

NORTH NORTHAMPTONSHIRE JOINT PLANNING COMMITTEE AND JOINT DELIVERY COMMITTEE		Item 4	Page 1 of 15
Date	15th MARCH 2018		
Report Originator	HEAD OF NORTH NORTHAMPTONSHIRE JOINT PLANNING & DELIVERY UNIT		
Title	CAMBRIDGE-MILTON KEYNES-OXFORD CORRIDOR		

1. PURPOSE OF REPORT

1.1 For the Joint Committees to consider:

1. The National Infrastructure Commission's report 'Partnering for Prosperity: A new deal for the Cambridge-Milton Keynes-Oxford Arc' and the Government's initial response to it;
2. Whether NN authorities should be included within the Corridor and, if so on what terms?
3. The potential for a bespoke Housing and Growth Deal with Government.

2. INTRODUCTION

2.1 The National Infrastructure Commission (NIC) published its [final report¹](#) on Cambridge-Milton Keynes-Oxford Arc on 17th November 2017. Key findings are that:

- The Cambridge-Milton Keynes-Oxford Arc must be a national priority.
- If the Arc is to maximise economic potential, current rates of house building will need to double – delivering up to one million new homes by 2050.
- East West Rail and the proposed Oxford to Cambridge Expressway present opportunity to unlock land for new settlements
- Local areas must be given the powers and resources to deliver growth
- A clear spatial vision for the Arc up to 2050 is required, supported by a strong strategic planning framework

2.2 The Government published its initial response to the NIC report alongside the budget on 22nd November². This is provided at [Appendix 1](#). It sets out an initial package of measures intended to kick-start a process of meeting the area's full long-term of potential. The government is also inviting local partners within the corridor to work with it on agreeing a more detailed, ambitious corridor-wide vision in 2018.

2.3 Part of the initial package is an [Oxfordshire Housing and Growth Deal³](#) providing £215 million over the next five years to support the delivery of 100,000 homes (2011-31), including the development of a joint strategic spatial plan. The Government has pledged to build on this deal by working with the Central and Eastern parts of the corridor in 2018.

¹ <https://www.nic.org.uk/wp-content/uploads/Partnering-for-Prosperity.pdf>

² The Government appears to prefer the term "Corridor" to "Arc" and this is used throughout this report except when referencing the NIC report.

³ https://www.oxford.gov.uk/downloads/file/4138/outline_agreement

- 2.4 The C-MK-O Corridor proposals raise important strategic planning and delivery issues falling within the remit of the North Northamptonshire (NN) Joint Planning and Joint Delivery Committees. This report draws out key issues to assist the Joint Committees and partner councils in considering their position, individually and collectively in relation to the Corridor. In doing so, it addresses two broad questions:
1. Should NN authorities be included within the Corridor? and
 2. If so, on what terms, including the potential for a Housing and Growth Deal with Government?
- 2.5 In respect of the first question, it should be noted that the NN Leaders and Chief Executives consider that the statutory joint planning arrangements and joint delivery arrangements should be maintained, with all four authorities being either wholly inside or wholly outside the Corridor.
- 2.6 In answering these questions, it is important to consider the implications of the Corridor for the delivery of the vision and outcomes set out in the adopted Joint Core Strategy (JCS). The vision refers, amongst other things, to NN in 2031 being:
- A showpiece for modern green living and well-managed sustainable development;
 - A strong network of settlements within an enhanced green framework of living, working countryside
 - Outward looking, taking advantage of its excellent transport connectivity to be a nationally important growth area and focus for inward investment
 - More self-reliant...investment in infrastructure and jobs will have led to less need to travel and will have shaped places in a way that meets the needs and aspirations of local people
 - An exemplar for construction based innovation and the delivery of low carbon growth
- 2.7 This report concludes that, subject to safeguards, NN has a better prospect of achieving this vision and associated outcomes if it is included within a nationally important growth Corridor, which will inevitably a focus for attention and investment from Government and its agencies. A two-stage approach is proposed, with the first stage of NN's involvement in the Corridor being to seek a Housing and Growth Deal that will enable existing growth commitments within the adopted spatial strategy (JCS) to be accelerated (i.e. more of the identified capacity being built by 2031). The second stage will be to explore the longer term growth potential to 2050 through a review of the JCS, in the context of the Corridor-wide vision.

3. GEOGRAPHY OF THE CORRIDOR

- 3.1 The NIC report contains no definitive plan of the Corridor, but diagrams throughout the document (e.g. Figure 6 reproduced in section 5 below) show Wellingborough to be the only NN local authority included. This appears to be based on background evidence commissioned by the NIC, notably a [Savills report](#) on property markets a report on spatial options by [5th Studio and SQW](#). This evidence has yet to be tested for its feasibility or acceptability. Spatial options will need to be tested through the preparation of the spatial vision for the corridor and statutory plans prepared for constituent planning areas, requiring significant input from the LPAs.
- 3.3 NN is peripheral to the likely routes of East-West Rail and the Expressway but a case can be made for including the whole area in the Corridor on the basis that the

A34/A43/A45/A14 currently provides a key strategic route between Oxford and Cambridge and is also a key economic artery for Northamptonshire connecting the main urban centres and growth locations throughout the county. The A47 is also an important route across the north of the area. NN comprises a single Housing Market Area which has already taken a very positive position on growth, including the Garden Communities that should logically form part of the wider Growth Corridor. NN also has a strong economic connection with the rest of the corridor, which would be weaker for not recognising and utilising this economic advantage and potential

