The Land of LEPs

Lee Pugalis, Northumbria University
SURGE Seminar, Coventry, 20th June 2013
“A new culture and style of generating growth cannot be introduced overnight. What’s important is to get business at the heart of a strategic vision and a coordinated, targeted effort. Where Regional Agencies failed is that they thought waving a magic wand of money would cure all ills...LEPs know better. And they also know that growth takes time” (Denys Shortt, chair of the Coventry & Warwickshire LEP, since resigned)
Content

1. The critique of regions
2. The LEP experiment
3. The role and priorities of LEPs
4. Are LEPs rising to the challenge?
5. Final remarks
"What was the rush to replace RDAs all about?" (Peter Box, leader of Wakefield Council and chair of the Leeds City Region leaders board)
# Regions of EU countries

<table>
<thead>
<tr>
<th>Country</th>
<th>Number of regions</th>
<th>Average size of population (Thousands)</th>
</tr>
</thead>
<tbody>
<tr>
<td>England</td>
<td>9</td>
<td>5777</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>12</td>
<td>5167</td>
</tr>
<tr>
<td>Germany</td>
<td>16</td>
<td>5113</td>
</tr>
<tr>
<td>France</td>
<td>22</td>
<td>2942</td>
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<tr>
<td>Spain</td>
<td>16</td>
<td>2874</td>
</tr>
<tr>
<td>Italy</td>
<td>21</td>
<td>2873</td>
</tr>
<tr>
<td>Romania</td>
<td>8</td>
<td>2683</td>
</tr>
<tr>
<td>Poland</td>
<td>16</td>
<td>2385</td>
</tr>
<tr>
<td>Ireland</td>
<td>2</td>
<td>2128</td>
</tr>
<tr>
<td>Portugal</td>
<td>5</td>
<td>2385</td>
</tr>
<tr>
<td>Hungary</td>
<td>7</td>
<td>1430</td>
</tr>
<tr>
<td>Netherlands</td>
<td>12</td>
<td>1382</td>
</tr>
<tr>
<td>Slovakia</td>
<td>4</td>
<td>1356</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>8</td>
<td>1313</td>
</tr>
<tr>
<td>Bulgaria</td>
<td>6</td>
<td>1261</td>
</tr>
<tr>
<td>Sweden</td>
<td>8</td>
<td>1168</td>
</tr>
<tr>
<td>Finland</td>
<td>5</td>
<td>1070</td>
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<tr>
<td>Austria</td>
<td>9</td>
<td>931</td>
</tr>
<tr>
<td>Belgium</td>
<td>12</td>
<td>902</td>
</tr>
<tr>
<td>Greece</td>
<td>13</td>
<td>869</td>
</tr>
<tr>
<td><strong>EU average, excl.UK</strong></td>
<td><strong>11</strong></td>
<td><strong>2225</strong></td>
</tr>
</tbody>
</table>
Rescaling: regions rejected

- Three primary political critiques:
  
  1. **Accountability (democratic deficit)**
     - Unpopular – particularly in the ‘south’
     - Prisk - ‘bureaucratic machines’ and ‘state-run development agencies’.
     - Lack of political oversight (e.g. RSS/RES/RS); Represented as ‘bad governance’
  
  2. **Geographical scope (size)**
     - Prisk - ‘the boundaries set for most of the RDAs bore little relation to real local economies’
     - Formal regions too blunt and determined for Whitehall convenience– ‘un-real’, ‘artificial’, dividing the country into ‘unnatural blocks’ (cf Pickles and Cable)
     - Alternative ‘regions’ – Northern Way, Growth Corridors, City Regions, Combined Authorities
  
  3. **Efficiency and effectiveness (cost)**
     - Unnecessary bureaucratic layer – Vince Cable claimed that ‘RDAs are not satisfactory ... wasteful’ but contradicted by formal assessments (PriceWaterhouseCoopers, 2008)
     - Opportunities for savings, although transitional costs have proved to be substantial (National Audit Office, 2012)
## Defunct regional functions

