

Royal Town Planning Institute 41 Botolph Lane London EC3R 8DL Tel +44(0)20 7929 9494 Fax +44(0)20 7929 9490

Email online@rtpi.org.uk
Website: www.rtpi.org.uk

Registered Charity Numbers England 262865 Scotland SC 037841

Patron HRH The Prince of Wales KG KT PC GCB

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To whom it may concern,

Response to the discussion paper on strategic planning in the Cambridge – Milton Keynes – Oxford corridor.

The Royal Town Planning Institute (RTPI) welcomes the opportunity to comment on the National Infrastructure Commission's discussion paper on strategic planning in the Cambridge – Milton Keynes – Oxford corridor. This response is based in part on discussions between the Commission and RTPI members from the South East and East of England, as recorded during two workshops held in April.

The RTPI has over 24,000 members who work in the public, private, voluntary and education sectors. It is a charity whose purpose is to develop the art and science of town planning for the benefit of the public. The RTPI develops and shapes policy affecting the built environment, works to raise professional standards and supports members through continuous education, practice advice, training and development.

Please see our response to the discussion paper below.

Yours faithfully,

James Harris

Policy and Networks Manager

Royal Town Planning Institute 41 Botolph Lane, London EC3R 8DL +44 (0)20 7929 9483 | james.harris@rtpi.org.uk

An integrated strategic plan

Q1. Can the approach to strategic planning explored in this paper help to:

- tackle major constraints on future economic growth i.e. the undersupply of homes and weaknesses in east-west transport infrastructure;
- maximise the potential of major new east west infrastructure links; and
- develop distinct towns and cities into a major economic corridor?

Q2. How could the approach to strategic planning be amended or strengthened to better achieve these aims?

We welcome the work of the National Infrastructure Commission (NIC) to investigate how strategic planning can help maximise the benefits of proposed transport investments and develop the corridor into a "single, knowledge-intensive cluster that competes on the global stage". By integrating transport and land-use decisions, a strategic planning framework can help to ensure that infrastructure investment meets both local and regional/national objectives, while avoiding unintended negative impacts. This discussion paper from the NIC is a valuable first step in re-opening the debate on how this can be achieved within the corridor.

The RTPI has published a body of work on the subject of strategic planning, including our 2015 Policy Paper and our partnership with IPPR North to develop a <u>Blueprint for a Great North Plan</u>. The latter demonstrated a process for engaging stakeholders in the development of a high-level strategic plan, and led to the development of key principles for strategic planning at a regional scale. Many of these are relevant to the corridor and have been set out below:

- 1. A strategic plan should be high level, spatial and focused. Stakeholders need to be clear on what the plan *must* contain, how this will affect other statutory plans, and what issues are better dealt with at a smaller geographical scale and in other documents. It needs to demonstrate why a sub-regional approach in required, and show how the corridor fits within regional, national and global contexts.
- 2. It should set out an ambitious, long-term vision which recognises the potential to create a step change in housing delivery, infrastructure and economic performance, and to establish new ways of working. It should be supported by clear actions in the short and medium term, along with regular milestones for monitoring progress.
- 3. It should be evolutionary and collaborative, informed by a strong evidence base and engagement with a wide range of actors including local communities. It should be able to survive changes of local and national government, and include a framework which supports new models of cooperation. It should add value to existing plans and strategies by identifying common themes, resolving conflicts and reducing duplication.
- 4. It should be genuinely inclusive, recognising the complementary contributions that different parts of the corridor can make, and the links between them.

(the full list of principles can be viewed here, pages 5-6)

Achieving specific objectives

It is important that the constraints on economic growth and objectives for strategic planning (as set out in Q1) are used as starting points rather than predetermined outcomes, and that alternatives are allowed to emerge both through this consultation and subsequent wider engagement. These can form the basis for developing different transformative scenarios, which can then be put to initial appraisal and public consultation.

