

Towards a suburban renaissance

Paul Hunter, Deputy Director, the Smith Institute



Start of the story



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But focus always on the implications of an urban renaissance on inner cities not what it means for city suburbs?



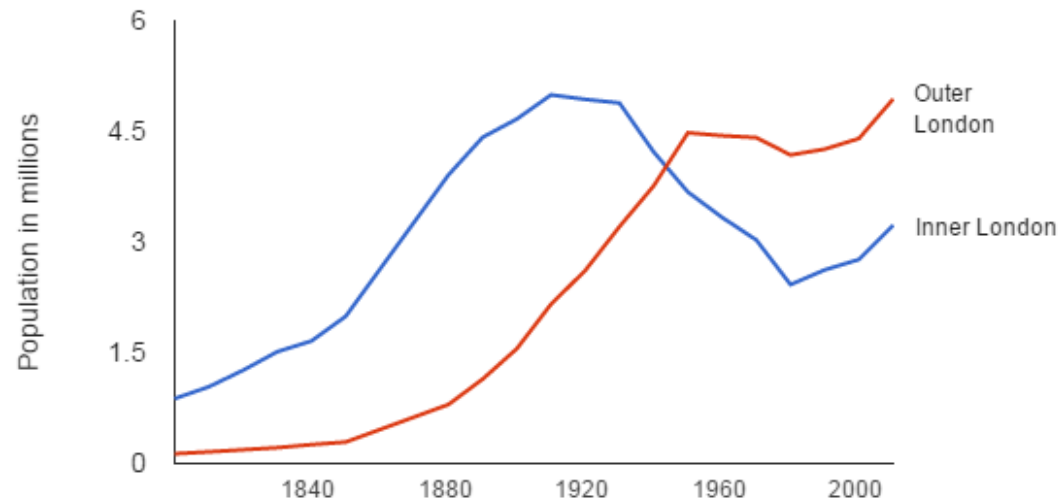
- Population growth
- Poverty rates
- Labour markets
- Housing markets



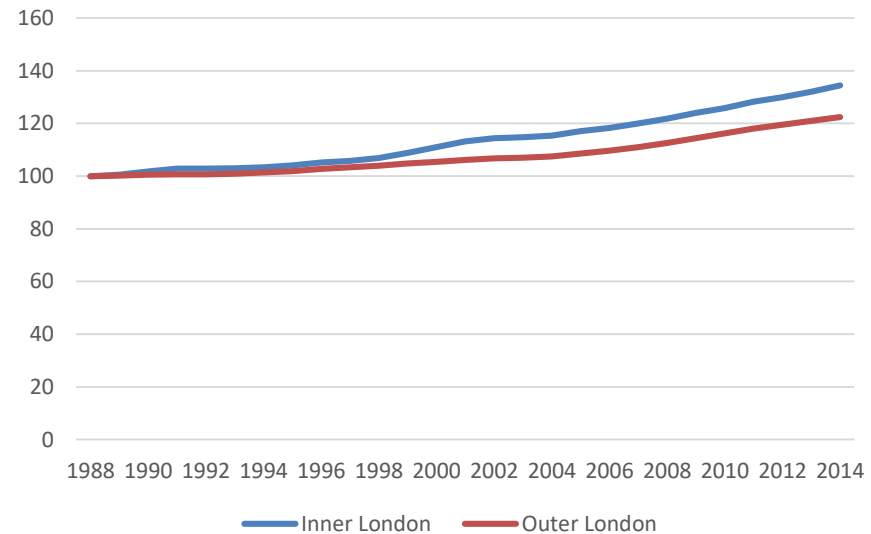
Research looking at three cities: but focus today on London



After population decline, seen people returning to London



Inner and outer London population growth
1988=100



But shifting spatial patterns in poverty and deprivation

Suburbanisation of poverty, London 2001/02-2012/3

	2001/02			2012/13			Change		
	Before housing costs (BHC)	After housing costs (AHC)	AHC (Millions)	BHC	AHC	AHC (Millions)	BHC	AHC	Change (millions)
London	16%	25%	1.9	16%	28%	2.27	0	3pp	.37
Inner	21%	33%	0.96	18%	34%	1.02	-3pp	1pp	.06
Outer	13%	20%	0.94	14%	24%	1.22	1pp	4pp	.26
Difference	8pp	13pp		4pp	10pp	0.2	4pp	3pp	

