LEPs, Strategic Economic Plans and planning implications

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Three Phase research approach

1. Strategic Economic Plan (SEP) content analysis
2. On-line LEP questionnaire survey
3. Interviews with LEPs

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- Results triangulated with other key studies:
  - IPPR North (2014) *Building Economic Resilience?*
  - CLES/FSB (2014) *The Future of LEPs*
“[LEPs] are there to serve a purpose. Economic strategy and the politics and applications of grants” (Interviewee)

Majority of LEPs consider their role is to provide strategic leadership
All LEPs are focussed on promoting local growth but their remits, resources and capacity vary considerably.

- Only half of LEPs had draft strategies/plans in place by early 2013.
- Huge variation in scale and scope of partnerships.
- 10 employees is the average (including secondees).
- Largest 40 staff, smallest 1 or 2 staff.
- Proportion of research, planning and strategy staff – from 100% to less than 20%.
- Employment of planners is a minority.
What are SEPs and Growth Deals?

Growth Deals – freedoms, flexibilities and influence over government resources

- Part of a process of *earning autonomy*
- A central-local (vertical) and cross-sector (horizontal) partnership

SEPs – strategic (economic/investment) plans used by Government in deciding Growth Fund allocations

- No set format; guidance is permissive
- Non-statutory documents. Thus no requirement for SEAs
Government Guidance

- Aligning or pooling local authority spend on growth
- Effective collaboration on economic development
- Maximising the synergies with wider local growth programmes
- Local leadership, depth of partnerships and deliverability
- Political and financial accountability and transparency
Core Government assessment criteria

• Ambition and rationale for intervention for the local area
• Value for money
• Delivery and risk
A divisive interview response:
“Once you’ve read one SEP, you’ve read them all”
SEP: Content Analysis

- Visions – most are ambitious and articulate bold visions for growth
- Spatial frameworks – some good examples of plans that attempt to provide overarching spatial frameworks for a myriad of plans, processes and investment decisions e.g. Black Country
- Most have at least attempted to reflect local economic circumstances and spatial dynamics, nevertheless some LEPs may not yet be equipped to plan strategically
- But a lot are a mixture of wishy-washy principles, medium-term programmes and specific projects
• Priorities – skills, transport, broadband and business/enterprise ubiquitous
• Preference for “oven-ready” sites and schemes
• Environmental considerations were omitted almost entirely across a small minority
• Although environmental considerations are more prominent across the plans than many other non-economic factors
  • e.g. protected landscapes as an “economic asset”
• Social inclusion/exclusion – large number fail to address this, and many only engage with this matter insofar as it relates to ESIFs
• Many ignore the issue of deprivation
The planning content of SEPs

- Some examples of close working between LEPs and constituent local planning authorities
  - e.g. outlining schemes with existing planning approvals, those requiring permission and others at application stage
- Weaker examples are more hopeful that land-use issues will be resolved
- It is not always clear how “streamlined” pilot systems and exemplars will be mainstreamed
- Collaboration/coordination – a lot of emphasis on Joint Core Strategies, although these often relate to geographies that are more constrained than LEPs
- It is not always clear whether the LEP has facilitated improved coordination and enhanced collaboration or whether they have merely benefitted from such joint working
Propensity of LEPs making use of or benefitting from formal/informal planning arrangements:

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

Looks like a SINGLE POT to me!

SINGLE LOCAL GROWTH THIMBLE
## Growth Deal allocations and other metrics

<table>
<thead>
<tr>
<th>LEP</th>
<th>Growth Fund (15/16) (£m)</th>
<th>European Structural Funds (£m)</th>
<th>Job creation projections</th>
<th>House-building projections</th>
<th>Private sector leverage ratio projections</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buckinghamshire Thames Valley</td>
<td>11</td>
<td>13.8</td>
<td>17,000</td>
<td>10,000</td>
<td>0.7</td>
</tr>
<tr>
<td>Cornwall &amp; the Isles of Scilly</td>
<td>11</td>
<td>466</td>
<td>4,000</td>
<td>6,000</td>
<td>3.1</td>
</tr>
<tr>
<td>Cumbria</td>
<td>9</td>
<td>91</td>
<td>2,000</td>
<td>3,000</td>
<td>1.9</td>
</tr>
<tr>
<td>Greater Manchester</td>
<td>170</td>
<td>327</td>
<td>5,000</td>
<td>0</td>
<td>0.2</td>
</tr>
<tr>
<td>Humber</td>
<td>29</td>
<td>80</td>
<td>7,000</td>
<td>3,000</td>
<td>2.3</td>
</tr>
<tr>
<td>Leeds City Region</td>
<td>73</td>
<td>308</td>
<td>8,000</td>
<td>1,000</td>
<td>0.6</td>
</tr>
<tr>
<td>York and North Yorkshire</td>
<td>34</td>
<td>77</td>
<td>3,000</td>
<td>4,000</td>
<td>0.9</td>
</tr>
</tbody>
</table>
## Anticipated LEP engagement with planning system/planners (post-Growth Deal, next 3 years)

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<th>Activity</th>
<th>High to Low</th>
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<tr>
<td>Provide a business perspective/voice</td>
<td></td>
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<tr>
<td>Act as a consultee on plan-making process (e.g. Local Plans)</td>
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<tr>
<td>Act as a consultee on strategic planning applications</td>
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<tr>
<td>Work with the HCA to prepare/deliver Local Investment Plans</td>
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<td>Produce infrastructure plans/frameworks</td>
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<td>Use of local authority Local Development Orders</td>
<td></td>
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<tr>
<td>Prepare ‘Planning Charters’, multi-area planning accords or MoUs</td>
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<tr>
<td>Devise a fast track planning process for major/strategic projects</td>
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<tr>
<td>Coordination role to help reach cross-border стратегic planning consensus</td>
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<tr>
<td>Collaborate with adjoining LEPs on planning issues including minerals planning, managing and mitigating flood risk, waste management and disposal</td>
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Major planning challenges: LEP perspectives

- Slow decision-making process and planning delays
- Lack of employment land allocations
- “Out-of-date” nature of local plans
- Lack of alignment between local plan
- Lack of housing allocations
- Insufficient LEP influence on local planning decisions
Observations and implications

“No strategy - fewer houses.”

Britain’s not building.
LEPs are under pressure to make an instant impact – deliver “quick wins”

LEP reliance on in-kind support/external consultancy

Some have worked closely or even “as one” with local authority planners and/or a joint planning team

Most LEPs indicated that they monitor Councils’ progress in bringing forward local plans

Some foresee no need of doing this

LEP engagement with planners/planning system has and continues to increase

Plans to expand proportion of research, planning and strategy staff varies
• SEPs have no legal basis – they are “soft” strategies
• Their planning content is highly variable
• SEPs are unlikely to prove robust enough to prevent local plan conflicts

• But ...

• They exert “soft” growth pressure on protected landscapes
The Growth Deal process has increased the importance of strategic planning (in the eyes of LEPs)
• Growth Deals are light on freedoms, flexibilities and influence
• Lack individual distinctiveness
• Focus was on (capital) project funding
• Potential disconnect with those SEPs which could be described as long-term strategic spatial plans
Credits

- The research project is funded by the RTPI SPIRe Fund
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Further material


Questions?

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