<table>
<thead>
<tr>
<th>Policy function</th>
<th>Coalition rationale for abolition/withdrawing funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regional Development Agencies</td>
<td>Rejection of regions and specifically RDAs on grounds of being unelected, expensive and unaccountable which fail to represent functional economic geographies</td>
</tr>
<tr>
<td>Government Office Regions</td>
<td>Lack democratic accountability, create burdens and bureaucracy for local councils and impose arbitrary administrative boundaries over ‘real’ communities</td>
</tr>
<tr>
<td>Regional Spatial Strategy/Regional Economic Strategic/Regional Strategy</td>
<td>Such regional plans and processes were considered to be cumbersome, unresponsive, top-down and expensive. Purported to go against the grain of ‘localism’</td>
</tr>
<tr>
<td>Regional Observatories</td>
<td>No longer a mandate for Regional Observatories to provide a function at the regional level. Some functions considered to be overlay onerous and duplicitous. ‘Valuable’ activities to be carried forward and undertaken by other bodies, such as local authorities or LEPs</td>
</tr>
<tr>
<td>Regional Leaders’ Boards</td>
<td>Unelected to perform a regional role. The Coalition pointed towards an annual public saving of £16m as further rationale for their termination</td>
</tr>
<tr>
<td>Regional Select Committees</td>
<td>Closure of RDAs and with no manifesto authorisation Regional Select Committees had no further mandate</td>
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</tbody>
</table>

Lessons learnt

- Quick decision by the Coalition prevented sustained resistance and broader debate
- Sub-national entities are a easy target – vilified by central and local government when convenient
- Would have been beneficial to consult on the dismantling of regional machinery
- Dismantling is the easier element
The LEP experiment

From managerialism to entrepreneurialism
The emergence of LEPs

- The June 2010 Cable-Pickles invitation to bid for LEP status prevented debate and consultation on post-regional alternatives
- Public-private voluntaristic partnerships that cover larger-than-local, supposedly ‘functional’ economic areas
  - Soft state spaces and fuzzy boundaries
- Conceived as flexible entities, ‘free’ from the bureaucracy of top-down institutional antecedents ... But are ‘techniques of government’
- Limited government funding, direction and interference (although still evolving)
- Potential to be spatially diverse, thus offering scope for local ingenuity
- Most lack a legal personality – they are prime examples of softer spaces of entrepreneurial governance; utilising informal processes and exchanges to conduct business
“There are tremendous rivalries and getting a LEP together in that area has been a nightmare. And as a result of that we’ve ended up with a considerable mess” (Sir Ian Wrigglesworth, Deputy Chair of RGF Advisory Panel)

“the geography of the LEP came about is a bit of an accident” (Interviewee)

“we had a readymade vehicle ready to put in the location to become a LEP” (Interviewee)
First wave of 24 approvals

- ‘Business’ mentioned more than 2,000 times in 25 submissions
- An approximate ‘cut-off’ of 75% self-containment (NoMIS, 2001 Census) was used to assess proposals
- ‘Guess who’s coming to dinner’ situation during the crafting and bidding process
- ‘Bottom-up’ proposals, after squabbling, involved both tiers, and overlapping areas approved with some LAs in multiple LEPs!
Local Enterprise Partnerships

List of local enterprise partnerships:
1. Birmingham and Solihull with East Staffordshire, Lichfield and Tamworth
2. Cheshire and Warrington
3. Coast to Capital
4. Cornwall and the Isles of Scilly
5. Coventry and Warwickshire
6. Cumbria
7. Greater Cambridge and Greater Peterborough
8. Greater Manchester
9. Hertfordshire
10. Kent, Greater Essex and East Sussex
11. Leeds City Region
12. Leicester and Leicestershire
13. Lincolnshire
14. Liverpool City Region
15. Nottingham, Nottinghamshire, Derby, and Derbyshire
16. Oxfordshire City Region
17. Sheffield City Region
18. Solent
19. South East Midlands
20. Stoke-on-Trent and Staffordshire
21. Tees Valley
22. Thames Valley and Berkshire
23. The Marches Enterprise Partnership
24. West of England

Isles of Scilly inset

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Data Sources:
OS Boundary Line
## LEP approval timeline

