The governance of economic regeneration in England: Emerging practice and issues

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Abstract

How spatial economies are governed across the different places of England recently (re)commenced a process of fervent renegotiation following the 2010 election of a coalition government. As the third paper in a series examining state-led restructuring of sub-national development, the principal concern and analytical focus of this paper is the evolving governance landscape. Based on a review of Local Enterprise Partnerships (LEPs), the state reterritorialisation strategy is explored. Analysing the motives, interests, attributes and accountability of some primary actors entangled in these new and recast multilevel governance networks, the paper directs some much needed critical attention towards ‘the who’ aspects of economic regeneration partnership working. The paper argues that if LEPs are to be understood as a radical departure from what has gone before, then the form and mode of governance must, in turn, undergo a radical transformation of substance that transcends symbolic politics.

Keywords: Local Enterprise Partnerships, governance, economic regeneration, sub-national development, urban policy, partnerships

INTRODUCTION

In comparison with other fields of public policy, the practice of economic regeneration faces sustained and severe challenges, including prioritisation and direction, political support, coordination, funding and delivery.¹ In this respect, measuring and evaluating the outcomes and effectiveness of economic regeneration interventions has been fraught with difficulties.² Such challenges are further complicated by the temporal aspects of regeneration, which require an ongoing ‘commitment’ beyond the initial act of mobilisation. This is particularly pertinent given that intervening in spatial economies, attempting to facilitate growth, or simply cheering from the sidelines remains a discretionary local authority activity in England (despite the statutory duty, as set out in the Local Democracy, Economic Development and Construction Act 2009, to assess the local economy through Local Economic Assessments).³ In addition, attempts to regenerate territorial, defined ‘local’ places are contingent and recursively interacting with a global space of ‘flows’,⁴ which adds another dimension for theorists and practitioners to grapple with.

The economic turmoil that made its mark in 2007 and plunged many countries into a recession — and continued to cast a dark cloud over global economic growth at the time of writing — fundamentally
altered the economic regeneration landscape from the USA to the United Arab Emirates. With recognition that the ‘old’ practice of regeneration is ‘broke’, in the sense that it is no longer financially viable or socially just, new strategies are required for places embarking on the next ‘wave’ of place-shaping. It is against this backdrop that English sub-national development is (once again) at the crossroads, with a coalition government seeking new ways of working in order to ‘rebalance’ the economy. Albeit, the Coalition’s road-map has limited signposts, or in the words of one practitioner; ‘little guidance, but [government] approval still needed’. Perhaps causing greater angst is the scale and intensity of the Coalition’s deficit reduction plan, which has prompted some to enquire whether regeneration has been temporarily condemned in response to the termination of flagship programmes, depleted funding streams and redundancies across the sector. Following the government’s lacklustre regeneration policy statement, which posed cause for concern for the House of Commons Communities and Local Government Committee, civil servants have been at pains to suggest publicly that ‘regeneration is not dead’, but ‘different’. Consequently, economic regeneration in an age of austerity presents a considerable challenge for those who operate in England, Europe and other parts of the world. It is from this angle that this paper presents broader, international appeal.

The broad contours of change, space of transition, policy direction, and the crafting and state assessment of Local Enterprise Partnership (LEP) bids having already been mapped out in previous papers, this paper — the third in a series — continues a critical engagement with the issue of state territorialisation. Specifically, the principal concern and analytical focus of this paper is the evolving landscape of the governance of economic regeneration. Through the lens of the deterritorialisation of regional administrative units, such as Regional Development Agencies (RDAs), and reterritorialisation by way of LEPs (larger-than-local, ‘functional’ economic sub-regions), some primary governance issues that have arisen (to date) are explored. As the contours of regional institutional relations have been and continue to be rescaled, new interests have become entangled in processes to locate new power relations, patterns of working and spatial boundaries. The process of state-led restructuring can therefore be linked more broadly to the Coalition Government’s objective of reformulating state-society relations, often linked with the discourse of ‘localism’ and the ‘Big Society’ political slogan.

The Coalition refrained from legislating a statutory role for LEPs. Governance arrangements alongside geographies, organisational forms, economic priorities and functions were all left to local determination, which could be viewed as a positive step in implementing localist policy. In this sense, LEPs have the potential to be much more diverse than RDAs — presumably more attuned to local priorities — yet their non-statutory role could result in many LEPs that are a pallid ‘replacement’ for RDAs. See, for example, Bentley et al., who draw attention to the Coalition’s centralisation of many important economic regeneration policy levers, powers and resources. The Coalition’s desire for radical change was preoccupied with difference at the expense of improvement, as LEPs were hurriedly conceived as a countervailing policy. Therefore, less consideration was given to the manner of difference beyond the oratory of ‘a new deal for local regeneration and economic development’ (ref. 18, p. 2). It could be argued that in the haste to be different while preoccupied with macroeconomic instability and reducing the budget deficit, symbolic politics has accentuated the appearance of difference and obfuscated the tangible mechanics of difference. Critical interpretations of the Coalition’s economic
regeneration policy point towards the lack of funding and powers as the primary differences.\(^\text{17}\) Even following the publication of the Local Growth ‘White Paper’,\(^\text{9}\) shadow and emergent LEPs found themselves in the unenviable position of not knowing what function they were to perform (ie strategic, commissioner, deliverer, lobbyist, or an advisory entity). The upshot of insisting on the removal of regional machinery and instituting LEPs as replacements of sorts, is the scope for local ingenuity, enterprise and creativity. Hence, the permissive approach espoused from government has raised some interesting governance issues, which this paper investigates.

