

Wider South East Political Steering Group

18 July 2016

Agenda and Papers



Wider South East Political Steering Group

18 July, 11:30 – 13:30

Committee Room 4 (Lower Ground Floor), City Hall, London

Agenda

- 1 Welcome**
 - by the host James Murray, Deputy Mayor of London for Housing (5 mins)
 - by the Chair *tbc* (5 min)
- 2 Introductions**

See Annex 1 for list of Group members (10 mins)
- 3 Note of the last meeting**

[Political Steering Group notes 10 March 2016](#) (10 min)
- 4 Tackling Barriers to Housing Delivery**

Brief introduction by SEEC and discussion (see Annex 2 for Discussion Paper) (30 min)
- 5 Strategic Infrastructure Improvements**

Brief introduction by GLA and discussion (see Annex 3 for Discussion Paper) (30 min)
- 6 London Plan Review**

Brief verbal update by GLA (10 min)
- 7 Common Understanding of Evidence**

Brief verbal update by EELGA (10 min)
- 8 Next Steps**

Chair to summarise (10 min)

Annex 4 – Terms of Reference

Annex 5 – Schedule of future meetings

Annex 1 Wider South East Political Steering Group Membership

EAST OF ENGLAND

Name	Responsibility	Council	Political Group
<i>Replacement for Cllr Jason Ablewhite -Vacant</i>	<i>TBC</i>	<i>TBC</i>	Conservative
Cllr Linda Haysey	Leader	East Hertfordshire DC	Conservative
Cllr David Finch <i>Tbc</i>	Leader	Essex CC	Conservative
Cllr Roy Davis	Leader's Representative	Luton BC	Labour
Mayor Dave Hodgson	Leader	Bedford BC	Liberal Democrat
Cllr Aidan Van de Weyer (sub)	Member	South Cambridgeshire DC	Liberal Democrat
Cllr Robin Howe (sub)	Deputy Leader	Huntingdonshire DC	Conservative
Cllr James Waters (sub)	Leader	Forest Heath DC	Conservative
Cllr John Gardner (sub)	Deputy Leader	Stevenage BC	Labour

SOUTH EAST

Name	Responsibility	Council	Political Group
Cllr Nicolas Heslop	SEEC Chairman and Leader	Tonbridge and Malling BC	Conservative
Cllr Peter Martin	Deputy Leader	Surrey CC	Conservative
Cllr Paul Bettison	Leader	Bracknell Forest Council	Conservative
Cllr Carole Paternoster	Cabinet member	Aylesbury Vale DC	Conservative
Cllr Tony Page	Deputy Leader	Reading BC	Labour
Cllr Ann Newton (sub)	Portfolio Holder for Planning & Development	Wealden DC	Conservative

LONDON

Name	Responsibility	Council	Political Group
James Murray	Deputy Mayor of London	Greater London Authority	Labour
Sir Harvey McGrath - tbc	Deputy Chairman	London Enterprise Panel	N/A
Cllr Claire Kober	London Councils' Portfolio Holder for Infrastructure & Regeneration, and Leader	Haringey BC	Labour
Cllr Kevin Davis	Leader	RB Kingston	Conservative
Cllr Stephen Alambritis	Leader	Merton BC	Labour

Annex 2 Tackling Barriers to Housing Delivery

1. Introduction

- 1.1. One of the core priorities of the Wider South East (WSE) Political Steering Group is to explore opportunities for collaborative working with a view to overcoming barriers to delivery of locally agreed housing plans/permissions.
- 1.2. At its last meeting in March 2016, the WSE Political Steering Group tasked officers to draft a report collating key learning from recent publications on barriers to housing delivery. This report sets out some of the common themes and key recommendations for encouraging and incentivising housing delivery arising from recent reports, and identifies possible opportunities for collective working across the WSE.

2. Recommendations

- 2.1. Political steering group members are asked to discuss and agree:
 - i) Key issues that need addressing, and policy changes/powers to help achieve this (section 3-4 below).
 - ii) Priority collaborative actions to progress issues eg. Joint lobbying for constructive solutions to the challenges, supported by a short high-level joint report/letters; co-operation/sharing of good practice; and engaging industry (section 5 below).

3. What are the barriers to housing delivery?

- 3.1. The South East, London and East of England are the top three areas for housing growth in England. However there are a growing number of unimplemented units with planning permissions. The South East had 66,751, East had 40,330 in 2014-15 (source: LGA study 2015), whilst GLA figures show London has a pipeline of over 260,000 units with permission.
- 3.2. **Ensuring each area can deliver against its housing plans, reflecting locally assessed needs, is a priority for WSE council leaders and the Mayor of London. To support delivery of an effective local planning system, it is therefore important to find ways to tackle barriers to ensure locally-approved plans/development progresses as swiftly as possible, alongside necessary infrastructure.** Several recent reports have addressed the barriers to delivery, for example the Mayor of London's Outer London Commission 'Removing the Barriers to Housing Delivery' (March 2016); IPPR London Housing Commission 'Building a New Deal for London' (March 2016); SEEC/Localis 'Clearing the Hurdles' (2013); and SEEC has recently raised the importance of turning permissions into actual homes with Government and the Local Plans Expert Group. The national LGA has also established a Housing Commission to look at barriers to housing delivery, however recommendations have not yet been published.
- 3.3. The Government's Housing and Planning Act received Royal Assent and the Local Plans Expert Group (LPEG) have proposed measures re Local Plan preparation; Government has set a deadline of 'early 2017' for Local Planning Authorities to produce a plan. However many in local government are concerned that these do not address the major problem of approved housing permissions/plans not being delivered.

3.4. We recognise not all permissions can be built-out at the same speed (eg depending on site complexity/size etc). However there are some **key challenges to be tackled** which could help improve delivery of locally approved housing plans and permissions, including:

A. Industry delivery capacity and approach

A1. The business model for building for private sale promotes **slow building and release onto the market**. There are also concerns about **land banking and speculative promoters** slowing down development and increasing land prices.

A2. **Limited range of businesses** within the building industry undermines competition. SMEs struggle to access finance for brownfield clean-up and find it hard to compete with large developers where there are high land prices.

A3. **Skills shortages** in sectors relevant to the house building industry can limit capacity to build.

B. Public sector capacity and finances

B1. **Insufficient finances** to build affordable homes and homes for rent at scale.

B2. The need to **sustain capacity in planning departments** and maximise efficiency of the planning system, avoiding constant change as this creates uncertainty for developers and undermines delivery.

C. Infrastructure

C1. Slow progress/ existing deficits on **infrastructure investment and delivery** - including slow or no investment to upgrade road and public transport links that could unlock sites for jobs and housing growth.

4. How could these barriers be addressed?

4.1. Drawing on the recent publications highlighted in 3.2 and related discussions, there are a range of constructive measures and recommendations that members may want to consider calling for to address these barriers. These tools will help improve delivery, alongside an effective local planning system:

Summary of 3 key areas for potential action (more detail below):

A. Industry delivery capacity and approach

Issues: Business model/land banking; limited competition; skills.