<table>
<thead>
<tr>
<th>Date</th>
<th>LEPs</th>
</tr>
</thead>
<tbody>
<tr>
<td>28 Oct 2010</td>
<td>24 LEPs - First wave approvals</td>
</tr>
<tr>
<td>13 December 2010</td>
<td>27 LEPs – New Anglia, the Black Country, and Worcestershire</td>
</tr>
<tr>
<td>13 January 2011</td>
<td>28 LEPs – The North Eastern LEP</td>
</tr>
<tr>
<td>10 February 2011</td>
<td>30 LEPs – Enterprise M3, and York, North Yorkshire and East Riding</td>
</tr>
<tr>
<td>17 February</td>
<td>31 LEPs – London</td>
</tr>
<tr>
<td>31 March 2011</td>
<td>32 LEPs – The Heart of the South West</td>
</tr>
<tr>
<td>14 April 2011</td>
<td>33 LEPs – Lancashire</td>
</tr>
<tr>
<td>18 May 2011</td>
<td>34 LEPs – Gloucestershire</td>
</tr>
<tr>
<td>8 June 2011</td>
<td>35 LEPs – Humber</td>
</tr>
<tr>
<td>7 July 2011</td>
<td>36 LEPs – Dorset</td>
</tr>
<tr>
<td>21 July 2011</td>
<td>37 LEPs – Swindon and Wiltshire</td>
</tr>
<tr>
<td>23 September 2011</td>
<td>38 LEPs – Northamptonshire</td>
</tr>
<tr>
<td>21 December 2011</td>
<td>39 LEPs – Buckinghamshire Thames Valley</td>
</tr>
</tbody>
</table>
Do LEPs reflect ‘functional’ economic areas?

- Four largest LEPs (London, South East, Leeds City Region and Greater Manchester) each have a greater working population than the smallest of the previous English regions.
- Most self-contained LEPs comprised either:
  - Relatively isolated areas, that is Cumbria (95.5%) and the North Eastern LEP (94.8%).
  - Extensive masses of population, in Leeds City Region (94.1%) and Heart of the South West, 93.5%.
- Least self-contained LEPs – commuting areas around and outside the cities of London (Hertfordshire and Enterprise M3), Manchester (Cheshire and Warrington) and Birmingham (Worcestershire).
- Statistically, there is clearly a range in the attributes of approved LEPs, rather than one model of a ‘natural economic area’.
Progressive and regressive aspects

- Dual membership
  - 4.3 million people in 38 local authorities are members of two LEPs e.g. Barnsley is a member of both Leeds City Region and Sheffield City Region LEPs
  - Progressive but also problematic
- The South East Midlands LEP (81.4% self-containment) crosses several previous regional boundaries and recognises longstanding government promotion of growth
- Ministerial and political involvement was evident e.g. mergers across the Thames Estuary and in the South West
- Most LEPs fall short of popular policy definitions
- Some of the new spatial alliances clearly illustrate a *strategic deficit* in not reflecting ‘real’ economic geographies
Functional or County geographies?

- Noteworthy correlation between the geography of LEPs and the administrative geographies of 1974 Counties, or combinations of these Counties:
  - 17 with the same boundary and usually name, such as Oxfordshire;
  - Five based on a 1974 County plus one District;
  - Three based on 1974 County areas plus an expansion into adjoining lower-tier Districts;
  - Three comprising a pair of 1974 Counties;
  - Four comprising a 1974 County with subtractions, for example Solent LEP; and
  - Two comprising three former Counties
“The LEP boundaries and sizes seemed sometimes to be politically driven under the camouflage of functional economics—insufficient strategic consideration was given to the LEP coverage of the Country; and little serious consideration seemed given to the confusing impact of allowing overlapping LEP areas. This has resulted in an overcomplicated network of massively different LEPs based perhaps more on political geographies, rather than sub-regional economic areas. Localism is an interesting innovative concept but if applied to my car, if all four wheels were allowed to be different sizes, shapes and positions, it wouldn’t aid the car much in its progress” (LEP Chair)
Lessons learnt