In the discussions that we facilitated between RTPI members and the NIC, the following issues emerged which could help to strengthen the stated objectives, and which are detailed below:

Tackling the undersupply of homes

- A focus is needed here on facilitating the coordinated and sustainable use of public sector land within the corridor, and on supporting local authority-led housebuilding as a mechanism to guarantee enhanced levels of affordable housing delivery in specific locations. New research commissioned by the RTPI is identifying practical ways in which local authorities in England are engaging in the direct provision of housing in their areas, and we can make this evidence available to the NIC as it becomes available.
- Clear evidence will be required on where housing demand in the corridor originates
 from e.g. the proportion generated by internal growth dynamics within the corridor
 and that which results from wider in-migration (e.g. from Greater London or abroad).
 Evidence will also be needed on the relationship between the undersupply of new
 housing and economic performance in the corridor, including the potential for
 investment and growth to be displaced elsewhere in the country/abroad.

East-west transport infrastructure

- Work is needed to identify potential synergies and conflicts between the proposed East West Rail and the Oxford-Cambridge Expressway, in terms of their ability to drive sustainable modal shift and reduce transport emissions, support compact development patterns (and avoid the dispersal of homes and jobs), and help tackle transport challenges within city-regions (including last mile congestion)
- Strong mechanisms will need to be established to prevent speculative development and land-trading as infrastructure plans become more certain.
- New transport infrastructure will need to be delivered alongside smart/integrated ticketing initiatives and demand management measures.

Developing distinct towns and cities into a major economic corridor

There will be a need to establish early on whether the corridor has the potential to
develop over the long-term into an identifiable functional economic area, or whether
demand will continue to derive from the individual growth potential of city-regions
within the corridor. This will have implications for the shape of the strategic plan and
required governance.

Placing the corridor within a regional and national context

The key justification for this focus on the corridor is to unlock transformational levels of housing, employment and economic growth which go beyond current trends and contributes to wider objectives. A necessary first step is therefore to identify the growth aspirations of the three major city-regions in the corridor, draw out synergies between them, and then relate these to infrastructure plans and strategic objectives at the regional and national level, for example:

- Changes to national transport infrastructure like High Speed 2 and the Strategic Road Network, and proposals for airport expansion in the South East
- Existing regional rail and road networks, airports and ports
- The growth of Greater London and Birmingham
- The emerging Industrial Strategy and Clean Growth Plan

This early work will help to establish whether/how the growth aspirations of city-regions within the corridor can meet wider objectives, such as increased national economic output, growth in knowledge-based industries, reduced greenhouse gas emissions, and the housing/infrastructure needs of Greater London and Birmingham. This evidence and analysis cannot be determined solely by stakeholders within the corridor – central government will need to show how transformative growth proposals will be considered and appraised in relation to wider regional and national objectives.

New opportunities

Q3. Can the approach to strategic planning explored in this paper provide a basis for improved long-term collaboration and engagement between the corridor and:

- housing developers;
- infrastructure providers (e.g. in the telecommunications and utilities sectors) and investors; and
- central government through, for example, a new, long-term 'infrastructure compact'?

The growth aspirations of local authorities are often frustrated by the challenges of coordinating infrastructure delivery between the various government departments and agencies. The resulting uncertainty around infrastructure capacity can in turn lead to local concerns and political tensions over the scale and location of new housing, and results in economic plans which are not complemented by the necessary housing and infrastructure.

In our Strategic Planning paper the RTPI called on government to develop strong incentives in order to facilitate cooperation between local authorities. This included making the devolution of powers and resources conditional on having jointly agreed plans to cater for housing need, and by providing greater certainty around the infrastructure delivery needed to support this growth. This concept of a long-term infrastructure pipeline, agreed between central and local government, therefore represents a welcome step forward, with the potential to incentivise participation in corridor-level strategic planning and to promote greater cooperation. Specific incentives from central government could include:

- In the short term, greater certainty on the location and timing of infrastructure investment (covering transport, utility and social infrastructure).
- In the medium term, the integration of funding streams and investment programmes into existing governance structures along the corridor.

 In the longer term, the unlocking of additional local infrastructure funding when key milestones are met.

