



Metropolitan metrics: measuring success of a collaborative city

Round up of background work and options

April 2009

Introduction: London Collaborative work on metrics

A short piece of work on metrics of success was commissioned under the 'leadership development' theme of the Collaborative programme. It was intended to inform reflection on how we can assess the role of the public sector in a global city like London.

Background research brought together ideas on how to assess success of global cities from a public sector perspective, previous thinking on pan-London metrics and models of high level indicators and international comparisons.

Emerging findings and options were tested with a number of audiences including a workshop in June 2008. People see the value of a rounded picture of how London is doing but also the complexity of designing measures and deciding where any accountability should lie.

Introduction /2

The key propositions are –

- There is a wealth of data on London and its public services but no accepted set of measures on overall success
- A balanced scorecard for London could have three domains: economic and social dynamism, wellbeing of people and places and future-readiness
- Existing data, evolving ways of measuring factors like wellbeing and adaptability, international comparisons and models are worth exploring

This paper rounds up the background work and puts forward a number of proposals on how these ideas could be taken forward.

Outline

This paper – in extended presentation format – covers the following:

Defining success

- questions and perspectives
- the challenges identified by the London Collaborative

Measuring success

- a balanced scorecard
 - economic and social dynamism
 - wellbeing of people and places
 - future readiness
- potential measures
- international insights including comparisons

Taking this work forward – options

Questions about success ...

Success for **whom**: London as a city? Londoners?
Institutions?

Success at **what**: edgy dynamism, global reach or
infrastructure that works?

Success **where**: different dynamics in different parts of
London

Perspectives on success ...

London as a city including -

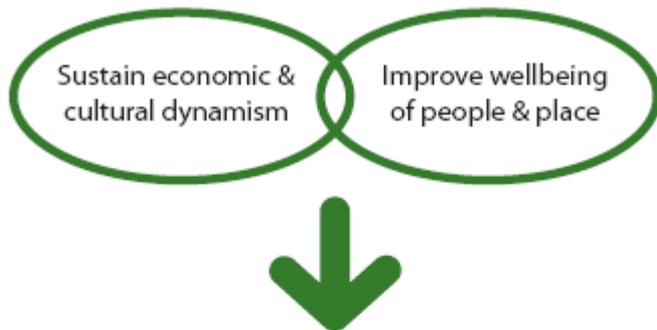
- experiences and views of those who live in and use London (liveability wellbeing, cohesion, satisfaction)
- segmentation of perspectives – including across generations
- role in south east and rest of the UK, as a region
- business
- comparisons and ratings nationally and globally
- visitors and potential migrants

London's public sector including –

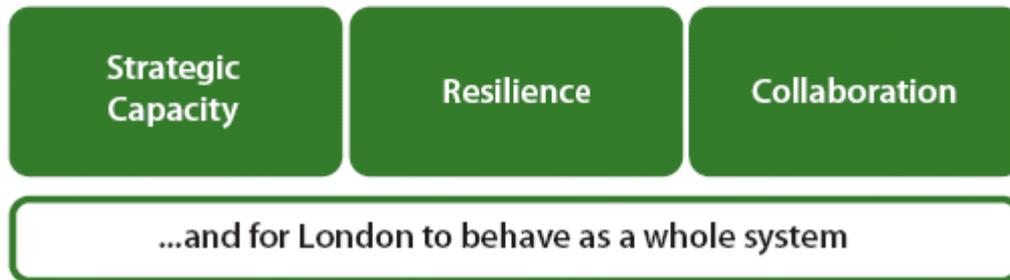
- expectations and satisfaction of Londoners and visitors
- collective self-assessment and peer reviews
- reputation
- perception of government, stakeholders including star and other ratings
- 'objective' performance – services, place-shaping, investing in future

One definition of success: meeting these challenges

The challenge for London



The challenge for the London Collaborative: *how to build...*

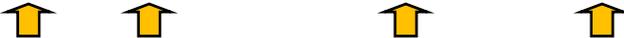


This is the London Collaborative articulation of success (March 2008).

What are other definitions and pictures of success for London and its public sector?

What changes in light of the recession?

Collaborative success

| | Outcome | Outcome | Reputation Vision |
|-------------------------------|---|--------------------------------|--|
| London | economic & cultural dynamism | wellbeing of people and places | world city? people city? creative city ? |
| London's public sector |  confident, visible and recognised contribution through excellent services and place-shaping at London-wide and borough level ...acting as one system where necessary | | world class public services leading innovation?... future readiness? |
| London Collaborative |  support for collaboration where there are gaps and opportunities, problem solving and building effective adaptive capacity to meet the future ... make it natural to think and act local and London | | |

Measuring success

There is no shortage of performance and contextual data on London and its public services. At the same time, there is no generally accepted set of high-level indicators that public sector leaders and policy makers can use to judge London's success in the round, in absolute or relative terms or as a basis for targeting collective action.

It could be argued that mutual accountability across the public sector in London is as or more important than a set of high level measures.

In considering whether and how this gap could be addressed we should -

- go beyond current approaches to measuring the performance of organisations and places to extend innovative and emerging thinking
- draw on existing data and avoid the burden of collecting more

Measuring success

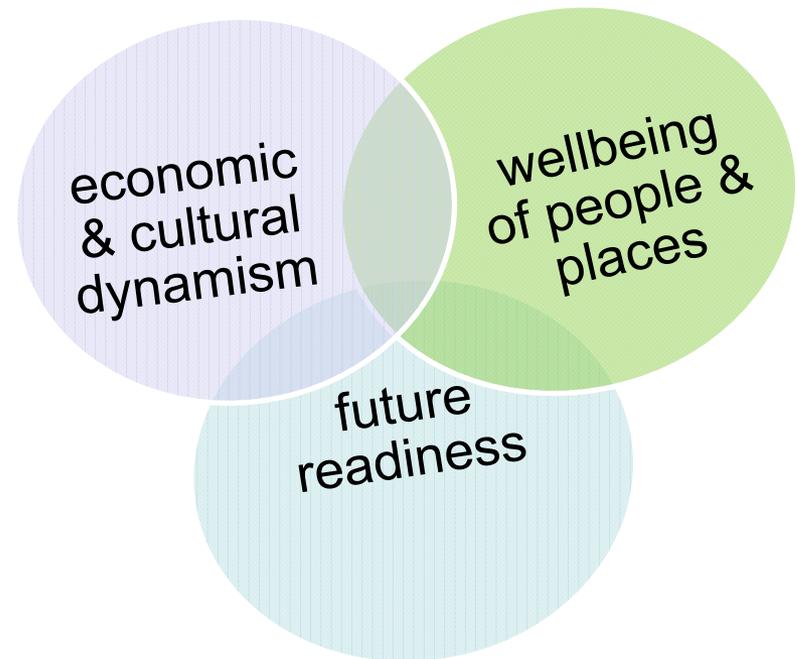
This section –

- proposes a balanced scorecard for London
- explores what could be included in three domains we propose:
 - economic and social dynamism
 - wellbeing of places and people
 - future-readiness
- looks at an existing model for scorecards (borough profiles from the LAA toolkit) and sources of indicators
- presents international insights
 - comparison of London with other cities
 - models for measuring cities
 - other good practice lessons

Proposal: a balanced scorecard for London

Largely focused at the level of London's public sector –

- incorporating the dimensions of wellbeing and economic dynamism we have identified as key challenges
- including a dimension of 'future readiness' to encompass resilience and adaptive capacity



Domain 1: **Economic and cultural dynamism**

Beyond standard measures of economic success?

