

ADEPT  Amey

PACE 

Looking Up and Out - Designing for the Future

Session One

Translating Global Trends into Local Place
Leadership: Opportunities and Challenges



The first session of the PACE programme was held at The Gherkin, offering panoramic views of the city to encourage place leaders to look up and out around them.

Translating global trends into local place leadership: opportunities and challenges

This summary captures the key insights and reflections from the first session of the PACE (Pioneering, Action-orientated, Creative, and Entrepreneurial) programme, delivered in partnership with Amey and ADEPT. The session brought together place leaders to explore how global megatrends - ranging from technological disruption and demographic shifts to climate pressures and political volatility - are reshaping the landscape of local governance. Through a series of discussions, the session examined the readiness of local authorities to respond to these challenges, while also identifying opportunities for innovation, collaboration, and long-term resilience.

Understanding megatrends

The session centred on a series of significant megatrends and explored how we, as place leaders, perceive our readiness to address these challenges while building networks for the future. One of the key themes was the impact of global shocks, with 80% of cities experiencing setbacks due to the Covid-19 pandemic. This underscored the importance of resilience and adaptability in our approach to urban governance.

We also reflected on the evolving nature of work, noting that 48% of jobs are now either hybrid or fully remote. This shift presents both opportunities and challenges for infrastructure planning and service delivery. In the UK, 75% of infrastructure projects now involve private capital, highlighting the growing role of public-private partnerships in shaping our built environment.

Technological advancement is another critical area, with projections suggesting that 44% of local authorities could automate administrative functions by 2030. While this offers potential for increased efficiency, it also requires careful consideration of workforce implications and service quality. At the same time, public trust in government has declined, with only 34% of UK citizens expressing confidence that the government will "do what's right" - a 16% drop since 2014.

Alongside these significant developments, only one in five place leaders feel "future ready." This sense of uncertainty is compounded by the reality that we are often attempting to solve 21st-century problems using infrastructure that dates back to the Victorian era. An urgency for modernisation connected to the need for collaborative, forward-thinking leadership is needed to navigate the complexities ahead.

Impactful technology

Enabling an AI economy

The integration of artificial intelligence (AI) into local economies presents a transformative opportunity to upskill communities and foster inclusive growth. To fully realise this potential, it is essential that access to AI tools and training is equitable - ensuring individuals across all demographics, regardless of age, background, or digital literacy, are empowered to participate in and benefit from the digital economy. At the same time, the broader social implications of AI must be acknowledged and addressed. These include the risk of job displacement, ethical concerns around data use, and challenges such as academic dishonesty in educational settings. A balanced approach is needed - one that embeds ethical guidelines and safeguards while also recognising the unique value of human contribution. Rather than replacing people, AI should be used to augment human capabilities, enabling individuals to focus on roles that require empathy, creativity, and critical thinking. By placing people at the centre of AI adoption, local authorities can build a more resilient, inclusive, and forward-looking economy.

Unlocking regional growth through AI adoption by SMEs

Many local authorities have access to tools like Copilot and other AI-powered platforms, yet their use often remains limited to basic functions such as PowerPoint creation and document summarisation. These tools are not being used to their full potential, and there is a lack of understanding around both the opportunities and risks they present. The conversation around AI should move beyond efficiency gains - it is about fundamentally transforming how we process, interpret, and act on data in the public sector.

The potential for AI adoption among small and medium-sized enterprises (SMEs) is substantial. By 2035, the opportunity is estimated to be worth £78 billion. Currently, around 30% of SMEs have adopted some form of AI technology, with adoption expected to rise to 50% within the next three years. This growth is being driven by rapid technological advancements and increasing awareness of AI's benefits. Regional projections highlight the scale of this opportunity: West Yorkshire could see a £4.6 billion uplift in GVA, Liverpool City Region £2.8 billion, and Cardiff Capital Region £2.4 billion.

SMEs that have already adopted AI report a 20% increase in productivity and a 15% improvement in customer satisfaction. However, several barriers remain. High implementation costs are cited by 40% of SMEs, while 35% point to a lack of skilled workers, and 30% express concerns about data privacy and security. These challenges highlight the need for targeted local intervention to support AI diffusion.

Policy recommendations suggest local authorities can play a pivotal role in encouraging AI adoption. This includes offering financial incentives, facilitating access to training programmes, and promoting collaboration between SMEs and research institutions. Building an AI-friendly ecosystem is also essential - this means investing in digital infrastructure, ensuring regulatory frameworks support innovation, and fostering public-private partnerships. Sharing case studies and success stories of AI adoption can further inspire and guide other businesses.

Embracing the AI opportunity while improving trust in local and national institutions

Connecting talent to opportunity and using technology as a tool for empowerment is important but must still be applied thoughtfully. While social media remains difficult to control, we can manage our responses to it and use digital platforms to foster positive engagement.

