

Introduction

1. The Royal Town Planning Institute (RTPI) is the largest professional institute for planners in Europe, with over 23,000 members who serve in the public service and as advisors in the private sector. It is a charity with the purpose to develop the art and science of town planning for the benefit of the public as a whole. As well as promoting spatial planning, RTPI develops and shapes policy affecting the built environment, works to raise professional standards and supports members through continuous education, training and development.
2. The RTPI welcomes the fact that the BIS Select Committee has chosen the subject of Local Enterprise Partnerships as a subject for an Inquiry. The RTPI welcomes the concept of LEPs but is very concerned that there is the need for more thinking on their nature and role. The Select Committee inquiry will, we feel, contribute greatly to that thinking.
3. The RTPI has noted the terms of reference of the Inquiry and the topics in which the Committee is particularly interested. In this evidence we concentrate on those aspects of LEPs which are most relevant to our primary concerns of spatial policy and investment and community engagement. The evidence therefore covers:
 - The role of LEPs in relation to planning;
 - The Interrelationships between LEPs and the existing and proposed planning systems;
 - LEPs and public involvement

Government Guidance and Timing

4. Before addressing the above issues, the RTPI wishes to raise the issue of guidance on the nature of LEPs related to the timing for their creation.
5. The joint letter¹ sent to Councils and business leaders from the Business and Communities Secretaries asking them to prepare outline proposals for new local enterprise partnerships took a *de minimus* approach to spelling out the nature and purpose of LEPs. There is some guidance in the Government's *Consultation on the Regional Growth Fund*² which sets out the role of LEPs in broad terms but this is not a clear guide against which outline proposals can be evaluated – if such evaluation is to take place.

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¹ <http://www.communities.gov.uk/documents/newsroom/1626430.pdf>

² Department for Business, Innovation and Skills, Communities and Local Government and HM Treasury (2010) *Consultation on the Regional Growth Fund*, July
<http://www.bis.gov.uk/assets/biscore/regional/docs/c/10-1078-consultation-regional-growth-fund.pdf>

6. The RTPI fully acknowledges that this reflects an overall stance by the Coalition Government that it is not the role of Government to constrain innovative thinking and solutions by prescribing the form of Government initiatives too closely and we feel that innovative solutions may be encouraged by this approach.
7. However, we are concerned that there is not sufficient information against which outline bids may be evaluated; that, in the absence of such guidance, those outline proposals may need to be modified later; and that guidance and, perhaps, a statutory purpose, may be published after the outline proposals have been formulated.
8. Indeed more guidance is promised. The Government's *Consultation on the Regional Growth Fund* states that:

The forthcoming White Paper, to be published later this summer, will set out more details on local enterprise partnerships
9. Additionally, LEPs are to be given a statutory basis. The Government has stated that the main elements of the Decentralisation and Localism Bill³ include: *Create Local Enterprise Partnerships (to replace Regional Development Agencies)*. This is reinforced in the Department's *Structural Reform Plan*⁴ which states (p.14) that LEPS will be created in the Localism Bill which is due to be passed in November 2011.
10. Given this, the RTPI wonders why it was felt necessary to seek outline proposals within such a short timescale.
11. The statutory basis may not necessarily include an indication of the purpose of LEPs – although it may be prudent to do so. It is worth remembering that, under the Regional Development Agencies Act 1998, each Regional Development Agency has five statutory purposes, which are:
 - *To further economic development and regeneration;*
 - *To promote business efficiency, investment and competitiveness;*
 - *To promote employment;*
 - *To enhance development and application of skill relevant to employment;*
 - *To contribute to sustainable development*⁵.
12. It may well be useful for LEPs to have similarly stated purposes against which their performance and value for money can be evaluated. It is clear that such an evaluation process will happen. BIS's *Evaluation Strategy*⁶ – published in August 2010 – which commits BIS to: *undertake a consistent evaluation process for major departmental policies to improve the effectiveness of evaluations and efficiency of results*, states that:

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³ <http://www.number10.gov.uk/queens-speech/2010/05/queens-speech-decentralisation-and-localism-bill-50673>

⁴ BIS (2010) *Department for Business, Innovation and Skills: Draft Structural Reform Plan*, July
<http://www.bis.gov.uk/assets/biscore/corporate/docs/b/10-1086-bis-draft-structural-reform-plan.pdf>

⁵ <http://www.bis.gov.uk/policies/regional-economic-development/englands-regional-development-agencies>

⁶ BIS (2010) *Evaluation Strategy: The role of evaluation in evidence-based decision-making*, August
<http://www.bis.gov.uk/assets/biscore/economics-and-statistics/docs/E/10-1098-evaluation-strategy-evidence-based-decision-making>

Emerging priorities for monitoring and evaluation at this time include: Local Enterprise Partnerships (LEP).

13. Both the achievement of the Government's wider objectives and a rigorous system of evaluating the means by which these are achieved both demand clarity on the role and purpose of the processes and bodies that have been established. The RTPI believes that there is not yet that clarity associated with LEPS.

The spatial planning role of LEPS

14. The joint letter sent to councils and business leaders from the Secretaries of State for BIS and CLG asking them to prepare outline proposals for new local enterprise partnerships stated:
Partnerships will ... want to create the right environment for business and growth in their areas by tackling issues such as planning and housing, local transport and infrastructure priorities, employment and enterprise and the transition to the low carbon economy.
15. As has been seen, this has been reinforced in the Government's *Consultation on the Regional Growth Fund* which states that:
We are keen to understand how you envisage local enterprise partnerships interacting with local authority-led decisions, particularly where they impact significantly on the economy, for example on planning, transport, housing and local asset management.
16. The RTPI very much welcomes this encouragement to those putting forward outline proposals to include some form of planning function in those proposals and we view this stated link between business and growth and planning as being crucial in attempting to (re)establish integrated relationships between spatial planning and economic development.
17. Indeed, we cannot see how LEPS can fulfil their main stated function:
*to provide the strategic leadership and long-term vision for the private sector-led economic renewal of their area*⁷
without a clear understanding of the role of spatial planning in achieving economic renewal and development. The coordination of separate but adjoining local authorities for the purposes of addressing issues of future growth and development is surely one of their key *raisons d'etres*.
18. Given this, we find it disappointing that an even greater emphasis is not given to the role of LEPS in terms of planning. Added to this, and equally importantly, it is clear that there will not be complete coverage of England by LEPS. One estimate⁸ at the end of July was that there may be some 40 LEPS. Thus, significant parts of the country will be left without the benefits of LEPS and will have to achieve 'strategic leadership and long-term vision' through other, more ad hoc, means. If there is not national coverage, some parts of the country will be at a

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⁷ Department for Business, Innovation and Skills, Communities and Local Government and HM Treasury (2010) *Consultation on the Regional Growth Fund*, July

<http://www.bis.gov.uk/assets/biscore/regional/docs/c/10-1078-consultation-regional-growth-fund.pdf>

⁸ Allister Hayman, 30th July 2010, *Local Government Chronicle's: LEPS: A swot's guide*

<http://www.lgcplus.com/briefings/services/economic-development/leps-a-swots-guide/5017743.blog>

disadvantage (regarding public investment) and their strategic planning issues (if addressed at all) may well be taken on by national government.

