdressers, plumbers or care assistants). See, for example: R Reeves, The everyday economy, Labour Party, 2018.
7   See, for example: G Duranton & D Puga, Micro-foundations of urban agglomeration economies, Handbook of Regional and Urban Economics, 2004.
8   The 'politics of the car' was particularly acute in GM where efforts to introduce a congestion charge in 2010 had been roundly voted down by the public. See: D Ottewell, C-charge: A resounding 'No', Manchester Evening News, April 2010.

A long-term programme of change needs popular support to succeed

Change of the breadth and on the scale required to effect a productivity sea-change in GM and BUA will not be easy: it requires time (this is probably at least a twenty-year game); money (we estimate at least £3.5 billion of central government grant is needed to turn both cities around); and vision and leadership from local policy makers (which may also require the devolution of additional powers).[9] But a radical programme of action will be disruptive, and some may lose from the process even if the net effect is that more gain. As a result, change cannot and should not be imposed on residents. Without popular support, implementation of a long-term vision for growth will be a very tough gig, and may flounder as a result.

So, how do the public evaluate the trade-offs inherent in a programme of change designed to drive up productivity in the city? In June and July this year, we ran two deliberative public engagement processes with residents of GM and BUA to explore this important question.[10] The workshops brought together a broadly representative group of 30 residents from each city region for a day and a half to discuss and debate the changes that would be required if their city was to prosper.[11] Working together over a weekend, participants in each city learned about key economic concepts such as productivity, growth and income inequality; discussed the broad case for change; debated what a more productive version of their city would mean for jobs, transport and housing and how trade-offs in each of these domains could be resolved; and reflected on how the gains from growth should be shared.

The workshops were designed in the deliberative tradition to ensure that participants had the necessary information to articulate their concerns and to debate the trade-offs they would accept for their future city (see Box 1 for more discussion of what deliberation entails). To this end, the workshops involved expert presentations; Q&A sessions; poster presentations of key facts; group discussions where participants were asked to come to a consensus on key trade-offs; and plenary sessions where participants shared their positions and articulated the reasons why they had reached that point of view (see Annex 1 for full details of the workshop activities).

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9   Section 7 of our two E2030 cities reports provide more details of each of these requirements. See: P Brandily et al., A tale of two cities (Part 1): A plausible strategy for productivity growth in Birmingham and beyond, Resolution Foundation, September 2023; P Brandily et al., A tale of two cities (Part 2): A plausible strategy for productivity growth in Greater Manchester, Resolution Foundation, September 2023.

10 The workshops were designed and delivered by IPSOS UK, working in close collaboration with colleagues from the Resolution Foundation, London School of Economics and Centre for Cities. The data collected at the workshops has been independently analysed by the Economy 2030 Inquiry team.

11 The respondents were recruited by a professional recruitment company and were representative of the populations of the local areas with respect to gender, age and ethnicity. Other characteristics such as each resident's location in relation to the city centre, household income and housing tenure were also taken into account to ensure a broad spread of experience within the group. Those who lived in low-income households were slightly over-recruited, first, because they are often more exposed to change than higher-income households, and second, to ensure that their voices were sufficiently heard throughout the deliberations.

BOX 1: Deliberation explained

'Deliberation' and 'deliberative methods' have become increasingly prominent in the policy and research world in recent years, with the OECD identifying the emergence of a 'deliberative wave'.[12] As well as a multitude of exercises conducted at the local level, deliberation has also been used progress thinking on a number of high-profile policy issues such as the voting system in British Columbia (2004), abortion in Ireland (2016) and climate change in the UK (2020).[13]

Deliberation can take many forms, from small specialist groups to full-scale citizens' assemblies. But at its heart, each exercise aims to bring a diverse group of (usually, but not always, representative) people together and give them the time, information and conditions to allow them to develop informed positions in dialogue with each other. The hallmarks of a deliberation are therefore: learning (through expert evidence and from each other); discussion (facilitated to a greater or lesser degree); and then a decision on an issue or set of issues. In some deliberative exercises, group consensus is the desired end point (although minority views may be allowed in some cases). In others, how

each individual's views have changed over the course of the deliberation is of note (in such cases, participants are usually polled at the beginning and the end of the process).[14]

Direct public participation in policy processes can serve a number of purposes.[15] First, at a time when trust in the institutions of representative democracy is low (a topic we will return to in this note), direct forms of citizen participation, including deliberation, may provide a complementary route to legitimacy for decisions. This in turn may help non-participants to trust the outcome as well. Second, citizens' lived experience is a form of expertise from which policy making may benefit, if it can be accessed and incorporated into decision-making through a deliberative exercise. This may be particularly important where there are complex trade-offs and value judgements, about which reasonable people can reasonably disagree. The purpose of the deliberative exercises for the Economy 2030 Inquiry was a combination of both: by feeding into the Inquiry's work, they aimed to improve the quality and the legitimacy of the final recommendations.

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12 OECD, Innovative citizen participation and new democratic institutions: Catching the deliberative wave, June 2020.
13 For an excellent overview of many other deliberative exercises, see: OECD, Database of representative deliberative process and institutions, 2021.
14 See, for example: J Fishkin & R Luskin, Experimenting with a democratic ideal: Deliberative polling and public opinion, Acta Politica 40, August 2005.
15 See also: R Dean, Beyond radicalism and resignation: The competing logics of public participation in policy decisions, Policy and Politics 45(2), February 2016.

But the workshops were not conceived purely as a research exercise; they were also designed to give voice to residents of GM and BUA, to influence the thinking of local leaders (the final sessions of both workshops were attended by representatives from the council and, in GM, the combined authority) as well as the conclusions of the Economy 2030 Inquiry. The voices of participants can be heard not just in this report, but also in four short films made over the course of the workshops.[16] So, what did we discover during our two deliberative weekends?

Residents of Greater Manchester and the Birmingham urban area got the case for change

To begin, residents were passionate about the need for their city and local areas to improve, in large part because they felt that these had deteriorated over recent years. They frequently referenced the poor current state of their high streets and public spaces, the problems with public services and the increased prevalence of financial insecurity among poorer families – all visible signs of not just relative, but absolute decline. Some of these comments no doubt reflected in part the current hardship facing households and councils as a result of the cost of living crisis, but long-time residents recognised a long-term trend.

