

Local Economic Strategy Development under RDAs and LEPs: Applying the Lens of the Multiple Streams Framework

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Abstract

Following the decision to abolish the Regional Development Agencies (RDAs) in England by the newly elected Coalition Government in 2010, Local Enterprise Partnerships (LEPs) were introduced to drive economic development at a local level. However, the limited Government prescription as to both the form and function of LEPs has contributed to a fundamental ambiguity as to their roles and 'legitimate spheres' of activity. In the context of this ambiguity, this paper uses the Multiple Streams Framework (Kingdon, 1995) to analyse the challenges faced by RDAs and LEPs in developing effective economic development strategies. The paper identifies the dimensions of strategic capability that LEPs must develop if they are to mature as effective agents of local economic development in England.

Keywords

Economic development, economic development strategies, economic policy, Regional Development Agencies, Local Enterprise Partnerships, Multiple Streams Framework, policy entrepreneur.

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Introduction

This paper explores the impact of the new local governance structures for economic development in England on the practice of local economic strategy formulation. The context in which these changes have been implemented has been shaped to a significant degree by the general fiscal consolidation now underway. Place based economic strategies, be they local or regional, are products of policy processes and may be analysed as such. This paper applies the multiple streams framework (Kingdon, 1984/1995¹) to the practice of local/regional economic strategy development under the Regional Development Agencies (RDAs) and the new Local Enterprise Partnerships (LEPs).

Following the decision to abolish the RDAs by the newly elected Conservative-Liberal Democrat Government in 2010, LEPs were introduced to drive economic development at a local level. LEPs were intended to offer the potential for a business-driven and localised approach to economic development. However, as the thirty nine LEPs have gradually emerged and been approved, their capacity to promote local economic development has been questioned (Bentley et al, 2010; Liddle, 2010; Pugalis & Townsend, 2012; Harrison, 2011). The limited Government prescription as to both the form and function of LEPs has also contributed to a fundamental ambiguity as to their roles and 'legitimate spheres' of activity.

In the context of this fundamental ambiguity about the role and constitution of LEPs, this paper uses the multiple streams framework to analyse the challenges faced by RDAs and LEPs in developing effective economic development strategies. It seeks to identify ways in which LEPs may be able to enhance their policy capacity in relation to local economic development, paying particular attention to the role of evidence and analysis in the strategy development process and the importance of feedback from previous programmes (Zahariadis, 2007). The ability to marshal evidence and use feedback from previous experience is central to the identification of both policy problems and potential solutions (two of Kingdon's streams). It is argued that these are important capabilities that have been compromised by the loss of RDA capacity and expertise at a time of unprecedented pressure on local authority resources.

The multiple streams framework has its origins in the work of American political scientist John Kingdon (1995), itself an evolution and application of the garbage can model of organisational choice developed by Cohen, March and Olsen (1972). The multiple streams framework has more usually been applied to the analysis of national (and supra-national) policy development (see for example Ackrill and Kay, 2011). However, it is the contention of this paper that its focus on understanding the process of policy decision-making under conditions of ambiguity (Zahariadis, 2007; Feldman, 1989) makes it an interesting and useful lens through which to view the early experience of LEP strategy development, while also facilitating a systematic comparison with the RDA strategy development processes that they have replaced.

The paper first provides a brief historical context for the development of LEPs and sets out some of the early critiques of LEPs that have been put forward by the academic and practitioner community. It then introduces the multiple streams framework, and describes how each of the streams is used to make sense of the policy making process. We provide a methodology which sets out the overall approach adopted. Using the multiple streams framework as a lens, we then provide an analysis of economic strategy development under both RDAs and LEPs. The discussion and conclusions sections relate the consequences of the findings to the evolving local policy infrastructure, and consider the dimensions of strategic capability that LEPs must develop if they are to be effective agents of local economic development in England.

LEPs and ambiguity

Since the concept of LEPs was first introduced in 2010, they have been observed with what can variously be described as interest, scrutiny and scepticism by a number of academics, research organisations, and economic development practitioners. It is not the intention of this paper to provide a comprehensive account of the development of LEPs. However, the following section sets out, drawing on the literature, ways in which the development of LEPs has contributed to a fundamental ambiguity about their nature and role.

