

# URBACT CITYLAB SYNTHESIS REPORT:

Managing metropolitan areas across boundaries and frontiers  
12<sup>th</sup> February 2010, Lille

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## Introduction

This paper brings together the discussion that took place in the URBACT Citylab on 'managing metropolitan areas across boundaries and frontiers' which took place in Lille on 12<sup>th</sup> February 2010. The Citylab was structured around four workshop themes which focused on:

- Land use, housing and urban planning across boundaries
- Economic development and labour markets across boundaries
- Light footprint urban environments across boundaries
- Identity and citizen participation across boundaries

In each workshop, the morning session focused on concrete case studies while the afternoon session attempted to draw conclusions both from the cases and from emerging conclusions in the URBACT projects in this theme (see Annex 2 for a list of URBACT projects in this theme). The full presentations and summaries of each workshop are available on the URBACT website (all links in Annex 2).

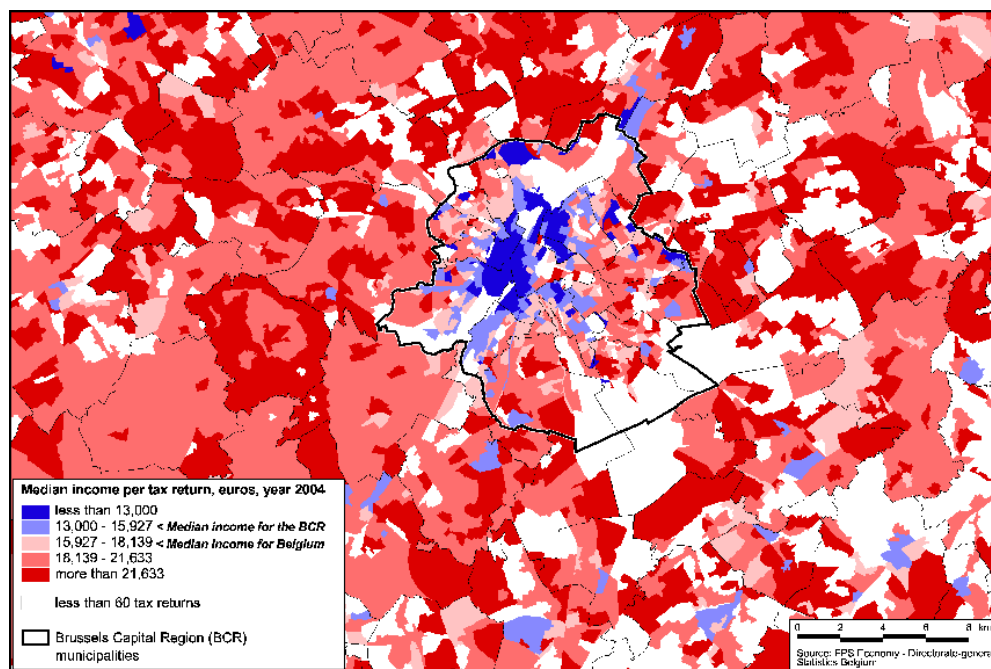
The challenges facing cities in managing metropolitan areas across boundaries and frontier were presented by Christian Vandermotten of Université Libre de Bruxelles who emphasised the following definitions:

A **morphological urban area** (MUA) has a minimum density of 650 inhabitants per square kilometre.

A **functional urban area** (FUA) is a labour market area<sup>1</sup> with more than 10% of the economically active local residents commute towards the employment centre.

In the 20<sup>th</sup> Century, the development of personal and public transport saw the growth of both MUAs and FUAs that dwarfed the original city boundaries in many European cities such as Brussels, Lille, Ostrava, Turin and Stuttgart. The size of the FUA is typically 50-100% larger than the MUA in terms of population, with Brussels being at the upper end of the scale. By 1991, there were 314,000 commuters coming into Brussels, a third of whom came from more than 50km away, nearly two thirds of whom used private transport, and they made up 57% of regional employment yet paid their local taxes to their local communes and not to the Brussels communes. Most of the social problems remain in the core of the city, which has the highest GDP in the country.