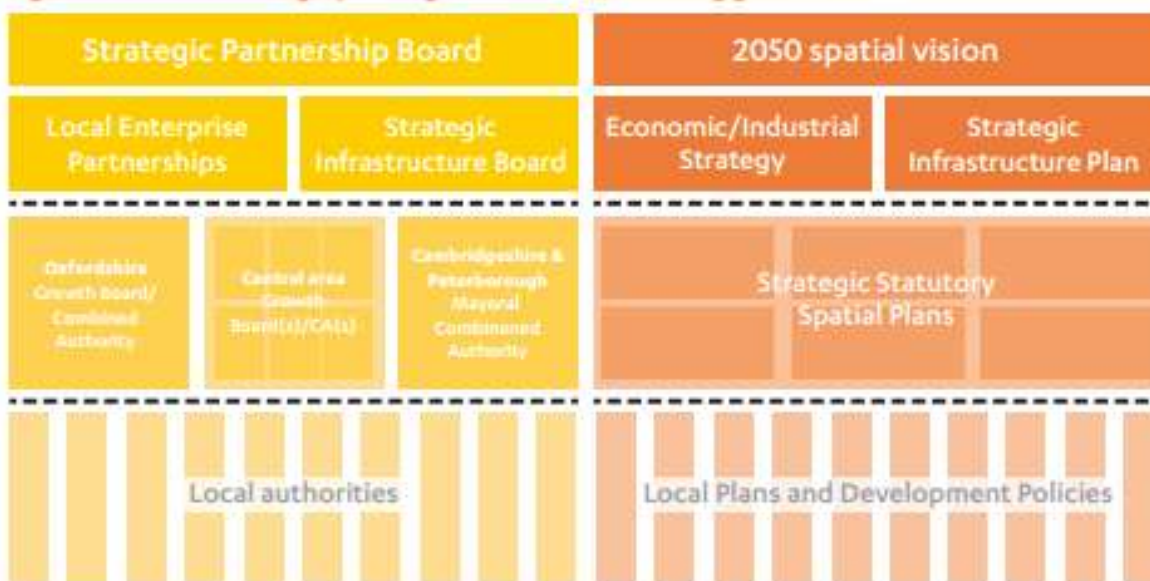
- 3.4 In considering the NIC's interim report in April 2017, the Joint Delivery Committee agreed that it would be beneficial for all of the North Northamptonshire Councils to be included in the Corridor, so that they are at the table while future arrangements are under consideration, and are in a position to benefit from any funding opportunities.
- 3.5 This view fed into a single joint response to the NIC made on behalf of all the LEP and Local Authorities within the Corridor. The NN Councils have participated in officer working groups and have been represented on the Shadow Growth Board for the Central Area of the Corridor.
- 3.6 The final NIC report still shows only Wellingborough in the Corridor, but all NN Leaders subsequently received a letter from SoS Sajid Javid on 22nd November saying how, over the coming months, the Government wants to work with the councils and other local partners to consider the NIC report and develop an agreed way forward. This, and informal feedback from civil servants, suggests that the Government recognises that NN has a lot to offer the Corridor in terms of potential for accelerated housing growth and economic development, based on an up-to-date Joint Core Strategy and an established joint planning and delivery infrastructure.
- 3.7 This report seeks a view from the Joint Committee on whether NN should step-up its involvement with the Corridor or whether it should pursue its own growth agenda outside the Corridor. A clear steer from the Leaders and Chief Executives is that NN authorities should maintain their successful record of joint working, with all four authorities being either wholly inside or wholly outside the Corridor. This begs the question of whether BCW could be compelled to remain within the Corridor on its own (Recommendation 7 of the NIC Report is that if agreement can't be reached on the definition of sub-regional planning areas by April 2018, the Secretary of State should define them.
- 3.8 The following sections seek to inform this discussion by considering planning and governance arrangements, the implications of being in the corridor, and the potential for a bespoke Housing and Growth Deal.

4. LONG TERM VISION FOR THE CORRIDOR AND ITS SUB-REGIONS

- 4.1 The Government's response to the NIC report states that growth in the corridor must be sustainable – planned and developed in a joined-up way, with good design, to ensure high-quality outcomes with existing and new communities benefiting from the economic opportunities; and with the protection and enhancement of historic and environmental assets balanced with economic growth.
- 4.2 The government has invited local partners to work with it through 2018 to agree a long term spatial vision for the whole corridor up to 2050. This will set out how jobs, homes and infrastructure across the corridor will be planned together to benefit existing and new residents, while balancing economic growth with the protection and enhancement of the area's historic and environmental assets.

- 4.3 The government believes this long-term vision should be underpinned by a series of joint statutory plans across the corridor which would deliver the vision through the planning system. As a first step, Oxfordshire has agreed, through its housing deal with government, to bring forward for adoption a joint statutory plan across the whole county by 2021. The government has urged other areas in the corridor to propose how they will work together with a view to adopting a small number of joint statutory plans at the earliest opportunity to ensure that planning for business and housing is coordinated with the delivery of strategic and local infrastructure.
- 4.4 The Government's approach is based on the NIC's recommendations for arc-wide strategic planning framework and enabling governance as set out below:

Figure 13: arc-wide strategic planning framework and enabling governance



* The number and definition of sub-regional planning areas in the central section of the arc is currently a subject for debate amongst local partners. The Commission has argued that, in the first instance, local authorities and LEPs should work collectively and seek to agree a definition by April 2018 (see recommendation 7 above).

