

EXECUTIVE SUMMARY

Investment in Places series

Framing a place-based investment strategy for the Upper Lee Valley

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Executive Summary

This summary presents the findings of a two-year research project conducted by The Productivity Institute with the Tri-Borough Partnership¹, a collaboration between Enfield, Haringey, and Waltham Forest in the Upper Lee Valley and the *Investment in Productive Places Campaign*, aimed to create a shared understanding of what drives productivity at a local level, and how coordinated investment can improve productivity.

What Does “Productivity” Mean? Productivity refers to how effectively a place uses its resources, people, skills, infrastructure, and knowledge, to generate value. When productivity improves, communities typically experience:

- higher wages and better job opportunities
- stronger local businesses
- improved public services
- greater overall well-being

While labour productivity (output produced per hour worked) is an important measure, it does not tell the whole story. Productivity also depends on how well a place organises and strengthens all of its assets. To understand this more fully, the study used the *Community Capitals Framework* a widely recognised in place-based economic development approach.

The Community Capitals Framework

We assessed the seven types of capital:

1. **Physical Capital** – buildings, transport, digital connectivity, and other infrastructure.
2. **Human Capital** – skills, education levels, health, and workforce capacity.
3. **Financial Capital** – income levels, business start-ups, investment flows, and access to finance.
4. **Social Capital** – community networks, trust, cultural participation, and overall well-being.
5. **Institutional Capital** – the strength of local leadership, governance, collaboration, and data-sharing.
6. **Intangible Capital** – innovation, reputation, identity, and the presence of creative and knowledge-based sectors.
7. **Natural Capital** – green space, environmental quality, biodiversity, and climate resilience.

Using a new experimental data tool², each borough was benchmarked against others across London and the UK to identify comparative strengths and gaps. A summary of these findings is noted in the following table.

¹ See The Productivity Institute’s Investment in Productive Places Campaign and TBP web-sites: <https://www.productivity.ac.uk/regions-nations/investment-in-places/> and <https://ulv.london/>

² <https://lab.productivity.ac.uk/insights/tpi-local-authority-capitals-dashboard/>

Capital Summary Findings

Capital	Summary
Physical	<p>Physical infrastructure across the three boroughs shows a mixed pattern. Access to supermarkets and broadband coverage aligns closely with the London median, indicating strong basic service provision. However, housing pressures are pronounced.</p> <ul style="list-style-type: none"> • Haringey has high population density and above-median house prices suggesting affordability challenges for homeownership. • Enfield has comparatively lower house prices and lower density, indicating relatively better affordability. • Waltham Forest exhibits higher population density and slightly lower house prices than the London median, implying strong demand. <p>Given high population density in all three boroughs, within-area inequality is likely an important underlying issue.</p>
Intangible	<p>Stakeholder feedback highlights a need for stronger collective identity and branding across the three boroughs. Developing a shared narrative or “ecosystem” would support investment attraction. This includes rethinking how <i>space</i> and <i>place</i> are presented to investors and fostering a coordinated approach to marketing the Upper Lee Valley as a unified economic area.</p>
Social	<p>Social outcomes are more uneven than physical assets.</p> <ul style="list-style-type: none"> • Haringey and Waltham Forest record lower life satisfaction and happiness compared to the London median, alongside higher child poverty (with Waltham Forest also above the UK median). • Enfield performs more positively across wellbeing indicators, with all three boroughs reporting lower anxiety levels than the London median. <p>Population growth has been below the London average (7.2% from 2011–2021) for Enfield and Haringey, at this average for Waltham Forest. Each borough has fewer museums per capita than the London average, likely reflecting the concentration of cultural institutions in central London rather than local decline.</p>