**Figure 1: Income distribution within parts of the Brussels Functional Urban Area**



<sup>1</sup> In France this would be a 'bassin d'emploi', in the UK a 'travel to work area'

It is evident that throughout Europe the formal government boundaries at local level have failed to keep up with the rapid transformations that have taken place in local economies and commuting patterns. As a result

not only are most core cities under-bounded in relation to tax incomes but they also contain the vast majority of low income citizens and migrants of the entire functional urban area. Figure 1 for Brussels illustrates this point.

Because of the enormous challenges of managing the city, a range of forms of cooperation have grown up including:

- An addition of municipalities (by combination)
- An addition of municipalities, more or less cooperating together
- Specific cooperation for specific objectives (monofunctional agencies)
- Metropolitan bodies with a two-step (indirect) type of representation
- Metropolitan bodies with direct elected representation
- Successive mergers
- National bodies

Regardless of the chosen approach however, a breadth of issues must be dealt with: transport and mobility issues, the needs of a clean and low carbon environment, managing urban sprawl, issues around the economy including locational questions of new commercial and retail activities, and ongoing problems with social cohesion and problems of deprived populations including migrants and issues around social mix.

Vandermotten highlighted some risks in the current evolution of urban democracy. The development of new forms of governance pose questions for democratic legitimacy. At what scale should populations be able to elect their representatives? How to deal with the risk that more and more power would be deployed

**BOX 1: inter-institutional competition in Florence / Region Toscana (Lead partner in URBACT project, [Jessica 4 Cities](#))**

Three main institutional solutions are competing:

- Italian government enacted national laws in 1999 and 2009 providing the framework for the creation of a number of “metropolitan cities” with metropolitan level government, but leaving to the regional level to organise.
- Regional authority proposes a city-region area, with a city-region authority - In 2000, the Tuscany region defined the perimeter of a city-region, “Florence-Prato-Pistoia”, including 73 municipalities.
- Province: a city-region area, with a greater provincial authority - proposal to merge the 3 provinces of Florence, Prato and Pistoia.

From the point of view of the city, none of the options is actually viable. The city itself is developing an initiative in its own direction. An association of municipalities has been set up, *Firenze Futura*, aiming to foster economic development and social inclusion in Florence and 10 surrounding municipalities. This metropolitan NGO intends to develop a strategic plan for the area built around functions, organising mobility and linking territory.

Beyond the strategic plan, the proposal was to create the Union of Florentine municipalities (11 municipalities, 612.000 residents) for the aggregation of territorial functions, with some delegation of power. But there has been a dramatic political change following the last elections, and now the proposal is in “stand-by mode”. The idea is that the Union of Florentine municipalities (which would also include a political dimension) would be the instrument for political legitimacy and administrative effectiveness, while the strategic plan would be the instrument for planning and development.

by agencies and actors that were not directly elected? Often, the two step solution has been chosen because it requires the least amount of democratic re-engineering. However, these bodies

are far from ideal and can easily become the preserve of local elites operating away from democratic processes and out of touch with what people want.

The workshops at the citylab attempted to address some of these challenges and focused on three core questions:

- How can cities develop forms of governance appropriate to functional and morphological city regions at supra municipality level?
- What types of innovative arrangements do they develop in order to overcome the resulting political, financial and/or administrative divisions?
- How does the citizen remain engaged and the system maintain legitimacy in increasingly complex governance arrangements?

The workshop and plenary sessions also tried to relate these issues to the great challenges facing Europe today including climate change, social inclusion, competitiveness and demographic changes. These questions framed the debates that took place during the day.

### **How can cities develop forms of governance appropriate to functional and morphological city regions at supra municipality level?**

Cities have been innovating at developing new forms of governance at this scale. Workshop 1 heard how Firenze had battled with these problems attempting to navigate through the different views of national, regional and provincial levels to create a viable structure that worked for the city (see Box 1 below). The battles of Firenze illustrate that organising new structures is very difficult where there are tensions between competing levels of government.