- 4.5 The NIC report recognises that the definition of sub-regional planning areas in the central section of the Arc, including Luton, Bedford, Milton Keynes and Northampton is complex. The Government has confirmed that it expects a number of Housing Growth Deals based on joint-planning areas within the Central Area. Northamptonshire Leaders and Chief Executives have proposed that NN and WN should be recognised as discrete planning and delivery areas, with bespoke Housing and Growth Deals with Government.
- 4.6 This approach would have the benefit of insulating NN from the ongoing, and not always productive debate, over governance and joint planning arrangements elsewhere in the central area and would leave statutory strategic planning in the control of the Joint Committee, which has a strong track record having agreed 2 Joint Core Strategies in the last 10 years. It would allow NN to press on with early delivery while joint working arrangements and joint plans are established elsewhere in the Corridor. Existing and well established governance structures in NN will make the process of agreeing a growth deal and identifying priorities for investment quicker and more straightforward than any other part of the central area.
- 4.7 Collaborative working with neighbouring authorities including those in West Northamptonshire, Bedfordshire and Cambridgeshire will be undertaken through the duty to cooperate. However, combining NN with any other local authorities for the purposes of joint planning or a Housing & Growth Deal would inevitably result in

significant delays to delivery as new governance and statutory planning arrangements are negotiated and implemented.

5. IMPLICATIONS OF BEING IN THE CORRIDOR

a. Increased productivity and employment growth

5.1 Much of the discussion over the Corridor has been about increased housebuilding, but it is important to recognise that the Government's broader objective in commissioning the NIC work is to "maximise the potential of the 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." (NIC website)

5.2 The Government's response to the NIC report states that the Corridor "...has the potential to be a growth corridor similar to Silicon Valley that nurtures the UK's innovative industries. Two of its universities are consistently ranked in the global top four and widely recognised as world leaders in key areas of research and innovation. It competes internationally for high-tech and science investment, and contains nationally-significant industry concentrations that can be a springboard for this region to lead the way globally in areas such as medicine, life sciences, autonomous vehicles, biotech and artificial intelligence – with benefits spreading far wider across the UK."

5.3 The Government has endorsed the NIC's central finding that "in order to enable the corridor to meet its full economic potential there needs to be an integrated approach to the planning and delivery of infrastructure, homes and business growth." It has invited Local Enterprise Partnerships (LEPs) across the corridor to begin the development of ambitious Local Industrial Strategies. These strategies will back the corridor's world-class science and innovation assets, as well as identifying and growing new sectors and business.

5.4 This is clearly something that NN councils would wish to benefit from in order to address ongoing socio-economic challenges including:

- The need for better skills and more social mobility
- Diversifying the economy into higher value sectors
- Meeting job targets set in the adopted JCS to make the area less reliant on out-commuting

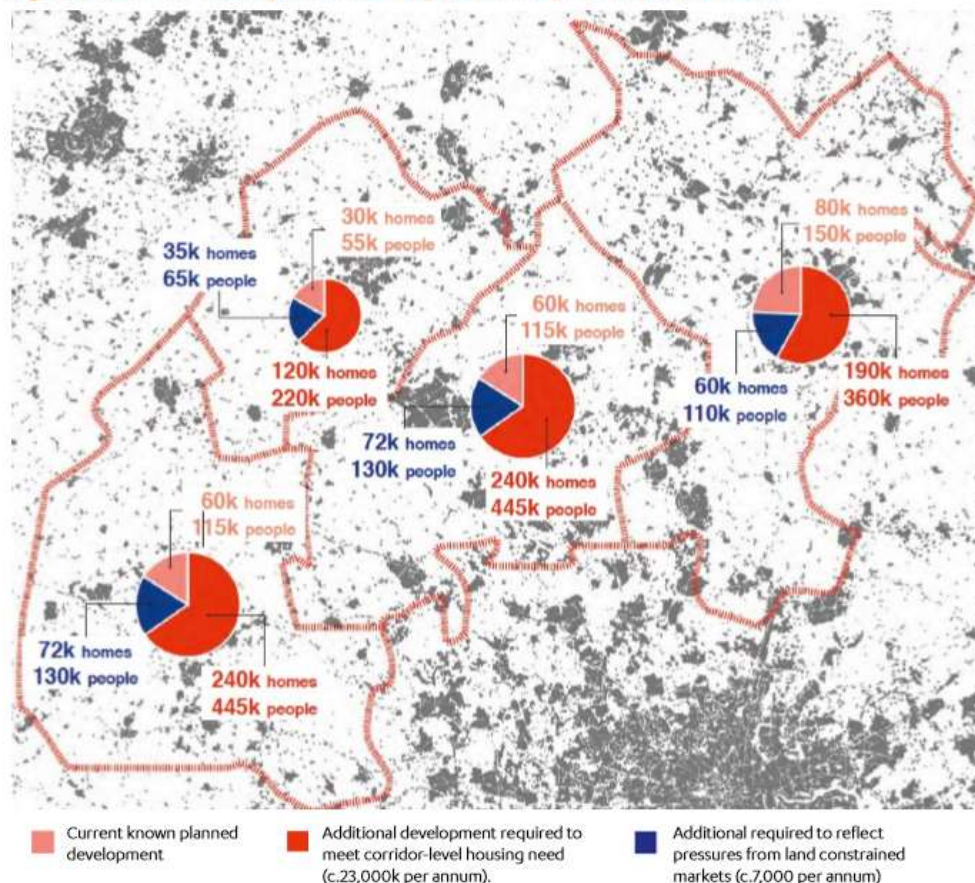
5.5 The opportunities to address these issues will be maximised if NN is within the Corridor, which will inevitably be the focus of attention from Government and SEMLEP. This will strengthen the case for infrastructure to support economic development, including bringing forward strategic employment sites such as the Rockingham Enterprise Area, and investment in further education. The danger of sitting outside the Corridor is that NN would be peripheral to these funding decisions, standing alone between various geographies that are either in the Corridor or other strategic arrangements.