> *"I care about Erdington because I've been there since 1984, and it really has, you know, deteriorated."*

Birmingham participant

> *"I grew up in Manchester a long time ago and it was always a wonderful place. I just feel we've gone backwards in the last 20 years."*

Manchester participant (film)

The sadness that many in our workshops felt about their city's plight was informed by a strong sense of history. But this was not just simple nostalgia. Although residents felt that the extent of the change required for their city was daunting, many were optimistic that it could nonetheless be achieved. The fact that Birmingham and Manchester had been great once, and had overcome significant challenges in the past, led some residents to express the hope that these cities could draw on these strengths and experiences to respond to their current challenges.

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16   To view the film, see here. We have occasionally quoted comments participants made during the filming process in this report. These were made contemporaneously with the deliberations; informed by the workshop discussions; and participants consented to the public use of this material.

"[Birmingham]'s great, it's reinvented itself. I get people come up here and they say, 'I didn't know Birmingham was like this!'"

Birmingham participant

"Manchester has a great history of pushing things forward. You know, let's go back to the 1800s, it was a very go-ahead place."

Manchester participant

In addition, international examples presented in the workshops sparked lively discussions about how 'it doesn't have to be like this'. Figure 2 presents a slide that was shared with participants at an early point in the workshop, setting out how much these cities lag behind some comparable European cities when it comes to productivity (GVA) per worker. Although residents often disliked comparisons between their city and London, they readily engaged with the international comparisons, and drew on observations from trips abroad to suggest how cities in the UK could do things differently. Transport systems abroad were complimented for their low price and high reliability, for example, and European high-rises were generally viewed positively because participants felt they were built thoughtfully with communities and green spaces in mind.

FIGURE 2: **Participants were concerned about how their home city lagged international comparators**

Slide from E2030 deliberations showing gross value added per worker: Selected metro areas, 2018

| WMUA | GM | Toulouse | Lyon | Milan |
| £51,000 | £53,000 | £66,000 | £70,000 | £74,000 |
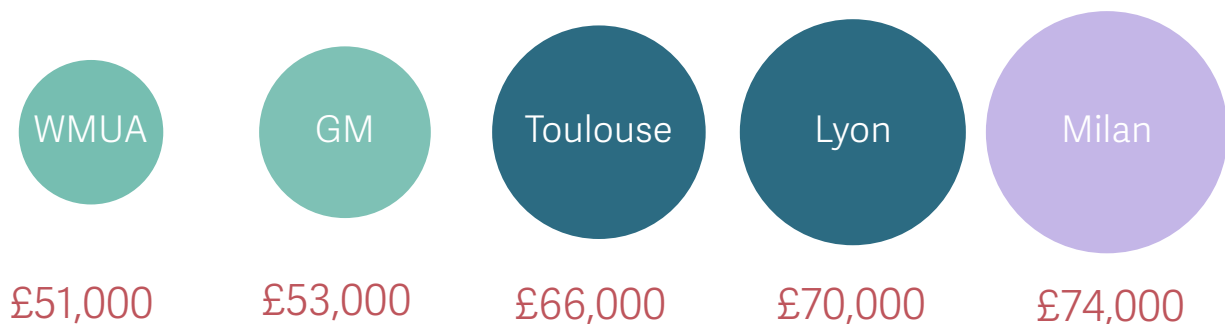
NOTES: The figures presented in this slide vary slightly from those in Figure 1 because here we show results for metro as opposed to functional urban area to enable international comparison.
SOURCE: Analysis of OECD Regional Economy Database.

"The high-rise abroad, that I've seen, they all incorporate gyms downstairs, their own swimming pool, parks for the kids, all within their little community, and they're all completely happy … They're not like what we're used to."

Birmingham participant

"I've seen on holiday, in the European cities, the transport is frequent, it's clean, cheap and accessible. Here, everything's disjointed."

Manchester participant

Change was also seen as necessary so that residents could have more opportunities to flourish and were not forced to leave a place they knew and loved if they wanted to improve their living standards. Some reflected on their own experience, pointing out that they had sacrificed their career prospects by choosing to live in Birmingham or Manchester instead of London, something they would like to change in the future.

"I did a textile degree. A lot of the jobs were in London, I chose not to work in London for different reasons. I'm still in a job within the industry but it's not an extremely highly paid one. It's a fight to try and get something in it."

Manchester participant

"We don't have enough professional firms. … [If] there isn't that opportunity in Birmingham, then you have to look to move out. And if you can't afford to move out, then you're actually compromising your career that you put all your hard sweat into because you can't now do the next step."

Birmingham participant

Finally, many felt strongly that a more prosperous city was critical because it would be beneficial for young people and future generations, particularly with regards to jobs and housing. Residents wanted young people – often, but not exclusively, their own children – to be able to get good jobs in Birmingham and Manchester, rather than feeling pressure to move to other cities like London in order to access these opportunities.

"I really think looking at the future generations, looking at people who have got degrees and how they've got to get out of Birmingham. It was easier for us. Even though we were poorer, we didn't have the same overheads. I don't know what it is. But it's really hard for the younger generations."

Birmingham participant

"If it's for a better future, I'm thinking for my kids, it's creating more opportunities, better opportunities for my kids, I would go for it, I want it."

Manchester participant

"It's the kind of change that is important"

Participants' overall willingness to embrace economic change was evidenced through an exercise we used repeatedly through the workshops: what we styled 'the dials exercise'. This worked as follows. In groups of ten, participants were asked to discuss how much change they would be comfortable with when it came to transport (where the key issue discussed was what would it take to make them use public transport at the expense of their cars); housing (where the discussions focused on the acceptability of house building in their areas, and whether denser buildings were preferable to building on green space); and jobs and skills (where the key trade-off was whether many more professionals moving to the city region was acceptable in return for higher employment overall). At the end of the discussion, participants collectively 'set a dial' between 1 and 5, with 1 indicating they had no appetite for change, and 5 indicating they were prepared to fully embrace change in the domain discussed. (See Box 2 for two worked examples).


BOX 2: The 'dial exercise'

A key objective of our deliberations was for participants to reach a collective position on the scale of change they were comfortable with, and to explain the reasons why they adopted that point of view. To this end, we employed what we called the 'dial exercise' throughout the workshops.

Figure 3 provides two illustrations of how this exercise played out. In Manchester, one group came to a view that there was a real need to build new homes, but were opposed to densification in the city centres, expressing a preference instead for building in suburbs in greater need of investment (setting their dial at 3.5 as a result). They were keen on action to improve public transport, but several participants highlighted that some people – such as families with young children – would often need to travel by car even with improvements (so set the dial at 4.5). Finally, they were collectively concerned about increasing the number of professional jobs in the city, as they felt there should be greater focus on non-graduate jobs, although they were keen to improve graduate retention (choosing 3.5 for jobs and skills too).

