

Policy Innovate

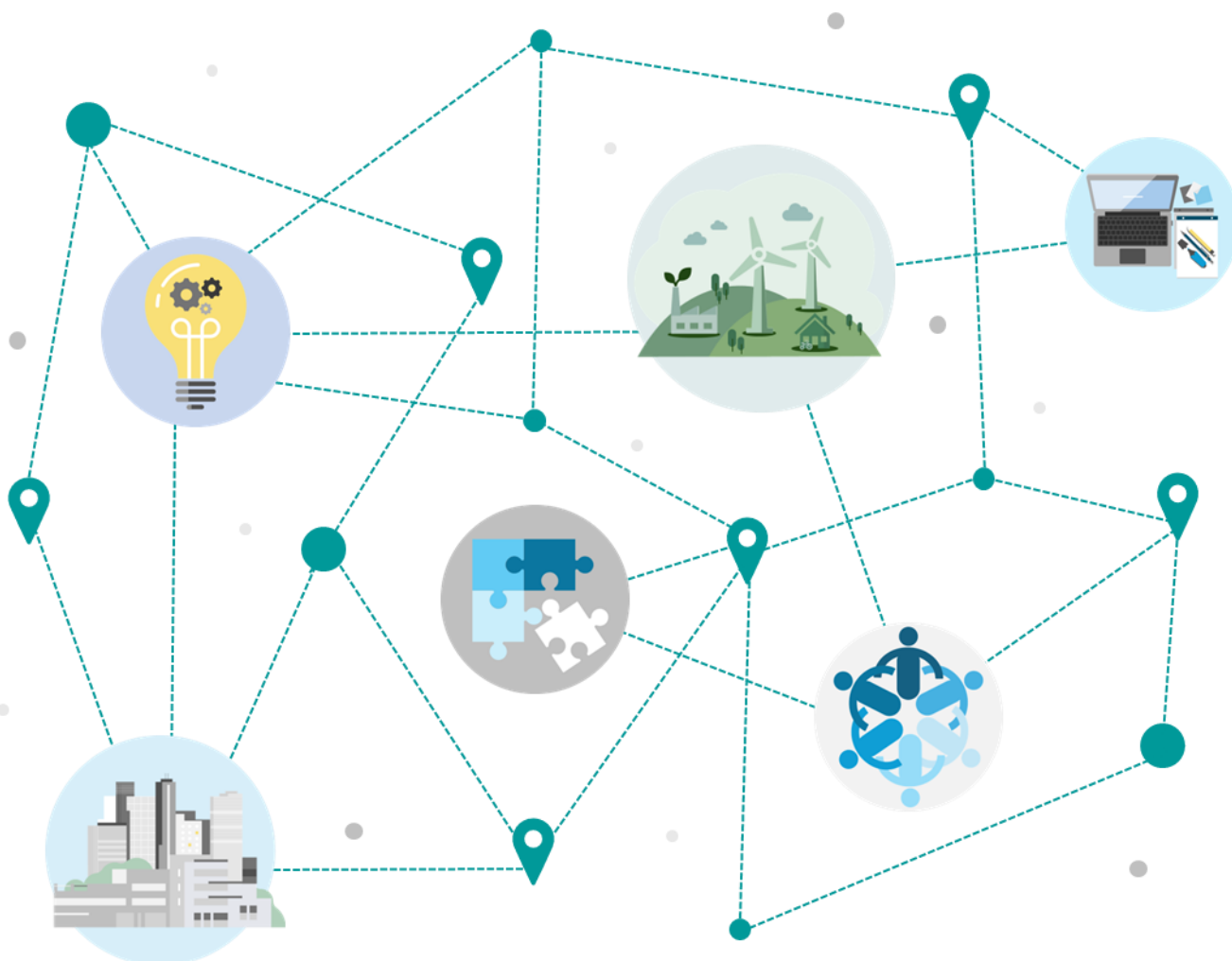
Your guide to local partnership perspectives

LPIP
HUB

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The Local Policy Innovation Partnership (LPIP) Hub seeks to address nationwide issues through local partnerships and places. The LPIP Hub programme has been designed to support local and national policymakers in tackling place-based challenges, driving sustainable and inclusive economic growth and reducing regional disparities in the UK.

Policy Innovate aims to pull together and disseminate the work of the LPIP programme and wider relevant research to provide evidence around building confidence, capacity and capability in an effective service-driven approach to place-based policy making and public service delivery.



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The Local Policy Innovation Partnership Hub – Building Confidence, Capability and Capacity in Place

Rebecca Riley, LPIP Hub

The LPIP programme funds a network of Local Policy Innovation Partnerships to address social, community, economic and environmental priorities. Concurrently, the Hub convenes across the research and policy ecosystem to help connect Local Policy Innovation Partnerships (LPIPs) to the research, expertise and evidence needed to inform effective responses to local priorities. The Hub (LPIP Hub) led by the City-REDI based at the University of Birmingham works with the LPIPs to:

- Convene stakeholders across the research and policy ecosystem
- Draw together an understanding of local challenges
- Act as a front door to national policy stakeholders
- Support engagement across the network
- Assess the transferability of their findings across the network and beyond, including support through a commissioning fund

Our partnership approach to delivering the LPIP Hub is informed by our collective academic and practitioner curiosity about ‘what works’ in place-based policy partnerships. LPIPs are being established as place-based organisations are gaining new powers through devolution and which has shown how local partnership working is vital in responding and building resilience to shocks and inequalities caused by Brexit, the Covid-19 pandemic and the rising cost of living. They need to base decisions on good evidence to pursue inclusive, sustainable, economic growth. Local and national policy capability is struggling to keep up with change even though research and innovation can play a vital role in tackling the challenges places face, with a lack of awareness of what is available; limited resources; pressures for immediate responses, inadequate capability to ‘translate’ and apply research; the complexity of research findings; and resistance to change all creating barriers.

These issues are compounded at a local level where resources and capability are particularly constrained, with wide variation between different place contexts (rural versus urban, unitary versus two-tier, those with metro mayors and those without, special measures versus stable performers, etc). The Hub is working with LPIPs to help overcome these barriers and enable change through a collaborative ‘Policy Hive’ structure, sharing knowledge and expertise in ‘what works for place’, responding to the place capacity gap identified by researchers from City-REDI and elsewhere ([Newman et al, 2021](#); [Romaniuk et al, 2021](#); [Taylor et al, 2021](#)) and bringing together partners and stakeholders across the research and policy ecosystem.

