Placecast Episode 19 – Transcript

00:00:06 Nicola Headlam

Welcome to Placecast, a Local Policy Innovation Partnership Hub production based at the University of Birmingham.

00:00:13 Nicola Headlam

Placecast is essential listening for those keen to explore the ins and outs of knowledge mobilisation for influence in central and local government, based on the view that it's only through animating the power of place-based leadership that the wicked problems of 2026 can become more manageable.

00:00:29 Nicola Headlam

Whether you're a researcher, citizen scientist, an activist, a professional working within the public sector, civil servant, politician, analyst or entrepreneur, we think that it's through our networks that most solutions can be assembled, tested and the learning shared before we go again, and that universities can act as the repositories and observatories of these efforts.

00:00:49 Nicola Headlam

We're based in City-REDI and rooted in the LPIP programme funded by the ESRC, Innovate UK and the AHRC.

00:00:56 Nicola Headlam

This podcast aims to highlight knowledge and evidence-based ways of working and the strategies needed to make a real impact on the decisions that shape our society.

00:01:06 Nicola Headlam

Our guests are change makers from across the UK with stories about the ways in which influence can be achieved.

00:01:12 Nicola Headlam

We focus in particular on some of the connective tissue within and between sectors for clues as how to animate place-based leadership, as innovating is a team sport best done in the open.

00:01:25 Nicola Headlam

Please contact us with feedback on the episodes or if you'd like to be a guest or have strong views on the processes of advocacy, lobbying, public campaigning and more, unpacking how research and evidence connects with neighbourhood, local, city-regional and national missions.

00:01:40 Nicola Headlam

I'm feeling quite pleased because this week we have burst through the thousand listen mark, which has really made me feel happy about the podcast.

00:01:49 Nicola Headlam

I'm joined today by Glenn Athey, who is a freelancer and part of the LPIP Fellowship programme, same as me.

00:01:57 Nicola Headlam

Glenn has a 31 career history in economic development and he's going to talk to us about projects that he's been working on as part of his fellowship and more broadly, I guess, developing a critique of economic development as practice in the UK, Glenn.

00:02:15 Glenn Athey

I guess so.

00:02:16 Glenn Athey

I'd call it a constructive critique.

00:02:18 Glenn Athey

Yeah, it's always trying to offer constructive solutions or proposals.

00:02:24 Glenn Athey

Yeah.

00:02:25 Nicola Headlam

That's the thing about us economic development people.

00:02:27 Nicola Headlam

We are “both and”, not “either/or”.

00:02:32 Nicola Headlam

“Yes and...” people.

00:02:33 Nicola Headlam

So my first question is, how did you become engaged with the LPIP and what made you want to become a fellow?

00:02:40 Glenn Athey

Yeah, I've been kind of working in the field for quite a long time, being aware of City-REDI and its work, and really appreciated the great work City-REDI does and got some amazing people working there.
00:02:53 Glenn Athey
I love the fact it combines kind of academic rigor with like real-world application within a city-region.
00:03:01 Glenn Athey
So I've always kept in touch with City-REDI and always thought, it'd be great to do some work with them or get involved.
00:03:09 Glenn Athey
And so LPIP came along with a view to bringing alive the expertise and corporate memory of economic growth, economic partnership, innovation, community development.
00:03:20 Glenn Athey
So, and it, you know, I've been aware that the kind of corporate memory for like i.e.
00:03:25 Glenn Athey
practice and policy has withered, you know, over the past 15 years.
00:03:30 Glenn Athey
So I thought that sounds great and I'd love to be part of that and input into that.
00:03:36 Glenn Athey
I got invited to apply to be an LPIP Fellow with some ideas about what kind of work I would do within that.
00:03:43 Nicola Headlam
Brilliant.
00:03:51 Nicola Headlam
The first question I normally ask is, if people have got a kind of whizzy widget or a nice bit of policy that they would like to see embedded.
00:03:58 Nicola Headlam
I guess for you, the power of place, the potential for your work reaching maturity and becoming fully embedded would be about partly memory, but also about not having so much stop-start within economic development.
00:04:12 Nicola Headlam

Is that fair to say?
00:04:14 Glenn Athey
It's very fair to say that, yeah.
00:04:16 Glenn Athey
My magic bullet, I wouldn't call it that.
00:04:18 Glenn Athey
It's quite straightforward.
00:04:20 Glenn Athey
Just create a policy environment and framework which enables capacity and capability to be built and also continue.
00:04:29 Glenn Athey
We can't keep changing local and regional policy every five years.
00:04:34 Glenn Athey
You know, and slashing budgets, then building them back up again, and expect us to be able to do anything different or better.
00:04:41 Glenn Athey
So my kind of plea would be, create the framework where we can build capability and learn, accept the fact that we will make some mistakes.
00:04:49 Glenn Athey
But we will learn from them and we will improve practice and knowledge.
00:04:52 Glenn Athey
So that's, if you want to look at regions or cities that have successfully managed to transition through industrial restructuring, or they've created like knowledge-based economies or knowledge-based industrial clusters, they've done it over like 30, 40, 50 years with some stability and vision and capacity.
00:05:12 Nicola Headlam
And if we managed to, I mean, I remember really clearly from back to the old years of SRB 5, looking at the menu that we were kind of providing in place.
00:05:23 Nicola Headlam
And thinking, why is the menu so different?
00:05:25 Nicola Headlam

Like everybody was kind of happy with the iteration previously.