FIGURE 3: **The 'dial exercise' was used to assess each group's appetite for change**

Illustration of 10-person group's agreed position in the 'dial exercise', Manchester and Birmingham deliberations

Manchester

Birmingham

Jobs and skills   Transport   Housing
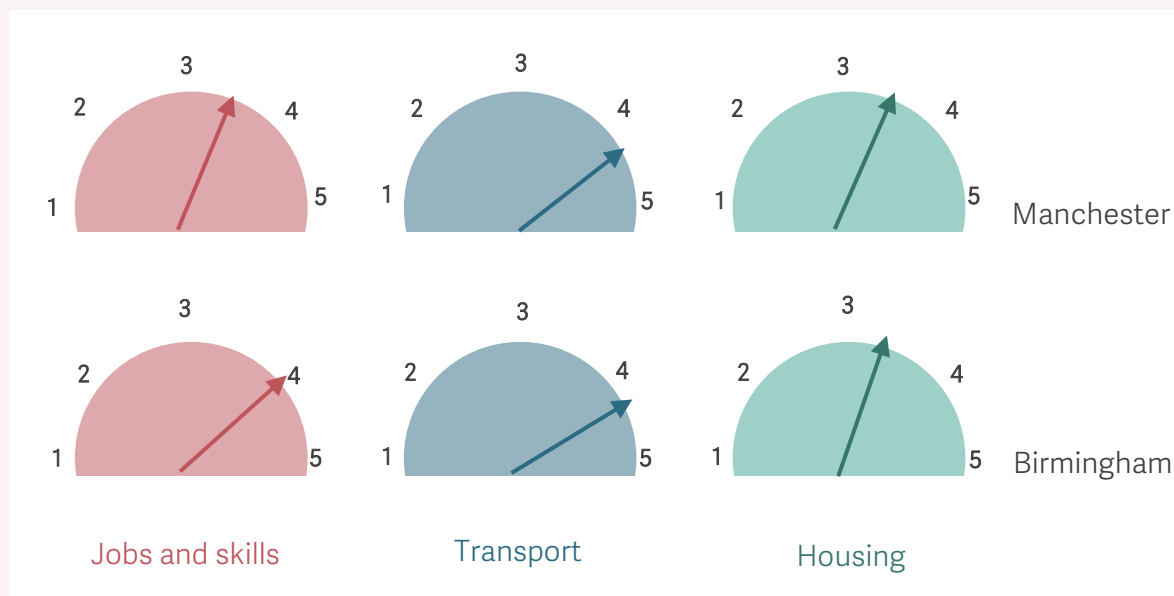
The group in Birmingham were relatively tepid about change when itcame to housing. They accepted that housebuilding needed to dramatically increase relative to the current state of play, but they were concerned about how this might lead to a reduction in green spaces and increased gentrification. They were somewhat more positive about change when it came to jobs and skills, focusing on the potential for increased opportunities and rising pay in low- and high-paid jobs. And they were very keen to see improved public transport and reduced air pollution even if that meant lower car usage, but wanted to exempt key road users, such as tradespeople, from any restrictions on driving.

Tellingly, although participants voiced many concerns about the trade-offs that a higher-productivity city would entail (which we go on to discuss in detail below), they rarely 'set the dial' at 1 (which would have indicated no desire for change). Added to this, residents were realistic in recognising that 'tinkering' was not enough, and that change was a long-term game. Many were weary of empty promises, of schemes that were announced and then cancelled, or projects which failed because they required continual investment that was not made available. This was partly seen as the fault of the electoral cycle, as politicians and the promises they made changed quickly over time.

> *"This whole thing is about the future of Birmingham, but what about the [long-term] future? Like, we might be developing it now for what might be great in five, ten years, but what about the next 50 years?"*

Birmingham participant

> *"I just think it's important to mention that we don't have buildings that are made that last, or decisions made, that they're not fit for purpose 30 years after."*

Manchester participant

However, this is not to say that participants adopted an uncritical stance to change. Although most accepted that improved productivity was essential to improve living standards, there were some who took issue with that proposition to begin. A handful of participants questioned whether it should be 'all about money', pointing out that there were many other features of a prosperous city such as good health of its residents, a clean environment and social cohesion. But far more common throughout the workshops was a willingness among participants to embrace economic change – but only when serious anxieties they had about the pursuit of growth were addressed.

> *"We've not really discussed things like improving life expectancy in the area, we've not discussed improving literacy and numeracy in school children, we've not discussed reducing crime, reducing suicide rates and addressing all those issues would increase the standard of living - we're talking about money."*

Manchester participant

> *"I think change has to happen - I think it's idealistic to think it doesn't. But it's the kind of change that is important."*

Birmingham participant

Residents were deeply concerned about who would gain from growth

First and foremost, participants were deeply concerned that a higher-productivity city would also be a less equal one. Many were highly sceptical that the benefits of a wealthier city region would be spread widely – often citing London as somewhere which had experienced significant growth but where high levels of inequality were the result. They especially took issue with the notion of 'trickle down', and were unconvinced that, absent of policy action, those on lower incomes would be better off in a more productive city.

"I still think that it sounds to me as if you're trying to make Birmingham be as successful as London and I hate that because in London, it's too expensive to be in the city centre and to work in the city centre. … You'll then begin to make Birmingham an exclusive area for those who have money and those that can afford it, and those that can't will be pushed further and further out."

Birmingham participant

"If there was such a thing as trickle down, and it worked well, people wouldn't be in the pickle that they're in now, already. So, making more money to trickle down is just not going to fix anything."

Manchester participant

The emphasis on the need to attract high-skilled workers from outside the local area to fill new professional jobs sat very uncomfortably with participants because they felt it prioritised opportunities for those outside of the city region rather than long-term residents and their children. As a result, focusing just on professional services jobs in Birmingham and Manchester was seen as problematic because participants felt that it would not improve social mobility. They emphasised the importance of access to education and training opportunities, which were currently perceived to be out of reach for residents in more-deprived areas.

"By and large those higher paid jobs are not going to go to local people who aren't already on that career pathway. I think what we have got to look at there is how we get more kids from our neighbourhoods into those pathways so that they can take up those opportunities in the future."

Birmingham participant

"Local kids [in deprived areas] as well, they don't have any opportunities. You know, you live in the area, you stay in the area. Unless some miracle break happens that gets you out."

Manchester participant

But even if there were more training and educational opportunities, there was still widespread concern about what the offer would be in a higher-productivity city for those who did not attend university, with a strong view that this should not prevent them from having good career options. Several residents emphasised that 'low-skilled' jobs were often essential jobs with an important role to play in society, and that a more prosperous city was one that provided good quality and well-paid jobs for all workers. Some participants also expressed a nostalgia for manufacturing jobs, which may also reflect a

desire for non-graduates to access stable, skilled and dignified work, rather than the zero-hour contracts and minimum wage jobs with limited progression which are a large part of the offer to non-graduates today.

