



Planning for Growth: The Role of LEPs

This briefing is based on the first comprehensive analysis of the planning roles of Local Enterprise Partnerships (LEPs), including a detailed analysis of their Strategic Economic Plans (SEPs). It reports on research conducted for the RTPI by Lee Pugalis, Nick Gray and Ania Ankowska of Northumbria University, and Alan Townsend of Durham University.

Who should read this?

Policy-makers, decision-makers and practitioners in planning in the UK and internationally, researchers and commentators interested in planning and growth.

Key messages for policy and practice

LEPs and planning

- LEPs are not a solution to statutory strategic planning at the sub-national level (nor do they claim to be), and LEPs have no wish to take on statutory strategic planning powers or responsibilities.
- There is a significant variation in LEPs' engagement with statutory planning, and devising, coordinating or contributing to strategic spatial frameworks.
- LEPs feel they have limited freedoms to devise and coordinate the implementation of place-based strategies, and nearly all LEPs are understaffed, particularly in terms of planning expertise.
- However, the planning roles performed by LEPs have increased over time, and uncertainty over their role has not restricted those LEPs that do wish to influence spatial planning decisions.
- It has been common for LEPs to provide a 'business perspective' on planning matters, and LEPs' priorities and decisions have important implications for local planning.

- LEPs also have considerable potential to work across different policy areas such as planning, and to bring together different partners as brokers of cross-boundary, strategic issues.

LEPs, SEPs and the growth agenda

- LEPs have a much greater role in driving the local growth agenda than originally set out in 2010. The first round of the Growth Deal process has led to the emergence of many LEPs as important actors.
- SEPs are not a formal part of the plan-led system, rather they are more akin to economic strategies. They were predominantly influenced by government departments' contributions to the Single Local Growth Fund.
- SEPs vary considerably. Some SEPs are more like business plans for the LEP and are more focused on immediate priorities, others incorporate key development projects resemble plans for the area and could be regarded as the first step to producing strategic spatial economic plans.
- However, many SEPs ignore the issue of deprivation and some fail to consider social and environmental ramifications of growth plans.

Strategic planning via economic strategies

- The potential for strategic planning is greater than in 2010/11. More local authorities are preparing joint local plans across areas similar to LEPs. Combined authorities/economic prosperity boards and directly elected mayors linked to place-based settlements and devolution deals are also set to become more common.
- This potential is being recognised by many LEPs, which could provide a framework for local plans and foster collaboration to help integrate spatial policies.



Main findings

This briefing is based on a comprehensive analysis of new survey data on the planning roles that some LEPs presently undertake, the challenges they face and their ambitions for the future.

Key features and characteristics of LEPs

Thirty-nine LEPs have been created so far, although the gestation of each has been distinct. Legally, LEPs are not public bodies or state-owned organisations. They continue to operate with an opaque remit and lack firm institutional foundations. Many LEPs claim that they are “locally owned” and are “free from central control”. Nonetheless, they benefit from the patronage of central government (which approved each LEP board), and behind the scenes, central government is actually quite directive of their work. Indeed, responding to ministerial requests, civil service entreaties, invitations and requirements consumes a large proportion of the work of LEPs.

As a result, LEPs can simultaneously claim to be “official” and “un-official” conduits of the local and national state as the need arises. This presents LEPs with ample scope to manoeuvre across different policy areas such as planning, and to bring together different partners in what can be represented as a nominally “neutral space” (although it is a deeply political arena, involving decisions about not only which priorities to champion and fund, but also where).

As the remit of LEPs has expanded in a piecemeal manner, stakeholders beyond central government are unanimous that nearly all LEPs are understaffed. This is particularly acute in staff possessing the necessary planning and strategic acumen (as well as other skills such as community engagement) required to produce spatial strategies.