Emergence of LEPs

Shortly after the formation of the Coalition Government in May 2010, the decision to abolish RDAs and introduce LEPs was made clear. The Decentralisation and Localism Bill was announced in the Queen's Speech on 25 May 2010 (HM Government, 2010). This was followed by a letter from Vince Cable and Eric Pickles to local authorities and business leaders in June 2010, which invited proposals for the creation of LEP partnerships by September 2010 (BIS, 2010).

The Cable-Pickles letter provided initial guidance for local authorities and businesses seeking to develop local partnerships, in the form of a brief outline of their expected role, governance structures, and size. The role of LEPs would be to provide ‘strategic leadership’ and a ‘clear vision’ for the economy of an area, including taking a lead on rebalancing the economy towards the private sector. There would be a requirement for businesses and local authorities to work together, but with a central role for business leaders in chairing the board of the LEP. The size of LEPs would need to reflect – in contrast to previous regional structures – ‘functional economic areas’, and might involve groups of upper tier authorities working together. Local authorities and business leaders looking to put partnerships together were, therefore, given a short three month deadline to draft proposals and limited guidance on what LEPs might look like and what they might expect to achieve.

Unlike the RDAs, whose role had been defined in statute in the Regional Development Agencies Act 1998, LEPs received little guidance beyond that contained in the Cable-Pickles letter. As a result, a diverse range of organisational models have emerged in terms of board membership, geographic coverage, resourcing and economic development priorities (Pugalis, 2012).

LEPs and Localism

Along with other measures set out in the Decentralisation and Localism Bill, LEPs are intended to reflect the localism principles of empowering local people and giving local areas a share in local growth. The extent to which LEPs are a true reflection of localism is debated, however. As Harrison (2011) suggests, the localism of LEPs is underpinned by a strong sense of compulsion and, rather than ‘experienced coalitions of the willing’, they are ‘maiden coalitions of the obliged’. There is also a contradiction in the sense that, while some of the economic development functions formerly managed by RDAs have migrated to LEPs, others such as business innovation and skills have been returned to central Government (Pearce and Ayres, 2012). Localism has therefore taken place simultaneously with centralisation (Bentley et al, 2010).

Others have questioned the extent to which localism and decentralisation presented in the transition to LEPs are really something new. With a long history of centralised government in England, the ten years of RDAs could be regarded as more exceptional (Pike et al, 2010). This ‘constant tinkering of sub-national governance’ (Pearce and Ayres, 2010) is a pattern that distinguishes England from other European countries, and is thought to bring about considerable uncertainty, as well as dissipation of skills and expertise (Jones, 2010). The simultaneous use of terms such as localism, decentralisation and the ‘Big Society’, and a lack of clarity about how these ideas will work in reality or relate to each other, is also a source of confusion (Deloitte, 2011).

The role and accountability of LEPs

The Cable-Pickles letter of June 2010 reflects the limited prescription provided to LEPs about their prospective roles and functions. This is thought to have contributed to a level of ambiguity in understanding what LEPs can and cannot do, in terms of being strategic or delivery bodies, their relationship with local and central government, and their accountability (Pike et al, 2012). The lack of clarity in their role of has led some to warn that LEPs could become ‘all things to all people’ (Shutt et al, 2012) or ‘talking shops and issuers of rubber stamps’ (Bolton, 2011).

The guidance so far suggests more of a strategic than delivery role, although this may involve a diverse remit of enterprise and business support, infrastructure, employment, planning, housing, tourism and the low carbon economy (Bentley et al, 2010). Despite this wide remit only one LEP, West of England, has established itself as a legal entity. The remaining 38 LEPs are not able to raise finance, employ staff, or enter into significant contracts in their own right (Comminetti et al, 2012). Should the recommendations of the Heseltine Review on the creation of a LEP ‘single pot’ be adopted, this could change, however (Heseltine, 2012).

How accountability is to be achieved is not yet evident. Accountability to local residents is provided indirectly but distantly through local authorities. Concerns have been raised about the representativeness of businesses on LEP boards, and that these are more likely to be the ‘familiar faces’ of those regularly engaged in policy rather than SMEs (Comminetti et al, 2012). However, it has been suggested by some commentators that businesses prefer LEPs to RDAs (Comminetti et al, 2012; Pugalis, 2012), and that LEPs have greater potential to involve the private and third sector in bringing about economic growth (Bolton, 2012).