Understanding that ‘the who’ aspects of regeneration are typically less prominent in policy evaluations and academic examinations than what happens in regeneration, ‘the how’,\(^\text{19}\) this paper serves to help redress this research imbalance. The aim is to analyse the empirical shapes of governance that hitherto have been neglected. Derived from a conceptual grounding in relevant literature, the paper questions and explores the extent to which LEPs and their governance differs from the past, examines the forms of governance that are emerging, highlights the different interests that are informing the LEP debate and considers issues of accountability. By drawing on the genesis of the LEP project, the paper focuses on a policy that has continued to gather momentum\(^\text{20}\) to an extent that some analysts adjudge LEPs to have ‘establish[ed] themselves at the heart of the Government’s growth policy’ (ref. 21, p. 1). Accordingly, a primary goal of the paper is to interpret the emerging trends and focus on some research findings that will be of interest to both practitioners and academics. Alongside this, some aspects of theory and broader policy implications are considered.

The paper was inspired by the author’s practical engagement with LEPs while employed by a large Northern local authority to lead their professional input into the development of LEP propositions to government, and subsequent LEP-related activities including shadow arrangements, board recruitment and the formulation of an Enterprise Zone proposal. These experiences in the field from the vantage of a participant observer have been supplemented with additional empirical research. Based on a review of the initial 62 LEP bids and subsequent publications from the 38 state-sanctioned LEPs (to date), media bulletins, conference speeches, seminars, workshops and other modes of policy chatter, conversational interviews with local politicians, business interests, civic actors, local authority officers and civil servants, the paper is interspersed with examples of emergent practice. More recently, the author joined a research team monitoring the transition from RDAs to LEPs. Consequently, the paper has also been able to draw on a small number of face-to-face and telephone interviews. All direct quotes either relate to these latter interviews or paraphrase a view that has been expressed by more than one actor while undertaking participant observation.

The next substantive section provides the paper with a succinct theoretical grounding of the ‘shift to governance’ and the elevation of partnership working over recent decades in policy discourse, practice and literature as almost a necessity to tackle regeneration objectives. The third section examines the reterritorialisation motives underpinning the configuration of LEPs. The fourth section analyses the empirical shapes of governance that emergent LEPs have taken and the issue of accountability. The related matters of interests and attributes are tackled in section five, before the paper concludes with some emergent themes and policy implications in the final section.
ECONOMIC GOVERNANCE AND REGENERATION PARTNERSHIPS

The engagement of private bodies in urban affairs in England and abroad has an extensive lineage closely aligned with the process of urbanisation. Reacting to a crisis of more traditional modes of governing by government, over recent decades there has been a notable ‘shift to governance’. Some scholars, such as Bob Jessop, have argued that there has been a ‘hollowing out’ of the state: upwards to supranational organisations, downwards to sub-national entities, and outwards to non-governmental actors and/or societal members. Examples include the European Union, RDAs and private business interests, respectively, which draws attention to the multiple levels of governance. Consequently, new geographies of governance emerged, each with variable degrees of supportive institutional architecture, legislative powers, political backing, policy prescriptions, funding, democratic accountability, styles of leadership, public participation, scrutiny and monitoring. Such a process has been termed ‘filling in’, which draws attention to ‘the sedimentation of new organisations’ and evolution of new modes of working. To distinguish between ‘government’ and ‘governance’, for the purposes of this paper, the former can be conceptualised as more formal, regulatory with a clear democratic mandate, whereas the latter is often less formal, with those possessing the capacity to act dispersed across a broader array of societal members. Haus and Klausen have recently pointed out that ‘governance is not ‘governing without government’, but instead comprises collective practices of framing and targeting problems, namely, practices in which governmental actors play a crucial role, but for the success of which societal actors are also increasingly relevant’ (ref. 1, p. 258). Yet governance activities are not necessarily the answer to consensual policy-making. More inclusive forms of governing, for example, can often produce disputes and contestation. Hence, Jessop notes that networks of governance are just as likely to express hegemonic strategies as other modes of governing. Nevertheless, in negotiating and grappling with the challenges of the practice of regeneration, some ‘solution’ is invariably required ‘to be found’.

Conceptualising Local Enterprise Partnerships

Drawing on a review of literature summarised above, LEPs can be conceptualised as multi-level governance arrangements in which an amalgam of sectoral, governmental and non-governmental societal actors with different spheres of influence or jurisdictions come together to achieve or support some shared objectives. This coming together constitutes a horizontal spatial network whereby individual network actors ‘exercise different levels of power, authority, and action to determine “who gets what?” and “who decides?”’ (ref. 27, p. 646). Even so, the notion of LEPs remains vague, with some stakeholders sceptical about the powers they may exercise and the influence they wield. As one respondent put it; ‘what will they actually do?’.