LEPs and planning

There are no special planning tools at the disposal of LEPs and they lack clarity in terms of their role in the planning system. Whilst the National Planning Policy Framework places a duty on local planning authorities to take account of the views of LEPs, they possess no statutory basis for directly making decisions in

the formal planning system. LEPs themselves highlight their limited freedoms to devise and coordinate the implementation of place-based strategies.

Understandably then, there is a significant variation in LEPs’ engagement with the statutory planning system and activities such as devising, coordinating or contributing to strategic spatial frameworks. The lack of clarity and institutional remit of LEPs in relation to planning have not restricted those LEPs that do wish to influence spatial planning decisions, and it has been common for LEPs to provide a ‘business perspective’ on planning matters. At the same time, other LEPs have made it clear that they do not see planning as part of their remit.

Many LEPs are reluctant planning actors, but the planning roles they have performed have increased over time and this looks set to continue in some areas, including in relation to strategic planning. Further, LEPs are now perceived by both internal and external stakeholders as performing an important role in shaping places. Their priorities and decisions have important implications for local planning authorities and other statutory planning machinery. Even those LEPs who have been less proactive in planning are influencing spatial planning decisions, and their “control” of resources (exceeding £1 billion in some areas) means that they are powerful planning actors. Neither is this a one-way process, for example policies in local plans such as employment land allocations can be significant for the work of LEPs.

Most LEPs have different sub-groups including those with a planning remit, but this does not necessarily mean that LEPs have close working relationships with local planning authorities. In some parts of England, the establishment of the LEP has stimulated conversations between public and private sectors in more productive ways than previously.

Yet the unstable institutional foundations of LEPs could limit their effectiveness as “brokers” of cross-boundary, strategic issues. This has already been tested in some LEPs



where partner relations have been fraught, and the individual priorities and differing time horizons of the partners comprising LEPs can hinder the development of strategic spatial plans and priorities with medium to longer-term timeframes.

LEPs, SEPs and the growth agenda

As of mid-2015, LEPs had a considerably greater role in driving the local growth agenda than was originally set out in 2010. The first round of the iterative Growth Deal process has marked a new phase in the evolution of LEPs, and led to the emergence of many LEPs as important actors.

SEPs are not planning documents in the sense of being a formal part of the plan-led system. Rather, they are much more akin to economic strategies than statutory plans. SEPs are intended to be “multi-year plans for local growth”, which alongside a vision statement and priorities should include a “high-level investment plan”.

Like LEPs, SEPs vary considerably. While there was no set format for SEPs, they were predominantly influenced by government departments’ contributions to the “Single” Local Growth Fund. As a result, some SEPs are more like business plans or bidding documents for the LEP and are more focused on immediate priorities, but others resemble plans for the area and could be regarded as the first step to producing strategic spatial economic plans. Some SEPs support the delivery of more holistic strategies and are embedded in broader strategic processes and institutional frameworks (and some LEPs have even devised supra-LEP plans), whereas others appear to be more independent, even isolated. Thus LEPs are part of the “institutional architecture” of local growth, in some areas engendering subnational strategic development and planning capacity.

Most SEPs are ambitious in the sense of articulating bold visions for growth. As such, SEPs are not “neutral” or “objective”, rather they are attempts to solidify emerging priorities, programmes and key initiatives. There are some examples where evidence is unclear or substantially lacking, and local

planners could perceive these types of plans to be “just another bidding document”. The variation in staffing levels, expertise, institutional and partner support across LEPs has inevitably influenced the shape and rigour of SEPs.

SEPs also differ in their definitions and treatment of growth. In this survey, 15 SEPs are framed by an extremely narrow view of growth, equating it to productivity levels codified in metrics such as Gross Value Added. Further, many SEPs ignore the issue of deprivation, and some SEPs fail to consider the social and environmental ramifications of growth plans.

In relation to planning, the overwhelming majority of SEPs (36) provide a clear articulation of key development projects (the two remaining SEPs make passing references). Similarly, most SEPs (36) provide a clear articulation of the role of particular places (for example, opportunity areas, transport nodes, strategic employment areas, and so on), whereas two SEPs provide little if any place-specific discussion.