We will draw together an understanding of local challenges; act as a front door to national and local policy stakeholders; support engagement; build capability; assess the transferability of findings (across UK geographical scales and internationally); and use a separate fund to support promising strands of innovation and collaboration across the policy ecosystem. We will translate local action that is specific into generalisable and national practice. Activities may be best conducted at local, sub-regional, regional, or national levels depending on their character, and powers may not – even once devolved – get to the right level. The Hub will have the oversight to engage and share practice across levels, as well as the flexibility to respond to stakeholder needs.

Our partner insight: creating thriving places and supporting inclusive growth

There have been many policies since the 1920s to stimulate regional economic development and tackle issues of inequality, left behind places and the need to redistribute wealth and wellbeing ([UK 2070 Commission, 2019](#)). These include the Industrial Transference Scheme (1920s), the Urban Programme (1960s), Government Offices and Regional Development Agencies (1990s) and more recent competitive funding initiatives such as the Transforming Cities Fund and Community Renewal Fund (DLUHC, 2022; [McCrone, 1969](#); [Martin et al, 2021](#)). Several programmes have addressed issues at a local level, with notable effects such as revitalizing cities, business creation, and skills development and inner-city improvement supported by international migration ([Green et al, 2021](#); [PWC, 2009](#); [Sterrett et al, 2005](#)).

However, these interventions have not succeeded in reducing entrenched disparities. ‘Levelling Up’ is the most recent and arguably most comprehensive policy response to the task of addressing stubborn spatial inequalities. There is evidence that geographical inequalities have “*intensified in recent decades*”, with regional policies being insufficiently “*place-based*” to revive economically lagging areas ([Beer et al, 2020](#); [Martin et al, 2021](#)). Austerity measures have impacted on institutional ability to respond and there has been uneven innovation in services, with competitive approaches from government departments tending to increase disparities as those better able to respond have won the most funding ([Eckersley and Tobin, 2019](#), [Pike et al, 2018](#), [Taylor, 2019](#)). Places have also faced further shocks of Brexit ([Thissen et al, 2020](#)), the Covid-19 pandemic ([Davenport and Zaranko, 2020](#)) and the cost-of-living crisis ([Atherton and Le Chevallier, 2022](#)).

In the context of crisis, many places have learned valuable lessons, including better use of evidence and data to create policy responses, the power of partnerships (Hoole et al 2021), collaboration and the development of interventions to deal with Covid-19 impacts. There are valuable lessons in collaboration to solve bigger problems as crisis solutions have reshaped programmes and policies. There is a plethora of thematic and methodological research focusing on relevant topics, but nothing holistically addresses the issue of ‘What Works for Places’ or what does not work. Therefore, the Hub is a key step change in tackling these issues and will gather lessons from relevant academic and policy research, champion place-focused research across all UKRI research assets (such as the broader What Works Network and Productivity Institute) and support research centres and teams to interact with place partners while working with LPIPs to apply findings and share knowledge within and across places.

LPIP Hub – developing effective local and regional research-policy partnerships

The main barriers to a successful place-focused ecosystem which the work of the LPIP Hub partnership is designed to address include:

- Lack of learning from other places and past policy interventions ([Romaniuk et al, 2020](#));
- Limited ability to scale from previous good practice and influence/improve the wider system ([Newman et al, 2021](#));
- Insufficient learning/transfer of skills/knowledge from successful/unsuccessful place partnerships.

For universities, we will look to support the shortfall in skills and capacity across academia to deliver a place-based service and help design solutions by helping to resolve the:

- The disconnect of local university offer/scale of focus and place need ([Metro Dynamics, 2022](#));
- Lack of brokerage/translation capacity within universities between place and policy ([Taylor et al, 2021](#));
- Disparate or lack of capacity and research capability at the local level to invest time in connecting and utilising academic assets ([NCCPE, 2019](#));
- and “overlapping university fields of activity” ([Civic University Network, 2022](#)). This has created a deficit of skills, opportunities or performance demands for academics to interact at a place level.

There is a shortfall in knowledge in universities about the policy process (ROAMEF – rationale, objectives, appraisal, monitoring, evaluation, feedback and government guidance in [Aqua](#) (HM Treasury, 2015) / [Green](#) (HM Treasury, 2022) / [Magenta](#) (HM Treasury, 2020) Books which we will hope to improve. The silos within and between institutional structures and increasing short-term competitive processes and structures limit sharing, learning, and partnership working ([Newman et al, 2021](#); [Metro Dynamics, 2022](#)) and reduce time to think and reflect on priorities and solutions. A [recent review of funding for levelling up](#), and the challenges it seeks to address, have been widely welcomed across the political spectrum. However, the method of delivering funding, the allocation process, and the extent to which different funds have been compatible with the needs of communities in the short and long term is creating several obstacles to the policy's success. The LPIP Hub will be seeking to address this issue by building greater connections between local and national policymakers.

There has also been a reduction in local authority research capacity and capability through austerity, an erosion of community capacity in left-behind places and an increase in Whitehall 'churn' – all of which have reduced the capacity to network and innovate. At the same time, the Levelling Up White Paper and the new 'place' chapter in the Green Book require the government to think about place when designing policy. Past government policies have tended to be place blind. Competitive funding structures limit the development of an ecosystem of learning and sharing best practices have led to an over-emphasis on short-term fixes as opposed to finding medium-term or longer-term solutions. This is a structural issue which we seek to address in the delivery of the Hub.

Introducing the LPIP Hub Research Programme

Abigail Taylor, LPIP Hub

The Local Policy Innovation Partnership (LPIP) project launch took place on Tuesday 27 February 2024. Over the next three years, the [LPIP Strategic Coordination Hub](#) will work with Local Policy Innovation Partnerships (LPIPs) to understand and solve local challenges around the UK through an innovative service-driven approach to place-based policymaking and public service delivery.

The research programme aims to develop an understanding of place-based policies and use insights into the local partnerships' experiences to contribute to academic debates on place and place-based policies. But what does this mean in practice? In this blog, [Dr Abigail Taylor](#) outlines some of the initial activities that form part of the research workstream of the Hub.

What makes partnerships work in practice?

Researchers at City-REDI along with the Hub Delivery Team partners, and supported by the Hub Board, are developing activities and outputs focused on adding to the knowledge base on **what makes partnerships work in practice and deliver innovative solutions for place** – in particular:

1. how to build confidence, capability and capacity in place which can be applied to tackling complex challenges and achieving positive outcomes,
2. how collaborative capability is understood and appreciated in different places and can be enabled to achieve change in complex local systems (looking at different complex ecosystems and what works in each e.g. in terms of governance structures and bodies), and
3. how effective policies need multiple parts of local systems to work together (e.g. by joining up across policy domains) to achieve intended outcomes.