b. Increased housing growth

5.6 The Government has welcomed the NIC's finding that up to 1 million homes will need to be built in the corridor by 2050 if the area is to maximise its economic potential. The NIC report indicates that this will need an average 30,000 new homes pa,

compared to 14,330 homes delivered in 2016-17. Figure 6 provides an illustration of planned and required housing across the corridor⁴.

Figure 6: An illustration of planned and required development levels, 2016-2050



Source: 5th Studio, based on data analysis by Savills, Arup and Cambridge Econometrics

- 5.7 This appears to be based on analysis in the Savills report which suggests housing targets based on a minimum growth of 1.3% of housing stock pa (the assessed national requirement) and applying an uplift for those LA's where the affordability ratio is worse than national average. This gives an overall 1.7% pa increase in stock across the corridor, although the suggested target for Wellingborough is 1.3% (due to its relative affordability). This methodology gives an annual target of 23,200 homes pa for the corridor, which rises to 30,200 (2.2% pa) with the addition of 7,000 homes pa to accommodate growth pressures arising in constrained areas (London & SE).
- 5.8 Figure 6 distributes the 7,000 pa from land constrained markets in proportion to the share of development required to meet corridor level housing need. This is not a given and would need to be determined through the corridor-wide vision and strategic plans for the component parts. HMAs closest to London are arguably best placed to cater for displaced demand. In this respect it should be noted that the NIC report recommends investment in the East West Rail project and the proposed Oxford-Cambridge Expressway "...as part of a single, integrated programme focused on identifying and exploiting major development opportunities, from smaller scale garden towns of around 10,000 homes through to new city-scale developments of up to

⁴ Figure 6 incorrectly shows 'current known planned development' as an additional element of housing requirements when it is in fact part of the supply.

150,000 homes (e.g. between Oxford and Milton Keynes, and between Bedford and Cambridge) and the ongoing growth of existing towns and cities (e.g. Milton Keynes, Bedford, and focusing development on a small number of key nodes in the Marston Vale).”