Source: DWP, *Households Below Average Income*

But shifting spatial patterns in poverty and deprivation

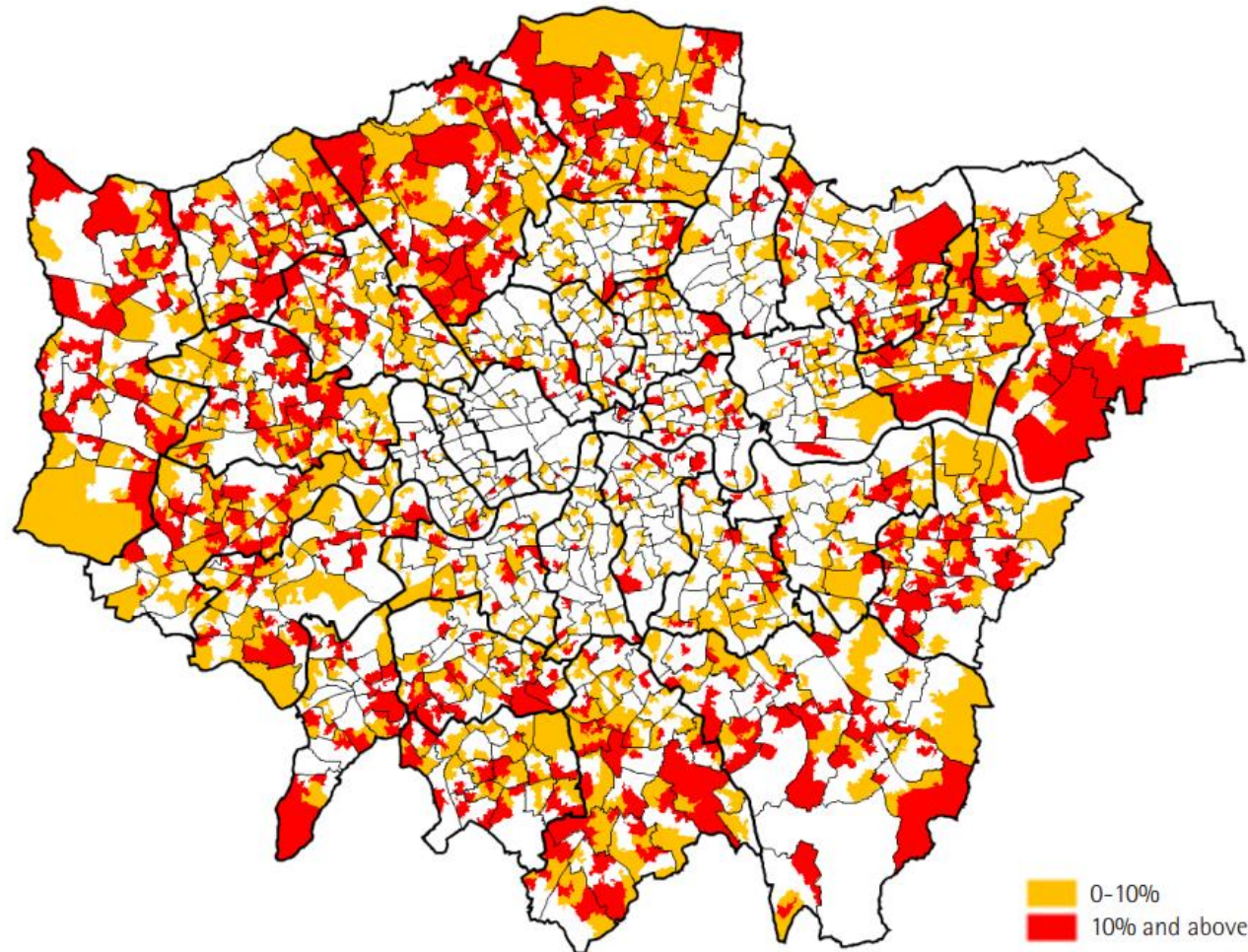
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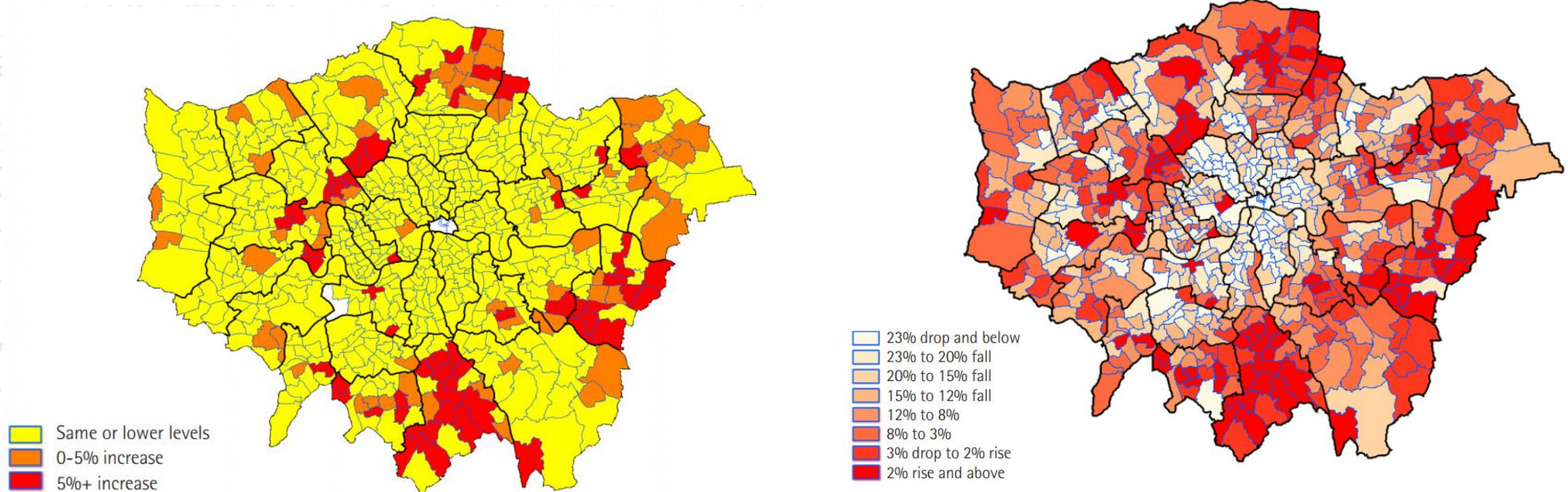
Housing benefit