This will entail 'lifting the lid' on partnership-working to investigate what enables partnerships to be effective in achieving a positive impact locally.

We will investigate what the local partnerships' experiences tell us about (1) what incentives and structures are needed for successful partnerships to work; and (2) what the optimal relationship between sub-national and national levels is in terms of freedom to innovate locally and so that the national level can build enough scaffolding to be supportive while not hampering local developments.

Given that the LPIPs vary by geography and thematic focus, we hope to gain insights into a range of approaches and challenges and develop learning to support future local partnership design. What lessons can be learned from across the LPIP partnerships? How do needs vary? How does the role of key partners differ across the LPIPs? What are the key similarities? To what extent do places have sufficient capacity? What are the challenges of the current system and opportunities to develop it? What could be achieved with greater capacity/ stronger linkages across partners? Understanding the role of context in terms of the benefits of different governance structures and the relationships between them (multi-level, formal/informal, hard and soft spaces) will be important in gaining insights into which governance structures are appropriate and where.

Evidence reviews

The City-REDI team is currently developing Evidence Reviews on each of the seven LPIP themes:

- local economic performance
- living and working sustainably in a greener economy
- innovation
- skills
- communities in their places

- felt experiences
- cultural recovery

The reviews are designed to synthesise key evidence and policy questions relating to each of the LPIP themes. We want to set out concisely the ‘state of the art’ in terms of policy and academic debates and identify ‘burning issues’ going forward for each theme. Each review takes an explicit place focus. Questions that each review will consider include:

- What are the key concepts? How can these be defined?
- Which national and local policies are most relevant for each theme?
- What do we know about the differential capacity of places for local policy innovation in that theme?
- Which place-based interventions have been implemented in that theme and what were the outcomes? How have, or can, partnerships drive responses to challenges?
- What can we learn from international examples of local policy partnerships developed to respond to key challenges?

As part of the reviews, we are engaging widely with organisations and individuals leading the agenda on each of the themes to find out about innovative examples of good practice, connect with other similar initiatives/ investments to support learning and avoid duplication. We are exploring projects and programmes implemented at different geographical scales from neighbourhood to local to Combined Authorities and national organisations. The initiatives include those focused on urban and rural areas as well as those covering complex geographies.

Blogs, webinars, podcasts and more!

Alongside the evidence reviews, we will be producing a series of blogs, webinars and podcasts. Designed for policymaker, practitioner and academic audiences, these activities will share learning from the evidence reviews and enable more detailed insights on specific aspects and issues. For example, we will look to bring together practitioners and academics who have previously led place-based partnerships to reflect on what worked and did not work in their projects and programmes. We will showcase examples of innovative practice.

Introducing the LPIP Hub Research Themes and the Leads

Communities in Their Places

This theme considers the current and potential future role of communities in addressing place-based challenges. Cohesive communities can mobilise social capital, tackle place-based challenges, and identify avenues to bring about social, economic and environmental improvements in their area.

For more details on this theme please follow the link here: [Communities in Their Places](#)

LPIP Hub Lead: [Dr Abigail Taylor](#)

Dr Abigail Taylor is the research theme lead for communities in their places and place leadership. Abigail is a Research Fellow at City-REDI with significant policy experience including secondments to the [Industrial Strategy Council](#) and the [Smart Specialisation Hub](#). Abigail's primary research interests are place-based approaches to regional development, place leadership, institutions and governance structures funding, employment support policy and community engagement.



Cultural recovery

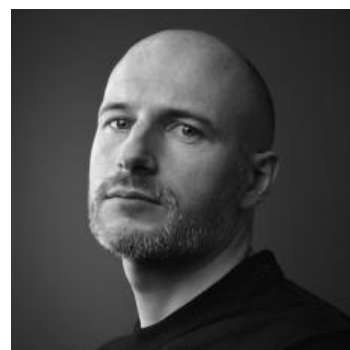
Across the four nations of the UK, culture and heritage have a major role to play in place-based recovery and resilience. Understanding the cultural sector in a holistic manner that can capture the contributions that it makes to society and the economy is key to thinking about re-balancing regions, areas and nations.

Ensuring greater access to culture, understanding how and why people engage with culture, and accessing and evidencing the role of culture as both producer and consumer in the economy and society are vital to successful levelling up agendas both across the UK and within areas and regions.

For more details on this theme please follow the link here: [Cultural recovery](#)

LPIP Hub Lead: [Dr James Davies](#)

James joined City-REDI in November 2021 as a Research Fellow. His work is focused on the regional impacts of creative clusters, with particular interest given to the interactions between the clusters themselves, and higher education institutions both in and around them. His work on the cultural sector includes a focus on the variation of levels of both physical and relational cultural infrastructure across different contexts in the UK, place-based cultural investment and the challenges posed by the UK's regionally fragmented cultural funding landscape.



Environment: Living and Working Sustainably in a Greener Economy

Research on living and working sustainably in a greener economy focuses on understanding and promoting practices that minimize environmental impact while supporting human well-being and economic growth.

It encompasses a wide range of topics, Electrification and decarbonising infrastructure, Agricultural systems, just transition community resilience and empowerment, climate mitigation and adaptation, transport and planning

systems. This research aims to map the policy levers to tackle some of these issues at different spatial scales and to learn from best-practice case studies internationally to help ensure a healthier planet and more resilient communities.

For more details on this theme please follow the link here: [Environment: Living and Working Sustainably in a Greener Economy](#)

LPIP Hub Lead: [Dr Matt Lyons](#)

Matt Lyons is the research theme lead for the environment: living and working sustainably in a greener economy. Matt joined the City-REDI team in May 2021 as a Research Fellow. He is responsible for developing the team's regional economic modelling capabilities whilst supporting projects across City-REDI.



Inclusive and Sustainable Local Economic Performance

Substantial economic disparities have continued to widen across the UK, found within and between nations, regions, counties and local areas, characterised by differences in numerous performance indicators. A place cannot improve local economic performance without strong data and analytical capabilities which identify and evidence potential challenges and opportunities.

To successfully improve inclusive and sustainable local economic performance, innovative interventions are needed to tackle issues and build on potential opportunities. This requires a strong monitoring and evaluation capacity and capabilities to understand which innovative interventions have been successful.

