

# Work in Progress: Towards a Framework for Smart Specialisation in England



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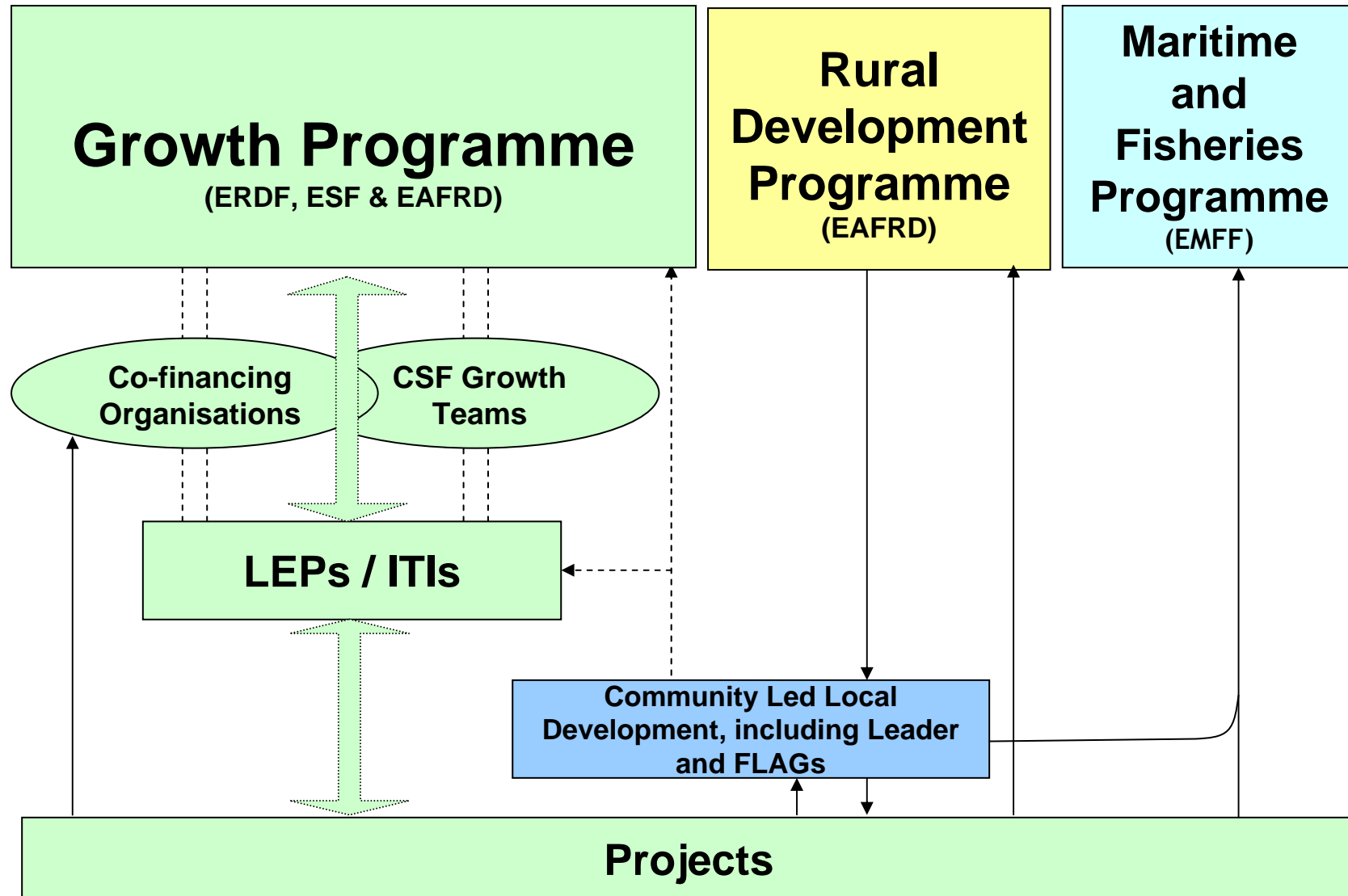
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# Regional Policy: Institutional Context in England