> *"I feel like key workers genuinely need to be respected and paid what they're worth because we already have a deficit in teaching, in health care, social care, nursing. And the only way to attract more people is to pay what those jobs are worth and to give those professions respect and dignity."*

Manchester participant (film)

> *"Just because people have not got it up there to pass a degree, [in the past] they could be lock makers, saddle makers, things like that, industries where they could get a good wage and not just work in McDonalds or in a café."*

Birmingham participant

But participants were not just sceptical that more highly-skilled professionals in their city would be of limited benefit to locals when it came to jobs; they were also actively worried that an influx of well-paid workers would drive up costs, especially when it came to housing. Those from Manchester in particular noted that better-paid residents were already pricing some out of certain areas, and the vast majority of participants were concerned that, in the absence of a significant programme of house building, a more productive city would simply be a more expensive one. But even if there were new homes built, some remained sceptical that local people would be able to afford them in a more affluent city.

> *"Where I live, we've got a lot of re-locaters from the BBC and they really pushed up the price of houses to buy. There's been a massive increase in the cost of houses in Chorlton. And we now have a lot of BBC types living there and it's caused resentment amongst people who've lived there for multiple generations and now the youngest generation can't afford to buy."*

Manchester participant

> *"It's not fair for the people that have lived there for generations and seeing people coming in, having all these new houses built and just getting to move in immediately. Without the people who have lived there for ages already getting any of that support moved towards them."*

Manchester participant

The interplay between poverty and inequality was a key point of tension for participants

Alongside their serious concerns that a more productive city would also be a less equal one, some participants found the notion of prosperity incompatible with visible signs of poverty and hardship in their area. Many pointed to the rise in homelessness and use of food banks as a sign that 'trickle down' does not work, and were insistent that they could get behind a programme of growth only if it went hand-in-hand with an adequate safety net to protect the most vulnerable residents.[17]

> *"I would like to see everybody have enough to eat and to have comfortable living conditions. The fact that people are still going to foodbanks in a wealthy society, to me, is too, it's … worrying."*

Birmingham participant

> *"At the moment, it [GM] is known for its homeless population. And I want that to change because that's the first thing I see when I come into Manchester city centre is a lot of homeless people, and I'd like just more help and stuff for the people that are here already."*

Manchester participant (film)

But as well as a high level of concern about the most egregious manifestations of poverty and destitution, participants also raised the issue of in-work poverty and 'poverty pay'. Alongside being socially valued and having a good career path, participants were very keen that those without degrees were also adequately remunerated and that, whatever their qualification level, anyone working in GM or BUA would have sufficient income not just to survive, but also to flourish.

> *"Part of the problem is the minimum wage has become the maximum wage. People think that that's all you've got to pay, but things like the hospitality industry don't have to be low paid jobs, and they can be a career path."*

Birmingham participant

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17   This finding that poverty and destitution were the most prominent concern for many residents resonates with a recent participatory study exploring economic inequality in London, in which participants were unhappy about poverty, but not necessarily about inequality, as a social justice issue. See: A Davis et al., Living on different incomes in London: Can public consensus identify a 'riches line'?, Centre for Analysis and Exclusion (CASE), London School of Economics, February 2020.

"I feel, like, I know too many people that are working long, long hours, just to be able to afford the bare minimum. That's the level of society that we're in right now. And I think a prosperous society, for me, is one where people have the income available to afford a fair amount of entertainment for themselves, rather than just the bare necessities, if you like."

Manchester participant

However, although some felt that they could not support a programme of growth *until* poverty was addressed, others in our workshops felt that current levels of poverty provided a justification for change, as without higher productivity and greater prosperity, living standards would remain stubbornly at unacceptable levels.

"I think growth is pretty much inevitable. People are being left behind now. Maybe if the city is more prosperous then there is better hope for them."

Manchester participant

"There's always going to be inequality, and that needs to be addressed. But I just don't see how this [growth] wouldn't benefit Birmingham, it's more wealth, more money in the system, I just think it's a no-brainer, really."

Birmingham participant

This tension between how much participants would accept a less equal city if it was also more prosperous and had lower rates of poverty was brought out in an exercise conducted as part of the workshops. Here, participants were shown the information set out in Figure 4 and asked a challenging question: would they rather their future city region was one where everyone was richer (i.e. poverty would fall) but the gaps between different income groups were larger (i.e. inequality would rise) (option A); or everyone was poorer but the income gaps were smaller (i.e. poverty rises but inequality increases) (option B).

FIGURE 4: **There is a tough trade-off to make between future inequality and poverty levels**

Slide from E2030 deliberations showing hypothetical annual household income levels and income gaps, current and future Greater Manchester and Birmingham urban area

Today

A: Richer city, larger gaps

B: Poorer city, smaller gaps

● poorest ● middle ● richest
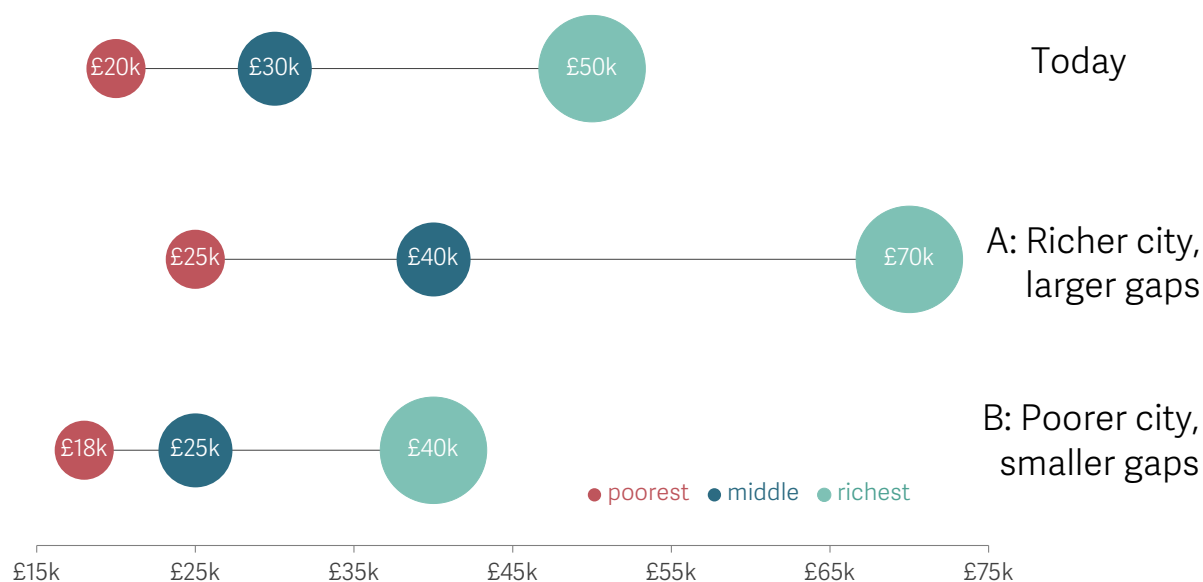
NOTES: All figures are hypotheticals developed purely for the purposes of this exercise.

