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# **Planning for Growth: The Role of Local Enterprise Partnerships in England Final report**

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# PLANNING FOR GROWTH: THE ROLE OF LOCAL ENTERPRISE PARTNERSHIPS IN ENGLAND, FINAL REPORT

## Executive Summary

### Introduction

This report provides the first comprehensive analysis of the planning roles of Local Enterprise Partnerships, including a detailed analysis of their Strategic Economic Plans.

Since 2010, the administration of planning and economic development, as well as other activities, at the regional scale has been usurped by a 'localist' philosophy. This raised concerns, especially from a strategic planning perspective, of a 'planning vacuum' which left unfilled could result in impediments to growth and sustainable development. In place of regional planning, the Coalition Government introduced a new policy innovation intended to encourage enterprise and stimulate private sector-led economic prosperity – that of Local Enterprise Partnerships (or LEPs).

The 39 LEPs vary considerably in different parts of England, and the local growth landscape has co-evolved, becoming more complex and congested in the five years since 2010. The Coalition Government initially outlined several planning roles that LEPs could perform, and have required Strategic Economic Plans (SEPs) from each partnership as part of a process of negotiating Growth Deals. As a result, as noted in this report, the role of LEPs in planning is increasing over time, in both geographical and institutional ways. Moreover, some LEPs are operating as strategic actors alongside others in the complex field of sub-national development, which represents an evolution from the original conception of LEPs as the primary strategic actors in sub-national development.

This report is based on research for the RTPI led by Lee Pugalis of Northumbria University and Alan Townsend of Durham University with research assistance from Nick Gray and Ania Ankowska of Northumbria University, funded through the RTPI's Small Projects Impact Research (SPIRe) scheme. The interim report from this project examined the role of LEPs in relation to the statutory planning system, as well as considering the potential of alternative strategic planning mechanisms. It analysed the historical position and development trajectory of LEPs in a way that has informed this final report from the project. This report provides fresh empirical evidence of LEPs' engagement with the planning system, deployment of various planning instruments and their anticipated planning-related functions during their next phase of evolution.

### Who should read this report?

This report should be of interest to anyone with an involvement in planning for growth, in particular those concerned with strategic planning and spatial governance in England and beyond. In seeking to chart the potential of LEPs, from a limited start, to become part of an evolving institutional architecture of planning for growth in both the formal statutory planning system and "softer" forms of non-statutory planning, the report helps to inform the work of LEPs, local authority planners, elected members and consultants preparing various forms of spatial frameworks and economic strategies. The findings also point to some policy and procedural challenges, which central government may wish to consider.

## **Key messages for policy and practice**

### **Key features and characteristics of LEPs:**

- Thirty-nine LEPs have been created so far, although the gestation of each LEP has been distinct. For example, some emerged from institutional antecedents, whereas other LEPs were the outcome of newer territorial alliances. A lack of uniformity is the only consistency across LEPs, as they defy a singular definition.
- 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).
- Central government patronage confers LEPs a range of benefits but also creates some drawbacks, not least the degree of LEP autonomy and capacity to act.
- As the remit of LEPs has expanded in a piecemeal manner, stakeholders beyond central government are unanimous in the view that nearly all LEPs are understaffed. This is particularly acute in terms of staff possessing the necessary planning and strategic acumen (as well as other skills such as community engagement) required to produce economic and 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, however, the planning roles that 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 matters 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 the 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 that in some places is engendering both 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: 15 SEPs are framed by an extremely narrow view of growth, equating it to productivity levels codified in metrics such as Gross Value Added. Furthermore, 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.
- 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. Decisively, 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 subnational 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 reenergise subnational 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 “devolutionary deals”, are set to become more common and significant over 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 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.

## Contents

<b>1.</b>	<b>Introduction</b>	<b>6</b>
<b>2.</b>	<b>The local growth agenda: Strategic planning and spatial governance</b>	<b>8</b>
<b>3.</b>	<b>Local Enterprise Partnerships: Key features and characteristics</b>	<b>12</b>
<b>4.</b>	<b>Local Enterprise Partnerships' roles and experiences of planning</b>	<b>17</b>
<b>5.</b>	<b>The form, function and content of Strategic Economic Plans (SEPs)</b>	<b>27</b>
<b>6.</b>	<b>Strategic spatial planning via soft economic strategies</b>	<b>43</b>
<b>7.</b>	<b>Conclusion</b>	<b>48</b>
	<b>References</b>	<b>50</b>

## **List of Figures**

Figure 1. Combined Authorities as of July 2015	10
Figure 2. Local growth agenda: Timeline of key events	11
Figure 3. Map of Local Enterprise Partnerships	13
Figure 4. Evolution and growing remit of Local Enterprise Partnerships	14
Figure 5. LEP interface with the planning system and planners (up to July 2014)	20
Figure 6. Arrangements and mechanisms utilised by LEPs	25
Figure 7. How LEPs expect to develop as planning actors and interface with the planning system in the short-term	26
Figure 8. Growth Deal and Strategic Economic Plan timeline and process	30
Figure 9. The SEP includes discussion of connections with...	32
Figure 10. Overview of priorities articulated in SEPs	34
Figure 11. Proposals, recommendations and requests in SEPs directly related to the planning system	36
Figure 12. Social considerations	37
Figure 13. Environmental considerations	38
Figure 14. Frequency of most common growth drivers identified in the 38 SEPs	39
Figure 15. Frequency of most common barriers to growth identified and supported by a strong consideration in the 38 SEPs	40
Figure 16. Planning-related barriers to growth	41
Figure 17. LEPs' intended interface with the planning system and planning initiatives, as identified in SEPs	45



## **1. Introduction**

A serious strategic gap emerged following the demise of statutory regional planning (of both the spatial and economic variety) after the election of the 2010-15 Coalition Government and the resulting dismantling of other regional institutional architecture, such as the closing of Government Offices for the Regions and abolition of Regional Development Agencies. While primarily established to provide strategic economic leadership as sub-national growth champions, Local Enterprise Partnerships as originally envisaged by the Government (Cable & Pickles, 2010; HM Government, 2010) offered the potential to take on some ill-defined planning roles. Indeed, as they have matured and taken on more responsibilities, many have emerged as key economic development bodies, which by implication means that they are also significant planning actors.

It is therefore important to examine the workings and experience of Local Enterprise Partnerships (LEPs), especially in their interface with planning, including through the production, implementation and monitoring of Strategic Economic Plans (SEPs). The new experience of place-based deals, decentralised settlements and existing sub-national geographies of governance, can be best understood from the sequence of establishing 39 LEPs covering all parts of England between 2010 and 11.

Calls for different forms of place-based devolution and decentralisation began to gather momentum as the 2015 General Election grew closer. The swell of support to devolve powers and responsibilities appeared to generate cross-party and cross-sector consensus. Some place-based settlements and decentralised propositions were billed as being “radical”, whereas many others were more mundane. Nevertheless, if some of these different proposals are implemented, this could result in the development of an asymmetric strategic planning apparatus (in other words, strategic planning in some areas, but less so in others).

With a majority Conservative Government now elected, it is likely that such possibilities will continue to develop. Most prominent before the election was the announcement on 3<sup>rd</sup> November 2014 of the transfer of new powers to the Greater Manchester Combined Authority (GMCA), which will be the first such area outside of Greater London to develop a statutory strategic plan. Further announcements, billed as “devolution deals”, have comprised two less far-reaching agreements between central government and the West Yorkshire and Sheffield City Region Combined Authorities. In addition, to date there have been two waves of City Deals. The first round of Local Growth Deals culminated in LEPs being awarded £2 billion, which was quickly followed by a further £1 billion for 2015/16.

To date, place-based deal-making has typically, although not exclusively, hinged upon particular local and sub-national authorities or groups of them negotiating enhanced financial flexibilities and some additional resources, subject to agreement with central government over “stretching” economic growth targets, financial efficiencies, enhanced governance arrangements and improved inter-local authority collaboration, of which planning is considered crucial. Nevertheless, planning has tended to take a back-seat in many of these place-based deals and more often than not has not featured explicitly at all (although central government did stipulate a high level of planning-related conditions in Growth Deal contracts).

In the light of further analysis and the availability of the Phase I Report (Pugalis & Townsend, 2014b) from this research, the RTPI released a report in January 2015 on the case for strategic planning based on six general principles, showing how councils can work across their boundaries, in order to better coordinate the provision of housing, jobs, infrastructure and other services (RTPI, 2015). The report recommends that in England stronger incentives are required to strengthen inter-local

authority cooperation, particularly if housing need is to be satisfactorily addressed. The Town and Country Planning Association (TCPA) went further in March 2015, recommending that “combined authorities can adopt strategic spatial plans with statutory weight” (TCPA, 2015), which accords with the direction of travel in Greater Manchester. In the post-election context, where place-based deal-making and decentralisation are set to unfold in irregular ways, there is an added urgency for an improved understanding of existing sub-national spatial governance entities and their engagement with planners and the planning system.

### **Research focus and approach**

The central aim of this research project has been to examine the planning roles and potential of LEPs as a strategic mechanism for enabling economic growth and sustainable development, as well as exploring the potential of alternative strategic mechanisms. Phase 1 of the research – published as an interim report in March 2014 – analysed the position and development trajectory of LEPs, and examined the potential of LEPs, from a limited start, to become part of a strategic mechanism to plan for growth (Pugalis & Townsend, 2014b). Phase 1 helped to provoke some key avenues of enquiry for Phase 2, which is reported here.

This report provides 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. The serious strategic planning gap which characterised much of the past five years emerged largely because there was no direct replacement after the revocation of regional plans, while new mechanisms, such as the duty to cooperate, are not entirely suitable or effective. Therefore, over time LEPs have garnered a reputation as “strategic [spatial] entities” in part due to their recognised status as central government’s preferred sub-national vehicle for realising growth ambitions.

In many areas of England, LEPs are the key conduit between central government and local government in respect of numerous spatial policy domains, such as strategic transport and housing. Whether by default or by design, LEPs are perceived by both internal and external stakeholders as performing an important role in the shaping of places. This might include, for example, the promotion of “attractive business environments” or direct investment intended to “grow places”. Consequently, the field within which LEPs operate necessitates close interaction with planners and the planning system. Thus, whilst at no stage have any LEPs collectively or individually lobbied to “take over strategic planning” (indeed, they have actively resisted being drawn into this responsibility), the observation that LEPs are planning actors is indisputable. As these research findings indicate, LEPs as key planning actors in a strategic sense is set to grow. Nevertheless, some LEPs are much more reluctant than others to perform a strategic role beyond pursuing private sector-led growth.

We asked all LEPs a full range of questions via direct engagement, including whether they considered some form of strategic planning role to be a natural progression or possibly a step too far. A mixed-mode of research was deployed to generate fresh empirical insights, which complemented an extensive review of policy, practice and academic literature; secondary data analysis and prior research material. Every approved SEP was accessed and a unique analysis of their planning content, evidence-base and planning implications was undertaken. Key data was extracted and inputted to a spread sheet, which has enabled comparative analysis. In addition, an online questionnaire survey was distributed to all LEPs and a programme of targeted interviews were conducted with key LEP stakeholders, particularly those with direct experience of preparing, implementing and monitoring SEPs and those engaged in planning-related activities. We are grateful to everyone who participated in this research; for their insights, experiences and engagement. Research participants were frank and open, and therefore all quotes are anonymised.



## **2. The local growth agenda: Strategic planning and spatial governance**

The demise of strategic planning ushered in by the 2010-15 Coalition Government is not without precedent. Whilst the reasons for policy transformation are diverse, the main rescaling tendency in the past has been one of concentration in larger units, including innovations to fill the “missing middle” between the local and the national. These changes, it must be said, have tended to be accompanied by the subsequent cull of such intermediate “bureaucratic structures” (see Pugalis & Townsend, 2014b for an extended review).

For some, the North East electorate’s rejection of an elected Regional Assembly in 2004 signalled the beginning of the end of contemporary regionalism in England. Indeed, it was a Labour Government that abolished Regional Chambers, winding them down between 2008 and 2010 (albeit some functions were absorbed by the new Local Authority Leaders’ Boards, which were intended to provide strategic oversight and sign-off of new Regional Strategies).

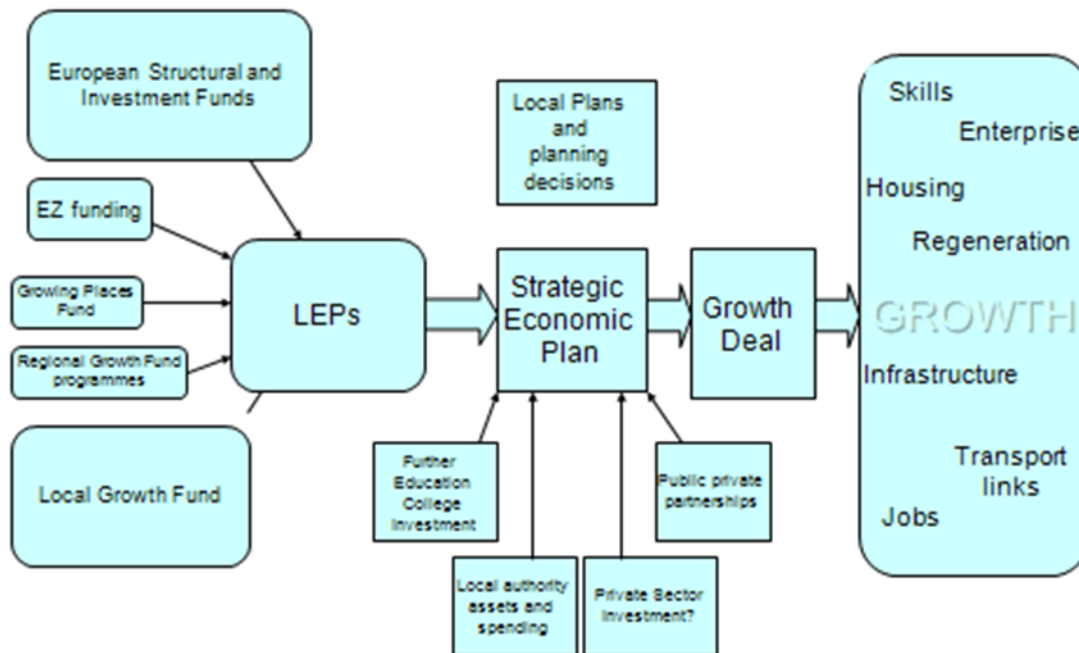
In its later years, the Labour Governments encouraged the use of sub-regional machinery including Multi-Area Agreements and legislated for statutory City Regional partnerships, although planning was a tangential matter for these bodies. Even so, many MAAs/non-statutory City Regional partnerships, particularly those funded through the Northern Way initiative (Liddle & Ormston, 2015), resulted in numerous spatial strategy exercises/documents of a non-statutory nature (such as green infrastructure plans). The discrete spatial planning initiatives tended to be undertaken in collaboration with local authorities, although they did not necessarily involve local planning officers as engagement was primarily with economic or corporate policy officers. These informal local plans were patchy as such initiatives were in part bidding documents to help lever Single Programme funding from the Regional Development Agencies. Paralleling the rise of sub/city-regional spatial planning initiatives was also an intent to streamline Regional Spatial Strategies and Regional Economic Strategies (both statutory plans) into a single Regional Strategy (HM Treasury, 2007; Marshall, 2008). Yet, the first iterations of Regional Strategies failed to materialise before the 2010 General Election, and their statutory role was revoked as part of a broader retreat of regional policy and governance machinery.

Vestiges of MAAs/non-statutory City Regional partnerships as well as other voluntaristic spatial planning initiatives (Valler & Phelps, 2014) often provided the geographic and/or institutional boundaries or identities for LEPs. According to some interviewees, this meant that some LEPs were “flying from day one”, whereas others had to “find their feet”. In some respects then the Coalition Government continued a policy trend of dismantling a cluttered regional landscape, including “competing” spaces of governance, in their precipitate eradication of administrative regional units as the platform for sub-national spatial policy integration.

The revocation of Regional Strategies ultimately engendered a major strategic spatial planning gap, which new statutory arrangements, such as the duty to cooperate, have to date proved to be insufficient. The “new” world of strategic planning, according to Department for Communities and Local Government (CLG) officials entails the duty to cooperate (“strategic planning through local plans”), but also important are LEPs, SEPs and Growth Deals, Enterprise Zones and European Funding, and City Deals (as captured by the illustration below).