19. In this context, it is worth noting that the forthcoming White Paper will be looking at the overall role of planning in relationship to investment and growth. BIS's *Strategy for Sustainable Growth*⁹ states that:

With Communities and Local Government (CLG) and HM Treasury, we will be publishing a White Paper on sub-national growth. It will ... set out the Government's approach to improving incentives for local economic development [and] increasing the ability of the planning system to support investment and growth ...
20. For all these reasons, the RTPI strongly believes that the vacuum left by the revocation of Regional Spatial Strategies (RSSs) and intended abolition of them and of the Regional Development Agencies, Regional Leaders' Boards and Government Offices for the Regions has not been filled by Local Enterprise Partnerships and that it is disingenuous for Government to suggest that LEPs in some way 'replace' RDAs.
21. Instead, the RTPI hopes that the further guidance promised in the forthcoming White Paper will set out aspects of these new relationships in a positive and constructive way.
22. Whether or not this is their stated aim, LEPs will, and need to, provide strategic guidance for local development framework preparation. Without this there is a real danger of individual core strategies becoming incremental and uncoordinated. The 'vision' is necessary because small scale LA areas do not function in isolation from one another and there is a real need to coordinate the provision of infrastructure, plan to limit commuting, protect and improve the environment, share community facilities and ensure an adequate supply of housing.
23. It may be desirable in some places for LEP plans to have a statutory basis in forming a joint LDF core strategy leaving individual Local Planning Authorities to produce neighbourhood or Area Action Plans (e.g. the legislation for LEPs could be set up with the intention of enabling appropriately constituted LEPs to act as the joint committees for the purposes of preparing joint core strategies). However, this would need proper consideration both in the drawing of LEP boundaries and in framing legislation.
24. Just as it is important to be clear about the overall role of LEPs in relation to spatial planning and investment (the next section of this evidence covers the interrelationships inherent in this role), so there is the need to focus on specific aspects of that role. Two examples may suffice to illustrate this point.
25. First, it is recognised that one of the drivers for private sector-led economic renewal and development is the existence and the encouragement of spatially based 'clusters' of particular

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BIS (2010) *A Strategy for Sustainable Growth*, July

http://interactive.bis.gov.uk/comment/growth/files/2010/07/8782-BIS-Sustainable-Growth_WEB.pdf

industries and of the skills and knowledge support that they require. Such clusters will include, for example, aerospace and medical industries¹⁰. BIS currently recognises that¹¹:

In England, the RDAs are pivotal players in facilitating the development of clusters, working closely with local authorities, trade associations and business bodies and providers of education, training and research.

26. It is not clear how – or whether this ‘pivotal’ role will be played by LEPs or, indeed, whether the geographical boundaries of the putative LEPs will be aligned with the optimum area to support such clusters. If it is not, then this will be a wasted opportunity.
27. The second example is the role of planning at the sub-regional level to promote the highest quality for significant economic development. At present most RDAs support (at arm’s length) an independent design review process in relation to regionally significant planning applications. This function is under threat because the funding will be lost and local authorities (whether in LEPs or not) do not have the resources, expertise or independence to undertake this function. This is another area in which an LEP as promoter of high-quality sustainable economic development should have a clearer and more explicit role.

Relationship of LEPs to the existing and proposed planning system.

28. Whilst an LEP for a single local authority area is not ruled out, the great majority of LEPs will occupy a position in terms of planning and spatial investment between local and national planning.
29. In this case, planning and spatial investment are seen in their widest sense to include at the local and sub-regional levels; Local and Multi Area Agreements, Sustainable Community Strategies, Local Transport Plans, Local Housing Strategies and initiatives such as local infrastructure delivery plans, Total Place and place-based budgeting. There is also the need for LEPs to establish a relationship with existing statutory bodies including, for example, Integrated Transport Authorities and Infrastructure UK (I-UK).
30. At national level, it will include the Government’s proposals for National Planning Framework (included in the Coalition Agreement, published on 20th May 2010¹²), a National Infrastructure Plan (announced in the 22nd June 2010 *Budget Report*¹³, para 1.83) and a range of existing national policies.
31. For example, DEFRA launched a consultation on a natural environment White Paper on 26th July 2010¹⁴ and of waste policy on 29th July¹⁵ and the Department for Business, Innovation and

