



**Buckinghamshire County Council**  
**Transport Environment and Communities**  
**Select Committee**

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## **Report to the Transport Environment and Communities Select Committee.**

<b>Title:</b>	<b>National Infrastructure Commission</b>
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<b>Cabinet Member sign-off:</b>	Martin Tett

### **Purpose of Agenda Item**

The purpose of this paper is to raise member awareness of the work of the National Infrastructure Commission (NIC) and particular in relation to the development of the transport corridor between Oxford and Cambridge which was identified in their interim report and which was the subject of an initial consultation which closed in March 2017. Feedback from this consultation is currently being analysed by the NIC.

### **Background**

The NIC provides government with impartial, expert advice on major long-term infrastructure challenges. It is chaired by Lord Adonis and has 9 other non-executive commissioners. In relation to the Oxford to Cambridge corridor the NIC said in November 2016:

'The Cambridge-Milton Keynes-Oxford corridor has a major role to play in the future of the UK economy. Towns and cities across the corridor are amongst the most successful and fastest growing in the UK, making a substantial, and increasingly important, contribution to



UK income and to national tax revenues. The success of these places matters, not just to those who live and work in the corridor, but to national prosperity’

In developing its thoughts around the Oxford to Cambridge corridor the NIC has been engaging with individual authorities, developers and professionals and with England’s Economic Heartland (EEH) which is a grouping of local authorities and LEP’s stretching from Oxfordshire to Cambridgeshire. The Leaders Meeting for EEH is currently chaired by Cllr Tett.

## **1. An Area of Economic Importance for the UK**

- 1.1. England’s Economic Heartland is home to 3.3 million people and hosts some of the most productive, successful and fast growing cities in the United Kingdom. The area is at the heart of the UK knowledge economy and is significantly more productive than the rest of the UK economy.
- 1.2. With the exception of London, no other part of the country hosts such a powerful combination of:
  - World leading universities and research institutes – Oxford and Cambridge Universities rank consistently amongst the top 4 in the world, and Cranfield University is a global leader in engineering disciplines
  - Globally competitive business clusters – the area has a concentration of businesses in the scientific research and development, life sciences, pharmaceuticals, high-tech manufacturing, performance technology and motorsport sectors
  - Highly skilled workers – Oxford and Cambridge have the most highly qualified workforces in the country, Milton Keynes and Northampton have seen sustained growth in degree-level qualifications.
- 1.3. And yet notwithstanding the success of the Heartland economy, the area has yet to achieve the full extent of its economic potential – particularly when compared with its global competitors that are the highest performing knowledge-based economies in the world.
- 1.4. Improved connectivity – both transport and digital connectivity - is fundamental to enabling the economic potential of the Heartland area to be realised.
- 1.5. The legacy of past investment in transport infrastructure and services is an over-dependency on radial links focused on access to/from London. As a result connectivity across the Heartland between centres of economic opportunity is more limited. As a consequence access to labour and housing is difficult, limiting the opportunity of the Heartland area to function as an economic powerhouse in the same way that global competitor regions are able. Investment in digital infrastructure – both fixed and mobile networks) – has improved levels of connectivity but not to the levels that a globally competitive region.
- 1.6. The National Infrastructure Commission has identified the Heartland area as having the potential to realise between £85bn - £163bn additional GVA per annum by 2050: this represents a three-fold increase in the size of the economy and will result in additional housing pressures.
- 1.7. The infrastructure and services that support the Heartland economy are in themselves important linkages in providing access to markets for the rest of the UK. In that regard investment in the Heartland supports wider ambitions of the UK Government to rebalance

the economy. Close working with strategic partners, in particular the Mayor of London, Midlands Connect and Transport for the North, is therefore integral moving forward.

## **2. England's Economic Heartland Strategic Alliance**

2.1. England's Economic Heartland Strategic Alliance brings together the Local Transport Authority Leaders and Local Enterprise Partnership Chairmen. It is a non-statutory partnership whose foundations lie in the recognition that:

- Strategic infrastructure issues (and solutions) extend beyond one single local authority area
- Issues that are common to one or more areas can benefit from a co-ordinated response
- There is a need for stronger integration of strategic investment by Government, its agencies, local authorities, as well as infrastructure owners and service providers

2.2. In this regard the Strategic Alliance partners share a common aim: to look beyond current success and:

- Address identified barriers to economic activity (both existing and planned growth)
- Raise productivity to match, and where possible exceed, that of our global competitors

2.3. The Strategic Alliance approach is founded in strategic collaborative working in order to enable economic benefit. Collaborative working in this way creates added value by:

- Stripping away duplication and remove inefficiencies in process thereby enabling faster, more agile decision making
- Enabling simplification of funding streams so that the time (and cost) taken in the development and delivery of improvements is reduced, enabling planned growth to be delivered faster
- Providing greater certainty for private sector investors thereby encouraging them to commit sooner to investments with greater confidence