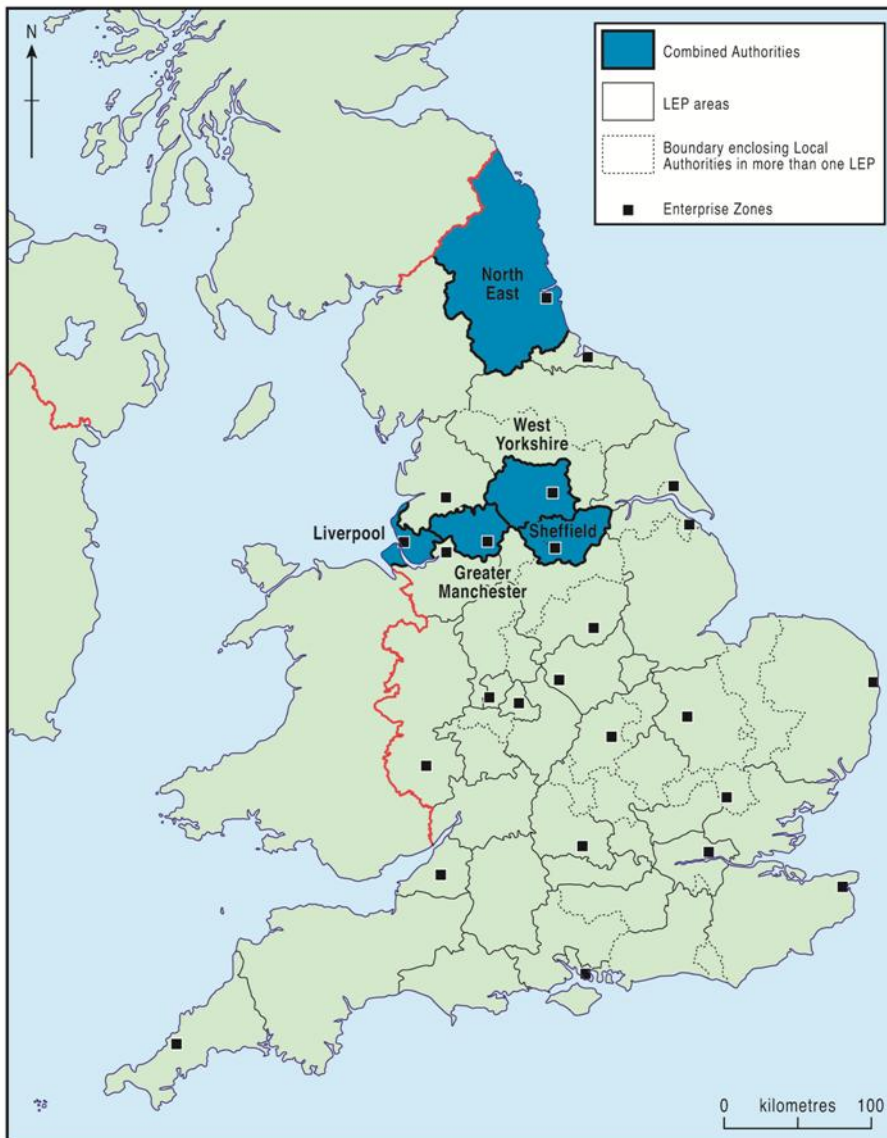


## Bringing it all together



Between 2010 and 2011, 39 LEPs were endorsed by central government, although these voluntaristic partnership arrangements have repeatedly been criticised in terms of their democratic accountability (see section 3). Partly in response to such shortcomings and central government steering, some groupings of local authorities have established Combined Authorities; these are also considered to be key building blocks in efforts to agree place-based deals, including the devolution of powers, with central government. Greater Manchester was the first off the mark, as they have been in numerous other sub-national spatial governance experiments sponsored by successive central governments, since the demise of the area as a Metropolitan County. Other groupings of local authorities have since established Combined Authorities (see Figure 1) and more are expected to follow over the coming years.

Figure 1. Combined Authorities as of July 2015



Lord Heseltine’s (2012) report and the subsequent response from the Government (HM Treasury & Business Innovation and Skills, 2013), was described by interviewees as a “turning point”, providing LEPs with a renewed standing, repositioning them as central elements in the Government’s local growth agenda, and quelling concerns from some quarters that some LEPs had been side-lined by the City Deal process (launched by the then Deputy Prime Minister, Nick Clegg).

Characteristic of the Coalition Government’s “muscular form of localism” and signifying in some areas a new mode of voluntaristic strategic spatial planning, LEPs were instructed to prepare SEPs. We examine these in detail in section 5. These non-statutory plans were approved by central government in July 2014 as part of a process of negotiating Growth Deals. SEPs are also intended to provide the overarching framework for European Structural and Investment Fund Strategies. Central government expected that the enhanced strategy-making roles for LEPs would help them to “plan for the longer term”, although initial financial deals were primarily focussed on immediate infrastructure projects where spend could be incurred during 2015/16 (see Figure 2 for a summary of key events relevant to the local growth agenda).

**Figure 2. Local growth agenda: Timeline of key events**

April 2010	The Conservative and Liberal Democrat Election manifestos each included proposals for radical changes in sub-national spatial governance and strategic planning.
May 2010	The Conservative/Liberal Democrat Coalition agreement.
October 2010	Publication of the Local Growth White Paper; Local Growth: Realising every place's potential.
May 2011	Greater Manchester Combined Authority created.
August 2011	Cross-departmental Cities Policy Unit created.
December 2011	The Government published the Cabinet Office consultation document "Unlocking Growth in Cities", introducing proposals for City Deals – initially constrained to the eight core cities of England.
March 2012	Publication of National Planning Policy Framework.
March 2012	The Chancellor asked Lord Heseltine to prepare a report exploring ways to stimulate economic growth at a local level.
July 2012	City Deals for the 8 Core Cities were agreed - elements of some of the deals apply to the wider LEP areas of which the Core Cities are part.
October 2012	Publication of the Heseltine report; No Stone Unturned in Pursuit of Growth.
January 2013	The East of England Plan was the first Regional Strategy to be revoked.
March 2013	Regional Development Agencies were operationally closed (dissolved as legal bodies in July 2013).
March 2013	Accompanying the Budget, the Government's formal response to the Heseltine report accepted many of the recommendations including greater funding for LEPs - in particular a commitment to the devolution of funding in the form of a Single Local Growth Fund.
March 2013	Final three Regional Strategies revoked.
June 2013	The Government announced that England will receive £5.3 billion of European Structural and Investment Funds between 2014 and 2020 and outlines the split between LEPs.
April 2014	Combined Authorities are established in Merseyside, Sheffield City Region, North East and West Yorkshire.
July 2014	The last of 18 second wave City Deals was completed. 20 cities were invited to participate in a process begun in September 2013. As with the first wave, many elements of the City Deals cover the wider LEP area.
November 2014	Government and the Greater Manchester Combined Authority sign a devolution agreement – new powers and responsibilities and a directly elected mayor for metropolitan area.
March 2015	Announcement in the Budget to allow Greater Manchester and Cambridge to retain 100% of increase in business rates collected. New Devolution deal signed between central government and West Yorkshire Combined Authority.
May 2015	General Election: Election of a Conservative Government.
May 2015	Chancellor announced city-centric devolution plan for England.
May 2015	Queen's Speech – A Cities Devolution Bill.

### **3. Local Enterprise Partnerships: Key features and characteristics**

LEPs operate in-between national and local government responsibilities, integrating different sectoral interests and are deemed to be “led” by the private sector. Their role is malleable, although not necessarily transparent or accessible to a diverse range of stakeholders. This affords individual LEPs flexibility, but has also resulted in a lack of clarity about their remit. This was apparent from interviews, survey responses and documentation from LEPs as well as discussions with other stakeholders. One of the Yorkshire LEPs rued the fact that the legal status of LEPs remains ambiguous:

“[T]he biggest thing we could’ve done and haven’t is to sort out the legal basis of LEPs and the relationship with combined authorities and the rest. It would’ve been a lot simpler environment for everybody if there weren’t all these different governance options and that the relationship between any governance options was abundantly clear.”

But this same interviewee also reflected that:

“[T]he costs of doing that, is you restrict local flexibility and creativity so it’s a fine balancing act.”

LEPs were established with the intent of injecting commercial acumen, business expertise and an entrepreneurial ethos into the practice of local and regional development that has all too often been accused of being too (public-sector) process driven and bureaucratic (one interviewee, for example, referred to RDAs as “behemoths”). Such a view underpinned the mantra of LEPs, especially during their formative years, when many senior LEP figures were not interested in even producing strategies (Pugalis & Bentley, 2014). However, their strategic role has become more codified, particularly since central government required them to produce SEPs in order to access/control national and European funding (HM Government, 2013).

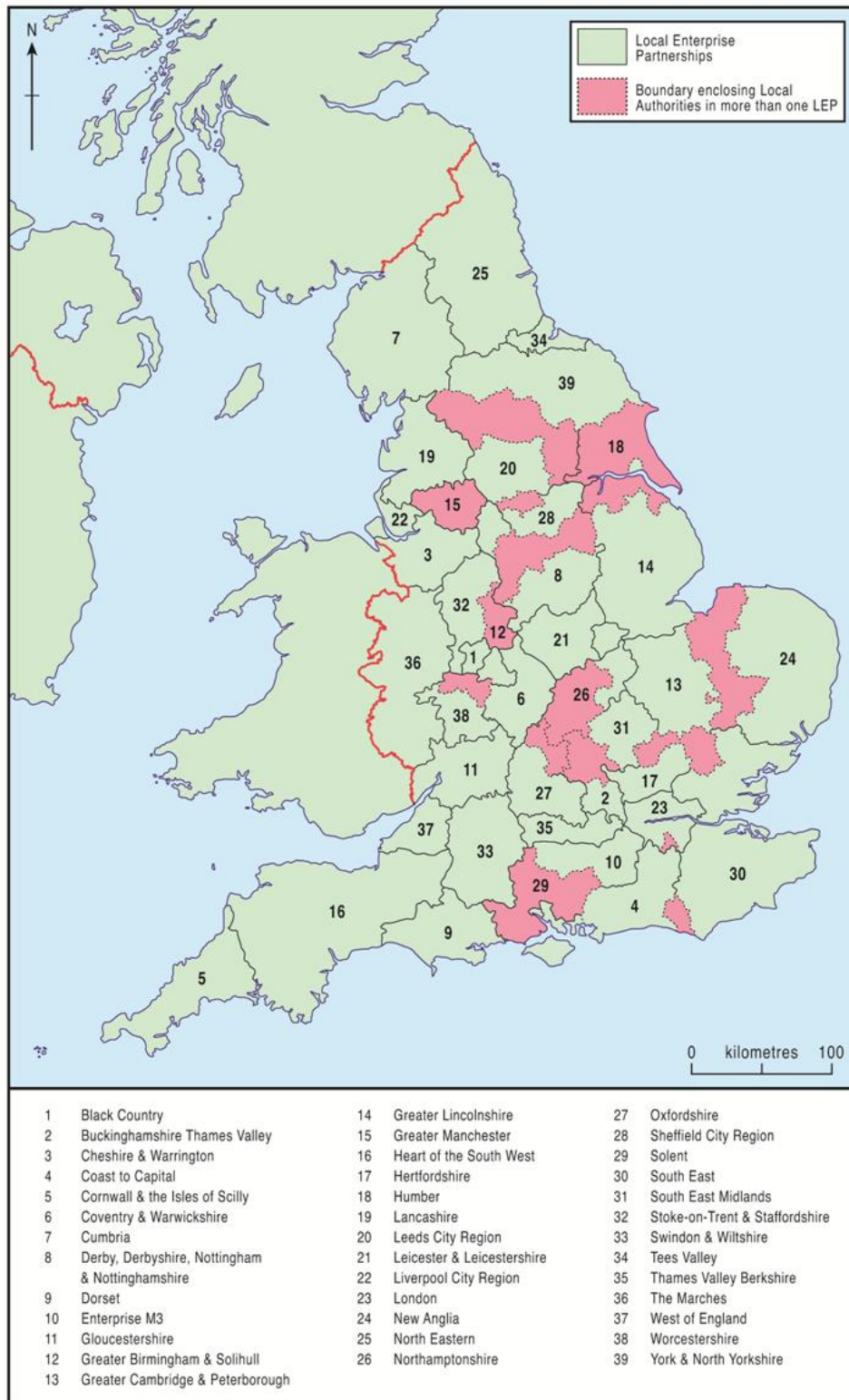
The initial invitation for different partners to come together across functional economic areas to forge LEPs, in the guise of a joint letter from Eric Pickles and Vince Cable, was extremely brief. Yet it did make a particular reference to LEPs “tackling housing, planning and transport issues” (Cable & Pickles, 2010). This reference to planning and the vagueness of the word “tackling”, together with some other cursory mentions of planning in the Local Growth White Paper (HM Government, 2010), did little to demystify the role of LEPs in relation to the planning system. The opaque remit of LEPs was compounded by encouragement from central government for LEPs to engage in any activities that they saw fit, so long as such activities could be resourced by local partners. The outcome of this for the loose network of 39 entities – variously described by research participants as “institutions”, “organisations”, “coalitions”, “alliances”, “networks” and “partnerships” – is one whereby LEPs defy a singular definition.

As the previous section has sought to clarify, significant changes to the local growth agenda over the past five years have fundamentally altered the policy and institutional landscape within which LEPs operate. This has directly influenced their form and function. One constant is that LEPs remain as non-statutory entities, but beyond this “The LEP model has clearly evolved” as Emma Ward, director of local growth at the Department for Business, Innovation and Skills has noted. Many LEPs have had a “slow birth” (Localis, 2015) and some were and continue to be mired by internal conflicts as part of an entrenched “storming” phase (Pugalis & Bentley, 2013), whilst others have emerged as unofficial “frontrunners” and “trailblazers”. It has taken time for LEPs to establish themselves and become more active (see Figure 3); it is perhaps only since the final quarter of 2012 that they have been



considered to be “largely operational” (National Audit Office, 2013). Recognising, as one stakeholder put it, that “LEPs haven’t yet got into their full swing”, more recently there is a growing perception that most LEPs are emerging as major subnational development actors. Conversely, concerns also surfaced during interviewees that role of LEPs could be curtailed by Combined Authorities.

**Figure 3. Map of Local Enterprise Partnerships**





Since the interjection of the Heseltine Report (Heseltine, 2012), to which the Government’s response was positive (HM Treasury & Business Innovation and Skills, 2013), LEPs have been given a new lease of life. LEPs, as of mid-2015, had a considerably greater role in driving the local growth agenda than that originally set out in 2010 (see Figure 4). New responsibilities include the development of EU Structural and Investment Fund Strategies and the production of SEPs, although the EU remains unconvinced about the suitability of LEPs for administering public monies such as the European Regional Development Fund, particularly in respect of their stakeholder composition and limited track-record of programme management on this scale.

**Figure 4. Evolution and growing remit of Local Enterprise Partnerships**

March 2010	Spelman and Clarke letter outlining notion of Local Enterprise Partnerships.
May 2010	The Conservative/Liberal Democrat Coalition agreement included a commitment to create Local Enterprise Partnerships.
October 2010	Publication of the Local Growth White Paper; Local Growth: Realising every place’s potential, included an announcement of government endorsement of the first wave of 24 LEPs.
March 2011	As part of the budget, the Chancellor announced a new round of Enterprise Zones for which Local Enterprise Partnerships will be responsible.
June 2010	The Government wrote to councils and business groups, stating its intention to abolish Regional Development Agencies and invited local areas to form Local Enterprise Partnerships.
March 2011	As part of the budget, the Chancellor announced a new round of Enterprise Zones for which Local Enterprise Partnerships are responsible.
November 2011	The Government announced the £500 million Growing Places Fund intended to address infrastructure constraints, later expanded by £270 million in the 2012 budget - the fund was allocated to LEPs by formula rather than competition.
December 2012	As part of the Autumn Statement, the Government asked LEPs to lead the development of new strategic plans to promote local growth. £25 million is made available to build LEP capacity - half of this money is dependent upon match funding from local partners.
June 2013	The Spending Review confirmed that LEPs would be asked to develop multi-year Strategic Economic Plans that would form the basis of Growth Deals and the allocation of the initial £2 billion of a Single Local Growth Fund.
July 2013	The Government published; Growth Deals Initial Guidance for Local Enterprise Partnerships, with a deadline of March 2014 for the submission of proposals. Guidance for LEP European Structural Funds Strategies was published simultaneously.
March 2014	38 LEPs submitted Strategic Economic Plans to central government – Greater London being the exception due to its unique governance arrangements and strategy-making powers.
July 2014	Government announced the initial details and funding of Growth Deals for each of the 39 LEPs from 2015 to 2021.
January 2015	The Government announced a further £1 billion of Growth Deal funding over the period 2016-21.