Changes in housing benefit in London, 2011-2015

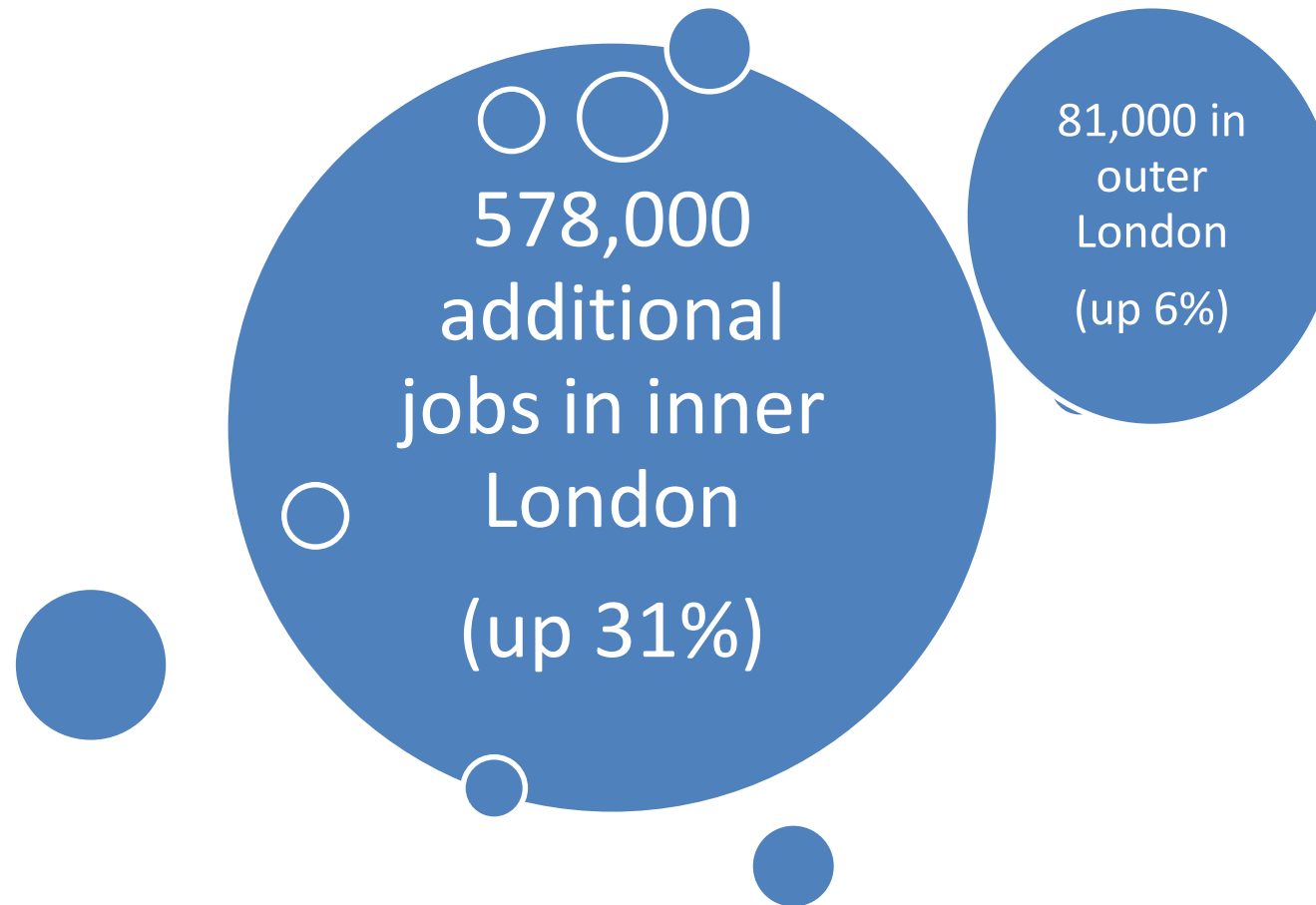


Changes to working age benefit claims

Client group rate change in London, 2004-14

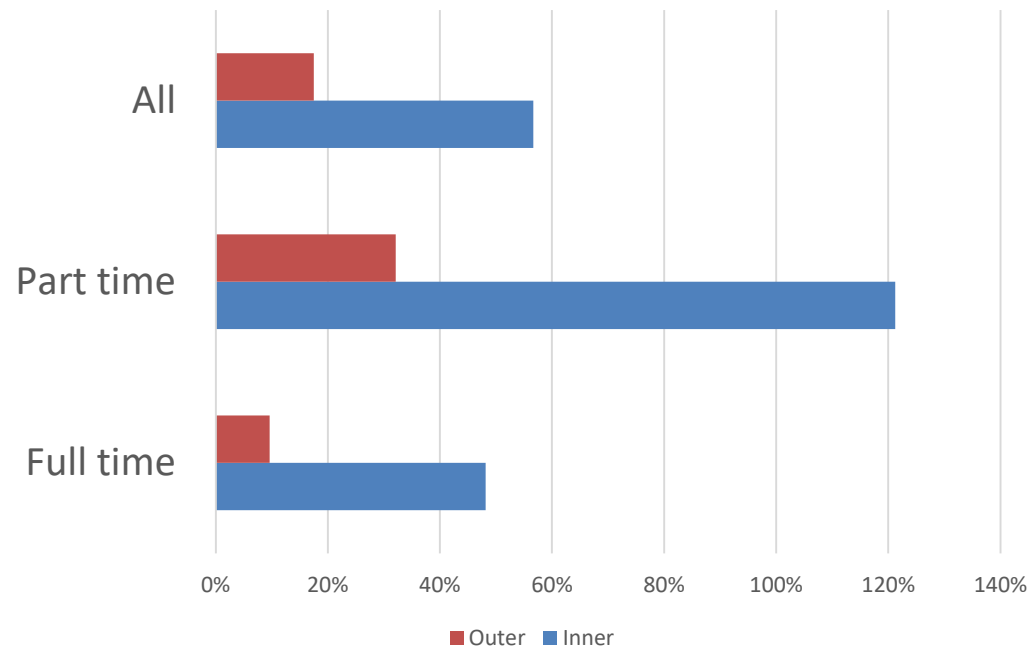


Job growth in the last decade



Not all top end jobs located centrally

Job growth in London: by status and work location 1997-2016



Low pay in London

	2003	2014
Outer	18%	15%
Inner	5%	8%

Source: Author's analysis of ASHE 2003 and 2014 data.