00:05:29 Nicola Headlam

Can you account for why it changes so quickly?

00:05:31 Nicola Headlam

Is it a sort of criminal neglect from the centre?

00:05:35 Nicola Headlam

Why do you think it changes so rapidly?

00:05:38 Glenn Athey

My LPIP research project is about policy failure.

00:05:42 Glenn Athey

Why are 4 decades of UK policy interventions for addressing local and regional economic disparities and inequalities?

00:05:49 Glenn Athey

Why do they fail?

00:05:50 Glenn Athey

Is there something systematic in the way we do

00:05:53 Glenn Athey

policy both at the national level and implement it at the local and regional level?

00:05:57 Glenn Athey

I think it's really, it stems back to our political system that it's built for like being very decisive.

00:06:04 Glenn Athey

It's not built for deliberation, as in for making bold policy choices quickly.

00:06:10 Glenn Athey

It's not built for making the right policy choices and design quickly.

00:06:14 Glenn Athey

So you see a political system that's very cyclical and it's politically expedient to say trash a policy in the past rather than recognise this policy, you know, might have had flaws, but it did some good.

00:06:29 Glenn Athey

Let's build on that and like let's improve it.

00:06:32 Glenn Athey
But often it seems like because of the political cycle and national elections and the fact that the UK is so centralised in its political decision making and funding,
00:06:42 Glenn Athey
that we get this cyclical kind of stop-start, like let's just reinvent, the problem is like let's reinvent the wheel and like we've, by the way, we've just set fire to all our knowledge about wheels previously.
00:06:56 Glenn Athey
So it's no surprise that we don't make much progress in this policy area.
00:07:01 Glenn Athey
And I count myself as somebody who just threw a dint of clinging on, I call it in this profession, through all the cycles and just because that's what I do for a living.
00:07:11 Glenn Athey
that I've got quite a lot of corporate memory and I can see, especially I guess in the past 10, 15 years when I've, because I work as a consultant, I work with a lot of practitioners and politicians up and down the land.
00:07:23 Glenn Athey
I have seen, you know, there's
00:07:26 Glenn Athey
It's a lot to do with the fact they're operating with far less resources and capacity.
00:07:29 Glenn Athey
I have seen a decrease in knowledge.
00:07:31 Glenn Athey
I've seen when this goes to the local level, you talk to somebody in a locality and they say, oh, we want to do something about growth business.
00:07:38 Glenn Athey
And they're literally, that's the starting point.
00:07:41 Glenn Athey
They don't really look into the past and think what's been done before.
00:07:45 Glenn Athey

Sometimes they don't even look at a neighbouring local authority who might be doing it well and say, oh yeah, we could probably learn on that and build from it.
00:07:53 Glenn Athey
So I see a lot of capacities lacking.
00:07:57 Glenn Athey
And as well, a big difficulty for me is there's a lot of what I call policy by exhortation.
00:08:02 Glenn Athey
Basically, we're going to like the levelling up policy.
00:08:06 Glenn Athey
It's language about Greek cities and the Renaissance of cities.
00:08:09 Glenn Athey
It is all just fluff.
00:08:11 Glenn Athey
You know, it's just big talk.
00:08:13 Glenn Athey
Because unless you actually put the resources, the money,
00:08:17 Glenn Athey
the frameworks to build capacity, long-term delivery, an evaluation plan, which none of these levelling up funds had until a select committee basically pointed it out to them and said that, you know, this is for just good government, you need to have evaluation.
00:08:32 Glenn Athey
And so these were all bolted on at the end.
00:08:35 Glenn Athey
So I think it's, you know, we need to just be a lot more serious and methodical about good policy,
00:08:43 Glenn Athey
that has the resources, has the capacity, has the frameworks, evaluates performance and continually improves.
00:08:49 Glenn Athey
And until we have that, sometimes I just can't take place-based economic policy seriously anymore.

00:08:55 Nicola Headlam
I mean, there's an awful lot in what you've said.
00:08:58 Nicola Headlam
Obviously, for those who aren't as sort of dialled into the policy area,
00:09:03 Nicola Headlam
The other thing that prevents progress, it's not just political whims change, it's the scale at which we operate.
00:09:11 Nicola Headlam
So again, in my career, we've had a real kind of neighbourhood focus and then a regional focus, a shift down to the city regional focus, which is where we've sort of settled in more recent time.
00:09:22 Nicola Headlam
But the kind of criminal waste, particularly in terms of the regional tier, you know, the disestablishment of the RDAs and the Audit Commission in the sort of 2010
00:09:33 Nicola Headlam
austerity round, I think is viewed as just purely an act of vandalism really against kind of what could have, should have, would have worked had they been allowed to embed.
00:09:42 Nicola Headlam
And also, as you say, the scale of resource that was in the RDA world compared to the scale of resource now, you're right, fine words, butter, no parsnips in regional development.
00:09:52 Nicola Headlam
And I mean, levelling up was sort of in some ways, it was the most highfaluting with the least resource.
00:09:58 Nicola Headlam
I think the other thing that is so telling is that if we had a grip on GVA per capita converging, as was the PSA target from 2002, we're talking about billions and billions of pounds of change.
00:10:11 Nicola Headlam
You know, the quantum is so enormous.
00:10:14 Nicola Headlam