Resources and capacity

The funding allocated to LEPs is significantly lower than that allocated to the RDAs, at first equivalent to 35% of the resources allocated across the RDA network (Bentley et al, 2010). The majority of funding has been made available via competitive bidding rounds, with little statutory funding for back office support.

This competitive nature of funding means that the ability of LEPs to obtain funds to drive economic growth in their areas is not guaranteed. Indeed five LEPs have so far received no Regional Growth Fund allocations (Comminetti et al, 2012). This is compounded by providing local businesses with the opportunity to bid for Regional Growth Funds alongside LEPs. The way that funding is allocated risks creating an unequal network of LEPs where some have developed at a more advanced rate at the expense of others (Harrison, 2011). More recently, core funding of £250,000 per LEP for each of 2013/14 and 2014/15 has been announced, although with the requirement that LEPs seek match funding of equal value (CLG, 2012).

Functional economic areas

The extent to which LEPs should, and do, reflect ‘functional economic areas’ is also a subject of debate. The sizes of areas covered by LEPs are not consistent. Hildreth (2012) highlights Manchester as one LEP that makes good economic sense, while considering Birmingham LEP to be under-bounded. Most LEPs, Hildreth argues, are too small for effective policymaking. Townsend (2012), however, shows that even among the least self-contained LEPs, 70% of residents living in the area also work in the area. All LEPs do therefore qualify as functional economic geographies if defined by having a high level of self-containment.

The re-scaling of the geography at which economic development policy is delivered does not remove the cross-boundary issues that affected RDAs. There are some policy issues, such as transport, that will continue to require working across larger scale geographies. The inconsistent population and geographical size of LEPs may have consequences for joint working, however. As Hildreth (2012) suggests, there may be difficulty persuading stronger LEPs to work with weaker LEPs, and the requirement for LEPs to cooperate has yet to be fully articulated in government policy.

Approach

This paper reports interim findings from an ongoing project seeking to assess the impact of the transition from RDAs to LEPs in the East Midlands. The region was formerly covered by one RDA, the East Midlands Development Agency (*emda*). Following the abolition of *emda*, there are now four principal Local Enterprise Partnerships in place across the region. These are D2N2 (Derby, Derbyshire, Nottingham, Nottinghamshire), Greater Lincolnshire, Leicester and Leicestershire, Northamptonshire. In addition to these, three LEPs administered from outside the East Midlands also cover some of the region, including Sheffield City Region, Greater Cambridge and Greater Peterborough, and South East Midlands.

In applying the Multiple Streams Framework to the process of strategy development in RDAs and LEPs, the authors have drawn on a number of research approaches. These include, firstly, a review of policy, including that published by national government and RDAs, as well as LEP strategic plans. Secondly, selected interviews were undertaken with representatives of LEPs in the East Midlands, as well as a review of board meeting minutes, in order to understand the development of LEPs over time, and their approach to strategy formulation. Finally, the authors have both been directly involved in strategy development for both the RDA and LEPs in the East Midlands.

The Multiple Streams Framework

First set-out in John Kingdon's landmark study of the policy process in the US Federal Government (Kingdon, 1995), the multiple streams framework (MSF) sought to explain the agenda setting process in public policy. That is, how do issues become identified by policy makers as problems requiring a policy response? How do policy makers then connect these problems to potential solutions or responses? And how do these solutions get adopted and implemented thereby effecting a change of policy?

The MSF makes three basic assumptions about the nature of the policy process (Zahariadis, 2007):

- 1) *Individual attention or processing is serial, systemic attention or processing is parallel.* Hence the number of issues or proposals under active consideration at a given point in time is limited.
- 2) *Policy makers operate under significant time constraints.* These constraints limit the range of policy alternatives that can be considered and the time that can be devoted to particular decisions.
- 3) *The streams of activity flowing through the policy system are independent.* Hence each stream of activity may be considered to have a life and dynamic of its own. This is in part a function of the first assumption and its recognition of the scope for parallel processing within the policy system.

To these basic assumptions, the MSF adds five basic structural components of the policy process: the problem stream, the politics stream, the policy stream, the policy entrepreneur and the policy window.

The MSF, and how each of these streams relate to each other, is illustrated in Figure 1, below:

Figure 1. Structural elements of the MSF (adapted from Zahariadis, 2007)

Insert figure 1 here

Central to the MSF is the idea that these three streams of activity happen in parallel and can be independent. The passage of time is also seen as significant – with individuals, be they policy makers, politicians or officials able to move into and out of these streams of activity at various points in time.