Solutions? Incentivise build-out eg charge council tax; increase SME opportunities; local skills funding control.

B. Public sector capacity and finances

Issues: Affordable home delivery; sustaining planning department capacity.

Solutions? More funding/powers for councils to secure affordable homes; locally set planning fees; good practice re affordable housing.

C. Infrastructure

Issues: Capacity/investment issues.

Solutions? Funding powers/freedoms to accelerate & secure investment.

A. Industry delivery capacity and approach

- 4.2. **Incentivising build out rates and tackling genuine land banking:** Where there are no outstanding issues preventing start of development (eg. all conditions/reserved matters are resolved) and where house production has not commenced within a certain period (eg 2-3 years), OLC and SEEC both called for CPO action or a **local discretionary tax mechanism (eg. equivalent of council tax) on unbuilt approved permissions to incentivise delivery**. Other actions could include local planning support for stalled schemes that are not progressing, or keeping a register of non-planning barriers which are holding back housing production on large sites and addressing these issues once resources and funding become available.

SEEC and TfL are also interested in **ensuring promoters are encouraged to push sites ahead to build stage**. They are worried that promoters focus on maximising profit on their land at the expense of delivering houses quickly. Potential incentives include encouraging promoters to partner with a developer before granting planning permission and allowing councils to levy charges when permitted sites remain undeveloped (as above).

- 4.3. **Increasing competition in the house building industry:** Limited competition within the building industry undermines incentives to build. Opportunities for collaboration across the WSE may exist with regards to **enabling finance to support more SMEs, and supporting innovative council-led partnerships/alternative development models** (eg Limited Liability Partnership or Public Housing Companies) and smaller developers, by giving them first refusal to a proportion of small public sites for development. Members may also want to give consideration to the implications of the new Housing & Planning Act for encouraging SMEs eg. provisions for Permission in Principle, intended to simplify the initial application process.
- 4.4. **Enhancing the capacity of the house building industry:** Councils should work closely with the construction industry, educational and training providers, Government and the LEPS to **ensure sufficient numbers of skilled construction workers and trade people** to deliver the increased volume of new build housing required. As a next step, it would be beneficial for the WSE to engage LEPS and partners collectively to explore how the public and private sector can work better collectively to address these challenges, and possible joint lobbying for **local authority control of adult skills budgets to better target funding** to the training needed/grow the construction sector workforce. Developing skills programmes as part of major infrastructure projects, similar to that set out in the TfL Housing Prospectus may also provide opportunities for the WSE.

B) Public sector capacity and finances

- 4.5. **Boosting housing delivery by local authorities:** Councils could play a key role in closing the gap between current rates of housing completions by the private sector/ housing associations and Plan targets, but additional financial flexibilities are required. Local authorities should be able to apply to government for **more HRA borrowing headroom in order to deliver new homes** by demonstrating a viable, costed and deliverable business plan.
- 4.6. The London Housing Commission suggests that the Mayor of London should issue London-wide guidance on negotiating affordable housing with developers. Provision of affordable

housing is a key priority for the Mayor of London, as it is for the WSE as a whole. As such it is recommended that the WSE Political Steering Group might wish to **consider working collectively on exploring the possibility of a consistent approach or good practice sharing on negotiating affordable housing with developers** which can be utilised by councils individually and collectively.

- 4.7. **Locally set planning fees** - Councils want to continue to deliver effective, efficient planning services to ensure appropriate development progresses swiftly. However, in a high-cost area such as the Wider South East, current fees mean developers' application costs are subsidised by public funds. Ensuring all councils are able to **set planning fees locally** to cover the cost of processing applications would enable them to deliver the best possible service to help progress the development needs of their areas – an action supported by OLC and SEEC's work.

C) Infrastructure

- 4.8. **Accelerating Infrastructure Delivery:** Greater fiscal devolution to the Mayor of London and councils across the Wider South East could boost local infrastructure provision and enable local authorities to forward fund essential infrastructure needed to support housing and economic growth. Possible actions include: **Revision of CIL regulations** to allow charging authorities to borrow against future CIL income and use CIL receipts to repay interest on loan finance, which is currently prohibited; **local authority discretion to charge developer contributions** on sites of all sizes; **national investment and/or greater local financial borrowing powers** to support schemes that are too big for local funding could also support housing and economic growth. *Note, co-ordinated lobbying on large-scale strategic transport infrastructure is tackled as a separate item at this meeting.*
- 4.9 Given members' desire to see targeted action moving forward, **an initial focus on the three main areas to tackle delivery of approved permissions, raised – above - in this paper, is proposed.** However there are also a number of other issues that could be considered in relation to delivery of housing and balancing this with other priorities/issues (eg Green Belt; environmental designations; employment vs housing land; delivering the 'right' mix of homes; balancing viability on small sites with the need for adequate infrastructure contributions). These could be considered for possible follow-on work at a later stage, or to be discussed as relevant in wider discussions related to development of the new London Plan.

5. Action to tackle delivery barriers - next steps for WSE collaboration

- 5.1. It is recommended that the WSE Political Steering Group consider the following collaborative actions, to make the case for changes set out in this paper. A phased approach may be necessary given collective limited resources, with an initial focus on joint lobbying Summer/Autumn 2016:

Joint lobbying

- i. Joint Lobbying – eg a short high-level report to Government & other partners and/or letters/meetings – calling for fiscal freedoms and powers for councils across the WSE and the Mayor of London as set out above.

For example including: discretionary tax mechanisms on unbuilt approved permissions; local control of adult skills budgets; more headroom for HRA borrowing; locally set planning fees; ability to borrow against CIL; discretion to charge developer contributions on all sites; national investment for schemes too big for local funding.

Co-operation and sharing of good practice

- ii. Learning and good practice could be shared in order to support councils to improve action across the WSE (For example, local case studies of stalled sites that have been incentivised to move forward /good practice re affordable housing).

Engaging industry

- iii. Jointly exploring the possibility of a consistent approach or good practice sharing on negotiating affordable housing with developers to secure more affordable housing in London and the WSE.
- iv. Consider representations to BIS/LEPs encouraging them to provide a support package for SME developers.

- 5.2. In taking work forward, industry input (including via LEPs) may be helpful to shape next steps/progress recommendations, particularly on enhancing the capacity of the house building industry and increasing competition to enable SMEs to play a more active role in the delivery of housing.

Wider South East- Strategic Infrastructure Improvements

1 Purpose

1.1 The Political Steering Group meeting on 10 March 2016 confirmed the importance of identifying strategic cross-regional areas with infrastructure in need of improvement across the Wider South East (WSE), which may also support local and wider plans for growth. Group members highlighted the considerable combined lobbying power, which could be used in engaging with Government and Treasury. This could also help to tackle housing barriers and pressures across the WSE – one of the other priority areas of common concern. However, it would be necessary to focus resources on just a few strategic infrastructure schemes. So, the Steering Group tasked officers to identify and analyse potential areas and to provide Group members for their next meeting on 18 July with a selection of strategic opportunities for collaborative action and joint lobbying on strategic infrastructure improvements. Focused on transport initially, it is recognised that future joint working may also look at other types of infrastructure (e.g. water resources, flood prevention).