More success was observed in Basel (partner in URBACT project, [EGTC](#)) where the Eurodistrict has been the result of ten years of pragmatic cooperation between authorities in Switzerland, France and Germany. They put together their first development strategy in 2001 and they have succeeded in developing a '15 minute city region' and use this as the framework for defining suburban rail and tram networks. They have succeeded in developing a tri national airport and proposals have been put forward for a tri national natural park. Through all of these trinational projects the city aims to develop as a single city rather than as a city divided by three countries. The Basel story is a triumph of pragmatism over national self interest.

### **What types of innovative arrangements are developed in order to overcome political, financial and/or administrative divisions?**

Many of the presentations at the Citylab brought out the innovative aspects of how they had improvised around governance.

#### **Brainy Eindhoven**

Not surprisingly, managing economic development and labour markets has been a rich seam for innovation. The Brainport project in Eindhoven (partner of URBACT II project, [Joining Forces](#)) was conceived as a third pole of development to complement the Airport at Schiphol and the Seaport at Rotterdam. Both of these have attracted investment because of their special competitive advantages from transport links. The difference is that Eindhoven is a port for brains and links the high tech campus originally established around Philips industries in a 'triple helix' between business, academic research and government. The Brainport has adopted an open model of innovation, which is even reflected in the organisation of the campus, and the way that design is used to ensure that academics, researchers and businesses mingle on the campus, even when they come from competing firms. Brainport was perhaps the most privately driven model of new governance discussed at the Citylab.

Increasingly labour markets operate across national borders. Cross-border commuting raises an extreme form of the tax problem that faces most under-bounded cities. In these cases, the business taxes are paid in the country where the employment arises but the personal taxes are paid in the countries of residence.

### **Building bridges in Ister Granum**

Ister Granum, based in the Euroregion connecting Hungary and Slovakia, was presented by the Hungarian town of Esztergom (partner of [EGTC](#)). Their local labour market has grown dramatically because of the construction of a bridge across the Danube. However, local communities that contributed workers to Esztergom received no benefit from business taxes obtained by the municipality and lack financial resources for backing projects. As a response to this problem Esztergom decided to establish a Solidarity Fund by raising 1% through the business tax. The funds are then distributed through an open call for tender to projects that are put forward by the municipalities on either side of the border.

The territorial scope of the Solidarity Fund is the municipalities of Ister-Granum European Grouping of Territorial Cooperation (EGTC), on both sides of the river in the Slovakian and Hungarian communities. Results from the project appraisal process and the decision of Esztergom led to 14 projects being supported with 19.5 million HUF (app. 71.000 EUR) in 2009. Projects varied in size from €500 to €11,000 and covered local investment and local cultural activities. Sixteen projects were rejected. Ister Granum EGTC shows that new forms of financial instruments can be developed to address cross border labour market issues even when taxes remain national.

### **Multi level arrangements in Lille**

Lille (Lead partner of URBACT project [Joining Forces](#) and partner of [EGTC](#)) possibly represents the area of Europe that has seen the most comprehensive efforts to establish new forms of governance to work across boundaries. These efforts reflect its challenges to reinvent an economy devastated by closures in the second half of the 20<sup>th</sup> Century and its proximity to Belgium. There has been very strong political vision and leadership for the past 40 years in Lille. Pierre Mauroy, a Prime Minister of France in the 1980s, became Mayor of Lille in 1973. He went on to be president of Lille Metropole from 1989 to 2008 and in that year handed over to a similarly powerful politician – Martine Aubry the leader of the French socialist party. The Lille Metropole now encompasses 85 municipalities and had a population of 1.1 million in 2007.

Lille made agreements in 2008 with authorities on the Belgian side of the border to form the Eurometropole Lille-Kortrijk-Tournai. This alliance was the first EGTC to be agreed in Europe. It brings together fourteen partners - four from France and ten from Belgium including the national levels on both sides. The Eurometropole is complemented by the L'Aire métropolitaine de Lille, which was established in 2005 and brings together 23 public bodies from France and Belgium. Although this is an informal transnational cooperation it is recognised by the French and Belgian states.