As LEP responsibilities have increased over time (mainly in terms of management/delivery agents for different Whitehall departments), their direct and indirect control over resources has also expanded significantly. Around £18.5 billion of funds has already been allocated and provisionally allocated to LEPs since 2011 (Localis, 2015). As a result, according to one LEP:

“I think getting money has clearly changed us. What [LEPs] originally envisaged doing when there was no money and LEPs weren’t going to have any money or powers, was quite different to what we’ve ended up doing.”

Whereas many LEPs were content with an expanded, albeit more bureaucratic role, some LEPs were more critical of the “new responsibilities that government has thrust upon LEPs”, indicating that there was limited choice. Such perspectives do pose a challenge to the perspective that LEPs are “bottom-up” entities; unencumbered by centralist demands, controls and conditionalities.

### **Governance, stakeholder composition and organisational forms**

As voluntary public-private partnerships comprised of business, local government and other actors, every LEP is governed by a board chaired by somebody from the private sector. The boards were approved by central government, and since LEPs were initiated there have been a reasonable amount of churn of chairpersons and other board members. The stakeholder composition of LEPs has also evolved during their lifetime. Whilst business actors and the local government sector remain key actors, the board compositions, as of 2015, are more varied than they were in 2012.

Many LEPs will publicly claim that they are “locally owned”, “evolving from the bottom-up” and are “free from central control”. This can be substantiated in a legal sense – LEPs are not public bodies, neither are they state-owned organisations. Interviews conducted with LEPs reveal “insider views” lamenting the limited freedoms which LEPs have to devise and coordinate the implementation of place-based strategies: behind the scenes of a permissive national policy approach, central government is much more directive. Indeed, responding to ministerial requests and civil service entreaties, invitations and requirements consumes a large proportion of the work of LEPs.

Beyond the leadership and governance boards of each LEP, many have adopted a structure comprised of panels, groups and committees related to particular policy domains or activities. The CPRE observed that it is relatively common for LEPs to have planning and transport related “topic groups”, but questioned their openness and transparency, which: “are generally not open to interests outside the business sector and so miss the opportunity to develop a broad consensus rather than acting as business lobby groups. The economic focus resulting from this narrow membership means that LEPs are unlikely to come up with sustainable solutions” (House of Commons, 2013). However, our fieldwork revealed that many LEPs have “tightened up” their working procedures since they were established, and some of the more transparent LEPs open-up all of their board meetings for the public to attend, although it is a moot point whether such meetings are the arena for debate or merely rubber-stamping pre-agreed decisions.

In respect of their voluntaristic personality, which has its advantages, the RTPI notes that: “it weakens their ability to lock into vital support mechanisms from government, business and others”. The RTPI also notes a critical difficulty: “LEPs are out on a limb and divorced from many of the key activities in a local area which would, if combined with LEP activity, contribute to economic growth and regeneration. Key activities such as spatial planning, local schools, further and higher education and transport are all run by organisations which, while members of LEPs, are still separate bodies

with their own accountabilities. It is widely recognised that local economic growth and regeneration depends on combining the various different elements together” (House of Commons, 2013).

Accountability, which has proved the Achilles’ heel of other similar governance institutions, continues to be central to debates concerning the on-going development of LEPs. A 2014 survey of county and county unitary authority leaders by the County Councils Network (CCN), found that over three quarters agree or strongly agree that LEPs are unaccountable, while 42 per cent disagree or strongly disagree with the idea that LEPs provide strong or inclusive decision-making. Such perceptions are informed by an opaque situation, in which: “less than one in three LEPs publish[es] annual accounts, under half publish[es] annual reports, and a third [do] not publish[] board minutes” (Localis, 2015).

LEPs are widely perceived to be understaffed (although it must be noted that there is no appetite to revert back to RDA structures) (Localis, 2015). According to recent research, on average LEPs employ 8.4 direct full-time employees and second a further 1.7 (CLES & FSB, 2014). This equates to LEPs being serviced by ten full-time employees on average, although the staffing of LEPs varies from a maximum of 40 to a minimum of two. Indeed, for much of their life to date, several LEPs have been serviced by only one full-time member of staff, which has placed significant commitments on the time and expertise of board members. LEPs which emerged from MAA/City Region partnerships, such as Liverpool City Region or Tees Valley Unlimited, tend to benefit from officer expertise across a variety of sectors, whereas those at the other end of the spectrum, such as Cumbria, are constantly overstretched. One LEP officer in the North West described their team:

“There’s me, we’ve got somebody on contract who is trying to drive the delivery, a colleague of mine has done some strategy work and project management work. We’ve got two people on secondment to deal with the European related work. One of my colleagues is lead on skills. She’s also office manager... And then we’ve got somebody who’s doing all the admin work. That’s our team. It’s crazy”.

The CLES & FSB study also found that much of the central government capacity funding issued to LEPs had been spent on wages (47 per cent) and external consultants (29 per cent). However, staff expansion has rarely kept pace with expanding responsibilities of LEPs. As a result, less than one in five LEPs considered that they had adequate numbers of staff.

In summary, each LEP has emerged from a distinct historical and geographical context, which to a certain extent has influenced its remit. The precise purpose of LEPs is subject to local discretion, which continues to influence their legal status; board membership, governance and accountability, partnership working and engagement; and staffing. Yet, the role and controlling tendencies of central government should not be underestimated.

#### **4. Local Enterprise Partnerships' roles and experiences of planning**

The roles, remit and governance of LEPs continue to evolve, but central government outlined several planning roles that LEPs could perform, including a requirement to produce SEPs from each partnership as part of a process of negotiating Growth Deals.

A Federation of Small Business member survey in 2012 revealed that 23 per cent called for LEPs to focus on strategic planning and development (House of Commons, 2013). This accords with other stakeholder views, which have asserted that LEPs should operate in “strategic spaces” acting more as enablers than deliverers, substantiated by our survey of LEPs and interviews. Thus, from the outset there was some recognition that LEPs would come in contact with the planning domain as well as calls from some quarters for LEPs to be proactive in this respect. As one LEP chair put it:

“The planning system is a huge challenge for business and, interestingly, the most talked about. Decisions can take forever, appeals are too easy to create and can cost businesses millions – and in some cases stop the development altogether. I have started with some basics: surely we can simplify the process to a decision within seven weeks? Surely if jobs are to be created then there could be a fast-track to planning permission?” (Shortt, 2012).

The (optional) planning role of LEPs was initially part of an “open” menu of policy areas that LEPs could seek to influence, including transport, tourism, economic development and business support, and housing. Over time the “open menu” has been accompanied by a better resourced, but more restrictive, “set menu”. Yet, although the production of SEPs is part of the LEPs’ “set menu” of responsibilities, all other planning roles remain optional. Consequently, across the network of 39 LEPs there is significant variation in their interface with the statutory planning system and engagement with informal planning initiatives, such as devising, coordinating or contributing to strategic spatial framework.

To date there are no special planning tools at the disposal of LEPs, and there is little indication that the Conservative Government would consider this. Through a variety of place-based negotiations as well as LEPs’ daily dealings with central government, there has been numerous “asks” of government in terms of special planning tools and roles, but very few have materialised, the main exceptions being the generic roles set out in Growth Deals. Rather, central government has urged LEPs to utilise existing planning tools at the disposal of their partners. This central government policy position is consistent with the Conservative Party’s original philosophy for LEPs to be unencumbered by the statutory, technocratic and administrative burdens that weighed-down RDAs (Spelman & Clarke, 2010).

In March 2013, the Government announced LEPs and local authorities should: “...put in place bespoke approaches to land use planning ...including the use of LDOs for economically important projects”. However, some LEPs have observed that local development orders are not always suitable. Tees Valley Unlimited, for example, identified a particular shortcoming that they cannot be used for schedule 1 development, which includes oil and chemical refineries. LEP responses to our survey also revealed that few without Enterprise Zone status had seen the value in utilising LDOs. This is supported by findings from a 2013 survey of senior council officers by the consultancy Nathaniel Lichfield & Partners (NLP), that levers such as securing an Enterprise Zone and creating local development orders were perceived to be least important.

Some LEPs, particularly in more economically buoyant areas, particularly in southern England, used the SEP and growth deal process to lobby on behalf of their member planning authorities, often in

the form of “asks of government”. Oxfordshire LEP, for example, asked the Government to explore the possibility of improving the CPO process to make it “quicker, simpler and cheaper process for Local Authorities to undertake to assist with delivery of schemes/development/regeneration”. Similarly, EM3 LEP called for “parity of CPO powers for Local Planning Authorities”, which would permit them to apply the same criteria as the Homes & Communities Agency and the now defunct Regional Development Agencies: “Our ‘ask’ is that local planning authorities are allowed to use the justification of economic need when seeking to implement CPOs which are supportive of the projects set out in our SEP”. In this context, these LEPs were also more likely to point to inflated land prices rather than planning constraints as a barrier to growth:

“Financial appraisals demonstrate that the infrastructure and affordable housing needs required for our larger sites cannot all be met from developer contributions, due primarily to high land prices and landowners unwilling to reduce land costs to a realistic level and with no imperative to sell.” (Oxfordshire SEP)

According to the Department for Communities and Local Government, LEPs can complement the statutory role of local planning authorities by:

- Providing a powerful voice of business in the planning system;
- Leading the production of strategic frameworks that identify/align strategic economic priorities and guide infrastructure delivery;
- Providing a strong business role lobbying for key infrastructure investment;
- Producing evidence/technical assessments to inform decision-making;
- Facilitating decision making on strategic planning.

Consistent with the view of central government that non-statutory LEPs can perform roles that complement the statutory planning decision-making process, Mark Southgate, PINS director of major applications and plans, indicated that: “[LEPs] have an informal but informative role to play” (Geoghegan, 2014a). Such a perspective augments the role of LEPs as potentially strategic actors in the complex spaces of sub-national development, which is distinct from positioning LEPs as the primary strategic actors in sub-national development. In the latter role, one might expect, for example, the preparation of (statutory or non-statutory) integrated spatial strategies, which considers economic development in tandem with numerous other spatial policy domains, such as the environment, health, housing and transport.

*Planning* magazine surveyed the 31 approved LEPs as of early 2011 (Townsend, 2011). From a response of 24, just two had firm intentions to engage in strategic economic planning. The North East LEP intended to produce a strategic transport plan, building on prior work undertaken under the auspices of the Tyne and Wear City Region and the Thames Valley Berkshire LEP indicated their intention to devise transport and infrastructure plans. Ten LEPs expected to perform some role in planning, so long as it did not involve “producing strategic plans”. Other LEPs, such as Cheshire and Warrington LEP, indicated a preference for an advisory role on planning, transport and infrastructure issues, whereas some, such as Tees Valley, expected to undertake environmental assessments. At this stage in the evolution of LEPs, 45 per cent of LEP boards who responded had yet to decide if they would take on any planning responsibilities (Townsend, 2011). Some LEPs had “opted out” of performing a strategic planning role, primarily in areas where alternative strategic mechanisms and governance arrangements existed, such as the Black Country which had recently adopted a core strategy (Townsend, 2011).

As LEPs were being formed, strategic planning appeared to be of little direct concern. Understandably, as many prioritised more immediate concerns of economic recovery and were

reluctant to engage in the politically charged environment that some equate to the downfall of Regional Development Agencies. New Anglia LEP commented at the time that they would “rather leave planning to the specialists. We have to prioritise our work carefully as we have limited resources. However, we would very much want to share our views”. Resources, capacity and expertise were other reasons put forward, with Peter Davenport, adviser at Staffordshire County Council and spokesman for Stoke-on-Trent and Staffordshire LEP, stating that the LEP: “...board wants to maintain a tight and clear focus on jobs and enterprise. However, it will wish to comment and lobby on major infrastructure decisions” (Townsend, 2011). By mid-2013, this indifference persisted, with some stakeholders, such as Mike Best, executive director at consultancy Turley Associates and a member of the GBSLEP planning group, suggesting that: “Some LEPs seem not at all interested in planning. But they might realise the need to have strategic planning in place to show how spending that devolved money will have spatial consequences” (cited in Geoghegan, 2013, p.19).

Whilst LEPs are not subject to the duty to cooperate, they have been prescribed in planning regulations as bodies that local planning authorities should have regard to when preparing local plans. Though the National Planning Policy Framework (NPPF) places a duty on local planning authorities to take account of the views of LEPs, a key issue for LEPs is that they possess no statutory basis for directly making decisions in the formal planning system. Indeed, the publication of the NPPF has failed to clarify the role of LEPs in relation to statutory planning processes. Such circumstances led the LEP Network, as part of their written evidence to a House of Commons inquiry, to call for central government to: “...[clarify] the role that LEPs, as “preferred consultees” under the National Planning Policy Framework, could play in shaping local spatial plans. It is essential that all members of the LEP (including local authorities with planning body status) – have a clear and common understanding of the role of the LEP as being able to provide challenge where plans are not sufficiently pro-growth in outlook” (House of Commons, 2013). This continues to be unresolved matter.

Many LEPs have explored and piloted different planning roles, although some LEPs remain more hesitant to engage in this politically charged policy domain, particularly in areas where a more proactive role for the LEP is deemed as “interference”. One implication is that this has circumscribed the role of LEPs in the statutory planning process to a largely lobbying role. Such lobbying roles have been shown to be particularly valuable in some areas. Yet, some of our interviewees contended that their LEP considered a lobbying role to be inappropriate, citing the fact that local authorities are key members of LEPs.

A typology of roles, against which LEPs can be examined in terms of planning functions, comprises:

- **A business perspective/voice** – intended to inform and shape policies, decisions and funding;
- **Lobbying** – intended to influence policies, decisions and funding (as for major central government transport projects);
- **Spatial visioning and “soft forms” of spatial frameworks** – intended to provide the strategic context for statutory local plans, to align strategic economic priorities and guide infrastructure delivery;
- **Information, intelligence and evidence-sharing** – intended to inform and shape policies, decisions and funding;
- **Multi-area planning accords** – intended to make the planning process more “business-friendly” and speed-up the application process;
- **A coordination role** – intended to reach broad consensus over larger-than-local priorities, bring together different interests in the development process.



## Introducing the survey findings

The six types of planning roles that LEPs could utilise can be distilled into numerous planning-related activities. Figure 5 represents the results from the survey findings in terms of the degree of intensity that LEPs have performed these roles.

**Figure 5. LEP interface with the planning system and planners (up to July 2014)**

	High to Low
Provide a business perspective/voice	
Act as a consultee on plan-making process (e.g. Local Plans)	
Produce Spatial Frameworks or Visions	
Produce or commission information, intelligence and evidence	
Act as a consultee on strategic planning applications	
Work with the Homes and Communities Agency to prepare/deliver Local Investment Plans	
Establish a revolving infrastructure fund/innovative funding mechanism	
Lobbying role	
Coordination role to help reach cross-border/strategic planning consensus	
Use of local authority Local Development Orders	
Produce infrastructure plans/frameworks	
Prepare 'Planning Charters', multi-area planning accords or MoUs	
Collaborate with adjoining LEPs on planning issues including minerals planning, managing and mitigating flood risk, waste management and disposal	
Produce employment land reviews	
Devise a fast track planning process for major/strategic projects	
Use of local authority Compulsory Purchase Powers	
Use of local authority 'assets' (e.g. land, premises etc)	

Source: Authors' online questionnaire survey.