- flows of people, investment, information

Factors that have unique importance to London

- specific impact of recession
- 24/7 activity
- daytime visitors
- housing affordability
- transport and commuting times
- perceptions of crime

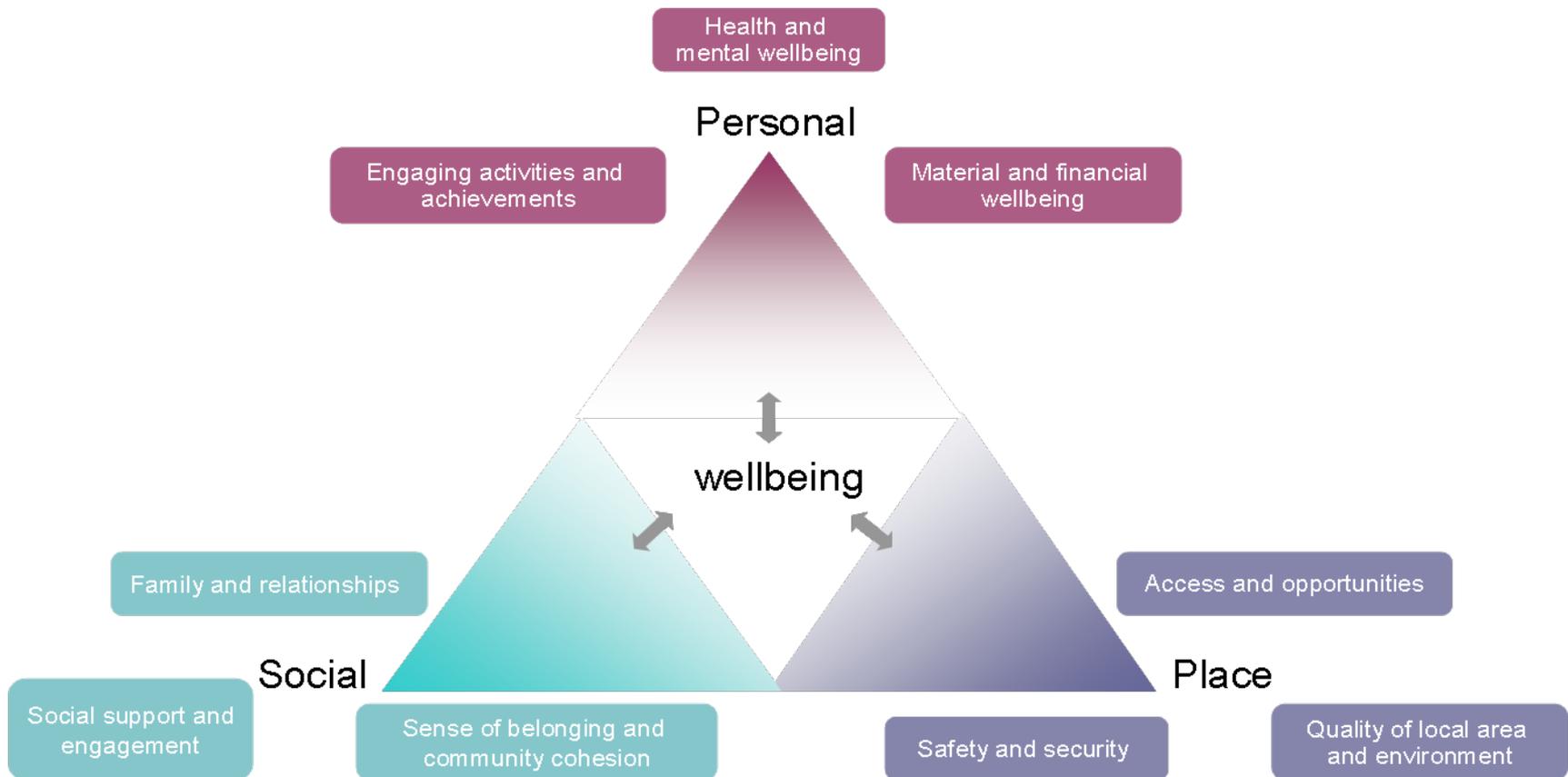
Some of the public sector challenges at London level

- recession: 'place shielding' and public finance impact
- focus on worklessness, skills gap
- managing churn and flows of migrants
- infrastructure
- reputation

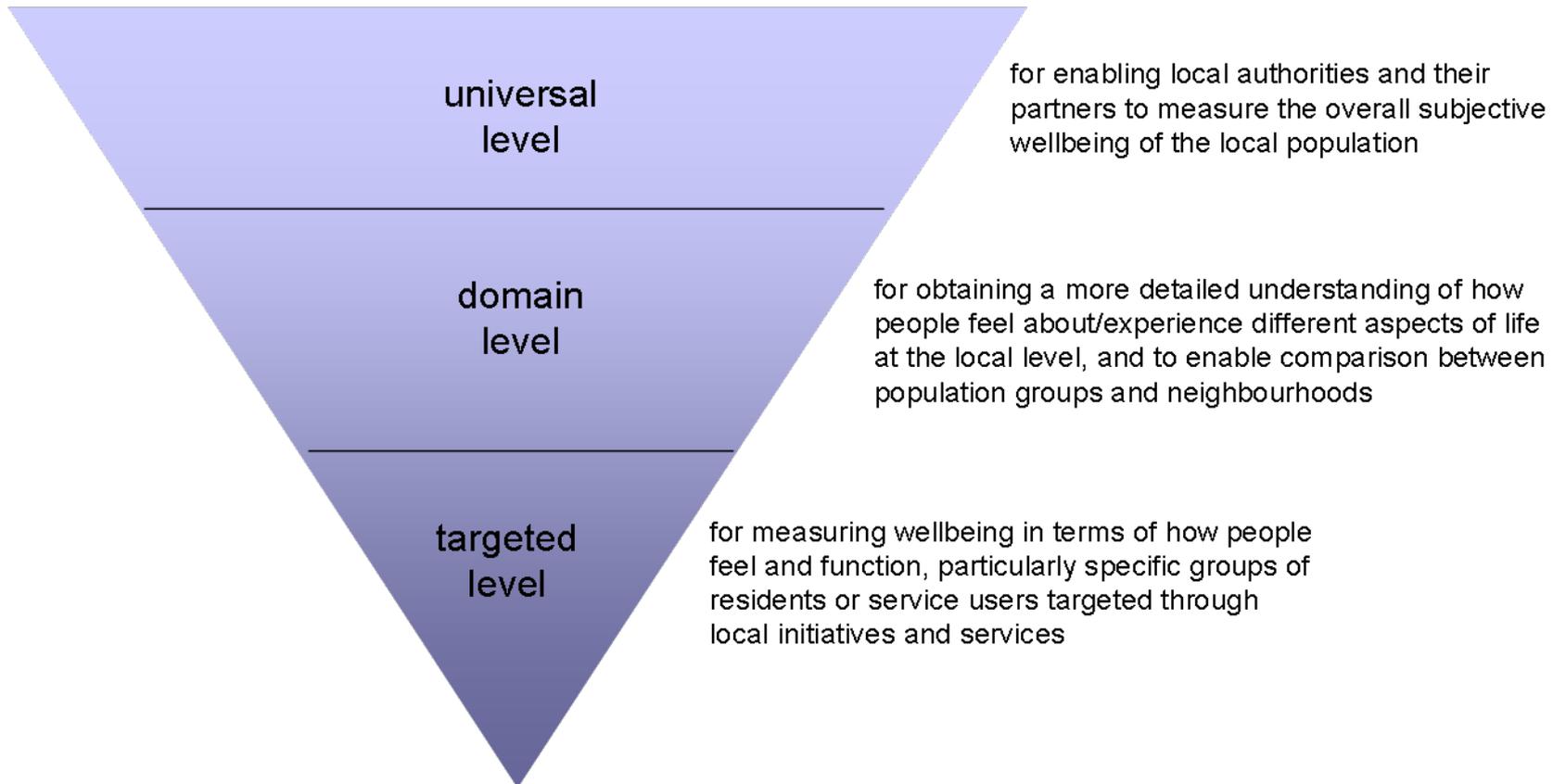
Domain 2: **Wellbeing of people and places**

- Aspects of health, crime, deprivation, poverty covered in many indicator sets (including quality of life, sustainable communities, 198 national indicators) but with limitations
- Satisfaction levels are also covered although more could be done at London level, on international comparisons and on the complex interplay between expectations, perceptions and performance
- CAA and place surveys will add more to the picture
- Areas that still need developing in terms of indicators are aspects of wellbeing - see below for illustrations of approaches

Ways to look at wellbeing



Measuring **personal wellbeing**



Domain 3: **Future-readiness**

This dimension of the scorecard overlaps with economic dynamism and wellbeing but could also capture the following -