But despite this evolved and complex architecture not everything runs smoothly. For instance, during the URBACT Citylab participants learned of the challenge of French national laws in the context of the Biogasmax project. They prevented local private waste from restaurants and shops being treated by a public facility. In addition, higher subsidies in Belgium had created a cross flow of feedstock away from the processing plant on the French side of the border and into Belgium.

### **Malmo - making sustainability a reality**

The city of Malmo (partner in URBACT project, [CoNET](#)) is focused on making sustainability a reality by aiming to become Sweden's most climate smart city and to be carbon neutral by 2020. There is strong political support on environmental issues with broad political consensus. The city has used its financial leverage to test small and large scale solutions and has ten staff dedicated to winning resources from Europe and the national level in this field. The flagship project is the Western Harbour, which is a multi stakeholder development combining retrofitting and new-build

approaches. Local education has been key to gaining buy-in from the existing and new communities in the developments. The approach adopted has been to make it 'easy' for people to do the right thing whether this involves sorting waste or practicing energy efficiency. Malmo has become a leader in sustainability efforts at EU level.

### **How does the citizen remain engaged and the system maintain legitimacy in increasingly complex governance arrangements?**

Keeping the citizen involved is becoming harder and harder. Many of the higher level authorities at either the morphological (MUA) or functional (FUA) levels are not directly elected. They either take the form of a quasi-autonomous non-governmental body the so-called QUANGO typical in Anglo Saxon and Scandinavian settings or the indirect model pioneered in France with a whole array of inter communal forms. Both tend to

lead to a distancing of the citizen from the organisation. These emergent bodies are usually not as strong as the directly elected bodies at lower levels. Two examples discussed during the citylab:

- Lille used its European cultural capital designation in 2004 as an opportunity to co-produce cultural products with its citizens.
- Slubice (partner in URBACT project, [EGTC](#)) and Frankfurt Oder, despite having different competencies, have succeeded in defining joint strategies and a joint committee. The two cities have used participation techniques to work on a common vision for the city.

Derek Antrobus, an elected member for Salford, was invited to speak at the Citylab but was forced to miss the meeting due to a broken leg. However, he submitted a paper in his absence, challenging attendees with the suggestion that there is no such thing as Manchester or even his beloved Salford. According to his argument, both places are mere constructs and he goes on to argue that there are many versions of Manchester and Salford in peoples' heads. Identity in cities is complex and people use these labels differently in a range of specific contexts such as shopping, airports, and football as well as in relation to the municipality.

When it comes to issues around planning, transport and waste disposal, he finds that people refer to their local council regardless of the ownership of the plan. He also cites the disappointing outcome of the referendum on the issue of a congestion charge in the city. The ten Greater Manchester authorities had been unable to agree. As is often the case, outlying boroughs were against these types of charges whereas the core parts of the city that would see reduced congestion were in favour. At the public vote, the proposal was rejected comprehensively, as was a similar referendum in Edinburgh. The only place where implementation has been possible has been in London where Ken Livingstone had campaigned on a manifesto including the congestion charge, and subsequently took the decision himself without a referendum and against widespread opposition. The charge worked and is now popular, having reduced congestion in the centre by between 20 and 30 percent.

New metropolitan arrangements in Manchester are organised at the morphological (MUA) area through an indirect representative system made up of the elected leaders of the ten local authorities. Beneath this level, a series of appointed Commissions deal with the detailed policy agenda and co-opt private sector and civil society representation. An example is the Manchester Commission for the New Economy, which recently announced the creation of 1000 temporary jobs in response to the crisis.

In the Oresund region that brings together Malmo in Southern Sweden with Copenhagen in North Denmark because of the Oresund Link bridge, the participation of citizens is an ongoing challenge. The region has offices in each city but has found it difficult to engage people in the cross border project. Their experience is that people can engage when there are concrete issues that concern them but they are less likely to participate in more abstract discussions.

## Conclusions

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This URBACT Citylab illustrated that while cities are innovating and making progress around developing new forms of cross boundary and cross border governance, there is still much to do.

The key challenge recognised over the course of the day's discussions is agreeing which problems should be tackled at which levels of governance. Those coordinating these entities or areas need to define their specific territorial problems and use this knowledge to define functional areas, and then devise appropriate, agile and adaptable administrative structures.