Our analysis of survey findings of LEPs' direct experience of the six types of planning roles identified above (up until the publication of SEPs and the securing of the first round of Growth Deal settlements), revealed that there was a high propensity for LEPs to provide a business perspective or voice on planning matters. For example, some LEPs had been asked by local planning authorities to provide "soundings" to inform the development of statutory planning documents or inform the production of studies, such as employment land reviews. In other instances, LEPs had been more proactive, offering their perspective through informal as well as more formal channels. Some LEPs have fed into local plan-making process, such as providing evidence of housing need/demand, although one interviewee described the exercise as "not without its pains". Other LEPs have been reluctant to "interfere". Some LEPs take the stance, that: "...as a Local Enterprise Partnership [made up of local authority board members], we need to distance ourselves from planning applications until the decision has been made [and] should not give an opinion on a project which has been submitted to planning", fearing the potential for judicial reviews. Meanwhile, many LEPs cited the more practical dilemma associated with a lack of capacity:

“We’re not actively going back and making formal comments on the strategies at this point. We’ve been invited to do so but I think one of the reasons why we’re not putting in formal responses to some of [the local planning authority’s] consultations, it is about capacity.” (LEP in the Midlands)

“If I had more time, I would be more actively engaged in the strategic planning process ...My personal view is that LEPs should be proactive in that. I simply don’t have the time. That would be a massive resource.” (LEP in the North West)

A significant number of LEPs also reported that they had actively lobbied central and local government in respect of infrastructure priorities, planning policies and other projects. It is perhaps surprising that this was not unanimous, as particularly for the first couple of years of their existence LEPs had limited resources to perform wider functions. Yet individual responses could be misleading as they may discount the collective lobbying that LEPs have performed, most notably under the banner of the LEPs Network. What has been apparent is that some LEPs have sought to lobby their own board members (that is, local authority leaders), in terms of particular planning matters. One LEP in the Midlands, mentioned that they: “...will actually champion particular schemes... Major road schemes and things like that”, although conceded that: “...it can be a bit controversial. We’re not formally in their planning processes.”

As noted above, during the first couple of years of the life of LEPs, very few had any concrete plans to undertake spatial visioning initiatives or work towards producing “soft forms” of spatial frameworks. In some instances this was felt by LEPs to be best left to others, such as informal and more formal groupings of inter-local planning authorities. A notable exception was the LEP for Greater Birmingham and Solihull (GBS) LEP. In late 2011 the board of the GBSLEP first approved, in principle, the preparation of a strategic spatial framework plan – an informal document without statutory weight prepared through voluntary collaborative working arrangements. Visioning and engagement events were held and development of the spatial plan was subsequently taken forward by five thematic groups. Each group undertook scenario testing exercises, including the identification and conceptual mapping of anticipated drivers of change. The Spatial Plan for Recovery and Growth “forms a key component of the work under the ‘Place’ pillar of the Strategy for Growth”. The latter is an overarching economic strategy, of which GBSLEP’s SEP is a sub-set. Other LEPs have since followed the lead of GBSLEP in either leading the development of non-statutory spatial frameworks or signing up to adhere to the spatial principles set out in such plans. Soft forms of spatial frameworks are viewed by LEPs and other stakeholders (including groupings of local authorities) as an effective way of satisfying the duty to cooperate, and addressing the shortcomings of the “missing” strategic tier of statutory planning. Nevertheless, most LEPs who had made a foray into strategic spatial terrains have done so in a cautious manner:

“Our spatial framework has been very carefully designed not to be a planning document, if you like. It’s not something that’s a [statutory] plan, it’s more aspirational or more like a vision in some ways. You can see on one page where development might come forward in the next few years and in the medium term. That’s been produced for us by a local authority planner jointly with his colleagues at the other authorities. So they’ve done that on behalf of the LEP.” (LEP in east coast)

Mark Southgate, PINS director of major applications and plans, has publicly stated that LEPs could provide expertise in relation to economic evidence and how local authorities address the need of their housing market area (Geoghegan, 2014a). Some LEPs have carried forward research and

evidence-construction exercises inherited from institutional antecedents, such as Multi-Area Agreement partnerships and City Region configurations. Such exercises have been utilised for a variety of purposes, including the crafting of shared narratives for an area or the “ammunition” for funding bids and planning applications. Other LEPs have sought to look at matters “afresh”; implicitly or explicitly discounting much research material collated prior to the formalisation of LEPs, often citing political reasons (for example, change of national government), policy reasons (the new focus on localism, entrepreneurialism and local growth), economic reasons (the new economic climate post-global downturn) and or geo-stakeholder reasons (different territorial boundaries and stakeholder compositions). During the early years of LEPs, for some, evidence generation exercises were a primary activity, which helped to establish their “strategic credentials” and profile amongst key stakeholders. One City Region LEP is currently in the process of commissioning and devising sophisticated spatial modelling and “...physical evidence to give traction to that discussion [of strategic issues]”. Similarly, the North East LEP, appointed Lord Adonis to chair a commission to oversee the development of an Economic Review. It is also common for LEPs to participate in the development of studies, such as Strategic Housing Market Assessments, although their roles in this process can vary, including producing, commissioner and advising.

The SEP process, analysed in more detail below, has increased the sharing of evidence and intelligence in some areas. Although it should be noted that, due to the unique circumstances in which LEPs were established (as ad hoc bodies with few core staff and limited budgets), many LEPs have had few other options than to rely on information, intelligence and evidence of partners and therefore they have always been relatively adept at sharing research and data.

One LEP operating in an area with little history of inter-local planning authority collaboration described the circumstances, which resulted in some “high level” strategic consensus:

“[A] load of planners [got] around the table and they agreed they would come together. So we now have a ...housing and planning partnership. They came to see the [LEP] Board. This is when we were in that first phase [of our development] ...And actually putting planners in front of them was probably the last thing we should be doing really because it’s a completely different world and quite confusing really to some of the business community and they see planners as people who stop things rather than saying what they’re going to do. And that became very clear. So the actions that that housing and planning partnership took away from the Board was ‘please will you put in place higher level planning and housing statements that tells the business community that it’s worth coming here and investing, that we are open to growth.’ ...[This led to] putting something in place about the principles on which we would operate if a developer came to invest in our area.”

More recently the development control and management functions have been implementing these principles:

“[S]o if you’re looking to invest in this area, you’ll get assigned one person to deal with who will help you sort your way through the maze of processes, whether it be your planning application, your interaction with licensing or environmental health... [to] help you cut through the red tape. So they did that. That was very helpful. I thought it was really good and it was really hard for the [LEP] Board to get their heads around [prior to this].”

Numerous LEPs have been party to the signing of multi-area planning accords – a practice favoured during the “adolescent” years of LEPs, as such processes sought to institute new cultures and ways

of working, which required little resources. Several LEPs have also drawn up business-friendly planning protocols, intended to speed up and improve the planning application process. These included commitments to ensure that applications were dealt with as quickly as possible. One LEP in southern England, had agreed a planning protocol with local planning authorities, which over time has been perceived as an improvement in relations with local planners:

“I think the planning authorities didn’t want us to go anywhere near planning. I think what they were most worried about was we would come in and say things like ‘you need more housing’ or ‘you ought to be developing the green belt.’ And so their reaction to that was ‘do you know what? Those are policy issues and we’re the statutory authority so let us do the policy stuff. Where we’d be really appreciative of your input would be on the implementation side of the equation and responding from a business perspective to applications, particularly the larger ones.’ So we agreed that protocol.”

It is encouraging that some LEPs have been proactive in their attempts to make the planning system more “business friendly” and commitments to do so are common in SEPs: “[W]e have implemented a positive, business friendly planning system across the City Region, providing a consistent level of service across all City Region local planning authorities, thereby creating a single ‘front-door’ for the planning system” (Leeds City Region SEP). Similarly, Cumbria LEP puts emphasis on engendering business friendly ecosystem and commits to deliver pre-application advice and implement a fast-track service for particular sectors such as advanced manufacturing, whilst Gloucestershire LEP focuses on a locally operated planning system that intends to support business growth. However, such initiative has been highly irregular due to the “open menu” of activities that LEPs have prioritised to pursue. Thus, the “friendliness” of the planning system – in terms of legibility, spatial responsiveness and procedural effectiveness – is arguably an issue of national concern, which is unlikely to be solved by the intervention of LEPs.

As part of the Government’s submission of evidence to the House of Commons Business, Innovation and Skills Committee scrutiny of LEPs, they argued that: “Many LEPs have brought fresh and innovative thinking around supporting growth. Private sector members have, in particular, challenged public sector partners to do things differently to ensure a stronger focus on delivery; for example through streamlined local planning processes”. There are some examples where local planning processes have benefited from closer dialogue with LEPs, particularly when multi-area accords have been signed up to and subsequently observed by local planning authorities; however LEPs are not empowered to streamline local planning processes:

“Government’s really keen for LEPs to have a role within the planning system still. It keeps popping up – the issue of the duty to cooperate and the roles that LEPs can play in the centre [of inter-local authority collaboration] ...But we don’t have any defined or specified role in that presently.” (LEP in south of England)

Government’s enthusiasm for greater LEP involvement in the planning process is evident in Growth Deal agreements, many of which formally commit LEPs to supporting local planning authorities in their duty to cooperate even (or perhaps especially) where SEPs have avoided significant discussion of statutory planning. As above, the streamlining of planning processes is interlinked with the “friendliness” of the planning system, which requires a much more concerted effort and consistent message from central government. New Anglia LEP, for example, calls for “some softer assistance from the government ... [and] better planning to give large site owners and infrastructure providers confidence to invest”.

LEPs may also provide a useful space for the negotiation and management of strategic priorities where “dialogue can take place”, according to the Local Government Association and Planning Advisory Service (2012). It is well known that some areas of the country have been able to put differences largely aside (whether political, sectoral or territorial) in order to work across horizontal and vertical boundaries, to arrive at mature priorities and decisions for the benefit of wider areas that seep well beyond a single local authority. Greater Manchester tends to get most acclaim, but several other examples can be cited, such as Tees Valley, Leeds City Region, or Portsmouth and Urban South Hampshire (PUSH). Nevertheless, there are others where relations are less harmonious, indeed some particular relations within LEPs were even described by interviewees as “warfare”, “toxic” and “combustible”. Other LEPs have found it difficult to broker or participate in strategic spatial dialogues, especially those LEPs operating in parts of the country bereft of strategic mechanisms:

“There is still no [strategic] planning context in [this part of the country] and that needs to be defined. And so it’s very difficult for the planning authorities to engage in the LEPs [strategic agenda] in a proactive conversation about planning. Because most of the planning authorities find themselves in a reactive position with planning having to defend against the party appeals for the lack of five year land supply or an up to date local plan. It’s not an ideal situation, it’s not one we would advocate but it’s one the planning authorities find themselves in.” (LEP in south of England)

LEPs are both unofficial and official, due to their status as non-statutory bodies bereft of legislative powers, but also benefiting from the patronage of central government, which approved each LEP board. Thus 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 what priorities to champion and fund, but also where).

As time has passed and the mission creep of LEPs has continued (not necessarily due to the wishes of LEPs), many LEPs have emerged as bodies to coordinate different horizontal and vertical policy areas, albeit framed by a discourse of achieving local growth. In some respects, central government departments treat LEPs as their official conduit for providing a “voice” for sub-national places. Consequently, LEPs are often asked to provide soundings, responses and views on matters well beyond their core remit. It is in this sense that some LEPs are reluctant strategic actors in arenas beyond a narrow view of economic growth, although the legislation of further Combined Authorities may alter this situation in some parts of England.

The establishment of LEPs has undoubtedly stimulated new dialogues. These partnership formations have brought new stakeholders to engage in the leadership, governance, planning and implementation of subnational development. In some parts of the country, the mere establishment of a LEP has stimulated conversations between “the public sector” and “the private sector” in more productive ways than had previously been experienced. The initiation of LEPs has also influenced the forming of other governance, coordination, advisory and information-sharing groups along the same or similar geographical boundaries to LEPs. Our survey of LEPs sought to paint a clearer picture of arrangements and mechanisms (not necessarily affiliated with or associated with LEPs), but which LEPs were able to work with (see Figure 6).

**Figure 6. Arrangements and mechanisms utilised by LEPs**

	High to Low
Alignment of local plans (e.g. Joint Core Strategy)	
A Planning Group, Board or Panel affiliated to your LEP	
Regular meetings with an <i>informal</i> grouping of planners across the whole of or part of the LEP area (e.g. Chief Planning Officers' Group)	
Alignment or pooling local authority capital and revenue spend on growth – particularly on housing, transport, economic development, regeneration, planning and infrastructure	
Alignment of planning application procedures	
Regular meetings with individual local authority planners	
A local authority Joint Planning Committee	
Other forms of joint planning and/ or collective decision-making	
Regular meetings with a <i>formal</i> grouping of planners across the whole of or part of the LEP area (e.g. Joint Planning Committee)	

Source: Authors' online questionnaire survey.

Our survey results reveal the variability of strategic spatial planning capacity, including combined modes of planning, across England. This generates contextually-distinct implications for LEPs. In some places, for example, LEPs have felt the need to provide strategic spatial leadership, albeit cognisant of the sensitivities involved. But in other areas, such as where there have been attempts to align local plans or where inter-local authority collaborative arrangements exist, LEPs have been less proactive; arguably benefitting from more established cross-border planning arrangements. Thus across England strategic spatial (planning) capabilities have developed in an asymmetric manner.

By mid-2013, a minority of LEPs had embarked on or were about to embark upon drawing up non-statutory spatial plans for their areas. Although prior to the Growth Deal process, there was a consensus that LEPs lacked capacity and resources. The RTP, amongst others, argued that 'LEPs need more resources and support from central and local government to develop their strategic planning roles and their local delivery roles' (House of Commons, 2013). Nevertheless, LEPs' rather peripheral and subdued interface with the statutory planning system has intensified since they were asked by the Coalition Government to produce Strategic Economic Plans (SEPs).

LEPs' involvement in planning initiatives, including their interface with formal and less formal spaces of planning, and influence over planning decisions has significantly evolved since their formation, as many have passed through, albeit at different speeds, a series of phases characterised as:

- Phase 1 (2010-12) Initiation;
- Phase 2 (2013-14) Strategising and prioritisation;
- Phase 3 (2015- ) Programme management and implementation.

The publication of SEPs in July 2014 marks a crucial watershed in the evolution of LEPs, with particular implications in terms of their planning role. We examine both the process of producing SEPs as well as the planning content and spatial awareness of these plans in the next section.


















In terms of their planning role in the future, if LEPs and SEPs are to influence and improve planning decisions then they would carry more weight in planning deliberations if they could evidence



transparent decision-making arrangements, an inclusive process of engagement and consultation, broad stakeholder buy-in, and a shared and consistent evidence-base.

Although the planning roles performed by LEPs to date have been irregular, broadly speaking LEPs' engagement with informal and more formal planning matters has increased over time. Based on our synthesis of research material generated through a mixed-methods approach, this is set to continue, albeit in an irregular manner, with more than half of LEPs expected to develop an important planning actors (see Figure 7). As LEPs have recently commenced implementing SEPs, the number of LEPs expected to engage in different planning-related roles has risen across 13 functions, stayed constant in three, and reduced only in respect of local development orders.

**Figure 7. How LEPs expect to develop as planning actors and interface with the planning system in the short-term**

Planning-related roles	High to Low	Change
Provide a business perspective/voice		
Establish a revolving infrastructure fund/innovative funding mechanism		
Act as a consultee on plan-making process (e.g. Local Plans)		
Act as a consultee on strategic planning applications		
Lobbying role		
Use of local authority 'assets' (e.g. land, premises etc)		
Coordination role to help reach cross-border/strategic planning consensus		
Produce or commission information, intelligence and evidence		
Produce Spatial Frameworks or Visions		
Produce infrastructure plans/frameworks		
Devise a fast track planning process for major/strategic projects		
Collaborate with adjoining LEPs on planning issues including minerals planning, managing and mitigating flood risk, waste management and disposal		
Prepare 'Planning Charters', multi-area planning accords or MoUs		
Work with the Homes and Communities Agency to prepare/deliver Local Investment Plans		
LEP to produce or make use of housing market assessments		
Use of local authority Local Development Orders		
Use of local authority Compulsory Purchase Powers		

Source: Synthesis of authors' online questionnaire survey responses, SEP content analysis and interviewees.

