

		AGENDA ITEM 5
		PSEG/01/17
Committee:	Place Services and Economic Growth Scrutiny Committee	
Date:	17 January 2017	
GREATER ESSEX GROWTH AND INFRASTRUCTURE FRAMEWORK		
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Purpose of report

To receive the Cabinet's response to recommendation 4 set out in the 'Third Party Responsibilities and Flood Enforcement in Essex' scrutiny report namely:

'That the Cabinet be requested to provide the Committee with a briefing paper in Spring 2016 that explains how the County Council itself co-ordinates its own activities in order to identify and address overall infrastructure needs in Essex, including flood risk management and preventative measures associated with new development. The Committee will provide a scoping document setting out the key questions that it will ask the Cabinet to address.'

Background

In November 2015 (Minute 8) the Committee endorsed the Scrutiny Report 'Third Party Responsibilities and Flood Enforcement in Essex'. The scrutiny report contained five recommendations, which were duly sent to the relevant Cabinet Members. The Report can be accessed via the following link: [Scrutiny Report](#)

Alternatively the Scrutiny Report may be found on the Essex County Council website www.essex.gov.uk From the Home Page, click on 'Your Council', then on 'Meetings and Agendas', then on 'Public Documents' followed by 'Scrutiny Reports'. Finally, select the scrutiny report from the list reports that have been published.

At the time a scoping document was not produced by the Committee to shape the briefing given that the County Council was already working with Partners to address infrastructure matters in Essex. Consequently it was considered sensible to provide Members with a better understanding on the framework that was being developed, which would inform any proposals for future scrutiny projects if appropriate.

Analysis

Councillor Kevin Bentley, Cabinet Member for Economic Growth, Infrastructure and Partnerships, together with officers, will be attending this meeting to provide a briefing on the Greater Essex Growth and Infrastructure Framework (GIF).

Given the relevance of the work that had been commissioned as part of the Greater Essex Devolution Programme to address the current infrastructure shortfalls, it was felt sensible to provide the Committee with a briefing on the GIF at a more advanced stage and in doing so illustrate what is happening in Essex.

A briefing paper has been provided by Cabinet Member and is attached at the Appendix to this report.

Action required by the Committee at this meeting:

To note the Cabinet's response to the Committee's recommendation set out above, and to identify any particular issues that could be considered for further investigation by a scrutiny committee in the future.

Note

Aside from the matters specifically referred to by the Cabinet Members as part of this item, two other recommendations from the scrutiny report will be the subject of separate items to this Committee namely:

- *At today's meeting there will be an update from Cabinet Members on various initiatives identified in recommendations 2 and 3 including 'Where does water go?', and the Maldon Highway Enforcement Pilot Project; and*
- *at the meeting on 23 February there will be an item about IS and Communications support in raising public awareness about the Council's services such as flood management (recommendation 5).*

Appendix

Greater Essex Growth and Infrastructure Framework (GIF)

Place Services and Economic Growth Scrutiny Committee

Meeting on 17 January 2017

Briefing Paper prepared on behalf of Councillor Bentley, Cabinet Member for Economic Growth Infrastructure and Partnerships, by Graham Thomas, Head of Commissioning- Strategic Planning, Housing Growth & Development

Introduction

Following the Scrutiny Report on Third Party Responsibilities and Flood Enforcement in Essex published in November 2015 this contained a recommendation which asked:

“That the Cabinet be requested to provide the Committee with a briefing paper in Spring 2016 that explains how the County Council itself co-ordinates its own activities in order to identify and address overall infrastructure needs in Essex including flood risk management and preventative measures associated with new development. The Committee will provide a scoping document setting out the key questions that it will ask the Cabinet to address.”

Due to both portfolio holder changes, and the work that had been commissioned to produce a Greater Essex Growth and Infrastructure Framework (GIF) earlier in 2016, it was felt sensible to address this question at time when the GIF was at a much more advanced stage.

Background

The GIF was initiated by Essex County Council and delivered with support from the Housing and Connectivity and Infrastructure and Growth Workstreams of the Greater Essex devolution programme. David Marchant Chief Executive Officer of Castle Point District Council and Cllr Phil Turner Leader of Basildon Borough Council are the Chief Executive and Leader sponsors of the GIF. ECC with the support of sub-regional leads, have managed this project on behalf of all the Councils in Essex under the Cabinet leadership of Cllr Kevin Bentley.

Why did we undertake this work

It is widely understood that considerable investment will be needed in Essex to address current infrastructure shortfalls and support the Local Plan growth ambitions over the next 20 years. The definition of infrastructure used in the GIF is very wide ranging to include a broad range of issues including flood prevention, health, education, social care, green space, transportation, etc. This work was commissioned to help answer a number of important questions/activities including:

- To provide a clear understanding of the scale and distribution of population, housing and economic growth over the next 20 years (up to 2036).

- To determine the scale and cost of the infrastructure required to support planned growth.
- Engage with utility companies, the NHS, Network Rail at a bigger than local scale given these partners can be difficult to engage at a more local level.
- To determine the scale of the funding gap for infrastructure, by type i.e. schools, transport etc.
- To assemble the evidence to support bids to Government and other funding partners to support infrastructure investment needed to deliver the housing and economic growth in all areas of Essex.
- To use this work, to bring about better service planning for infrastructure.
- Provide an evidence base for more effective engagement with Central Government; the Greater London Authority and the South East Local Enterprise Partnership; as part of our duty to cooperate responsibilities.