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- ¹⁰ Clusters in the UK and Europe are shown at <http://www.clusterobservatory.eu/index.php?id=2&nid>
- ¹¹ <http://www.bis.gov.uk/policies/regional-economic-development/clusters-in-the-uk>
- ¹² HM Government (2010) *The Coalition: our programme for government* http://www.cabinetoffice.gov.uk/media/409088/pfg_coalition.pdf
- ¹³ HM Treasury (2010) *Budget 2010*, HM Stationery Office http://www.hm-treasury.gov.uk/d/junebudget_complete.pdf
- ¹⁴ <http://www2.defra.gov.uk/our-responsibilities/nat-environment/>
- ¹⁵ <http://www.defra.gov.uk/corporate/consult/waste-review/index.htm>

Skills (BIS) published *A Strategy for Sustainable Growth*¹⁶ on 20th July 2010. Additionally there are a number of extant national policy documents for these areas from the previous administration including, for example:

- The Government's 2009 *The UK Low Carbon Transition Plan: National strategy for climate and energy*¹⁷;
- The 2009 *UK Renewable Energy Strategy Consultation*¹⁸;
- The Department for Transport's 2008 *Delivering a Sustainable Transport System*¹⁹; and 2010 *High Speed Rail* documents²⁰; and
- DEFRA's 2008 *Future Water: The Government's Water Strategy for England*²¹.

32. It needs to be borne in mind that LEPs will be appropriate for some levels of infrastructure planning but not all. For example major roads and other transport infrastructure is best planned at a national level in the National Planning Framework, whilst primary health care, education and skills, local transport (including public transport), higher level recreation facilities are best planned at the sub-regional level.
33. In highlighting these relationships, the RTPi is not advocating a complex hierarchical system of policy making. Nor is it arguing for a return to a past system. Before the 2010 General Election, the RTPi had already stated in its *Manifesto for Planning*²² that:
We need plans above the local level to deliver development and infrastructure that crosses administrative boundaries, but there is a lack of faith in the current system of regional planning. There must be strategic plans for meaningful areas at the wider than local scale, that relate to the areas in which people live and work and to natural ecosystems, to enable options to be considered and conflicts resolved in an open and accountable manner.
34. Instead, we are pointing it out that it is clearly very important to understand the relationship between different existing and proposed types of planning policy making and to ensure that LEPs serve as an integral means of achieving both the Government's and local communities' aspirations and agendas. It is equally important to ensure that the same task – such as local infrastructure planning - is not being undertaken by different bodies working to different priorities and goals.
35. However, once again the RTPi looks in vain for any encouragement for those proposing LEPs to demonstrate how they will work within an existing planning and investment system or relate to the Government other proposals and, importantly, how they will add value to that system.

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¹⁶ http://interactive.bis.gov.uk/comment/growth/files/2010/07/8782-BIS-Sustainable-Growth_WEB.pdf

¹⁷ http://www.decc.gov.uk/en/content/cms/publications/lc_trans_plan/lc_trans_plan.aspx

¹⁸ http://www.decc.gov.uk/en/content/cms/consultations/cons_res/cons_res.aspx

¹⁹ [https://www.liftshare.com/business/pdfs/Dft%20-](https://www.liftshare.com/business/pdfs/Dft%20-%20Delivering%20a%20Sustainable%20Transport%20System%20-%202008.pdf)

[%20Delivering%20a%20Sustainable%20Transport%20System%20-%202008.pdf](https://www.liftshare.com/business/pdfs/Dft%20-%20Delivering%20a%20Sustainable%20Transport%20System%20-%202008.pdf)

²⁰ <http://www.dft.gov.uk/pgr/rail/pi/highspeedrail/>

²¹ <http://www.defra.gov.uk/environment/quality/water/strategy/pdf/future-water.pdf>

²² <http://www.rtpi.org.uk/download/9076/RTPi-Manifesto-for-Planning-2010-full.pdf>