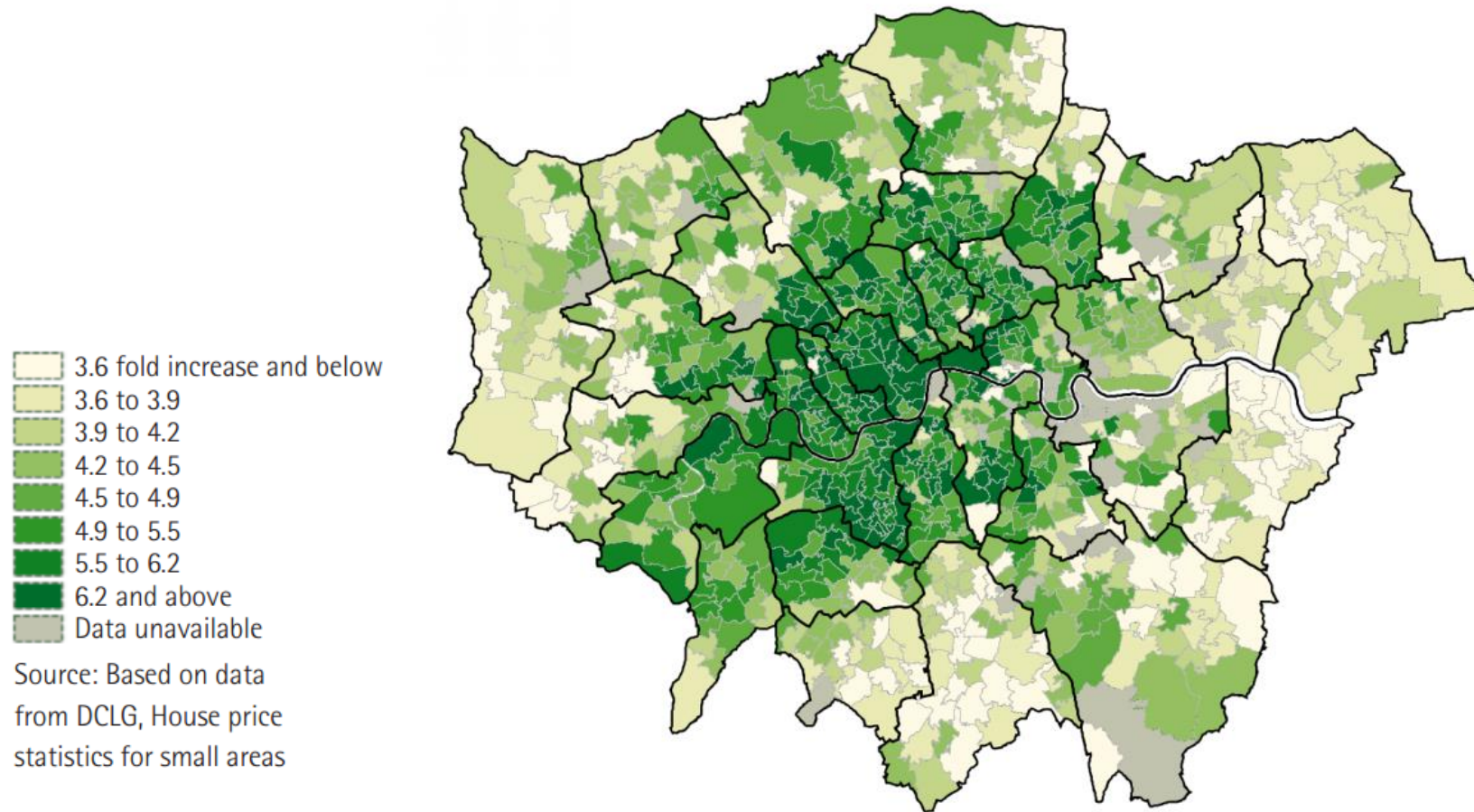
Job growth benefitting those in urban not suburban areas

Number of jobs performed by inner and outer London residents

	2002	2016	Change	% Change
Inner London	800,00	1,187,000	387,000	48%
Outer London	1,670,000	2,024,000	354,00	21%

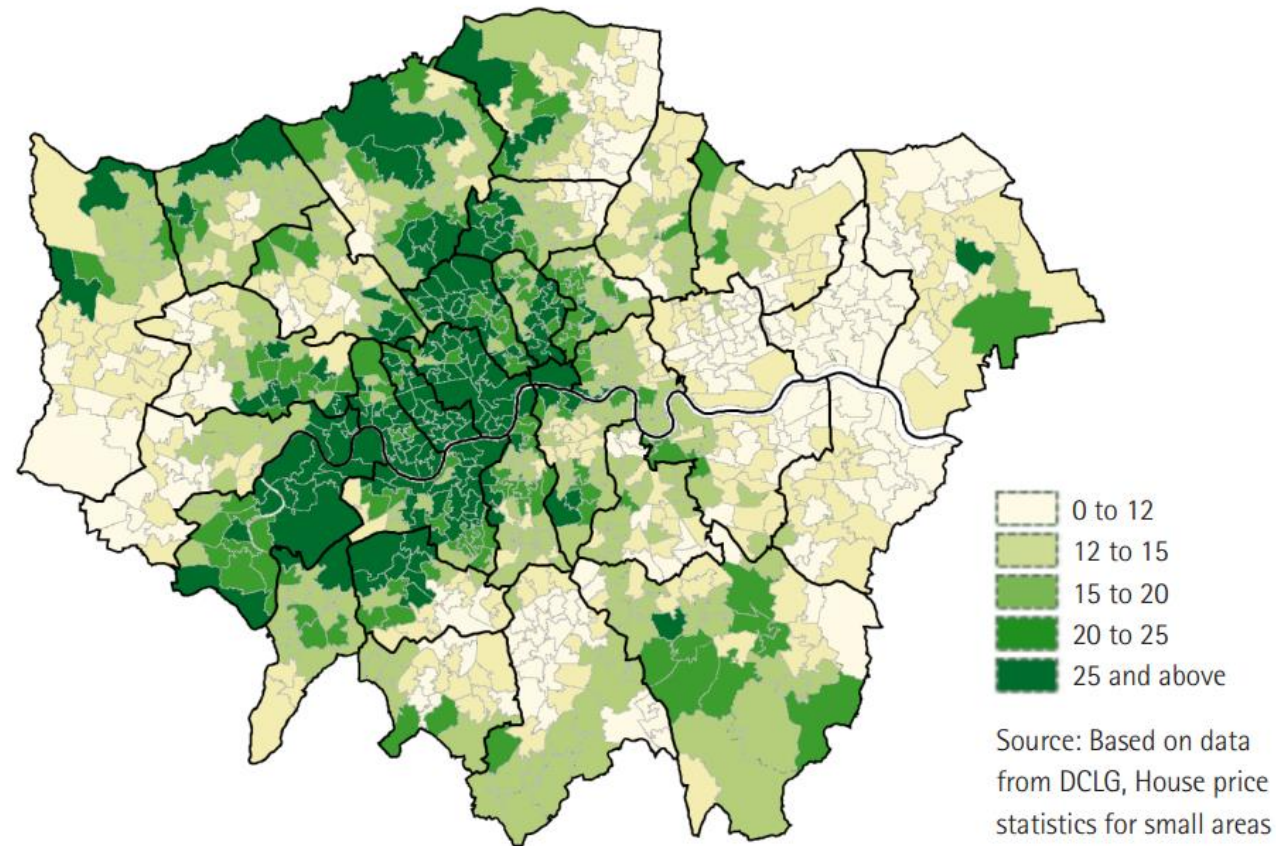
Slower house price growth in suburbs

1995-2014



Affordable (private) housing found in the suburbs

Relative affordability in London (house prices to earnings), 2014



Tenure change

	2001			2011			% change		
	HO	SH	PRS	HO	SH	PRS	HO	SH	PRS
Inner	40%	39%	19%	34%	34%	30%	-15%	-14%	52%
Outer	68%	17%	13%	57%	18%	22%	-16%	3%	75%