For more details on this theme please follow the link here: [Inclusive and Sustainable Local Economic Performance](#)

LPIP Hub Lead: [Alice Pugh](#)

Alice Pugh is the research theme lead for inclusive and sustainable local economic performance. Alice joined City-REDI in February 2021 as a Policy and Data Analyst and is now works as a Senior Economic Analyst. Alice has worked in central governance in DWP, been seconded into local governance at Greater Birmingham and Solihull Local Enterprise Partnerships and at the has begun a secondment to the Centre for Local Economic Strategies (CLES). Her research largely focuses on economics, place-based policy, quantitative and qualitative impact assessments, monitoring and evaluation and business case development.



Innovation

This research program aims to develop a comprehensive understanding of place-based innovation policies and leverage insights from local experiences to contribute to academic debates on place and place-based policies. The focus is on building confidence, capability, and capacity in specific locations, which can be applied to tackling complex challenges and achieving positive outcomes.

For more details on this theme please follow the link here: [Innovation](#)

LPIP Hub Leads: [Dr Chloe Billing](#) and [Dr Gerardo Javier Arriaga-Garcia](#)

LPIP Hub Lead: [Dr Gerardo Javier Arriaga-Garcia](#)

Dr Gerardo Javier Arriaga-Garcia is the research theme lead for innovation whilst Chloe Billing is on maternity leave. Gerardo recently joined City-REDI in October 2024 as a Research Fellow, working on the Local Policy Innovation Partnership and the West Midlands Health Tech Innovation Accelerator projects. Gerardo's current research focuses on inclusive innovation policies, exploring how community-driven approaches can enhance social equity and economic opportunities for marginalized groups. His work emphasises bridging research and practice to design policies that foster inclusion and sustainable development. Prior to joining City-REDI, Gerardo has contributed to impactful projects, including evaluating community innovation policies at Nesta and advancing migrant entrepreneurship research at Aston University, influencing policy and academic discourse. A passionate advocate for social equity, he has also led community projects supporting refugees and asylum seekers.



Skills

The UK is navigating rapid technological changes and economic shifts. A strong skills ecosystem is essential to drive sustainable growth and enhance social inclusion. This theme examines the complex challenges and opportunities in skills development in the UK across different scales – from the local to the national level. It highlights the key roles of local employment and skills transitions, economic needs, and lifelong learning in building a workforce ready for future challenges and innovations.

For more details on this theme please follow the link here: [Skills](#)

LPIP Hub Lead: [Dr Kostas Kollydas](#)

Dr Kostas Kollydas is the research theme lead for Skills. Kostas is a Research Fellow who joined City-REDI in May 2021 and leads the Skills theme for the Local Innovation Policy Partnership (LPIP) Hub. As an applied economist, his research spans skills, labour economics, and the economics of education. In the “Skills and labour market” research theme of WMREDI, he explored interregional mobility patterns among recent graduates based on their socio-demographic characteristics and higher education-related factors. Additionally, during his 50% secondment with the Department for Science, Innovation and Technology (2022-2023), he led analysis and co-authored reports for the “R&D Workforce and Skills” project.



Felt Experiences

In recent decades, urban planners and policymakers have been increasingly interested in better understanding the relationships between people and the places they inhabit. This shift coincides with a growing emphasis on the value of *place* in policymaking.

For more details on this theme please follow the link here: [Felt Experiences](#)

Cultural, Recovery, Policy and Place in the UK Evidence Review

James Davies, LPIP Hub

This blog post by [Dr James Davies](#) summarises the approach taken on an evidence review of the role of culture and cultural recovery in place-based policies as part of the Local Policy Innovation Partnership (LPIP) Hub. It takes a multifaceted approach, defining key concepts and identifying key questions around uneven funding, the crucial role of local governments, challenges in measuring cultural impact as well as the need for greater participation and inclusion in cultural activity. The review examines UK national and local policies influencing place-based cultural recovery, highlighting regional variations. By compiling robust evidence from academic literature, government reports, and case studies, it aims to inform policymakers on conditions, partnerships, and policies that effectively enhance cultural recovery.

Defining Key Concepts in Cultural Policy and Recovery

The evidence review encompasses academic literature, government reports, and real-world case studies, a multifaceted approach that provides a well-rounded perspective on the ingredients necessary for successful place-based cultural recovery. It aims to synthesise key learnings on place-based cultural policies and their potential role in supporting local economies *and* communities.

We begin by defining key concepts related to creative and cultural policy and cultural recovery. We explore and define the following key concepts:

- In the first instance, it is vital we make clear what we mean by **‘culture.’** The definition of ‘culture’ is a tricky concept to pin down. To help, we propose considering culture as a triumvirate, taking three principal forms, as it relates to place:
 - **Local Culture** of a place, organically shaped by its heritage and communities’ shared histories and language (e.g. Welsh, Cornish, Scottish and Irish Gaelic).
 - **Cultural Infrastructure**, which is understood to include both the physical spaces and amenities and the infrastructural conditions that build, support and sustain arts and cultural activities.
 - As part of the local economy, culture is frequently promoted by policymakers as the **Cultural and Creative Industries** that exist within that place. Culture and creativity in UK policy are often used interchangeably, but the two areas are distinct and measured quite differently.

Beyond this central conceptualisation of culture in place, there are some other terms in need of clarification:

- **Cultural Ecosystems** describe services that combine with the built environment, as well as human and social capital to produce recreation, aesthetic, scientific, cultural identity, or other benefits.
- **Cultural Value** is often reduced to economic contributions, in the context of place-based partnerships and policy innovation, this review emphasises the values that culture and cultural infrastructure have to places and communities, building pride-in-place and community identity, supporting wellbeing and inclusion *in addition to* regeneration and economic development.
- **Cultural Recovery:** The concept itself bears some ambivalence, originating both as the definition of approaches which utilise artistic and cultural assets to drive economic growth and against long-standing issues concerning cultural funding and Austerity measures. We offer the distinction that before the arts and cultural landscape are utilised for the recovery of the economy, there needs to be a wider acknowledgement of the many other forms of value that cultural activities provide, beyond the purely monetary.