Community engagement in LEPs

36. Successful localism is inextricably linked to successful community engagement. This means balanced and inclusive engagement with all those in a neighbourhood or wider area. The community need to be able to influence not only local politicians but those charged with responsibility for the economic future of their areas.
37. Community engagement will not provide all the answers to the economic issues facing an area, but it will enable the community to identify those aspects which are of greatest concern to them and the solutions they feel will best fit their local circumstances and is at the heart of a localism approach.
38. Transparency and accountability will, therefore, be key requirements for a successful LEP. The LEPs need to work co-operatively with local people to develop credibility and trust, which in turn will feed through to more flexible and creative responses to the economic and other matters which the LEPs are to be tasked with tackling, and in doing so provide a stable foundation on which to manage future change and uncertainty.
39. Since the Skeffington report *People and Planning* was published in the late 1960s²³ there has been a widespread acceptance that community engagement in planning brings real benefits to the process. Since then there has been a steady growth in public engagement in the planning system and other areas of public service provision. The 'localism' agenda takes this engagement a step further and has raised strong expectations in local communities about the extent of influence which they will be able to exert upon decision makers and decision takers.
40. If the LEPs are to become involved in the development of a long-term vision, then there is a need to ensure that the community - including the 'hard to reach' and disadvantaged - have an opportunity to comment on and shape the future of planning policy within their areas. Local communities will have also very clear views on the infrastructure priorities within their area and how they would prioritise its delivery. These views need to be captured and reflected in the decision making processes and connected with decisions on housing, transport etc, with the connections being made clear to those who are consulted.
41. There will be a need for each LEP to work with the local communities and businesses (small and large) within their area to understand the issues which they face with regard to matters such as access to work, availability and suitability of premises, skills etc. In particular, for those who are economically disadvantaged or excluded, there is a need to explore with them solutions which deliver a longer term sustainable future. Exclusion not only has a significant adverse economic impact, but also negative social effects with unemployment directly linked to increased poverty, poor health and low educational standards.
42. To achieve real engagement there is a need for the LEPs to recognise that it is often necessary to build social capital through the provision of knowledge and skills in the most disadvantaged areas before genuine and inclusive engagement can happen. In doing this they will not only

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People and Planning Report of a committee chaired by Arthur Skeffington MP, Ministry of Housing and Local Government, Scottish Development Department, Welsh Office, HMSO, 1969

assist in realising the aspirations articulated through the 'localism' changes, but in doing so leave behind a community better placed to realise its social and economic potential.

43. Given all this, the RTPI considers it regrettable that neither the joint Secretaries of States' letter nor the description of the roles of LEPs in the Growth Fund consultation mention the role of the communities in shaping and being part of implementing the long-term vision called for. We will look to the forthcoming White Paper to rectify this omission and to demonstrate that the concept of localism, which is stated to be at the heart of the Government's agenda, applies equally to economic policy and development.

Conclusion

44. The RTPI is positive about the potential inherent in Local Enterprise Partnerships for integration and for setting out and helping to implement a vision for the economic development of different areas. We are pleased that such guidance as does exist does state the need to look at the roles that LEPs should play in terms of planning, transport and housing.
45. However, in this evidence, we raised a number of issues which remain unclear and on which there is the need for greater thought and advice. One conclusion from this evidence is that the current (at the time of writing) call for outline proposals for LEPs may be premature in advance of responses to the consultation on the Regional Growth Fund, the further guidance promised in the White Paper and, even, in advance of the draft clauses related to LEPs in the Decentralisation and Localism Bill.
46. The RTPI recognises that the outline proposals received by the Government may well inform further guidance and the nature of the statutory basis for LEPs but, we feel that such thinking may have been better generated by Government engagement and consultation with stakeholders and community groups on this specific proposal. Given this, we look forward to the recommendations arising from this very welcome inquiry by the BIS Select Committee.
47. The RTPI would be pleased to add to and elucidate any of the points made in this evidence, either in writing or in oral evidence to the Select Committee.

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