

# GLOBAL INSIGHTS INTO INNOVATION DISTRICT DEVELOPMENT: A comparative study of local to national collaboration and co- design

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## 1. Executive Summary

With increasing devolution in the UK, place-based R&D and innovation policy has risen to the top of the UK policy agenda. In this report, we consider the lessons for place-based innovation policy from a series of international Innovation Districts spanning the USA (Pittsburgh), Europe (Oslo, Lund), Australia (Melbourne), the Middle East (Be'er Sheva) and the Far East (Singapore).

Innovation Districts represent a specific type of place-based innovation policy. They generally cover a limited geographic area, are anchored in well-established R&D capabilities, and are often shaped by urban planning and independent governance structures. As policy-driven initiatives, Innovation Districts differ from innovation clusters, which usually form through the accumulation of agglomeration effects. They are also different from other forms of place-based innovation policy, such as regional R&D consortia (e.g., Strength in Places) or geographically dispersed support for local innovation activities (e.g., the Innovate UK Innovation Accelerators).

Due to these differences, lessons from the development of Innovation Districts may not be directly applicable to all types of place-based innovation policies.

### Governance and Policy Co-Design

Across the six Industrial Districts, governance models demonstrate a shared commitment to multi-stakeholder collaboration but differ in structure and focus. Each Innovation District engages in collaborative governance involving public authorities, anchor institutions, and private actors. Co-design is central, allowing stakeholders to jointly develop local strategies. For example, Lund's steering group (municipality, university, ESS) uses intermediaries such as Future by Lund to broker partnerships, while Oslo Science City's membership organisation coordinates diverse actors under a common vision.

Each case relies heavily on anchor institutions – the universities and research centres (e.g., CMU and Pitt in Pittsburgh; Ben-Gurion University in Be’er Sheva). Policy alignment with national or regional priorities is another common enabler, evident in Oslo’s integration with Norway’s climate strategy and Singapore’s strong centralised planning.

## **Programme Design and Delivery**

All six Innovation Districts implement co-designed, place-based strategies that leverage local strengths, incorporating flexibility and iterative development. For example, Lund Innovation District employs rolling innovation portfolios and structured dialogues to co-create projects that respond to regional needs. Similarly, Oslo Science City integrates spatial design, its “continuous loop” of multifunctional spaces, to encourage interaction and foster knowledge spillovers.

Programme design varies in centralisation and thematic focus. One-North follows a highly centralised, master-planned approach led by JTC Corporation, with precincts dedicated to specific types of activity (Biopolis, Fusionopolis). In contrast, Pittsburgh and Melbourne emphasise bottom-up, networked models, prioritising social innovation and equity alongside economic growth. Be’er Sheva aligns programme delivery with national security and regional development goals, concentrating on cyber, DeserTech, and digital health. This is distinct from Oslo’s themes of sustainability and democracy.

## **Outcomes and Impact**

Limited robust quantitative evidence exists on the outcomes and impacts of industrial districts. Instead, published sources tend to offer a narrative focused on systemic and input impacts, such as the number of businesses created or located within the district.

Each of the districts claims to have achieved economic growth, talent attraction, and enhanced innovation capacity. Perceptions of ‘success’ also vary between districts. Singapore’s one-north emphasises global competitiveness, hosting 400 firms, 16 research institutes, and 800 start-ups, and contributing to Singapore’s top-tier innovation rankings. In contrast, Be’er Sheva defines success through regional transformation, relocating investment and talent to the Negev and establishing a cybersecurity hub linked to national defence assets. Oslo and Lund highlight cultural and creative industries as drivers for cross-sector transformation.