We are living in what many describe as the "age of the polycrisis," marked by overlapping challenges such as economic instability, political uncertainty, the rise of new global powers, social unrest, and climate-related disasters. These pressures are contributing to a resurgence of populism and a growing sense of individualism. People are increasingly reactive to local, small-scale issues, and there is a perception that politicians are more influenced by public opinion than by long-term priorities. This creates a tension at the heart of contemporary populism - a simultaneous demand for strong, decisive leadership and for greater citizen involvement and control.

The national mood is increasingly pessimistic. Many people believe society is broken and their country is in decline. The IPSOS 'Society is Broken' index reflects this sentiment, with high levels of agreement to statements such as: 'the economy is rigged to benefit the powerful', 'traditional politicians are out of touch', and 'the country needs a strong leader willing to break the rules'. These views point to a deep erosion of trust in institutions.

While councils and councillors tend to be more trusted than national politicians, local authorities still face the challenge of managing unrealistic public expectations. The issue of trust is particularly acute in the UK, where it is more pronounced than in many neighbouring countries. Rebuilding this trust will require transparency, responsiveness, and a renewed focus on delivering meaningful outcomes for communities.



"I think the world will change over the next few years because of AI, we're seeing this already. It's just about making sure that AI diffusion is equitable and fair and everyone can take advantage of it,"

Sarah Fasey, Social Value Lead at Microsoft

'The reform effect'

The place leaders reflected on the increasing pressure politicians face to be hyper-responsive to local and individual issues. This heightened sensitivity to immediate concerns often comes at the expense of long-term planning and strategic decision-making. The political environment has become dominated by sound bites and emotional appeals, often overshadowing evidence-based policy and expert insight.

A notable contradiction discussed was the public's growing scepticism towards experts, despite many individuals simultaneously perceiving themselves as highly informed. This tension complicates efforts to communicate complex issues effectively and undermines trust in professional advice and institutional knowledge.

The conversation also explored the evolving political geography of the UK. While cities tend to remain aligned with Labour, many smaller towns - traditionally Labour strongholds - are shifting towards reformist movements. This trend appears to be driven by a sense of demonstrated deprivation and a feeling of being left behind. Place leaders noted this divide between urban and smaller town communities is contributing to a more fragmented political landscape, where local identity and perceived neglect play a significant role in shaping electoral behaviour.

These dynamics underscore the need for a more nuanced and locally attuned approach to governance - one that balances responsiveness with long-term vision and recognises the diverse experiences and expectations of communities across the country.



Demographic change

Place leaders reflected on the profound impact of demographic change on planning and service delivery. The proportion of the working-age population is declining, while the ageing population continues to grow. This shift brings with it increased demand for accessible housing and mobility solutions, as well as greater pressure on health and social care systems. These evolving needs require a more responsive and inclusive approach to infrastructure and community planning.

Demographic changes are also contributing to growing social divisions. As communities become more diverse in age, income, and lifestyle, the risk of fragmentation increases - particularly where services and opportunities are unevenly distributed. Place leaders noted addressing these divisions requires not only investment but also a renewed focus on social cohesion and place-based policy.

Skills shortages were identified as a critical concern, particularly in sectors such as social care, construction, and logistics. Many skilled tradespeople and lorry drivers are approaching retirement age, with a significant proportion aged 55 and over. Without targeted interventions to attract and train new entrants, these shortages are likely to worsen, affecting both service delivery and economic resilience.

In response to these challenges, the role of combined authorities was highlighted as a positive development. By enabling more strategic planning and cross-boundary collaboration, combined authorities can help align housing, transport, and economic development priorities across wider regions. This integrated approach is essential for managing demographic change effectively and ensuring that growth is both inclusive and sustainable.



Rapid urbanisation

The discussion around rapid urbanisation highlighted a number of pressing challenges and opportunities facing local authorities. As more people are drawn to towns and cities, inequality is likely to increase, placing additional pressure on housing, infrastructure, and public services. Place leaders emphasised the importance of ensuring the right development for the right area, with the ongoing development of Northamptonshire's Nike Campus as an example of how place-sensitive planning can support sustainable growth.

One of the key concerns raised was the inadequacy of current transport systems. Rapid transit options are often expensive, unreliable, and inaccessible factors that limit mobility and economic participation, particularly for marginalised communities. It was agreed infrastructure must grow in tandem with housing development, but the specific needs for infrastructure vary significantly depending on the characteristics of each place.

Place leaders also expressed frustration with the planning system, which is often seen as a barrier rather than an enabler for local authorities. The system does not always support timely or strategic responses to urban growth, making it difficult to align development with long-term community needs. In light of this, there was a call for new and more creative methods to encourage investment in housing growth that can generate meaningful economic returns.

