

Peck, Frank ORCID: <https://orcid.org/0000-0003-1976-154X> , Connolly, Stephen, Durnin, Jonathan and Jackson, Keith (2013) Prospects for 'place-based' industrial policy in England: the role of Local Enterprise Partnerships. *Local Economy*, 28 (7-8). pp. 828-841.

Downloaded from: <https://insight.cumbria.ac.uk/id/eprint/1725/>

Usage of any items from the University of Cumbria's institutional repository 'Insight' must conform to the following fair usage guidelines.

Any item and its associated metadata held in the University of Cumbria's institutional repository Insight (unless stated otherwise on the metadata record) may be copied, displayed or performed, and stored in line with the JISC fair dealing guidelines (available [here](#)) for educational and not-for-profit activities

provided that

- the authors, title and full bibliographic details of the item are cited clearly when any part of the work is referred to verbally or in the written form
- a hyperlink/URL to the original Insight record of that item is included in any citations of the work
- the content is not changed in any way
- all files required for usage of the item are kept together with the main item file.

You may not

- sell any part of an item
- refer to any part of an item without citation
- amend any item or contextualise it in a way that will impugn the creator's reputation
- remove or alter the copyright statement on an item.

The full policy can be found [here](#).

Alternatively contact the University of Cumbria Repository Editor by emailing insight@cumbria.ac.uk.

Prospects for 'place-based' industrial policy in England: the role of Local Enterprise Partnerships

Frank Peck, Stephen Connolly, Jonathan Durnin, Keith Jackson

Local Economy, 28 (7-8) 2013

Abstract

The English regions have witnessed a dramatic shift in institutional structures for economic development since the new UK Coalition Government took office in 2010, involving the formation of 39 Local Enterprise Partnerships that have replaced the former Regional Development Agencies. These changes in the English context have occurred simultaneously with a radical review of regional policy at the European level which has focused attention on the significance of 'place-based' policies that are sensitive to, or even constructed upon, the nature of geographic differences. While there are parallels between the principles that underpin localism and placebased policy, in practice recent experience in the UK has been marked by increased centralisation of policy making. A review of the current priorities of the Local Enterprise Partnerships as set out in available strategies and policy documents tends to emphasise supply-side support for businesses alongside a role in place promotion. Sector groups are identified by many Local Enterprise Partnerships but very few are currently in a position to develop sector-based interventions or cluster policies that might ultimately contribute to the delivery of UK national industrial policy. Increased centralisation of industrial policy in the UK contrasts with policy directions at the European scale that have involved place-based approaches and the application of the principles of smart specialisation. It is concluded that there is a need for greater place-sensitivity in UK industrial policy and consideration of the role that Local Enterprise Partnerships might play in the design as well as delivery of national and sub-national economic strategies.

Current economic uncertainties and fiscal constraints have combined to have significant impacts on the institutional structures for the delivery of local and regional economic development in many national economies. In this context, the English regions have witnessed a dramatic shift in such institutional structures since the new UK Coalition Government took office in 2010. The Regional Development Agencies (RDAs) created under the previous Labour administration in 1999 have been removed as vehicles for delivery of regional economic strategies to be replaced by Local Enterprise Partnerships (LEPs) operating at a subregional or 'local' level (Bentley et al., 2010; Pugalis, 2010, Pugalis and Carling, 2012; Pugalis and Townsend, 2012). RDAs operated in an institutional setting where they were required to respond to national government guidelines on competitiveness and meet targets prescribed by national economic policy. As a consequence, RDAs faced significant challenges in managing the tensions between central policy directives and the aspirations of local partnerships. These outcomes of policy processes have been described as a 'regionally orchestrated centralism' in the production of regions (Harrison, 2008). In contrast, LEPs are intended to be locally led, voluntary partnerships between local authorities and businesses which are overseen by government via the Department of Business Innovation and Skills (BIS). This article explores

the role of LEPs through the lens of their stated objectives and sector priorities. We review recent national economic policy documents and consider the extent to which LEPs can be regarded as structures for the delivery of place-based economic development.

LEPs and place-based economic policy

The UK Coalition Government entered office in 2010 and set about a radical reform of local economic development based on the concept of localism that continues to be the focus of debate and dispute (Bentley and Pugalis, 2013). Localism has been presented, in part, as a rejection of the regionalist approach pursued by the former Labour administration. Some of the tangible outcomes of this process are self-evident, including the demise of RDAs, which were deemed to be unaccountable to local communities, inefficient in use of resources and delivering policy within regions that lacked correspondence with the workings of 'real' economies, and did not comprise functional economic geographies. Instead, government has pursued what is presented as a different approach involving a shift from central government to local communities and businesses enabling 'places' to tailor their approach to local circumstances, to promote efficient and dynamic markets, and support investment (HM Government, 2010a).