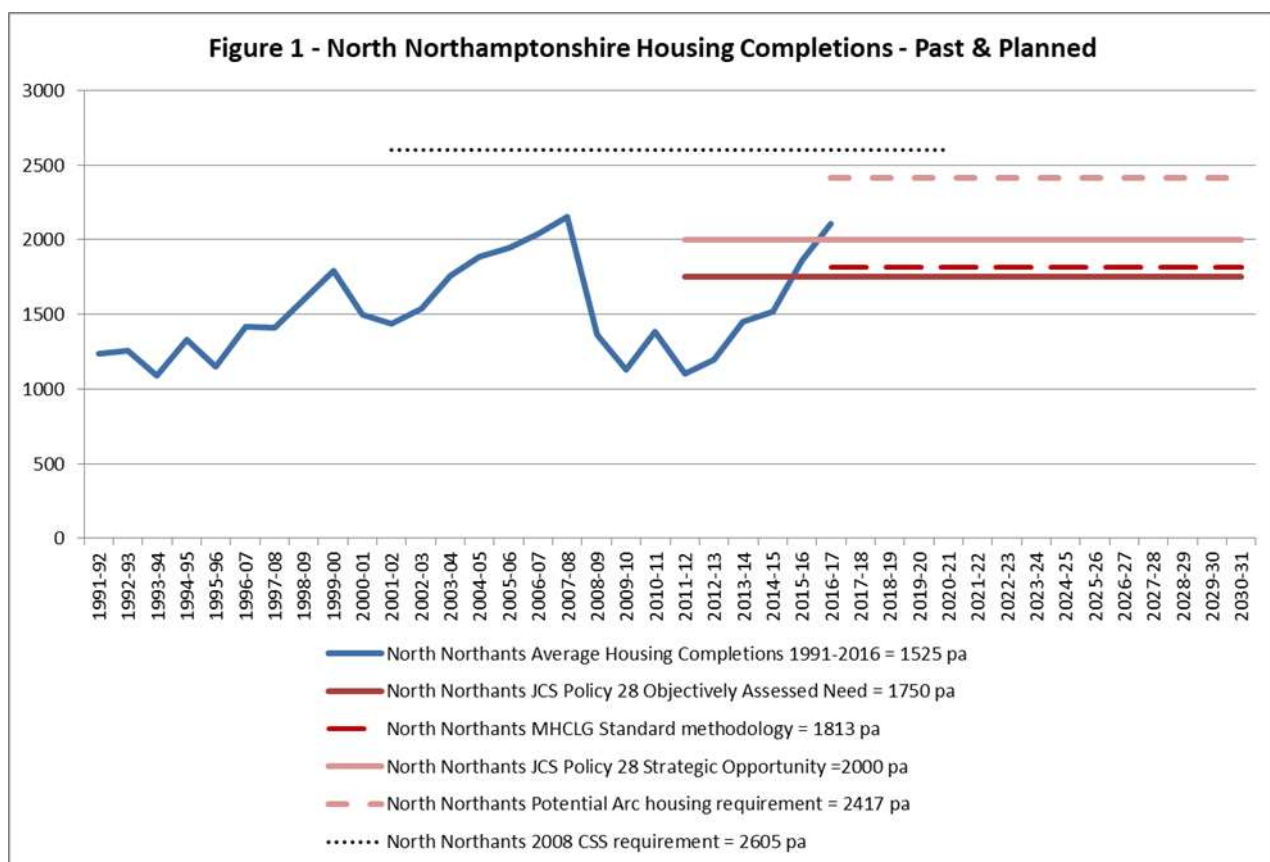
- 5.9 The Government’s initial response to the NIC report commits funding to initial elements of the Expressway and East-West Rail and to progress plans/ studies in relation to new stations at Cambridge and Oxford. It also commits to exploring the potential for one or two major new settlements in the Corridor. This transport infrastructure and new settlements will take decades to plan and deliver. NN can potentially offer accelerated housing growth in the shorter term, through the delivery of its substantial commitments (allocated sites, planning permissions and smaller sites that are in line with the JCS and emerging part 2 Local Plans; i.e. no new sites required at this stage).. While strategic transport infrastructure and new settlements are likely to take the lion’s share in the longer term, NN thus provides an opportunity to secure accelerated growth from investment in the short to medium term. The review of the JCS to 2050 will assess longer term growth options, including potential opportunities linked with the implementation of new transport infrastructure/ services such as the Northamptonshire Arc Transit (NAT) proposals.
- 5.10 The housing figures in the NIC report do not include Corby, East Northants or Kettering. It is therefore necessary to replicate the analysis in background studies to gauge the potential implications of how the North Northamptonshire Housing Market Area (HMA) as a whole might be expected to contribute to corridor wide targets. It does not follow that these figures will apply to a future core strategy or to any growth deal which might be negotiated – it is just an indicator of longer term aspirations on the part of government. The JPDU has sought Planning Delivery Funding to roll out the NIC background technical work to the whole of NN. In the meantime, it is possible to estimate how the HMA would fare under the methodology used. Table 1 below compares the results of this analysis with current JCS requirements and the figures arising from the standard methodology recently consulted upon by CLG.

Table 1 – Comparison of housing requirements	Indicative dwelling requirement (pa) based on Savills/ 5 th Studio methodologies			JCS Policy 28	CLG standard methodology	% increase	
	1.3% pa increase in stock	Share of unmet need	Total			above JCS	above CLG
North Northamptonshire HMA	1887	534	2417	1750	1813	38.1%	33.3%

For comparison, housing completions since 2011 are shown in Table 2 below:

Table 2 – Net housing completions	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	Total
North Northamptonshire HMA	1101	1198	1450	1515	1860	2108	9232

- 5.11 At the NN level, the 1887 dwellings pa arising from a 1.3% pa increase in dwelling stock (from 2016) is close to the CLG standard methodology (1813) and not greatly in excess of current JCS minimum requirement (1750). It is below the “strategic opportunity” identified in the JCS for 2000 dwellings pa.
- 5.12 The pressure for increased housing numbers arising from being within the Corridor is therefore likely to arise primarily if NN takes a further share of unmet need from constrained areas. The scale of any such share will need to be tested through the spatial vision for the corridor and strategic plans for the sub-areas. However, if it is based on the proportional approach illustrated in the NIC report (Fig 6 above), the NN annual housing requirement would rise to 2417 pa, an increase of 38% compared with the JCS OAN (the Government’s proposed standard methodology will not kick-in until the JCS review), or 21% if the ‘strategic opportunity’ figure is used. Figure 1 below puts these figures in context with past completions and plan requirements. 2417 pa would represent a step-change in the rate of housing delivery, although not quite of the magnitude envisaged in the first Core Spatial Strategy. Over the 15 years to 2031 this would deliver 36,255 dwellings. Combined with the 9,233 recorded completions between 2011 and 2016, this would give a total of around 45,500 new homes over the JCS plan period, 30% above the JCS objectively assessed need of 35,000 homes. The joint planning arrangements in NN allow the appropriate distribution of housing requirements between councils in the HMA to be determined based on policy criteria and identified opportunities and constraints.