Interestingly, participants in GM and BUA came to opposite conclusions in this exercise.[18] In GM, the majority opinion in the group was that they would prefer to prioritise reducing inequality even if that meant not reducing poverty (option B). Critically, many were acutely concerned about the effects of rising inequality on social cohesion and did not feel able to support a programme that might aggravate community tensions. But there were some minority opinions who felt that it was poverty reduction that should be prioritised.

> *"I think it [higher inequality] causes social problems. I think it causes antisocial behaviour, because people feel left out, left behind, disenfranchised, like they don't belong. I think it could cause stuff like vandalism, disrespect for public spaces, because people feel like it's not their city, because they've been left behind".*

Manchester participant

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18 There were some minor differences in how the exercise was delivered between the two workshops. First, participants in GM were asked to vote by raising their hand (i.e. publicly committing to one of the two options) while in BUA, they voted by sticking a coloured dot on one of two posters setting out each option (i.e. with slightly more anonymity). It was notable that many participants in GM abstained which was not an option in BUA, although a very small number of participants questioned the existence of a trade-off between reducing poverty and inequality. Second, participants in GM were informed that everyone would get poorer in real terms, while in BUA they were shown the slide in nominal terms, which brought home the impoverishing effect in option B more clearly.

"If £20,000 buys a poor family decent housing, decent transportation, food to put on the table, I've no problem with that discrepancy [the gap between rich and poor], but it's when the lower end of the scale… they can't cope with the money that they're getting. That's the problem for me."

Manchester participant

In contrast, participants in BUA largely agreed that, when push came to shove, they would prefer a city region that was more affluent and where there were fewer people on very low incomes, even if that came at the cost of higher income inequality overall. This was largely because residents were very sensitive to the needs of the most vulnerable, and were prepared to accept the top of the income distribution pulling away so long as those at the bottom were protected. But some participants' comments also chimed with the Manchester group in that they did not feel high levels of inequality were compatible with social wellbeing.

"I couldn't make someone who's on £20,000 in today's money poorer. So, my choice was based on the option [that was best] to them. I understand the [inequality] gap has got bigger but I wasn't looking at the gap between 50k and 70k. I was looking at the gap between those people who are on low incomes. And for me, what I said, is that we need to lessen the gap between that inequality. I couldn't make someone poorer. So, I had to choose A."

Birmingham participant

"I think inequality makes people extremely unhappy, and that societies that are more level, more democratic, where there isn't that gap, tend to be happier ones. … [when] basic needs are met, I'm not sure … a vast increase in consumables has that much [to do with] happiness".

Birmingham participant

Inequality also had a strong spatial dimension for residents of Greater Manchester and the Birmingham urban area

Participants in both our deliberations were worried not just that there would be 'left-behind people' in a higher-productivity city region, but also 'left-behind places'. Many were strongly attached not just to 'Manchester' and 'Birmingham', but to their constituent local area. They felt that these were often already overlooked and could be very down-at-heel.

"You look at little children's play areas in, like, the outer parts of the city centre and further than that and they're all just derelict. Like, rusted, no-one takes care of them anymore."

Manchester participant

"It [the local high street] is horrendous, really, and I personally never go there because I don't feel safe. I have to be honest about it. And my neighbours feel exactly the same".

Birmingham participant

As a result, many in our workshops expressed a desire for investment and the benefits of growth to be felt as much in the physical fabric of the suburbs and satellite towns as in the city centre. This was in part because they felt that a lot of effort had been put into improving the look of the city centre recently, while their local area had been neglected. Several residents commented that various investment projects in the city centre had been approved and implemented much more quickly than development plans in their local area. Dislike of a city centre-focused growth strategy appeared to be motivated by a fear that all the benefits of growth would be hoarded in the centre – where low-income residents are increasingly unlikely to be able to afford to live – rather than shared around the city.

"You're centralising it [growth] all in Birmingham and these outer-lying areas are starting to die off, so if you were to incentivise them [the Government] to decentralise a bit more that would uplift entire areas all around them."

Birmingham participant

"There's enough money in the centre of Manchester already. It's great. Everyone loves it… Put it somewhere else. These towns [on the outskirts] could really do with improvement."

Manchester participant

Participants pointed to another reason why investment in the public realm was critically important and that was because pleasant spaces helped build strong social bonds. They were especially concerned about the densification of housing in a more populous city, and had a strong aversion to high-rise tower blocks which felt led to fractured communities and worse social problems. For many, community was one of the best things about their city, and there were several accounts of how neighbours and locals had stepped in to provide support in an hour of need. Residents particularly highlighted

the importance of communities for low-income families, who may need more support in day-to-day life.

> *"We wanted sustainable housing that's fit for purpose, and will be fit for purpose in the future. It was really important that, especially where we're building density, and in specified areas... they shouldn't be planned building-by-building. It needs to be planned as a community,*

Manchester participant

> *"They're tearing them [tower blocks] down because they don't provide safe housing, there is no community spirit there. They're dangerous as in the crime rate's higher in those areas because nobody looks out for one another."*

Birmingham participant

Relatedly, participants regularly emphasised the importance of maintaining access to green spaces because of the benefits for people's wellbeing. Participants largely agreed with building significantly more housing in their city but, as well as wanting new houses to be affordable and available to low-income residents, participants wanted housing developments to include provision of green spaces. Again, this was tied to the belief that green spaces are a public good which should be made available to everyone, and that the purpose of a prosperous economy is not just so that people have more money, but that they have a better quality of life too.

