

EAST HERTS COUNCIL

EXECUTIVE - 25 OCTOBER 2016

REPORT BY LEADER OF THE COUNCIL

RESPONSE TO THE LSCC GROWTH COMMISSION REPORT

WARD(S) AFFECTED: ALL

Purpose/Summary of Report

- To agree a response to the LSCC's Growth Commission Report

<u>RECOMMENDATION FOR EXECUTIVE:</u> that:	
(A)	the draft response from the East Herts Leader to the LSCC's Growth Commission be endorsed.

1.0 Background

1.1 The London Stansted Cambridge Consortium (LSCC) was formed in June 2013 as an informal partnership for the London Stansted Cambridge Corridor. This covers the area North from the Royal Docks, Tech City, the City Fringe, Kings Cross, and the Olympic Park, up through the Lee Valley, the M11 and A10, the East Coast and West Anglia Mainline rail corridors to Harlow and Stansted, and through to Cambridge and Peterborough. The Consortium's objectives are to:

- Raise the profile of the Corridor and its component parts with national and sub-national government and promote the corridor with private sector investors and institutions, as a place of opportunity to invest and secure a high return in social and economic terms.
- Build a clear development agenda for the Corridor and to articulate a clear case for investment in the priorities of the corridor.
- Provide the forum for members, partners and supporters to work collaboratively and cohesively to secure sustainable

economic growth and to ensure that residents and businesses secure the benefits of that growth.

- Act as ambassadors for the corridor, influencing decision-makers, the development of policy for the corridor and co-ordinating good relationships between boroughs, districts, counties, LEPs, regional and central Government.

- 1.2 Despite the fact that the LSCC is a non statutory body and is funded entirely from voluntary member contributions, it has developed into a high profile, well connected and influential voice on cross boundary strategic growth issues.
- 1.3 The annual budget of the LSCC is £450,000. It has four staff and an independent non executive chairman. The LSCC is hosted by the London Borough of Haringey. Haringey Council is the 'accountable body' for the Consortium. East Herts, along with other district and borough council members, pay an annual contribution of £10,000 towards its overall budget. Hertfordshire County Council, Broxbourne and Stevenage Borough Councils are also members.
- 1.4 The London-Stansted-Cambridge corridor is one of the five economic corridors identified in the Mayors Plan for London and is key to the regeneration of North East London in particular. The LSCC clearly sees future development of Stansted and the success of Cambridge as having potential beneficial spin offs for the bottom end of the A10/M11 corridor. It is in their interests therefore to support/promote economic growth and infrastructure improvements in the middle part of the corridor to strengthen that connectivity. The LSCC says its focus in the Hertfordshire part of the corridor is very much on encouraging inward investment particularly linked to the bio science sectors, lobbying for infrastructure improvements (road and rail), and encouraging the development of Stansted as a more business orientated airport to support the North East London and Cambridge economy.
- 1.5 Last year the LSCC commissioned an independent study of the London-Stansted-Cambridge corridor. The aim was to test and create the case to put to Government for future investment in the corridor to release its economic potential.
- 1.6 The Board appointed an independent set of economists, academics, business leaders, investors and financial experts (called the Growth Commission) to undertake research and take evidence via a series of roundtable events up and down the

corridor. East Herts Council were represented at all four the event through the Leader of the Council, and the Chief Executive. In addition various Executive Members and officers attended different events.

- 1.7 The Commission published its report in July 2016:
<http://www.lscgrowthcommission.org.uk/wp-content/uploads/2016/07/LSCC-Growth-Commission-Final-Report-full.pdf> An executive summary of the report is attached at **Essential Reference Paper B**.