It is here that the framework diverges most markedly from both ‘rationalist’ conceptions of the policy process (Sabatier 2007) and the neat sequential stages characteristic of official guidance. Time is also conceived as a finite resource available to participants in the policy process; potential policy problems and solutions effectively competing for the limited attention of decision makers in this process.

Applying the Multiple Streams Framework to LEPs and RDAs

This section addresses each structural element of the MSF in turn, and sets out how each applies to both RDAs and LEPs.

Problem stream

The problem stream relates to the manner in which issues are identified as problems that require a policy response. Central to this stream of activity are analysis and research (including evaluation) and feedback from previous policy programs (Kingdon, 1995).

Kingdon asked a very basic question about the policy process that represented the focus of his interest: why do some problems come to occupy the attention of decision makers rather than other problems? His answer was to unpick the ways in which decision makers learn about the conditions around them and come to define some conditions as problems requiring a policy response, while choosing to ignore others (Kingdon, 1995). He saw three things as central to this process: the use of (statistical) indicators, focus events (or crises), and feedback from past practice. While some of this learning is informal and experiential in nature, there is also an important, formalized and institutional dimension to this learning. Central to this formalized learning is the work of analysts and researchers whose role is to advise policy makers through the provision of briefing materials, the conduct of research and evaluation studies and the monitoring of indicators and intelligence relevant to the policy domain of interest (Feldman, 1989).

In this vein, a number of commentators have highlighted the relative lack of access to this kind of analytical expertise as a problem for LEPs (Pugalis and Townsend, 2010; Liddle, 2012). It is certainly the case that LEPs do appear to be under-provided with this kind of capacity when compared to their predecessors the RDAs. Even one of the smaller RDAs – the East Midlands Development Agency – possessed an integrated Strategy, Research and Evaluation team comprising 11 researchers, evaluators and policy specialists at its peak. In contrast, only one of the LEPs in the East Midlands now employs a dedicated ‘business intelligence manager’. On one level, this can be seen as the inevitable consequence of the scale and nature of the funding now available to LEPs. Unlike the RDA scenario that saw RDAs provided with a core administration budget to cover staffing and running costs, LEPs have had to bid competitively for most of the public funding available to them - including core

running costs. It is noteworthy that that the second round of the LEP Capacity Fund allocated by BIS in 2012 did not require competitive bidding – a welcome response from BIS to feedback from the LEPs on the first round of this funding – it did though require matching pound for pound from other sources.

It is important to remember that the story of RDA research capacity was itself one of incremental capacity building. By the 2005/6 round of Regional Economic Strategy reviews, most RDAs had significant internal capacity of this nature to deploy in the development of strategies and programmes. However, this is not something that could have been said of all RDAs in 1999/2000 during the development of the first set of Regional Economic Strategies. Arguably it is this first phase of RDA development that represents the most appropriate analogue for LEPs after their first two years or development.

This is not to suggest that LEPs have no access to research expertise relevant to the development of their place based economic strategies and plans. The first round of the LEP Capacity Fund allowed two of the East Midlands LEPs to draw on university research expertise to inform the development of their early strategic thinking. LEPs have also been able to draw on research expertise within some of their larger partner local authorities – although it is clearly the case that many Local Authority research functions have contracted in the face of cuts to local authority budgets.

Perhaps of greater concern than basic research capability, is the impact that the transition from RDAs and LEPs has had on the availability and use of systematic evaluation evidence to inform strategy and programme development. Kingdon (1995) regarded feedback from previous policies and programmes as a key ingredient in the development of new programmes. Disruption of this crucial feedback loop into strategy development has been one consequence of the abolition of RDAs (and indeed the regional Government Offices). Even here it is important to recognise that evaluation was not a major priority for the RDAs in their early years. By the time of their abolition, most RDAs had developed significant evaluation expertise, but this was a fairly incremental process over the life of the RDAs. It was only in late 2004 that the first discussions of development of what became the RDA Impact Evaluation Framework began (DTI, 2006; BERR, 2009). This development was not unrelated to the New Labour emphasis on ‘evidence based policy’ and the related public service modernisation agenda (Cabinet Office, 1999). However, by 2008/9 some RDAs were in a position to make systematic use of evaluation evidence in decisions about future investment/programme development.