- ❖ Abolition from 2010 of all regional policies and structures, including RDAs
- ❖ Formation of 39 Local Enterprise Partnerships; voluntary /non statutory business led, strategic, some direction over some national industrial and infrastructure programmes, but very limited 'own resources' & very mixed (if changing) capacities
- ❖ 'City' Deals: from 8 to 28?: government commissioned independent Heseltine Review proposes radical devolution of funding for local growth; govt. response expected Spring '13
- ❖ New structures for National Health Service set to establish 15 'innovation' hubs with significant devolved budgets
- ❖ National Innovation & Research Strategy for Growth; (national) Technology Strategy Board as single agency for innovation; national funding protected; aspatial in policy and decisions on delivery; national Annual Innovation Index
- ❖ National governmental reviews of university/business relationships and significant personalisation of finance for higher education

# INITIAL CSF MODEL: DELIVERY ARRANGEMENTS



# GROWTH PROGRAMME

- ❖ An “EU Growth Programme” to be financed by ERDF and ESF with a contribution from EAFRD
- ❖ A single “EU Growth Programme Board” incorporating a joint Programme Managing Committee for ESF and ERDF
- ❖ LEPs to be the fundamental building blocks receiving a 7 year notional allocation subject to periodic performance reviews
- ❖ LEPs to identify their preferred EU investment strategy as part of their wider strategy for agreement by the Growth Board. LEPs to select projects and oversee delivery against their strategy
- ❖ Government departmental teams to work as “CSF Area Growth Teams” to support LEPs in the development and delivery of projects and oversee management of the funds
- ❖ National co-financing initiatives to take account of local needs.

# Smart Specialisation in England: Our Approach

- ❖ Concept applies to innovation in the fields of technology, agricultural industries and social innovation, including the reform of public services.
- Justification for much of what we do is already ‘smart’ - seeking to fill ‘gaps’
- Collaborative leadership, appropriate institutions & effective coordination all needed at both (and between) the national and local levels.
- Seeking to ensure that the design of all innovation activities - however they are funded - are properly informed by the potential spatial implications of that action even if these implications are unintended
- Embedding ‘smart’ within Local Growth strategies; especially incentivising collaboration across geographies e.g. North East and South West
- ‘Smart’ as an ongoing process of ongoing learning and performance management; not a stand alone ‘strategy’ evaluated at one moment in time

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- ❖ Support of DG appointed experts; series of national / local workshops
- ❖ National PMC to be supported by Smart Specialisation Leadership Group; acting as lead for thematic objective of Research, Development & Innovation; also driving innovation across other Thematic Objectives
- ❖ Developing possible functions, form and finance of possible Support Platform for national and local partners
- ❖ Appropriate / targeted guidance to LEPs; providing 'access' to national match funding; seeking 'co-design' of 'wrap-around' local services; building 'spillovers' and 'stickiness' of national initiatives delivered locally
- ❖ Designing the right indicators of performance is critical; drivers of intended activities

# Monitoring Results & Performance: Surmountable Challenges for Indicators

- ❖ **Design** — Evaluating innovation proposals in LEP Prospectus: How to measure actual and potential ‘embeddedness’, ‘relatedness’ and ‘connectedness? Measuring potential shadow effects? Suitable indicators for innovation in rural areas and for social innovation?
- **Scale** — NUT 2 vs. LEP boundaries; cross border collaboration; measuring innovation in CLLD and LEADER areas
- **Institutions** - absence of sub national information observatories; mixed capacities of LEPs; large cuts to local government; impacts on horizontal and vertical communications; personalisation of skills & higher education: & branch plant economies
- **Cultures** — identifying genuine potential; from ambitious ‘step change’ to ‘realistic’ deliverable progress and performance; availability of ‘boundary spanners’;