Capital Summary Findings continued

Capital	Summary
Institutional	<p>Qualitative evidence points to strong, adaptive, and collaborative governance across the tri-borough partnership. Councils actively share knowledge, coordinate priorities, and respond to community needs with inclusive, cross-sector approaches.</p> <p>This collaboration extends into investment decisions, such as through shared tools like the investment dashboard and tracker, demonstrating aligned priorities and ambition. Overall, institutional capacity and cooperation appear to be major strengths.</p>
Financial	<p>Financial capacity varies significantly across the three boroughs.</p> <ul style="list-style-type: none"> • Haringey and Waltham Forest have lower GDP per capita than both London and UK medians, indicating less economic activity within the boroughs. Despite this, both record higher-than-average gross disposable household incomes (GDHI), reflecting residents earning income elsewhere in London. • Enfield is closer to London and UK medians for GDP generated locally but has lower gross weekly pay, suggesting that while economic activity is strong, local residents benefit less from it. • In terms of business activity, Waltham Forest shows a healthier balance of business births and high-growth firms. Enfield and Haringey have fewer high-growth businesses. All three boroughs outperform London and national averages in business start-ups, evidence of strong entrepreneurial dynamism.
Human	<p>Employment rates show variation:</p> <ul style="list-style-type: none"> • Waltham Forest and Haringey align with the London median. • Enfield falls considerably below both the London and UK medians. <p>Skills levels differ markedly (the share of residents with RQF Level 3+):</p> <ul style="list-style-type: none"> • Enfield: 58% (below national average) • Haringey: 70% (well above national average) • Waltham Forest: 75% (aligned with London) • Enfield also faces a higher dependency ratio, placing more pressure on working-age residents. Despite these differences, healthy life expectancy is similar across all three boroughs, and broadly consistent with London and UK medians.