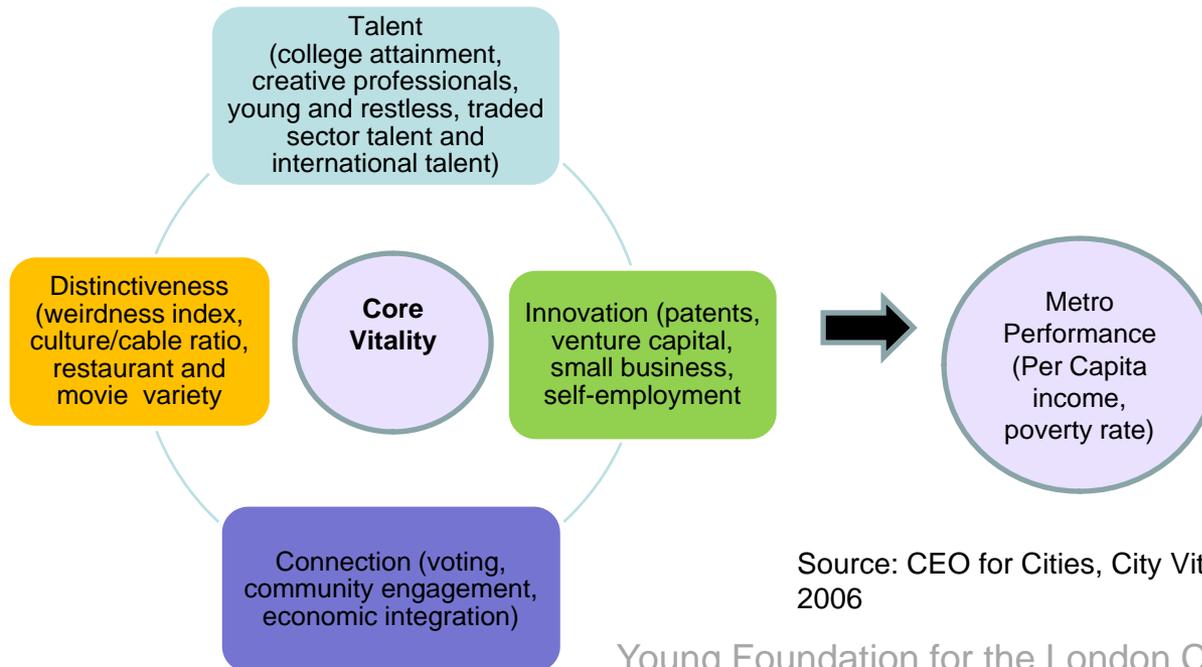
- Strategic capacity, resilience and adaptability of the public sector
- Factors that indicate the ability to sustain growth (eg characteristics/ behaviours/values of younger generations)
- The strengths and weaknesses of cities in attracting talent, innovation etc.

Measures in this area are only beginning to emerge and the London Collaborative could make a contribution to developing them.

There are a few examples from elsewhere to draw on including the CEO for cities one below

Future-readiness in American cities

- The US consultancy CEO for Cities measures 50 metropolitan areas with a focus on their future competitiveness, innovation and culture.
- Alongside four domains (talent, innovation, connection and distinctiveness) the framework measures 'core vitality', which covers income, poverty and educational attainment in areas within 5 miles of the city centre, and overall 'metro performance', assuming that high performance in the four domains will lead to high current and improved future overall performance.

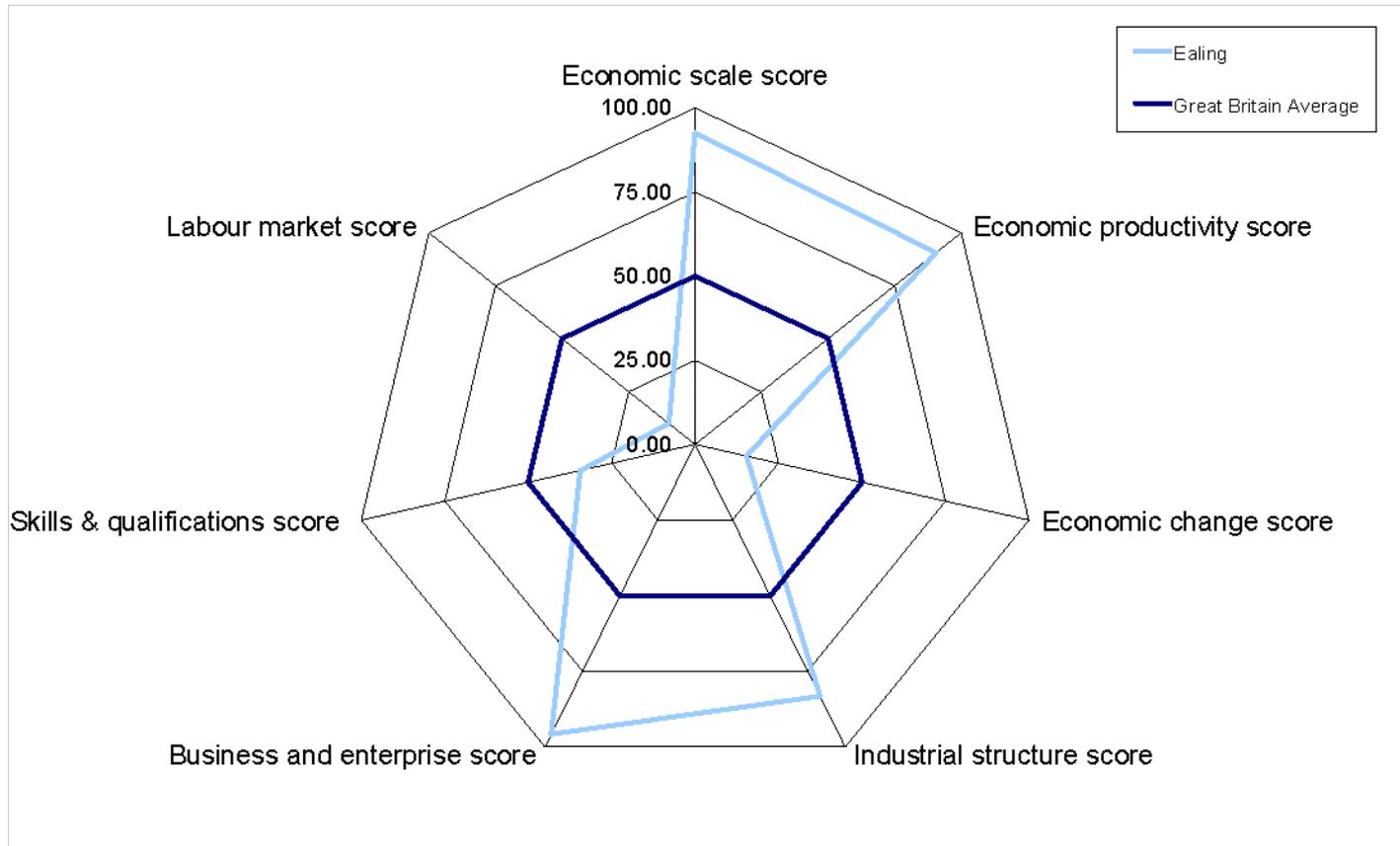


Other scorecards: **state of the London boroughs**

There are other versions of scorecards used in the public sector, including the recent **LAA place shaping toolkit** which is illustrated as an example below, along with general sources of indicators.