## **5. The form, function and content of Strategic Economic Plans (SEPs)**

The Growth Deal process is intended to: “[D]rive greater coherence in local areas and a shared understanding of the economic development of an area... ensur[ing] that everyone with an interest in a local area is driving in the same direction ... [so] that previously separate processes are brought together... and the long-term nature of these plans will give the private sector the greater certainty that it needs to invest” (HM Treasury, 2013, p. 63). This was a recognition from central government that in a post-regional policy world, investment certainty had eroded due to the lack of strategic collaboration and longer-term planning. Whilst implicit, this could be read as a concession from government that cross-boundary strategic planning, which seeks to integrate “separate processes” and policy domains, performs a valuable function. It was a recognition that the “strategic void”, which has emerged since the revocation of Regional Strategies and abolition or winding-down of other regional machinery, requires some forms of replacement (House of Commons, 2011; Pugalis & Townsend, 2010, 2014a, c; TCPA, 2013). This section analyses the spatial characteristics, planning content and ramifications of Growth Deals by reporting on the key findings of a comprehensive content analysis of every SEP.

According to official guidance (HM Government, 2013), Growth Deals share some similar traits with the more geographically selective City Deals, and were envisaged to provide LEPs:

- With greater influence over key levers affecting local growth and freedoms and flexibilities;
- A share of the Local Growth Fund to spend on delivery of their SEP.

In return, the Government expected LEPs:

- To provide commitments, together with local authorities and the private sector, on their resources and levers for delivery of SEPs, including through;
  - Better use of local authority assets to unlock resources to be reinvested in growth.
  - Commitments to pro-growth reforms, for example a co-ordinated approach to the development of local plans by local planning authorities across the relevant economic geography.
  - Commitment to collective decision making involving all local authorities within LEP.

According to Government, 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” (HM Treasury & Business Innovation and Skills, 2013). The Government’s response to the Heseltine review also asserted that SEPs would provide the basis for deciding the forms of and levels of “responsibilities, influence and growth-related spending” to be dispersed to individual LEPs (HM Treasury & Business Innovation and Skills, 2013).

SEPs are not planning documents in the sense of being a formal part of the plan-led system. However, as a DCLG official outlined, SEPs are likely to: “...touch on some planning issues. They will set out evidence-based strategic priorities for the LEP, such as investment goals, and where they feel growth should come from” (cited in Geoghegan, 2013, p.19). The guidance from central government, especially the expectation that SEPs would demonstrate a commitment to a co-ordinated approach to the development of local plans by local planning authorities across the relevant economic geography, however, indicated that SEPs could be much more instrumental in planning terms than merely to “touch on some planning issues”.

## Guidance and assessment criteria

Central government was insistent that “there will be no set format for the Strategic Economic Plan”. However, advice in the form of the “initial guidance” (published in July 2013), accompanied by other statements and more informal steering from Government ministers, advisors and civil servants have meant that, whilst the format for SEPs was less restrictive, the focus of SEPs was much more restrictive. These were predominantly influenced by departmental contributions to the “Single” Local Growth Fund.

Senior civil servants warned against the temptation for LEPs to “spread the jam too thinly”, arguing that they should “not try to be everything to all people”, but rather that SEPs should be devised in a manner whereby “they can be [used] to make those tough decisions” (cited in Dobinson, 2014).

The Government expected SEPs to contain three discrete elements: a growth plan, implementation plan and delivery plan (HM Government, 2013). The format for SEPs was guided by a “checklist”, including:

### *Growth Plan*

- Vision: for the local area.
- Strategic objectives.
- Area opportunities for growth: diagnosis, evidence and support (based on the Local Enterprise Partnership’s and local leaders’ understanding of the area’s competitive advantage, and unique combination of strengths and challenges).
- Area barriers to growth (market failures): diagnosis, evidence and support.
- Evidence: that proposed interventions and flexibilities are appropriate to address market failure, based on a clear evidence base and logical chain.
- Explanation: of why the proposed solutions are optimal; consideration of alternatives.

### *Implementation Plan*

- The value for money case for the interventions.
- Area wide funding: plans for effective pooling of economic development spend and functions, and whether there is strong local authority cooperation on the alignment of or joint preparation of local plans.
- Sustainable development: evidence that proposed interventions have an overall positive impact.
- Governance arrangements: decision making structures for local authorities, such as a combined authority and evidence of collaboration.
- Evidence of deliverability, capacity and risks.
- Public reporting and accountability.
- Wider asks: arrangements the LEP is seeking to negotiate.

### *Delivery Plan*

- Proposed management of delivery: responsibilities, programme management and monitoring.
- Delivery, timeline and clear milestones: taking account of capacity, constraints, risks and dependencies (HM Government, 2013).

SEPs as part of the Growth Deal process were said to be assessed according to the following criteria:

- Ambition and rationale: clear evidenced-based logical argument as to how the proposed solution will address the problems and opportunities identified.
- Value for money: Government expect a clear explanation of costs, income streams and expected outputs, consideration of how these unit costs compare to alternative interventions and justification of any higher cost approaches.
- Delivery and risk: clear and effective arrangements for decision-making, resource allocation and delivery, and accountability (HM Government, 2013).

### **The process and timescale**

Since the Government first declared that they would ask LEPs to prepare SEPs as part of negotiating Growth Deals, guidance was opaque and clarity was lacking. In respect of timescales, rather unhelpfully at the time, the Government indicated that “Growth plans should be done basically as soon as possible”, noted a BIS official (cited in Geoghegan, 2013, p.19). This open-ended timescale was later reversed with the publication of *Growth Deals: Initial Guidance for Local Enterprise Partnerships* (HM Government, 2013), which outlined concrete milestones and deadlines for submitting elements to government (see Figure 8). However, further guidance never materialised, which generated a lot of criticism from LEPs:

“[W]e had a lot of concerns... [the main] concerns were around process and what is perceived at our end to be a lack of [government] priorities from the outset and potentially from changing of goal posts as things went on from the Government side... We found it difficult to get clarity. We worked very closely with our BIS Local appointed person. We’ve all got Whitehall sponsors... suddenly every LEP got allocated a senior Whitehall sponsor. And we’ve met ours a couple of times and we’ve had a couple of pointers as to what we might do at the outset of the Growth Deal, as to what we might do, what we might focus on and how we might go about it, but that was in basically one meeting ...we haven’t had a lot of engagement [with central government]... They weren’t very clear on the requirements around the SEP, the Strategic Economic Plans and what was supposed to be in them, other than their detailed guidance at the eleventh hour, as they pulled back on [their initial published] guidance. And I know that most LEPs were holding back on finalising how they might present some of this stuff, waiting for that guidance. We certainly were and everybody I’ve talked with on a daily basis, which is probably around about ten other LEPs [were in a similar position] ...we were all waiting for the detailed guidance that was coming, it’s coming, it’s coming. And then it was delayed by six weeks and then it wasn’t coming at all” (LEP in the Midlands).

**Figure 8. Growth Deal and Strategic Economic Plan timeline and process**

December 2012	The Government announced at Autumn Statement, 2012 £250,000 per annum per Local Enterprise Partnership for 2013/14 and 2014/15 for development of Strategic Plan and European Union Structural and Investment Funds Strategy
June 2013	Treasury document, Investing in Britain’s future, published.
July 2013	The Government publishes “initial guidance”.
July – September 2013	Government and LEPs work on the co-design of the local Growth Deal process; Ministers and officials discuss the guidance and forward process with LEPs.
October 2013	LEPs provide an update to Government on progress in Strategic Economic Plans. LEPs, Ministers, and officials begin iterative feedback and discussions, continuing to March 2014.
December 2013	LEPs share first draft of Strategic Economic Plans with Government.
January 2014	Government provides feedback to LEPs on Strategic Economic Plans.
March 2014	LEPs submit final version of Strategic Economic Plans to Government.
April 2014	Government starts the formal assessment of LEP Strategic Economic Plans.
July 2014	Government finalises assessment of SEPs. Local Growth Fund offers made to LEPs marking the completion of the first round of Growth Deal negotiations.
April 2015	LEPs and Government implement Growth Deals. Next iteration of Growth Deal negotiations commence.

### **The form and format of SEPs**

Thirty eight SEPs have been produced. London opted not to produce one due to its unique governance arrangements and circumstances, in which an Economic Strategy already exists as well as The London Plan, which provides the overall strategic framework for the development of the capital.

SEPs come in various different shapes and sizes. In terms of page length, the mean is 160. The most succinct stands at 43 pages whereas the longest is 456 pages. However, these ranges can be deceiving as some SEPs included technical appendices and associated material, whereas other LEPs opted to keep their plans as more slim line strategy documents, making only reference to background papers, research and supporting evidence. For example, according to one interviewee representing a LEP in Yorkshire, they “submitted about fifteen hundred or sixteen hundred pages of documents and evidence behind it”.

The Treasury stipulated that “[growth] plans will cover 2015-16 to 2020-21” (HM Treasury, 2013: 63), yet it is not always apparent if SEPs have been developed according to this timeframe. The mean time horizon for SEPs with a stated end date is 9.75 years (roughly equivalent to a stated end date of 2024). The median duration is seven years (equivalent to a stated end date of 2021). The shortest stated duration is six years, or a stated end date of 2020, and the longest stated duration is 17 years, or a stated end date of 2031. There was no stated end date for six SEPs, and one SEP had two stated end dates relating to different measures or areas of work.

The majority of SEPs (27) do not make any reference to when the plan will be reviewed, and fail to specify details of any monitoring framework. Of those LEPs that do intend to undertake reviews, three specified annual reviews and six referred to particular dates, such as 2020. The majority of SEPs referred to effective LEP partnership working, clearly guided by central government advice although only 27 substantiated such claims. Thirty SEPs provided a reasonably strong account of their relationships with local business writ large, whereas less than a third provided a similar account of their relationships with the broader community. Some SEPs (for example, Greater Manchester) support the delivery of more holistic strategies and are embedded in broader strategic processes and institutional frameworks, whereas other SEPs and their LEPs appear to be more independent, even isolated, from other processes, which accords with prior warnings from the RTPI cited above. The degree to which SEPs were informed by a broad range of stakeholders, will be an important consideration in planning terms when weighing-up the rigour of such documents.

Analysing each SEP as a whole, we differentiate between those which are more akin to business plans or bidding documents (15) and those that are more akin to plans for the area (23). The key distinction is that the former are a plan for the LEP, whereas the latter are a plan for the area. Both types of plans engender spatial implications as they each contain priorities, programmes and projects that intend to alter socioeconomic processes and spatial patterns of development. However, it is those 23 SEPs which we consider to be *plans for an area rather than of an area*, which seek to integrate a variety of policy domains, which bear the most resemblance to strategic spatial planning frameworks. The difference between these two predominant types of plans is important for the way in which SEPs evolve as they may pass through future iterations, which will also influence the precise roles of particular LEPs and how they are perceived.

Of the 38 SEPs, the majority take a selective approach to organising and conveying priorities, combining spatial, sectoral and/or thematic approaches. Only two SEPs attempted a largely spatially-oriented mode, three largely sectoral and two largely thematic. In view of central government's insistence that LEP geometries should reflect functional economic areas, one might have expected SEPs to provide a clear analysis of both internal and external functional dynamics. Yet only 17 SEPs attempted to paint such a picture, of which 15 made use of mapping and spatial representation techniques. A further six SEPs made a passing reference to spatial economic dynamics and, rather alarmingly, 14 SEPs gave extremely limited or no attention to this matter.

Too many LEPs remain overly mindful of internal local authority boundaries. One stakeholder explained that this was partly due to the "unusual" geographies of some LEPs, which local businesses are less familiar with in institutional terms, and which inward investors and international actors do not always recognise. Hence, repeated references to local authorities and their administrative areas may be an attempt to make LEP geographies "strangely familiar". Conversely, Thames Valley Berkshire (TVB) were forthright in their SEP that administrative boundaries "both within and beyond TVB have little relationship to 'how the economy works' currently", instead articulating three functional economic areas of relevance to the LEP.

All but one SEP sought to integrate growth priorities with spatial factors, although 12 SEPs gave them only cursory attention. More than half of all SEPs (21) provided a detailed consideration and sought to map locations for growth and development. There are some fine examples of SEPs that attempt to provide overarching spatial frameworks for a myriad of plans, processes and investment decisions, as well as some SEPs which are informed by and/or in accordance with related plans and strategies. Nevertheless, many others are largely "uninspiring", according to one officer involved in producing a SEP. There has also been criticism of the related European Structural and Investment Fund Strategies for coming across as generic and not distinctive to local areas. Previous Regional Economic Strategies, particularly the first iterations, were similarly "place-less" and generic, but over



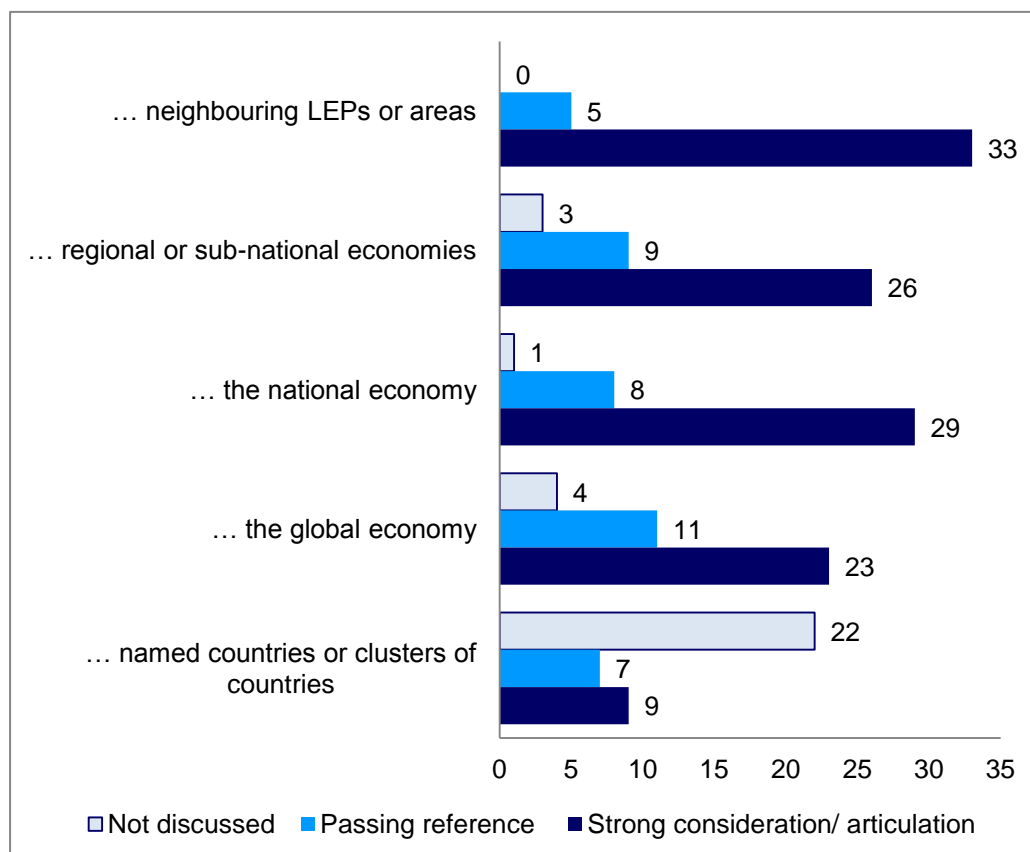
time they developed more credibility and stakeholder buy-in and conveyed more spatial awareness. Thus SEPs need to be viewed as the firing up of a concerted effort across all of England to recommence sub-national economic strategy. Yet efforts to reengage with sub-national spatial frameworks of a non-statutory form are much more irregular, and statutory mechanisms are in the minority.

Figure 9 provides an overview of the extent to which SEPs considered the external environment and broader economy. LEPs have previously been criticised for “looking inwards”, which can often be a pragmatic response during the forging of new partnerships. In addition, the geographies of some LEPs and their population and business level of activity have been challenged for being “too small” and lacking the agglomeration benefits and economies of scale that contemporary policy orthodoxy promotes.

A surface level analysis reveals that all SEPs give consideration to neighbouring areas, such as local authorities or bordering LEPs. For some, considerations focus on opportunities for collaboration (for example, sectoral clusters and networks), shared priorities and objectives (such as workforce development in particular labour market areas), and/or joint projects (including transport schemes). For others, the development proposals in one area are modelled and analysed in relation to their effects in other areas. Yet a deeper analysis identified that five LEPs made only a passing reference to relationships with near neighbours and neighbouring effects.