• Would have been beneficial to consult on the form of LEPs as their potential replacement
• Timing – 12 weeks was adventurous especially under a permissive regime
• Limited role for private sector – most were used as window dressing to endorse bids
• Rules of the game need to be transparent
• (Lack of) guidance created a void that local politics tended to fill
• Intrinsic problems with the process of local self-selection
• Upper-tier local administrative areas were inappropriate sole building blocks
Lessons learnt

- Geography matters – A lot of time expended on the geography and boundaries
- Politics matters – Political geographies should not be underestimated
- History matters – Those with a history of collaboration and institutional antecedents (e.g. Counties, City Regions etc) ‘rebadged’ and reconfigured in a seamless manner
- Funding matters – can bring disparate interests together
"[LEPs] are there to serve a purpose. Economic strategy and the politics and applications of grants" (Interviewee)
The LEP Model

“every LEP is different, is organised differently, and has got a different philosophy” (Interviewee)

“couple of the LEPs I spoke to were actually no more than the economic development department of the Council just wearing two hats ... You ring up the person who is supposed to be the Secretary of the LEP board and turns out to be some manager in a County Council” (Interviewee)

The model for LEPs is that there is no model

- Pan London and Greater Manchester LEPs are advisory panels
- Tees Valley Unlimited is a company, many are informal
Governance and leadership

- Every LEP has a private sector chair – that is where the similarities end!
- “[Local] politicians wanted to hand pick the business board members” (Interviewee)
- Size, shapes and attributes of boards differ considerably
- However, most are ‘closed-shops’ and deploy professional ‘gating’
- Lack of arrangements for transparency and corporate public sector governance
- Minimal role for VCS, social enterprises and broader social/environmental interests e.g. housing providers
Roles and remit

- All are focused on promoting local growth but their remits vary considerably
  - e.g. Some see housing as critical, some are focusing on a few key sectors
- LEPs can do what they want, until stopped; ‘shackles are off’? Non-conditionalism?
- Lots of could do’s, maybes and hope to do
- Over time some roles are solidifying e.g. EU Structural Funds 2014-2020
Selection of roles (not mutually exclusive)

- Business voice
- Lobbying group
- Strategic interventions
- Investment planning and prioritisation
- Promoter of the area (i.e. to global and UK markets)
- Programme commissioner
- Broker, dealmakers and problem solvers
- Strategic relationship management
- Investor/funder
- Analysis and business intelligence
## Local vs National responsibilities

<table>
<thead>
<tr>
<th>Policy area</th>
<th>Potential role(s) of LEPs</th>
<th>Central government responsibilities</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Planning</strong></td>
<td>Oversight and consultee Later potential for legislation to take on statutory planning functions, including determination of applications for strategic development and infrastructure</td>
<td>National policy in the form of a National Planning Framework Determination of infrastructure and planning decisions of national importance</td>
</tr>
<tr>
<td><strong>Infrastructure</strong></td>
<td>Strategy formulation and engagement with local transport authorities on their local transport plans Cross-boundary co-ordination of bids to the Local Sustainable Transport Fund Support the delivery of national initiatives</td>
<td>Delivery of strategic transport infrastructure Digital connectivity led by Broadband Delivery UK</td>
</tr>
<tr>
<td><strong>Business and enterprise</strong></td>
<td>Brokerage and advocacy Take actions on issues such as promoting an entrepreneurial culture, encouraging and supporting business start-ups, helping existing businesses to survive and grow, encouraging networks and mentoring Direct delivery support and grants will be subject to local funding</td>
<td>National website and call centre</td>
</tr>
</tbody>
</table>
# Local vs National responsibilities