- 5.13 The LPAs have been clear that any offer of additional housing growth must be based initially on accelerating the delivery of JCS housing commitments over the period to 2031 and must not impact on the preparation of Part 2 Local Plans, which are themselves contributing to growth through the reallocation of sites. Consideration of housing growth above and beyond this will be considered through the JCS review in the context of the vision for the Corridor.
- 5.14 The JCS (Annex A) shows that there is capacity to accommodate around 43,900 homes over the period 2011-31, including 21,300 at the 6 principal SUEs. This excludes 5,700 homes at the committed SUEs, phased after 2031, and the potential for 1,500 homes at Tresham Garden Village. The identified physical capacity within the bounds of the current JCS (i.e. no additional sites needed) is therefore around 51,000 dwellings (46% above the OAN of 35,000).
- 5.15 In theory, the capacity identified in the JCS is therefore more than sufficient to deliver a 30% increase in housing delivery over the period 2011 to 2031 (the uplift identified in para 5.12) if build-rates can be accelerated. However, the LPAs are understandably cautious about committing to this, given the challenges in delivering current JCS housing requirements, particularly at the SUEs. The pace at which identified capacity can be delivered will depend on the scale of investment in infrastructure to unlock sites, and in economic development and the creation of sustainable communities to support market demand. It may also depend on the capacity and appetite for greater public sector intervention in order to diversify and boost housing supply, the wider economy and, perhaps crucially, the appetite and capacity of the housebuilding sector.
- 5.16 Any commitment to plan for and support the delivery of additional housing must therefore be underpinned by:
- a. Measures to ensure that NN Councils are not exposed to increased risk of speculative development as a result of their commitment to additional growth. The NIC report recognises this, recommending (Rec 6) flexibility in five-year land requirements (this is part of the Oxfordshire Deal). The existing JCS approach should also be retained, whereby housing land supply is assessed against a minimum requirement (the distributed OAN figure) rather than the 'strategic opportunity' for a higher number of homes; and
 - b. A serious and significant commitment from Government to support a package of support for infrastructure and economic growth in NN, **in addition to that already committed**. The potential for a Housing and Growth Deal is outlined below. The Councils will need to understand risks of committing to a level of growth that relies on economic conditions and the actions of other parties. Any deal should also commit Homes England, housebuilders and other stakeholders to playing their part in bringing sites forward.

6. POTENTIAL FOR A HOUSING AND GROWTH DEAL

- 6.1 The NIC report says that greater levels of development will be required across all of the Arc's existing towns and cities. This growth must be sustainable and deliverable. It therefore recommends that local areas are given the ability to shape long-term growth by providing greater certainty over investment in enabling infrastructure. The development of public transport and active travel options is promoted to make more efficient use of road space in the key cities and towns including Northampton.

- 6.2 The Government's has supported the NIC proposals for capturing the uplift in land value in the corridor (potentially through a Strategic Infrastructure Tariff). It is important that this does not entail developments in NN having to contribute to remote strategic projects such as East West Rail and the Expressway, which could diminish funding available for local priorities.
- 6.3 The government has agreed a Housing and Growth Deal with Oxfordshire, committing to a target of 100,000 homes in the county by 2031 in return for a package of £215m funding support for infrastructure and economic growth, which could include supporting the growth of employment sites across the county, and some planning flexibilities around 5 year housing supply. This is to be "backed up with a credible plan for delivery, outlining interim milestones and targets as agreed with the HCA and Government". Compared to the Government's proposed standard methodology for calculating OAN. 100,000 homes represents an uplift of 46%.
- 6.4 The Government has pledged to build on the Oxfordshire deal by working with the central and eastern parts of the corridor in 2018, to realise its housing ambitions. The starting point for a Housing and Growth Deal is that it must cover more than one authority, be based on a joint plan, and deliver more housing than Objectively Assessed Need (OAN). NN meets the first two requirements by virtue of the established joint planning and delivery arrangements and the adopted Joint Core Strategy. Consideration is needs to be given to what can be offered in terms of housing delivery above OAN, and what investment and intervention would enable this. As set out above, any commitment to housing delivery above OAN should initially be based on accelerated delivery of growth on sites/ locations already committed in the JCS to 2031, and must not interfere with the completion of Part 2 Local Plans. Consideration of housing growth above and beyond this will be considered through a JCS review, in the context of the overall vision for the Corridor.
- 6.5 While NN provides a smaller area for a Housing and Growth Deal than Oxfordshire, the Government has recognised it as an appropriate geography for planning and delivering growth and has supported this through previous Growth Area funding and ongoing Garden Communities capacity support. As outlined above, combining NN with other local authorities would inevitably result in delays to delivery as new governance and planning arrangements are negotiated. The USP that NN has is that it is a ready-made joint planning area with a strong record of delivering a nationally important scale of growth and has major potential for housing and economic development to progress while longer term growth plans (new settlements etc.) are resolved elsewhere. Given the scale of committed housing sites in NN, the scale of investment sought in a growth deal may be more ambitious than that agreed in Oxfordshire (where development plans are not yet in place). It will include investment required to accelerate build-rates at the Sustainable Urban Extensions; diversify supply by making land available to SMEs and custom/ self-builders; and for some of the Councils to play a bigger direct role in housing delivery if they wish;
- 6.6 Further work has already been undertaken to refine the package of funding support for infrastructure and economic growth to accelerate the delivery of planned growth in the period to 2031. It will be essential that any funding is additional to funding already secured by schemes.
- 6.7 Extensive work has been undertaken in identifying infrastructure requirements. The North Northamptonshire Infrastructure Delivery Plan (IDP) identifies the strategic priorities for the delivery of key infrastructure needed to support the implementation of the JCS over the plan period 2011 - 2031. It explains the approach taken to

identifying the infrastructure need, importance, delivery and an assessment of potential risk. It contains an Infrastructure Schedule, which summarises the infrastructure items in a comprehensive, theme based format. The IDP was refreshed in September 2017 to support Housing Infrastructure Fund (HIF) bids that were submitted for Marginal Viability and Forward Funding.