Further, many of the drivers for growth identified in SEPs have direct implications for planning, even if these are not made explicit. However, the majority of SEPs make no reference to the nature or status of local plans in their area (although only a small proportion of SEPs identified planning as a specific barrier to growth). The majority of SEPs (27) do not make any reference to when the plan will be reviewed, and fail to specify the details of any monitoring framework. SEPs have veered away from setting politically contentious allocations, such as local authority housing numbers.

It is to be expected that each LEP would “talk up” plans for growth, but the outcome is that almost every SEP contains aspirations to be the “best performing” area, achieve “above average” growth rates, have the “highest productivity rates”, and be top of “ranking” indices. This might have been prevented if central government had undertaken a more considered, informed and comparative review of SEPs.



Future rounds of the Growth Deal process, including new iterations of SEPs, might benefit from “co-production” between various actors including local and central government. For example, the active participation of central government in SEPs, as opposed to assessment, could be a condition inserted into future phases of Growth Deal negotiations.

Strategic planning via economic strategies

LEPs are not a solution to statutory strategic planning at the sub-national level (nor do they claim to be). LEPs have no uniform wish to take on statutory strategic planning powers or responsibilities. Indeed, both LEPs and outside observers have repeatedly spoken out against the perils of “mission creep”, of the accretion of too many duties being added to their responsibilities over time. Rather, SEPs in particular can be seen as a concerted effort by government to reenergize sub-national economic strategy-making.

This said, the potential for strategic planning is greater than in 2010/11 in the sense that more local authorities are preparing joint local plans across geographies that align with or are similar to those of LEPs. In addition, combined authorities/economic prosperity boards, and directly elected metropolitan mayors linked to place-based settlements and “devolution deals”, are set to become more common and significant in future years.

Many SEPs acknowledge that the LEP is only one piece of the “institutional jigsaw” of local growth. Twenty-five SEPs refer to the intention either to align or pool local authority growth-related spend, particularly in relation to housing, transport, economic development, regeneration, planning and infrastructure. Nineteen refer to joint contracts or collective decision-making arrangements, and 17 to combined authorities or economic prosperity boards.

In this developing context, LEPs could provide a collaborative space for the consideration of spatial policies and economic priorities. In theory, LEPs can provide a flexible framework both for the deployment of economic resources over a particular period (depending on specific funding streams), and a frame of reference

within which local planning authorities could shape local plans. Further, “soft spatial frameworks” are seen by LEPs and other stakeholders (including local authorities) as a potentially effective way of satisfying the duty to cooperate, and of addressing the missing strategic tier of statutory planning. However, in this regard the voluntaristic nature of LEPs is far from ideal. As non-statutory entities, LEPs do not possess the legislative clout to combine different arms of the state necessary to undertake comprehensive strategic spatial planning. If SEPs are to influence and improve planning decisions then they would carry more weight in planning deliberations if they could demonstrate a shared and consistent evidence-base, clear processes and engagement, and broad partner buy-in. Cooperative planning also requires mature partner relations, and even if these are present, agreements can unravel quickly. In this sense, the timescales for preparing the first iteration of SEPs was prohibitive.

If (some) LEPs are to evolve into economic/business advisory boards, informing the decisions of combined authorities and others bodies, it is critical that more thought is also given to the mechanisms required to empower the social and environmental dimensions of sustainable development otherwise strategic priorities will continue to be overridden by economic growth concerns.

About the research

This report is based on research conducted for the RTPI led by Lee Pugalis of Northumbria University and Alan Townsend of Durham University with support from Nick Gray and Ania Ankowska of Northumbria University, funded through the RTPI’s Small Projects Impact Research (SPIRe) scheme.

The full report is available on the RTPI website at: www.rtpi.org.uk/spire

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