Contemporary multi-level economic governance networks increasingly occupy ‘softer spaces’, utilising informal processes and exchanges to conduct business. Frequently, these are the spaces where deals are struck and where ‘public’ decisions are taken. Governance networks can therefore be understood as a technique to legitimise strategies, influence decisions and exercise power. Consequently, they tend to include some actors and exclude others, often displaying self-selective tendencies: favouring those with the capacity to act. LEPs, therefore, represent new scalar forms of organisation or territorial permanences by which economic problems can be reframed and (alternative) solutions proposed.
reterritorialisation, a politics of scale, controls engagement with different actors (the who) as well as the circumstances under which engagement is permitted (the where and how).

The partnership ideal: an economic regeneration panacea?
The term ‘partnership’ and its links with urban policy can be traced back to the ‘Inner City Partnerships’ referenced in the 1977 Inner Cities White Paper, but they have a much longer regeneration pedigree. Ball and Maginn for example, cite nineteenth-century London housing trusts as the precursors to modern day regeneration partnerships. The reinvigoration of the ‘partnership ideal’ since the 1970s has continued to gather momentum to the extent that New Labour policy presented it as a ‘near-compulsory model’. A preference for a partnership mode of working — in terms of economic regeneration and the broader field of public policy — appears unlikely to alter significantly under the Coalition Government, although the power relations between public-private-community interests are subject to change, as are central-local power relations. For example, LEPs, despite their potential local specificity, are anticipated to direct more attention towards (economic) opportunities and business requirements, which is likely to be to the detriment of community (regeneration) needs.

The rationale for partnerships as an economic regeneration panacea was in part a recognition of prior mismanagement and uncoordinated intervention, alongside other imperatives such as drawing on additional expertise and leveraging the private-pound. The latter has often been used to unlock state and European funding. Also, partnerships express an experimental ethos and innovative capacity, and they offer a spatial solution to the coordination of diverse strands of government. Owing to some of these reasons, economic regeneration partnerships tend to cajole private sector actors in order to realise ‘public’ regeneration ambitions. On this basis, it has been noted that ‘partnerships have gained prominence because they seem to solve simultaneously the policy problems of finding the money for urban regeneration, involving local communities and enabling the state to steer the outcomes’ (ref. 32, p. 10).

As a cornerstone of urban policy, both area-based initiatives and more strategically-focussed regeneration strategies governed and managed through partnership arrangements have proliferated. Indeed, over recent decades, many centrally-administered regeneration programmes have specified the need for governance and/or delivery through partnership (eg City Challenge, Single Regeneration Budget, Neighbourhood Renewal Fund and Local Enterprise Growth Initiative).

Theoretically, regeneration partnerships are a vehicle providing a greater degree of local autonomy and the capacity to shape places. However, the micro-politics of power relations within partnerships dictate that ‘who decides?’, which effects ‘who gets what?’, is an unequal practice. ‘Partnership’ is not a neutral term, but is a discursive formation that plays a crucial part in framing the role, remit and operation of strategies, programmes and interventions. It is unwise to assume that a partnership must be inherently ‘good’ or ‘better’ than other alternatives. Critiquing the passive nature of regeneration partnerships, Robinson and Shaw have found that ‘the community’ has struggled to penetrate such ‘closed’ systems of decision-making, dominated by public sector stakeholders such as local authorities and unaccountable business interests. More specifically, the same ‘faces’ representing private interests tend to appear on a diverse array of partnership boards with alarming regularity. It is these ‘faces’ and serial networkers that have transformed partnership engagement into a full-time, quasi-professional undertaking. More
positively, an interviewee reflected that these actors perform an intermediary role crucial to any business operation, making comparisons with football agents. The ‘shock’ of the multiplicity, complexity and disjointedness of new regeneration partnerships also bemuses residents,\(^38\) which goes some way to support the need for ‘faces’ that are members of several partnerships, often with overlapping horizontal spatial networks. Unfortunately, the outcome is that many partnerships are ‘closed’ to ‘the community’ that they purport to regenerate. Other challenges of partnership working include fragmentation, conflicting time horizons, problems of accountability, lengthy decision-making procedures and blurring of policy responsibility.\(^32,34,39-41\) In recognition of such ‘partnerships traps’, there is broad consensus of the importance of working ‘strategically’, although operationalising strategic practice is more contested.

Despite wide-ranging and notable critiques of the practice of partnerships, as a notion and mode of working, it remains firmly positioned as the modern orthodoxy in urban policy, economic governance and regeneration delivery. Contemporary ‘strategic’ economic regeneration partnerships operate within, and engender, a great variety of governance arrangements, but nevertheless a review of relevant literature and the author’s survey of practice revealed some central characteristics of primary relevance to this paper:

— membership composed of cross-sector, governmental and non-governmental societal interests;
— a prominent and/or privileged role for business interests;
— general principle to involve, particularly those from ‘the community’;
— a back-seat, but omnipresent and powerful role of the state.

This conceptual grounding gives rise to a series of questions pertaining to the governance of LEPs, which will be explored in the remainder of the paper:

— Are LEPs merely refashioned governing entities of what has gone before and could LEPs therefore be considered ‘business as usual’?
— What empirical forms of governance are emerging across the LEP landscape?
— What interests are informing the LEP debate at the local level and what issues of accountability arise?

**BUSINESS AS USUAL?**

This section examines whether LEPs are radically different governance networks to previous arrangements or whether beneath a symbolic politics of difference, they exhibit a ‘business as usual’ approach.\(^16\) In doing so, some of the primary motives underpinning the reterritorialisation of the governance of economic regeneration are revealed.