<table>
<thead>
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<th>Policy area</th>
<th>Potential role(s) of LEPs</th>
<th>Central government responsibilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Innovation</td>
<td>Advocacy role largely, but some LEPs may continue the development and promotion of innovation infrastructure</td>
<td>Delivered through the Technology Strategy Board and an ‘elite network’ of Technology and Innovation Centres</td>
</tr>
</tbody>
</table>
| Sectors                | Provide information on local niche sectors  
Feeding in local issues to any national policies                                                                                                                                                                                                                                                                                                      | Leadership on sectors of national importance and the development of low carbon supply chain opportunities Support national Manufacturing Advisory Service                                                                                                                                                         |
| Inward investment      | Provide information on local offer                                                                                                                                                                                                                                                                                                                                                                               | Led by UK Trade & Investment                                                                                                                                                                                                                                                                       |
| Employment and skills  | Advocacy role in terms of skills development  
Work with providers to influence the delivery of Work Programme at local level  
Contribution to handling major redundancies                                                                                                                                                                                                                                                                                                      | Led by Skills Funding Agency Led by Department of Work & Pensions and Jobcentre Plus                                                                                                                                                                                                                 |

LEP strategies

“All LEPs are new but all are now operating and are developing a clear and defined strategy, and identifying local priorities they want to tackle” (Cable, 2012)

- Only half of LEPs had draft strategies/plans in place by early 2013
- Some have publicised little more than a mission statement
- Some are overly generic and superficial, many others are pure hyperbole and undeliverable
- £250,000 to help ‘Local Growth’ plans and Structural Fund Investment Strategies welcome – but this will only help to devise the strategy not implement it
Radically different ... Or disillusioned?

First Example

- ‘Our vision is simple: to create growth’
- ‘That means more businesses and bigger businesses and more jobs and investment for our region …’
- ‘I’ve got to be frank – we’re still working on how we can make this region bigger and better ... What is clear is that it’s going to be very different from anything that’s gone before …’
- ‘I believe we should focus on a small number of big ideas that can really boost and sustain a fast growing regional economy. One of our first priorities will be getting the Enterprise Zone off the ground’

Second example

- Our mission is to: ‘lead our area’s growth to 100,000 significant businesses and create 160,000 new jobs by 2025 in an internationally renowned low carbon, knowledge-based economy’
Going for growth: wealth creation

- Following the lead of government
- Many LEPs are chasing ‘bandwagon’ sectors but there is a ‘reality gap’ at a time of shrinking public expenditure (Swinney et al., 2010, Peck et al., forthcoming)
- Focus on *opportunities* over *need* – not many LEPs are pursuing regeneration objectives
- Reliance on growth at a time of economic stagnation
- Have LEPs paused to consider what type of growth and for whom?
- Growth at what cost? – majority of LEPs are taking a narrow view of economic development
Role of business

- Most businesses are unaware/uninterested in the work of LEPs
  - BIS Survey – 67 per cent of SME employers were aware of LEPs, but just ten per cent had had contact with them
- LEPs are “more inclusive of the business community” (interviewee)
- Those involved are a mixture of ‘usual suspects’ but also some new blood
- Few examples where business are generally taking the lead
- Many involved are frustrated with public sector processes and especially the demands from government
Top-down meddling

- Initiative-itis – Government keep adding to the role that LEPs could perform
- e.g. Gloucestershire LEP identified by the Business Minister as a ‘flagship trailblazer for retail’
- e.g. Eight LEPs asked to pilot Local Business Networks
- e.g. LEP Sector Groups
- Finance Yorkshire identified 62 new gov funds
- Does government have faith in LEPs?
  - Decision to sell-off RDA land and business assets (and transfer the remainder to the HCA)
  - Most regional development functions were recentralised
Funding

EURO 2012

PORTUGAL £78 BILLION BIG TEETH
IRELAND £85 BILLION SERIOUS TEETH
SPAIN £100 BILLION SHARP TEETH
GREECE £320 BILLION TIGER'S TEETH
BRITISH BANKS £850 BILLION SHARK'S TEETH
LEP CAPACITY FUNDS £25K TOOTHLESS

"GOVT FUNDS HAVE TEETH THAT WILL RIP THE HEART OUT OF YOU"

RT HON ERIC PICKLES MP
Funding directly available to LEPs

<table>
<thead>
<tr>
<th>Funding Type</th>
<th>Description</th>
</tr>
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<tbody>
<tr>
<td>Start up Fund</td>
<td>A one-off £5m national fund available via a competitive bidding exercise.</td>
</tr>
<tr>
<td>Capacity Fund</td>
<td>A £4m national fund available over four years available via a competitive bidding exercise. LEPs precluded from using funds on staffing.</td>
</tr>
<tr>
<td>Core Funding</td>
<td>A £24m funding package; an interim £5m to draw down in 2012/13 and up to £250,000 per LEP per year for 2013/14 and 2014/15 with the expectation that local match funding will be provided.</td>
</tr>
</tbody>
</table>