## **Enabling Conditions and Challenges**

Commonalities emerge across the Districts in terms of the enablers and challenges to success. Shared enablers are:

- » **Strong Policy Alignment** - Each case is anchored in national or regional strategies. For example, **Oslo Science City** aligns with Norway's climate and urban development goals, while **Be'er Sheva** is embedded in Israel's national decentralisation and security strategy.
- » **Anchor Institutions and Institutional Density** - Universities and research centres act as innovation engines. **Lund University** and **Carnegie Mellon University** exemplify this by driving talent and research excellence.
- » **Dedicated Coordinating Bodies** - Neutral intermediaries facilitate collaboration. **Future by Lund** in Sweden and **InnovatePGH** in Pittsburgh serve as system orchestrators, managing complex multi-actor processes.
- » **Trust and Collaborative Culture** - High institutional trust, as seen in Norway, and long-standing traditions of cooperation in Sweden and Australia, enable effective co-design.
- » **Infrastructure and Connectivity** - Physical proximity and transport links are critical. Singapore's **one-north** benefits from master-planned infrastructure and global connectivity, while Melbourne leverages the Metro Tunnel project to enhance accessibility.

### Guidelines for local action in developing industrial districts

Commonalities among our six case studies suggest guidelines for local actions which can support developing Innovation Districts. These local actions need to be seen in the context of broader enabling conditions for success which might include policy alignment between local and national strategies and infrastructure investment.

- » **Guideline 1: Ensure governance reflects co-design and multi-stakeholder engagement** - Successful districts rely on collaborative governance rather than top-down control. Neutral coordinating bodies (e.g., Future by Lund, InnovatePGH, Oslo Science City Association) act as system intermediaries, enabling trust and alignment among diverse actors. Within the governance structure defining clear roles across local government, universities, anchor institutions, and business is critical for accountability and agility.
- » **Guideline 2: Ensure deep engagement with strategic anchors** – Deep engagement with universities, research labs, and industry hubs fosters knowledge spillovers and provides gateways to wider knowledge networks. Anchor institutions (e.g., CMU & Pitt in Pittsburgh, BGU in Be'er Sheva) provide sustainable talent pipelines and credibility.
- » **Guideline 3: Promote funding diversity** - All our Innovation District case studies combine public investment, research grants, and private sector contributions. Engaging with national or regional policy frameworks (e.g., Vinnova in Sweden, Israel's PM Office) provides stability. However, philanthropic and corporate partnerships (Pittsburgh) add resilience and flexibility.
- » **Guideline 4: Build flexible programme design** – Flexible programme design drives sustainability, while rolling portfolios and open innovation practices allow districts to pivot as

priorities evolve. Models such as testbeds and living labs (e.g., Melbourne's CNSIP, Oslo's green mobility pilots) can accelerate experimentation.

» **Guideline 5: Expect outcomes to Extend Beyond Economic Growth** - Innovation Districts deliver societal benefits: tackling climate change, health challenges, and social inclusion. Embedding equity and inclusive growth principles (Pittsburgh, Be'er Sheva) can ensure benefits reach local communities. Cultural and creative sectors (Lund) can act as cross-sector drivers of innovation and growth.

» **Guideline 6: Balance short-term deliverables with long-term vision** – Our case studies illustrate that innovation, economic and social benefits develop over different timelines. Balance expectations relating to shorter-term impacts and longer-term (and perhaps more uncertain) outcomes. Set realistic evaluation and monitoring timelines.

Now that you have read our report, we would love to know if our research has provided you with new insights, improved your processes, or inspired innovative solutions.

Please let us know how our research is making a difference by completing our short feedback form [via this link](#).

You are also welcome to email us if you have any questions about this report or the work of the IRC generally: [info@ircaucus.ac.uk](mailto:info@ircaucus.ac.uk)

Thank you

The Innovation & Research Caucus

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## About the Innovation and Research Caucus

The IRC supports the use of robust evidence and insights in UKRI's strategies and investments, as well as undertaking a co-produced programme of research. Our members are leading academics from across the social sciences, other disciplines and sectors, who are engaged in different aspects of innovation and research system. We connect academic experts, UKRI, IUK and the ESRC, by providing research insights to inform policy and practice. Professor Tim Vorley and Professor Stephen Roper are Co-Directors. The IRC is funded by UKRI via the ESRC and IUK, grant number ES/X010759/1. The support of the funders is acknowledged. The views expressed in this piece are those of the authors and do not necessarily represent those of the funders.

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