**Shifts in appearance?**

On the one hand, many pre-existing governance networks appear to have almost seamlessly shifted in appearance so as to align with the Coalition’s LEP configuration. Such continuity may yield significant advantages, including the costs associated with establishing new partnerships. A symbolic rebranding exercise, disguising operational continuity, is not surprising, considering that an abundance of cross-
sector, cross-boundary, functional partnerships of ‘common’ interest operated under New Labour (and before), albeit manoeuvring in a congested space of sub-national governance.

Even extant multi-level governance networks that may appear or claim to have merely rebadged or rebranded to align with the latest policy trend if only to be eligible for any future funding or responsibilities (as one senior LEP executive officer, who had successfully sought LEP status, put it) are likely to undergo some transformative shifts. Not least because core funding from RDAs that was used to prop-up these partnerships financially terminated at the end of March 2011 or earlier, and alternative sources appear inadequate. For example, budget pressure on local authority resources (due to an overreliance on central government for approximately three-quarters of their income) has prevented many from investing anything more than nominal sums; and direct national funding — in the form of a £4m capacity fund over four years and a one-off £5m Start-up Fund — is little more than tokenism, a symbol of political support, especially when compared with the combined annual budgets of RDAs (of £2.3bn at their peak) and their substantial land and property holdings (circa £300m). 42 Considering the demise of many area-based regeneration delivery vehicles, such as Urban Regeneration Companies (URCs) and City Development Companies (CDCs), alongside the abolition of RDAs by March 2012, LEPs that appear to have rebadged have been presented with new opportunities as well as some significant challenges. For example, as the landscape becomes less cluttered, sub-national economic regeneration attention is now firmly focused on LEPs, which in turn generates new or amplified expectations. Indeed, the business community in particular has vociferously posed questions relating to where future support will be coming from.

From a situation where many sub-national entities were vying for attention under Labour, the next phase for LEPs will test their delivery credentials (in terms of outcomes as well as discrete projects). As calls from different quarters about the achievements of LEPs will inevitably grow louder, 43 LEPs may find it more productive if they switch their attention from the support that central government may/could/should provide, to what the collective LEP’s horizontal spatial network can mobilise, influence and deliver. Looking for solutions ‘from within’ could provide a powerful mechanism for lobbying central government. Indeed, drawing on local ingenuity could help LEPs become less susceptible to central government policy tinkering.

New spatial alliances
On the other hand, some localities opted to renegotiate spatial alliances, which resulted in the formation or formalisation of some alternative horizontal spatial network. While the circumstances surrounding LEP formation were locally distinct, some general trends are discernible. First, local and national politics played a decisive role in the process. For example, local politics led to several fractured LEP bids (eg the politics north and south of the Humber estuary) and the Communities Secretary, Eric Pickles, appeared to play a less-than-permissive role in the Kent, Essex, Medway, Southend, Thurrock and East Sussex proposal, which now operates as the South East LEP. Secondly, the ‘freedom’ of forming new alliances across supposedly ‘natural economic areas’, especially those transgressing regional administrative boundaries, afforded new opportunities, such as the Sheffield City Region LEP, which has a membership spanning South Yorkshire and the northern part of the East Midlands. While cross-sector and cross-
boundary partnership arrangements were arguably constrained in terms of influence by Labour’s regional institutions, the demise of RDAs, in particular, encouraged some localities to take a fresh look at spatial alliances, particularly relations with local business networks. Thirdly, where some local authorities had previously been core members (and often funders) of a plethora of spatially-overlapping economic governance networks, they made a conscious decision to back their preferred scalar-organisational entity for LEP status. In turn, the decision of one or a core group of local authorities, inadvertently or otherwise, had serious implications for adjacent or nearby localities. An example of this was the decision of Newcastle and Gateshead to bid for LEP status based on previous joint-working through their CDC; 1NG.44 This political decision, in effect, left neighbouring areas, such as North Tyneside, ‘out in the cold’, despite recognition of strong local economic flows (eg labour catchments, housing markets, leisure flows etc) stretching well beyond the administrative boundaries of Newcastle and Gateshead,45 which incidentally was the rationale for a Tyne and Wear City Region partnership and Multi-Area Agreement, and may have influenced the government’s decision to reject the Newcastle-Gateshead LEP proposal. It is worth noting that a lack of trust and/or intense local political rivalries may prevent cooperative cross-boundary working at future points in the development trajectory of individual LEPs.

Fourthly, some local authorities opted to be in multiple LEPs, such as Lichfield, along with 34 other local authorities.46 For some this was owing to recognition of the complexity of functional economic areas and multidirectional economic flows. Barnsley decided therefore, that single LEP membership would not adequately reflect their locally distinctive economic geography, which demonstrates strong economic flows, with the conurbations of both Sheffield and Leeds. For others, multi-LEP membership can be understood as a tactical ploy of hedging bets. As one local authority officer put it, ‘we are not sure exactly what [LEPs] will do and which ones will work so it made sense to be in more than one’. From this perspective, it could be expected that local authority membership of particular LEPs may evolve as LEP priorities are clarified and/or develop, as functional economic market areas are more fully understood, and as spatial economies change. Another group of research participants suggested that multi-LEP membership could increase government funding distributed via LEPs. In this sense, LEP membership was perceived to be a badge of honour, particularly from a local authority perspective. Symbolically, local politicians and officers have deployed LEP status as success in itself, representing it as a victory for localism. Just as the institutional upheaval associated with the demise of RDAs and rise of LEPs could be interpreted as a form of symbolic politics that provides the appearance of action administered by central government, a similar charge could be levelled at local government for representing the establishment of a LEP as a major economic regeneration achievement.