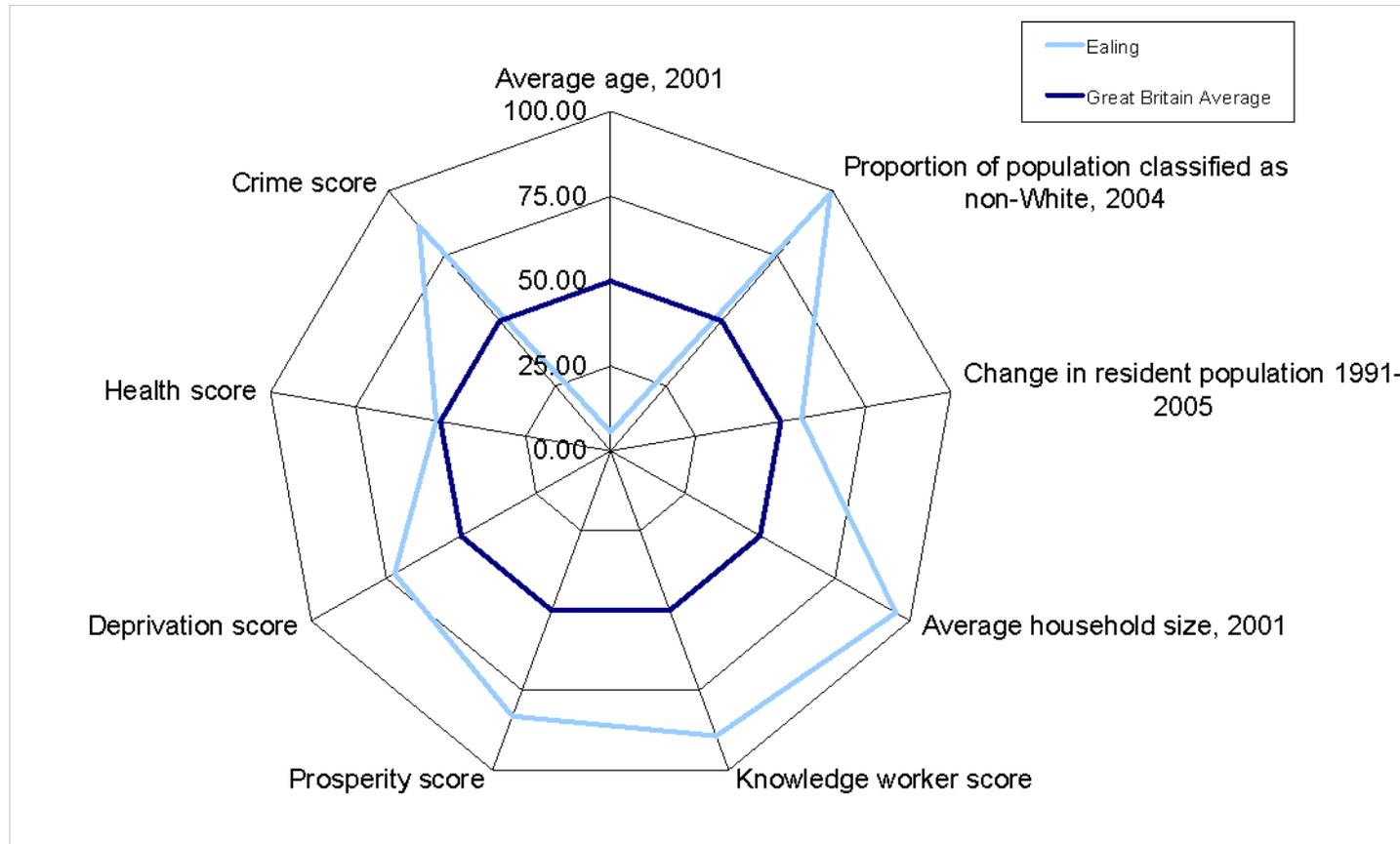
| Economy | Society | Environment |
|-------------------------|----------------------|-----------------------|
| Economic performance | Occupational Profile | Land & property |
| Industrial structure | Prosperity | Housing affordability |
| Businesses | Deprivation | Transport & comms |
| Skills & qualifications | Health | Services & amenities |
| Labour market | Crime | Natural environment |

Economy: state of the London boroughs (LAA toolkit)



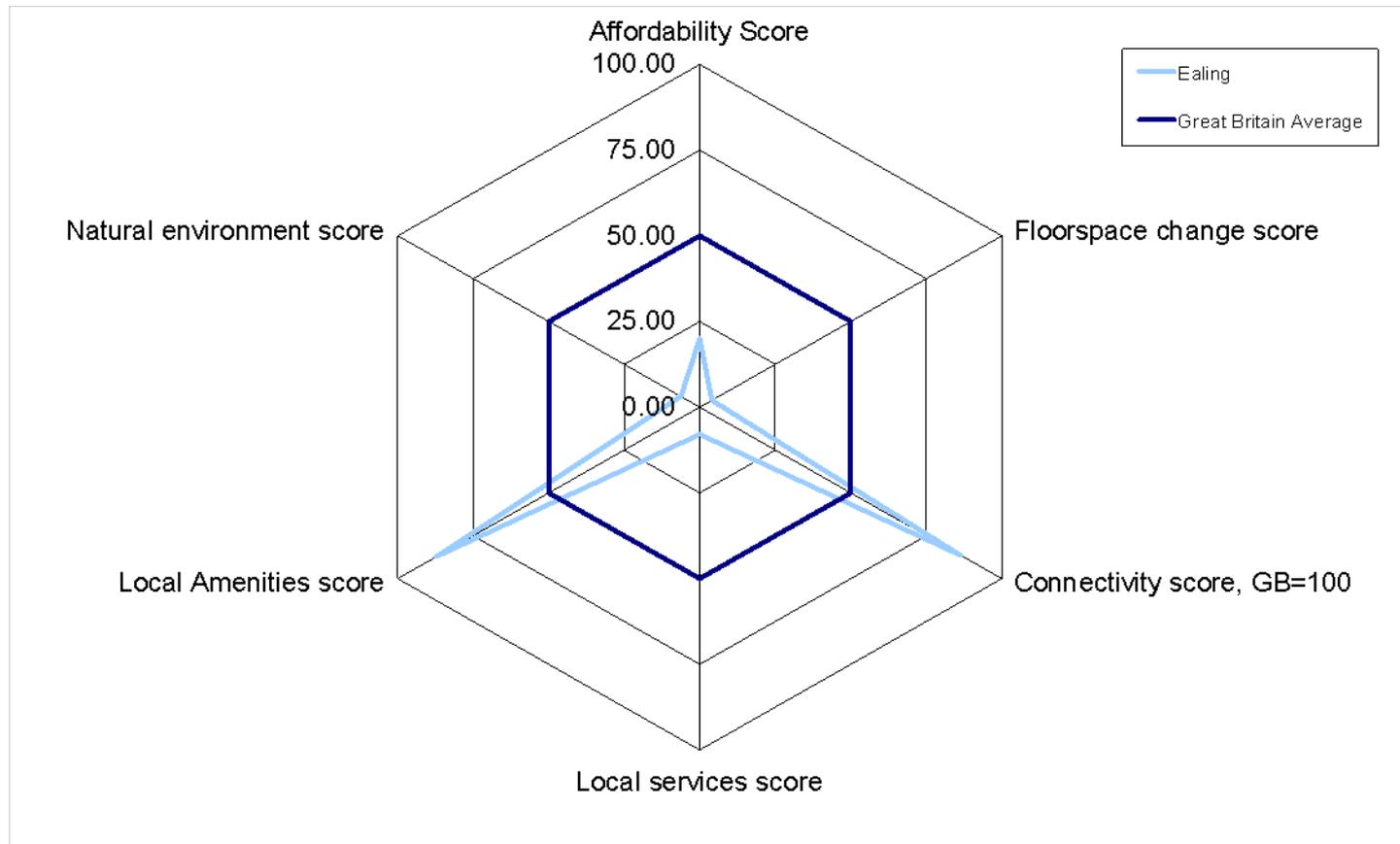
Source: The state of the borough: an economic, social and environmental profile of Ealing, Local Futures Group for Capital Ambition, 2007

Society: state of the London boroughs (LAA toolkit)