> *"Green spaces are important for mental and social wellbeing. We need access to those spaces. We are very lucky in Birmingham ... people think that they don't have access to green spaces, but when you look on a map at the amount of green spaces that are available in Birmingham, there are lots of them and we should preserve them, and they should be accessible to all."*

Birmingham participant

> *"What is the economy for, if you've got loads of money, but you don't have any clean air? That's not an improvement in the standard of living, if you've got no green spaces to enjoy, you're working 60 hours a week for all your money. What kind of life is that?"*

Manchester participant

Good public services were seen as essential part of a shared growth plan

Interestingly, despite widespread concern for those on the lowest of incomes, few workshop participants pointed to higher benefit levels as a way to tackle the poverty or inequality that they saw as part-and-parcel of a high-productivity city.[19] Rather, discussions focused much more frequently on the equalising effect of public services. Perhaps the number one issue that participants raised in both groups was the need to invest in and improve the educational offer in their city region, enabling local children to benefit from the new opportunities a higher-productivity city would present in the future.

> "The schools there are really, really badly invested in, and things like that. So, very, very few people actually make it to university from that area."

Manchester participant

> "We [the group] would prioritise pathways for future generations of local people to be able to access local jobs, so they don't get excluded, especially the ones in deprived communities. To do this, we must have improvements in local public services such as the education."

Manchester participant

Relatedly, participants were also keen to see more investment in public transport to expand the network to areas that are currently poorly served, and to reduce the costs so that those on lower-incomes could also access all parts of the city. But perhaps the most pressing issue discussed when it came to public transport was safety, with participants from both GM and BUA raising concerns on this score. That said, many also recognised there was something of a 'chicken or the egg' problem here: safety concerns encouraged people to rely on private transport, but low usership meant that public transport felt less safe as a result.

> "I'm scared of public transport. I'd rather walk. I don't like them. My train station scares me. It's deserted."

Birmingham participant

> "As a woman with friends that live in different directions, I wouldn't necessarily feel safe getting on the public transport that there is now, say, at 11 o'clock on a Saturday night to go home… If that was better, well-lit, more well-maintained then, why not?"

Manchester participant

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19 This may, in part, be because participants understood that benefit levels were determined nationally and not at the local level.

But strong public services such as education or transport were viewed as a bulwark against inequality not just because they could 'level the playing field' for those on lower incomes, but also because they often brought people from different income brackets together. Participants were very concerned about wealthier residents 'segregating' in the absence of good public services – something that frayed the social fabric and meant that poorer people ended up with increasingly residualised services as a result.

> *"I was, kind of, thinking really about the services that people who are better off use in terms of things like education perhaps and healthcare, that kind of segregation. So, like, how much wealth [in a higher-productivity city] is going to go anywhere apart from into private schools and private healthcare? … Your local comprehensive schools are not going to see anything at this rate, especially in poorer areas. And the losers are the same people that lose now."*

Manchester participant

> *"I'm happy to accept growth… but with strings and conditions attached. I don't want increased prosperity if it's just for the happy few in their gated communities with their private hospitals and schools."*

Birmingham participant

Finally, it is important to note that a major concern that participants had was that an influx of higher-skilled workers into their city would put extra pressure on already crumbling public services. For example, most were generally positive about the prospect of new homes being built in their neighbourhoods to accommodate a growing population (there was little evidence of 'nimbyism' in either workshop), but they were far more fearful that this would put even more strain on schools, doctors and the like.

> *"There is no mention there of the infrastructure needed with housing. Doctors, schools, everything. You know? It's no good building houses, if the kids haven't got a school place. I mean, doctors' waiting lists, I don't know what yours are like. Mine's horrendous."*

Birmingham participant

> *"An increased population is fine but as long as there's the space for it. At the minute I don't see the space for the numbers that we're talking. Not just the space but just everything. Road infrastructure, that will not change. Transport infrastructure could get better but the road infrastructure won't change."*

Manchester participant

Broken promises have undermined trust in government to effect change

The fact that many public services are currently creaking at the seams also had another very visible effect on GM and BUA residents' deliberations: undermining their trust that both central and national government could deliver change. It was often a struggle for the groups to 'think big' and to reimagine their city's future when even the basic provisions such as education, health and a social safety net were increasingly compromised. Unsurprisingly, this was especially so in BUA where residents were well-aware of the financial stress that Birmingham City Council was under.[20]

> *"This current city council is in huge amounts of debt that they've got to pay off in equality payments to ladies who were unequally paid, that's going to come out of us not getting the benefits that this city deserves."*

Birmingham participant

But low trust in politicians to drive forward a programme of change had other sources than just the weak provision of public services. Multiple times, participants referenced promises of investment for new developments in the past that had not come to fruition. Several participants linked this to the short-term mindset that politicians work within, where they are often aiming to deliver things which bring immediate and visible benefits to residents to increase their chance of re-election. Participants expressed a preference for politicians to commit to long-term plans which go beyond electoral cycles, as they believed that these would be of much greater benefit to the city and its residents, even if it was less beneficial to individual politicians.

> *"We've heard these promises from governments, from organisations before, promises of investment. They never come, they never come to the degree that's promised, because something else always takes a priority."*

Birmingham participant

> *"So, there are plans for Bolton to be developed, and this nice new area that we're going to have in the town centre, that's been on the cards for about 8 years or something like that. It's ridiculous."*

Manchester participant

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20   Birmingham City Council issued a Section 114 notice effectively declaring bankruptcy on 5 September 2023, after a long-running series of equal pay claims, a failed IT system and other significant spending pressures meant that it was no longer in a position to cover its liabilities. From this point on, the council would only provide skeleton statutory services. See: Birmingham City Council, Statement regarding Section 114 notice, September 2023, accessed 15/11/23.

Relatedly, even when schemes did get off the ground, residents provided a multitude of examples of local projects which then floundered through lack of sustained investment or political 'see-through'. These examples strongly informed residents' belief that it would be very difficult, if not impossible, for things to change or get better in their local area.

> "I mean, I loved it [the Commonwealth Games], and we all really got involved in it, but what has it left? A lasting legacy?"

Birmingham participant

> "I do remember about 15 years ago there was a scheme calling Housing Market Renewal that was going to knock them all down and rebuild. They knocked a load of them down but then there was a change in government and they didn't get rebuilt, so there's nothing there for this entire time."

Manchester participant

Alongside concerns about competency, many participants expressed concern that the decisions made by local leaders or national government are not always in their best interests. A minority of participants felt that this was because politicians put profit ahead of people. But more commonly heard was the view that decision-makers are just out of touch with the everyday lives of residents, particularly those on lower incomes.

> "The people that are making the decisions, they don't know what real life is like. So, they're on a certain wage, and how can they compare themselves to somebody that is not, you know, that's desolate and hasn't got any money."

Manchester participant

> "Whoever does the planning for both the roads, the cycle lanes and the bus lanes? They need to be out more and experience actual road conditions because it seems that the planners are just sitting in the offices and not experiencing what they're putting forward."