In terms of local authority multi-LEP membership, some research participants cautioned that this would involve more work, produce an additional layer of bureaucracy and could limit the development of trust with other partners, especially if there is a perception that the local authority is ‘only part in’ the LEP. This was a failing with some of Labour’s Multi-Area Agreements/City Regions. In attempting better to reflect functional geographies, some of these partnership configurations opted for more fuzzy boundaries that were not necessarily identical to administrative boundaries. However, in some circumstances local authorities ‘only part in’ or on the geographic periphery of the territorial partnership were, or were perceived to be, more marginal players in the decision-making process. The implication
was that the theoretical case for policy implementation at a targeted area thought to correspond more closely with a functional economic space and thus yield an economic dividend can be nullified by political horse-trading. If some LEPs were to take on a legal personality, manage programmes, provide services, hold assets, and contract with central government and others, then multi-LEP membership would generate some new conundrums. It is here where serial networkers could prove instrumental: softening and blurring the territorial-demarcated, networked spaces of adjoining LEPs.

**Reterritorialisation motives**
The processes informing the spatial alliances that ultimately underpinned the new geographies of governance produced by LEP designations are complex and locally specific. Nevertheless, at least four primary motives can be identified (see Table 1). Analysis of the origins of the formation of LEPs helps identify a series of tensions, which are anticipated to shape their future trajectory. First, the avowed ‘hands off’ approach of central government has been difficult for ministers to uphold. The state is clearly an important actor not only in terms of the LEP project as a whole but at the level of individual LEPs. Yet to date, their role and influence has been disguised by a political language of ‘passing power’ to local communities. The paradox is that devolutionary and localist parlance is often found in increased state centralisation. Secondly, the symbolic politics of appearance can create space to reconsider priorities and modes of working, although calls for action, which challenge symbolic gestures lacking substance, tend to follow quickly. Thirdly, it is unclear whether refashioned or new spatial alliances will result in radically new cultures of cooperation. Mature partnership working takes time; perpetual policy change and institutional upheaval could be counterproductive.

**Table 1: Primary motivations underpinning LEP territories**

<table>
<thead>
<tr>
<th>Motive</th>
<th>LEP examples</th>
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<tbody>
<tr>
<td>Renegotiating, reconfiguring or rebranding existing arrangement</td>
<td>Greater Manchester City Region</td>
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<tr>
<td></td>
<td>Leeds City Region</td>
</tr>
<tr>
<td></td>
<td>Tees Valley Unlimited City Region</td>
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<td></td>
<td>Cumbria</td>
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<tr>
<td></td>
<td>County Durham Economic Partnership (failed bid)</td>
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<tr>
<td>Constituting new spatial alliances</td>
<td>Kent, Essex and East Sussex/ South East</td>
</tr>
<tr>
<td></td>
<td>Sheffield City Region</td>
</tr>
<tr>
<td>Rationalising arrangements to reposition an existing spatial mode of working</td>
<td>Newcastle and Gateshead (failed bid)</td>
</tr>
<tr>
<td>Multi-LEP membership</td>
<td>Enterprise M3</td>
</tr>
<tr>
<td></td>
<td>Liverpool City Region</td>
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<td></td>
<td>Sheffield City Region</td>
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<tr>
<td></td>
<td>York and North Yorkshire</td>
</tr>
<tr>
<td></td>
<td>Derby, Derbyshire, Nottingham and Nottinghamshire</td>
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<td></td>
<td>New Anglia</td>
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</table>
THE EMPIRICAL SHAPES OF GOVERNANCE

Reflecting the discourse of localism, ministers have been forthright that the ‘model’ for LEPs is that there is ‘no model’. Even so, guidance on the Department for Business, Innovation and Skills’ (BIS) website is a little more prescriptive.\textsuperscript{47} BIS have been keen to retain strong business representation whereas the Department for Communities and Local Government (CLG) have been keen for wider representation.

As non-statutory bodies, scope exists for bespoke forms of governance and organisational models.

\textbf{Governance forms}

Embryonic LEPs have considered a variety of different governance forms as they attempt to ‘fill in’ the space created by the demise of other networks. Although there are some notable examples of LEP governance of a more ‘open’ nature, most systems of governance appear to be ‘closed’ to a wider collective of societal actors. Consistent with Robinson and Shaw’s\textsuperscript{37} findings reviewed earlier, the boardroom appears to be the exclusive domain for governing, limited to key ‘faces’ and other elite actors. For some ‘faces’ involved in LEPs, it has been suggested that providing a seat for a solitary voluntary representative or local community leader together with providing ‘the public’ with information is enough to warrant classification as an open governance system. It can be argued however, that such a system should be classified as closed as an open system needs to go beyond tokenistic and symbolic gestures.