Despite this slightly hesitant start, by 2009/10 the RDAs collectively had produced a large body of evaluation studies ranging from evaluations of strategic impact to a plethora of project and programme evaluations. It was from this body of work that the major national evaluation of the impact of RDA expenditure drew (PWC, 2009). Following the decision to abolish the RDAs, significant attempts were

made to maintain this body of evaluation evidence as a resource available in the public domain accessible to successor bodies and regional stakeholders. One such example is the *emda* Knowledge Bank hosted and maintained by Nottingham Trent University <http://www.tinyurl.com/emdakb>.

Availability of an evaluation evidence base is one thing. Willingness or interest in its use is quite another. Discussions with some LEP officers have suggested that whilst there is a recognition that this material might be of relevance to the development of future LEP activity, there are barriers that may prevent its effective use. On a very practical level, time and capacity of the sort discussed above may limit the ability of LEPs to identify and use evaluation evidence effectively. There is also a potential political dimension to the difficulty of using this kind of RDA related material. The perceived 'toxicity' of the RDA brand may well have contributed to reluctance among LEPs to be seen to be too obviously seeking to learn from the RDA experience. Hence we will now turn to the Politics Stream.

The politics stream

Kingdon (1995) described the politics stream as being concerned with the influence of public opinion, the political climate and changes to government. His interest being in the policy development of the US Federal Government, little attention was placed on a local dimension to the politics stream. In seeking to apply this perspective to RDAs and LEPs, we must situate our analysis within an appreciation of the nature and consequences of multilevel governance structures. In both cases we must distinguish between local and national political dimensions and consider the manner in which these domains interact.

Kingdon saw the electoral cycle and the associated turnover in the population of elected politicians as a key dynamic that is central to the policy process and often closely associated with significant changes in policy direction: "...turnover of key participants, such as a change of administration, has powerful effects on policy agendas." (Kingdon, 1995:20). The decision of the newly elected Coalition Government to abolish the RDAs and introduce LEPs is clearly illustrative of just such a change of policy that is linked to the national electoral cycle. At the local level, there is evidence that the very choices made about the geographies of LEP coverage were influenced, to significant degree, by local political pragmatism and judgements about with whom it would be possible for particular local authorities to work. It is for this reason that the May 2013 county council elections may well represent an interesting test of the organisational resilience of some LEPs – particularly in areas like Nottinghamshire and Derbyshire where the LEP brought together authorities under the control of different political parties.

There are also other ways in which the national politics have influenced the strategic priorities of LEPs, the scope for 'legitimate' LEP interventions and the nature of the local economic developments

that they have developed. The Coalition Government's dominant policy narrative of RDA failure and the importance of localism represent a key influence here:

“We have a massive inherited problem sorting out the budget deficit and an economy that has become badly unbalanced.... Fixing this mess is a phenomenal challenge – and in its regional structures the last government bequeathed a cumbersome and undemocratic bureaucracy that is unfit for the task. Regional Development Agencies focused on bidding for and spending Whitehall money. They are too cumbersome, costly and unrepresentative to get us through the current economic crisis. A country arbitrarily divided into unnatural blocks such as the “South-West” and the “East Midlands” runs against the economic grain. But nor can ministers rebalance economies as diverse as those of Leeds, Liverpool and Tees Valley from our offices in Whitehall.” Pickles and Cable, 2010.

In the current fiscal climate, LEPs have little choice but to “bid for and spend Whitehall money” made available to them through a variety of ‘challenge funds’ such as the RGF which, in practice, define the permissible scope of LEP activity.

The policy stream

The policy stream describes activity relating to the identification of potential policy solutions (the specification of alternatives) and encompasses the activities of lobbyists and think tanks, but also includes ‘pet projects’ promoted by individual policy makers. Kingdon likened this stream to the process of natural selection in which competing policy proposals “float around in a ‘policy primeval soup’” (Kingdon, 1995, 19) vying for serious consideration within the policy community. Ideas may be proposed, developed, re-worked, merged or combined on an ongoing basis until such time as they secure the necessary attention to be taken forward, or not, as the case may be.

At first glance, the idea that policy solutions have a life that is somehow separate from or independent of the ‘problems’ to which they might be seen as responding seems counter-intuitive. At the very least it represents a reversal of the Green Book’s cherished policy cycle (HMT, 2003). And yet, if we consider two of the most significant funding sources/policy levers made available to LEPs – Enterprise Zones and the Regional Growth Fund – is this notion that far-fetched?