6.8 The prospects for a Housing and Growth Deal may depend on the outcome of NN's expression of interest for HIF Forward Funding (shortlisting expected in March). This seeks the establishment a NN Strategic Investment Fund (NNSIF) of £250 million for highways, schools and utilities, with the following initial schemes identified:

- Isham Bypass (A509 Wellingborough Development Link Phase 1);
- A6 (Finedon);
- Corby North Orbital Relief Road (CNORR);
- A43 Corridor (New junctions and improvements to existing highway);
- Stanton Cross Route 6 and 7;
- Education (milestones relate to initial investment);
- Smart commuting;
- A6 (Rushden);
- Land Acquisition at Rushden East;
- IWIMP (A509 Wellingborough Development Link Phase 2);
- Weekley Warkton Avenue (Kettering);
- Remainder of the cost of junction 10a on the A14
- Tresham Garden Village spine road and other infrastructure;
- Park Farm way (A509 Wellingborough Development Link Phase 3)

6.9 The County Council's current financial position does not detract from the merits of the NN HIF proposal or of a bespoke Housing and Growth Deal. Highway and education authority functions will endure and can be addressed in the detail of the delivery arrangements.

6.10 Further work is needed to prioritise infrastructure schemes identified in the IDP, potentially using a similar approach to the Infrastructure Strategy commissioned by the Oxfordshire Growth Board. This focuses on:

- Identifying and promoting the critical investment supporting sites that will deliver the greatest contribution towards the economic and housing growth targets
- Demonstrating to government and funding providers that the investment priorities are clear, having been established through an evidence based process and consulted with stakeholders; and
- Extracting the most value and efficiencies from the limited funding the authorities have available, in the context of fierce competition for increasingly limited public sector funding and the limitations of developer contributions to fund large scale infrastructure projects.

6.11 It is recommended that the JPDU commissions further work on the IDP to strengthen the business case for further investment.

7. RISKS

- 7.1 As set out at para 5.5, the danger of sitting outside the corridor is that NN would be peripheral to funding decisions, standing alone between various geographies that are either in the corridor or other strategic arrangements. Being outside the corridor would also mean that NN does not have a significant say in the development of the spatial vision, but may still be vulnerable to cross-boundary growth pressures that may arise through mechanisms such as the Duty to Co-operate, which are being strengthened by the Government.
- 7.2 It is important to consider the risks of being within the corridor. If a Growth Deal is agreed with Government it will need to be accompanied by a detailed Delivery Plan setting out agreed milestones for delivery. If NN is unable to deliver on these then there is a risk that funding could either be withheld or potentially clawed back. There are a number of external risks to delivery, which include the volume house builders not increasing output as required, demand for homes not being sustained due to economic conditions, and constraints to home building capacity (e.g. shortage of construction workers). Addressing these risks will be important in agreeing a credible Growth Deal.
- 7.3 It is likely that being within the corridor will commit NN to involvement in planning and delivering growth over a long timeframe to 2050, with greater potential for the area to be locked into higher rates of growth than those suggested by current objectively assessed need. There is a risk that NN could continue to experience pressure to deliver at smaller towns and villages should the SUEs fail to deliver at the required rates. It is proposed that this risk should be managed through flexibility in housing land supply requirements as part of a Growth Deal.
- 7.4 Engagement in the Corridor planning and governance arrangements will require substantial resources and time commitment from members and officers to ensure that NN is fully involved in this process in order to minimise risks. The development of the spatial vision alone is likely to require significant resource, particularly to meet the timescales, identified in the NIC report, for a spatial vision accompanied by a set of arc-wide economic plans and an arc-wide plan for strategic infrastructure to be completed no later than summer 2019 (NIC report recommendation 7). Capacity support for this work should be sought as part of a Growth Deal.

8. CONCLUSIONS

- 8.1 The following conclusions are drawn from the above:
- a. Geographically, NN is part of the Corridor linking Cambridge and Oxford. The A34/A43/A45/A14 currently provides the key strategic route between these cities and is also a key economic artery for Northamptonshire, connecting the main urban centres and growth locations throughout the county. The A47 is another important route. NN comprises a single Housing Market Area which has already taken a very positive position on growth, including the connected Garden Communities that should logically form part of the wider Growth Corridor. NN has a strong economic connection with the rest of the corridor, which would be weaker for not recognising and utilising this economic advantage and potential

