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| NORTH NORTHAMPTONSHIRE JOINT DELIVERY COMMITTEE 13TH APRIL 2017 | | Item 8 | Page 1 of 6 |
| Councils Affected | All | 13 th April 2017 | |
| Report Title | NATIONAL INFRASTRUCTURE COMMISSION REPORT ON THE FUTURE OF THE OXFORD-CAMBRIDGE CORRIDOR | | |

1. PURPOSE OF REPORT

To outline the conclusions of the National Infrastructure Commission's (NIC's) report and to seek approval for a joint response to the current consultation.

2. BACKGROUND

2.1 The National Infrastructure Commission was tasked by government to consider how to maximise the potential of the Cambridge – Milton Keynes – Oxford corridor as a single, knowledge-intensive cluster that competes on a global stage, protecting the area's high quality environment, and securing the homes and jobs that the area needs. The Housing White Paper, discussed separately at Item 7 proposes to revise the National Planning Policy Framework to make clear the status of endorsed recommendations of the NIC. The NIC carried out an evidence gathering process during summer 2016, to which we made a collective response (attached at appendix one) on behalf of the four districts in North Northamptonshire. The County Council, SEMLEP and a partnership of all the affected LEPs also made submissions, and the North Northamptonshire submission sought to tie in as closely as possible to those others.

2.2 The NIC interim report was published in November 2016 and said:-

- The corridor could be the UK's Silicon Valley but this was not guaranteed
- There was a chronic undersupply of housing, made worse by poor east west connectivity
- This housing shortage put growth at risk – increasing business costs and the ability to attract employees at all levels
- Investment in infrastructure was required but it must be properly aligned with a strategy for jobs, homes and communities, not developed in isolation
- Government, local authorities and LEPS must work together

2.3 The report recommended that:-

- Local authorities, LEPs, government and national agencies should:-
 - develop an integrated strategic plan for infrastructure, housing and jobs across the corridor
 - Develop proposals for joint governance arrangements to deliver co-ordinated planning across the corridor

- The NIC should develop a second stage report on these recommendations.

2.4 The NIC has now produced this second stage report *Strategic Planning in the Cambridge-Milton Keynes-Oxford Corridor: A Discussion Paper* (March 2017 – attached as appendix two) about how to tackle some of the challenges described in the interim report. The paper stresses that it represents the start of a debate- not its conclusion and the ideas outlined in the paper are not NIC recommendations. The NIC is inviting responses to the issues raised in this paper by 31st May 2017 with responses helping to inform the NIC's final recommendations on the corridor, which will be published in advance of Autumn Budget 2017. The headlines from this discussion paper are

- There needs to be a step change in collaboration across the corridor
- A fundamental shift in the scale at which local authorities collaborate on planning and infrastructure is needed. The development of an integrated strategic plan should, therefore, seek to enable this shift in bottom-up collaboration
- A strategic plan should determine the scale and distribution of commercial and residential development and supporting infrastructure
- Its aim should be to grow the local economy increase it from the projected natural growth of 335,000 new jobs by 2050 to 700,000 new jobs.

2.5 The Paper sets out that the core function of any integrated strategic plan should be to determine the scale and distribution of commercial and residential development, and supporting infrastructure needs. It sets out that any integrated strategic plan developed by local authorities and LEPs, should meet the following four criteria:

- Criteria 1: any integrated plan should set a clear and ambitious spatial vision for the corridor to 2050. As a minimum, this vision would
 - a) be informed by a single, authoritative cross-corridor evidence base
 - b) map the general distribution of new jobs, homes and population
 - c) identify and define urban typologies
 - d) identify broad locations for different types of development
- Criteria 2: any integrated plan should be underpinned by a clear investment strategy
- Criteria 3: an integrated plan should be supported by a phased delivery plan
- Criteria 4: any integrated plan should be shaped by the requirements of a robust and integrated appraisal framework

2.6 The document sets out that the integrated strategic plan remains distinct from the existing Local Plan making process and plans in preparation but can inform subsequent reviews of local plans. It is however vague at this stage about how

the regional and the local plans will influence each other and the extent to which this is a bottom up or a top down process.