So the change that consistent subnational economic policy could bring in the size of the prize, it really is about a complete reworking of subnational political economy, isn't it?
00:10:25 Glenn Athey
Yeah.
00:10:26 Glenn Athey
I mean, obviously, I worked for three regional development agencies.
00:10:29 Glenn Athey
I worked for Scottish Enterprise, which is still going, which is a lesson in continuity, like you adapt, you evolve, you change.
00:10:37 Glenn Athey
And I worked for London Development Agency in the East of England Development Agency.
00:10:41 Glenn Athey
I think that notwithstanding the valid criticisms of regional development agencies, they were agencies of the central government department.
00:10:49 Glenn Athey
They weren't democratically accountable and so on.
00:10:51 Glenn Athey
You know, why couldn't that capacity, the resources, the assets have been transitioned into something else?
00:10:58 Glenn Athey
So I went from working in RDA to I was the interim CEO of the local enterprise partnership locally.
00:11:04 Glenn Athey
And like I remember the expectations
00:11:07 Glenn Athey
were the same, like you're going to be an RDA, but even better.
00:11:10 Glenn Athey
And I was like, we have literally one tenth of the resources and we don't actually have a legal structure.
00:11:15 Glenn Athey
When we started, we don't have any permanent staff, we don't have any assets.

00:11:19 Glenn Athey
So I think again, that for me, that just demonstrates like it's the pure, like it's meaningless to make all these ambitious statements unless you back them up with real resources.
00:11:30 Glenn Athey
And when I look at my big criticism of the kind of late 2010s was that
00:11:35 Glenn Athey
The whole idea of private sector leverage, if it's just completely absent from place-based economic policy, unlike you were thinking, well, the public sector can only kind of lever in change with private sector investment or help incentivise it at the margins, but it can't do it on its own.
00:11:54 Glenn Athey
By not really thinking about how you work with the private sector, private sector leverage, you're really
00:11:59 Glenn Athey
consigning your spatial economic policy to the dustbin, because it's just not going to work, unless you're talking when you're talking about the volumes of investment required, whether it's in place, property, people, or things like mass transit systems or transport, you know, to depend just on the government, it's just not enough money to actually make this transition.
00:12:21 Glenn Athey
So there's a lot of kind of unrealistic policy ambitions.
00:12:27 Glenn Athey
So part of my work is like trying to unpick and say how have we got here in an objective way.
00:12:32 Glenn Athey
It's all too easy to get emotional and just think, you know, I've spent my career in this area.
00:12:37 Glenn Athey
I wish the government would make a more serious effort to do it properly.
00:12:41 Glenn Athey
But then I'm thinking, well, why has that happened?
00:12:43 Glenn Athey

And it's not just spatial economic policy.
00:12:46 Glenn Athey
It happens in lots of other areas of policy in the UK just because the political system is as it is.
00:12:52 Glenn Athey
My hope is in devolution will help address some of that.
00:12:55 Glenn Athey
So like this whole
00:12:57 Glenn Athey
project is really to try and inform devolution and at least help devolved local government be able to generate some stability, capacity and capability itself while managing national policy.
00:13:10 Glenn Athey
And so there's lots of examples of places such as Glasgow, for example, their masters are dealing with whatever new funding initiative comes out, they will get some of it.
00:13:20 Glenn Athey
They're masters of kind of managing
00:13:22 Glenn Athey
both policy at a Scottishh level and a UK level to their own ends, but having that stability, that capacity, capability and vision, you know, that's driving that forward.
00:13:38 Nicola Headlam
I completely agree that, I mean, devolution to the nations as it stands at the moment.
00:13:44 Nicola Headlam
Certainly economic development, Scottish enterprises, et cetera, all being extant and kind of rolling on, whereas it's actually in England that we don't have that sort of level of institution.
00:13:56 Nicola Headlam
Certainly I've been doing work in the last couple of years on it is England are losing out in terms of the things that you described, capacity and capability, partly because city-regions with their different speeds are kind of good.
00:14:09 Nicola Headlam

But in the absence of a sort of national spatial strategy that sort of is helpful to fit into, in some ways I think, certainly Northern Ireland, which spends a lot more per head on economic affairs, full stop, Wales and Scotland do seem to have a bit of a clearer idea of what they're up to compared to England.

00:14:27 Glenn Athey

Yeah, I mean, Scotland has got some...

00:14:29 Glenn Athey

good institutions like Scottish Enterprise, but I've done a lot of work there in the past few years and there is a feeling that the Scottish Government has centralised a lot of policy at the Scottish level and there's no equivalent of kind of combined authorities or strategic authorities based on city-regions in Scotland, for example, and cities like Glasgow are very interested in that.

00:14:49 Glenn Athey

And so I think that

00:14:51 Glenn Athey

And I've encountered that in skills as well, that I'd say in England now with kind of with those combined authorities that do have devolved skills and the adult skills fund, they are.

00:15:01 Glenn Athey

And with the changes to the apprenticeship levy, they're starting to see a lot more flexibility at the local level to be a feature, which of course in Scotland, for example, the apprenticeship levy

00:15:12 Glenn Athey

in Scotland just goes straight into the Scottish government's coffers.

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So they can't offer this new modular training fund and flexible training fund.

00:15:21 Glenn Athey

That is really good for the existing workforce for progression, for example.