In parallel with the debates concerning localism in UK policy, discussions at the EU level have focused on fundamental questions surrounding the role and purpose of interventions within regions and the need for policies to address explicitly questions concerned with spatial distribution and regional inequality (Bailey, 2011; Hildreth and Bailey, 2013). This discussion has been couched in terms of the need for policies to be 'place-based' as opposed to 'place-neutral'. Barca et al. (2012) argue that place-based approaches assume that geographical context matters and that this will inevitably affect the way in which policies operate. Place-blind (or place-neutral) interventions, therefore, generate unintended spatial consequences that can, in time, frustrate or even negate the purpose of any policy and lead to under-utilisation of regional resources and persistence of social exclusion and regional inequalities (McCann and Ortega-Argiles 2013). Strategies that consider the regional or local consequences and also the local responses to policy intervention are therefore more likely to create the desired outcomes in terms of social, economic and cultural conditions in communities. Furthermore, the development of a place-based approach to policy draws attention to the significance of processes that occur at the sub-national scale which can affect the production and dissemination of knowledge, and the application of new ideas and innovation (De Bruijn and Lagendijk, 2005; OECD, 2011). National and international development, therefore, is best achieved by mobilising regional assets and synergies between regions through integrated regional policies.

The arguments in support of place-based policy at the EU level have been enshrined in the concept of 'smart specialisation' (Camagni and Capello, 2012; McCann and Ortega-Argiles, 2011). While this notion is still subject to considerable debate, smart specialisation refers in general to the development of regional strategies that 'generate unique assets and capabilities based on a region's distinctive industrial structures and knowledge base' (EU, 2012: 12). Smart

specialisation emphasises the significance of learning processes involving entrepreneurial actors who are regarded as the agents that will bring about the best combinations of 'knowledge-related' specialisation. Strategies for smart specialisation, therefore, address 'the missing or weak relations between R&D and innovation resources and activities on the one hand and the sectoral structure of the economy

on the other' (Foray et al., 2011: 5). The concept also embraces the point that there is a need to understand and seek to support intra-sectoral, and inter-sectoral spillovers of knowledge that occur within 'knowledge domains' which are defined as the socio-economic contexts within which innovation occurs. There is an emphasis therefore on understanding the connections between national, regional, and local socioeconomic processes and engaging with local entrepreneurial processes involving close cooperation with key actors (embeddedness).

In outline at least, the principles that have been used to underpin localism in the UK have some superficial relation to those of place-based economic development. Reference is made in the Localism Act (HM Government, 2010a) for instance to the need to 'equip local areas with the tools required to create and shape dynamic and entrepreneurial local economies' (p. 5). Government also intends to 'put businesses and local communities in charge of their own futures, give greater incentives for local growth and change the way central government supports and maintains growth' (p. 5). There is also recognition of the need to avoid dependence on a narrow range of economic sectors and to create 'new business opportunities that are more evenly balanced across the country' (p. 5).

Bentley et al. (2010) argue, however, that this apparent localism is an illusion in that LEPs will not have powers or resources to match these aspirations and that centralist tendencies will be exacerbated by the fragmentation of territories into smaller spatial units with lower levels of resource and a smaller voice compared to the former RDAs. Many of the policy levers that might have enabled LEPs to act in a development role have, in reality, either been removed (such as Business Link services) or brought within central government control and administration (inward investment, sector policy, cluster policy, European policy). There has been an overall budget reduction for economic development, but even those resources that are still available remain outside the direct control of LEPs (Bentley and Pugalis, 2013). LEPs are able to make bids for some initiatives, such as Enterprise Zone status, and offer advice to government on priorities for Growth Fund bids, but these decisions are ultimately under the control of central government. This, it can be argued, does not constitute a coherent and integrated plan for growth that is place-sensitive but rather a pragmatic response to a series of separate investment decisions to meet relatively short-term growth objectives.

Local economic policy under the LEPs: Current priorities

The stated priorities of LEPs give some indication of the role that has been assumed in the absence of strong central government direction. While opportunities may have existed to create local diversity, this is certainly not reflected in current strategy documents and policy

statements of LEPs. The process of institutional change involved an invitation from government to local partnerships to make proposals for LEP status and 39 of these had been approved by the end of 2011. As noted above, compared with the extensive guidance issued to the former RDAs, LEPs were provided with comparatively little information on how they should operate or focus their activities. The initial proposals and subsequent policy statements, business plans and strategy documents developed by LEP Boards to date (March 2013) give an indication of the range of stated priorities and these have been aggregated into themes as shown in **Table 1**. (The frequency of themes across the LEPs are also displayed in **Figure 1**.) The table demonstrates that most LEPs have interpreted their role in terms of supply-side support for businesses (30 LEPs) including specific mention of skills (32), infrastructure (27), finance (21) as well as sites, land and planning issues (9). A significant number of LEPs (17) also signalled their intention to play a role in place promotion, in general, or specifically to attracting tourists and/or business investment.