2 Recommendations:

Political Steering Group members are asked to:

- **Agree criteria for identifying schemes/areas that should be supported (see paragraph 4.2 on page 10)**
- **Discuss initial list of schemes/areas for first phase of joint lobbying, based on agreed criteria and subject to Councils in the East of England forming a comprehensive review of infrastructure requirements**
- **Agree what form joint lobbying should take – e.g. what, when, who to target (see details in last column of Tables from page 11 onwards) and ask officers to draft more detailed cases to support lobbying**
- **Agree identification of schemes/areas for second phase of joint lobbying at the next meeting ensuring an appropriate spread of schemes/areas overall**

3 Background

3.1 Within the WSE there are 156 local authorities. The statutory Duty to Cooperate (DtC) requires local planning authorities to cooperate on strategic issues. However, across the WSE, authorities face distinctively different challenges depending on their local characteristics (e.g. urban/rural, connectivity, development constraints) and local attitudes towards growth.

3.2 The East of England, the South East and London are linked through a complex set of relationships and interactions. Investment in strategic infrastructure across the WSE is important to both be supported by and underpin

- the success and potential of the WSE and local economic ambitions;
- high levels of forecast population growth;
- growing commuting especially on rail network.

- 3.3 **Economy:** The WSE represents the nation's economic power house. In 2013/14, £127 billion of tax revenue was estimated to have been generated through economic activity in London (21% of total UK tax revenue). In the South East it was £104 billion (17%) and in the East of England nearly £60 billion (10%). The WSE overall is also accounting for nearly half its GVA (in 2014 London 22.5%, South East 14.8% and East of England 8.6%) and supporting over 13 million jobs (annual job growth 2009 to 2014 in London 107k/a, in South East 36k/a and in the East 18k/a). Alongside London, there are several other significant economic centres within the WSE such as Reading, Milton Keynes and Cambridge.
- 3.4 **Population:** The WSE has a population of almost 25 million – accounting for 35% of UK's population and about 45% of England's population. The South East is the largest of the three with a population of 8.9 million, London has a population of 8.6 million while East of England has a population of 6.0 million. All three regions have record high populations and are forecast to grow by around 20% each up to 2041.
- 3.5 **Commuting:** There is substantial commuting between London and the South East / East of England with 790,000 people commuting daily into London and 270,000 commuting out of London (2011 figures), in addition to the large numbers of people commuting within each area e.g. 1.2million within the South East. The trend of increasing commuting is forecast to continue according to TfL transport models based on GLA population/employment projections. But while between 2011 and 2041 in-commuting into London has been forecast to go up by 170k, from 2011-2015 it has actually already increased by 94k. Much of this increase has been by rail into Central London.

4 Considering schemes for Wider South East action

- 4.1 An overview of identified strategic infrastructure areas crossing boundaries between – or offering significant benefits to - the South East, East of England and/or London is included below. Diagrams of these areas are also provided. The aim is to explore areas that are most suitable for joint lobbying. It should also be considered that the National Planning Policy Framework (NPPF), the National Infrastructure Plan and recommendations from the National Infrastructure Commission seek investment in strategic infrastructure to help unlock growth, jobs and housing.

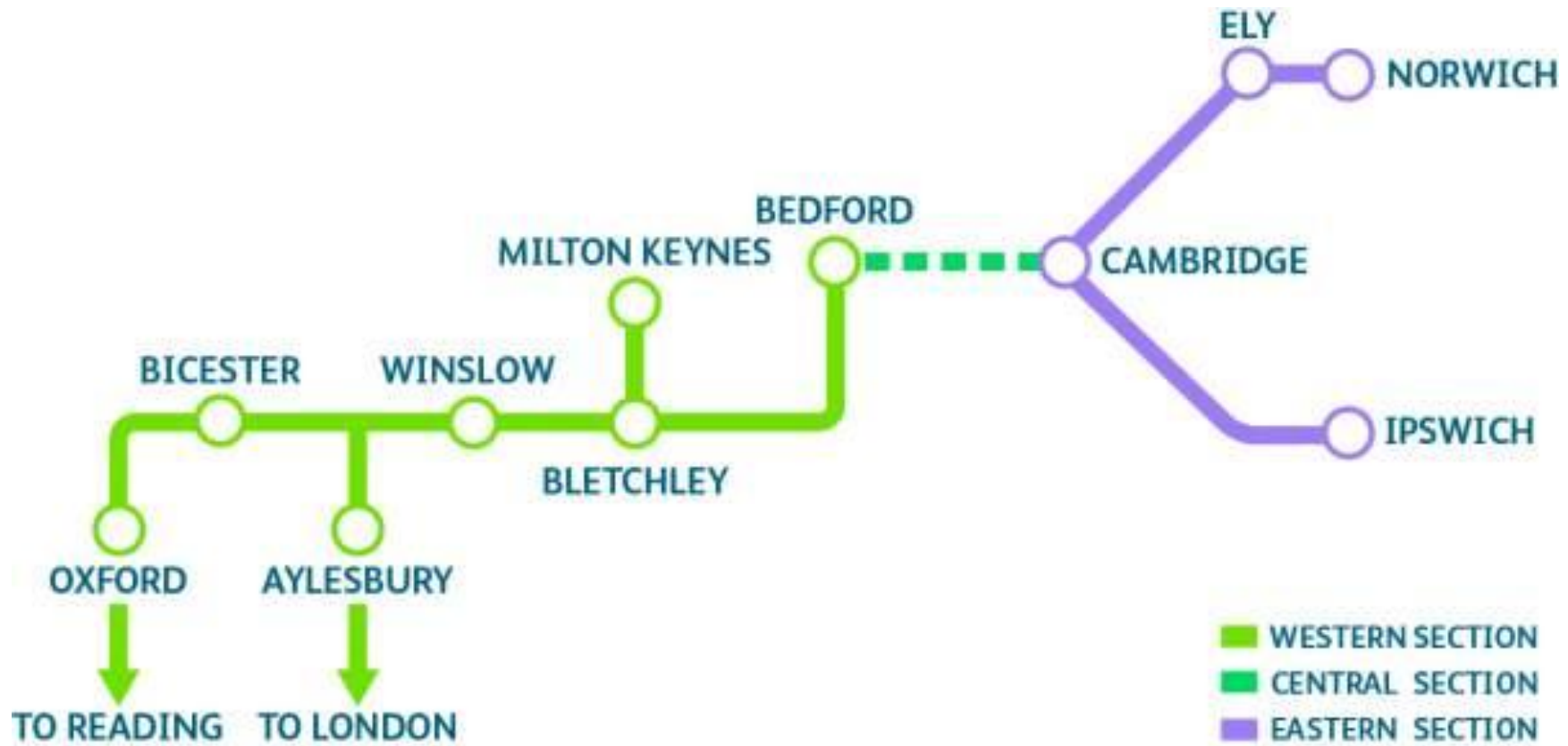
4.2 Political Steering Group members will be asked to consider which areas to initially focus on. It is recommended their consideration should be made on the basis of the following criteria:

- Real strategic cross-boundary (council/LEP/WSE) benefits essential for growth, prosperity, housing and connectivity for the wider area
- Local commitment and benefits as well as delivery of local priorities within a number of areas
- Deliverability including potential for innovative and new funding sources
- Degree of WSE collaborative support needed to lobby for and progress strategic infrastructure improvements with focus on early wins and opportunities

- 4.3 In addition to any collective WSE action, there is also the opportunity for identified strategic areas to be reflected within the London Plan as well as relevant Local Plans and other strategies (e.g. LEP Strategic Economic Plans) for their growth potential and infrastructure improvements.