Whereas the Government’s localist rhetoric suggests enhanced relations between service providers and users, equipping the latter with the power to make choices, LEPs appear to have adopted systems of governance not too dissimilar to RDAs. Local authority leaders have a more prominent role in governing the activities of LEPs than they did in respect of RDAs, yet LEPs suffer the same democratic deficit as RDAs. Namely, unelected business interests dominate and local authority leaders are not elected to govern beyond their administrative area. The consequences of a lack of political oversight and political capital can be fatal, as RDAs would attest. Historically in England, robust, sub-national structures of governance have had their development paths prevented, creating space for an alternative variant to emerge as sub-national entities provide local and national politicians with a convenient scapegoat when things go wrong or when ambitions are unfulfilled. Contrary to the notion of the Big Society and localism agenda, LEPs are not embarking on participatory forms of democracy or community governance. While some LEPs have taken tentative steps towards strengthening connections with pre-existing and broader frameworks of governance, such as the Greater Manchester Combined Authority, others are content with stand-alone systems, as in the case of Coventry and Warwickshire, which consider the board appointment of democratically-elected local authority leaders to provide necessary legitimacy and accountability.

Alongside democratic accountability, LEPs have grappled with the matter of business accountability when exploring and designing governance frameworks. Many LEPs took a pragmatic view that they must integrate with the existing institutional and partnership landscape, rather than attempt to replicate other business groups, area-based interests or stakeholder networks. Hence, the role of business umbrella bodies, such as the Federation of Small Businesses and the Chambers of Commerce, are expected to perform at a key nexus between LEPs and the broader business community.\textsuperscript{48} Indeed, government contracted directly with the British Chambers of Commerce to facilitate and manage a national LEP Network.\textsuperscript{49} In light of the complexity of potential attributes that some of the ‘core’
stakeholders could ‘bring to the table’, Table 2 synthesises these into a simple typology. Not claiming to be exhaustive, the typological arrangement demonstrates that different societal actors offer unique attributes that may not be available from a narrow range of interests (see analysis below).

Table 2: Stakeholder attributes

<table>
<thead>
<tr>
<th>Local politicians</th>
<th>Public sector and officials</th>
<th>Private business actors</th>
<th>Business officials</th>
<th>Education providers</th>
<th>Voluntary and community representatives</th>
</tr>
</thead>
</table>
| Democratic mandate and accountability | Experience 
d partnership operators, including secretariat and administrative functions | Business acumen, intelligence and insights | Business contacts and networks | Educators of future workforce | Service deliverers |
| Represent electorate | Familiar with legislation, policy and governance procedures | Entrepreneural ethos | Access to a broader range of business views | Training and workforce skills providers | Community contacts and networks |
| Connect with overarching local sustainable development objectives and the political mechanism to align or influence local public services | Often significant local employers with substantial capital and revenue budgets | Sectoral expertise | Business ‘pulse’ monitor | Often significant local employers with substantial capital and revenue budgets | Access to a broader range of community views |
| Government ratification of board membership,\(^{50}\) indicates that the state continues to play a powerful role behind the scenes. This may go some way in explaining why, after 12 months of state endorsement of the first wave of 24 LEPs, that a third failed to have a government-recognised board in place. However, some research participants suggested that government will recognise a board only if it includes at least one woman, but this does not prohibit the operation of such boards. If LEPs continue on a path of a closed system of governance, then they are unlikely to engender a sense of local legitimacy and support. Falling
into this endemic partnership trap would also curtail the opportunity to put into practice an active ‘Big Society’ form of governance. Opening up decisions about ‘who gets what?’ and ‘who decides?’ to a more diverse mix of societal actors could provide the mechanism to challenge the legitimacy of hegemonic practice. With the potential offer of alternatives to the present orthodoxy of liberal capitalist expansionism, such a radical shift would dramatically unsettle existing public-private-community power relations.

Organisational models
Empirical research revealed a spectrum of organisational arrangements, which can be conceptualised as a continuum from informal, loose associations to formal companies with legal status (see Figure 1). It is worth noting that these emergent LEP arrangements remain provisional, in-motion and therefore, may be subject to change. Indeed, it could be anticipated that the organisational shapes of LEPs will be demonstrably different in future years (subject to their prolonged existence). Due to the persistent lack of clarity on what functions LEPs will perform and the tendency in England for frequent institutional upheaval, some LEPs have opted to commence work under ‘loose’ or ‘mutable’ models, considering such arrangements to be more efficient and expedient to establish. Yet they recognise that the organisational model may be subject to alteration as the need arises. The continuum in Figure 1 indicates the direction of travel from ‘loose’, to ‘mutable’ to ‘fixed’, but the reverse is also possible. Each organisational arrangement presents strengths and limitations. Although it has been presumed by some that fixed models are the ultimate goal of LEPs, some legally-constituted LEPs may in time decide that this model is unsuitable and develop a more flexible way of operating. For example, a LEP focussing on strategic leadership may find it unnecessary and costly to be legally constituted.