The generic nature of many of these priority statements partly reflects the circumstances in which the LEPs have operated until now as levels of resource and capacity have been uncertain. Specific priorities, however, have been difficult to define due to the timescales imposed on the process of LEP formation and the level of consultation that would have been required to build consensus and legitimise a focus on specific actions. By comparison, relatively few LEPs have defined their role in terms of prioritising specific types of business or sectors. This may reflect the political difficulties of including or excluding certain types of business from the remit of LEPs, though the notable exceptions involve support for agriculture in LEPs located in rural areas (e.g. York, North Yorkshire and East Riding) and others with manufacturing specialisms (e.g. Lancashire – aerospace; Tees Valley – advanced manufacturing; Sheffield – advanced manufacturing and materials).

The declining levels of public resources available under the LEPs poses questions for local policy makers regarding the appropriateness of conventional interventions that seek to improve the overall competitiveness of whole sectors within local and regional economies. The decline in the number of ‘growth sectors’ nationally also creates dilemmas for local policy makers as they seek to identify and support potential growth businesses in local economies in competition with other LEP areas. It has been suggested that this has led to the convergence of local economic strategies that focus on relatively few ‘fashionable’ sectors rather than evident competitive advantages for specific businesses in local areas (Swinney et al., 2010).

While LEP strategies that identify specific sectors or ‘clusters’ of activities in their objectives are few in number, virtually all refer to sectors of the economy in other contexts (see **Figure 2**). In particular, strategies tend to identify sectors that are either significant contributors to the local economy already or those that are believed to be potential sources of growth. These sectors are listed but, as noted above, not identified in priorities for action by the LEPs themselves. The frequency of mention of these sectors is highly reminiscent of those identified by the former RDAs which suggests that there is a legacy effect in these aspirations. The most commonly noted are creative and digital (mentioned as significant for future growth by 21 LEPs), visitor

economy (18), advanced manufacturing (17) business and professional services (16), life sciences (16) and low carbon/renewable energy (16).

Closer inspection of strategy documents reveals, however, that while sectors are identified as significant for the economy, there are very few examples of specific sector-based initiatives. This tends to confirm that LEPs lack the capacity and resources to engage in broad-based sectoral interventions. Arguably, the geographical scale at which LEPs operate is also inappropriate to such interventions. LEPs tend to discuss sectors in a number of different contexts. In some cases, specific sectors are identified as part of a process of business engagement in the activities of the LEP. In several cases, LEPs have set up 'sector groups' not with the intention of developing sector strategies but as a means of involving key local businesses in the development of broad-based LEP strategies and prioritising bids for resources. Thus, sector groups in the Sheffield City Region involve 'key businesses, local councils and the Chambers of Commerce' and these are used to 'provide advice and to facilitate growth' as well as 'acting as an official advisor to the LEP' (Sheffield City Region LEP, 2012). Similarly, the Coast to Capital Strategy for Growth (M23 corridor Brighton to Croydon, including the Gatwick area) identifies five key sectors where 'growth is likely to be greatest' and these sectors are 'intended to aid prioritisation'. Cheshire and Warrington LEP also identify a number of priority sectors where 'economic growth is likely to be relatively strong'.

The identification of sectors also appears to be linked in many cases to place marketing where LEPs are seeking to attract inward investment in sectors that are known to be growing nationally and internationally. The Stoke LEP (2012: 6) Strategic Business Plan, for instance, refers to its 'key sectors' in the context of its priority to increase levels of inward investment using a 'red carpet service' and 'an evidence-based approach'. Hertfordshire LEP (n.d.: 3) also promotes itself as 'open for business' and claims that they 'contain all the key components of a globally competitive location' with 'significant employment in future growth sectors'. Coast to Capital LEP (2012: 13) Strategy for Growth indicates that 'the sectoral approach we take for high growth will tie in with the strategy for Foreign Direct Investment'.

The emphasis in some LEP strategies on inward investment promotion also tends to focus attention on a narrow range of sectors. While on occasions this is linked to evidence of existing local sectoral strengths, the repetition of similar sectors across many LEP strategies such as creative and digital, life sciences, low carbon, renewables and environmental technologies suggests that this has at least as much to do with place marketing and attempts to associate local areas with sectors that are 'modern', 'high growth', 'green' or 'advanced technology'. To summarise, the role of sectors in LEP strategies appears to represent the following:

- a mechanism for gathering business opinion through sector groups;
- a way of demonstrating LEP commitment to the local business community;
- a means of place promotion associated for some with potential inward investment.