	1980-81 % of new build	2013-14 % of new build	1980-81% of new build that was social housing	2013-14 % of new build that was social housing	1980-81 Proportion of social housing built in inner/outer London	2013-14 Proportion of social housing built in inner/outer London
Inner	45%	37%	92%	33%	55%	39%
Outer	55%	63%	63%	31%	45%	61%

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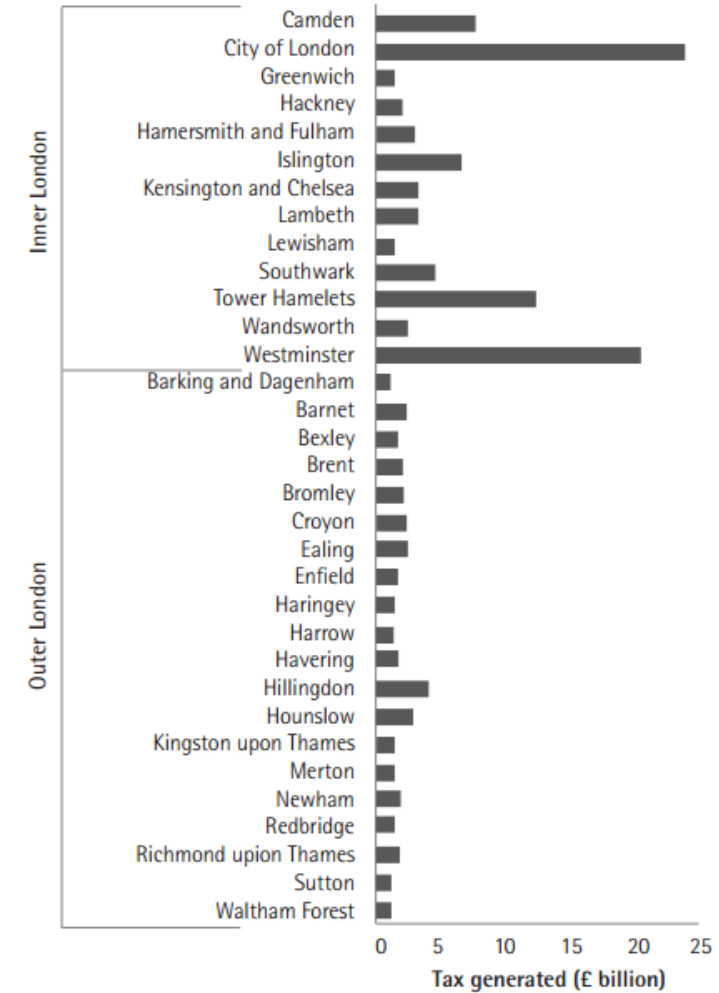
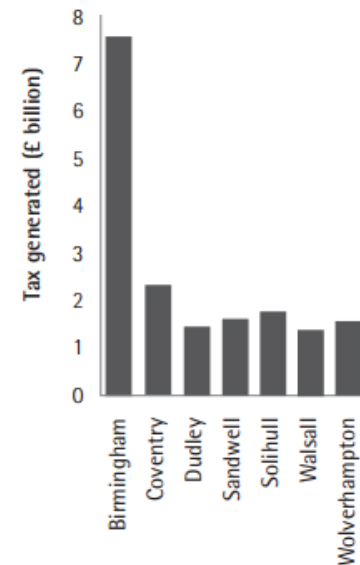
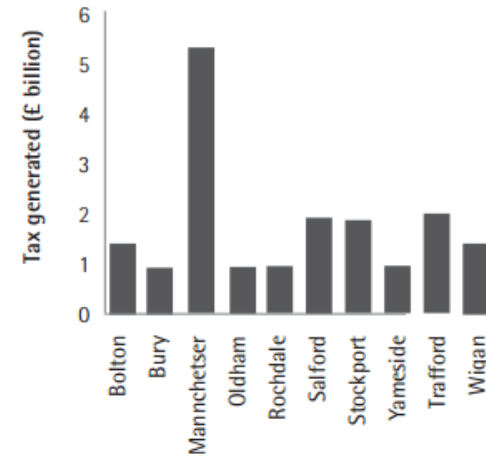
Urban centres	Suburbs
<ul style="list-style-type: none">• Strong emphasis on urban regeneration (incentives for public and private investment)• Business (re)location to urban areas• Rapid increase in jobs located in urban areas• Significant population growth• Relatively higher housing costs in urban areas compared with poorer suburbs than a decade ago• Wealthier urban populations/lower concentrations of poverty	<ul style="list-style-type: none">• Less policy focus on suburbs and less public and private investment in regeneration• Fewer employment opportunities per head in suburban areas• Stagnating numbers of jobs (and falling relative to population)• Slower rates of population growth• Relatively lower housing costs and growth in the proportion of city region's total social housing stock• Rising number of areas classed as most deprived within the city

Policy directions

- Welfare reform: caps on benefits, push to suburbs?
- Housing reform: RTB 2; little/no grant for sub-market housing
- Migration: Growing population and pressures on housing
- Agglomeration: Job growth in urban areas - supported by government – e.g. infrastructure projects
- Devolution: UK governance highly centralised, but if there is devolution will be at city or local level?