An interesting approach was adopted in the south west, whereby five LEPs (Cornwall, Dorset, Heart of the South West, Swindon and Wiltshire, and the West of England) devised a supra-LEP plan. The Greater Connected plan does not supersede the individual LEPs’ SEPs, but is intended to “strengthen the case for investment in projects that will drive growth and job creation across the whole area”. This example helps to demonstrate that deficiencies of planning at a particular tier, which suggests the need for interscalar planning practices.

**Figure 9. The SEP includes discussion of connections with...**



Analysis of larger-than-LEP economies was also prominent across 26 SEPs and 29 LEPs provided a robust consideration of regional/sub-national and national economic dynamics, respectively. Direct foreign investment and other economic links (for example, international university student intake) with other countries, and the effects of global economy or supranational issues such as the European sovereign debt crisis, are under-acknowledged in the majority of SEPs, with more than half of LEPs (22) not even giving international currents a cursory glance. Nevertheless, international trade was recognised by most LEPs to be a primary growth driver.

Most SEPs are ambitious in the sense of articulating bold visions for growth. Time will tell whether they are stretching, creative and adventurous or more “boosterist”, detached from their situated spatial economies, national context and international climate. As one LEP remarked: “I think the growth targets we’ve got, if I was being polite, I’d say they’re ambitious”. It is perhaps to be expected that each LEP would “talk up” plans for growth, but an outcome where 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, is evidently unrealistic. This situation could have been prevented if central government had undertaken a more considered and comparative review of SEPs. Future rounds of the Growth Deal process, including new iterations of SEPs, would benefit from the implementation of “co-production” aspirations. Indeed, central government participation, opposed to assessment, could be a “condition” inserted into future phases of Growth Deal negotiations. In other words, a form of multi-level governance involving shared responsibilities rather than a more hierarchical appraiser and appraisee relationship.

SEPs also differ in their definitions and treatment of growth. Fifteen SEPs were framed by an extremely narrow view of growth equating it to productivity levels codified in metrics such as Gross Value Added. Some LEPs were clearly influenced by central government steering. One interviewee, for example, remarked that: “we were guided very much by the Local Growth Team who said this is about jobs, housing and private sector leverage. And they told us to ignore all this [broader strategic priorities]”. Such steering from government was cited by several research participants, which does call into question the local specificity of SEPs. Indeed, the “local” growth priorities set out in some SEPs could be deemed to be nationally prescribed.

Despite steering from central government, all other SEPs were framed by more holistic interpretations, which could be described as a form of territorial development which combines social and environmental dimensions as well as economic aspects, albeit displaying boosterist proclivities. Many SEPs pay lip service to broader sustainable development principles and a significant number of SEPs fail to fully consider, examine and/or model the social and environmental implications of pursuing growth-focussed strategies. “Growth at what cost and for what purpose?” is a question that some LEPs have not asked themselves. History would suggest that growth across all LEPs is unrealistic and perhaps undesirable. Clearly, the framing of SEPs performed a decisive role in guiding the nature of priorities.

Most SEPs related to relevant evidence, statistics and commissioned studies. This is a significant improvement from the LEP Bidding Prospectuses submitted to government in 2010, and fledgling economic growth strategies and business plans that emerged over the ensuing early years of the LEP experiment. Nevertheless, there are some examples where evidence is unclear or substantially lacking, and they will ultimately be deemed to be “just another bidding document”.

## Priorities of plans

Considering that LEPs were expected to devise plans derived from local priorities, which should themselves be contingent on place-based histories and modes of cooperation, assets, opportunities, challenges, barriers and risks, there is a remarkable degree of similarity across the SEPs (see Figure 10).

**Figure 10. Overview of priorities articulated in SEPs**

	Identified as priority	Coherent rationale for Intervention	Robust evidence-based appraisal
<b>Support SMEs</b>	36	35	30
<b>New enterprises, start-ups and entrepreneurs</b>	37	37	27
<b>Business development – innovation</b>	36	36	29
<b>Business development – trade and export</b>	36	32	22
<b>Supply chain development</b>	30	28	12
<b>Inward investment</b>	35	32	16
<b>Place promotion/marketing</b>	18	18	10
<b>Increase employment rate – new/ additional jobs</b>	37	37	32
<b>Employability, worklessness, labour market inclusion</b>	30	30	26
<b>Tackle deprivation</b>	19	18	14
<b>Social infrastructure (e.g. community initiatives)</b>	12	9	3
<b>Adult/ workforce skills</b>	37	37	36
<b>14-17 skills</b>	14	14	13
<b>Spatial planning</b>	20	20	14
<b>Employment sites and premises</b>	31	31	28
<b>Brownfield land</b>	8	7	3
<b>Housing</b>	35	35	35
<b>Town centre/ high street development</b>	26	26	15

<b>Regeneration/urban renewal</b>	27	27	18
<b>Rural development</b>	23	23	16
<b>Transport and connectivity- road and rail</b>	38	38	35
<b>Freight development</b>	21	21	13
<b>Airport capacity/connectivity</b>	30	24	12
<b>Digital connectivity/broadband</b>	32	30	21
<b>Energy, utilities and waste</b>	19	19	13
<b>Quality of environment/place quality</b>	31	25	17
<b>Green infrastructure/green space</b>	18	18	11

Although there is a high degree of consistency in the priorities laid out in SEPs, there is greater divergence in their treatment. Some SEPs outline priorities in very simple terms and are less concerned with justifications or explanations, whereas other opt for a more nuanced narrative and/or draw upon different strands of evidence.

A thorough examination and/or appreciation of the potential of innovation to stimulate economic growth was surprisingly lacking in many SEPs. Whilst SEPs discussed the importance of innovation and many cited particular innovation exemplars, few dealt with innovation in any meaningful way. Similarly the notion of “smart specialisation”, which is prominent in European discourse and thus European funding, was rarely fully taken into account. One LEP director commented that “smart specialisation” in his area is about generating new jobs, indicating that this particular LEP did not possess the capacity, expertise or experience to engage with these novel EU-influenced methods. For this LEP, it was more important to finish the SEP and get some (capital) projects moving forward. Another member of this LEP gave some examples of actual practice, which could be termed “smart specialisation”, but attested that: “Government are not interested... ‘cos it requires revenue funding.”

### **Planning implications**

The majority of SEPs make no reference to the nature or status of local plans in their area. However, interviewees conveyed that most LEPs have a handle on local authority forward planning progress. Some LEPs thus took the view that the nature and status of local plans were incidental so long as key projects received planning permission. A significant majority of SEPs (26) suggest the need and/or intent of local planning authorities in their area to align local plans, and six make reference to combined plans, such as Joint Core Strategies. When SEPs do discuss the planning system in comparative detail they often accentuate positives. For example, Northamptonshire SEP emphasises that the LEP area’s two joint planning units and two core strategies in a single county LEP offer: “expertise, capacity and increased surety over the planning system, a key to delivering significant economic and housing development”.

Across the breadth of SEPs, including those more programme-specific “bidding documents” as well as those articulating broader plans for an area, there are some very specific proposals, recommendations and requests, which if carried forward will have a direct bearing on statutory plans and decisions (see Figure 11). For example, 16 SEPs recognise that the realisation of their growth plan is contingent on particular projects receiving planning permission. This does raise the question of how the other 22 LEPs intend to realise their growth ambitions. Such questions draw attention to the gulf between the “boosterist” rhetoric and the reality of policy regulation in some LEP areas.

**Figure 11. Proposals, recommendations and requests in SEPs directly related to the planning system**

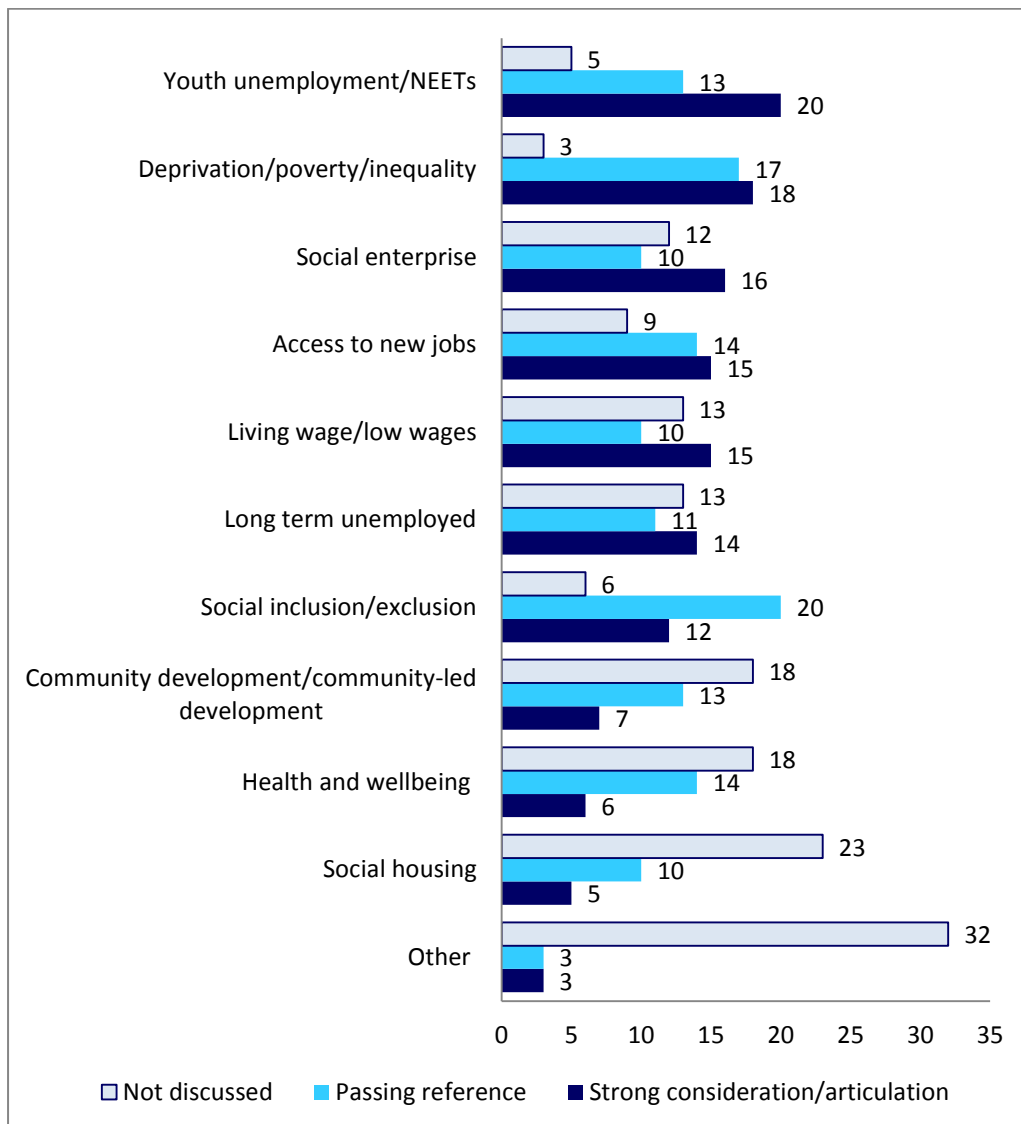
	Frequency
<b>Changes to Local Plans</b>	4
<b>The need for planning permissions</b>	16
<b>The need for Strategic Environmental Assessments</b>	2
<b>The need for new roads, motorways, junctions (and similar road alignments)</b>	37
<b>The addition of new employment sites including science/technology parks</b>	37
<b>The deletion of surplus employment sites</b>	3
<b>Call for new and/or greater flexibilities or planning powers</b>	23

#### **Treatment of wider social and environmental factors**

National planning policy sets out that economic, social and environmental needs are simultaneously considered and reconciled in the formulation of Local Plans (Communities and Local Government, 2012). SEPs on the other hand have often failed to address or even consider the social and environmental ramifications of growth plans, and many SEPs only engage with this matter insofar as it relates to European Structural and Investment Funds.

A view persists in some SEPs that private-sector led growth will solve, or at least is the most effective means of solving, societal challenges. Thus the “trickle-down” theory, which propounds that growth will lift all boats, may not be explicit in SEPs but it nevertheless saturates a large number of these plans. For example, few SEPs consider how enhanced private sector productivity can positively impact the lives of deprived communities. Indeed, many SEPs completely ignore the issue of deprivation. A key implication to derive from this finding is that even if growth targets are realised (which appears unrealistic), then the qualitative nature of growth is likely to be less effective at reducing economic disparities.

**Figure 12. Social considerations**

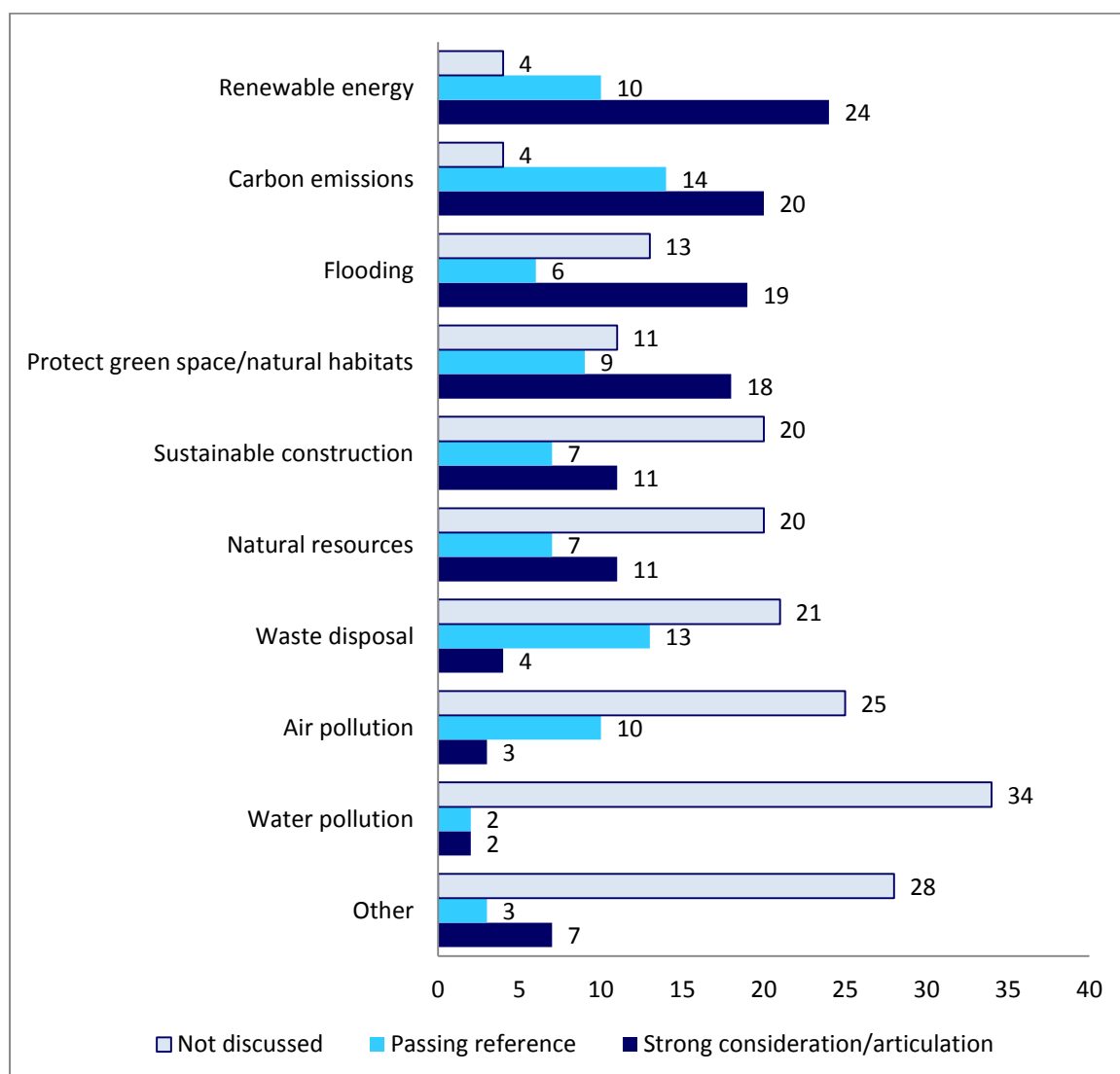


SEPs have a propensity to view environmental factors through an economic or financial lens. Thus whilst some of the most robust SEPs make reference to environmental factors, these are primarily perceived as “assets” to be protected or exploited for economic ends. Renewable energy featured prominently across SEPs, with many LEPs identifying this as a “growth sector”.