00:15:25 Glenn Athey

So I'd say that, yeah, Scotland does have strengths, but I think what we've seen in England is, particularly in terms of devolution, is like actually it's been happening fast and it makes the kind of devolved arrangements look a lot more agile than Scotland

00:15:42 Glenn Athey
is looking.
00:15:43 Glenn Athey
And in Wales, I've done a bit bits of work in Wales, but again, I see the Welsh government, they put out a lot of ambitious policy announcements, a bit like the UK government, but I don't see the how of how they're going to achieve that.
00:15:57 Glenn Athey
And I think that's a big, it's a big implementation gap.
00:16:02 Glenn Athey
Like unless you can say how, do you design and deploy the legislative frameworks or the resources or capacities you need to make it happen?
00:16:10 Glenn Athey
So I think, yeah,
00:16:12 Glenn Athey
There's a gap there, but my work nowadays is a lot about trying to help fill that gap constructively, like say, Well, here's how, or here's how they did it in this territory or locality.
00:16:23 Glenn Athey
You know, you might be able to learn from that or adapt from that, so a lot of my kind of...
00:16:28 Glenn Athey
work in the past five years has been about the how.
00:16:31 Glenn Athey
And when I work with clients, I say, here's some delivery options that you might want to think about.
00:16:37 Glenn Athey
I don't force it down their throat, but it's a kind of code word for you can't actually do something about this, you know.
00:16:44 Glenn Athey
There's nothing stopping you.
00:16:45 Nicola Headlam
So thinking in that, it sounds like a very, quite sobering conversation.

00:16:50 Nicola Headlam

I'd like to turn to cast a spotlight on solutions then.

00:16:54 Nicola Headlam

So as you say, with clients, you say you could do this, or this.

00:16:58 Nicola Headlam

Can you think of an example of something that has worked well, notwithstanding all of the above?

00:17:03 Nicola Headlam

And if you just think, maybe was it something that had the right mix of resources or was it people?

00:17:09 Nicola Headlam

Was it political commitment?

00:17:11 Nicola Headlam

Was it, you know, can you think of a story to tell about success in economic policy in the subnational space?

00:17:18 Glenn Athey

Yeah, sorry.

00:17:19 Glenn Athey

I'm just I'm picking up my book I just about to release, which is like a handbook for local and regional economic development.

00:17:25 Glenn Athey

It's got a lot of case studies in there.

00:17:28 Glenn Athey

So I mean, I did some work recently on cluster policy, industrial cluster policy.

00:17:34 Glenn Athey

So the one of the successful examples is like Bilbao City Region.

00:17:40 Glenn Athey

They have, they're quite big on industrial clusters and they have 16 clusters.

00:17:46 Glenn Athey

But they really have a very structured approach and they've been doing it for like 30 years.

00:17:51 Glenn Athey

One of the key aspects is they have a lot of central resources to help manage cluster policy, provide intelligence, provide public co-funding, but the actual cluster organisations themselves are private sector led and often levering in private sector money.
00:18:06 Glenn Athey
And they sometimes have like geographical locations, for example, if it's logistics or distribution.
00:18:12 Glenn Athey
They have a big logistics and distribution park with like they've created like technology centres and innovation hubs.
00:18:19 Glenn Athey
So it's a very long-term approach that aims to maintain capacity and capability that has a lot of private sector leadership built in and private sector play a big role in influencing what happens.
00:18:33 Glenn Athey
And so to some extent, you might think one of the qualities is like the actual, the cluster industry programme isn't really
00:18:41 Glenn Athey
dependent on national government.
00:18:44 Glenn Athey
And so I think you often see approaches like that.
00:18:47 Glenn Athey
And that might apply to the UK, for example, or what I've always been struck by the success in Chile.
00:18:54 Glenn Athey
They had an organisation called Foundation Chile, which was, which used to be like a basically an organisation which channeled US funding to pet projects for the Pinochet regime.
00:19:06 Glenn Athey
And they, but they transitioned it to say, we're going to create this.
00:19:09 Glenn Athey
Basically, it's an industrial

00:19:11 Glenn Athey

policy agency, we want to stimulate innovation, new industries, and they continue to receive some US funding, but obviously not tied to any politics.

00:19:21 Glenn Athey

And it received some national funding.

00:19:23 Glenn Athey

And for example, it seeded like something like 6-7 industries in the 1980s, and two of which are like the Chilean wine industry and the Chilean salmon

00:19:32 Glenn Athey

or fish farming industry, which have been really successful.

00:19:35 Glenn Athey

I think the other four didn't do so well, but they said, took a risk.

00:19:39 Glenn Athey

And they sit apart from national government.

00:19:41 Glenn Athey

And so I'm struck by we can have solutions which don't depend on national government.

00:19:46 Glenn Athey

They just need to have the frameworks and seeding of funding to enable them to.

00:19:53 Nicola Headlam

So again, it's a story about longevity and independence from, being kind of hit by every wind that comes out of Whitehall, I suppose.

00:20:03 Nicola Headlam

So they're good, really good international lessons.

00:20:06 Nicola Headlam

Can you say something from your experience about the ways in which policy moves?

00:20:12 Nicola Headlam

So I find, you know, not brilliant at comparative lessons in the UK to begin with, but what might

00:20:20 Nicola Headlam

help a policy that worked in Bilbao or in Chile or whatever?

00:20:25 Nicola Headlam

How would we begin the process of importing or stealing those good lessons in this country?