Some cities, such as Manchester, Lille, and Basel have illustrated a tendency to move from mono to multi functional arrangements at the metropolitan level. But these powers are often being defined at the level of the morphological rather than the functional urban area, as in the case in Manchester.

### Lessons for Europe

All of this organisational innovation poses new questions for the Managing Authorities of Structural Fund programmes and for the future priorities of the funds themselves. There are clear efficiency arguments about intervening at the most appropriate geographical scale. Intervening at too small a level can often lead

to perverse incentives and sub-optimal decisions. However, the example of Florence illustrates that deciding at which sub regional level to intervene is also a fraught and contested decision that is ultimately political.

The regional level in Europe has evolved as a scale of intervention for the Structural funds, but often the boundaries of regions, whether with each other or on the edges of Member States, no longer correspond to the morphological and functional urban system. Regions need to increasingly manage their resources to take account of these emerging city realities by both organising their efforts at smaller geographical levels, and across boundaries and frontiers in cooperation with other regions.

In the more complex situation of operations across regional and national borders the programmes will have to become increasingly agile and creative in order to find effective solutions that work at the economic level and enhance the legitimacy of democratic systems. In particular they need to find ways within the commitment and payment systems to finance joint projects that cross regional and national boundaries.

More innovation will be needed by the Managing Authorities to ensure that the best solutions emerge that enable these key metropolitan regions to tackle the grand challenges of the 21<sup>st</sup> Century including: climate change, energy and resource shortage, ageing society, growing inequalities, and migration.

The challenge is to define in practice what that most effective scale is and then to privilege support for that scale of operation in programming arrangements. In the more complex cases the appropriate level crosses regional and on occasion national boundaries, as it does in Lille, Basel and Ister Granum. It follows that more innovation is needed at the level of Managing Authorities to address these issues and to consider how such funding arrangements can be structured. The INTERREG programmes offer some ways forward but do not contain the bulk of the funding, which remains in the convergence and competitiveness programmes. The URBACT examples that were presented at this Citylab also illustrate that within existing structures and frameworks new solutions are possible.

A key question for the ERDF is how it can encourage and incentivise good governance at the most appropriate urban scale. Finance by itself can only achieve so much and in convergence regions the grant rates are already very high so there is little room for further incentives.

Clearly INTERREG has a significant role to play across national boundaries. In the future it could also play a greater role across regional boundaries where similar problems of edge effects can exist.

It is possible that considerable progress could be made using an approach similar to that deployed through the Innovative Actions in the 1990s and early 2000s around promoting regional innovation strategies. Concrete pilot projects set within the context of the mainstream programmes that focused on multi-level governance issues and tied action plans to larger scale project funding from the programmes could play a valuable role.

The conference also brings out the added value of sharing practice in this emerging field at the EU level. Without transnational exchange programmes like URBACT it is likely that individual cities would develop their own solutions at their own speed with little recognition that there are others working in the same field. Exchange and learning networks accelerate the transfer of new approaches and help to improve policy design by avoiding the re-inventing of approaches that have already been developed elsewhere. Sometimes the barriers, problems and mistakes can also provide valuable learning.

There was some evidence that an evolution was taking place in integrated approaches from single function to multi functional organisations. Lille is perhaps the best example of this trend. Multi function authorities can help policy areas to be better coordinated – for example between transport, planning and labour market policies where there are strong connections and interactions.

It was clear from the conclusions of the conference and from the lively intervention of René Vandierendonck (the Mayor of Roubaix) that the future will consist of more cooperation at local level but that this has to be politically led. Many of the top down approaches led by national governments have not succeeded. Equally there are problems of achieving cooperation between authorities when there are no incentives that can stimulate cooperation and avoid so-called 'free rider' problems whereby a non contributing authority benefits from the wider partnership. Member States need to look at how their existing regional arrangements relate to metropolitan regions and how these can be adjusted and improved.