Manchester participant (film)

The corrosive effect that low trust in government had on participants' support for a radical programme for growth was laid bare in an exercise that took place on day 2 of the workshops: what we called 'resetting the dials' (see Box 3 for a worked example). Here, specialist information was first provided about the multitude of ways that local and national policy makers could ensure the gains from growth were widely shared: for example, via a higher national minimum wage, investment in training programmes or relinking Local Housing Allowance (LHA) to local rents. Then, working again in their groups of ten, participants looked at the dials they had set previously to show their

appetite for change (see Box 2), and debated whether to amend their scores if certain policy conditions were in place.


BOX 3: 'Resetting the dials' exercise

One of the key aims of our deliberations was to understand what kind of plan for growth participants would support, and to see whether their views changed as they learned from specialists and one another over the course of the weekend. To this end, we asked them

to revisit their earlier scores from the 'dials exercise' at a later point in the workshop and discuss whether to 'reset' their level.

Figure 5 provides an illustration of how this exercise played out for one group in the Manchester workshop.

FIGURE 5: **By 're-setting the dial', participants agreed a new position after discussion and learning**

Illustration of 10-person group's agreed position in the 'dial exercise' and in 'resetting the dial', Manchester deliberation

Jobs and skills   Transport   Housing
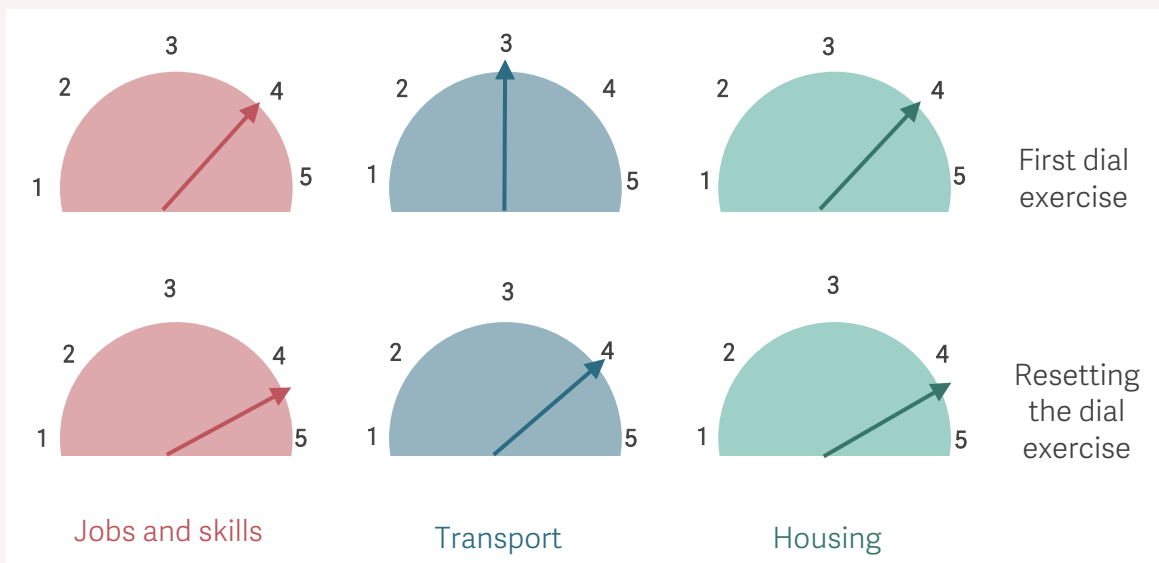
Here, the group were initially unsure about rolling out extensive changes in transport infrastructure, particularly with regards to cars as they struggled to envisage a future city which had dramatically reduced its reliance on cars. They were somewhat more positive about housing, with several

participants advocating for a rapid increase in housebuilding, referencing the need for more affordable homes in particular, although with some hesitation about how to ensure new housing is good quality and doesn't negatively impact on current residents. On jobs and skills, participants were

generally in favour of the change proposed because they felt that it was inevitable, so instead emphasised the importance of policymakers ensuring that local people – and especially children – can benefit from these new opportunities.

But some of their concerns were assuaged once they received information about policy action that could be taken alongside the economic strategy to support those on the lowest incomes or with the least access to educational or career opportunities. This was particularly true of the policies relating to jobs and skills – such as the minimum wage, greater opportunities for training and apprenticeships, and increased funding of education – but was influential across the board, with many individuals (and consequently the group) adjusting each of the dials slightly upwards as a result.

On the whole, across the groups, the promise that policy makers would smooth the sharpest corners off a wholesale plan for growth through pre- or re-distribution increased participants willingness to embrace change. But for some, it had the opposite effect. By highlighting how much the winners and losers from growth were determined by policy decisions, the 're-setting the dial' exercise raised anxiety in some groups about whether politicians would implement the redistributive policies that participants felt were essential to ensure a more prosperous city was also a more equal one.

> *"We had come to a number 4 for jobs. I would say after that presentation now we're back down to a 3. Because [the government] have proven to be not trustworthy. We're not convinced that they're going to make the right decisions."*

Birmingham participant, summarising their group position on the dial for jobs

Residents wanted decisive leadership, but greater scrutiny too

Although many in our groups were sceptical about change, they also appreciated how complex the many decisions were to achieve inclusive growth, and the multiple trade-offs that this would often entail. They showed some sympathy for policy makers, and when asked to make decisions themselves, often struggled to resolve the various voices at the table or even their own conflicting views.

> *"The conversations I've had with people, it's opened my eyes as to just how intertwined everything is. And to be quite honest, I wouldn't like to be the politicians that end up making the decisions."*

Manchester participant (film)

"That's a terrible question!"
"The last question was easily the toughest."

Birmingham participants, asked to decide between option A and B in final exercise (see above for details)

However, residents were also clear that visionary leadership was necessary, and was especially desirable if the short-termism of past development efforts that had wasted money and squandered political capital were to be avoided. But while they got that change was a long game, participants also wanted to see 'early wins' to boost confidence in both their leaders' intentions, and their ability to deliver.

> *"I'd say it all sounds really good, and there are a lot of good words like prosperity and investment, but I think we actually need some leadership that will actually put these things in place, and will actually see the results of what all the investment is, and actually see meaningful change."*

Birmingham participant

> *"Andy Burnham is doing a lot of good things, he's trying, he's not successful at everything, but at least there is change here in Manchester. They are trying to push forward new ideas, and I saw yesterday that there's a new bus pass thing which is moving to trams and the buses. That's moving forward, it's looking more like the 21st century, not the 19th century."*

Manchester participant

But emboldened policy makers also required greater scrutiny in the eyes of our workshop participants. Some participants pointed out that if local leaders had more power they would be under more pressure to deliver, which they felt would be a good thing. But time and again, we also heard a plea from participants that policies be grounded in reality, and transparently decided so that the views of local residents were truly taken into account.