00:20:31 Glenn Athey

I think, yeah, I mean, obviously you have to be careful that you can't just apply something straight from another country and expect it to work.

00:20:39 Glenn Athey

It's more like how did they approach it?

00:20:42 Glenn Athey

And in the case of, say, Chile, it was, well,

00:20:45 Glenn Athey

a country that lacked any really advanced industries or industries which earned a lot of export income apart from mining, and minerals.

00:20:53 Glenn Athey

And so part of the decision was the need to diversify from just like a primary supplier of minerals and some agricultural products.

00:21:03 Glenn Athey

So I think it's like the lessons of what's your starting place?

00:21:06 Glenn Athey

Are you in ex-industrial region and you really don't

00:21:10 Glenn Athey

We have trouble identifying like what are going to be your economic strengths in 20 years.

00:21:15 Glenn Athey

So the approach would be like the lessons are well alert.

00:21:19 Glenn Athey

What's the lesson from Chile?

00:21:20 Glenn Athey

The lesson is you have to look at some of your innate strengths and characteristics and enable some innovation or creativity for people to create some ideas or solutions and just take them where they'll go and they may be successful or not.

00:21:34 Glenn Athey

And they'll definitely be risky and there'll be some failures.

00:21:38 Glenn Athey
But the lesson from that
00:21:39 Glenn Athey
kind of approaches, you need to go on this learning journey of industrial development.
00:21:44 Glenn Athey
And sometimes it leads you to something, for example, in the case of Cambridge in the UK, where it was mostly private sector, but the kind of early personal computers, microcomputing, the BBC microcomputer needed a CPU, a chip, and so
00:22:00 Glenn Athey
They just developed the capability to actually design the CPU in Cambridge and that kind of design capability then became ARM, the chip designer.
00:22:09 Glenn Athey
And so to some extent, so the lesson of Chile was like, government enables it to happen, enables the environment for some people to take risks based on your innate strengths or capabilities or knowledge.
00:22:21 Glenn Athey
So it's more like boiling it down and saying, well, what about this approach could we apply here?
00:22:26 Nicola Headlam
Glenn, so I'll think of you next time I have a glass of Chilean Shiraz and...
00:22:31 Nicola Headlam
In some ways, I guess it's easier as your economic development kind of takes leaps forward maybe to back kind of different trajectories.
00:22:40 Nicola Headlam
We're sort of struggling to do post-industrial mix well, I think.
00:22:45 Glenn Athey
Yeah, I mean, I think other example would be in the northeast of England, wind energy has kind of built on the back of shore oil and gas and they made the expedient use of kind of deep water ports in Blyth.
00:22:59 Glenn Athey

It just so happened that was exactly what you needed to assemble wind turbines or prepare all the materials for them.

00:23:07 Glenn Athey

And like they have, they developed an underwater robotic kind of inspection of initially oil and gas rigs and pipelines for oil and gas, but now it's like electrical cabling.

00:23:20 Glenn Athey

And so, but having said that, on the flip side, if you look at, say, Sunderland and

00:23:25 Glenn Athey

the decision of the Tyne and Wear Development Corporation to actually close Sunderland's deep water, its quays actually had deep water access because they built, you know, ships there, ships' hulls.

00:23:37 Glenn Athey

The decision to close that and regenerate it into housing and leisure meant that Sunderland couldn't benefit from wind energy because it didn't have the poor infrastructure anymore.

00:23:47 Glenn Athey

So it's kind of, you know,

00:23:49 Glenn Athey

Sometimes these geographic features and engineering specialisms, become very much in demand again.

00:23:55 Glenn Athey

And I think, there's a lesson there.

00:24:05 Nicola Headlam

And there are good green jobs on that coast.

00:24:08 Nicola Headlam

Certainly I remember when I was doing Northern Powerhouse, meeting the people from Oristed,

00:24:14 Nicola Headlam

who were saying there will be 27,000 good jobs between Tees Valley and the Northeast and it just being a scale of investment and kind of confidence that we've really sort of demonstrated.

00:24:27 Nicola Headlam

Something you mentioned earlier, I'd just like to circle back to, about private sector investment.
00:24:32 Nicola Headlam
Now, you know, if you look at the OECD tables and you sort of look at the things that, no real nerd things that I like to do for myself, how do we account for that gap, the private kind of capital gap over
00:24:44 Nicola Headlam
sort of 30, 40 years.
00:24:46 Nicola Headlam
It seems at odds with the story that certainly we were told in the 80s about kind of private enterprise and all the rest of it.
00:24:52 Nicola Headlam
In fact, investment is lower in this country than in many others.
00:24:56 Glenn Athey
Very much so, yeah.
00:24:58 Glenn Athey
Kind of my own experience of it is there's a lack of investable propositions that meet the requirements for private sector return.
00:25:06 Glenn Athey
And to some extent, that's due to the expense of capital projects like construction.
00:25:12 Glenn Athey
If you want a private investment in transport, it's
00:25:14 Glenn Athey
probably just too expensive at the moment.
00:25:17 Glenn Athey
the UK has been poor at bringing transport investment costs down, for example.
00:25:23 Glenn Athey
And I think as well on other issues, obviously the City of London, the internationalisation of the UK financial services sector.
00:25:30 Glenn Athey
So institutional investors will look for the best return.

00:25:34 Glenn Athey

The UK financial services sector is international in scope.