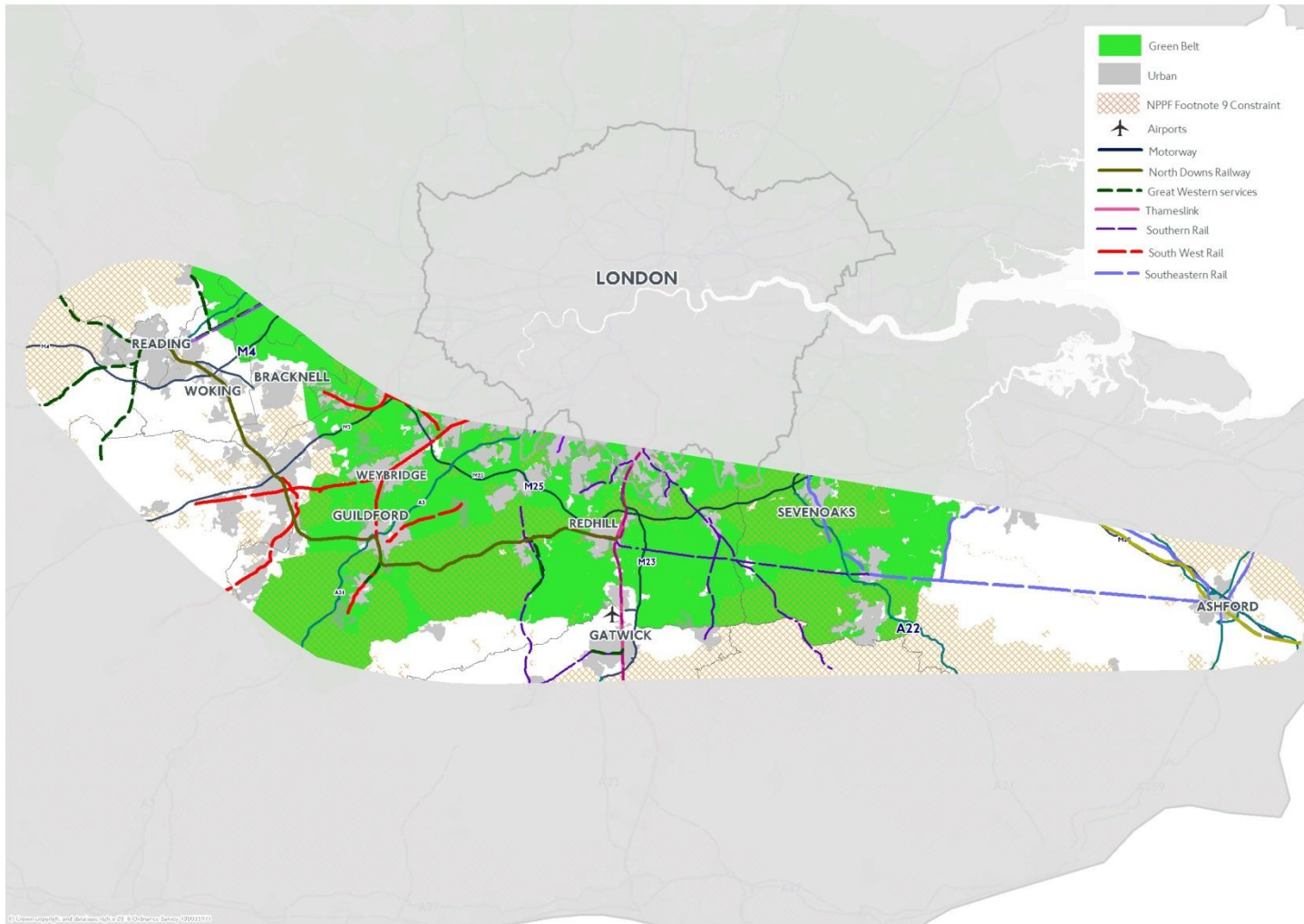
4.4 The aim is for members to consider schemes that will benefit from WSE collective action, and what these actions might be. The following is a long-list of possible schemes/areas:

Possible key strategic infrastructure schemes/areas (long list)	How does it benefit Wider South East and local priorities, in particular in terms of transport, economy, housing?	Status and existing local/national support/commitment?	Indicative cost and funding gap of infrastructure investment	What more needs to be done (scoping, costing, funding, etc)	WSE actions needed to assist scheme (what, when, who to target)
<p>East West Rail and new road link (Oxford – Cambridge)</p>	<ul style="list-style-type: none"> • Scheme will strengthen the public transport connections between Oxford, Milton Keynes and Cambridge, which forms the northern side of the London-Oxford-Cambridge economic/hi-tech ‘Golden Triangle’ with links also to London via Crossrail and potential Crossrail 1 extension north west. • Within the area a new road link between an improved A34 and M40 via Oxford to Cambridge is needed to link growth areas in Bucks, Bedfordshire and Cambridge. This new orbital road route would offer an alternative to M25, helping reduce motorway congestion. It would also provide strategic road links to the East-West rail service for both freight and passengers. 	<ul style="list-style-type: none"> • Western rail section (Oxford/ Aylesbury – Bedford) improvements are included in National Infrastructure Plan as part of National Rail’s enhancement programme. • Preferred route for the most costly Central rail section (Bedford-Cambridge) has recently been announced by Network Rail. • A consortium is working with Network Rail to identify how the rail network may be enhanced to deliver new train services and connections across the area. • The new complementary Oxford to Cambridge road link is included in SEEC’s Missing Links report to Government. 	<ul style="list-style-type: none"> • East West Rail: Western section package of committed works underway, for completion by 2019 costing £270 million. 	<ul style="list-style-type: none"> • A National Infrastructure paper on East West Rail to explore options for long-term priorities is under development. • Feasibility and options studies are underway for the new road link. 	<ul style="list-style-type: none"> • Collaboration would be required with the Consortium, the National Infrastructure Commission, relevant local authorities, Network Rail, Highways England and the LEPs to agree supportive actions to secure commitment/funding for full road and rail package.