Finally, there will need to be new mechanisms for monitoring the effectiveness of policies at the metropolitan and city-region level especially as one of the results of the crisis has been a widespread desire for greater transparency. Too much of this debate takes place without enough evidence to demonstrate that stronger and better metropolitan governance will contribute to the 2020 vision of smart, green and inclusive growth.



## Annex 1: URBACT II projects working on metropolitan governance issues

[JOINING FORCES](#) takes a thematic approach to examine how models of governance can work in a range of sectoral contexts.

[EGTC](#) looks at the specific challenge of managing city regions that cross national boundaries

[LUMASEC](#) focuses on managing urban sprawl and encouraging the use of brownfield sites to create more compact cities.

[NODUS](#) examines the need to manage urban regeneration at city region level to avoid externalities and spillover effects.

[CITY-REGIONS NET](#) net focuses on managing smaller city regions and specifically examines models of governance and finance.

[NET-TOPIC](#) is addressed to medium sized (intermediate) cities located close to a major city within a metropolitan area.

In addition, [Metroborder](#), an **ESPON** project has been working extensively on issues around polycentric development particularly through the project.

## Annex 2

Presentations from the individual workshops, available on the URBACT website

### Workshop 1: Land use, housing and urban planning across boundaries

Workshop Report – Melody Houk (insert link)

- [LUMASEC preliminary results, Natasa Pichler](#) - Powerpoint
- [City of Bytom - Planning Support System \(LUMASEC\), Pawel Decewicz](#) - Powerpoint
- [ESPON - Territorial Evidence with an Urban Dimension, Rene Van der Lecq](#) - Powerpoint
- [Trinational Eurodistrict Basel, Frédéric Duvinage](#) - Powerpoint
- [Florence – towards a metropolitan solution, Raffaella Florio](#) - Powerpoint
- [Lille - Building the intense city, Jef Van Staeyen](#) - Powerpoint

### Workshop 2: Economic development and labour markets across boundaries

- Workshop Report – Tamas

Horvath [http://urbact.eu/fileadmin/general\\_library/Report\\_Workshop\\_2\\_FINAL.pdf](http://urbact.eu/fileadmin/general_library/Report_Workshop_2_FINAL.pdf)

- [Joining Forces, Thierry Baert](#) - Powerpoint
- [Brainport Eindhoven, Ab Oosting & Drs. H.H.M. \(Harm\) Mertens](#) - Powerpoint
- [IsterGranum Solidarity Fund, Dr. István FERENCSEK](#) - Powerpoint
- [Localret - Barcelona, Joan-Miquel PIQUE](#) - Powerpoint
- [ESPON Project Metroborder, Tobias Chilla](#) - Powerpoint
- [Lille Metropolitan Area – AML Devecó](#) - Powerpoint

### Workshop 3: Light footprint urban environments across boundaries

- [Workshop Report](#) – Shandi Miller
- [Minewater - Heerlen, Gerrit Van Bilj](#) - Powerpoint
- [Making Sustainability Reality – Malmö, Ola Nord](#) - Powerpoint
- [Biogasmax – Lille, Gildas Le Saux](#) - Powerpoint

- [CityRegion.Net - The role of cities in integrated regional development, Bernd Gassler](#) - Powerpoint

### Workshop 4: Identity and citizen participation across boundaries

- [Workshop Report](#) – Fernando Barreiro
- [EGTC and MOT, DR Hans-Günther CLEV](#) - Powerpoint
- [Joining Forces – Identity, Luc Maufroy](#) - Powerpoint
- [The Oresund Region, Lars Witt](#) - Powerpoint
- [European Twin City Frankfurt Oder-Slubice, Sören Bollmann](#) - Powerpoint

## URBACT II

**URBACT** is a European exchange and learning programme promoting sustainable urban development.

It enables cities to work together to develop solutions to major urban challenges, reaffirming the key role they play in facing increasingly complex societal challenges. It helps them to develop pragmatic solutions that are new and sustainable, and that integrate economic, social and environmental dimensions. It enables cities to share good practices and lessons learned with all professionals involved in urban policy throughout Europe. URBACT is 181 cities, 29 countries, and 5,000 active participants

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