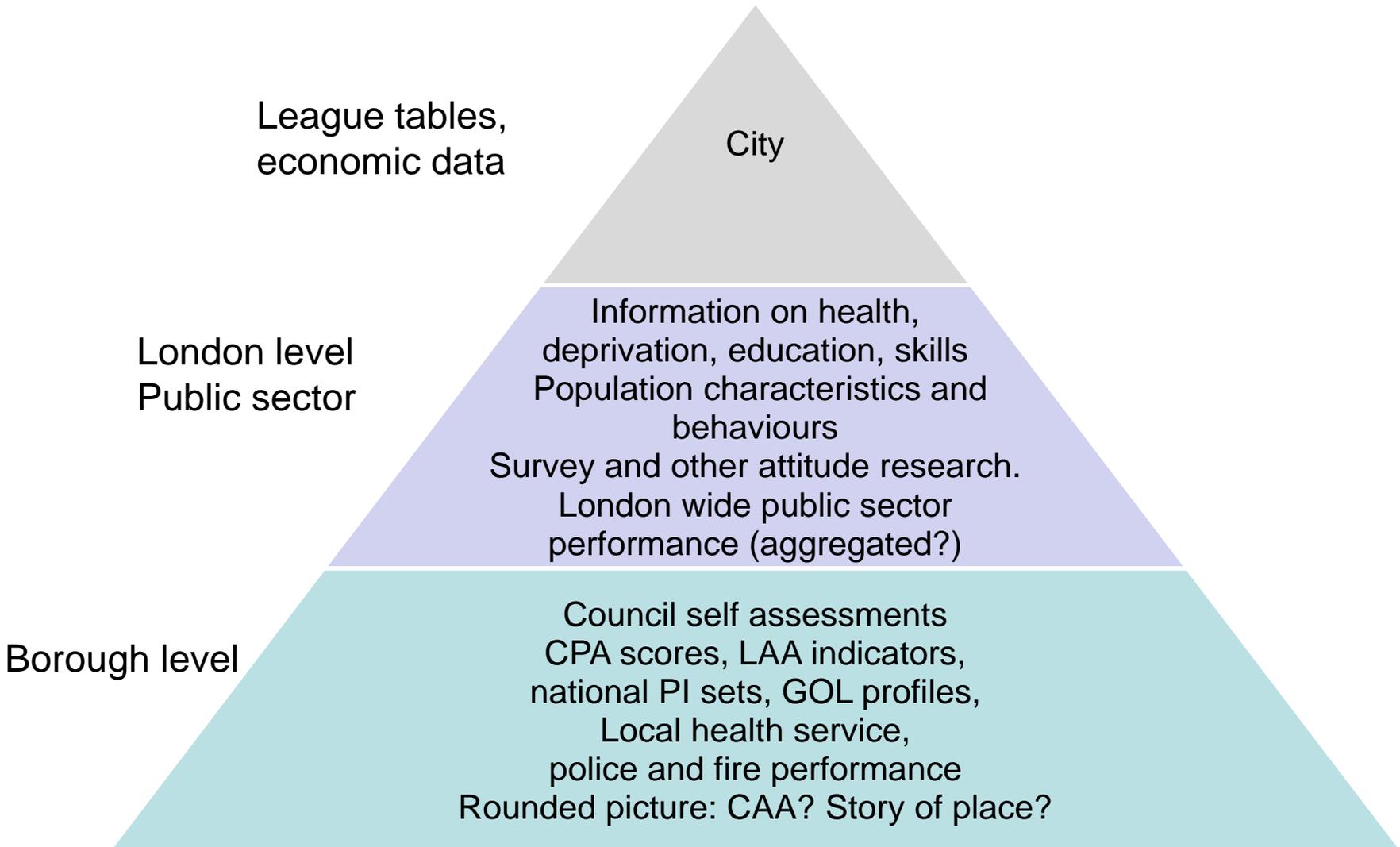
Source: The state of the borough: an economic, social and environmental profile of Ealing, Local Futures Group for Capital Ambition, 2007

Environment: state of the London boroughs (LAA toolkit)



Source: The state of the borough: an economic, social and environmental profile of Ealing, Local Futures Group for Capital Ambition, 2007

Overview: **levels and sources of indicators**



Insights from **international perspectives**

There are three main areas where information from other cities is useful –

- international comparisons of London on particular services or attributes, including ‘league tables’ of world cities which indicate shifting patterns and competitive positions
- as a source of different approaches to measuring success, models of accountability or emerging ways to measure new factors such as future readiness, resilience etc
- identifying world-class practices and learning

Comparing London to other cities

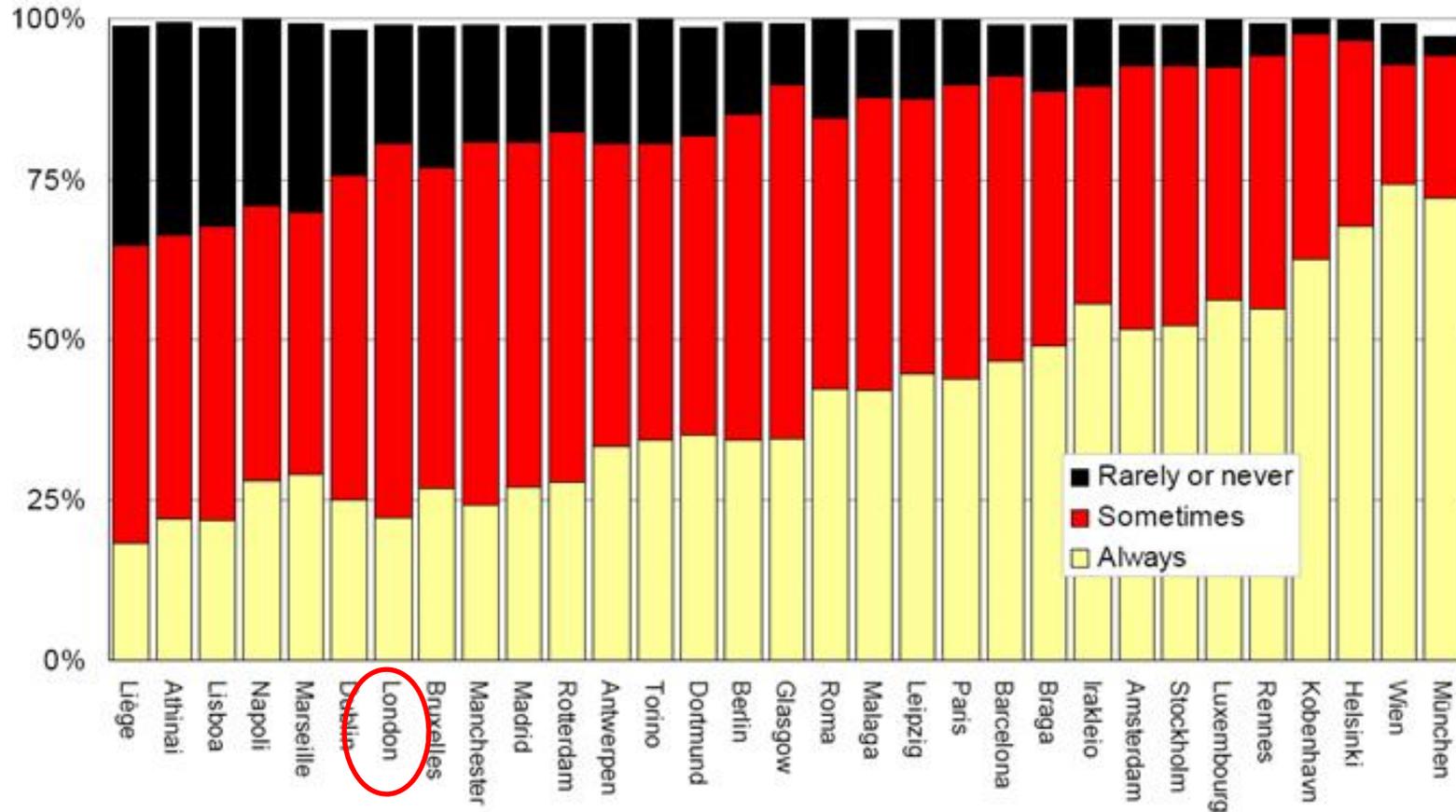
There are problems with data collation and compatibility but a large number of comparative models exist such as Eurostat's Urban Audit (data for 258 European cities), DCLG's State of the Cities database (covering 56 English cities), OECD territorial indicators group (covering 1500 regions/sub-regions across the globe), Global quality of living surveys by Mercer Human Resources and the Economist Intelligence Unit.