00:25:37 Glenn Athey

You know, they have the whole world to look for investable propositions.

00:25:41 Glenn Athey

If the UK ones don't stack up next to other ones around the world, then they don't get invested in.

00:25:46 Glenn Athey

And I think as well, there's no, the UK doesn't have a patient capital source.

00:25:50 Glenn Athey

It doesn't have a sovereign wealth fund.

00:25:52 Glenn Athey

It's interesting that an Australian wealth fund invested in the M6 toll road and there's also like a massive shareholder in Manchester Airport Street.

00:26:03 Glenn Athey

Yeah.

00:26:04 Nicola Headlam

That's a teacher's pension fund, that.

00:26:06 Glenn Athey

Yeah, and also I think there's a...

00:26:08 Glenn Athey

sovereign wealth fund based on like mineral wealth from Australia.

00:26:12 Nicola Headlam

Macquarie.

00:26:13 Glenn Athey

Yeah.

00:26:14 Glenn Athey

So we seem to attract sometimes sovereign wealth or institutional finance from other countries, but not our own.

00:26:21 Glenn Athey

But overall, I think some of it is to do with, you know, investable propositions, bringing the costs of capital projects down would help as well.

00:26:30 Nicola Headlam

Exactly.

00:26:31 Nicola Headlam

If you look at the ownership of the regional airports across the board, it's always a bit like that.

00:26:36 Nicola Headlam

Do you think that things like public sector pension funds could be that kind of patient, stable form of capital, or do you think that that's too risky?

00:26:44 Glenn Athey

I think they could, but I think we need to listen to, you know, what they want from investments, not assume that they would invest in projects or capital programmes as they are.

00:26:54 Glenn Athey

They would have a certain, you know, return that they'd need over a 50 year period.

00:26:59 Glenn Athey

Also scale of investment.

00:27:01 Glenn Athey

I was involved in some

00:27:02 Glenn Athey

projects in the something called the UK Innovation Corridor, which is the London, Stansted, Cambridge Corridor.

00:27:07 Glenn Athey

And that we actually managed to get to talk to some institutional investors and talk about, well, what would it take for you to invest in a transport project, a public transport project or an airport?

00:27:18 Glenn Athey

And they were saying, well, we were really looking at investment at that time in, I think, 2018.

00:27:22 Glenn Athey

They're saying they're really, you know, £2 billion investment is the minimum thing we would be considering.

00:27:28 Glenn Athey

So even then, £5 billion would be more like it.

00:27:31 Glenn Athey

So

00:27:32 Glenn Athey

But then if you're looking at UK transport projects, they're so packaged up into little extensions, they've never reached that threshold, right?

00:27:39 Nicola Headlam

Well, I mean, we did have a good stab at it with NPR a few years ago, the idea of Northern Powerhouse Rail being a single proposition, but it all fell apart for kind of other reasons.

00:27:50 Nicola Headlam

I'm just finding it very interesting talking to you because this is exactly what I think about on a kind of hour-to-hour basis.

00:27:56 Nicola Headlam

So you've got some ideas from the rest of the world.

00:27:59 Nicola Headlam

You've got some sort of council around not changing every 5 minutes.

00:28:04 Nicola Headlam

You've got some strong things to say about chopping and changing, you know, political weather.

00:28:10 Nicola Headlam

What are you putting all these thoughts into?

00:28:12 Nicola Headlam

What are you working on next?

00:28:15 Glenn Athey

Well, yeah, I've just completed a book called The Local and Regional Economic Development Handbook.

00:28:21 Glenn Athey

So, and I guess the whole thesis behind this was,

00:28:24 Glenn Athey
if you were like an economic developer starting work next week in a place in the UK, or anywhere in the world, what's the kind of essential knowledge you need to know?
00:28:34 Glenn Athey
And what kinds of knowledge and skills would just help you be really effective at your job and therefore, you know, help your community?
00:28:43 Glenn Athey
So I've kind of been working on a handbook that is structured really as a practitioner would think about
00:28:49 Glenn Athey
local and regional economic development would think about it functionally, whether that's strategic functions like policy, strategy and intelligence, or whether that would be like functions like delivery, like industrial development and clusters, inward investment, enterprise innovation.
00:29:05 Glenn Athey
So I kind of unpack that and have some clarity about what does it mean, innovation and local and regional economic development?
00:29:12 Glenn Athey
What are the different types of innovation?
00:29:14 Glenn Athey
What are some of the principles about using it as a tool for development?
00:29:19 Glenn Athey
What are some practical examples, you know, of successful use of innovation or innovation initiatives?
00:29:26 Glenn Athey
And then what are the lessons going forward?
00:29:29 Glenn Athey
So that's kept me busy for a while.
00:29:32 Glenn Athey
And that's so the kind of next step is launching that next week and on the 27th of April.
00:29:38 Glenn Athey

And then I guess promoting the hell out of it, I suppose.

00:29:42 Nicola Headlam

It sounds extremely essential.

00:29:44 Glenn Athey

I'm doing it myself through Amazon because I've got a consultancy business.

00:29:47 Glenn Athey

I, you know, I've got some help to market the book.

00:29:51 Glenn Athey

And yeah, I think with a publisher, you're totally dependent on their, you know, how far they push it.

00:29:57 Glenn Athey

And also they

00:29:58 Glenn Athey

To be fair, the commission you get on a book is tiny.