Positive steps were noted in areas where strategic authorities are working to reduce administrative boundaries between local authority areas. Such collaboration can help unlock larger-scale solutions and enable more coherent planning across regions. Ultimately, the session underscored the need for a more integrated, place-based approach to managing rapid urbanisation - one that balances growth with equity, and infrastructure with innovation.



North Northamptonshire's Nike Campus case study

Following an extensive search, Nike has identified Corby in North Northamptonshire as the location for its second major European campus, scheduled to be operational by 2027. Nike's strategic expansion into North Northamptonshire marks a significant milestone in the region's evolution as a logistics and innovation hub attracting premium employers.

The campus is set to house not only Nike's logistics operations but also its back-office functions, creating a multifunctional hub that supports both operational efficiency and corporate sustainability. Notably, it is anticipated that the site will act as a catalyst for the UK's only dedicated shoe recycling centre, reinforcing Nike's commitment to circular economy principles and environmental stewardship.

A key element of Nike's approach has been its early proactive engagement with the local community. The company has worked closely with residents', community groups and other stakeholders to incorporate feedback into the campus design and operations. This includes identifying opportunities to deliver social value, ensuring that the development aligns with the needs and aspirations of the communities it will serve. By understanding the cultural and social fabric of the area, Nike is building not just infrastructure, but long-term relationships, ensuring that the new campus benefits the wider community e.g., through community access to onsite sport facilities, investing in trails connecting local wildlife sites, and supporting local community projects.

North Northamptonshire's investment proposition is encapsulated in the tagline "space to grow." The region has proactively allocated land to accommodate large-scale developments and is supporting this with the construction of 28,000 new homes - ensuring a robust local workforce to meet future demand. As a result, the area has experienced very significant growth in the working age population with housing easier to access and more affordable than in many surrounding areas. It was noted that this contrasts with some other local authorities, where high-grade office space is available but land and infrastructure constraints limit scalability.

The development has successfully achieved harmonious rapid urbanisation by actively engaging with the local community. Place leaders have acknowledged the challenge of balancing corporate ambitions with community interests.

North Northamptonshire and Nike have managed to balance development, recognising the importance of cultural awareness, with the council and Nike taking a 'community first' approach, and using proactive engagement to secure and retain international investors.

The Nike North Northamptonshire Campus exemplifies how strategic planning, infrastructure readiness, community collaboration, and cultural intelligence can converge to attract global brands. The success of this campus should serve as a blueprint for sustainable economic development in the UK.



Image courtesy of GLP



Climate and resource security

Place leaders discussed the growing political aversion to renewable energy infrastructure, particularly wind farms and solar farms. While myth-busting and public engagement can help to overcome some of these barriers, it is not always sufficient to shift entrenched views. This reluctance poses a significant challenge at a time when the need for sustainable energy solutions is becoming increasingly urgent.

The threat of rising sea levels was also a key concern. Many flood defences across the UK are in need of urgent upgrades, yet there is currently insufficient funding to carry out this work. Similarly, the limited availability of water infrastructure - such as reservoirs - raises questions about how future housing growth can be supported without placing unsustainable pressure on existing resources.

The risk of grid insecurity is growing, particularly in the context of political resistance to certain energy sources. Heat networks, which could offer a more sustainable and decentralised approach to energy, are currently stalled as local areas await greater investment certainty from national government. There was a shared view that more consistent and long-term support is needed to unlock these opportunities.

There is a role for green technology in future-proofing local assets. While AI and other digital tools offer potential benefits, place leaders noted AI data centres are resource-intensive and do not necessarily generate significant local employment. This highlights the need to use such technologies efficiently and strategically, ensuring they contribute to broader sustainability goals.

One particularly powerful reflection came from a business which had experienced flooding. They emphasised the importance of reframing the narrative - from abstract discussions about climate change to tangible outcomes like protecting communities. Regardless of the cause, the shared goal is to improve quality of life and safeguard local areas. This shift in messaging could help build broader support for reform and investment in climate resilience.



Economic power shift

Attracting private investment across the UK can be challenging, due to the country's diverse regional requirements and infrastructure disparities which make it difficult for investors to navigate. Each area has its own unique needs, priorities, and levels of readiness, which can create complexity and uncertainty for those looking to invest. This lack of consistency can act as a deterrent, particularly for private and international investors seeking clarity and stability.

Another key issue raised was the limited capacity for external engagement. Day-to-day operational pressures often leave little time or resource for local authorities to build relationships with businesses or overseas partners. This constraint reduces opportunities to promote local strengths, attract inward investment, and foster innovation through collaboration.

Local economics are not immune to broader global politics and economic changes, with place leaders increasingly seeing international political developments having a paralysing effect on local economies. For example, unpredictable policy shifts, such as tariff changes introduced by countries such as the USA, can disrupt trade and investment flows. These external shocks can stall both inward and outward investment, regardless of local readiness or ambition, further complicating efforts to stimulate economic growth at the local level.