A number of illustrations of comparative data follow. The following should be noted –

- There can be time lag between data and comparisons appearing
- Work with academics, GLA economics, the LDA etc to identify best data sets and how to make them easy to use and relevant at London-wide and borough level would be useful

Comparing London

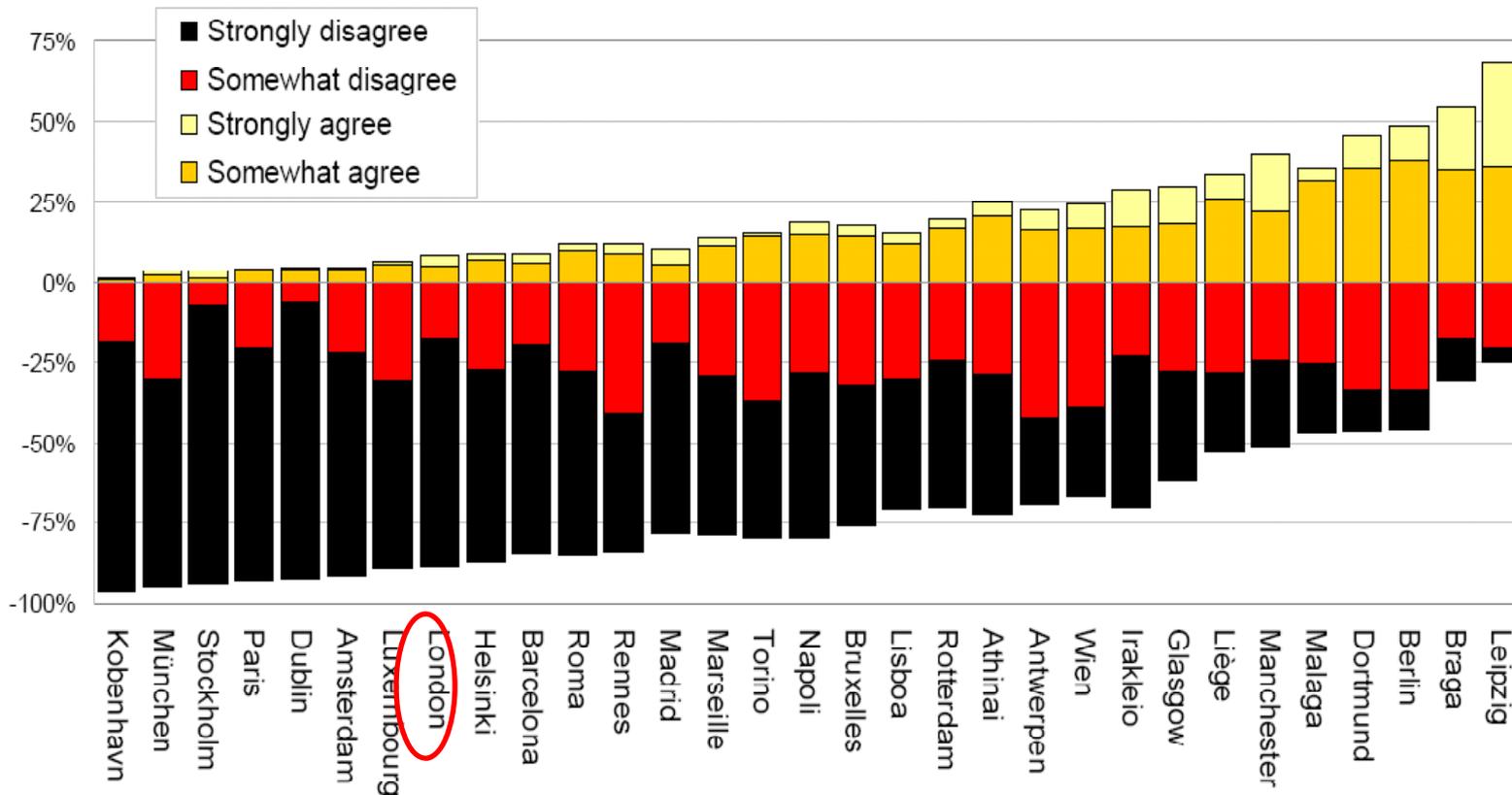
Do you feel safe in this city?



Source: Urban Audit 2004, Eurostat

Comparing London

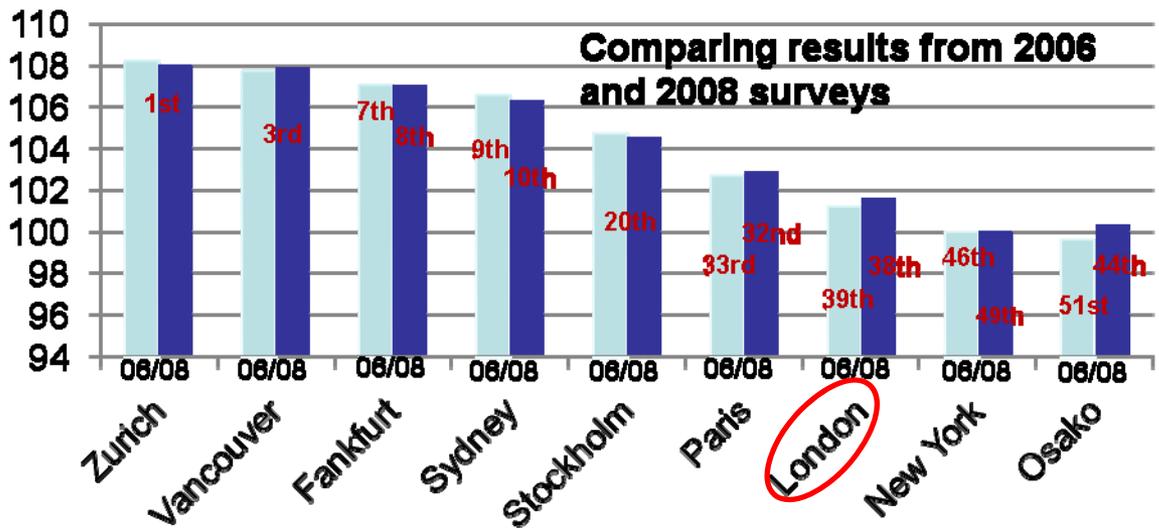
It is easy to find good housing at a reasonable price