00:30:02 Glenn Athey

So it's a bit of a, it's a bit of an experiment, but I've really, I enjoyed writing it and it was a, I think 50% of it was really easy, but 50% of it was a real challenge, especially maybe for some like functional areas that perhaps I haven't, I haven't worked on as much as others.

00:30:21 Glenn Athey

I probably haven't worked on property and regeneration as much as I've worked on enterprise, you know, [inaudible].

00:30:26 Glenn Athey

And so, but that was a chance I enjoyed.

00:30:28 Glenn Athey

I didn't enjoy so much the 10th time I had to proofread it.

00:30:34 Glenn Athey

So, but yeah, that's it.

00:30:36 Glenn Athey

And I, yeah, I've got a few consultancy projects that are coming on stream soon.

00:30:40 Glenn Athey

One of them is to look at the employment and skills opportunities from a major transport investment.

00:30:47 Glenn Athey

And it's from the transport investment, it's from hopefully some of the sites which will become more viable from that or develop.

00:30:55 Glenn Athey

And then it's also about how do you ensure local people benefit from this big transport investment.

00:31:00 Glenn Athey

So yeah, quite excited about that.

00:31:02 Glenn Athey

It's working with some really good people in it and quite a big team.

00:31:06 Nicola Headlam

That's exciting.

00:31:07 Nicola Headlam

I mean, the cynic in me says that major transport investment generally south of the University of Birmingham in general, but you know.

00:31:16 Glenn Athey

Yeah, no, it's not.

00:31:18 Glenn Athey

It's up north.

00:31:20 Glenn Athey

That's all I can really say.

00:31:21 Glenn Athey

That's fine.

00:31:22 Nicola Headlam

No.

00:31:22 Glenn Athey

Until I've signed the contract.

00:31:24 Nicola Headlam

Run, don't walk to Amazon to get hold of the handbook.

00:31:35 Nicola Headlam

So I guess over a long career, you've seen them all, you've met all kinds of people.

00:31:41 Nicola Headlam

I'm going to ask just now about what I think is a really key

00:31:45 Nicola Headlam

skill set, which is being able to broker between different forms of knowledge.

00:31:51 Nicola Headlam

Can you think of a specific person from your experience who's a really good broker, able to sort of make ideas move or make things move across time and space?

00:32:00 Nicola Headlam

And while you're thinking about that,

00:32:02 Nicola Headlam

I think that a bit like a Lego brick, brokers need to connect in with really strong place leaders.

00:32:09 Nicola Headlam

So sometimes, and then maybe politicians and they all are maybe conferred with other kinds of authority.

00:32:16 Nicola Headlam

So yeah, a really good broker and a really good place leader, please.

00:32:22 Glenn Athey

Yeah, I've worked a lot with Professor Pete Tyler from the University of Cambridge.

00:32:27 Glenn Athey

He was, you know, a legend in all things to do with cities, regeneration and regional development.

00:32:34 Glenn Athey

And not just an eminent academic, but also works a lot with civil servants and does a lot of development work with civil servants.

00:32:42 Glenn Athey

But also, you know, I've worked with him on some of my projects at the local level because he likes to kind of, he likes to keep his hand in at the

00:32:51 Glenn Athey

practical place-based level and he's very good at communicating.

00:32:56 Glenn Athey

And so it's easy to get on with him because you both love the subject matter and both want it to make a difference.

00:33:04 Glenn Athey

So that's it.

00:33:05 Glenn Athey

Yeah, Pete's great and really enjoyed working with him.

00:33:09 Glenn Athey

Did some policy work with him for the local government association.

00:33:13 Glenn Athey

Two pieces of work looking at like an urban policy.

00:33:16 Glenn Athey

What should it look like for economic development and economic growth?

00:33:21 Glenn Athey

And that was in 2021.

00:33:22 Glenn Athey

And I think that was the time when his corporate memory kicked in.

00:33:25 Glenn Athey

He said, I remember the Inner Cities Act in 1978 when the proposal was to integrate, have place-based integrated economic spatial policy.

00:33:36 Nicola Headlam

And that's the urban white paper.

00:33:38 Glenn Athey

Yeah, so.

00:33:40 Glenn Athey

So that was great.

00:33:40 Glenn Athey

So some of my work now for LPIP is really building on that.

00:33:46 Glenn Athey

And then we also did a bit of work for L J looking at local growth funding.

00:33:50 Glenn Athey

And that was me and another consultant, Mike Spicer.

00:33:54 Glenn Athey

And we basically were looking at just being having a very constructively critical review of growth funding at the local and regional level in the, like, basically over the past 10 years.

00:34:05 Glenn Athey

And that, we did that in 2023.

00:34:08 Glenn Athey

And so a lot of the insights I'm bringing forward into the help at work.

00:34:11 Glenn Athey

In terms of place leaders, people have encountered in the past in Glasgow, Stuart Gulliver, who sadly passed away last year.

00:34:22 Glenn Athey

He was amazing in terms of, he was so intelligent and he was a visionary really when he saw things that were happening in cities and he wanted to push Glasgow because he was,

00:34:36 Glenn Athey

And he was involved in the Scottish Development Agency and then in Glasgow Development Agency.

00:34:40 Glenn Athey

And he kind of, he wanted to push Glasgow into, you know, the next century.

00:34:45 Glenn Athey

And so I was always impressed with him and also other people.