Burning Questions in Place-Based Cultural Recovery

We identify five burning questions in our evidence review:

1. **Maximising the role of partnerships within local governance:** How can the challenges to local and combined authorities, responsible for maintaining foundational social and cultural infrastructure through culture and leisure services, be addressed through working in partnership to create more resilient communities, enhancing social mobility and addressing health inequalities?
2. **Other forms of Cultural Value:** How can cultural investment frameworks, coordinated across national and local levels, evolve beyond simplistic binary categories (funded versus unfunded, producers versus audiences, public versus private) to better comprehend the complex dynamics within creative and cultural ecosystems?
3. **Data standardisation and shared terminology:** In what ways would the establishment of shared terminology and a cohesive research agenda enhance the evidence base, while also exploring the potential for creative ecosystems in diverse settings?
4. **Promoting greater participation:** What strategies are essential for promoting greater inclusion and achieving a more egalitarian level of participation in the context of a diverse range of cultural social spaces and interacting with ethnic, social, and socio-economic groups? What opportunities are there for participatory decision-making to engage local knowledge and ownership?
5. **The challenge of digital technology:** What role do digital technologies play in potentially engaging – or preventing – children and young people in arts and culture through a language they are more familiar with? How do demographic variables such as gender, socio-economic status, and age impact participation in arts and culture?

The review examines national and local policies that influence place-based cultural recovery and cultural policy in the UK. We stress the importance of understanding culture as something that is foundational to a place. More recent interest in 'ecological' perspectives is based on a need to understand the many kinds of 'value' at stake when we think about culture and creativity, beyond just economics. This policy mapping highlights regional variations in governance and resources, including between England and the devolved nations of the UK.

Conclusion

The review underscores key learnings about the conditions, partnerships, and policies that can effectively build local capacity for appropriate cultural interventions and initiatives. It also reveals gaps that point to fruitful areas for further investigation. The aim is to inform policymakers seeking to design appropriate uses of artistic and cultural infrastructure and maximise inclusive participation. By highlighting successes, challenges, and opportunities, this analysis aims to illuminate the conditions for more inclusive and impactful place-based cultural ecosystems.

Innovation Policies for Local Places Evidence Review

Chloe Billing, LPIP Hub

This blog post by [Dr Chloe Billing](#) summarises our approach to an evidence review of place-based innovation policies and their role in supporting local economies, as part of the Local Policy Innovation Partnership (LPIP) Hub work. Our review takes a multifaceted approach, defining key concepts and identifying critical questions around innovation accessibility, tailored support, geographical challenges, innovation policies, and impact measurement.

[View the Innovation Evidence Review.](#)

Context and Methodology

The LPIP Hub aims to support local authorities and partners in addressing social, economic, and environmental priorities through innovation and evidence-based policies. Our evidence review synthesises key learnings on place-based innovation policies and their role in supporting local economies. Innovation, defined as transforming ideas into value, is essential for productivity and prosperity.

The review examines academic literature, government reports, and real-world case studies on national and local policies that influence place-based innovation in the UK. It includes resources from the Innovation Growth Lab, Innovation Caucus, Enterprise Research Centre (ERC), OECD's Centre for Educational Research and Innovation (CERI), UKRI, Nesta, DSIT, The City UK, Economic and Social Research Council, Local Government Association (LGA), What Works Centre for Local Economic Growth, and local evidence reviews by regional innovation actors (for example, Innovation Alliance for the West Midlands).

The review examines UK national and local policies influencing place-based innovation, highlighting regional variations. This evidence highlights regional variations in governance and resources and highlights that fostering innovation capacity requires a nuanced understanding of local contexts.

Key Concepts and Burning Issues

We begin by defining key concepts related to innovation ecosystems, and the institutional structures that enable them. Examples of key concepts which we define include:

- **Innovation ecosystems** refer to interconnected networks facilitating innovation through the collaboration of diverse stakeholders. Key components include knowledge sharing, access to resources, and a culture of entrepreneurship.
- Building **local innovation capacity** means tailoring interventions to leverage local strengths and sector dynamics. This involves understanding specific economic, social, and infrastructure factors.
- **Place-based innovation policies** refer to a targeted approach that aims to foster innovation within specific geographical areas or communities, tailoring strategies and interventions to address the unique needs and aspirations of those localities.
- **Inclusive innovation** is an emerging concept, with different definitions. NESTA argues that innovation policies are inclusive when they consider who benefits from innovations, who participate in creating them, and who decides priorities and manages innovation outcomes.

The aim of our review is to set out the 'state of the art' in terms of policy and academic debates, whilst also identifying 'burning issues' going forward for each theme. We identified the following five 'burning issues' for place-based innovation policies in our evidence review:

1. **Strengthening the Innovation Ecosystem:**

How can local strengths be leveraged to drive innovation, and what strategies ensure equitable access to resources for businesses of all sizes?

2. **Skills and Targeted Interventions:**

What crucial skills foster robust local innovation, and how can interventions address unique local business needs considering various factors?

3. **Balancing Innovation Types:**

- How relevant are transformative and mission-oriented innovation policies to LPIPs, and what mechanisms promote both frontier R&D and adoption of existing innovations?
- How can collaborative efforts and transformative technologies mitigate sector-specific challenges in particular areas?

4. **Inclusive Innovation:**

How can innovation ecosystems ensure widespread benefits across groups, locations, and business types, and what place-based strategies support local institutions in addressing community needs?

5. **Impact Assessment:**

What metrics can accurately evaluate place-based innovation policies' success, and how can strategies be continuously monitored and adapted to regional realities?

Key Findings

Our review revealed several interrelated themes regarding effective place-based innovation policies. The importance of innovation and technology policies emerged as a crucial factor, with both technology push and demand-pull policies being necessary to build capacity, capability, and confidence in innovation. Several sources emphasised the significance of empowering local leaders and decentralising research funding, advocating for more autonomy and decision-making power to be devolved to local leaders. This includes increased local influence over national R&D spending and targeted incentives for local research priorities.

Collaboration, partnerships, and skills development were consistently highlighted as vital components of successful innovation ecosystems. There is a strong focus on the importance of collaboration between government, businesses, academia, and other stakeholders within regions to drive innovation. This collaborative approach extends to developing local STEM skills and aligning training programmes with the talent needs of innovative companies.

The review also identified a shift towards more place-based approaches and cluster development in innovation policies. These policies are increasingly adopting cooperative, multi-actor strategies with a focus on supporting innovation clusters. Additionally, there are growing calls for more evidence-based and experimental approaches to designing local innovation policies, including rigorous evaluation and regular benchmarking.

These findings underscore the importance of a holistic, place-based approach to innovation policy that empowers local leaders, fosters collaboration, supports skills development, and is grounded in evidence-based practices. By adopting such strategies, policymakers can create more resilient and dynamic local innovation ecosystems that are responsive to regional needs and global opportunities.