Source: Urban Audit 2004, Eurostat

06/08 **Comparing London**

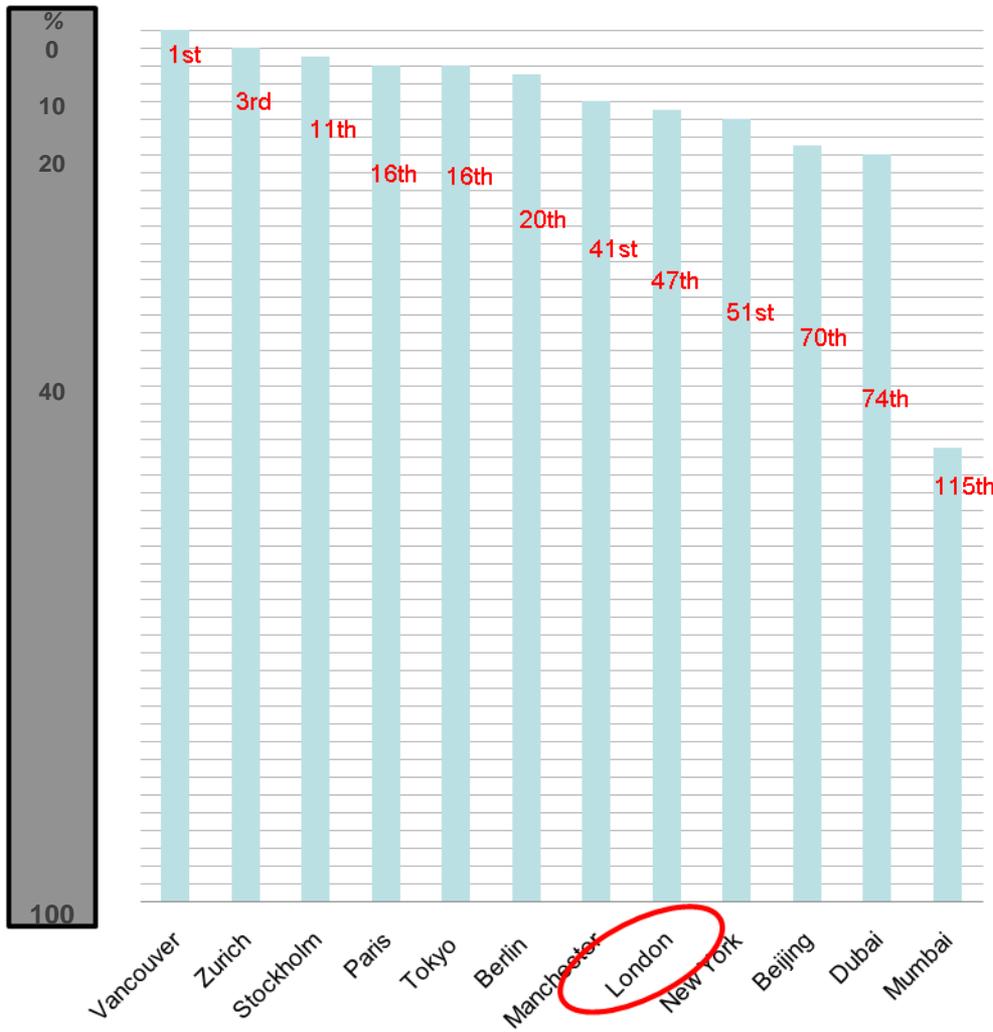
Mercer global quality of living survey



Annual survey of liveability in 51 cities measuring indicators in 10 domains

1. Economic environment (currency exchange regulations, banking services, etc)
2. Socio-cultural environment (censorship, limitations on personal freedom, etc)
3. Health and sanitation (medical services, infectious diseases, sewage, waste disposal, pollution)
4. Consumer goods (availability of food/daily consumption items, cars, etc)
5. Housing (housing, household appliances, furniture, maintenance services, etc)
6. Natural environment (climate, record of natural disasters)
7. Schools and education (standard and availability of international schools, etc)
8. Public services and transportation (electricity, water, public transport, traffic congestion, etc)
9. Political and social environment (political stability, crime, law enforcement, etc)
10. Recreation (restaurants, theatres, cinemas, sports and leisure, etc)

Comparing London

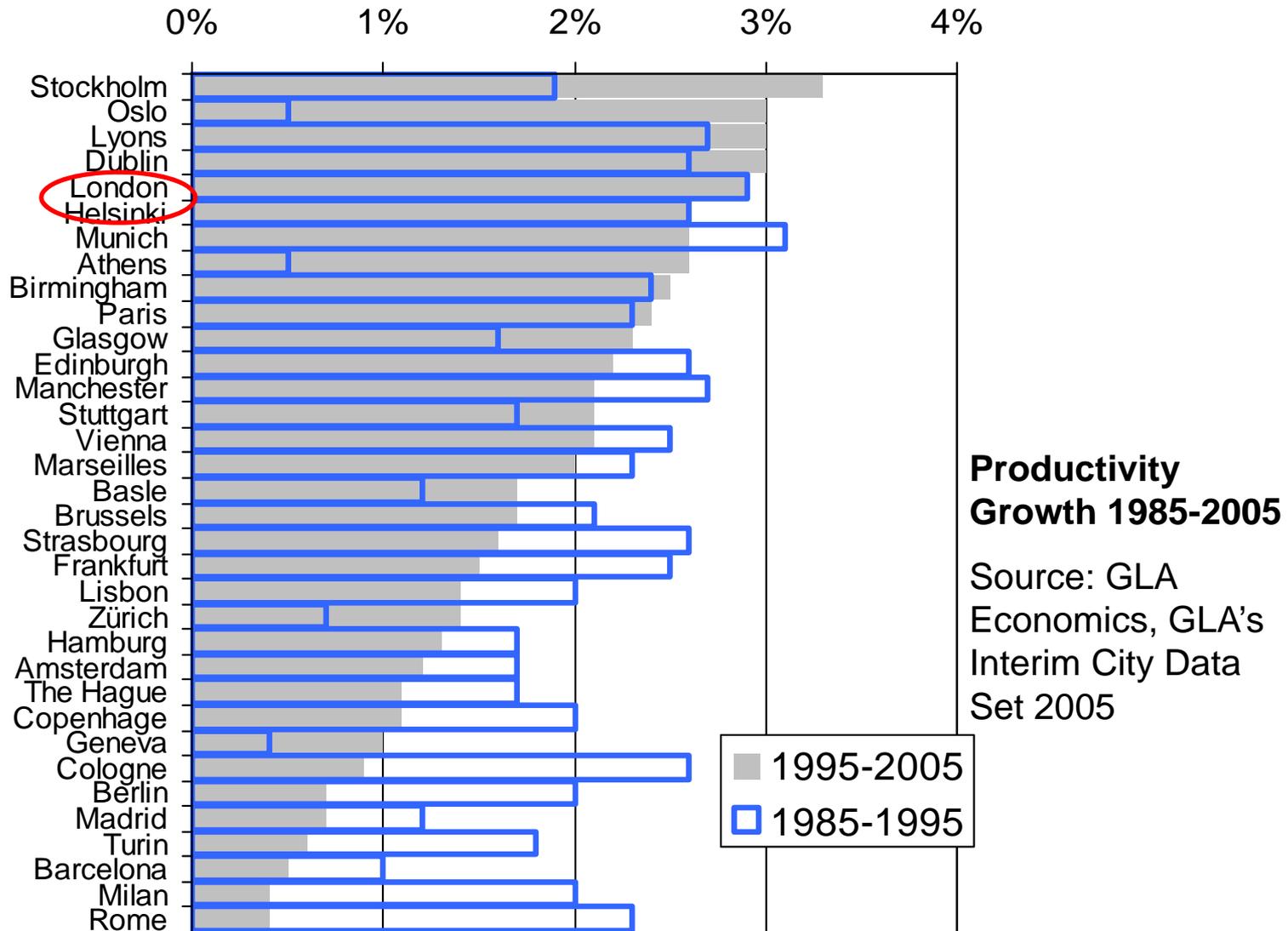


The Economist Intelligence Unit's Liveability ranking assesses living conditions in 127 cities around the world .

Measures/indicators grouped into five categories: healthcare; culture and environment; education; stability; infrastructure.

