

8

evidence-based insights

for best practice development
of Local Growth Plans

Briefing 2025

Eight evidence-based insights for best practice development of Local Growth Plans

Overview:

Local growth and productivity are issues that successive governments have tried to resolve, with limited effect. The current Labour Government has emphasised the importance of Local Growth Plans (LGPs) as part of a place-based approach. LGPs are to be locally owned and developed as part of a strategic partnership between Mayoral Combined Authorities (MCAs) and Central Government.

Previous attempts to improve local growth and productivity include Smart Specialisation, Strategic Economic Plans, Local Industrial Strategies and Levelling Up. Each of these programmes has had different bodies responsible for formulation and implementation, different policy drivers from national government and different opportunities for public investment attached to them. There is a large body of academic and grey literature focusing on the purpose of growth plans, and how national governments should (or should not) support their development and implementation (see 'Further reading').

Often the process for developing local growth is designed and driven by national government, but locally there is invaluable experience and expertise built up over time. There is therefore an appetite for a more bottom-up approach to LGPs.

This briefing focuses on how regions can harness existing knowledge and expertise to formulate a local plan that works for their place. In this briefing we translate the research on regional development into actionable insights, showing how regions can both capitalise on place-based assets and external opportunities, and overcome the obstacles for growth in their region.

Actionable Insights:

These eight insights are aimed at supporting the process of developing an LGP, rather than saying what each region should include in their plan. What the LGP covers is necessarily locally determined, and these evidence based insights aim to guide best practice process for narrowing down the scope and focus of the LGP.

1

Take a holistic, inclusive and ambitious approach to growth potential in the region

- An inclusive, holistic growth plan and pathways to growth can be achieved by paying attention to and explicitly investing in:
 - Education and training (especially further and adult education) to provide the right pipeline of skills for growth

sectors. The Devolution White Paper highlights a welcome link between LGPs and Local Skills Improvement Plans.

- The foundational (or everyday economy) to enable and supports productivity improvements and innovation in non-tradeable sectors to foster inclusive growth that the whole region benefits from.
- Be ambitious in how to finance growth; write plans to attract both public and private investment.
- Don't be limited by administrative boundaries: people, goods and ideas travel both within and across regional geographies (however they are defined). Be explicit in linking the local plan to other places where priority sectors are complementary, and show how this delivers for national, 'UK plc' priorities. Ensure that the growth plan recognises and celebrates the interconnectedness of growth across different places in the region and beyond.

2

Take a place-based approach to prioritisation of growth areas

- Invest time and resource in defining and understanding the opportunities for and obstacles to growth in the region. Use these to prioritise areas and pathways for growth.
- Don't be limited by prioritising catch-all, broad sectors that every growth plan is likely to include, e.g. digital, advanced manufacturing, biomedicine (as previous government guidance has encouraged). Instead, use a more granular level of prioritisation: recognising place-based assets, opportunities and challenges within and between sectors. Successful growth plans will demonstrate a high degree of place specificity that can pass the 'Tipp-Ex test'.
- Recognise that opportunity areas may emerge from spillovers/strengths in other sectors – e.g. excess energy generated from offshore wind which is difficult to store may be a means to attract and grow businesses that are energy intensive (data centres, intensive food production).
- Proactively work with and practically support stakeholders in each area of growth to develop and implement mechanisms to identify their particular needs for growth e.g. transport, employment, skills.

- By ensuring stakeholder buy-in in prioritisation and planning, implementation will have greater potential for success as stakeholders will be involved in delivery.

3

Build on existing resources and previous LGPs to ensure longevity and continuity

- There have been a number of recent initiatives aimed at promoting local growth, such as Strategic Economic Plans, Local Industrial Strategies, Smart Specialisation Strategies, etc. Key messages and evidence from these can be useful for the present context, but avoid a 'cut-and-paste' approach.
- Learn from similar places in the UK and abroad who have developed successful local growth strategies. See what has worked there, and what might be applied and blended with what is distinct in this region.

4

Build and mobilise capacity for inclusive place leadership

- Work with local leaders to ensure the plan supports and contributes to the wider decentralisation project for the region.
- Assemble a specialist, place-based team from a wide range of sectors (public, private VCSE, Further and Higher Education) to lead effectively with accountability and transparency. Assign the individuals who are involved specific roles and responsibilities with the appropriate performance management and resource to support them.
- Avoid lock-in or groupthink by looking for people with fresh perspectives.
- Ensure leadership structures and processes are inclusive, transparent and open to challenge and deliberation.
- Build trust and shared understanding to foster fellowship as well as leadership.

5

Conduct wide stakeholder engagement throughout the process with clear timelines and milestones for feedback to avoid stakeholder fatigue

- Build on existing collaborative arrangements and previous engagement around regional priorities to situate this latest strategy in a broad, locally determined context.

- Conduct genuine consultation with stakeholders by engaging with representative organisations to reach a wider range of role players with lived experiences of development and implementation of previous plans.
- Ensure that consultation feedback has a clear line to the backbone of local organisations that will deliver the plan. This should be set out both as part of consultation and the plan itself. Use disruptors as well as anchors to challenge perspectives and keep focus.
- Deliberative exchange can build broad agreement, shared ownership of priorities and 'big ticket' investments.

6

Proactively work with national government for guidance but keep focus on the region

- Strike a balance between responding to national government frameworks and expectations and embedding locally determined, often longer-term, priorities.
- Recognise and work within the limitations of national approaches; ensure a joined-up approach regionally to navigate central government instructions.
- Don't treat the LGP as a bidding document to align with anticipated central government priorities. Be open about the challenges as well as the opportunities.

7

Maximise use of existing evidence and networks with resource to collate evidence

- Engage with local academics and other researchers who are experienced and understand policymaking processes in the local economic landscape to get support in gathering and interpreting data.
- Bring in external expertise and challenge by convening roundtables, workshops or other events for sense and quality checking with evidence experts.
- Consider appointing a neutral peer reviewer to track the process and highlight gaps or weaknesses in the evidence.
- Allow ample time for evidence-base development and update it on a regular basis using the latest data sources with support from external

expertise.

- A good evidence base can be a starting point for stakeholder engagement.

8

Build in mechanisms for evaluation and measurements for success from the start

- Develop a Theory of Change to measure the impact of interventions. This should include a foundation for short- and medium-term plans, policies, programmes and investments to achieve growth.
 - Establish an empirically robust baseline in the evidence base to enable evaluation of interventions.
 - Draw on local expertise in public and university sectors to develop appropriate measurements to evaluate success.
 - Focus on outcomes rather than outputs to measure success.
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The main sources used for this summary were:

- Pike, A., et al (2020). "Improving place-based policy and local economic strategies: An evidence based toolkit for local leadership"
- Romaniuk, A. et al (2020). "Understanding the policy making process behind local growth strategies in England"
- Written comments from Liz Shutt (INE Director), Eleanor Haisell (INE Policy Lead), Professor Louise Kempton (Newcastle University) and Professor David Charles (Northumbria University)
- This summary was conducted by Dr Emily Rainsford, Principal Research Associate at INE.

Further reading:

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- Taylor, A., Sampson, S., Romaniuk A., (2021). “What does it take to ‘level-up’ places? Evidence from international experience”
<https://research.birmingham.ac.uk/en/publications/what-does-it-take-to-level-up-places-evidence-from-international->
- What Works Centre for Local Economic Growth, “Policy Challenge: Local Growth Plans” <https://whatworksgrowth.org/resource-library/policy-challenge-local-growth-plans/>.
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