Support for sectors: National Plan for Growth

While the localism debate has ensued, the UK Coalition Government has simultaneously stressed the importance it attaches to the development of a long-term national industrial strategy. A vision for the future of British industry was outlined in a speech by Vince Cable, Secretary of State for Business Innovation and Skills (BIS) in September 2012¹ in which emphasis was placed on access to finance in the short term alongside longer-term measures to build partnerships with key sectors (Developing strategic partnerships with industry). The rationale for this intervention was firmly identified in terms of investment in R&D, public procurement, government as a facilitator of innovation and the supply of skills. As part of this endeavour, government has identified key sectors where it is believed that government action can have a real impact specifically on growth. At the time of writing, sector strategies have been compiled for 'advanced manufacturing' (aerospace and life sciences industries) with plans to extend this to automotive as well as 'knowledge intensive traded services' (education, information economy, professional business services) as well as two 'enabling sectors' (energy and construction).

A supporting document containing a detailed UK sector analysis (HM Government, 2012), sets out the approach to sectoral interventions. The document states that a sector approach is a necessary tool of economic policy for several reasons:

- Sectors provide key insights into how to design and deliver policy: some, in particular, are 'enabling sectors' that often 'drive innovation and productivity across the whole economy' (p. 4). The example of ICT is used to illustrate the point that technical innovations in one field can spread across others, an argument which has resonance with the role of 'key enabling technologies' which are emphasised in the smart specialisation debate.
- Sector lens is needed to minimise risk of government failure: it is argued that government policy requires sector sensitivity to avoid the pitfalls of unintended consequences of government action, e.g. the likely impacts of the roll-out of broadband in rural areas on business in different sectors.
- Government may need input from sectors to achieve its targets: climate change targets, for instance, may only be achieved with major contributions from specific sectors in developing and marketing appropriate technologies.
- Sectors are vital for government consultation processes: most businesses are organised into sector-specific trade and industry bodies and therefore provide a vital means for government to engage with businesses and their needs.
- Sectors are vital for securing new inward investment: government is better able to have an impact on global investment decisions through a strong dialogue with business leaders in specific sectors in order to understand technology, skills need and specific, tax and regulatory requirements.

- Sector-based approach cuts across government departments and many government levers have a strong sectoral dimension: in particular the impacts of public procurement across different department affecting healthcare, rail, food and drink, professional services.

- Sector-based approach is necessary to achieve wider policy goals: these include creating greater economic resilience, competitiveness and spatial impacts and effects on local communities.

While this rationale for a sector approach to national economic policy is significant, the most pertinent point for the present purpose concerns the fact that the processes that drive sector competitiveness and technological change are analysed overwhelmingly at a national scale. Emphasis is given, for instance, to cross-sectoral impacts, R&D spillovers between sectors and the spread of innovation without reference to spatial scale. It is stated that:

the interdependencies which exist between different sectors of the economy mean that barriers to the provision of goods and services in one particular sector may hamper economic activity in other sectors of the economy. It thus follows that a coordinated or 'systems' approach to intervention across several sectors may sometimes be more appropriate. (HM Government, 2012: 27)

This 'systemic' approach is presented a-spatially and the possibility that local and regional structures may actually be of significance for the process of innovation and technological change is not addressed.

As a separate discussion, however, the strategy refers to the spatial impacts that might arise from sectoral interventions (p. 28). Reference is made to the possibility that 'spatially-blind' policies are not 'spaceneutral' and therefore can lead to unintended spatial consequences. These points certainly resonate with the ongoing debate in EU Policy concerning the significance of 'place-based' regional and innovation strategies. However, this is a narrow view of 'place' which overlooks its importance in the actual process of economic development. This analysis implies that place is viewed as relevant to industrial policy only when addressing the effects of actions rather than their specification; Regions and localities have therefore been reduced to containers within which a-spatial policies are delivered rather than sites of socio-economic interaction that can be vital for knowledge production and exchange.

This emphasis on the national scale is also evident in the Delivery Plan of the Technology Strategy Board (TSB), the UK's agency with responsibility for stimulating and supporting business-led innovation. In the Delivery Plan for 2013–14 (2013), the role of the TSB is restated as establishing and implementing national technology strategies in priority areas that include specific sectors and a range of enabling technologies (e.g. advanced materials, biosciences, electronics). Sector strategies focus in particular on actions designed to accelerate the process of commercialisation of ideas and technologies. There is clearly a strong argument for national coordination of many aspects of innovation. In their analysis of regional innovation systems, De Bruijn and Lagendijk (2005) note that innovation processes are subject to strong national influences not least through national education and research systems. Several TSB actions

illustrate this point, including the provision of access to finance for feasibility studies and facilitation of research collaborations. Delivery of many key actions for specific sectors, however, depends on engaging with local and regional actors. In the Delivery Plan for 2013–14 (TSB, 2013:11), there is recognition of the need to develop sub-national networks including LEPs as part of the strategy to stimulate innovation. The LEPs and other regional actors, however, are not necessarily regarded as contributors to strategy, but rather as delivery mechanisms for national policies and priorities. LEPs, it is argued, will be ‘well placed to help raise awareness of, and signpost local businesses’ to TSB programmes (TSB, 2013: 24).