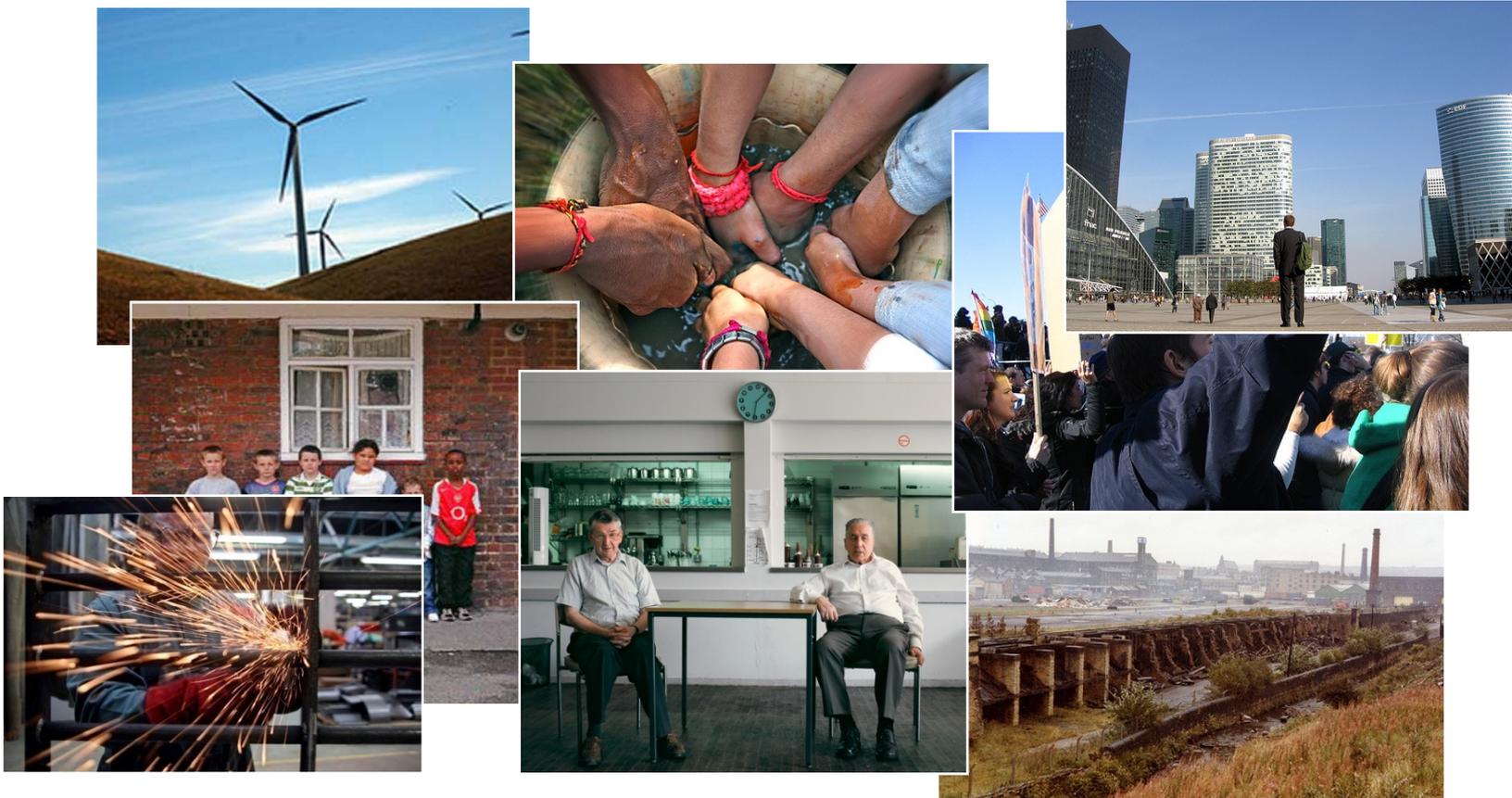
Cities given rating of 0%-100% , survey judges a city with a lower score to be the more attractive destination. A rating of 20% is where real problems are seen to begin - anything over 50% places severe restrictions on lifestyle.

Comparing London



Comparators: who should we be learning from?

Similar world cities – New York, Paris, Berlin
... or next generation world cities?



Comparators: Dubai and Abu Dhabi seeking to emulate and leapfrog London as centres of finance and culture



Overcome restrictions of domestic economy by opening the Dubai International Financial Centre

Transformed from a blank canvas into an "Islamic fusion of Singapore and Vegas"



Government set up industry-specific free zones for high end services

Comparing London – global city

London's role in globalising processes

London is regularly referred to as a leading global city but the term can be used in different ways. One rigorous academic model of examining what makes cities global (shaping globalising trends as well as being subject to them) is the Globalisation and World Cities network at Loughborough University (GaWC). It assesses cities as locales through which four 'globalizations' - economic, cultural, political and social - are produced and reproduced.

Sixteen sets of data describing the institutions and agencies that drive the formation of global networks, such as global service firms, NGOs and UN agencies, are analysed to measure cities' location and roles in such networks. This analysis produces two core categories of 'Global' and 'World' cities with a range of sub-categories in descending order of influence. On aggregate measures only London and New York are categorised as 'well rounded global cities', playing major economic, cultural, political and social roles.

Comparing London - global city



Source : Adapted from GAWC research bulletin 146, Leading World Cities: Empirical Evaluations of Urban Nodes in Multiple Networks

New approaches to measuring success and good practice

- Two examples of indicators used in US cities and in New Zealand are illustrated below
- An example of interesting good practice is also illustrated

Other international models: quality of life in New Zealand cities

- Used to support advocacy on urban issues and facilitate collaborative working of bigger cities to monitor and address quality of life issues.
- Project measures environmental, economic and socio-cultural wellbeing across 11 domain areas, undertaken jointly by 12 of New Zealand's largest cities

Economic wellbeing

| Economic standard of living | Economic development |
|-----------------------------|-----------------------------------|
| Income | Economic growth |
| Work/life balance | Employment |
| Cost of living | Research and development |
| Social deprivation | Local businesses |
| Net worth | Retail sales |
| | Non-residential building consents |
| | Tourism |
| | Skilled migrants |

Environmental wellbeing

| Natural environment | Built environment |
|-------------------------------------|---------------------------|
| Local natural environmental issues | Look and feel of the city |
| Waste management and recycling | Land use |
| Biodiversity | Traffic and transport |
| Energy use | Public transport |
| Air quality | |
| Beach and stream/lake water quality | |
| Drinking water quality | |
| Water consumption | |
| Ecological footprint | |

Quality of life in New Zealand cities /2

Social/Cultural Wellbeing

| Social/Cultural Wellbeing | | | | | | |
|---------------------------|--|---------------------------------------|-----------------------|---------------------------------|-------------------------------|--|
| People | Knowledge and skills | Health | Safety | Housing | Social connectedness | Civil and political rights |
| Population growth | Participation in early childhood education | Life expectancy | Perceptions of safety | Housing tenure | Overall quality of life | Te Tiriti o Waitangi/ Treaty of Waitangi |
| Ethnicity | School participation | Low birth weight babies | Child safety | Housing costs and affordability | Diversity and identity | Community involvement in council decision making |
| Age | Qualification levels | Infant mortality | Injuries | Household crowding | Community strength and spirit | Voter turnout |
| Families and households | Skill and job match | Teenage parents | Road safety | Urban housing intensification | Access to telecommunications | Representation on local decision making bodies |
| Disability | Career training | Communicable Diseases | Workplace safety | Government housing provision | Arts and culture | |
| Maori wellbeing | | Access to GPs | Crime levels | Housing accessibility | | |
| | | Mental health and emotional wellbeing | | | | |
| | | Self-reported health status | | | | |
| | | Modifiable risk factors | | | | |
| | | Recreation and leisure | | | | |

Other international lessons: **cooperation between a city and university with Helsinki's Triple Helix Model**

The City of Helsinki and the University of Helsinki have been co-operating over the last 15 years in the following areas –

- promoting science-driven business enterprises with the aid of a common business incubator and science park
- urban and traffic planning to develop campuses and associated transport and logistics creating a common Student City concept to increase international attractiveness
- promoting urban research by creating initially six (today nine) professorships in urban research
- collaborating with the city's own think tank Helsinki City Urban Facts.

The two organisations are also part of the *Helsinki Region Centre of Expertise Culminatum Ltd.* This public-private organisation is based on the Triple Helix Model: local universities and research institutes, the City of Helsinki and other Municipal/regional bodies, and the business community, financiers and science park companies each own one third of shares.

Options for further work on measuring success

This paper describes a number of models and approaches to metrics of success for the capital, and outlines what a 'balanced scorecard' might cover. The paper is intended to serve to inform discussions on the desirability and feasibility of London-wide mechanisms for accountability and indicators of success.

Key questions for consideration and options for further work are outlined below.

Key questions

Considering and testing the appetite for metrics of success as discussed here involved the following questions –

Defining success: a public sector improvement model? Part of self-regulation for London ? A collaborative focus (as in this paper)? A wider definition?

Overall approach: a set of high level PIs/a scorecard ? A focus on accountability for London-wide outcomes ?

Governance: who would own a balanced scorecard? What decisions and action would it support ? Where in the complex web of London's public service governance is the place for mutual accountability for outcomes for London?

Options for further work

Develop the dimensions of the balanced scorecard:

- test in light of recession, what is becoming more important etc
- develop the wellbeing and future-readiness domains in light of ongoing work
- explore new accountability models in areas such as carbon, levels of satisfaction and wellbeing
- examine impact of CAA

Links with other relevant work

- an international network or exchanges with other cities and organisations studying and measuring cities, innovation, future-readiness etc.
- exploring models such as Friedman's Results Based Accountability and its approach to population level outcomes that are not owned by any one agency

For further information on this work, please contact the Young Foundation
london@youngfoundation.org tel 020 8709 9035