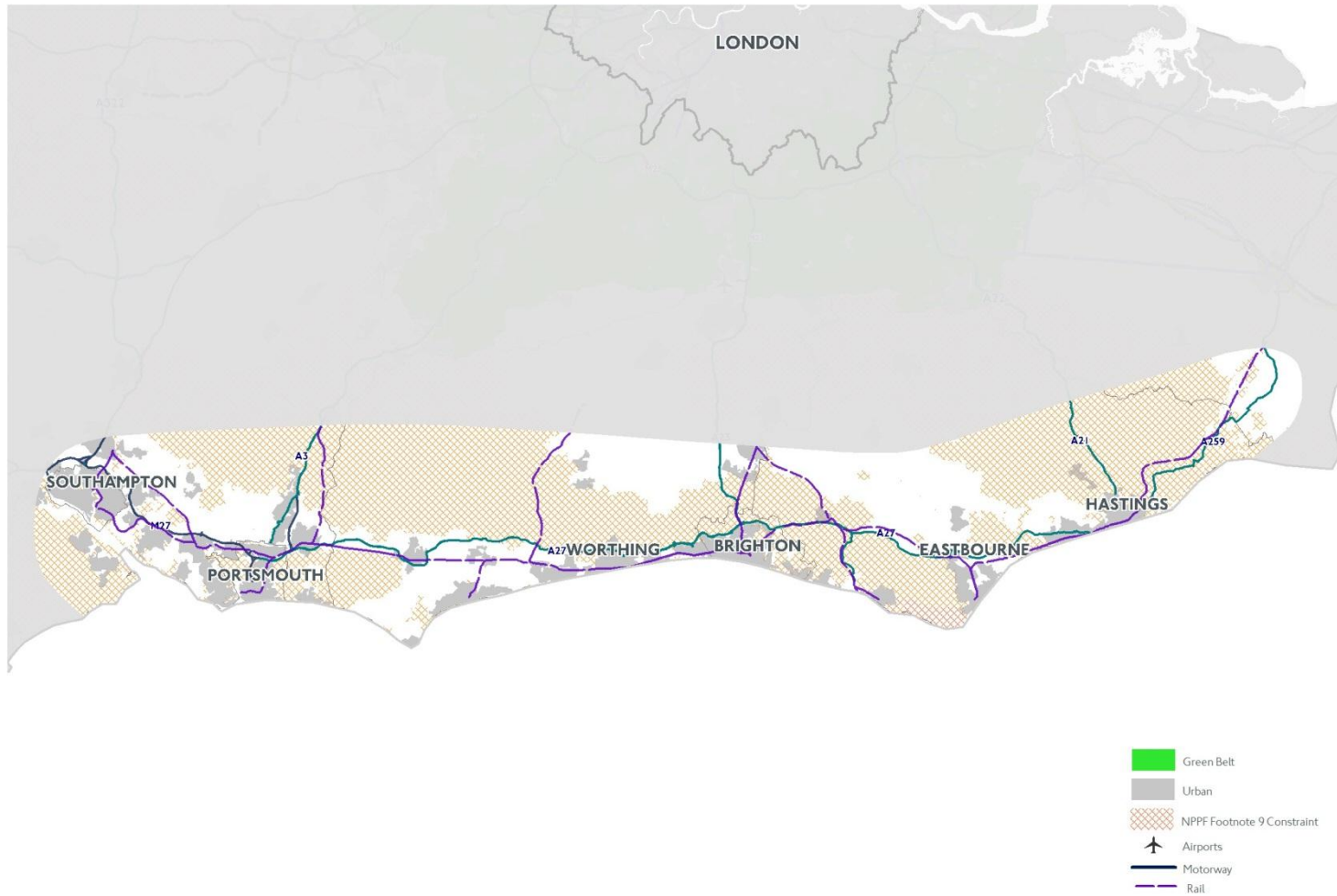
East West Rail (Oxford -Cambridge)

Possible key strategic infrastructure schemes/areas (long list)	How does it benefit Wider South East and local priorities, in particular in terms of transport, economy, housing?	Status and existing local/national support/commitment?	Indicative cost and funding gap of infrastructure investment	What more needs to be done (scoping, costing, funding, etc)	WSE actions needed to assist scheme (what, when, who to target)
<p>North Downs Rail Link (Gatwick – Reading) and extension to Oxford</p>	<ul style="list-style-type: none"> • A package of improvements along this rail corridor including the full electrification of the remaining stretches of the line and re-signalling, has the potential to encourage modal shift and improve commuter, leisure and business access to and between numerous economically successful employment and retail centres eg Guildford and Reading. • Recent independent LEP-led report shows scheme could deliver up to £1.9bn GVA and 8,000 jobs. • As an orbital route, it also has potential to release capacity on train routes to and from central London and relieve congestion on the M25. • Improvements should also link to the proposed East West Rail via Reading. 	<ul style="list-style-type: none"> • Stakeholders along the route – nine borough, district and unitary councils, three county councils, Gatwick Airport, Enterprise M3, Coast to Capital and Thames Valley Berkshire LEPs and Great Western Railways (GWR) – support improvements to the North Downs Line. • It is included in SEEC’s Missing Links report to Government. 	<ul style="list-style-type: none"> • Train lengthening is estimated at £6.5 million (2002 figure); electrification at around £70 million. 	<ul style="list-style-type: none"> • Elements of the improvements – including re-signalling, line speed enhancements and Guildford capacity improvements – are outlined in Network Rail’s long-term Wessex Route Study and could happen in Control Period 6 (CP6) 2019-24. 	<ul style="list-style-type: none"> • Lobbying Government and national bodies to secure commitments to holistic strategic package of improvements, including CP6 and full electrification of the line.



North Downs Rail Link (Gatwick – Reading)