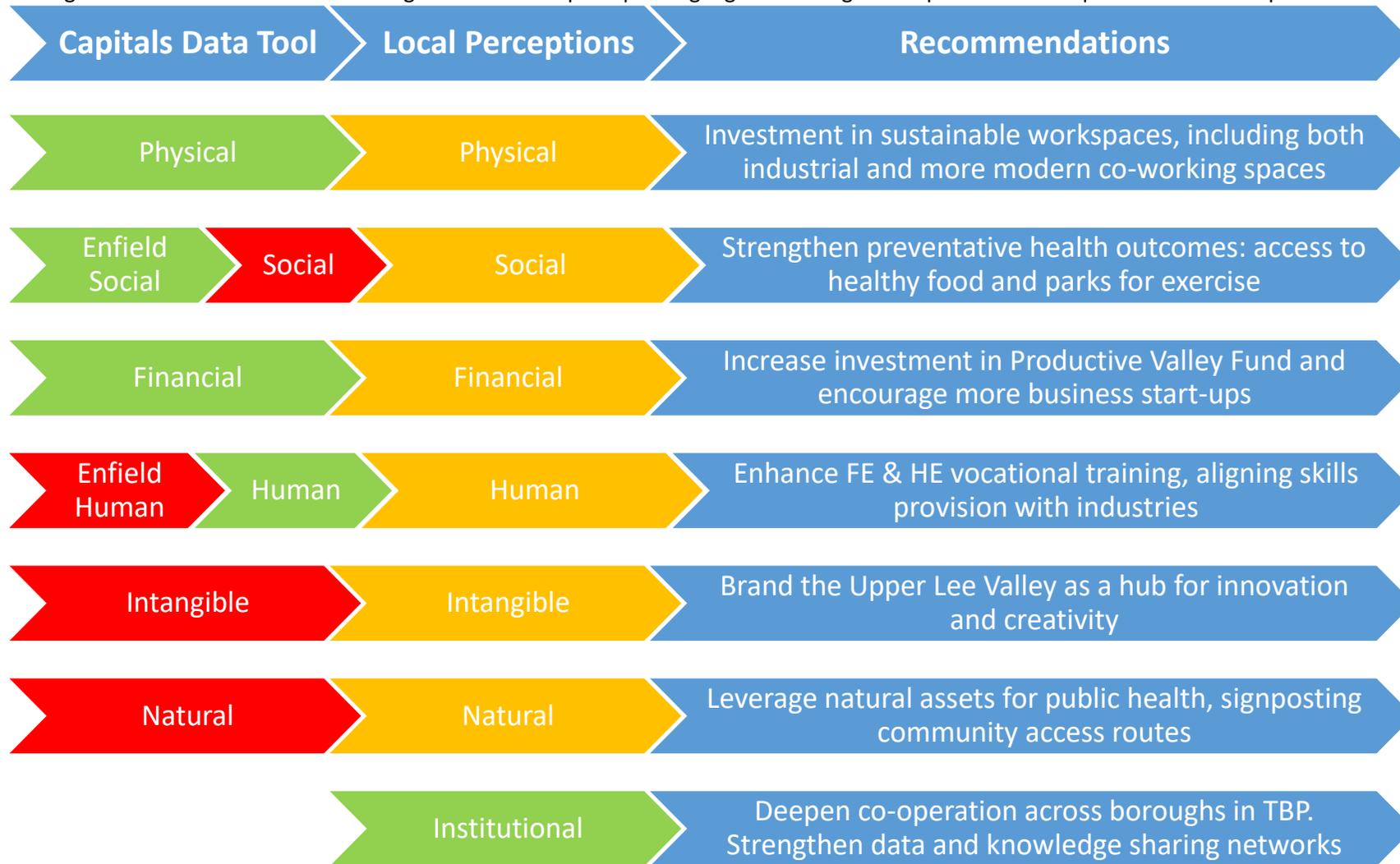
Capital Summary Findings continued

Capital	Summary
Natural	<p>As urban boroughs, all three areas show relatively high levels of greenhouse gas emissions.</p> <ul style="list-style-type: none"> • Haringey and Waltham Forest have household emissions similar to the London median, with Waltham Forest benefiting from negative land-use emissions due to its extensive forested areas. • Enfield exhibits high emissions driven by transport (among the highest in the UK), domestic use, industry, and waste. • Haringey's emissions are mainly from commercial and domestic sources, with transport emissions below the London median. <p>High emissions generally reflect high levels of local economic activity. Land-use net emissions help balance the picture, explaining why despite Enfield's high outgoing emissions, its net emissions resemble those of Haringey.</p> <p>Nonetheless, emissions continue to produce significant environmental, health, and social impacts for residents.</p>

A graphic noting the strength of capitals from the experimental data tool (in the first column) and from local perceptions from the qualitative research (in the second column) is shown on the next page with a summary of recommendations. The final page of this summary has a table summarising all the recommendations from the main report over the short-, medium- and long-term.

Strength of Capitals and Recommendations

Upper Lee Valley strength of capitals. The first column is from the capitals data tool. The colours signify: green for authorities ranking 1-120, amber for those ranking 121-240 and red for those ranking 241-361. Local perceptions gauge the strength of capitals from the qualitative workshop and interviews.



Qualitative Insights from Stakeholders

In June 2024, local authority leaders, businesses, voluntary organisations, and education providers took part in an in-person workshop in Waltham Forest, followed by surveys and interviews. These activities aimed to provide deeper insights beyond the data, capturing other stakeholders' perceptions of the success of different capitals.

Five themes emerged from the qualitative insights:

1. Sustaining strategic partnerships is vital for attracting investment and supporting inclusive economic growth (Institutional Capital).
2. Better data and intelligence are required to guide decisions and monitor progress (Institutional Capital).
3. A clearer understanding of funding sources, particularly with private sector partners, is needed to manage financial uncertainty (Financial & Institutional Capital).
4. Community-led approaches to developing growth sectors, especially in creative industries, can strengthen identity and inclusion (Social & Intangible Capital).
5. Capacity building and knowledge sharing across organisations should extend beyond the Tri-Borough Partnership (Social & Institutional Capital).

Shared Challenges Across the Sub-Region

Analysis of both qualitative feedback and the experimental data tool highlighted several cross-cutting challenges:

- **Housing Affordability:** Rising house prices and limited supply are putting pressure on residents and councils.
- **Skills Mismatch:** Local skills do not fully align with growth sectors such as digital, green industries, and creative industries. Untapped potential of the University of Portsmouth.
- **Health Inequalities:** Significant variation in health outcomes affects residents' ability to access training and employment.
- **Rising Living Costs and Council Pressures:** Increased demand for temporary accommodation is reducing councils' capacity to invest in economic development.
- **Shortage of Affordable Workspace:** Industrial land and flexible workspace are under increasing pressure, constraining business growth.