- b. NN has a lot to offer in terms of potential for housing growth and economic development, based on an up-to-date Joint Core Strategy, and an established joint planning and delivery infrastructure. This can make a significant contribution to growth in the corridor while longer term strategic infrastructure projects and new settlements are brought forward elsewhere;
- c. Inclusion within the Corridor would allow NN to benefit from attention and investment from the Government, SEMLEP and other agencies to boost job growth, innovation and productivity levels, and deliver the housing growth that we have already committed to, but at the quality and in the locations that we desire.
- d. Conversely, there is a risk that, by being outside of the Corridor, NN would miss out on investment in the infrastructure and economic development. NN could continue to pursue funding streams such as the Housing Infrastructure Fund, but being within the Corridor will strengthen NN's national strategic importance and is likely to improve its ability to attract funding;
- e. In order to realise these benefits, and to avoid risks, NN should be recognised as a discrete planning and delivery area within the Corridor, with a bespoke Housing and Growth Deal with Government. This would leave statutory strategic planning in the control of the Joint Committee and allow NN to press on with early delivery while joint working arrangements and joint plans are established elsewhere in the Corridor. Existing and well established governance structures will make the process of agreeing a deal and identifying priorities for investment quicker and more straightforward than any other part of the central area, and provide best practice for others.
- f. This will involve collaborative working with neighbouring authorities including those in West Northamptonshire, Bedfordshire, Cambridgeshire and Peterborough. However, combining NN with other local authorities for a Growth Deal would inevitably result in delays to delivery as new governance and planning arrangements are negotiated;
- g. A Growth Deal will require a commitment to housing delivery above objectively assessed need (OAN). This should initially be based on accelerated delivery of growth on sites/ locations already committed in the JCS to 2031, and must not interfere with the completion of Part 2 Local Plans. Consideration of housing growth above and beyond this will be considered through a JCS review, in the context of the overall vision for the Corridor.
- h. Existing strategic commitments (and an ongoing supply of smaller sites) have physical capacity to deliver 30% in excess of OAN to 2031. The pace at which identified capacity can be delivered will depend on the scale of investment in infrastructure to unlock sites, and in economic development and the creation of sustainable communities to support market demand. It may also depend on the capacity and appetite for greater public sector intervention in order to diversify and boost housing supply, the wider economy and, perhaps crucially, the appetite and capacity of the housebuilding sector.
- i. Given the scale of committed housing sites in NN, the level of investment sought for a growth deal may need to be more ambitious than that agreed in Oxfordshire (where development plans are not yet in place). It will include investment required to accelerate build-rates at the Sustainable Urban Extensions; diversify supply by

making land available to SMEs and custom/ self-builders; and for some of the Councils to play a bigger direct role in housing delivery if they wish;

- j. The infrastructure investments required to unlock and accelerate existing housing commitments are set out in the JCS and accompanying Infrastructure Delivery Plan (IDP). Further work is required to prioritise projects, including identifying in greater detail the level of growth that will be enabled;
- k. The NN HIF Forward Funding expression of interest identifies infrastructure projects that could be delivered quickly, and proposes to establish a revolving Strategic Infrastructure Fund. The County Council's current financial position does not detract from the merits of this proposal or of a bespoke Housing and Growth Deal. Highway and education authority functions will endure , however provided or managed, and can be addressed in the detail of the HIF and/or Growth Deal;
- l. A key part of any offer to deliver above OAN must be that any uplift is treated as a 'strategic opportunity' (as in the current JCS), rather than the requirement against which 5 year supply is assessed. NN should also benefit from the flexibility over housing land supply that is being considered in the Oxfordshire Housing and Growth Deal;
- m. The Councils will need to understand risks of committing to a level of growth that relies on economic conditions and the actions of other parties. A Housing and Growth Deal should also commit Homes England, housebuilders and other stakeholders to playing their part in bringing sites forward, and/ or identifying realistic ways in which delivery can be less dependent on the big six housebuilders.

8.2 Having regard to the above, it is considered that, subject to safeguards, NN has a better prospect of achieving the adopted JCS vision and associated outcomes if it is within a nationally important growth Corridor, as this will inevitably be a focus for attention and investment from Government and its agencies. The recommended responses to the questions at paragraph 2.4 of this report are therefore that:

- 1. All four NN authorities should be included within the Cambridge-MK-Oxford Corridor. If the Joint Committees conclude otherwise, attention is drawn to the views of Leaders and Chief Executives, at paragraph 2.5, that the partner councils should remain together to preserve the established and successful joint working arrangements in the Housing Market Area. In effect: all in or all out; and
- 2. NN's involvement in the Corridor should be subject to the arrangements and safeguards outlined in this report to retain current joint working arrangements, safeguard the preparation of Part 2 Local Plans, and provide the resources and autonomy needed to achieve accelerated delivery of the JCS. It is proposed that officers engage with Government to discuss the potential for a Housing and Growth Deal, and that further technical work is commissioned to support this.

9. RECOMMENDATIONS

9.1 It is recommended that the Joint Delivery Committee:

- 1. Confirms that all North Northamptonshire local authorities should be part of the C-MK-O Corridor, subject to NN being recognised as a discrete delivery area within the Corridor;**
- 2. Supports officers initiating discussions with Government and Homes England over a bespoke Housing and Growth Deal for NN, based on the acceleration of existing growth commitments to 2031 and subject to the safeguards set out in this report;**
- 3. Agrees that the JPDU should commission further work in respect of the prioritisation of infrastructure projects and other investment needed to accelerate the delivery of existing commitments, in order to provide a robust basis for a Housing and Growth Deal and/or other bidding opportunities.**

9.2 It is recommended that the Joint Planning Committee:

- 1. Confirms that the whole of North Northamptonshire should be part of the C-MK-O Corridor, subject to it being recognised as a discrete joint planning area within the Corridor, based on the existing statutory joint planning arrangements;**
- 2. Supports officers in engaging with Government, Homes England and other local authorities to start work on the Corridor-wide vision to 2050;**
- 3. Agrees that the JPDU should commission further work in respect of longer term growth options, replicating some of the technical work carried out for the NIC for the rest of the corridor.**

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