Of more direct relevance to planners, some SEPs consider environmental planning implications of development as well as broader environmental issues. For example, those SEPs that provided more than a passing reference to reducing carbon emissions, bring to bear the interrelatedness of spatial development. This draws attention to the void in integrated strategic spatial planning across much of England.



**Figure 13. Environmental considerations**

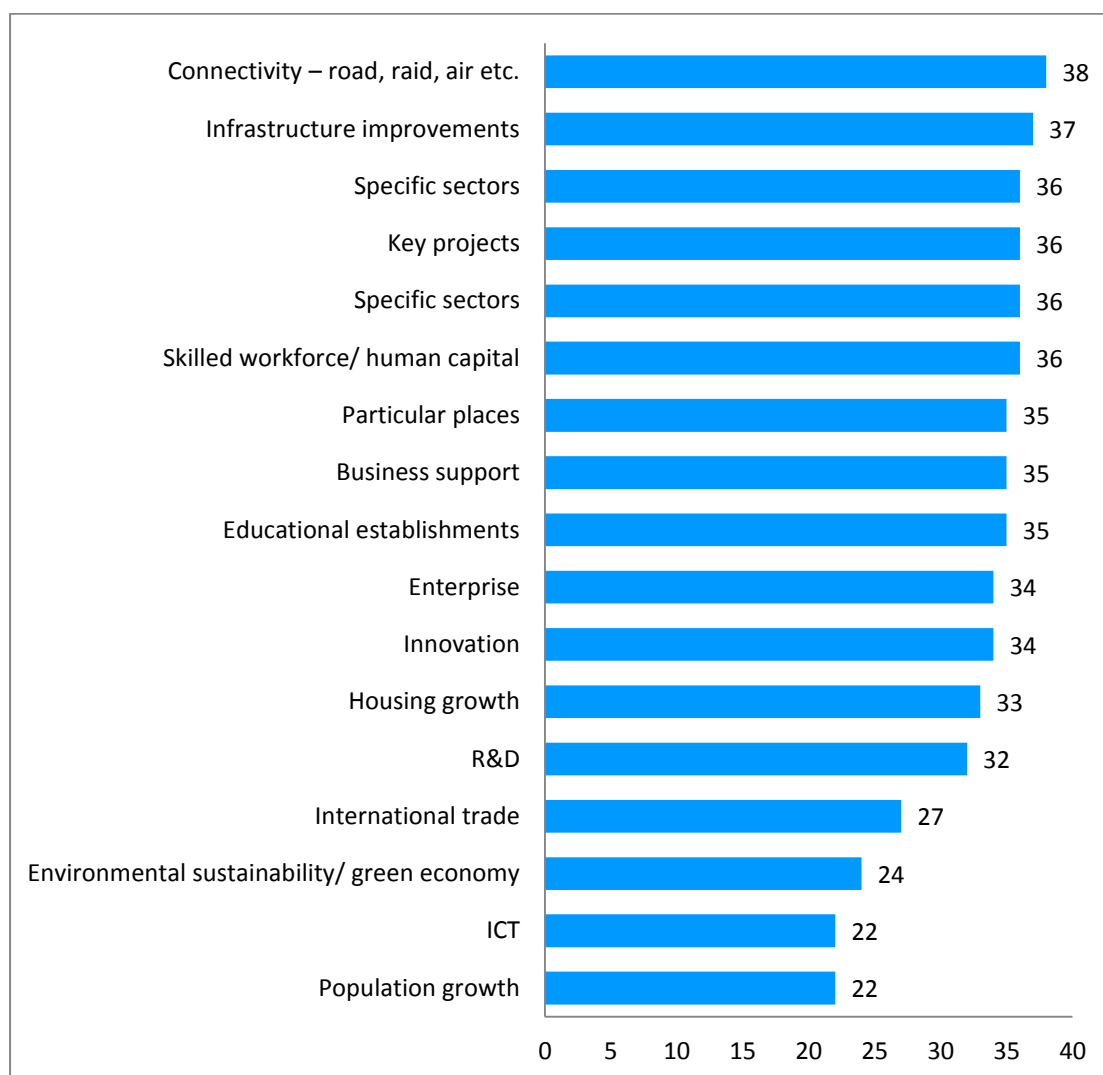


**Growth drivers and barriers to growth**

The vast majority of SEPs provide a clear articulation of key development projects (36) and the two remaining SEPs make a passing reference. 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.

A significant proportion of SEPs provide a considered articulation of innovation, research and development, and skilled workforce/human capital as themes which are anticipated to drive future growth (34, 32 and 36 respectively). Thirty-five SEPs also identified and analysed the development of educational establishments as a primary driver for future growth, and a further two SEPs mentioned this. The almost unanimous appreciation of educational establishments, such as further education colleges and universities, as future growth drivers may reflect the decision by central government to award LEAs “control” of the Skills Funding Agency’s capital programme from 2015/16 onwards (HM Government, 2013). A summary of the most commonly identified growth drivers in SEPs is shown in Figure 14.

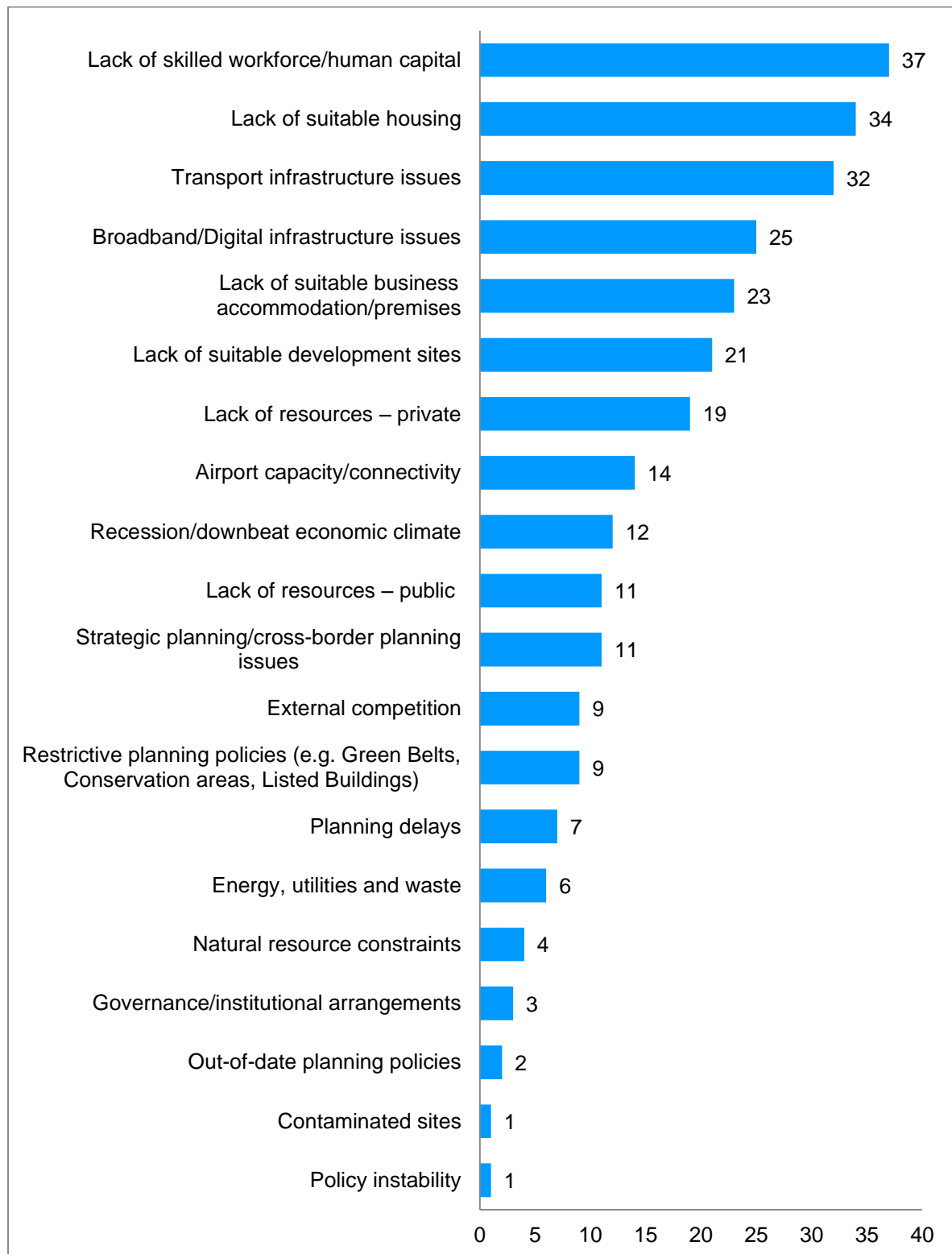
**Figure 14. Frequency of most common growth drivers identified in the 38 SEPs**



Many of the drivers for growth identified in SEPs generate direct implications for planning. This is a primary area where the “horizon-scanning” work regularly undertaken by LEPs and local planning authorities could be aligned or even combined. This could help generate greater consistency in growth projections and enable an easier read-across between SEPs and Local Plans. Such practice could provide a pragmatic basis for working towards the agreement of consistent population projections or business sector growth for example, which could then be applied to guide economic development interventions, land allocations and assembly, and the necessary planning and provision of infrastructure.

The most commonly identified barriers to growth in SEPs are shown in Figure 15.

**Figure 15. Frequency of most common barriers to growth identified and supported by a strong consideration in the 38 SEPs**

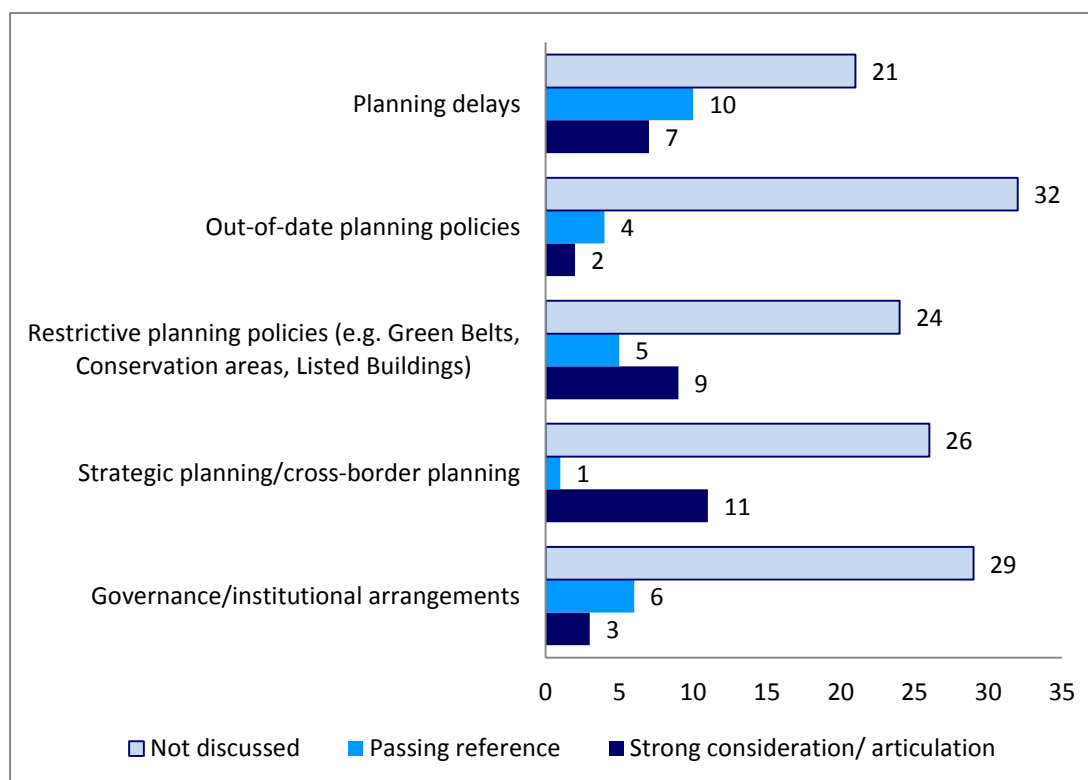


## Planning as a barrier to growth

It is important to note that only a small proportion of SEPs identified planning as a specific barrier to growth. Ten SEPs referred to planning delays in a general sense as a source of developer frustration and an impediment to growth projections, and a further seven LEPs provided a more thorough and considered analysis of the effects of planning delays, citing particular examples.

Perhaps surprisingly given the criticism that particular local planning authorities have faced over the contemporaneousness of local plans, only a small minority of LEPs explicitly identified out-of-date planning policies as an impediment. Similarly, less than half of LEPs judged planning policies to be unduly restrictive. Twelve LEPs identified through their SEP that the non-existence or inadequacy of existing cross-border strategic forms of planning and collaboration was hampering growth objectives. Linked to this, nine SEPs indicated that bespoke or stronger governance/institutional arrangements were required.

**Figure 16. Planning-related barriers to growth**



Rather than criticising local planning authorities, LEPs have tended to be more constructive and in many cases proactive. This is to be commended and may suggest that a productive dialogue between local authority planners and LEPs can emerge where this has previously not been the case.

## The production process

As SEPs are non-statutory documents, they are not subject to the rigours of other plans and were not required to undertake for example Sustainability Appraisals or Strategic Environmental Assessments. There was an assumption from central government that £500,000 allocated to LEPs over the two-year period 2013/14 to 2014/15 would be used to “commission” strategic plan related activities (HM Government, 2013). Central government has in essence taken the cue from Lord Heseltine, who asserted that SEPs should be prepared by private sector planning consultants to bring

an “international” dimension. Nevertheless, whilst some LEPs did draw upon support from consultants (primarily economic consultants rather than planning consultants), many opted to write their plans “in house”, including some LEPs with less than a handful of core staff.

The timescales for preparing SEPs and European Structural and Investment Fund Strategies (which are intended to form part of an area’s wider economic plan) have been disjointed, which has not helped matters. It should be recognised that SEPs were developed over a relatively short space of time (circa nine months), with some LEPs deficient in analytical capacity. Hence for central government to expect SEPs to be highly distinctive, evidence-based, innovative and implementable is perhaps unrealistic.

All SEPs appear to have passed through a consultation process, although the extent and depth varies considerably. Some LEPs, for example, have attempted to embark on more active forms of user involvement, whereas other LEPs appear to have reverted to what might be called tokenistic box-ticking exercises. Twenty-eight SEPs form a reasonably robust account or explanation of business input and involvement during the production process, although three SEPs fail to mention this and the remaining seven SEPs provide only a brief account. In terms of broader community engagement (that is, all those stakeholders beyond the business community), it was even weaker; 11 SEPs made no mention and a further eight SEPs provided only a limited account.

Much SEP consultation has involved tightly defined groups of “key stakeholders” or “partners”, which has often been stage managed through high-profile events. LEP summits and SEP summits within each area appear to be the preferred mechanism, which is often the most passive form of engagement/consultation. One interesting example of active stakeholder engagement and co-production can be found through the work of the Sheffield City Region’s creative and digital industries sector group, which used an online discussion forum to elicit an “open consultation”, which generated 131 messages over a five month period (Ling & Martins, 2015). Clearly, online platforms have their limitations in opening-up strategy-making processes to “all” stakeholders, but they can be used in a cost-effective manner to complement more traditional forms of engagement.

## **6. Strategic spatial planning via soft economic strategies**

Due to the empirical experience of LEPs operating as voluntaristic partnerships (notwithstanding those that have been incorporated as legal entities) and lack of accountable body status necessary for entities to be granted powers and perform functions transferred from government, their evolution and institutional construction has lacked firm foundations. However, prior to the 2015 General Election a consensus emerged across the political spectrum that LEPs were here to stay.

According to David Marlow, chief executive of Third Life Economics: “[T]he LEP mechanism does, in theory at least, provide a link between economic, employment, and housing growth that has been largely in abeyance since the revocation of Regional Spatial Strategies” (Marlow, 2014). However, others, such as Cristina Howick, a partner at consultancy Peter Brett Associates, contend that LEPs are “a second-best solution”, citing their “democratic deficit” and the “dubious geography” of some (Geoghegan, 2014a). The RTPI has previously identified that there are numerous examples of effective cooperation between LEPs and local planning authorities, but cautions that there is much more to do to integrate economic priorities with local plans. Clearly, there is room for improvement, and the outgoing Communities and Local Government minister, Eric Pickles, noted that the number of LEPs would have to be reviewed and reduced, prompting concern from The LEP Network (2015).