Key Takeaways from the Investment in Productive Places Study

1. Strength of the Tri-Borough Partnership

The Partnership has demonstrated a strong commitment to collaboration, learning, and shared strategy. Examples include:

- *The Investment Dashboard*, which helps align priorities and track progress.
- A coordinated brand and narrative for the *Upper Lee Valley*, providing a clearer identity when engaging investors and government.
- *The Productive Valley Fund*, offering flexible capital loans to businesses in manufacturing, creative industries, and low-carbon sectors.

The Tri-Borough approach serves as a model for other regions, offering a best practice to attract investment, share knowledge, and optimise resources.

2. The Growing Role of the University of Portsmouth London Campus

The campus in Waltham Forest has the potential to become a major civic partner, creating opportunities, supporting local research, and attracting new talent. The university is already investing in:

- scholarships
- apprenticeships
- widening participation initiatives.

But challenges remain, including the need to:

- capture richer local insights,
- align diverse stakeholder priorities, and
- ensure the university's offer complements (rather than replaces) broader local training needs, especially for residents requiring foundational or vocational skills.

3. Better Data and Evidence for Decision-Making

Stakeholders consistently highlighted the need for:

- improved data collection
- stronger data literacy
- shared analytical resources

This is increasingly important as councils face budget pressures and must make more targeted, evidence-driven investment decisions.

Upper Lee Valley Capitals in Practice. Key to action: short term (within the next year); medium term (1-5 yrs); long-term (5-10yrs)

The recommendations cut across a number of different areas and need investment simultaneously to improve productivity.

Barriers to Productivity	What Needs to Be Transformed	Recommendations	Capitals
<p>Economic outcomes The availability of suitable commercial premises.</p> <p>Declining business start-ups</p> <p>Low productivity growth</p>	<p>Land is scarce and expensive.</p> <p>Ensuring coordination across large-scale multi-level infrastructure projects so that they succeed (for example, tri-borough heat networks).</p> <p>Encourage entrepreneurs.</p> <p>Improve output growth and efficiency.</p>	<p>Short-term: Continue to support Productive Valley Fund offering loans to facilitate business growth in high value sectors. Offer start-up grants and small business support.</p> <p>Medium-term: Creating and improving workspaces.</p> <p>Long-term: Businesses investing in new production methods and equipment, and generating jobs and apprenticeships, with a focus on green industries.</p>	<p>Physical</p> <p>Human</p> <p>Financial</p> <p>Natural</p> <p>Institutional</p>
<p>Well-being outcomes Large inequalities in income and health within the boroughs.</p>	<p>Low incomes & productivity levels (these have not recovered since the financial crisis of 2008).</p>	<p>Short-term: Strengthen preventative health outcomes, access to healthy food and the environment, access parks for exercise.</p> <p>Medium-term: Invest in communities and link up people with opportunities across the boroughs. Support community heating network and retrofitting of properties across the boroughs.</p>	<p>Social</p> <p>Human</p> <p>Natural</p>
<p>Better welfare outcomes Challenges for disadvantage groups.</p>	<p>Attract students to the University of Portsmouth campus so that they can contribute to the local economy and community.</p>	<p>Short-term: Continue to support the University of Portsmouth campus, signposting opportunities.</p> <p>Medium-term: Support the co-working space as hub and focal point for the local creative community, fostering connections, networking, and collaborative opportunities.</p>	<p>Institutional</p> <p>Human</p> <p>Social</p> <p>Intangible</p>
<p>Reframing Common purpose Anchor institutions working in silos and not sharing knowledge.</p>	<p>Business support and intelligence- the need for more comprehensive and up-to-date data on high-growth and high-productivity businesses.</p>	<p>Short-term: Strengthening the three borough's capacity to collect data, conduct research, and more effectively measure its impact on investment and growth in the region. Support The UK Innovation Corridor.</p> <p>Medium-term: secure sustainable funding sources.</p>	<p>Human</p> <p>Intangible</p> <p>Financial</p>