

Institutions for local growth

Many successful clusters around the world share certain key features.

Local business and financial institutions

- Certain 'anchor' businesses can play a key role in attracting skilled workers to an area, or generating spin off companies. Some anchor businesses can attract a whole supply chain to locate near them, bringing further growth to the area. The Government may be able to help build on this and support the growth of such supply chains in the UK.
- Local financial institutions such as local venture capital networks and investment funds attached to specific universities can support growth.

Local leadership institutions

- Local authorities can help to coordinate the different things that local industries need to thrive, from planning decisions, transport and skills to investments in culture and the quality of life.
- Local Enterprise Partnerships create strategic plans for wider areas, including entire cities, and give businesses a direct role in shaping the future of their local communities.
- Where they exist, Mayoral Combined Authorities support regional planning for transport and improvements in skills.

Interest groups and advocacy groups

- Local business associations can play an important role in aggregating the interests of local businesses, promoting a particular cluster to the world, advocating on its behalf to government, providing training, and building networks to improve the flow of knowledge and contacts. Chambers of Commerce, other business groups, and entrepreneur networks around universities can help small business find advice and support.

Institutions that support innovation

- Universities can have a big impact on local growth and regeneration, including by attracting young skilled people; spinning out firms; and attracting research intensive businesses to locate in the area.
- Government and research council labs and other innovation institutions can contribute to the strengths of local clusters in a similar way.
- Innovation Districts, Science Parks, Catapults and incubator spaces can help ideas to flow and business connections to be made within a cluster. Government policy can help create these kind of opportunities for clustering.

Cultural, sporting and quality of life institutions

- Cultural institutions and regular events can act as a magnet for visitors, promote a cluster and help attract talented people to locate there. Media institutions like the BBC can help to anchor creative clusters, as it has done in Salford.

Connectivity institutions

- Ports and airports are major local employers in their own right, but better connections also help to promote trade and create jobs.