Notwithstanding the powerful rhetoric of localism propounded by Coalition ministers, LEPs were in essence given a rather short menu of possible economic development interventions that the Coalition Government was prepared to fund. In the context of the on-going national fiscal consolidation and associated retrenchment of the public sector and the scope of its intervention in economic development – they had little choice but to respond opportunistically to a rare chance of funding. Those LEPs that

seem to have been most successful in relation to these initiatives, are those that made a convincing connection between the policy instruments on offer and a local challenge or opportunity – that met criteria established by Coalition ministers and their advisors.

How then does the LEP scenario compare with the RDA experience? While there is clearly a significant difference in the level of staffing and financial resources that RDAs could command (both individually and collectively), there remain some interesting parallels. Between 1999 and 2002 the principal focus of RDA activity and resources was on ‘legacy programs’ inherited from previous agencies – e.g. the Single Regeneration Budget and the National Coalfields Programme. This gave RDAs limited discretion over the nature and scope of their intervention – in some ways analogous to the LEP scenario – albeit without the onerous requirement to bid competitively for most funds received.

2002/3 saw the establishment of the RDA ‘single pot’ funding regime. Contributions were received from a number of Government departments on the basis of a funding formula established by the then DTI. Notionally, this provided far more discretion to RDAs over their use of resources and the nature of the interventions in which they could engage. In practice, this discretion was not without constraints. Contributing departments required an RDA contribution towards their specific policy objectives and this was given expression in what came to be known as the RDA Tasking Framework (a set of agreed output targets to be delivered by individual RDAs through the ‘single pot’).

If the early ‘single pot’ era could be seen as the zenith of RDA autonomy. It seems to have provoked something of a reaction within Whitehall in that it was followed by a retrenchment and return to prescription in the shape of policy initiatives such as ‘business support simplification’ and the regionalisation of business support programs. By this time RDAs had responsibility for an increasingly diverse portfolio of activity – but, in areas such as business support, could be seen as having less discretion over how they could utilise their resources. Increasingly, their role was to administer nationally orchestrated programs within the regions. Indeed from late 2008, as the then Government sought to respond to the financial crisis and recession, its approach to RDAs became increasingly directive. Hence in both RDA and LEP cases we see regional and local discretion respectively constrained by the parameters of national Government policy and funding regimes.

The policy entrepreneurs

Kingdon argued that in order for a change of policy to be achieved, a ‘policy entrepreneur’ needs to effect a coupling of the three streams of activity. This coupling could only happen during a finite period, the ‘policy window’, when the policy entrepreneur has the opportunity to act. Kingdon saw policy entrepreneurs as “people who are willing to invest their resources in pushing their pet proposals

or problems, are responsible not only for prompting important people to pay attention, but also for coupling solutions to problems and for coupling both problems and solutions to politics” (1995:20). He goes on to note that “these entrepreneurs are found at many locations; they might be elected officials, career civil servants, lobbyists, academics or journalists. No one type of participant dominates the pool of entrepreneurs” (1995:204).

Subsequent students of the policy process and the role of key agents of change within it have also identified ‘policy entrepreneurs’ as key actors whose intervention is often associated with changes in the direction of policy. Mintrom and Norman’s review of the literature on policy entrepreneurship concludes that the phenomenon is most likely to be observed in instances where policy change involves the disruption of established ways of doing things (2009). Whether one’s interest is national or local, the establishment of LEPs would seem to offer fruitful ground on which to explore the concept.

Who then can we identify as the policy entrepreneurs seeking to influence the nature of strategic priorities under LEPs and RDAs? On one level these individuals look remarkably similar: board members, executive officers, representatives of interest groups – be they from the private, public or third sectors. But there are also significant differences. The level of funding enjoyed by the RDAs allowed them to invest in levels of specialist expertise – whether analytical or in terms of policy advice – put them on a very different plane from the new LEPs. The scale of RDAs and the collective nature of the task of developing a regional economic strategy provided many opportunities for individuals to promote particular policy priorities or propositions. Observation of the strategy development process in this context revealed numerous examples of RDA staff and their stakeholders acting entrepreneurially to influence policy choices made in the context of a regional economic strategy. The eleventh hour inclusion of a health priority in the 2006 East Midlands regional economic strategy is but one example of the phenomenon – in this case a direct result of effective lobbying by a prominent NHS manager who was able to seize the moment (EMDA, 2006).