The principle of the GIF is supported by all 15 councils in Essex, and all, are actively engaged to refine the document to produce a strategic position for each district, the four sub-regions and an overall Greater Essex position. Kent, Surrey and West Sussex have recently completed similar exercises to help them develop their infrastructure needs pipeline and supported various discussions and bids to government for infrastructure funding. Others such as Norfolk and Suffolk are now following the work the Essex Councils have done, and have now commissioned their own GIF.

At the outset it was understood that the investment of time and resources with this work was an investment in pulling together in one place, different source of relevant data. Whilst, we will have a 2016 GIF document, equally important we will also have the datasets behind this, which can be updated and interrogated. The intention is to refresh the GIF in 2017 and 2018, thereafter every two years.

How was this work undertaken

Consultants (AECOM) were commissioned in April 2016 to conduct the project on behalf of all 15 Essex Councils.

Phase 1 comprised a desktop exercise to identify the resource gap between forecast infrastructure needs in 2036 and planned infrastructure. This included exploring the planned growth, population change and economic trends likely to affect infrastructure needs, the likely cost of that infrastructure and comparing those costs against forecast resources.

- This work commenced in early-April, including initial meetings with relevant services, and existing coordination groups, to collate data about current infrastructure and forecast need.
- AECOM held a workshop with all local authorities on 18 May 2016 and separate meetings with officers from the two unitary authorities.
- Four further workshops with external partners around Utilities, Transport, Health and Floods themes were also held.

- The Phase 1 report detailing initial findings was received and shared in the week of 11 July 2016.

Phase 2 consisted of further and more detailed engagement to validate the draft report produced in Phase 1. The revised draft document was circulated on 14 September 2016.

- AECOM held meetings with each local authority and other contributors to work through the draft report in detail.
- AECOM followed-up verbal comments received with local authorities.
- An External Reference Group for the project was established comprising representatives from all four sub-regions with reps from the Integrated Growth Forum and Essex Planning Officers' Association.
- The revised GIF document was circulated to all local authorities and other stakeholders who contributed to the first draft document. Comments were sought by 29 September 2016.

Phase 3 of the project provided a further round of consultation at the request of the External Reference Group, to refine the GIF document still further. This closed on 31 October, with the revised document was then distributed on 2 December to all partners.

There is one final phase of consultation underway, which is due to be completed by early 2017.

Conclusions and Outcomes from the GIF

Early estimates from the GIF, while subject to revision in the final version, indicate:

- Greater Essex authorities are required to accommodate housing and economic growth over the 20 year period to 2036 delivering on average 8,980 dwellings per year. This compares to the average completions of 4,630 dwellings per year for Essex (2004 to 2015).
- 179,660 dwellings have been assessed as required between 2016 and 2036.
- ONS Population projections forecast a population increase of 298,700 people (an increase of 17%).
- 79,000 additional jobs are forecast by the East of England Forecasting model (an increase of 10%)
- Local authorities across Greater Essex have identified housing supply trajectories for approximately 137,660 homes between 2016 and 2036
- Delivering the necessary local infrastructure to support that growth from now to 2036 is estimated to cost at least £10.4 billion. This represents an estimate of capital delivery costs only and does not include the additional annual revenue requirements and maintenance costs.
- The study has reviewed the potential costs of delivery alongside currently identified secured funding, potential funding from public, private and developer contributions highlighting a remaining funding gap of as much as £4.4 billion.
- The study has also identified the need to secure regional and cross boundary project funding to facilitate major transport projects costing £26.5 billion and £5 billion respectively, with a remaining funding gap of around £11 billion.

Opportunities the GIF presents

The GIF has been commissioned to support and inform strategic and long-term decision-making in a variety of contexts. It provides the following uses:

- The GIF is evidence which will support funding bids to Government and other funding providers to support new infrastructure investment.
- This work will enable us to develop a public affairs strategy to secure investment in regional and national scale projects that benefit Essex which will include engagement with Central Government, to demonstrate the challenges and impacts faced in supporting growth across Greater Essex
- We can use this work to demonstrate to the Planning Inspectorate that all of the local authorities are fulfilling our “Duty to Cooperate” requirements to plan for infrastructure across a much wider area.
- Use the GIF to have a more effective engagement with the Greater London Authority on the new London Plan, which has population, housing and economic implications for our area.
- This work provides the basis to review our existing capital project pipelines, and to help to prioritise our funding to achieve the biggest possible impact.
- This work provides the opportunity to engage NHS England with their review of Hospitals in Essex to ensure health decisions align with population change.
- The GIF will inform the Essex Economic Commission’s evidence base and in-turn the Economic Plan for Essex.
- This work informs us that planning for larger scale (Garden Community) development is more likely to meet the full infrastructure costs.
- This work will provide the intelligence to the public sector to develop a coherent market offer and drive increased housing supply across Essex, particularly in areas of high demand and housing need including key workers and care leavers.

Next steps

1. Continued development of document into January incorporating Southend and Thurrock revisions
 2. Likely soft launch in February/March 2017
 3. Roll out of supporting datasets to local authorities for use in planning
 4. Late-2017 refresh of the document
 5. Late-2018 refresh of the document
 6. Refresh every two years thereafter
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