In contrast to recent documents related specifically to industrial policy, some of the analysis that has been conducted surrounding the processes that affect local growth do attach some significance to local and regional knowledge processes (HM Government, 2010b). There is some discussion, for example, of the role and significance of agglomeration economies as well as reference to clusters, industrial concentrations and the process whereby regions act as arenas within which innovations spread through knowledge spillovers mediated through local labour markets (pp. 21–25). This latter observation, in particular, has parallels with the extensive debate on regional innovation and smart specialisation that has now become a central feature of European regional policy. In this regard, the analyses that underpin current thinking around UK industrial policy would benefit from greater connection with debates at EU level surrounding the concept of smart specialisation and the significance of regional processes that influence innovation and entrepreneurial activity.

The ‘drift to centralism’ in industrial policy has been subject to critique within government by the Conservative peer, Lord Heseltine (2012). In his commentary on government policy in the regions (No Stone Unturned), Lord Heseltine called for a reversal of centralism and an enhancement to the standing of LEPs. This analysis shows some understanding of the significance of local and regional knowledge networks in the process of innovation. It is argued, for example, that:

the involvement of local business people in the governance of their communities has dwindled and the energy and innovation has been lost. The local economic leadership that drove the UK to the forefront of the world economy has been lost. (Heseltine, 2012: 28).

Despite the evident hyperbole, a connection is made nonetheless between the level of innovation in the national economy and socio-economic processes that manifest themselves at a subnational scale. The Heseltine argument continues that:

we need to pass much more of the initiative for deciding how funding is spent from central government to a local level. We need to enable local partnerships to take a holistic view of the challenges they face and develop strategies grounded in the economic reality of their area. (p. 36)

LEPs, it is suggested, are hampered by micro-management from the centre which fragments budgets into tiny pots of money each of which requires bidding, targeting, monitoring and managing. ‘We need to get rid of “parcels of cash” to specific projects and brigade the separate

funding streams into a single pot for local areas' (p. 37). 'Local leaders should have flexibility to spend the budgets on priorities relevant to local circumstances' (p. 37).

Government published its response to this critique in March 2013, significantly via HM Treasury (HM Government, 2013). While accepting the recommendation to pool budgets for LEPs into a single pot (Single Local Growth Fund), the use of this fund is to be restricted to three areas that government regard as critical for LEPs: transport, housing and skills (p. 42). LEPs must develop strategic multi-year plans for local growth and use these to negotiate with central government on the levers, resources and flexibilities required. As regards delivery, an additional £10m is to be made available to boost capacity in LEPs but government 'firmly believes that LEPs should remain small, responsive, businessled organisations' (HM Government, 2013: 12). As regards economic development, it is suggested that LEPs should work with local authorities to pool existing budgets to be spent alongside LEP budgets. To support this, local authorities are to be given access to cheaper borrowing through a Public Works Loan Board (PWLb) for infrastructure projects nominated by each LEP. In addition, EU Structural Funds in England are to be aligned to local priorities based on the Strategic Plans of the LEPs although this might prove more complex to achieve in practice than in theory (Pugalis and Fisher, 2011).

This muted response to building local and regional capacity for economic development in LEPs stands in contrast, to some degree, with the arguments surrounding engagement with UK Cities through the commitment to 'unlock growth in Cities' through City Deals (HM Government, 2011). There is reference to the role that cities play in 'exploiting their edge in knowledge-intensive sectors' as well as their role in 'creating the conditions for innovation' (p. 2). This document displays greater place-sensitivity than many current UK policy documents. There is recognition, for instance, that cities provide assets that shape innovation including 'intellectual capital, private sector agglomeration, connectivity and investment in public and regional services' (p. 3). Ring-fencing of resources for eight 'core cities', however, may undermine the objectives of LEPs in non-metropolitan areas and clearer links have yet to be established between prioritisation of City Deals and long-term objectives of UK industrial policy.

Conclusion: Missing middle in UK industrial policy?

The analysis of policy change presented in this article adds further weight to the conclusion that the shift from RDAs to LEPs within England represents a significant increase in the level of centralisation of industrial policy (Bailey, 2011; Bentley and Pugalis, 2013; Bentley et al., 2010; Pugalis et al., 2012; Shaw and Greenhalgh, 2011). Notwithstanding the critique of the RDAs which have themselves been criticised for being driven by centrally determined targets and agendas, the RDAs did have capacity to influence policy levers and orchestrate local and regional sector initiatives that influenced key regional knowledge processes. While debates at EU level have drawn attention to the need for place-sensitive economic policy that takes account of technological and practice-based innovation that occurs at local and regional scales, UK industrial policy appears to be evolving in a national policy arena separate from debates

concerning the significance of socio-economic processes that occur at the sub-national scale and the role of LEPs.