2.7 The benefits of a plan are listed as:-

- It will help sort out cross boundary arguments about where growth goes and how allocations are made (by a mechanism for local authorities to reach agreement on the distribution of development across boundaries. The strategic plan would provide a framework and a process for defining housing/employment needs and allocations across a wider geography, and in a way that is rooted in a wider vision).
- It will provide greater certainty to investors
- It will provide a means to ensure utilities and telecoms providers and regulators are working to shared priorities

2.8 It goes on to describe the government's role, states that central government expects to be at the table in some way and, as a minimum, it will lay out its expectations and engage through the plan making process. It will develop "an infrastructure compact" between government and the corridor or a quasi-contractual agreement linking investment to milestones. There will be a Ministerial lead for the area and a dedicated Whitehall team of officials. In these respects, it can be said to resemble the arrangements for the Northern Powerhouse, the Midlands Engine and the various Combined Authorities being created.

2.9 Finally, the report sets out some principles which will underpin the proposed new governance arrangements, which are:-

- A clear geography – using existing administrative boundaries
- Empowered to take collective decisions without ratification at local authority level
- Accountability is clear
- Be appropriately representative and collaborative
- Safeguards for individual areas
- Give confidence to long term partners
- Reflect existing identities, collaborations and functional economic geographies

3. FORMULATING A RESPONSE:

3.1 When the NIC's first report came out, it was unclear how it was treating North Northamptonshire; for some elements of the study, it was in the corridor and for others, it was wholly or partly excluded, and Wellingborough had been treated as more "in" than the rest of the area. Officers from Corby, Kettering and East Northamptonshire met a Commission staff member to explore this approach, and this discussion focused on our experience of joint working, our history of housing

and economic growth, infrastructure gaps, and future governance questions. It was obvious at that stage (January) that the NIC's mind had not been made up, and that they were still evidence gathering, but that there was a heavy focus on governance in their approach.

- 3.2 The second report more firmly places North Northamptonshire within the corridor, as it says it is going to rely on existing administrative boundaries, although clearly, we will want to form a view about whether we want to be included or not. It will however be critical that North Northamptonshire is not seen as peripheral to other parts of the corridor, and that funding decisions, including infrastructure investment, recognise the levels of growth that are being planned for in North Northamptonshire, and support the delivery of this, rather than focusing solely on addressing problems elsewhere within the corridor.

An integrated strategic plan

- 3.3 There are clearly benefits to developing an integrated plan for housing, infrastructure and jobs for this area; they are that:-

- it will be easier to hold utilities and telecommunications providers and regulators to account and to ensure they co-operate more fully with growth delivery and planning; water and electricity services have been particularly difficult to engage with over the years because of the way their market and regulation is structured, with an inbuilt disinclination to plan ahead in favour of reacting to the market at any one time.
- Providing greater certainty to investors means that we too can have greater certainty about where investment will go. That in turn will help identify how infrastructure can be met (either from government or investors themselves). Government agencies – Network Rail, Highways England, Broadband UK, for example can equally plan with greater certainty.
- An overall plan will enable the corridor to maintain traction with government itself and will enable the corridor to be marketed to the outside world more effectively.

- 3.4 However, the role of the plan and its scope will be critical. A plan will be a bad thing if it starts to dictate exactly where and how growth happens; this will effectively be the return of regional plans, which were abolished in 2010 to general applause. The criteria listed on page 7 of the document imply that it will have a function in identifying broad locations for different types of development. The document is vague about exactly how such a plan will interact with the core spatial strategies in place, and whether it is a servant of those plans, or the master. It says that it will respect those plans that are adopted but that it will inform reviews. Yet, one of the stated aims of the plan is to resolve cross-boundary disputes between areas about the location of growth. This has not

been an issue locally, but it has in Luton, Oxford, Northampton and other urban centres surrounded by largely rural districts.

