

## Heart of the South West local enterprise partnership

### Finance & Resources Meeting

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**Report theme:** Innovation Zones – development of LEP policy development  
“think piece”

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### Summary

The introduction of “Innovation Zones” is proposed in the LIS as a key part of the area’s approach to productivity led growth and nurturing innovation in the HoSW area. There is no established definition of what this concept would involve – and scope for the LEP and partners to design locally. To assist with this, it is proposed that an initial “think piece” is commissioned to consider options for shaping innovation zones, approaches to their identification in the HoSW area and benefits that could arise from this approach. In particular this would look at how the approach could be driven by things that the LEP, Local Authorities and academia could do within their powers – in terms of planning, investment, enterprise and innovation support and incentives, eg local development orders to simplify planning.

### Recommendation

**To commission a study considering options for shaping innovation zones, approaches to their identification in the HoSW area and benefits that could arise from this approach.**

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### Background

Innovation is at the centre of the HoSW Local Industrial Strategy (LIS), with a stated ambition to strengthen the area’s capacity for innovation, commercialisation and the application of new ideas by enhancing its innovation ecosystem. The Heart of the South West has an ambition to develop its network of innovation infrastructure to ensure the benefits of innovation are spread across the whole geography, building on existing investment.

Currently the HotSW is one of the lowest ranged LEP areas on innovation indicators and there needs to be a step change to address this. The area is home to unique marine and terrestrial assets which provide an unparalleled opportunity to develop, test and disseminate innovative solutions. However, despite this, businesses in the area exhibit low levels of innovation and there are fewer graduate start ups.

The introduction of Innovation Zones as proposed in the LIS will provide an opportunity for potential collaborative working and approaches to nurture and support the micro enterprises that could be the major businesses of the future. The Zones will stimulate innovation to drive productivity, exports and growth.

The aim is to see a cross pollination of ideas that will support transformational collaborations between universities/ colleges, local authorities and businesses, encouraging innovation and entrepreneurship across the key economic sectors. This will not be just identifying new technologies but also building the commercial potential around these. This will enable the Heart of the South West to tackle the grand challenges facing the area.

The HotSW LIS proposes identifying innovation zones spread across the whole geographical area of the Heart of the South West and that they will contribute to the delivery of the Clean and Inclusive Growth Agenda. The Innovation Zones could potentially focus on growth alongside the national designation and package of the Enterprise Zones.

To assist with the scoping of the model, it is proposed that an initial “think piece” is commissioned to consider options for shaping innovation zones, approaches to their identification in the HoSW area and benefits that could arise from this approach. In particular this would look at how the approach could be driven by things that the LEP, Local Authorities and academia could do within their powers – in terms of planning, investment, enterprise and innovation support and incentives, eg local development orders to simplify planning.

It is suggested that a working group is set up to oversee this commission and that at key stages in the process the LEPs Leadership Groups are engaged in the work. A literature review of existing evidence, including work undertaken relating to this topic by Exeter University in the early days of the LEP, will inform the work.