The overview of LEP objectives and sector priorities has shown considerable convergence on supply-side factors focused on generic forms of business support, infrastructure, skills and finance alongside place promotion and brokerage of bids for central funds. While key sectors are invariably mentioned in LEP strategies and statements, the overall pattern across the LEPs converges on sectors that have been given prominence in national strategy documents for some time, including, notably, creative and digital, advanced manufacturing, life sciences, low carbon and environmental technologies. Many LEPs have clearly seen value in establishing sector groups as a mechanism for business engagement and opinion gathering. Their significance as a means of marketing places to inward investors is also demonstrated. However, there is little evidence that LEPs are currently in a position to develop sector-based interventions or cluster policies that might ultimately contribute to the delivery of UK national industrial policy.

This increased centralisation of industrial policy in the UK stands in contrast to the policy debates that have taken place at the European scale in the lead up to the new EU Cohesion Policy for the next programming period 2014–2020. These debates have given prominence to regional processes of innovation and the importance of building on each region's distinctive industrial structure and knowledge base (McCann and Ortega-Argiles, 2013). This perspective, as articulated in EU Regional Policy guidelines (European Union, 2012), involves building innovation strategies that are not only consistent with national industrial priorities but also based on assessments of existing regional knowledge assets and engagement with local and regional entrepreneurial actors in strategy design as well as in delivery. This suggests that there is a need for greater place-sensitivity in UK national innovation and industrial policy which will require consideration of the way in which LEPs, operating individually or perhaps in collaboration, might enable policy makers to respond to this significant challenge.

Note

1. <https://www.gov.uk/government/speeches/industrial-strategy-cable-outlines-vision-forfuture-of-british-industry>.

References

- Barca F, McCann P and Rodriguez-Pose A (2012) The case for regional development intervention: Place-based versus place-neutral approaches. *Journal of Regional Science* 52(1): 134–152.
- Bailey D (2011) From RDAs to LEPs in England: Challenges and prospects. *Regions* 284(Summer): 13–15.

Bentley G and Pugalis L (2013) New directions in economic development: Localist policy discourses and the Localism Act. *Local Economy* 28(3): 257–274.

Bentley G, Bailey D and Shutt J (2010) From RDAs to LEs: A new localism? Case examples of West Midlands and Yorkshire. *Local Economy* 25(7): 535–557.

De Bruijn P and Lagendijk A (2005) Regional innovation systems in the Lisbon strategy. *European Planning Studies* 13(8): 1153–1172.

Camagni R and Capello R (2012) Regional innovation patterns and the EU Regional Policy Reform: Towards smart innovation policies. The 52nd ERSA Conference, Bratislava, Slovakia, 21–24 August, 2012.

Coast to Capital Local Enterprise Partnership (2012) Coast to Capital Strategy for Growth. Available at: http://www.coast2capital.org.uk/images/C2C_Strategy_Document_A4_final.pdf (accessed 22 July 2013).

European Union (2012) Guide to Research and Innovation Strategies for Smart Specialisation (RIS3). March Smart Specialisation Platform, EU Regional Policy Series. Available at: http://s3platform.jrc.ec.europa.eu/en/c/document_library/get_file?uuid%4e50397e3-f2b1-4086-8608-7b86e69e8553 (accessed 17 July 2013).

Foray D, David P and Hall B (2011) Smart Specialisation: From Academic Idea to Policy Instrument, the Surprising Career of a Concept and the Difficulties Involved in its Implementation. MTEI Working Paper, November. Lausanne: Management of Technology and Entrepreneurship Institute (MTEI) College of Management, Ecole Polytechnique Federale de Lausanne;. Available at: http://infoscience.epfl.ch/record/170252/files/MTEI-WP-2011-001-Foray_David_Hall.pdf (accessed 17 July 2013).

Harrison J (2008) Stating the production of scales: Centrally orchestrated regionalism, regionally orchestrated centralism. *International Journal of Urban and Regional Research* 32(4): 922–941.

Hertfordshire Local Enterprise Partnership (n.d.) Hertfordshire: Open for Business. Available at: http://mediafiles.thedms.co.uk/Publication/BH-Herts/cms/pdf/066974_herts%20LEP_Open_for_business_8pp_01_small.pdf (accessed 22 July 2013).

Heseltine Rt Hon M (2012) No Stone Unturned: In Pursuit of Growth. London: BIS. Available at: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/34648/12-1213-no-stoneuntuned-in-pursuit-of-growth.pdf (accessed 17 July 2013).

Hildreth P and Bailey D (2013) The economic behind the move to 'localism' in England. *Cambridge Journal of Regions, Economy and Society* 6(2): 233–249.

HM Government (2010a) Local Growth: Realising every Place's Potential. CM 7961. London: Department for Business Innovation and Skills.

HM Government (2010b) Understanding Local Growth. BIS Economic Paper No. 7. London: Department for Business Innovation and Skills.