Tax base

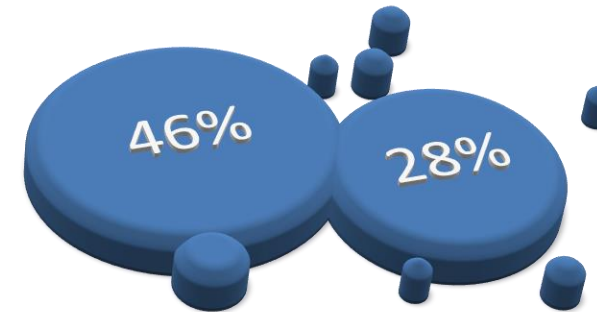
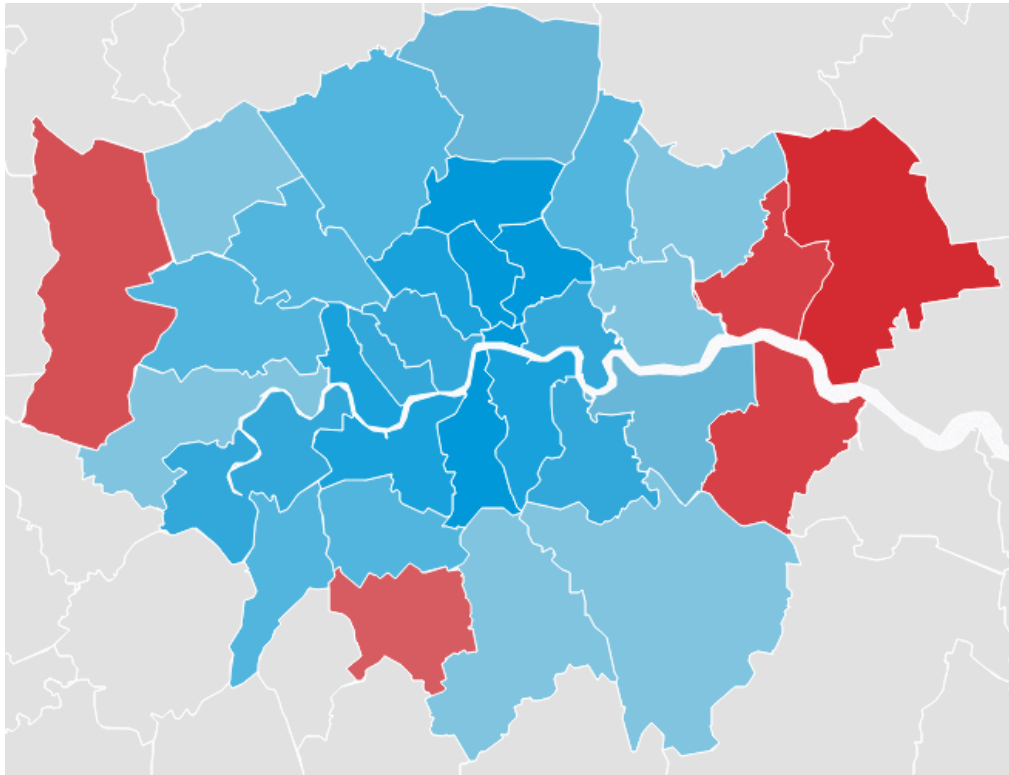
Tax raised within the three city regions



Suburban revolt?



Political unrest? Brexit vote and wider discontent



"The boroughs nearer the city get all the money. The further out you get, the smaller the share of the pot you get. That's how it feels."

Focus group participant

Towards a suburban renaissance

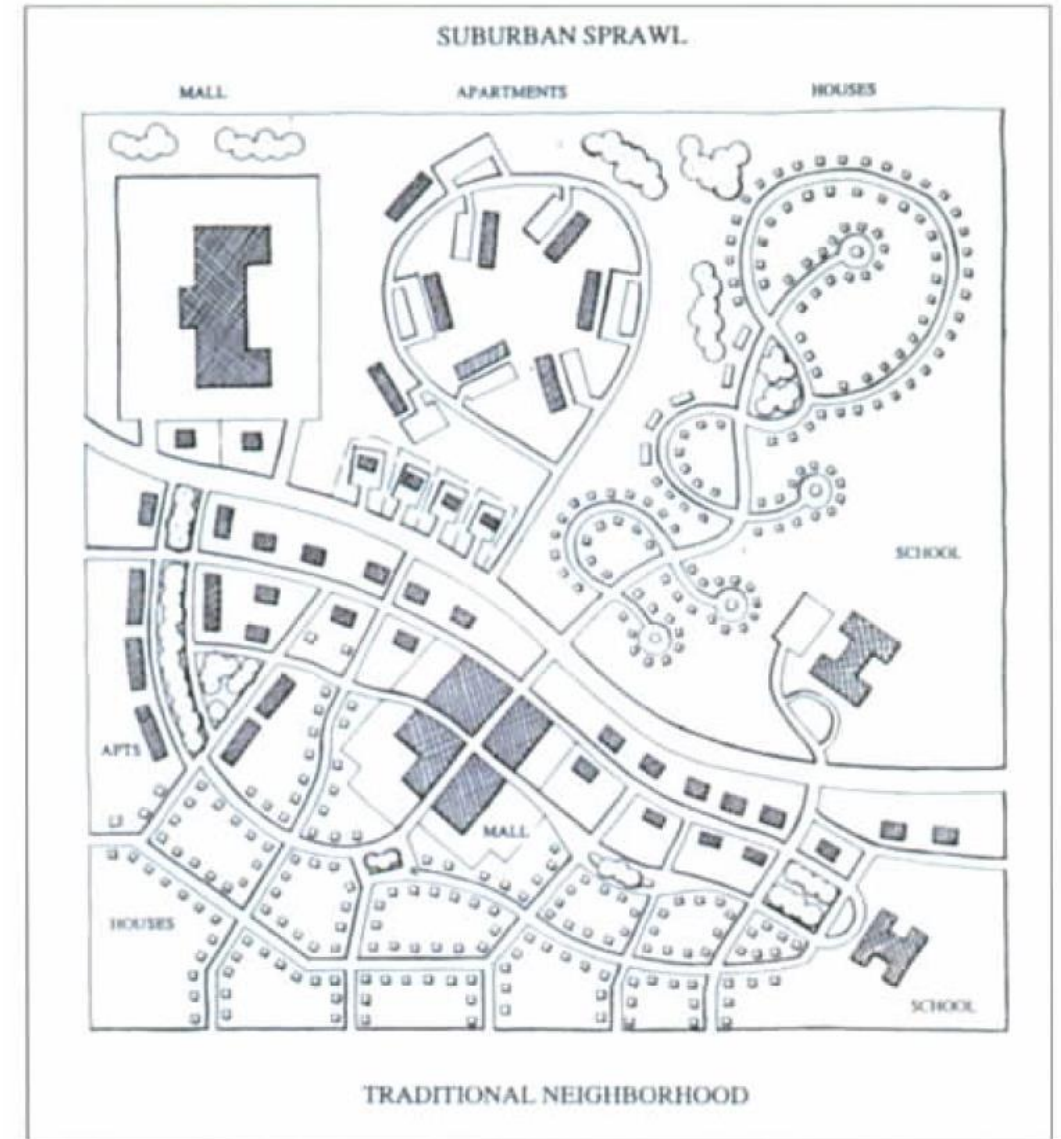
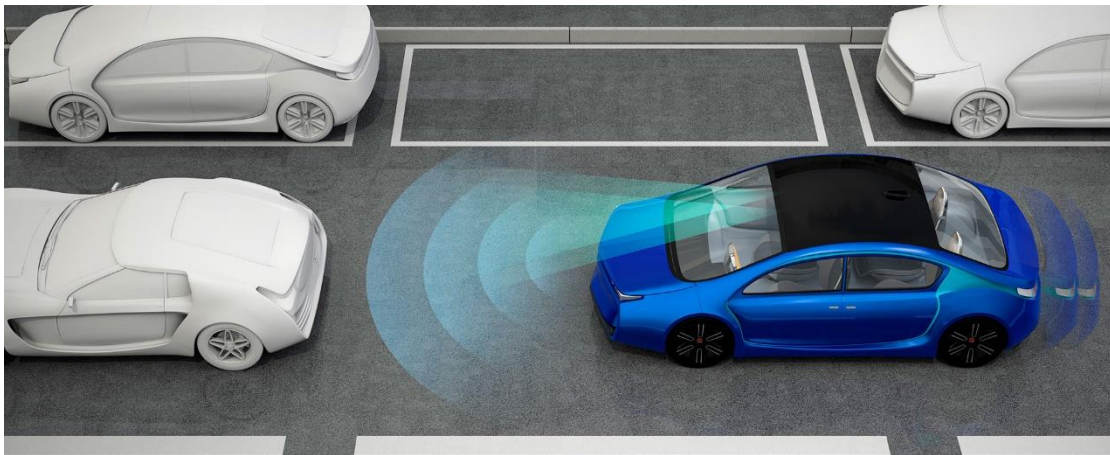
- If there is real pressure, what might be needed?
- Unlikely to want to return to past
- Question, how to make most of suburban assets
- Three key areas?
 - Demand (growing the suburban economy)
 - Connectivity (between suburbs and centre)
 - Density (but sympathetic to suburban environment)