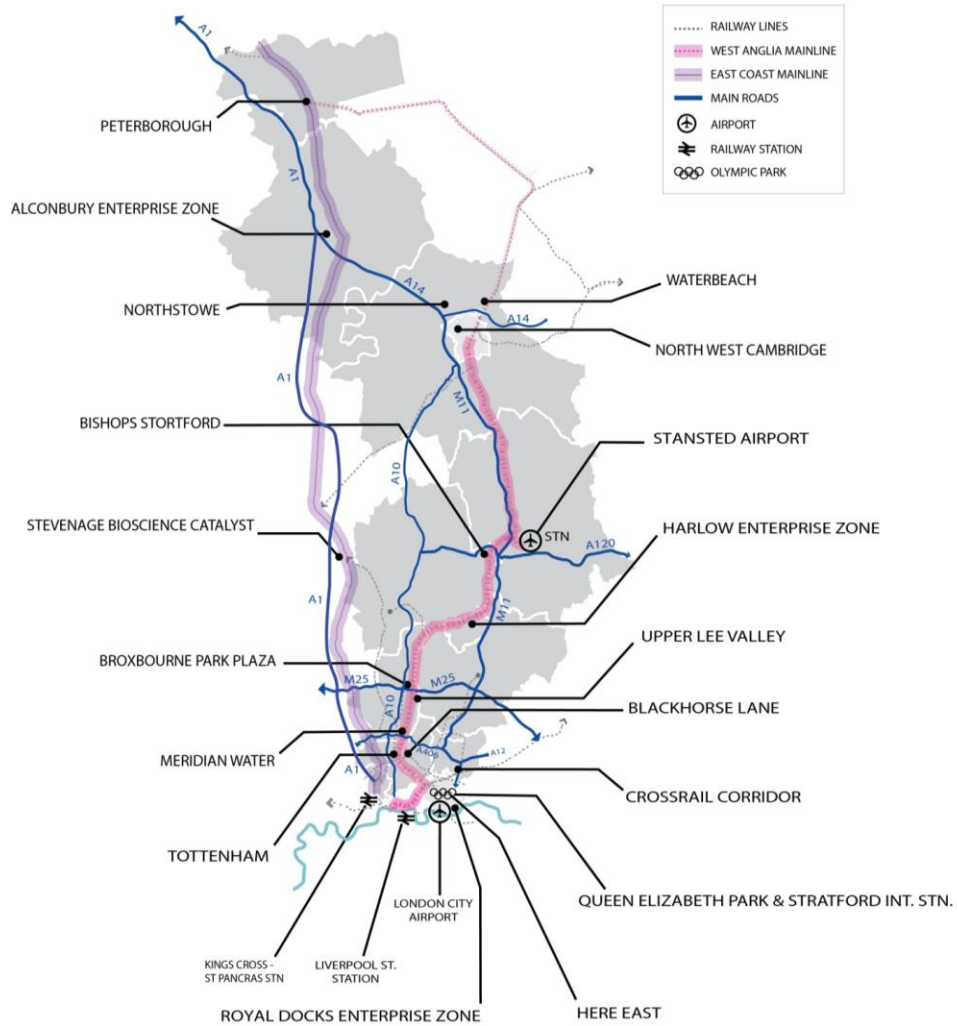
Possible key strategic infrastructure schemes/areas (long list)	How does it benefit Wider South East and local priorities, in particular in terms of transport, economy, housing?	Status and existing local/national support/commitment?	Indicative cost and funding gap of infrastructure investment	What more needs to be done (scoping, costing, funding, etc)	WSE actions needed to assist scheme (what, when, who to target)
A27/M27/A259 and rail corridor (Dover – Southampton)	<ul style="list-style-type: none"> • Upgrades of the A27/M27/A259 road corridor as well as the corresponding rail route along the south coast could improve capacity, journey times and reduce bottlenecks/congestion. It would support economic growth and regeneration in the coastal and university towns through Sussex eg Brighton, Bognor. • Recent independent LEP-led report shows the road-scheme alone could deliver up to £1.5bn GVA and 9,300 jobs. • Improvements could also include better road and rail access for passengers and freight to the ports at Southampton, Portsmouth, Newhaven, Shoreham and Dover. • This orbital route improvement could also reduce congestion on the M25 and trains travelling via central London. 	<ul style="list-style-type: none"> • Support from councils and LEPs along the route, including Kent, East and West Sussex and Hampshire. • It is included in SEEC's Missing Links report to Government. • Government is committed to improving parts of route. 	<ul style="list-style-type: none"> • Indicative costs of over £500 million for A27 and £ 1.8 billion for M27 improvements 	<ul style="list-style-type: none"> • A more comprehensive and strategic approach is needed from Government to take forward the holistic package of improvements for the whole route, building on those elements of the scheme that the Government already supports. 	<ul style="list-style-type: none"> • Lobbying to secure commitments to fund a holistic package of improvements.



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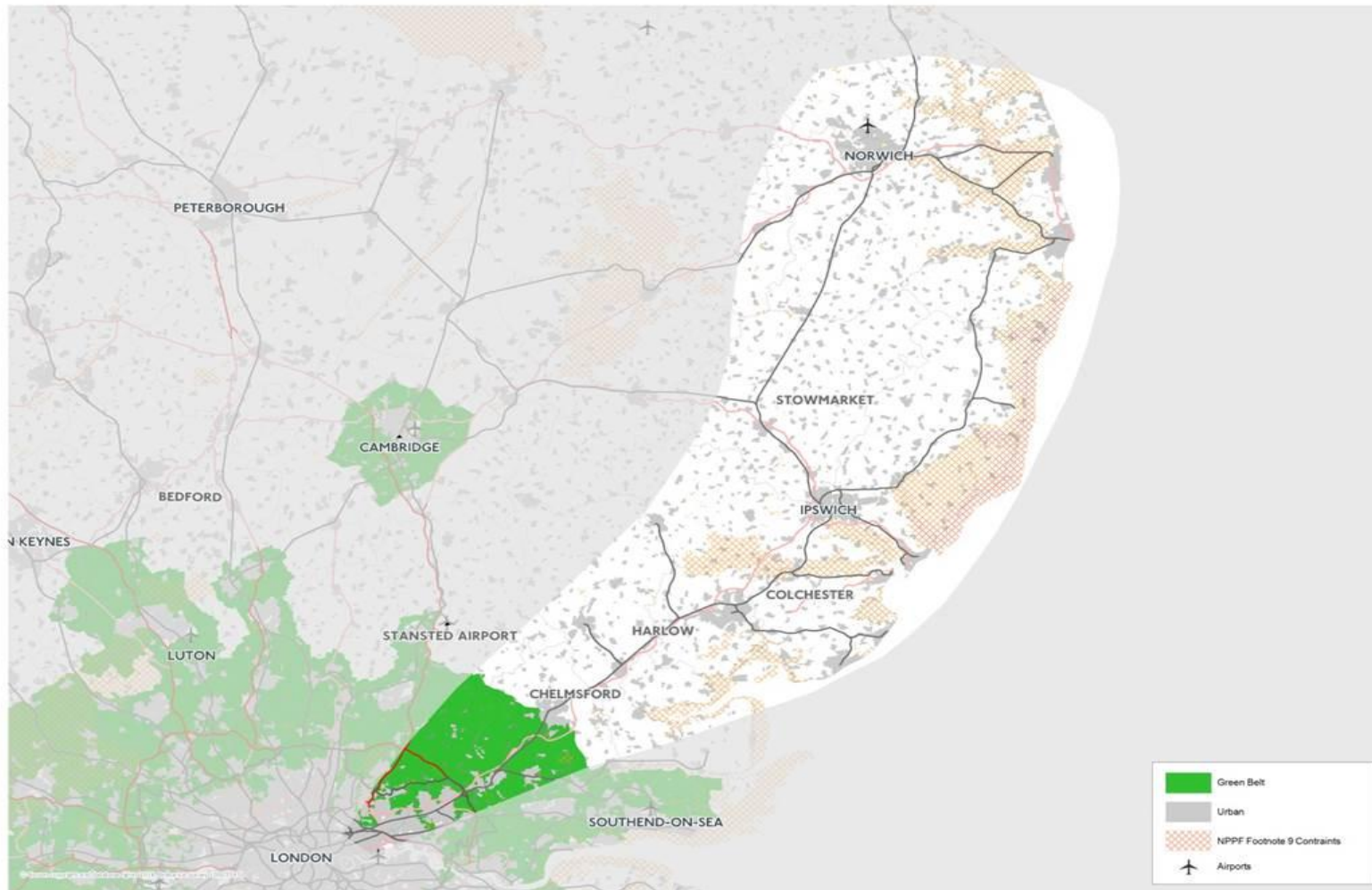
A27/M27/A259 and rail corridor (Dover – Southampton)