2.0 Report

- 2.1 The Growth Commission report makes a compelling case for accelerating productivity within the corridor so it can build on its foundation as a globally competitive knowledge region. It is clear that a strong corridor is good for the East Herts economy overall, the success of our businesses and the prosperity of our residents, many of whom live and work in the corridor.
- 2.2 At the same time the associated requirements for economic growth in terms of housing, traffic and impact on the environment are matters that are of concern. The three overarching themes in the Council's Corporate Strategic Plan (*improve the health and wellbeing of our communities, enhance the quality of people's lives and enable a flourishing local economy*) reflect the desire to balance quality of life and prosperity in the district.
- 2.3 There is however a great deal of convergence between the Council's Pre-Submission District Plan (approved by Council 22nd September) and the aspirations set out in the Growth Commission report. Although the report does not name specific housing locations and numbers, it does support growth and regeneration in and around Harlow (consistent with Gilston as a key site for housing growth in the Pre-Submission Plan). Similarly, anticipated growth in passenger numbers at Stansted airport and the proposal to create an airport economic development zone complement proposals in the Plan for housing growth in the Bishop's Stortford area.
- 2.4 The economic benefits to Bishop's Stortford from Stansted are well known, both as a major source of employment and with many businesses in the area connected to the overall supply chain of the airport. The effects can be double edged however. For example the high incidence of relatively low paid employment in

the town is partly caused by the type of employment created within the airport supply chain. In addition it is clear that the airport brings additional pressure on the transport network which is already constrained at peak times, both within the town and around the M11 (especially around junction 8). This is a good example of the need to balance infrastructure investment with economic growth to ensure a sustainable future for the town.

- 2.5 For East Herts the role of Bishop's Stortford within the corridor is key. Although we recognise that employment zones in Cambridgeshire as well as the enterprise zones in Harlow are crucial levers to bringing more knowledge based businesses to the corridor, Bishop's Stortford has the potential to also be an important location for business and not just the provider of a skilled workforce to commute to London, Stansted, Cambridge and elsewhere.
- 2.6 Alongside housing growth the identification of new employment land to the North and South of Bishop's Stortford, the designation of Employment Areas on some existing industrial estates and the emerging planning framework for mixed development in the town centre (incorporating Old River Lane, the Goods Yard and possibly the Mill Site) provide a strong platform for the town becoming an attractive place for business. As highlighted in research by *Business Stortford* in the Summer of 2016, this is happening organically with around 20 life/ bioscience companies locating to Bishop's Stortford in recent years. With a more proactive approach, the town could build on this and emerge as a clustering location for specific industries.
- 2.7 The Growth Commission report does suggest a formal reconfiguration of governance within the corridor by recommending a transport authority is created to leverage investment and make decisions on transport infrastructure. This is essentially in recognition that the corridor represents a functional geographic unit based on the economy and that greater cross-boundary collaboration could speed up growth.
- 2.8 Whilst many member authorities are supportive of the economic aspirations of the Growth Commission Report this particular proposal is radical. Some organisations fear reconfiguration of highway authority boundaries would ultimately lead to wider combined authority models, undermining current democratic structures. The local authority positions on this matter are unclear at this stage however Hertfordshire County Council, whilst

supportive overall of the LSCC ambitions, do not support this specific proposal. As well as challenging traditional local government boundaries across Hertfordshire, Essex, Suffolk and Cambridgeshire it also challenges LEP boundaries by proposing the creation of a new transport authority operating in all of the Greater Cambridgeshire LEP, parts of the Herts LEP, the South East LEP, and the New Anglia LEP. In addition it also challenges the emerging devolution deal for Greater Cambridgeshire (essentially covering all of Cambridgeshire and Peterborough City).

2.9 Whilst East Herts may have concerns about ceding authority to a wider regional or sub-regional body in the longer term there is a recognition that the current administrative boundaries may not best support the interests of the district. There is evidence that collaborative working with authorities to the East (namely Uttlesford, Epping Forest and Harlow) has been effective in terms of achieving strategic planning imperatives. Potentially there are a number of governance models that could be explored to help leverage infrastructure investment into the corridor and the district.

2.10 A draft response is set out at **Essential Reference Paper C**.

3.0 Implications/Consultations

3.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper 'A'**.

Background Papers

None

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