00:34:50 Glenn Athey

I worked a lot with Gordon Kennedy, who worked at Glasgow Development Agency, who was the deputy chief executive and he was the broker and the peacemaker.

00:35:00 Glenn Athey

Like Stuart Gulliver would go in the room and knock a few things over and Gordon,

00:35:05 Glenn Athey

and upset people and Gordon would pick them up.

00:35:07 Nicola Headlam

That's like a very good double act.

00:35:10 Glenn Athey

Yeah, although, yeah, I think, yeah.

00:35:14 Glenn Athey

So I've encountered all sorts of people and you do need the robust kind of leaders, but then you also need people who are good at politics and relationships as well.

00:35:26 Glenn Athey

So you need a good senior management team who can do it all.

00:35:29 Glenn Athey

You can't ever expect to find it all in one person.

00:35:33 Glenn Athey

I think, you know,

00:35:34 Glenn Athey

That's one of the lessons I take.

00:35:35 Nicola Headlam

That's very good advice.

00:35:38 Nicola Headlam

So just as we finish, I am going to let you, Glenn, have a wave with my place-based innovation magic wand.

00:35:45 Nicola Headlam

Be careful with it because it can grant you a wish.

00:35:48 Nicola Headlam

You can have absolute power to do one of these things, but you must use those powers to make a tangible change to a specific place.

00:35:55 Nicola Headlam

Your change will be specific, measurable, actionable, recordable and transferable- SMART.

00:36:00 Nicola Headlam

Magic is hard to get older at the moment and is subject to a 20% reducing

00:36:04 Nicola Headlam

multi-year budget settlement.

00:36:05 Nicola Headlam

So you can have £10 million in a project fund, half an hour with the cabinet and a slide deck, editorial control of the front page of a tabloid, a clause to insert into a bill, or you can have a whole new bill, something simple that can go viral on TikTok, anyone that could be an advocate for your work, or this is one for the real pure nerds, the answer to something that has bothered me forever.

00:36:29 Nicola Headlam

So do any of those immediately appeal in terms of making a change to a place?

00:36:34 Glenn Athey

Yeah, the £10 million would be a great challenge to see what I could, if I could choose, if somebody said, we're going to choose the place, we'll give you £10 million, can you create something which is going to be transformational?

00:36:49 Glenn Athey

I just think that would be a great challenge and like, but I'd really get into it.

00:36:54 Glenn Athey

Like, get into the detail of, okay, what does this place need?

00:36:57 Glenn Athey

What's its opportunities?

00:36:58 Glenn Athey

But I would be, I'd be looking for something which would, I would guess, try and make something fly that involved the private sector as well.

00:37:07 Glenn Athey

I'd just try and build on an existing strength or something emerging.

00:37:12 Glenn Athey

Let's see how far we can take it and like what do we need to do to make this happen?

00:37:16 Glenn Athey

But also something that would have some great kind of knock on benefits as well.

00:37:21 Glenn Athey

And take them on board.

00:37:23 Nicola Headlam

Or in some other investments in assets.

00:37:25 Glenn Athey

Yeah, but also take on board the need for it to be inclusive for local people to benefit.

00:37:30 Glenn Athey

So I think it would be a challenge for somebody, like they would say, you say that economic development should do all this stuff, like you need to like show us how it's done.

00:37:40 Glenn Athey

And I'd be like, oh great, okay, well I'll give it a try.

00:37:44 Nicola Headlam

And just to be clear, a neighbourhood, a borough, what kind of scale would you think you'd be able to be effective at?

00:37:51 Glenn Athey

I think, you're talking about a medium-sized city or a quarter of a city, for example.

00:38:00 Glenn Athey

Yeah, not like a full region.

00:38:02 Glenn Athey

It's probably.

00:38:03 Nicola Headlam

No.

00:38:04 Nicola Headlam

Brilliant.

00:38:04 Nicola Headlam

Well, there you are.

00:38:05 Nicola Headlam

You can definitely have that and see what happens.

00:38:08 Nicola Headlam

I've really enjoyed the time we've been speaking.

00:38:11 Nicola Headlam

Thank you very much for joining us on Placecast.

00:38:14 Nicola Headlam

We set out to mine insights from experts.

00:38:17 Nicola Headlam

Well,

00:38:18 Nicola Headlam

I mean, you are very expert in this area.

00:38:20 Nicola Headlam

You've given us real world case studies and some practical tips.

00:38:23 Nicola Headlam

A bit about career advice.

00:38:25 Nicola Headlam

Become freelance and never go back, I think is the suggestion.

00:38:29 Nicola Headlam

But we've spotlighted solutions as well as waved the place-based innovation magic wand.

00:38:34 Nicola Headlam

Thank you very much, Glenn.

00:38:36 Glenn Athey

Thanks, Nicola.

00:38:36 Glenn Athey

It's my pleasure.

00:38:37 Glenn Athey

I'm happy to talk about this kind of stuff for hours, you know?

00:38:41 Nicola Headlam

Hours and hours and rush to Amazon and buy the book as soon as possible.

00:38:46 Glenn Athey

Yeah.

00:38:47 Glenn Athey

If enough people buy this one, then I'll write another one.

00:38:51 Nicola Headlam

Back by popular demand.

00:38:53 Nicola Headlam

It's been absolutely brilliant.

00:38:54 Nicola Headlam

Thanks ever so much.