International Perspectives

We also explore international case studies, which showcase how different countries have strategically developed capacity in specific regions or districts to drive innovation and economic development. Our review includes examples from various nations, each demonstrating unique approaches to fostering innovation. In the

Netherlands, two distinct initiatives stand out. The Dutch Innovation Vouchers scheme increases the R&D and innovation capabilities of SMEs by encouraging collaboration with public research institutions. Additionally, the Brainport Eindhoven initiative focuses on developing high-tech industries through a collaborative ecosystem. Spain offers another compelling example with Barcelona's 22@ Innovation District, which transformed a former industrial area into a thriving hub for knowledge-intensive industries and R&D centres. In Asia, Singapore's Jurong Innovation District provides an illustrative case of integrating advanced manufacturing, technology, and academia in a single location to encourage experimentation and innovation across various sectors. These international examples highlight the diverse strategies employed globally to create and sustain innovation ecosystems, offering valuable insights for UK policymakers.

Challenges and Future Research

Our review has identified several key challenges in the field of place-based innovation policies. These include finding effective ways to strengthen local innovation ecosystems, fostering the right skills for innovation, supporting both radical and incremental innovation, promoting inclusive innovation, and accurately measuring the impact of place-based policies. Addressing these challenges will be crucial for the continued development and success of place-based innovation strategies.

To tackle these challenges and advance our understanding of place-based innovation policies, future research should focus on several key areas. There is a need for comprehensive case studies and comparative analyses across diverse regions and sectors, which can provide valuable insights into the varied contexts in which innovation policies operate. Fostering cross-disciplinary collaborations and knowledge-sharing among stakeholders is another crucial area for future research, as it can lead to more holistic and effective approaches to innovation.

Developing robust frameworks for measuring and evaluating the impact of place-based innovation policies is essential for evidence-based policymaking. This should be complemented by encouraging long-term, longitudinal studies that can capture the dynamic nature of local innovation ecosystems and provide a more nuanced understanding of how these ecosystems evolve over time.

Future research should also explore innovative funding mechanisms and incentive structures to support research initiatives. This could help address some of the resource constraints that often hinder innovation, particularly in less developed regions. Finally, investigating the implications of mission-oriented innovation for diverse places is an important area for future study. This could provide insights into how different regions can tailor their innovation strategies to address specific societal challenges while leveraging their unique strengths and resources.

By focusing on these research priorities, we can deepen our understanding of place-based innovation policies and develop more effective strategies for fostering innovation and economic growth across diverse regions and communities.

Conclusion

Our review synthesises key learnings about factors, partnerships, and policies that can effectively build local innovation capacity. It also reveals gaps in our understanding that point to areas for future research. The aim is to inform policymakers seeking to leverage place-based innovation for local growth, emphasising the need for tailored, collaborative approaches that consider the unique characteristics and needs of different regions.

[View the Innovation Evidence Review.](#)

Inclusive and Sustainable Local Economic Performance Evidence Review

Alice Pugh, LPIP Hub

Alice Pugh summarises the key findings from the recently released Inclusive and Sustainable Local Economic Performance Evidence Review.

[Read the report](#)

Context and Methodology

The review summarises key academic literature, government reports, and real-world case studies related to inclusive and sustainable local economic performance, focusing on strengthening economic development partnerships within place. It examines inclusive and sustainable local economic, national and local policies, the varying capabilities and capacities in place, and lessons learnt from local partnerships to improve inclusive and sustainable economic performance, both UK-based and international. The review aims to inform the development of inclusive and sustainable local economic partnerships, through the identification of key challenges and demonstration of good practice.

Key Questions

The review seeks to answer the following questions:

1. **National Policy:** What is the current context for inclusive and sustainable local economic development? How does this impact inclusive and sustainable local economic development?
2. **Regional and Local Policy:** What is the current context for inclusive and sustainable local economic development? How can policy at this level be improved? How does policy differ across the devolved nations?
3. **Capacity and Capabilities:** What capacity and capability challenges hinder inclusive and sustainable local economic development? What works when trying to improve capacity and capability?

Key Findings

Policy Context

Challenges, complications and instability in place-based economic development strategy at a national level can disrupt progress at a subnational level. Subnational institutions often lack the evidence base, incentives, resources (including funding), capacity and capability, to develop effective long-term place-based policy.

Despite these challenges, subnational institutions are often best placed to tackle the unique needs that face their place and thus, greater devolution of powers and funding is needed to support place-based organisations to create transformational change with regard to inclusive and sustainable local economic development.

Capacity and Capability

The churn, instability and ad-hoc approach to devolution from central government has led to a complex network of subnational capacities and capabilities, this is particularly acute in England. The lack of clear structure, funding, and resources is leading to poor capacity and capability in place and, as a result, impacts the ability of place-based institutions to create transformational change, particularly in terms of their ability to monitor and evaluate interventions.

Policy-makers need to focus on improving the structure, funding, and resources of devolved national and subnational governments to ensure that they have the capacity and capability to create effective change. They need to ensure that the responsibilities of each layer of subnational government are clear and that every geography is adequately and appropriately covered by the different levels of subnational government.

Place-based Partnerships

Collaboration and partnership will be key to building capacity and capabilities in place, delivering true inclusive and sustainable local economic development. Engagement from devolved national and subnational governments, private sector businesses, local educational institutions, and local people will also be key to transformational change.

To develop an effective partnership, the following elements are key: strong, championing, connected leadership; committed partner engagement; appropriate long-term resourcing (including funding); a strong partner co-produced vision and strategy; flexible fit for purpose governance and structures; trust between partners; and a focus on pre-existing assets within place, to drive inclusive and sustainable local economic development.

Conclusion

The review summarises the policy context, challenges, opportunities and best practice examples, around inclusive and sustainable local economic development partnerships. The aim is to inform policymakers on how to better develop long-term capacity and capability within place to improve inclusive and sustainable local economic performance.

[Read the report](#)

National and Local Skills Policies in the UK – Skills Evidence Review

Kostas Kollydas, LPIP Hub

Dr Kostas Kollydas summarises the recently released Skills Evidence Review, which offers a timely exploration of how national and local skills policies in the UK are evolving to meet skills and workforce development challenges.

View the [Skills Evidence Review](#).

Context

This review identifies challenges and opportunities in designing local skills policies that align with economic development goals. It examines UK-wide disparities and leverages lessons from local and international case studies, highlighting pathways to address skills mismatches and enhance local capacity for innovation in skills policies.

The report synthesises insights from academic articles, policy literature, expert interviews, and case studies. It aims to provide evidence for local partnerships to create interventions that address skills mismatches, support economic and workforce transitions, and improve skills utilisation.