If there are many similarities between the kinds of people who are active in policy development in RDAs and LEPs, the resources and expertise at their disposal have changed fundamentally. Early experience of LEP strategy development in the East Midlands suggests that there may be a significant asymmetry in the resources on which business and local authority board members may draw. When a local authority leader sits around the LEP board table, he or she is likely to be able to call on significant officer support. The typical private sector board member sits around the same board table as an individual. The relative absence of executive support within LEPs has tended to mean that local authority officers have, of necessity, assumed this role in a number of LEPs - although this crucial role

may not always be obvious to external observers. One such local authority officer described working with the local LEP as “like being a backseat driver - but at the back of a bus”.

Concluding discussion

Since the MSF was originally proposed by Kingdon, analysts have successfully applied the framework to the policy process in numerous countries, at supra-national and at more local spatial scales (e.g. Ackrill and Kay, 2011). Various aspects of the approach have been the subject of debate. Two of the most contested questions in the literature have become:

- 1) To what extent are Kingdon’s streams actually independent of one another?
- 2) Is it possible for actors within the policy community to participate in more than one stream?

It is the contention of this paper, based on observation of and participation in the operation of the policy process under both RDAs and LEPs that while the streams can be independent, in practice, they are often linked. Further, it is suggested that individuals can be actors in more than one stream. In this regard, we echo the findings of Robinson and Eller’s (2010) analysis of education policy in Texas – a notable attempt to apply and test the MSF at the subnational level. Given that these propositions are by no means uncontested within the MSF literature, it is important to clear about the rationale for applying this framework to an analysis of RDAs and LEPs. MSF provides a useful lens through which to analyze the policy development process under LEPs and RDAs for a number of reasons:

- 1) The roots of MSF lie in the ‘garbage can model of organizational choice’ (Cohen et al, 1972) and the manner in which it eschews simplistic linear or cyclical representations of policy development gives this perspective a verisimilitude that others can lack. In short it captures the essential ‘messiness’ of economic strategy development in practice.
- 2) The focus on agenda setting is particularly useful in the context of an analysis of LEPs – whose early focus has necessarily been on partnership formation and consensus building around an agreed agenda for local action. The framework directs us to consider the manner in which particular issues have made it onto the ‘radar’ of LEP Boards and subsequently influenced strategic prioritization.
- 3) The MSF places great emphasis on understanding policy decision making under conditions of ambiguity (as distinct from uncertainty). Ambiguity being defined here after Feldman (1989) as “a state of having many ways of thinking about the same circumstances”. A condition that we argue is characteristic of the early period of LEP activity as a function of factors such as limited Government prescription of LEP roles, governance structures, and variable geographic coverage.
- 4) The framework usefully delineates 3 domains of activity (the streams) in which LEPs must engage and build capacity if they are to develop credible and effective local economic development

initiatives. Indeed it can be argued that such capacity represents the very strategic capability that will be essential if LEPs are to mature as effective agents of local economic development.

- 5) The importance placed on the role of the ‘policy entrepreneur’ encourages consideration of what kinds of actors have fulfilled this key role under both RDA and LEP regimes and the resources available to them.

Where then does this leave LEPs as they seek to consolidate their new position in the economic development landscape of England? The MSF usefully highlights the nature of the strategic capability that LEPs will need to develop, if they are to learn the lessons of the RDA experience and mature as effective agents of local economic development. They face an urgent need to find ways of reconnecting the systemic feedback loop from the past practice of economic development in their localities and beyond. They must negotiate and develop the capability to manage both local and national political environments in which they operate – finding ways of reconciling perceptions of local need with the limited menu of economic development initiatives that the Coalition Government is prepared to fund. And, in the context of the shrinking local authority resources on which they typically depend, support their board members and key officers to assume the role of local policy entrepreneurs in the new institutional landscape of economic development in England.

5963 words

Notes

¹John Kingdon’s *Agenda’s, Alternatives and Public Policies* was first published in 1984. Unless otherwise stated, references used in this paper are drawn from the second edition published in 1995.

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Figure 1. Structural elements of the MSF (adapted from Zahariadis, 2007)