Possible key strategic infrastructure schemes/areas (long list)	How does it benefit Wider South East and local priorities, in particular in terms of transport, economy, housing?	Status and existing local/national support/commitment?	Indicative cost and funding gap of infrastructure investment	What more needs to be done (scoping, costing, funding, etc)	WSE actions needed to assist scheme (what, when, who to target)
<p>West Anglia Main Line and Crossrail 2 North (London – Stansted-Cambridge-Peterborough)</p>	<ul style="list-style-type: none"> • The corridor is a crucial arm of the Cambridge, London and Oxford economic/hi-tech ‘Golden Triangle’. Improvements will lead to faster, more frequent, more reliable journeys along this corridor. Investment will also strengthen rail connections to Norwich, complement East West Rail, and enable higher frequency services to Stansted Airport. • Four-tracking the West Anglia Main Line forms an integral part of Crossrail 2, which is expected to deliver up to £102 billion additional GVA to the UK economy (KPMG analysis). It is also expected to unlock the development of up to 100,000 additional homes – and the creation of 45,000 new jobs - across the West Anglia region. The early completion of four-tracking is expected to bring forward the development of 25,000 additional homes into the 2020s. • Key development areas include the Upper Lee Valley, Harlow, Bishop’s Stortford, Stansted and Cambridge. 	<ul style="list-style-type: none"> • The London Stansted Cambridge Consortium (LSCC) is an established partnership that supports the development of the corridor. • In addition, a West Anglia Taskforce has been established to look at potential opportunities for enhancing the West Anglia Main Line. • The Government has (based on National Infrastructure Commission recommendation) identified Crossrail 2 as a priority investment project contributing £80 million towards its development and aiming for a Hybrid Bill within this Parliament. Crossrail 2 Growth Commission also set up to support related development opportunities. SEEC, EELGA and London Councils have written in support of Crossrail 2’s swift delivery & extension. 	<ul style="list-style-type: none"> • Indicative cost for Crossrail 2 as a whole are expected to be around £27 billion. 	<ul style="list-style-type: none"> • The Taskforce is building the business case for submission to Government. Its support could come via grant funding or a devolved funding mechanism. • Taskforce is also exploring how much of cost could be met through non-central Government sources & working with the National Infrastructure Commission. • The LSCC’s Growth Commission is setting a wider 30 year economic vision for the area. 	<ul style="list-style-type: none"> • Beyond support for the existing arrangements, key lessons could also potentially be learnt and transferred to support infrastructure improvements in other areas of the WSE.



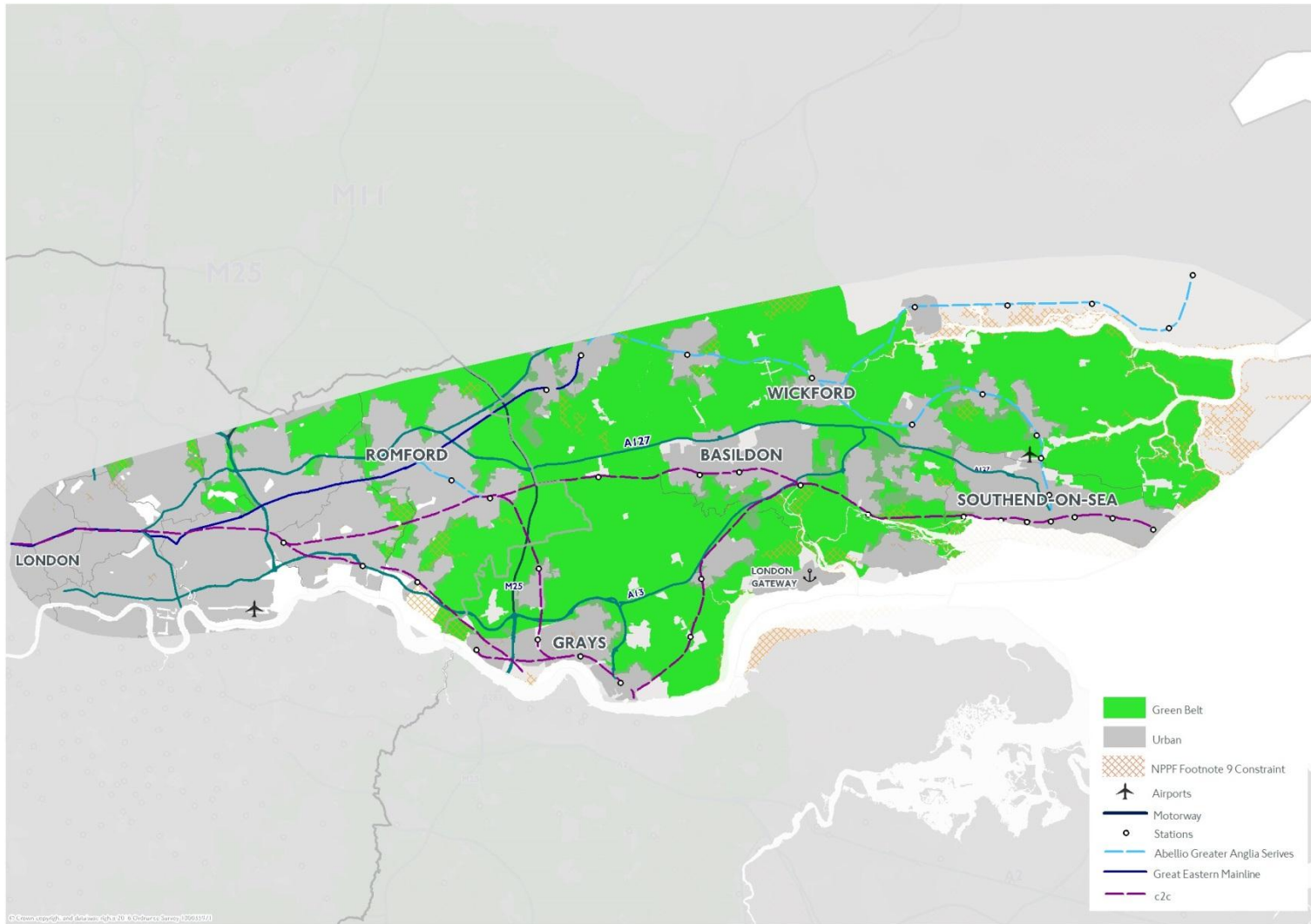
West Anglia Main Line and Crossrail 2 North (London – Stansted-Cambridge-Peterborough)

Possible key strategic infrastructure schemes/areas (long list)	How does it benefit Wider South East and local priorities, in particular in terms of transport, economy, housing?	Status and existing local/national support/commitment?	Indicative cost and funding gap of infrastructure investment	What more needs to be done (scoping, costing, funding, etc)	WSE actions needed to assist scheme (what, when, who to target)
<p>Great Eastern Mainline (London – Ipswich – Norwich)</p>	<ul style="list-style-type: none"> Improvements to this rail line could support significant economic growth and development. According to the New Anglia LEP this could create around 50,000 additional jobs. Their Strategic Economic Plan indicates additional housing growth of around 50,000 within Greater Norwich and along the A11 route. 	<ul style="list-style-type: none"> A Great Eastern Mainline Taskforce was established and called for a travel time of 60 min from London to Ipswich and 90 min from London to Norwich. The New Anglia LEP supports the campaign to improve this rail line. 	<ul style="list-style-type: none"> Required investment in this rail line is expected to be near £ 500 million. 	<ul style="list-style-type: none"> The DfT has published an invitation to tender for the Greater Anglia franchise, which will start in October 2016. It includes requested reduced travel times as a requirement as well as an increase in frequency and modernisation of the train stock. 	<ul style="list-style-type: none"> In collaboration with the LEP, Network Rail and local authorities potential priorities for key development opportunities within the area could be supported.