- 3.5 Any such plan is clearly going to be interventionist if it is to have any purpose, particularly in resolving the identified issue of under-supply of housing within the corridor. The extent therefore of its interventionist approach will be crucial; is it going to focus on areas where they are issues, or is it going to take a blanket approach and subject everyone to the same controls. Would the plan look to resolve cross-boundary issues by re-directing growth within the plan area? The paper mentions safeguards for areas without being very specific about how those are achieved.

Governance arrangements

- 3.6 Within Appendix two are two illustrations of how governance might be designed. The paper does not rule out other options being designed.
- 3.7 North Northamptonshire has a lot to offer other areas in terms of its experience of joint working and shared governance. We have clearly demonstrated through the Joint Planning arrangements and more recently, the joint delivery arrangements how it is possible to plan and work together successfully. This has been a bottom up approach where no one partner has been dominant and within which disputes have been resolved. It would therefore be inappropriate for us to say that shared governance cannot work successfully. There is also no doubt that North Northamptonshire has had more clout with government as a collective than any of us could have had separately.
- 3.8 The question for a large area such as the Oxford to Cambridge Corridor is how to replicate this kind of governance such that is genuinely owned by the agencies concerned, and consensual. At the moment, the area comprises five unitary councils, four county councils, 18 districts, and all or part of four LEAs, alongside established joint planning committees and spans three different historic government regions. Overlay a map of utility providers, HCA regions and other agency boundaries, and it becomes complex and, from an outside perspective, un-navigable. This is probably why the government is looking for more simplicity and a single voice for the area, and there are merits in that, in the same way as there are merits in having a shared plan.
- 3.9 England's Economic Heartland is an emerging sub national transport body, which brings together the nine highways authorities across the corridor. The place for this body within the governance arrangements has yet to be defined, although it has been mooted that it could provide governance for at least one of the three three strands of activity of a strategic plan— transportation, planning and economic growth. Members' views are sought about the merits of this approach.
- 3.9 New governance arrangements tend to work best when they take on responsibilities that have been devolved and are therefore "new" to the partners,

rather than those which are transferred upwards from a lower tier to an upper one. The terms of reference for a new body are therefore key to its success and to feelings of ownership. Its powers and duties – and, crucially, where these have been derived from - will speak to its acceptability to planning authorities.

- 3.10 There are similarities in the NIC's paper to ideas about combined authorities that have been explored elsewhere within the country. It stops short of describing a directly elected figure for such a governance arrangement, and does not describe how a governance body would be populated, but there at least 35 statutory bodies in the corridor who would legitimately expect a seat at the table, so it will be interesting to see how that can be played out without introducing some form of rigor mortis into the decision making progress.

4. CONCLUSION

- 4.1 There are merits to developing an integrated plan, but it must not be at the expense of the autonomy of areas which have successfully planned and worked together and the primacy of local plan making. If a plan is to have interventionist functions, it should be proportionate, and corrective where something is going wrong. It should be built from the bottom up, not the top down.
- 4.2 A shared governance arrangement is a necessary corollary to having a shared plan; otherwise the plan is an academic exercise. Developing a single governance model will improve the profile and impact of the corridor; it must include all the partners equally, and learn from what has already worked in localities such as North Northamptonshire. The new body should not remove powers and duties from local authorities; it should predominately enjoy the devolution of powers and duties sat in central government or develop new ones that reflect the opportunities and challenges that the corridor faces.
- 4.3. At a meeting of all the LEP and Local Authorities within the corridor, held on 31st March, it was agreed that a single response to the consultation was preferable. A working group of officers, on which North Northamptonshire is represented, will devise a potential response and assess competing governance structures over the next few weeks, submitting proposals to a meeting of Local Authority and LEP Leaders in mid-May.

5. RECOMMENDATION

- 5.1 The Joint Delivery Committee's views are sought, to inform work on developing a joint response to the Commission's second stage discussion paper.**

Contact Officer: Martin Hammond, 01536 534210