It is apparent that LEPs can provide a flexible framework both for deployment of economic resources over different periods (contingent on particular funding streams) and provide “optional” advisory frameworks within which constituent local planning authorities might frame local plans, subject to equal weight being given to social and environmental objectives.

Akin to other variants of economic strategies, SEPs are the culmination of political horse-trading, bargaining and compromises (prominent amongst some “rival” local authorities), informed inconsistently by research data, business intelligence, expert opinion, stakeholder interests and submissions, and broader “community” input. Similar to Regional Economic Strategies, SEPs are not “neutral” plans and neither are they “objective”, rather they are attempts to solidify emergent priorities, programmes and key initiatives. This said, SEPs are non-statutory documents, and thus not subject to the rigours of statutory local plans or past regional strategies. The nine months from the issuing of guidance to the deadline for LEPs to submit plans was an ambitiously compressed timescale in strategy terms. In contrast, Regional Economic Strategies were reviewed on a three-yearly basis and tended to take twice as long to produce, which provided time for stakeholder engagement and for statutory consultation. Regional Spatial Strategies (as well as the stillborn Regional Strategies) had a longer gestation period.

The first two rounds of the Growth Deal process between LEPs and central government placed some restrictive parameters on the range, types and delivery timescales of priorities, programmes and initiatives for funding. Consequently, the “shopping-list” of projects funded by the 2015/16 tranche of the “Single” Local Growth Fund may have been unduly influenced by central government administrative convenience, with the longer-term (and potentially more radical) aspirations of LEPs of secondary concern.

Much of the funding controlled by LEPs, either directly or indirectly, is difficult to piece together as each fund stipulated its own criteria, measures and processes. Our interviews revealed that the ring-fencing of funds performed a powerful role in shaping the content of SEPs. One stakeholder suggested that the LEP which he was involved with had looked at the departmental contributions to the “Single” Local Growth Fund, which revealed that the majority of funding was capital and transport related, and used this as the basis by which to guide their articulation of key priorities seeking central government funding support. Similar accounts were provided by other members of



different LEPs. This indicates that, in at least some circumstances, LEPs thought that it was more feasible, practical and potentially beneficial to relay government priorities in their SEPs. In this sense, some SEPs are funding-led documents. This could also help explain why some LEPs have positioned their SEP as a means of delivering a broader economic strategic or priorities set out in a spatial framework. For example, the D2N2 SEP reflected the Local Growth Fund emphasis on infrastructure, arguing their SEP employment and housing targets required a “a step-change in infrastructure investment across the D2N2 area (and without them) we will face serious constraints in unlocking these ambitions”.

LEPs have faced a difficult dilemma: do they opt to champion local priorities (which may not necessarily accord with central government objectives) and risk reduced growth funding or do they follow the centralist steer (muscular localism) of government at the potential expense of local priorities? For some LEPs, this has not be an either/or choice, as they have been able to draw upon past experiences and available expertise to deftly mould central objectives in ways that best suit local priorities. For many others, this has proved unfeasible, particularly due to the prohibitive timescales, which provided LEPs with nine months to produce and submit final SEPs following the publication of guidance in July 2013.

There is an expectation across LEPs that SEPs will, over time, inform local plans (see also Geoghegan, 2013). Most stakeholders that we spoke with recognised that the SEPs published in July 2014 were a “starting point” rather than “polished” and meticulously prioritised strategies. Sixteen SEPs include information about how the LEP proposes to develop in the future, although interviews with some LEPs revealed that some partnerships are “tirelessly” focussed on the present, as staff and board members struggle to deal with an ever-expanding remit and requests from central government as well as serving the needs of local partners.

The differences across LEPs – in terms of disparities in staffing levels and expertise, institutional support and partner support – is an important factor, which has inevitably influenced the shape and rigour of SEPs. There are some huge differences in funding (including European Structural Funds) which LEPs “control”. Discussions with stakeholders of one LEP, which to date had “survived” with the support of one full-time member of staff, indicated that the role of some SEPs is likely to be particularly limited. One former LEP director revealed that there was neither the capacity nor willingness from partners to produce a credible plan based on a shared vision and prioritised actions. He noted that the same “wish list” of priorities and (largely undeliverable) capital projects, which have been “knocking around for donkeys years”, were crudely stitched together to comprise a plan, which had almost been disregarded as soon as it was approved by central government. In this particular case it appears highly unlikely that the SEP has been utilised to galvanise the views and objectives of board members, and therefore any notions that the SEP may develop in a manner that can provide the “wider area” with strategic direction and certainty would appear unrealistic.

Further, inconsistency in the preparation of economic strategies and local plans as well as their divergent planning horizons has long been a thorny issue. Some local plans have stalled indefinitely, whilst others have been withdrawn and others have been found unsound by Inspectors. As a result of the rigour and importance attached to the production of a local plan, notwithstanding the statutory processes and key milestones which are required to be specified in a local development scheme, the process from start to adoption can take in excess of a decade. Such a time-lag is clearly “out of sync” with the dynamism of contemporary economic trends and shifting market conditions.

Equally, economic strategies have tended to be ephemeral and have been chastised for being outrageously ambitious in terms of growth prospects, tending to lack firm spatial priorities and implementation plans. Conversely, local plans have been reproached for being cumbersome –

unresponsive to changing market conditions and development opportunities, as well as being preoccupied with procedures. SEPs are much more closely affiliated to the tradition of “ephemeral” economic strategies than “cumbersome” statutory plans, although some LEPs have made a valiant attempt at bridging the divide, either through SEPs or overarching spatial frameworks.

Some LEPs, such as Greater Birmingham and Solihull, have recognised the inherent shortcoming of economic strategies by producing complementary plans, such as non-statutory spatial frameworks. Other LEPs have sought to spatialise their SEPs wherever possible, and others have worked closely with local authority planners to align growth priorities with local plans, which identified specific sites with planning permission. When SEPs introduce spatial priorities there is often a strong suggestion of local political negotiation and difficulty in effective prioritisation. For example, Sheffield City Region SEP includes a clutch of “spatial priorities” or “spatial areas for growth and change” presented on a map, split across some of the constituent local authorities and accompanied by the qualification that they are in addition to other “key growth areas, rural areas, towns and development sites”. In effect, such spatial demarcations amount to all locations being a priority. Such a practice was characteristic of many SEPs that had attempted to articulate spatial priorities.

In terms of the future, a survey of over 150 LEP stakeholders by Localis (2015), revealed that most rejected the notion of LEPs being incorporated as statutory bodies by a margin comfortably more than two to one – 20 per cent to 59 per cent in the private sector case, 25 per cent to 61 per cent for the public sector. Conversely, a third of respondents believed that LEPs should be given specific statutory powers to intervene in the planning process in terms of appeals. It would be extremely difficult to reconcile how LEPs could take on statutory powers without being granted statutory status.

Some stakeholders and analysts have argued for LEPs to be granted a clear role in the planning process, for example as a statutory consultee. In broad terms, this may appear eminently practical – and is consistent with the ‘asks’ of at least 13 LEPs and many more who seek to influence planning decisions. Yet, due to the geo-institutionally differentiated nature of these multi-partner bodies, whereby differences in their form and functions, have increased over time, it would now be invidious to treat all LEPs in exactly the same manner. From our content analysis of SEPs, it would appear that LEPs intend to build on their relatively limited role in planning up to mid-2014 (see Figure 17).

**Figure 17. LEPs’ intended interface with the planning system and planning initiatives, as identified in SEPs**


Activity	Frequency
<b>A business perspective/voice – intended to inform and shape planning policies, decisions and funding</b>	26
<b>LEP to administer a revolving infrastructure fund/innovative funding mechanisms</b>	25
<b>LEP to produce or make use of infrastructure plans/frameworks</b>	24
<b>LEP to produce or commission information, intelligence and evidence</b>	24
<b>Coordination role for LEP – to reach broad consensus over larger-than-local priorities, bring together different interests</b>	23
<b>Use of local authority ‘assets’ (e.g. land, premises etc.)</b>	23

<b>LEP to encourage or promote fast track planning process for major/strategic projects</b>	21
<b>Collaboration between adjoining LEPs on planning issues e.g. minerals planning, flood risk, waste management and disposal</b>	21
<b>Lobbying role for LEP – intended to influence policies, decisions and funding</b>	20
<b>LEP to produce Spatial Frameworks or Visions</b>	20
<b>LEP to produce or make use of housing market assessments</b>	17
<b>LEP to produce or make use of employment land reviews</b>	15
<b>LEP to prepare, encourage or promote ‘Planning ‘Charters’, multi-area planning accords or MoUs</b>	14
<b>LEP to work with the Homes and Communities Agency to prepare/deliver Local Investment Plans</b>	14
<b>LEP to act as a consultee on plan-making process (e.g. Local Plans)</b>	13
<b>LEP to act as a consultee on strategic planning applications</b>	10
<b>Use of local authority Local Development Orders</b>	9
<b>LEP to administer, encourage or support a planning application support service</b>	8
<b>Use of local authority Compulsory Purchase Powers</b>	7
<b>Make use of joint technical and planning units</b>	5
<b>LEP to produce or make use of Supplementary Planning Guidance</b>	2

Many SEPs acknowledge that the LEP is but one piece of the local growth institutional jigsaw. Following the direction of central government, 25 SEPs refer to an intent to either align or pool local authority growth-related spend, particularly in relation to housing, transport, economic development, regeneration, planning and infrastructure. Other supporting strategic mechanisms cited in SEPs include:

- “Joint contracts” or collective decision-making arrangements (19);
- Combined Authority/ Economic Prosperity Board (17);
- Duty to cooperate (10);
- Merge local authority regulatory functions on issues such as housing, planning and/or transport (seven);
- Joint Planning Committee (five).

Influenced by the steer of central government, whereby place-based deals are conditional on democratic institutional architecture such as Combined Authorities, many groupings of local authorities are embarking on different means of strengthening combined and cooperative decision-making and advisory arrangements.



How these unfold and interface with one another will influence the role, nature and core tasks of LEPs in their next phase of evolution. Consequently, the forms and geometries of such institutional architecture will generate new possibilities and challenges for strategic modes of planning of statutory and non-statutory varieties.

## **7. Conclusion**

Since LEPs were gradually approved by central government between 2010 and 2011, the 39 LEPs have received a lot of policy attention. Yet these private-sector led partnerships, many of which can more accurately be described as multi-partner bodies, have remained largely peripheral to planning debates, as analysis has focussed on their governance and economic development credentials. Building on our interim report, the focus of this research has been in demonstrating a complementary point: how the remit, responsibilities and constitution of LEPs may interface with the planning system in direct and less direct ways.

Prior to the publication of initial guidance relating to Growth Deals, the Treasury announced that: "...the LEPs with the strongest strategic plans that demonstrate their ability to deliver growth will gain the greatest share of the [Growth Fund]" and expected local areas "to have strong and effective governance in place and support pro-growth reforms, including a coordinated approach to spatial planning (through the duty to cooperate) and the use of their own resources in line with strategic plans" (HM Treasury, 2013, p.63). Up until this point, central government had only fleetingly referred to the planning roles that LEPs could perform. This now represented a recognition from central government that strategic planning and coordination, which had disintegrated in many areas following the dismantling of regional machinery, are crucial to realising growth ambitions. It could be read as a belated response to concerns, especially from a strategic planning perspective, that a "planning vacuum" or "strategic void" if left unfilled could at the very least result in impediments to growth and sustainable development.

The first two rounds of the iterative Growth Deal process marks a new phase in the evolution of LEPs, decisive in relation to the emergence of (many) LEPs as considerable subnational development actors. First, it has consolidated their growing remit across a range of policy domains, such as transport, housing and skills. Secondly, it has directed them to devise, consult and publish economic strategies, known as SEPs. Thirdly, it provides LEPs with access to resources through a "Single" Local Growth Fund. Fourthly, it provides a mechanism for on-going engagement with central government; specifically to negotiate special dispensations, responsibilities and powers as part of a place-based approach to deal-making. By implication of their often considerable roles in subnational development, LEPs are important actors in the sphere of planning. Thus, as LEPs themselves have previously called for, central government must clarify their status in planning matters.

### **The future: Asymmetric place-based settlements and combined planning?**

Since 2010, LEPs have emerged as the politically acceptable economic development and leadership vehicles of central government. There are few indications to suggest that this will fundamentally change over the present parliamentary period led by a Conservative Government. Nevertheless, if sub-national places are to negotiate devolutionary settlements and place-based deals, then the Conservative Government will insist upon "strong governance", which LEPs do not appear to meet, prompting some concerns from LEPs that their role could become more marginal and/or subservient to other spatial governance institutions such as Combined Authorities (The LEP Network, 2015).

It remains to be seen how LEPs will interface with Combined Authorities/Economic Prosperity Boards. It could result in some LEPs in areas with Combined Authorities/Economic Prosperity Boards taking on a more advisory role, whereby ultimate decisions are taken by either metro mayors and/or local authority leaders, as is the case in Greater London.

The ascendancy of Combined Authorities/Economic Prosperity Boards generates new questions and issues in relation to inter-local authority planning, and are illustrated through the case of Greater

Manchester. The Greater Manchester Combined Authority (GMCA) signed, what has been billed as, a “ground-breaking Devolution Agreement” with central government in November 2014. The ten councils which form the Association of Greater Manchester Authorities (AGMA), which constitute the GMCA, are in the process of preparing a statutory joint Development Plan Document (DPD), which builds on and will supersede previous work to develop a non-statutory spatial framework. The first step in the development of the “multi-council plan” was a public consultation towards the end of 2014, with an examination in 2017 and a provisional intended adoption date set for 2018.

A directly elected metro mayor will be responsible for “new powers” in relation to planning and other functions, such as transport and housing. However, in terms of planning, it is unclear at this stage how “the power to create a Statutory Spatial Framework for the City Region” is radically distinct from existing statutory mechanisms available to all local planning authorities, such as a Joint Core Strategy, other than it will create a bespoke layer between the NPPF and each council’s local plans. Prior to adoption, the plan “will need to be approved by a unanimous vote of the Mayor’s Cabinet”. Eamonn Boylan, Greater Manchester’s lead chief executive on planning and housing and chief executive of Stockport Council, has stated that “in the absence of a Regional Spatial Strategy, we’ve long felt that we need a planning framework that enables us to plan key growth requirements collectively”, but added that “Councils will retain rights as planning authorities” (Geoghegan, 2014b).

Some Combined Authorities/Economic Prosperity Boards are supported by a variety of informal boards and networks, such as a “Heads of Planning Group”, which meet several times per annum to discuss shared priorities. Whilst tending to be officer-level groups, this has led to optimism from some stakeholders that these informal groups (nominally affiliated to a Combined Authority) could provide the basis for more concrete forms of “combined planning” in the future, including combined research units and strategy departments, combined planning teams and combined plans.

The Conservative Government is of the view that more autonomous arrangements for particular places should be earned. One criterion of “earned autonomy” is for democratic governance arrangements with strong and accountable leadership that is robust enough to make prioritised decisions and coordinate activities/funds. However, another criterion appears to be city size. In his first speech since the 2015 General Election, the Chancellor stated that “[He is] not interested in any more half-way house deals. We will transfer major powers only to those cities who choose to have a directly elected metro-wide mayor” (Osborne, 2015).


This does not bode too well for the remainder of England’s sub-national areas, which reside outside of “major” cities. Soundings from the Conservative Government would suggest that it is unlikely that a coherent system of strategic spatial planning will emerge across all of England, but further statutory strategic plans may emerge, subject to metropolitan areas opting for a metro mayor. Thus, an analysis of recent trends indicates that the hot and cold spots of subnational strategic development and planning capacity, which has been pronounced since the revocation of Regional Strategies, shows few signs of waning. Irregular forms of strategic planning may be a key feature of subnational planning and development practice during the present parliament.



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## About the research

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## Further information

The report is available on the RTPI website at: [www.rtpi.org.uk/spire](http://www.rtpi.org.uk/spire)

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