Figure 1: The continuum of LEP organisational shapes

<table>
<thead>
<tr>
<th>Models</th>
<th>Loose</th>
<th>Mutable</th>
<th>Fixed</th>
</tr>
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<tbody>
<tr>
<td>Description</td>
<td>Informal arrangements based on trust and a shared interest or vision</td>
<td>Partnership configuration, often with a member as accountable body</td>
<td>Company limited by guarantee</td>
</tr>
<tr>
<td></td>
<td>Non-incorporated advisory board</td>
<td>Board of non-executive directors</td>
<td>Able to hold assets, trade, raise finance and employ staff</td>
</tr>
<tr>
<td></td>
<td>Highly dependent on ‘trust’ and cooperation</td>
<td>Memorandum of understanding</td>
<td>Clear decision-making processes</td>
</tr>
<tr>
<td></td>
<td>Code of Practice Memorandum of understanding</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Examples</td>
<td>Cumbria North Eastern</td>
<td>New Anglia The Black Country</td>
<td>Tees Valley Unlimited</td>
</tr>
</tbody>
</table>
GOVERNING INTERESTS AND ATTRIBUTES

The practice of governance is complex, involving a messy assemblage of actors. In recognition of this complexity, this section analyses the interests and attributes of those governing the work of LEPs.

Business leadership

Perhaps due to the compressed timescales for LEP submissions,\textsuperscript{16} which limited debate and reflection, many prospective and shadow LEPs equated leadership with those ‘possessing power’. Due to a lack of national policy clarity, shadow LEPs were placed in the peculiar position of searching for (primarily locally-anchored) leaders, while lacking sufficient detail about not only what their particular LEP will do but also how it intends to do it. Thus, the old modernist maxim of ‘form follows function’, as famously adopted by Bauhaus designers, was unfortunately less applicable for emergent LEPs. The guidance issued by government, although permissive, placed a premium on ‘business leadership’ despite promoting LEPs as an ‘equal partnership’ between business and civic leaders.\textsuperscript{52} In the words of Business Minister Mark Prisk, ‘Who better to understand the needs of a community than its business leaders, its entrepreneurs and its residents?’.\textsuperscript{53} Many LEPs have subsequently taken the coalition’s directive — of board composition to be 50 per cent from the business community — as a minimum (see Figure 2). The Solent LEP board, for example, consists of eight business leaders, five council leaders and a local university vice-chancellor. Thus in theory, if proposals are put to the board to vote, it is conceivable that business interests will predominate and could outvote all other societal interests. Such a situation would be more likely to continue the pursuit of liberal capitalist expansionism; furthering business power relations. Yet, what is good for business is not necessarily the same as what is good for particular localities. Also in congruence with the steer from government,\textsuperscript{54} there has been an unequivocal tendency for LEPs to instate a private sector chair. This trend echoes Prisk’s view that the private sector knows best and concomitantly renders other views less important or valid. In fact, a dominant discourse emerging from some elements of the Coalition Government challenges the role of public officers and administrations.

Figure 2: Conceptualisation of LEP board member interests
Board assembly
It was clear from the outset of the LEP formation process that only a select group of business interests – perhaps limited to the main ‘faces’ and serial networkers – would be afforded a seat on the boards of LEPs, but there was less clarity on local authority board membership and how this would be determined. Some LEPs have more than 30 local authority members, indicating that some local authorities would not be afforded a seat on the board. Some LEPs overcame this hurdle and potential space of collision by selecting a representative from within their ‘own ranks’. An example is Lincolnshire, where one elected leader was put forward to take a place on the board on behalf of seven district councils. Other prospective LEPs (and particularly local authority actors), arguably had one eye on obtaining a seat at the table when they were initially negotiating LEP territorial configurations. It is in this sense, that one senior local authority officer noted that the ‘aim is for a number closer to a football team rather than approaching that resembling a rugby team … which will allow us all [ie local authorities] a seat [on the board]’. The presumption was that a smaller board could accommodate all the local authorities on this particular LEP board, at the same time as limiting the number of board members from the business community, which implies a lack of cross-sector trust. In some instances, an absolute number of ‘seats at the table’ was prescribed at the outset, whereas other shadow LEPs arrived at the final number through a needs-based process. Often this entailed identifying a range of key sectoral interests and/or territorial components. The result is that there is no consistency in terms of the size of boards. For example, the South East LEP has 43 ‘full’ board members and a further 24 ‘executive’ members compared with the 14 members of the Solent LEP. There will be some important trade-offs between those boards that attempt to be more inclusive (at least in the sense of broad local authority membership) and those that have opted for more streamlined boards. For example, the former may struggle to prioritise whereas the latter may be considered less representative, which demonstrates that governance through partnership involves negotiating some contradictory — and potentially incommensurable — objectives.

While it is apparent that adequate arrangements will be required for LEPs to facilitate the articulation of a ‘coherent’ local government position that represents the views of those member councils not selected to the board,¹ it will be interesting to monitor the views of councils with a seat on the board and those without. Indeed, the ‘representativeness’ and roles performed by the so-called business leaders that have a seat on the board is an aspect that warrants much closer scrutiny. Thus, as Haus and Klausen have highlighted,¹ contestation may perform a productive role in the ongoing struggle for effective governance. Such an approach could open-space for wider debate and deliberation. Nevertheless, disputes can erode trust and ultimately unravel partnership configurations. Looser organisational shapes may be more susceptible to such a scenario.

CONCLUSION: EMERGENT THEMES AND POLICY IMPLICATIONS
Regeneration partnerships are a trademark of contemporary urban policy; a landscape that has developed into a complex array of organisations and networks, with a myriad of interests blurring the traditional public-private divide. As a result, multi-tiered and multi-sector governance arrangements have appealed to many countries in their quest to regenerate places and encourage economic growth. Since the Coalition was elected to government in 2010, LEPs have continued to gather momentum. Despite some formidable
critiques and suspicion of whether the Coalition’s rhetoric will be realised, interest from businesses, civic leaders, public officials and others has been relatively buoyant. This is perhaps owing to the ‘space’ created due to the demise of the RDA network, the retrenchment of economic regeneration funding and downbeat economic climate.