> *Participant 1: "I'm not so certain we could trust the local authorities with doing the taxing."*
> *Participant 2: "I think if they had more powers, though, there'd be more attention on them to do better than they do."*

Manchester participants

> *"Another thing that we agreed on was that people just don't listen enough. Often the government or the council, whoever it may be, are making a lot of these changes and doing things that people actually don't want."*

Birmingham participant

Delivering a wholesale programme for growth requires gaining and retaining the public's trust along the way

The public are often seen as resistant to change, inclined to take a 'better the devil you know' type-approach to vital issues of the day. But our deliberations in GM and BUA suggested this was very much not the case. Residents of these two great cities passionately wanted to see their local economy flourish, both for their own and others' benefit today, and for future generations too. But they were also realistic in their outlook: they appreciated, for example, that economic success would mean a larger and more highly-skilled population, the need to use public transport more rather than their cars, and more and denser housing in their areas. Moreover, few expected that progress could be achieved overnight: a more prosperous city was very much a long-term game.

But this did not mean that participants were prepared to give politicians carte blanche when it came to the pursuit of growth. Again and again, they made plain that the gains from growth must be widely shared if they were to give their broad consent to a productivity strategy. In residents' eyes, 'good growth' raises the living standards of all, creates solid communities, funds excellent public services, and protects the most vulnerable from destitution. But after more than a decade of austerity, and a multitude of broken promises when it came to initiatives to improve their city, participants were understandably sceptical about both the intentions and the capabilities of politicians to deliver the type of growth they were prepared to approve.

So, what does the wealth of opinion we heard in our deliberations mean for the Economy 2030 Inquiry? First, participants' views resonated with the Inquiry's broad conclusion: that growth is a very necessary but not sufficient condition for widespread improvements in living standards in the UK today. Enabling many more people to benefit from the new opportunities presented by a higher-productivity nation,[21] ensuring that work is well-paid and working conditions are good,[22] providing an adequate safety net for those on the lowest of incomes,[23] building enough homes at the right price point so that current populations are not displaced[24]: all are key features of a programme for *shared* growth.

But second, the participants' deliberations added value by showing there is also a critical job to be done to repair the social contract that promises we will all gain as the national economy grows. They made clear that the public will only get behind a

21 See, for example: R Costa et al., Learning to grow: How to situate a skills strategy in an economic strategy, Resolution Foundation, October 2023.

22 See, for example: N Cominetti et al., Low Pay Britain 2023: Improving low-paid work through higher minimum standards, Resolution Foundation, April 2023; C McCurdy, H Slaughter and G Kelly, Putting good work on the table: Reforming labour market institutions to improve pay and conditions, Resolution Foundation, September 2023.

23 See, for example: M Brewer et al., Sharing the benefits: Can Britain secure broadly-shared prosperity?, Resolution Foundation, July 2023.

24 See, for example: P Brandily et al., A tale of two cities (Part 1): A plausible strategy for productivity growth in Birmingham and beyond, Resolution Foundation, September 2023; P Brandily et al., A tale of two cities (Part 2): A plausible strategy for productivity growth in Greater Manchester, Resolution Foundation, September 2023.

strategy for productivity growth if their trust is gained and retained along the way. This demands transparent and honest communications, regular consultations and other public engagement exercises, and even bringing in members of the public in to help resolve tough trade-offs through deliberations of the type we convened. But as well as listening, government must also build trust by delivering early and demonstrable benefits of growth to all. A long-term strategy for growth is vital if the UK is to make a break with 'stagnation nation', but that strategy will fail if citizens are not brought along on that journey too.

Annex 1: Deliberation running order

The structure of the workshops was designed to allow participants to think about how their city region may change generally, setting them up to dive into specifics relating to changes in transport, housing, and jobs and skills.

The general structure of the workshops was as follows:

Day 1

- Presentation from the Resolution Foundation on the aims of the research project and how the workshops fit into this, followed by presenting the challenge of low growth and high inequality identified in The Economy 2030 Inquiry and implications of this challenge for Greater Manchester and Birmingham urban area.

- Initial discussion with participants on what a prosperous future looks like for them and their city.

- Second presentation on what the Inquiry model suggests would need to change in Greater Manchester and Birmingham urban area in order to deliver the prosperity these city regions need.

- Follow up discussion with participants asking them to share initial reflections on the model presented, including highlighting anything which excited or concerned them about the vision.

- Participants visited information stations on each thematic area (transport, housing, and jobs and skills) with a research expert positioned to answer any questions participants had about the information presented. Participants were encouraged to write and attach post-it notes to the stations with their questions and thoughts on what they had learnt.

- Participants split into three groups for table discussions moderated by Ipsos on one of the three themes. The moderator facilitated a deep dive discussion into the first theme assigned to the group, interrogating the trade-offs of the model's proposals and concluding with a dial exercise where participants were asked to individually score how comfortable they would be with the scale of change proposed out of five. Each group discussed the themes in a different order and no two groups were discussing the same theme at the same time to ensure that a research expert could attend the group discussing their theme of expertise and answer any participant questions. On day one, participants were able to discuss two of the three themes in depth.

- The first day was concluded by all three groups coming together in the main plenary space to feed back their thoughts so far on the topics discussed and the workshop itself.

Day 2

- Participants discussed the third and final theme in their table groups.

- Presentation on the policy options available to local and national government to help mitigate and/or distribute the impacts of change on the city's residents. National policy options included: tax, benefits (including Local Housing Allowance), national minimum wage, training/apprenticeships, and better public services. Local policy options included: planning permission, building of affordable homes, council tax, transport discounts, congestion charge, education funding, and lobbying for devolved powers of taxation. Participants also had the opportunity to ask questions about these policy options.

- Participants re-joined their table groups to discuss whether they would want to change their dial set after each theme in light of learning about the policy options available. The groups discussed any conditions – either those specified in the policy presentation or others – that they would need policymakers to deliver in order to accept the change given in the model. The groups then attempted to reach a consensus on an overall dial number that they would be comfortable with and lay out their key priorities and conditions for change.

- The groups came together in the plenary space and presented to each other a summary of their group's discussions.

- Participants were then asked to vote on the key trade-off of the workshop, choosing between greater prosperity and lower inequality.

- Finally, participants were asked for their overall reflections on the discussions, workshop and process of participating in a deliberative exercise.

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