- HM Government (2011) *Unlocking Growth in Cities*. London: Cabinet Office.
- HM Government (2012) *Industrial Strategy: UK Sector Analysis*. BIS Economic Paper No 18. London: Department for Business Innovation and Skills.
- HM Government (2013) *Government's Response to the Heseltine Review*. Cm 8587. London: HM Treasury and Department for Business Innovation and Skills.
- McCann P and Ortega-Argiles R (2011) *Smart Specialisation, Regional Growth and Applications to EU Cohesion Policy*. Economic Geography Working Paper. Groningen: Faculty of Spatial Sciences, University of Groningen.
- McCann P and Ortega-Argiles R (2013) Redesigning and reforming European Regional Policy: The reasons, the logic, the outcomes. *International Regional Science Review* 36(3): 424–445.
- OECD (2011) *Regions and Innovation Policy*. OECD Reviews of Regional Innovation. Paris: OECD. Available at: <http://dx.doi.org/10.1787/9789264097803-en> (accessed 22 July 2013).
- Pugalis L (2010) Looking back in order to move forward: The politics of evolving sub-national economic policy architecture. *Local Economy* 25(5/6): 397–405.
- Pugalis L and Carling J (2012) The role of Local Economic Assessments in the new political and economic climate and their relationship with Local Enterprise Partnerships. *Journal of Urban Regeneration and Renewal* 6(1): 38–52.
- Pugalis L and Fisher B (2011) English regions disbanded: European funding and economic regeneration implications. *Local Economy* 26(6/7): 500–516.
- Pugalis L and Townsend AR (2012) Rebalancing England: Sub-national development (once again) at the crossroads. *Urban Research & Practice* 5(1): 159–176.
- Pugalis L, Shutt J and Bentley G (2012) Local Enterprise Partnerships: Living up to the hype? *Critical Issues in Economic Development* (4): 1–10. Available at: http://www.cdialliance.co.uk/wp-content/uploads/2012/04/Critical_Issues_LEPS_Issue_4.pdf (accessed 17 July 2013).
- Shaw K and Greenhalgh P (2012) Revisiting the 'missing middle' in English subnational governance. *Local Economy* 25(5/6): 457–475.
- SheffieldCityRegion Local Enterprise Partnership (2012) *Sector Groups*. Available at: <http://www.sheffieldcityregion.org.uk/about/sectorgroups/> (accessed 22 July 2013).
- Stoke-on-Trent & Staffordshire Local Enterprise Partnership (2012) *Strategic Business Plan 2012–2013*. Available at: http://www.stokestaffslep.org.uk/files/3513/5057/1211/LEP_business_plan_2012_13_V12_0_CMYK.pdf (accessed 22 July 2013).
- Swinney P, Larkin K and Webber C (2010) *Firm Intentions: Cities, Private Sector Jobs and the Coalition*. London: Centre for Cities.

Technology Strategy Board (2013) Delivery Plan Financial Year 2013–14. Available at:
<https://www.innovateuk.org/documents/1524978/2138994/DeliveryPlanFinancialYear2013-14/c435471d-222c-4e63-8269-d0f4b2b61c2f> (accessed 22 July 2013).

	No. of LEPs note priority		No. of LEPs mention theme
Skills	26	Skills & employment	32
Skills & employment	3		
Employment	3		
Business support	24	Business support & innovation	30
Business support & innovation	1		
Innovation	5		
Infrastructure	19	Infrastructure	27
Infrastructure & IT specific infrastructure	5		
IT Specific infrastructure	3		
Finance	9	Finance & secure investment	21
Finance & secure investment	4		
Secure investment	8		
Image /tourism	3	Image/tourism; Encourage international business & Promote area	17
Image/tourism & encourage International business	1		
Encourage international business	6		
Promote area	7		
Support agriculture/rural economy	12	Support agriculture/rural economy	12
Planning/housing	4	Planning/housing & community support	9
Planning/housing & community support	2		
Community support	3		
Support sector development	8	Support sector development	8
Support low carbon	4	Support low carbon	4
Deregulation, governance, lobbying, generic statements, place-specific projects	6	Other	6

Source: Based on review of publicly available business plans, policy documents and statements available online for all 39 current LEPs (accessed via links on <http://www.lepnetwork.org.uk/>).

Table 1. Priorities specified by the LEPs.