Demand

- Is agglomeration the only option? Polycentric cities – failure of Outer London Commission!
- Diseconomies of agglomeration? Congestion, cost?
- Where we work – home working yet to take off
- Future lifestyles – demise of (suburban) high street shops and rise of leisure activities?

Connectivity

- Possible to open up suburbs to make them more 'permeable'
- Investment in orbital not radial transport projects
- Future of driving (thinking longer term)



Density

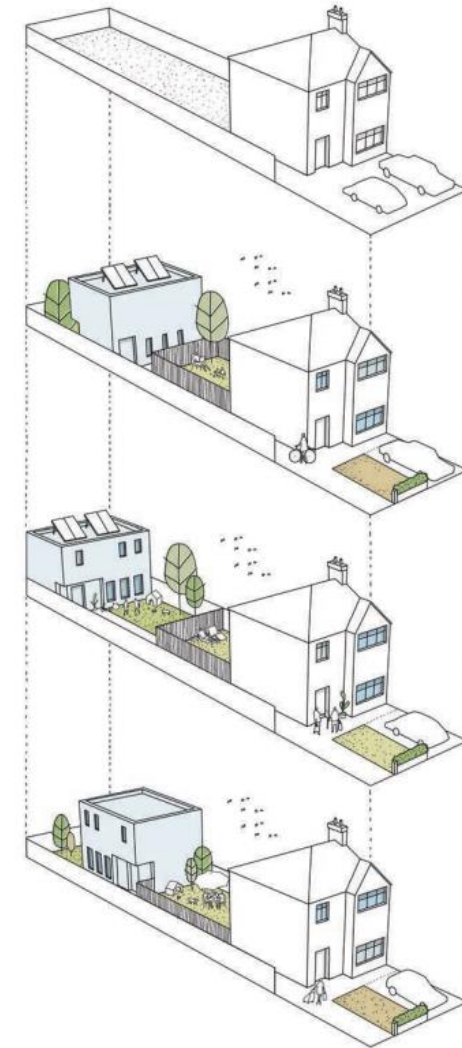
- How increase density of suburbs to meet household growth and support public and private infrastructure and services?
- How the high street is used?
- Densification around current transport modes?
- Denser suburban family housing?

Example 1

Self Build Single Plot Intensification

This single plot intensification retains the main house garden up to 10m or 12m. Options show a new 2-storey, 2 bedroom mews house averaging 72sqm. Depending on the context and relationship to the main house, the design of the new mews houses are sited to the rear or front of the new plot with their private amenity space taking up the remainder.

