Chapter 6
Living Labs and Urban Smartness: The Experimental Nature of Emerging Governance Models

Grazia Concilio
Politecnico di Milano, Italy

Francesco Molinari
Politecnico di Milano, Italy

ABSTRACT
Urban Living Labs are socio-digital innovation environments in realistic city life conditions based on multi-stakeholder partnerships that effectively involve citizens in the co-creation and co-production of new or reformed public services and infrastructures. This chapter explores the growing phenomenon of Urban Living Labs and analyses the nature of related innovations in the perspective of ‘City Smartness’ – a mantra for local governments worldwide which are having to address increasingly complex problems with fast diminishing financial resources. It goes on to briefly overview the urban governance models emerging in such environments and finally focuses on the challenges posed by these models as result of integration between the ‘technology push’ Smart City vision and the ‘human pull’ Urban Living Lab concept and approach.

INTRODUCTION
Public sector organisations worldwide increasingly need to rely on innovative multi-stakeholder partnerships to address more and more complex problems with fewer and fewer resources. This basic tenet has become pervasive in many areas of policy-making, both at theoretical and practical level. During an expert meeting held on 20th January 2009, the President of the European Commission J. Manuel Barroso declared: ‘The financial and economic crisis makes creativity and innovation in general, and social innovation in particular, even more important to foster sustainable growth, secure jobs and boost competitiveness’. In the background of this declaration,
the Renewed Social Agenda launched on 2nd July 2008 by the Barroso Commission aimed to deal with a fast-changing European scenario shaped by globalisation, technological progress, ageing societies and people at risk of exclusion. Since 1991, when it was started as a separate Community Initiative, the LEADER approach has been providing rural communities in the European Union with a method for engaging local partners in shaping the future development of their area. The acronym ‘LEADER’ stands for the French ‘Liaisons Entre Actions de Développement de l’Économie Rurale’, which means ‘Links between rural economy and development actions’. The idea was to enlist the energy and resources of people and bodies that could contribute to the rural development process by forming partnerships at sub-regional level between the public, private and civil sectors (European Commission, n.d.). In the programming period 2014-2020, the LEADER approach will be referred to as ‘Community-Led Local Development’ (CLLD) and jointly supported by several Structural funds (European Commission, 2014), as it is possibly extended to other communities beyond the rural. ‘Community’ here does not only mean individual residents and beneficiaries of funded actions, but also voluntary and community organisations, local authorities, other public bodies and agencies, and local private sector businesses. Likewise, the World Bank’s ‘Community Driven Development’ (CDD) approach gives control to local groups over planning decisions and investment resources addressing development related issues. ‘Experience has shown that when given clear explanations of the process, access to information and appropriate capacity and financial support, poor men and women can effectively organize to identify community priorities and address local problems by working in partnership with local governments and other supportive institutions’ (World Bank, 2015).

In a nutshell, the CDD approach leverages ‘on the principles of local empowerment, participatory governance, demand-responsiveness, administrative autonomy, greater downward accountability, and enhanced local capacity’.

Many researchers in the context of cooperation for development have explored the impact of social innovation on traditional public services. For example, a study by SERCO (2012) showed that over the past 60 years in India, social enterprises have stepped in to address the challenges that the government was leaving unmet. As a result, radically new perspectives have emerged based on a limited intervention or involvement of the State in public affairs. Even in the more advanced economies and societies, ‘user empowerment’, as opposed to ‘user centred’ delivery of services, has been proposed in response to a number of global trends, such as increased individualism, extended mobility, improved living standards, and no less important, a massive expansion and pervasiveness of Information and Communication Technologies (Osimo et al., 2007).

In this context, the Urban Living Lab concept (Juujiärvi & Pesso, 2013; Concilio et al., 2014) has been proposed as a socio-digital innovation environment based on multi-stakeholder partnerships that are framed within a City or Neighbourhood context. ‘An Urban Living Lab involves partners representing more than one sector of society other than academia, e.g. a municipal government, a private company, or a non-governmental organization. It is a forum for research and discovery, that by its design is open for learning and exploration in any direction, between any combination of participants’ (JPI Urban Europe, 2013).

This chapter reflects on the forms of innovation emerging in Urban Living Labs and analyses the relevance they can have in shaping a City’s Smartness. Associating Living Labs with Smartness is not straightforward: in fact, the prevailing definition of a Smart City implies ‘the strategic adoption of ICT and Future Internet based tools, networks