REPORT TO NORTH NORTHAMPTONSHIRE		Appendix	
	VERY COMMITTEE (April 2017)		
Councils Affected	All		
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 (NIC) report and to seek approval for a joint response to the current consultation.

#### 2. <u>INFORMATION</u>

- 2.1 The National Infrastructure Commission was tasked by government to look at the potential for growth across the Oxford to Cambridge corridor. The NIC carried out an evidence gathering process during summer 2016, to which we made a collective response 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 report was published in November 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 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

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 coordinated planning across the corridor
- The NIC should develop a second stage report on these recommendations

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- 2.3 The NIC has now produced this second stage report (available at the following link insert link) about how to tackle some of the challenges described in their first. The headlines from this report 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
  - 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.
- 2.4 In respect of what an integrated plan would look like, it describes it as a spatial vision for the whole area up to 2050, which is accompanied by a clear investment strategy and phased delivery plan, but which remains distinct from the existing Local Plan making process. 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.
- 2.5 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
  - 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
- 2.6 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.
- 2.7 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

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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.

### 3.3 An integrated strategic plan

- 3.3.1 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.
- 3.3.2 However 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 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. Yet, one

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of the stated aims of the plan is to resolve 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. Any such plan is clearly going to be interventionist if it is to have any purpose. 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? The paper mentions safeguards for areas without being very specific about how those are achieved.

# 3.4 Governance arrangements

- 3.4.1 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.
- 3.4.2 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 LEPs, 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.
- 3.4.3 England's Economic Heartland is an emerging sub-national transport body, which brings together the nine highways authorities across the corridor. It has been proposed that this would form the basis of a new governance model for the corridor, with three strands of activity transportation, planning and economic growth. Members' views are sought about the merits of this approach, and the extent to which it wishes to engage with the thinking and development work that some partners would like to progress.
- 3.4.4. 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,

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crucially, where these have been derived from - will speak to its acceptability to planning authorities.

3.4.5 There are similarities in the NIC's paper to ideas about combined authorities that have bene 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. **CONCLUSIONS**

- 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. 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.

# 5. **RECOMMENDATION**

The Joint Delivery Committee's views on the foregoing are sought, to inform a joint response to the Commission's second stage paper.

Background Papers: None

Title Date

**Contact Officer**