

United Kingdom

Recent policy developments

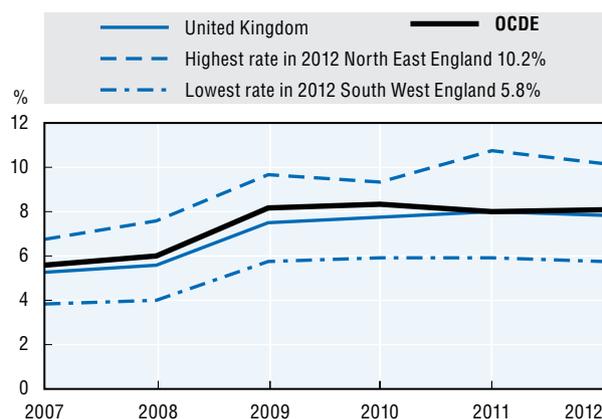
- Since its election in 2010, the United Kingdom government has abolished the nine regional development agencies (RDAs) across England, which were created between 1998 and 2000.
- The government has thus shifted focus to functional economic areas by launching local enterprise partnerships (LEPs). These partnerships between local authorities and businesses decide on local priorities for investment in roads, buildings and facilities. In addition, 24 enterprise zones have been awarded with tax incentives and simplified local planning regulations.
- Since late 2011, urban policy has been centred on a growing number of city deals in England that are being implemented in waves. These deals allow a degree of “tailored” devolution of responsibility to English cities. City deals require better horizontal (across departments) and vertical (between the centre and the cities) co-ordination, and local capacity.
- In 2013, the Technology Strategy Board (the UK innovation-promotion agency) created seven catapult centres for innovation in thematic areas, building on regional strengths in some cases.
- In 2013, the government announced measures to allow communities in some parts of England greater scope for locally driven planning and house-building initiatives, in an effort to reduce the top-down nature of the planning process and to protect greenbelt land.
- A Cities Policy Unit was created in 2011 with public, private, central and local stakeholders to help co-ordinate urban policy.
- A referendum on whether Scotland should be an independent country is set for September 2014.

Government structure	Municipal-level governments*	Intermediate-level governments	Regional or state-level governments
Unitary	406	28	3

* There is also a structured sub-municipal level, mainly in England (10 479 parishes as of December 2010) and Wales (872 communities, 735 of which currently have a council).

Regional development policy	
Lead ministry(ies) or committees	Department for Business, Innovation and Skills; Department for Communities and Local Government
Regional development framework	No explicit regional development policy framework since the termination of RDAs. Some competencies have been delegated to the devolved administrations of Scotland, Wales and Northern Ireland.
Urban development policy	
Lead ministry(ies) or committees	Department for Communities and Local Government; Cities Policy Unit, Department for Business, Innovation and Skills
Urban policy framework or strategy	The White Paper <i>Unlocking Growth In Cities</i> sets the frameworks for the city deals, the main element of UK urban policy.
Rural development policy	
Lead ministry(ies) or committees	Department for Environment, Food and Rural Affairs. The Department for Communities and Local Government is responsible for rural housing and planning policies.
Rural policy framework or strategy	Rural Development Programme for England (RDPE) – consultation document

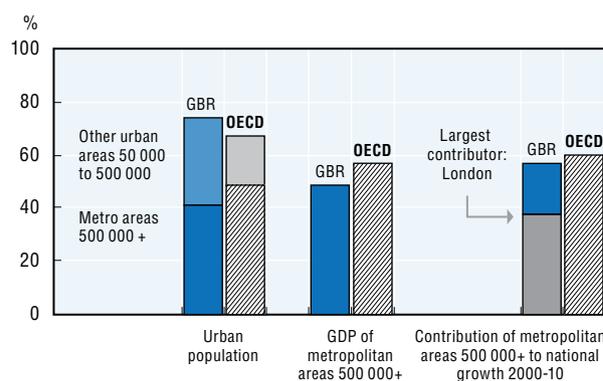
Regional disparities in unemployment trends



The United Kingdom has the 19th and the 9th largest differences between regions in unemployment rates and youth unemployment rates, respectively.

StatLink <http://dx.doi.org/10.1787/888933108985>

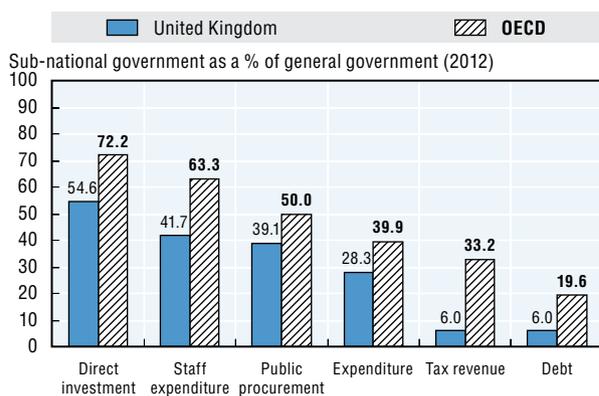
The importance of urban areas



In the United Kingdom, 74% of the population lives in cities of different sizes. The share of population in metropolitan areas (urban areas with more than 500 000 inhabitants) is 41%, compared to 49% in the OECD area.

StatLink <http://dx.doi.org/10.1787/888933109004>

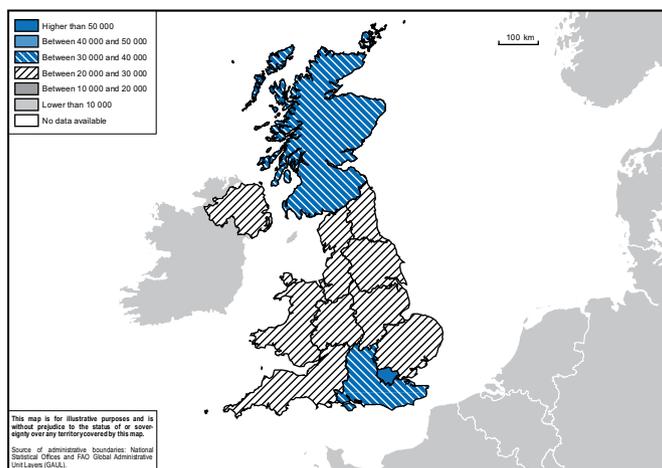
The role of sub-national governments in public finance



Education and social protection are the two largest spending items for SNGs in the United Kingdom: together they represent 64% of sub-national expenditure, compared to 39% in the OECD area.

StatLink <http://dx.doi.org/10.1787/888933109023>

Regional differences in GDP per capita levels



Among OECD countries, the United Kingdom ranks 9th in terms of regional disparities in GDP per capita. In the previous decade, regional growth varied from +2.8% annually in Greater London to +0.9% in West Midlands.