This should also include some degree of intervention to ensure that utility companies cooperate fully with planning and delivery, within a regulatory framework allows them to plan proactively to meet transformational levels of growth.

In return for proving incentives, government will need to see a commitment to ambitious housing and jobs targets across the corridor (e.g. more than the sum of existing local plans, or the redistribution of existing targets). An important milestone in this regard could be agreement on housing need across the corridor (or in the key city-regions in the corridor) using the new DCLG methodology, and set against the various growth scenarios. This would provide a useful benchmark against which the more politically challenging issue of site allocations could later be structured.

Mechanisms will also need to be established to prevent speculative development and land trading when plans for infrastructure are released, such as an allowance from government to allow a five year land supply across the corridor, or to provide assistance with CPO procedures. This could again be supported by government through reform of the 1961 Land Compensation Act in order to allow local authorities to compulsorily purchase land at existing use value and capture the increase in land value following public investment in infrastructure.

The NIC can play a supportive role by acting as a mediator between stakeholders in the corridor and relevant government departments, including HM Treasury, DCLG, DfT and DoH, along with the regulators. They can also assist process by presenting a clear business case for cooperation, which makes the link between housing growth, infrastructure investment and local economic development targets.

The ability of this approach to drive greater collaboration and engagement depends on the governance model adopted for the corridor, which is discussed in the next section.

Governance

- Q5. Do you agree with the design principles set out at paragraph 41? How might these be developed or amended to better enable collective decision-making?
- Q6. Should any new cross-corridor governance structures preserve a role for subregional collaboration?
- Q7. Can the opportunities afforded by strategic planning, be exploited without statutory governance structures to 'lock-in' collaboration over the long-term?
- Q8. If informal models of collaboration are to be sufficient, how can local authorities give confidence to wider stakeholders that their commitment to a) their strategic plans, and b) joint-working will sustain over the long-term?

The design principles set out at paragraph 41 are sensible.

Q6 and Q7 get to the critical issue of governance and institutional capacity. Local authorities in the corridor have been affected by the loss of former Regional Spatial Strategies (RSSs) and associated plans for sub-regional growth. The provisions in the Localism Act, coupled with the 'streamlining' of the planning system and significant cuts to local transport and

planning departments, have often resulted in an incremental approach to planning, characterised in places by political antagonism and difficulties in cooperation.

Positive steps have been taken to overcoming these challenges, including the development of partnerships like the Oxfordshire Growth Board, the Cambridgeshire Joint Strategic Planning Unit, and the recent Cambridgeshire and Peterborough Combined Authority. While an enhanced approach towards corridor-wide strategic planning can be driven through a variety of administrative and governance arrangements, it would make sense to build on these existing 'bottom-up' models. A devolved approach is also necessary to ensure democratic accountability and to avoid the perception of changes being imposed from the top-down - as was the concern with RSSs.

In the absence of any regional reform it would make sense for new Combined Authorities (CAs) to be established for the Oxford and Milton Keynes city-regions, to complement the existing Cambridgeshire and Peterborough CA. This approach would be consistent with the existing functional areas within the corridor, and would help introduce a more strategic dimension to current planning activities – allowing mayors to work together on key issues that can only be resolved at the strategic level, while again leaving as much as possible to local determination. For example, agreement could be established between the CAs on core geographical areas in the corridor within which specific strategic policies and proposals carry the most weight, along with complementary actions that should be taken within each city-region. A CA approach would also make it easier to agree on the proposed long-term infrastructure pipeline with government. However, the issue of resourcing and capacity within planning departments will still need to be addressed under the CA model.

Formal models of cooperation will still be needed to lock-in collaboration across the corridor. This could be driven through a joint planning committee and technical team, incentivised with capacity funding from the government. The strategy should be approved by a board of affected authorities that are not subject to the rule of unanimity, and an informal panel appointed by the Secretary of State can assess the strategy before it is endorsed. A Written Ministerial Statement should set out an expectation that local plans be in general conformity with the strategy to fulfil the duty to cooperate, and further devolution of infrastructure spending and development auction revenues will be dependent on the board agreeing the strategy and a proportionate share of housing.