- Until the Local Growth Fund materialises, most LEPs will continue to pursue economic development on a shoestring
- They lack financial stability
Funding, incentives and resources

- Comes with strings attached... a *conditional localism*
- Uneven
  - e.g. Growing Places Fund – over £33m going to the South East LEP and less than £4m for Northamptonshire LEP
  - e.g. LEPs with City Deals and EZs
- Signs from government (Osborne) that they intend to bolster the capacity of LEPs but Cable is reluctant
- LEPs received a bigger slice of RGF3
- Heseltine proposals - 59 funding sources into a single pot (£58bn over four years)
- 2013 Spending Review
Implementation, outputs and achievements

“I’m telling you, our LEP has an enormous amount of clout ... the whole point of having a LEP is to stop talking and start doing”
(Pete Waterman, Cheshire and Warrington LEP)

“There is a risk that LEPs could fizzle out, partly because the private sector could just lose interest ... then there is a risk they simply will not deliver”
(Neil McLean, Leeds City Region LEP)

Key achievement – “Surviving. Seriously!” (Interviewee)
Implementation, outputs and achievements

- The Forming-Storming-Norming-Performing-Adjourning Model
- Most LEPs have been investing in laying the groundwork: governance, secretariat, processes, working relationships, shared understandings, lobbying
- Some EZs are attracting ‘new’ companies but payback will be over the next few decades
- GPF provides a recyclable pot but is too small and will take time to blossom
- Softer interventions have prevailed – planning charters, removing bureaucracy and other LA processes
Lessons learnt

- “the LEP is just brand for us” (Interviewee)
- Many LEPs are merely ‘refashioned existing partnerships’ – was the upheaval worth it?
  - Considered a forward step by some and backward leap by others
- Business involvement does not work like a magic wand
  - Incentives and tools still lacking
  - Worry that initial interest will wane in some LEPs
- Government’s transitional plan - programme of change completed by March, 2012. Rebuilding process will take much longer
- Underestimation of the challenge
- Government are started to return powers/roles to LEPs that were taken following the dismantling of regions
“Vince Cable told me ‘it is remarkable in Liverpool. You are ahead of the game’” (Rod Holmes, The Mersey Partnership chair and board member of the Liverpool City Region LEP)

“The Liverpool City Region LEP may well be busy, but it’s all but invisible. Just wish the LEP would start to communicate” (respondent)
The unofficial ‘frontrunners’
and ‘laggards’

- Multi-speed and multi-directional LEPs
- Coalition will not hold back the frontrunners
- Variety of informal LEP hierarchies and typologies
  - City Region LEPs
  - LEPs with EZs
  - LA-led LEPs
  - ‘Refashioned’ LEPs
  - LEPs with legal personality
  - ‘Steering and cheering’ LEPs
  - ‘Intermediating consultative’ LEPs
Key opportunities

- “the LEP is just a proxy for all of the organisations that form part of the partnership” (Interviewee)
- Locally distinctive and responsive
- Flexibility; incentivised regime of localism likely to favour some LEPs
- “Businesses want to see LEPs given statutory status, and incentivised to work together on strategic issues such as transport policy, foreign investment, economic analysis, innovation, and industrial policy” (John Cridland, CBI director general, 2012)
Key opportunities

- Enterprise Zones may generate a revenue stream
- Stronger role in prioritising funding bids – Regional Growth Fund, Growing Places Fund ...
- The ‘official’ conduit for government
- Bespoke arrangements, Deals and further devolution
  - Local Transport Boards from 2015
  - LEPs to prepare ‘Local Growth’ plans and to be given a role setting skills strategies
  - Birmingham and Humber Growth Reviews – working with Heseltine
  - 2014–20 Structural Funds Investment Strategies (but not a Managing Authority role)
Some notable dilemmas