2.4. Buckinghamshire County Council is the Accountable Body for the Strategic Alliance and its activities.

## **3. An Area of Economic Opportunity for the UK**

3.1. Economic growth on the scale identified by the National Infrastructure Commission is transformational. Realising the opportunity identified by the Commission requires:

- Investment in additional capacity in strategic transport infrastructure and services – to both improve levels of connectivity and to accommodate the additional demand for travel arising from growth
- Investment in digital infrastructure to both enable businesses to operate more efficiently in global markets and to enable user focused solutions to the mobility needs of residents and businesses

3.2. The UK Government's commitment to work with local partners to deliver a multi-modal transport spine across the Heartland represents a 'once-in-a-generation' opportunity to realise a step-change in connectivity.

- 3.3. However, the full potential created by that opportunity will only be realised by taking a strategic approach to the planning and delivery of investment in infrastructure and services. The planning and delivery of improvements in connectivity will be taken forward as part of a wider approach across the Heartland area: one that sees the overarching Transport (Connectivity) Strategy integrated with work on an Economic Industrial Strategy and improvements to the co-ordination of planning for housing.
- 3.4. In this way the overarching Transport (Connectivity) Strategy will contribute to:
- Improving connectivity between homes and employment, thereby supporting the delivery of development opportunities identified through the Economic Industrial Strategy and planning framework
  - Improving co-ordination of investment in connectivity and new development, in particular supporting delivery of development opportunities focused around transport hubs and interchanges
  - Delivering a transport system that supports the place shaping agenda and accelerates the delivery of planned growth
  - Acting as a catalyst for private investment in improvements that enable economic potential, thereby unlocking broader local and national benefits
  - Acting as a framework for enabling local authorities and government to capture a more appropriate share in the uplift in land values for the benefit of local communities

#### **4. Strategic Transport Forum**

- 4.1. The Strategic Alliance partners established the Strategic Transport Forum in February 2016, with the remit to:
- Be the focus for a single conversation on strategic transport issues with Government and its agencies
  - Maintain a single overview of strategic transport priorities
  - Co-design investment programmes with Government and its agencies
  - Establish joint project teams to develop and deliver strategic proposals
  - Enable the sharing of resources and rationalisation of standards, practices and policies to improve the operation of the strategic transport system
  - Establish the Heartland area as a 'living laboratory' for technology enabled innovation
- 4.2. The Forum is a non-statutory partnership whose meetings are held in public. Its membership includes representation from the Department for Transport, Highways England and Network Rail.
- 4.3. The Forum operates as a collaborative partnership. A small core programme team – funded collectively by the Strategic Alliance partners and the Department for Transport – manages the Forum's agreed work programme. The core programme team works with partners across the Heartland to co-ordinate activity and act as a conduit for engagement with Government and its agencies.
- 4.4. As the Accountable Body for the Strategic Alliance, Buckinghamshire County Council hosts the core programme team supporting the Strategic Transport Forum.

- 4.5. The benefits of the Forum's collaborative approach include:
- More efficient use of staff resources – collaborative working enables a collective position on strategic issues to be developed, thereby enabling staff resources to focus on local issues confident that strategic positions are also protected.
  - More efficient use of commissioning budgets – collaborative working enables partners to share the cost of commissioning specialist advice on issues of strategic importance, thereby enabling more efficient use of revenue budgets.
  - More effective sharing of knowledge – collaborative working enables partners to benefit from centres of excellence within individual partners to the wider benefit of residents and businesses.
  - More effective engagement on strategic issues – collaborative working enables a more effective engagement with Department for Transport, Highways England, Network Rail and more widely with infrastructure owners and service providers (all of whom operate at a scale larger than individual local transport authorities).
  - More effective influence in shaping national investment programmes – collaborative working is more effective in aligning investment programmes managed nationally to take account of local priorities.
- 4.6. In agreeing to work collaboratively, individual partners retain their roles and responsibilities as Local Transport Authorities. Collaborative working also recognises that individual partners retain the ability to work collaboratively with other organisations on other issues where that is appropriate.
- 4.7. The National Infrastructure Commission in its Interim Report identified the added value brought by the establishment of England's Economic Heartland as means of providing leadership on strategic transport issues: leadership that will help address the need to improve connectivity.
- 4.8. The Strategic Transport Forum has set out its commitment to develop a proposal to establish a Sub-national Transport Body as part of its on-going work programme.

#### ***Delivery Partners***

- 4.9. A key focus for the Strategic Alliance partners is the importance of ensuring that the mechanisms (including funding and finance) are in place to ensure a more efficient and effective means of delivering investment priorities.
- 4.10. To that end the providers of out sourced services – main contractors and/or associated design consultancies – are working on a collaborative basis in support of the Strategic Transport Forum. As part of this commitment this group – collectively referred to the 'delivery partners' – provide a single point of contact who works as part of the core programme team.