As noted, local ownership and input with the strategic plan will be essential to ensure democratic accountability. The CA model can address this through having a directly elected mayor that can make executive decisions for the city-region, and with joint arrangements where no minority has power of veto, but where minority views are carried forward for testing before ministerial approval and any endorsement of the strategic plan. The RTPI has had advance sight of evidence prepared for this consultation by the Common Futures Network, which suggests several ways in which local ownership can be achieved:

- Equal representation irrespective of size
- Protection of minority views without the power of veto (e.g. the Scottish model)
- A clear arbitrating role of ministers and/or an overseeing body for dispute resolution
- Independence of technical work
- Incentives in terms of additional resources for plan-preparation and implementation

A checklist will need to be in place to ensure that any new governance structures are sufficiently diverse in terms of membership.

The government will also need to consider the role of Development Corporations or similar models if, following suitable incentives and appropriate resourcing, improved cooperation

does not emerge between local authorities in the corridor. This may be necessary to address the containing problems experienced within the Milton Keynes city-region when it comes to cooperation on housing and infrastructure. This will need to be dealt with in order to enable dialogue with other city-regions in the corridor on where growth can be sustainably accommodated. The role of Development Corporations will also need to be considered for other parts of the corridor that require coordinated action to de-risk sites and attract investment.

Once reason has been established for using Development Corporations, existing or recently modified legislation may be sufficient to create new structures, such as the amended New Towns Act, proposed in the Housing White Paper. The role of any governance structure in place needs to be clearly defined, so that local communities understand why it exists.

It should also be recognised that these models may not be sufficient under increasingly transformational growth scenarios, such as if the corridor were to radically increase its population. A portfolio of governance options will be required that can be drawn upon over time as necessary.

Developing and delivering an integrated strategic plan

Q9. How could local authorities make early progress in the development of an integrated strategic plan, prior to the development of any new collective governance arrangements?

In the short-term, strategic planning opportunities could be driven by a coordination team at the NIC, incentivised by central government through the 'infrastructure compact', and backed up through an enhanced duty to cooperate in which plans are assessed by PINS against shared objectives. Existing strategic collaborations within the corridor could also be strengthened using existing legislative powers, such as a Written Ministerial Statement or similar from government which positions the corridor-wide strategy as a strategic priority.

Initial work would be to:

- Develop scenarios which explore the potential role and scale of city-regions in the corridor, under Combined Authority structures or other cooperative mechanisms.
- Identify the potential of specific flagship projects within the corridor (new settlements or innovation districts) and whether they will require special purpose vehicles to be delivered.
- Examine how city-region connectivity can be enhanced to complement new regional transport infrastructure, focusing on broad growth locations at public transport nodes along the corridor.

The government can also support this process by providing a common frame of reference for developing city-regional strategies along the corridor, in terms of national objectives, timescales and scenarios, and where collaboration between city-regions should be targeted.

The relative effectiveness of the Greater London Authority and Greater Manchester Combined Authority in this respect is related to their substantial technical resources, in contrast to the slow process in other parts of the country that lack such resources. Investment in technical capacity will be needed to start this process and develop evidence on scenarios.

Another first step will be to appoint champions within each local authority, Local Enterprise Partnership and transport authorities who can communicate changes and engage with relevant stakeholders.

Q10. How can progress against the plan be assessed and the effectiveness of the plan monitored and evaluated? Are there examples of good practice from which lessons can be learned?

It is important that patterns of housing development within the corridor are in sustainable locations, close to jobs and easily accessible by public transport, walking and cycling. However, there is very little spatial analysis of where housing development is occurring at the larger-than-local level, and whether these sustainability objectives are being met. As a first step towards addressing this gap, the RTPI commissioned research to understand the sustainability of planning permissions for new housing in twelve English city-regions, including Cambridge and Oxford. Similar spatial analysis within the corridor would help to monitor the impact of changes on the location of development over time.