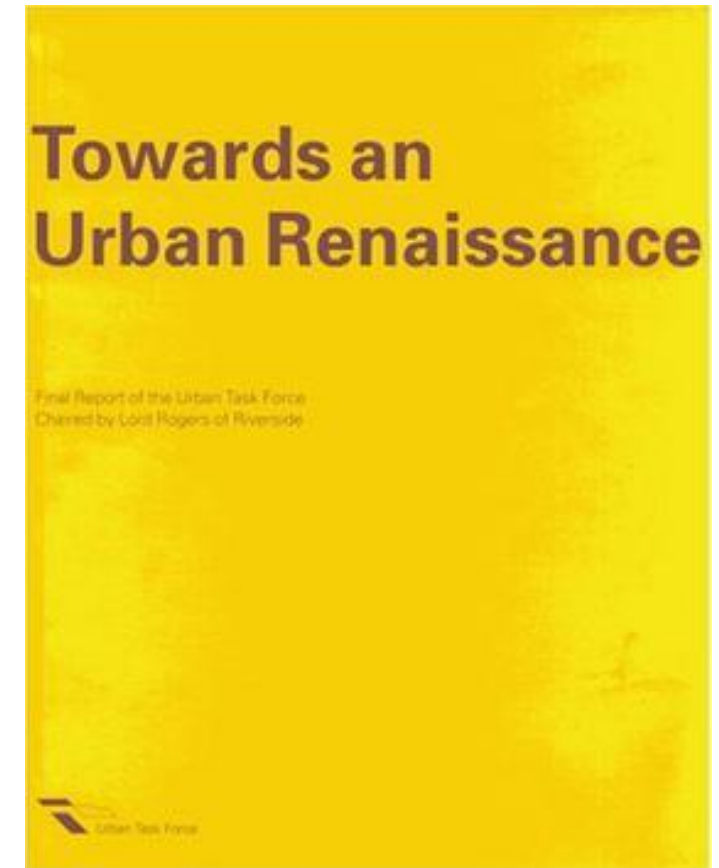
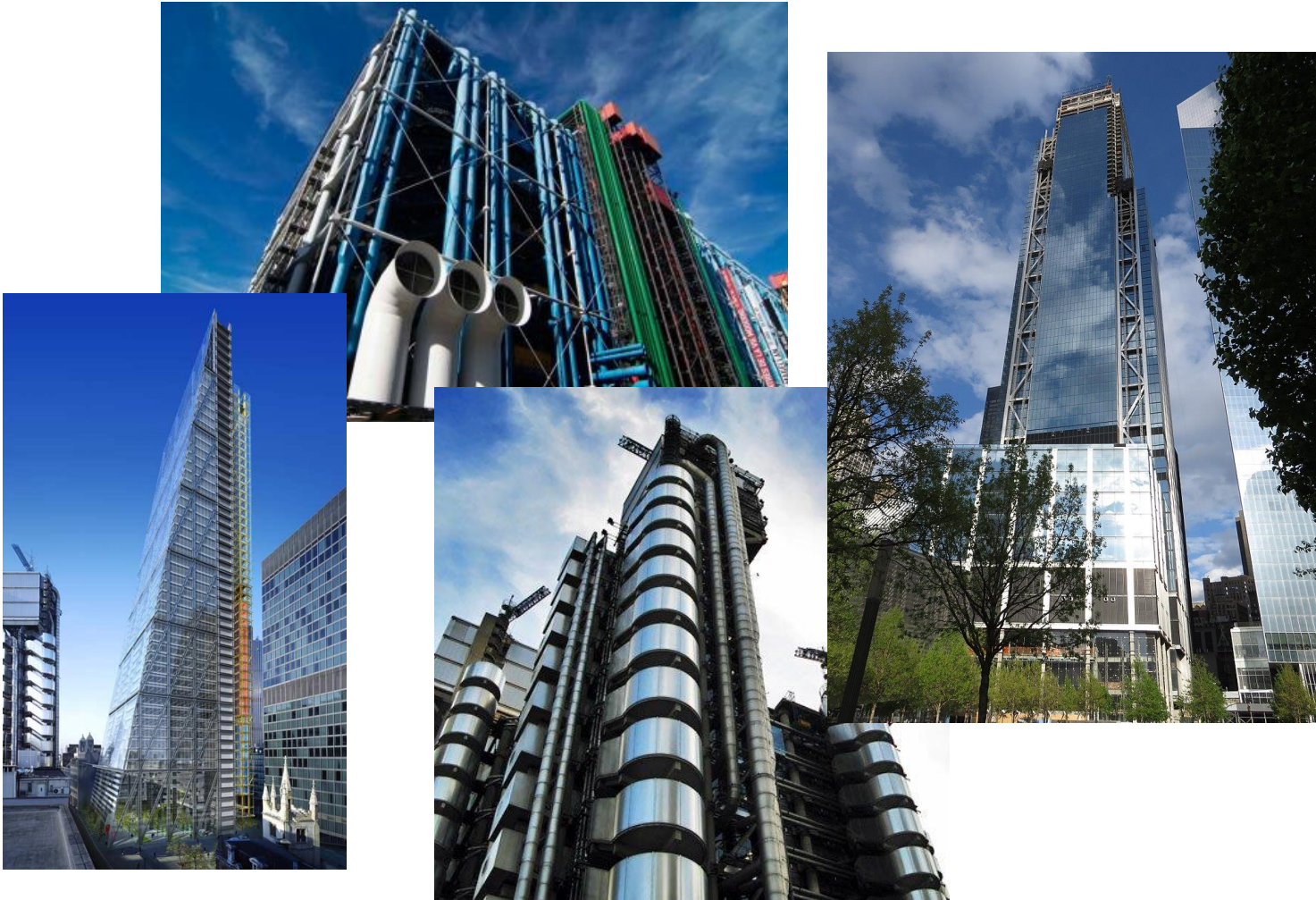
The range of options illustrated create one additional home and a typical profit of £140,000 for the homeowner.



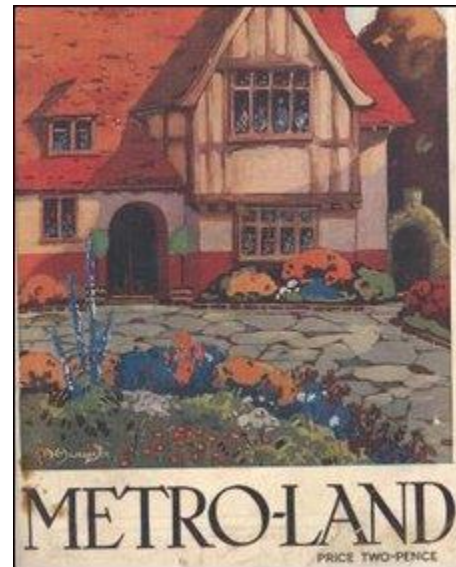
Time for change?



20 years since Richard Rogers's urban taskforce



Towards a suburban renaissance



100 years on
from Metroland