- Progress to date is “cause for concern” (Centre for Cities, Oct 2011)
- Myopic focus – create jobs at all costs
- “broader social-economic issues” considered a distraction (Edwin Booth, chair of Lancashire LEP)
- Beyond Boosterism - Big plans, visions and statements backed up by little action
  - What have some LEPs achieved in the first two years?
- New geographical complexity – Heseltine called for a redrawing of boundaries
- The ‘official’ conduit for government – State-induced mission creep that was a decisive factor that undermined the role of RDAs
- Needless competition – 32 places made a pitch for the Green Investment Bank including Newcastle, Durham, Sunderland and Tees Valley (2 LEPs, 1 Region)
Some notable dilemmas

- “Too many LAs actually want the LEP to fail” (Intervieweewee)
- LEPs should “name and shame” LAs that obstruct their plans for growth (Pickles, 2012)
- Many are not legal entities – so unable to own assets, trade, borrow money ...
- Faltering economic recovery: what are LEPs going to do and are they equipped to deal with major economic shocks?
- “I undertake regular visits to LEPs across England and periodically review progress” (Prisk, 2012)
- No official monitoring of LEPs – how will they be judged and who will be the judges?
- Who are they accountable to?
The hardening of soft spaces?

- Detracts from the principles associated with ‘fleet-of-foot’ partnership arrangements (Pugalis & Townsend, 2013)
- However, it would provide legal, statutory, financial and/or democratic credentials

Potential Models
- Combined Authorities
- Economic Prosperity Boards
- Conurbation/Metro Mayors
“you can only conclude that we are amateurs. We are completely out of touch with the standard practice of every other country” (Heseltine, 2012)

“not all LEPs are providing the local leadership that is needed” (Autumn Statement, 2012)

“jury is still out” on LEPs (Stephen Hammond, a parliamentary private secretary to Pickles, 2012)
Final remarks

- Scorched earth approach was a short-sighted move
- 2½ years after most LEPs were approved roles remain “fuzzy” as they lack adequate tools, incentives and resources
- However, the LEP experiment is a moving target
- The next two years will provide an acid test – LEPs must deliver
- The competitive bidding and incentives regime is likely to exacerbate socio-spatial divides ... content for places to ‘sink or swim’
- LEPs remain vulnerable to Whitehall divide-and-rule
- At this point, many LEPs can do ‘everything and nothing’ but some evidence that ‘constrained freedoms’ can be negotiated to undertake innovative actions e.g. City Deals
- Austere economic development measures are not the only option
- Next stage of research will investigate the implementation of LEP strategies and seek to identify innovative practice
“When the politics dictates [LEPs] come under attack under the guise of a perceived democratic deficit, as were the RDAs before them, and those LEPs that cover a huge area with which nobody has any affinity will suffer for their lack of local definition. A cross party consensus, after tidying up the current anomalies, not to change the underlying structures in ED again for the next 20 years would be a triumph of need and business sense over party politics, but is probably too much to expect” (LEP Chair)

- Are LEPs rising to the challenge? – Yes and No
- Are LEPs equipped for the task? – Yes and No
- Are these experimental austere state strategies merely economic development on the cheap? – Yes and No

- Without a democratically-based devolutionary solution, LEPs are in danger of institutional oblivion
From Regionalism to Localism: Cross Country LEPs

- The Project Team:
  - **Gill Bentley** – Birmingham Business School, the University Birmingham – covering LEPs in the West Midlands
    - Email: g.a.bentley@bham.ac.uk
  - **Lorna Gibbons** – Senior Economic Development Officer at the Borough of Poole – covering LEPs in the South West
    - Email: lorna_gibbons@hotmail.com
  - **Dr Lee Pugalis** – Architecture and Built Environment at Northumbria University – covering LEPs in the North East
    - Email: lee.pugalis@northumbria.ac.uk
  - **Professor John Shutt** – Harris Research Partnership Ltd and Visiting Professor at CURDS, Newcastle University – covering LEPs in Yorkshire and the Humber
    - Email: john.shutt@harrisresearch.co.uk
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Further material


Questions and Discussion

lee.pugalis@northumbria.ac.uk