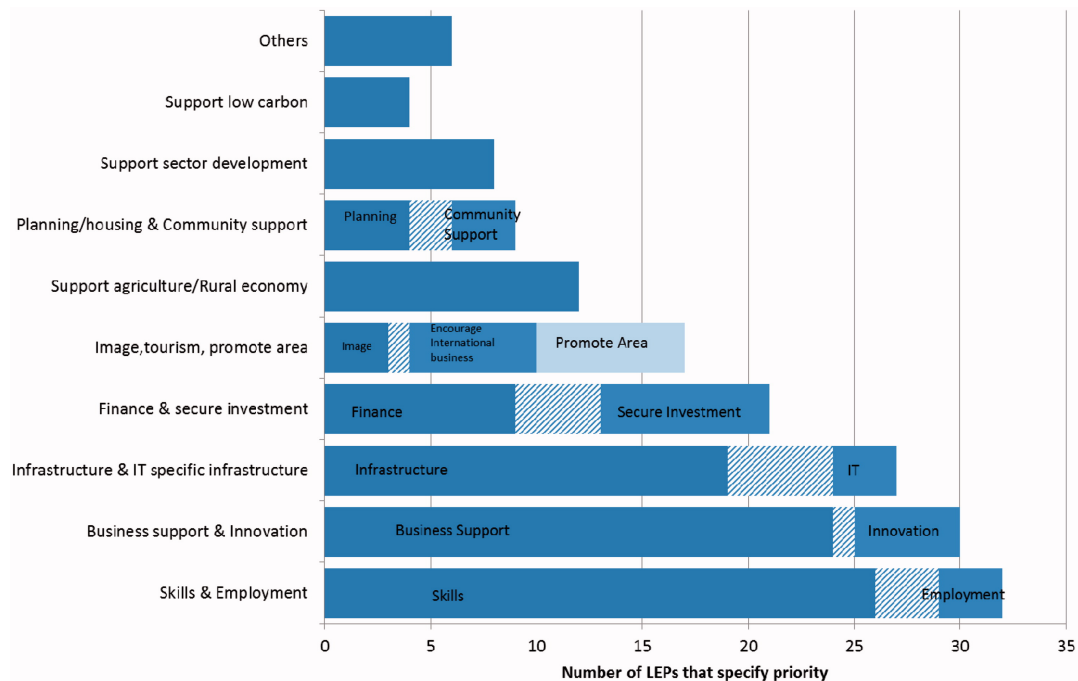


Figure 1. Priorities specified by the LEPs. Notes: Hatched shading indicates LEPs that refer to both stated priorities (e.g. skills and employment; planning and community support). The 'Image, tourism, promote area' bar combines three related responses. Source: Based on review of publicly available business plans, policy documents and statements available online for all 39 current LEPs (accessed via links on <http://www.lepnetwork.org.uk/>).

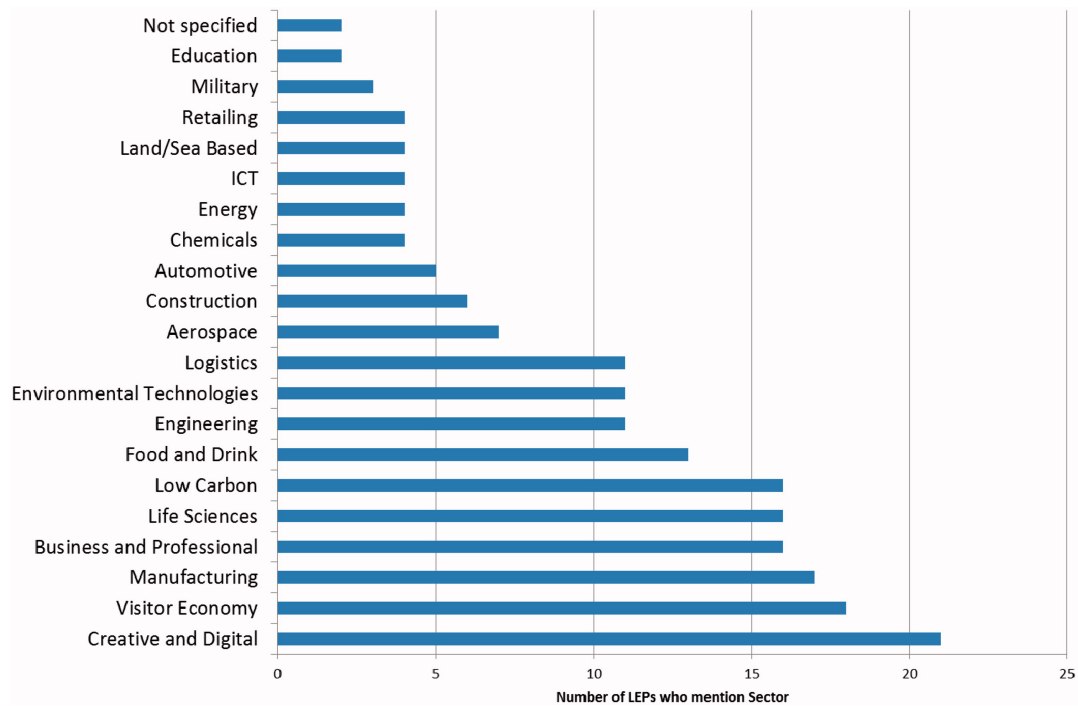


Figure 2. Priority sectors identified by LEPs. Source: Based on review of publicly available business plans, policy documents and statements available online for all 39 current LEPs (accessed via links on <http://www.lepnetwork.org.uk/>).