#### ***Strategic Context***

- 4.11. In July the Department for Transport published its Transport Investment Strategy. This document is significant for three reasons:
- There is explicit reference to the work of England's Economic Heartland alongside Transport for the North and Midlands Connect – a reflection of the extent to which the collaborative approach adopted by the Local Transport Authorities across the corridor is having influence at the national level that benefits the corridor as a whole.

- There is explicit reference to the role of Sub-national Transport Bodies in having 'unprecedented access' to influencing national investment programmes. Transport for the North, Midlands Connect, England's Economic Heartland, along with Transport for the South East are treated by DfT, Highways England and Network Rail as emerging Sub-national Transport Bodies
- There is support for the concept of the Major Road Network – an idea actively promoted by the emerging STBs. The Strategy indicates that STBs will have a key role in advising on the allocation of monies from the National Roads Fund (established from 2020/21). The Fund has the potential to secure additional investment for the more significant local authority owned roads in support of economic growth.

## 5. Current and Future Activity on Strategic Issues

5.1. In terms of strategic transport issues the current focus of activity for the Strategic Transport Forum is on:

- Beginning the work to enable the overarching Transport Strategy to be prepared
- Beginning the work to develop a proposal to establish a Sub-national Transport Body
- Providing strategic input into national investment programmes
- Working with the delivery partners to identify opportunities to improve delivery mechanisms

### *Overarching Transport Strategy*

5.2. The preparation of the overarching Transport Strategy needs to be founded on an evidence base that is consistent across the Heartland area, work being taken forward includes:

- GIS Databank – consultants commissioned to develop a databank that collates current growth plans and identified infrastructure requirements – this will provide the baseline for identifying future strategic infrastructure and service requirements in response to opportunities for economic and housing growth.
- Transport User Baseline - working with Transport Focus to develop a baseline of user satisfaction and expectation across the transport system
- Scenario Planning - working with external partners to develop an approach that will enable alternative scenarios to be developed with stakeholders across the Heartland
- Scenario Policy Modelling - working with external partners to develop the capability to model the strategic implications for the transport system of alternative economic and housing policy scenarios

### *Sub-national Transport Body*

5.3. The Strategic Transport Forum has set out its commitment to develop a proposal to establish a Sub-national Transport Body: this work to be taken forward in parallel with that on the overarching Transport Strategy. Work already underway includes:

- Concept Report – consultants commissioned to prepare initial advice on the options available to the Strategic Transport Forum
- Initial Engagement – using the advice set out in the concept undertaking an initial engagement with potential partners and wider stakeholders

- Terms of Reference – undertaking a review of the Terms of Reference in light of experience with the Forum during its initial year of activity and in light of the feedback received through the initial engagement

#### *National Investment Programmes*

- 5.4. The Strategic Transport Forum's work is focused on two streams of activity – input into the development of national investment programmes: and involvement in the development and delivery of strategic infrastructure priorities.
- 5.5. Work underway in terms of the national investment programmes includes:
- Road Investment Strategy 1 (RIS1) – working with Highways England and Department for Transport to provide the Forum's input into the delivery of RIS1, including input into three Strategic Studies and into the development of detailed proposals for investments identified for delivery in RIS1
  - Road Investment Strategy 2 (RIS2) – working through the Forum to identify strategic priorities to be fed into the preparation of RIS2
  - Major Road Network (MRN) – working through the Forum to begin to develop the Heartland perspective on the Major Road Network
  - High Level Output Specification (HLOS) – working through the Forum to identify strategic priorities to be fed into the preparation of investment proposals for the next railway Control Period (CP6)
  - Network Rail Route Strategies – working with Network Rail to identify strategic priorities for inclusion in the Chilterns and East West Rail Route Strategy
- 5.6. Work underway in terms of the development and delivery of strategic infrastructure priorities includes:
- East West Rail – the East West Rail Consortium continues to work with the Department for Transport Programme Board for the Western Section tasked with ensuring its early delivery: work with Network Rail to develop a proposal for the Central Section: and manage work to develop an evidence base for the Eastern Section.
  - Rail Passenger Franchises – the core programme team is working the Department for Transport franchising team to provide strategic input into the reletting of the East Midlands, West Coast, and Great Western franchises
  - Oxford to Cambridge Expressway – the core programme team is working with Highways England and the Department for Transport to ensure the strategic objectives for this improvement support planned growth

## **6. Looking Ahead**

- 6.1. The National Infrastructure Commission is scheduled to publish it's final report later this autumn. The Commission's report will be advice to the Government: the Government will consider the Commission's advice and then respond, potentially as part of the Budget statement on 22<sup>nd</sup> November.

## **Resource implications**

Given the strategic nature of the work of the NIC the resource requirements to respond to their needs are shared across England's Economic Heartland. In addition the Council does seek to make individual representations where appropriate.