Key concepts and burning issues

The report describes important concepts such as skills mismatches, which occur when the supply and demand for skills fail to align. Specific types of mismatches (such as undereducation, overeducation, and skills underutilisation) exacerbate workforce inefficiencies. A notable example is the “low-skills equilibrium”, where employers and workers lack incentives to invest in advanced skills, thus perpetuating low-wage jobs and poor productivity.

Workforce skills are important in driving economic resilience and (sub)regional economic growth. The concept of “local skills ecosystems” emphasises the importance of partnerships among local authorities, educational institutions, and industries. These ecosystems should ideally adapt to unique local needs, addressing challenges like low-skills equilibria and skills mismatches. However, especially in the context of the devolution of responsibility for skills, the UK’s skills landscape is complicated to navigate and faces ongoing challenges. For example, economic inactivity, health-related absences, an ageing population, and “Brexit”-driven implications in labour supply have reduced the availability of labour and skills in many areas. Rural areas face additional challenges related to limited infrastructure and access to training.

The review also highlights the growing importance of green skills, digital skills, and innovation skills. Embedding these skills into education systems and ensuring they meet local industrial needs requires coordinated action.

Key findings

The UK’s fragmented devolution framework appears to undermine efforts to build cohesive skills systems. Scotland, Wales, and Northern Ireland manage their own skills systems. England operates a more centralised approach, albeit there is devolution to certain subregions. Areas in England with strong devolution agreements can tailor their skills policies, while others remain tied to top-down approaches, which rather limits their ability to address local needs. For instance, some mayoral combined authorities, like Greater Manchester and West Midlands, have been granted significant powers over adult education budgets. In contrast, other areas operate with limited autonomy, which may ultimately lead to a “postcode lottery” in skills provision. This fragmented devolution creates notable inequalities in local governance capacity.

The review highlights the importance of skills policies that are both integrated and place-based. This means linking skills development with broader local strategies around job quality improvements, housing, transport, and innovation support. Yet, many local authorities lack the capacity to implement such holistic strategies through such coordination. This leaves them unable to fully leverage the potential of skills interventions.

Collaboration is key. Further and higher education institutions are crucial players in local skills ecosystems, as they provide training, knowledge transfer, and hubs for innovation. Again, disparities in institutional capacity, especially between urban and rural areas, hinder equitable access to the provision of high-quality skills and alignment with local needs.

The review delves into several policies across the UK, aiming to offer a more nuanced view of what works and what needs improvement. The Skills Accelerator pilot represents a significant effort to align technical training with labour market requirements. Encompassing Local Skills Improvement Plans (LSIPs) and Strategic Development Funds, the pilot focuses on strengthening partnerships between employers and educators to identify skills gaps in emerging sectors. For example, investments in training programmes for electric vehicles and sustainable heating have created new curricula and upskilled staff in response to local market needs.

The UK Community Renewal Fund was a £220 million initiative that trialled innovative approaches to workforce development. Through localised projects, the fund supported efforts to address post-“Brexit” economic challenges by enhancing skills training and fostering employment opportunities.

Local Labour Market Partnerships in Northern Ireland provide another example of a targeted, place-sensitive approach. These partnerships are tailored to the needs of its 11 Local Government Districts and aim to leverage local insights to design training programmes that align with industry requirements. The WorkWell pilots, implemented in 15 areas in England (including Birmingham and Solihull), aim to integrate health and employment services to help individuals with long-term conditions transition back into the workforce. These programmes illustrate the value of holistic, person-centred approaches that address individual and systemic employment barriers.

The Apprenticeship Levy has struggled to achieve its objectives, as apprenticeship starts for young people and small and medium-sized businesses have declined sharply over recent years. In addition, several employers have used the levy to “rebrand” existing internal staff training programmes rather than creating new opportunities. The new Growth and Skills Levy seeks to address these shortcomings by offering more flexible pathways and focusing on in-demand sectors.

International perspectives

The report also provides illuminating international examples of effective skills initiatives. A particularly transformative case is the Riviera del Brenta region in Italy. This area transitioned from low-skilled footwear production to high-value luxury shoe manufacturing. This transformation was driven by collaboration among local businesses, unions, and a local polytechnic specialising in workforce training. These efforts, combined with diversified market strategies and workforce upskilling, boosted productivity, wages, and health and safety standards. This case in Italy exemplifies how skills development when paired with effective skills utilisation and collaboration, can shift an area from low-value production to a knowledge-driven economy.

Other examples include Australia’s focus on high-skills ecosystems, where sectors like yacht building and civil engineering benefited from integrated skills approaches. However, challenges related to stakeholder resistance to new approaches and changes in government at the state and federal levels hindered progress. Cities like Cleveland (USA) and Leipzig (Germany) also highlight the importance of aligning skills development with local economic strategies, such as manufacturing and automotive clusters.

Finally, insights from Australia show the potential of improving skills utilisation within organisations through strategies like job redesign to better leverage employee capabilities, job rotation to expand skillsets, and autonomy to encourage innovation and mentoring. Such practices not only enhance productivity but also improve employee satisfaction and adaptability.

Conclusion

The Skills Evidence Review calls for a more integrated, collaborative approach to skills development and associated place-based policies. The UK's skills system remains complex, shaped by multiple funding sources and governance models. Despite devolution advances, substantial disparities persist in local capacities to implement cohesive skills policies.

Green skills and innovation skills present significant opportunities. In this context, flexibility in training programmes and support for transitioning industries are important. Future research could explore effective governance structures promoting innovation, tailored rural and urban strategies, and the collaborative roles of further and higher education institutions. These avenues will be key to building resilient, inclusive skills ecosystems and driving sustainable growth.

View the [Skills Evidence Review](#).

LPIP Blogs

This section sets out some of the blogs that have been produced as part of the LPIP Hub programme.