Key takeaways of the session

Strategic leadership and the role of place leaders

Advising political leaders across the spectrum: Participants reaffirmed the critical role of officers in supporting political leaders - irrespective of party affiliation or experience - to ensure decisions are grounded in evidence and aligned with community needs. This includes helping elected members navigate complexity, balance short-term pressures with long-term vision, and maintain public trust in a volatile political landscape.

Opportunity in disruption

The session embraced the notion that “there is opportunity in chaos.” Place leaders were encouraged to see disruption not as a threat but as a catalyst for transformation. The metaphor of “surfing the wave” was used to describe the delicate balance between riding change and being overwhelmed by it. Participants were urged to lead with confidence, curiosity, and a commitment to long-term impact.



Strengths and opportunities

Strategic leadership and regional collaboration

- Combined authorities were praised for enabling cross-boundary planning in housing, transport, and economic development.
- Strategic authorities were seen as essential for unlocking investment and delivering coherent regional strategies.

AI and digital innovation

- AI was positioned as a transformative force, with potential productivity gains of 20% and customer satisfaction improvements of 15%.
- Tools like Microsoft Copilot were highlighted as opportunities to enhance efficiency, automate routine tasks, and support data-informed decision-making.
- However, the maturity of understanding around AI remains inconsistent, with many organisations still using it for basic tasks like summarising documents.

Empowerment through technology

- Technology was framed as a tool for empowerment—connecting talent to opportunity, enabling inclusive growth, and future-proofing local infrastructure.
- Green tech and AI were seen as essential to achieving sustainability goals, provided they are deployed strategically and equitably.

Resilience and adaptability

- There is an urgent need to modernise outdated infrastructure and adopt forward-thinking approaches to withstand global shocks such as pandemics, climate events, and economic volatility
- Building systems that are agile, responsive, and rooted in long-term planning is required to future-proof organisations and community response.

Place identity and investment potential

- Case studies such as Nike's investment in Corby demonstrated how place-sensitive planning and connectivity can attract global investment.
- Reducing administrative fragmentation was seen as a pathway to unlocking large-scale, integrated solutions.

Areas for reform and development

Planning system modernisation

- The current planning framework is widely viewed as outdated and obstructive.
- More agile, creative planning approaches that align with long-term community needs and investment priorities are required to speed up planning.

AI adoption challenges

- Despite its potential, AI uptake is hindered by high costs (40%), skills shortages (35%), and data privacy concerns (30%).
- Local interventions—such as financial incentives, training programmes, and partnerships with research institutions—are needed to accelerate adoption.

Rebuilding trust and civic engagement

- Public trust in national government remains low (34%), though councils retain relatively higher levels of confidence.
- Rebuilding trust requires transparency, responsiveness, and a shift from transactional consultation to authentic, participatory engagement.

Demographic and workforce pressures

- Ageing populations and declining working-age cohorts are placing strain on housing, mobility, and care systems.
- Targeted interventions are needed to address critical skills shortages in sectors such as social care, construction, and logistics.

Climate and resource security

- Political resistance to renewable infrastructure and underinvestment in flood defences were identified as major risks.
- Climate messaging should be reframed to focus on tangible community protection, and investment in water and energy infrastructure must be prioritised.

Economic engagement and capacity

- Many councils lack the capacity to engage effectively with external investors, limiting their ability to promote local economic opportunities.
- Global political volatility adds further complexity, underscoring the need for robust local economic strategies.

Organisational culture and future readiness

Skilling and talent development

- There is a strong imperative to democratise AI literacy - embedding it in schools, apprenticeships, and across all levels of local government.
- Shadow boards and apprenticeships were highlighted as effective mechanisms for empowering early-career professionals and fostering innovation.

Distributed leadership and innovation

- Leadership should be viewed as a distributed function, with decision-making and innovation encouraged at all levels of the organisation.
- Empowering younger staff to lead from the ground up is essential for building adaptive, future-ready institutions.

Preventative and place-based interventions

- A shift from reactive service delivery to upstream, preventative approaches - particularly in health, housing, and education - was strongly advocated.
- Councils must take ownership of long-term outcomes, recognising their role in stabilising public finances and improving social equity.

Knowledge sharing and collaboration

- Many councils are tackling similar challenges in isolation. There is a clear opportunity to harmonise procurement, share best practices, and reduce duplication, particularly in consultancy and infrastructure.

Sustaining curiosity and critical thinking

- In a fast-changing world, maintaining intellectual engagement - “keeping the kilo of grey matter active” - is vital to avoid stagnation and burnout.
- Leaders must create environments that encourage curiosity, experimentation, and continuous learning.





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