The establishment of LEPs set in motion the production of a new system of ‘multi-level’ governance in terms of horizontal and vertical relations across space and organisations. The creation of LEPs is part of a more pervasive state-led reterritorialisation project. Such a politics can be understood as part of a strategy to control the economic production of place in terms of who is permitted access to engage and on what terms access is permitted. From this reading, the decentralisation policy rhetoric of the Coalition — akin to New Labour before them — warrants close analysis and continued monitoring. Although LEPs remain embryonic, some key governance issues emerged from the research. First, it is overly simplistic to consider LEPs as ‘business as usual’. Even those LEPs formed from recasting prior arrangements must operate in a different politico-economic climate. Many LEPs have emerged from the constitution of new spatial alliances. As a result, some arrangements and entities amassed under New Labour have been rationalised and some localities have opted for multi-LEP membership. Secondly, there is no ‘model LEP’ but a spectrum of arrangements. A continuum of organisational shapes — loose, mutable and fixed — is discernible, although these arrangements remain in-motion and are anticipated to be subject to change. Indeed, some research participants suggest that ‘they must change’. Regardless, flexibility could potentially lead to longevity which has been sorely lacking throughout the English sub-national development terrain over the past few decades. Thirdly, if board membership is to provide an indication of the focus and mentality of LEPs, then unelected business interests appear set for a pivotal role in year two onwards. Interestingly, this is in contrast to the limited role of businesses during the initial crafting of LEP bids.16 The premium placed on ‘business leadership’, consistent with the steer from central government, is likely to produce ‘closed’ systems of governance, which could curtail alternative approaches to economic regeneration; antithetical to guiding principles that the Big Society notion purports to convey.

Across the landscape of LEPs, diverse actors, each with different degrees of involvement in one or more LEPs and uneven capacities to act or powers ‘to do’, must remain wary of the plentiful ‘partnership traps’, some of which have been discussed in this paper. Specifically, a privileged role for business interests, acting in a decision-making capacity, should be open to public scrutiny. Locally-specific mechanisms will be required, which hold LEPs accountable to a plurality of societal interests and a diverse mix of communities of practice, as the representativeness of locally-elected members is clearly insufficient in most circumstances.55 If LEPs are accountable to local people then the governance of LEPs needs to be open to public scrutiny, views and visions. Each LEP would do well to clarify what they perceive their version of ‘the community’ to entail and, more importantly, how they intend to engage and involve such communities in the decision-making process. The main policy implication is that if LEPs are to be understood as a radical departure from what has gone before, then the form and mode of economic regeneration governance must, in turn, undergo a radical transformation of substance that transcends symbolic politics.
A change in national political direction and subsequent policy shifts tend to go hand-in-hand with a new wave of hope. The paper concludes on a note of optimism therefore. If the diversity of LEPs is celebrated and their complexity acknowledged (rather than eroded for politico-bureaucratic reasons), then the coalition’s permissive approach might succeed in facilitating more spatially-attuned policy where other policy experiments have failed. While the literature is at pains to stress that a one-size-fits-all approach is an unsuitable measure for supporting the sustainable development of locally-distinct (including path-contingent) places, rarely has this been translated sensitively into policy formulation and implementation, especially in the English experience. If the Coalition delivers on its promise to ‘pass’ power to localities, which would presumably include the necessary resources to help shape places, then LEPs may prove to be much more than a pallid replacement for RDAs. Nevertheless, hope can quickly dissipate. Soon will come a time, particularly in a post-RDA landscape, when the time for talking ends and the merits of LEPs are put to the test.

Notes and References
3. While economic regeneration tends to be high up the list of political priorities across the local authority landscape, it does tend to suffer disproportionately during ‘efficiency’ drives, and does not yield the same level of significance as in some international counterparts, such as the USA.
42. The £500m Growing Places Fund, launched in November 2011, represents a more substantial central government commitment. Indicative allocations to LEPs, using population size and earned income as criteria, range from £3.6m for the Worcestershire LEP to £39.4m for the pan-London LEP, and from £5.04 per head in London to £12.84 per head in the Enterprise M3 LEP.
44. The closure of ING CDC was announced in September 2011, a decision influenced by the withdrawal of RDA financial support and the failed LEP bid.
46. The 35 local authorities covered by two LEPs are: Barnsley, Bassetlaw, Bolsover, Bromsgrove, Cannock Chase, Cherwell, Chesterfield, Corby, Craven, Croydon, Dacorum, Daventry, East Hampshire, East Riding, East Staffordshire, Forest Heath, Harrogate, Kettering, King's Lynn and West Norfolk, Lichfield, North East Derbyshire, North East Lincolnshire, North Hertfordshire, North Lincolnshire, Northampton, Redditch, Selby, South Northamptonshire, St Edmundsbury, Tamworth, Test Valley, Uttlesford, Winchester, Wyre Forest and York.
47. See: http://www.bis.gov.uk/policies/economic-development/leps/board-membership (last accessed on 12th June, 2011).
48. The British Chamber of Commerce was appointed by the Coalition Government in April 2011 to manage a national network for LEPs.