Report	What is Place-Based Partnership Working and Why is it Important?
Author	Charlotte Hoole, LPIP Hub
	<p>Placed-based partnership working can have positive outcomes for neighbourhoods, cities and regions. Charlotte Hoole looks at what makes a partnership successful, what challenges lay in the way of success and what policy changes are needed to support place-based partnership working.</p> <p>Link to report</p>
Report	How International Success Factors Can Accelerate Levelling Up in the UK
Author	Jeffrey Matsu, Chief Economist at CIPFA
	<p>Jeffrey Matsu, Chief Economist at CIPFA, explains how levelling up in the UK can be accelerated if we look at and apply levelling up success factors from Cleveland, Fukuoka, Nantes and Leipzig.</p> <p>Link to report</p>
Report	Checking the Logic Behind Your Project
Author	Megan Streb, Head of Outreach at the What Works Centre for Local Economic Growth
	<p>Megan Streb, from What Works Growth, discusses how logic models should be an essential part of your project planning. This blog was first posted on the What Works Centre for Local Economic Growth website in January 2024. What Works Centre for Local Economic Growth are part of the Local Policy Innovation Partnership (LPIP) Hub Project Board.</p> <p>Link to report</p>
Report	When Developing and Evaluating Place-based Interventions, Do We Need a Double-Theory Approach?
Author	George Bramley, LPIP Hub
	<p>To develop and evaluate place-based interventions, George Bramley draws on a recent review of the evaluation of place-based approaches by the Youth Endowment Fund.</p> <p>Link to report</p>
Report	Not the Same: Why Definitions of Culture and Creativity Matter in Place-Based Policymaking
Author	James Davies, LPIP Hub
	<p>Dr James Davies investigates the definitions of ‘culture’ and ‘creative’, and why it is important to be able to distinguish both industries.</p> <p>Link to report</p>

Research and Reports

This section sets out 10 recently released reports and research, relevant to the work of the LPIP Hub, LPIPs and partners.

Report	Securing public value from natural resources
Author	Centre for Local Economic Strategies
Date	November 2024
	<p>On behalf of the Scottish Land Commission, CLES has investigated mechanisms and governance models used in the management of natural resources and how lessons from these could be transposed to the burgeoning natural capital market in Scotland.</p> <p>Our research and development of different resource based case studies pointed to key principles which could be applied to natural capital projects. These include: organisational purpose; future proofing; creative use of law and policy; transparency; internal democracy and local voice. When taken together we believe they provide the underpinning of an approach which would build community wealth, from the ground up.</p> <p>Link to report</p>

Report	Economic Impact of Universities: A Scoping Review
Author	City-REDI and National Civic Impact Accelerator
Date	November 2024
	<p>This report explores how universities drive local and regional economic growth, acting as anchor institutions that foster innovation, job creation, and community development.</p> <p>Link to report</p>

Report	Making innovation more inclusive
Author	The Productivity Institute
Date	November 2024
	<p>Innovation drives economic growth, but its benefits are not always shared equally, often leaving marginalised groups and economically lagging regions behind. This report explores how to make innovation more inclusive in the UK, emphasising the need for coordination among key actors and data-driven approaches. By defining upstream and downstream themes, it aims to create a shared understanding of an inclusive innovation ecosystem that benefits all communities and addresses regional disparities.</p> <p>Link to report</p>

Report	Demonstrating the Economic Impacts of Civic Universities
Author	City-REDI and National Civic Impact Accelerator
Date	November 2024
	<p>This study identifies gaps in current impact assessments and proposes a dynamic, contextualised approach using the 12 Pillars framework to better capture universities' civic economic contributions.</p> <p>Link to report</p>

Report	Rebuilding local democracy: the accountability challenge in English devolution
Author	The Productivity Institute
Date	March 2024
	<p>The fostering of economic growth and productivity at a place-based level requires well designed and well-functioning devolved institutions. This report identifies four different types of accountability and explores each of these in turn in relation to the emerging model of English devolution. These are: top-down accountability, which is the prevailing form in the British context; bottom-up accountability, which is far less developed here compared to many other states; inward accountability, which operates primarily through the institutionalised relationship between the mayor and the local authority leaders; and outward accountability which concerns how these authorities relate to their local communities and voters. Discussing each of these in turn, we identify the limitations of inward and outward accountability in relation to the emerging model of English devolution.</p> <p>Link to report</p>

Report	Local growth plans
Author	Institute for Government
Date	October 2024
	<p>How government should support a place-based approach to its national growth mission? This insight paper, based on conversations with external experts, those in central and local government, and those with experience of previous local plans, lays out the steps the government should take to make local growth plans as effective as possible.</p> <p>Link to report</p>

Report	Getting the green light
Author	Resolution Foundation
Date	October 2024
	<p>This report continues the Resolution Foundation’s programme of work looking at the main challenges from reducing carbon emissions across different sectors of the economy, and how associated changes will impact households on low-to-middle incomes. It focuses on the issue of decarbonising UK travel, assessing how the move to electric cars will impact family finances, the role of public transport, and how emissions from flying can be kept in check.</p> <p>Link to report</p>

Report	Solid foundations
Author	New Economics Foundation
Date	October 2024
	<p>The report argues after decades of underinvestment, and with what investment there has been concentrated in London, regions across the country have been left with a substantial capital funding gap. The analysis lays bare the inadequacy of the previous government’s “Levelling Up” programmes, which added up to £1.89bn annually – just three weeks’ worth of the annual investment needed.</p> <p>Link to report</p>

Report	Neighbourhoods in action: Achieving big results by working hyper-locally
Author	Local Trust
Date	October 2024
	<p>This report presents findings from a study commissioned by Local Trust to examine how local authorities in England are using neighbourhood approaches to support their most disadvantaged areas.</p> <p>Link to report</p>
Report	Constructing Consensus: The case for community-powered development and regeneration
Author	New Local
Date	December 2024
	<p>This report argues that the key to unlocking our fraught planning system is to give communities more power and influence to shape local development.</p> <p>Link to report</p>

Events

Training	Understanding data for local economies- What Works Centre for Local Economic Growth
30th January 2025, 10:00 to 12:30	A 2.5 hour introductory training on using data for local economic growth. A basic course designed for Local Authority and Mayoral Combined Authority officers to better understand and gather insights from GVA, productivity, and income data. Register here
Workshop	Understanding impact evaluation- What Works Centre for Local Economic Growth
27th February 2025, 10:30 to 12:30	A 2-hour workshop designed to help policy makers working in local economic growth understand impact evaluation. Register here
Workshop	Intro to community wealth building- Centre for Local Economic Strategies
6th March 2025, 10:00 to 12:00	In this workshop you will be taken through the five pillars of community wealth building, what they are, what they mean in practice and what it looks like when action is taken on each pillar in a place. The session will invite participants to explore community wealth building in the current UK context and evaluate its key role in developing an inclusive economy. By the end of the workshop you will have had a comprehensive introduction to community wealth building theory and practice. Register here .

Disclaimer: The contents of this document are based on the latest data available and the contribution of partners in a fast-paced environment, therefore we urge caution in its use and application

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