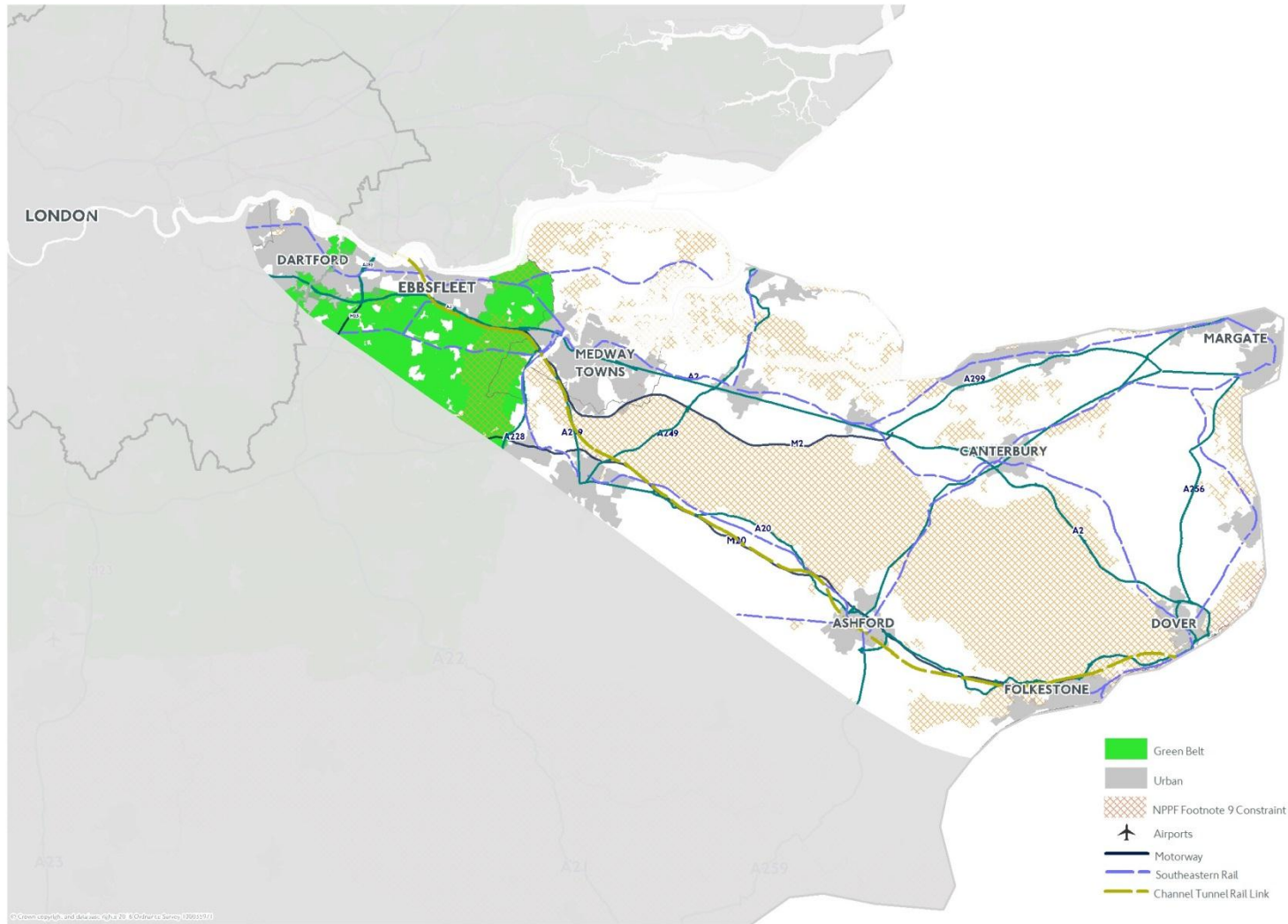
Great Eastern Mainline (London – Ipswich – Norwich)

Possible key strategic infrastructure schemes/areas (long list)	How does it benefit Wider South East and local priorities, in particular in terms of transport, economy, housing?	Status and existing local/national support/commitment?	Indicative cost and funding gap of infrastructure investment	What more needs to be done (scoping, costing, funding, etc)	WSE actions needed to assist scheme (what, when, who to target)
<p>Thames Gateway Essex: C2C and Crossrail 2 – Eastern Branch (London – South Essex / London Gateway Port)</p>	<ul style="list-style-type: none"> • There is potential to create 270,000 homes and 390,000 jobs across the Gateway. • A potential Crossrail 2 Eastern Branch as well as Great Eastern Mainline improvement will benefit rail services to London including reduced journey times and additional capacity. According to an assessment by consultants (Quod) this could support a development capacity of between 50,000 and at least 110,000 new homes. • In terms of the A13 the delivery of a widening scheme would be important to support growth particular at Purfleet, Lakeside and the London Gateway Port. The Port alone is expected to create 12,000 jobs. • Improvements of the A127 would support growth at Southend, Basildon and Brentwood, with proposals for Dunton Hill Garden Village and Brentwood Enterprise Park. • The South East LEP's Strategic Economic Plan estimates that over 100,000 additional jobs and 50,000 additional homes could be created overall within this area. 	<ul style="list-style-type: none"> • A Thames Gateway Strategic Group has been established to promote the benefits of development and investment across the Gateway. • A high-profile Thames Estuary Commission has also been announced by Government to maximise the opportunities of infrastructure improvements. 		<ul style="list-style-type: none"> • TfL is working with strategic partners including Essex County Council on the East London Transport Option Study (ELTOS) assessing range of transport options to relieve longer term forecast capacity issues on the C2C/A13 corridor. • More widely, the Thames Estuary Commission will develop a vision for the area and a delivery plan in time for the 2017 Autumn Statement. 	<ul style="list-style-type: none"> • It will be important to explore how to engage best with the Strategic Group and the Commission on how to complement their work and any specific improvements to focus on. • The results of the ELTOS study should inform this, and any major road improvements should be accompanied by sustainable transport measures to prevent additional road congestion.



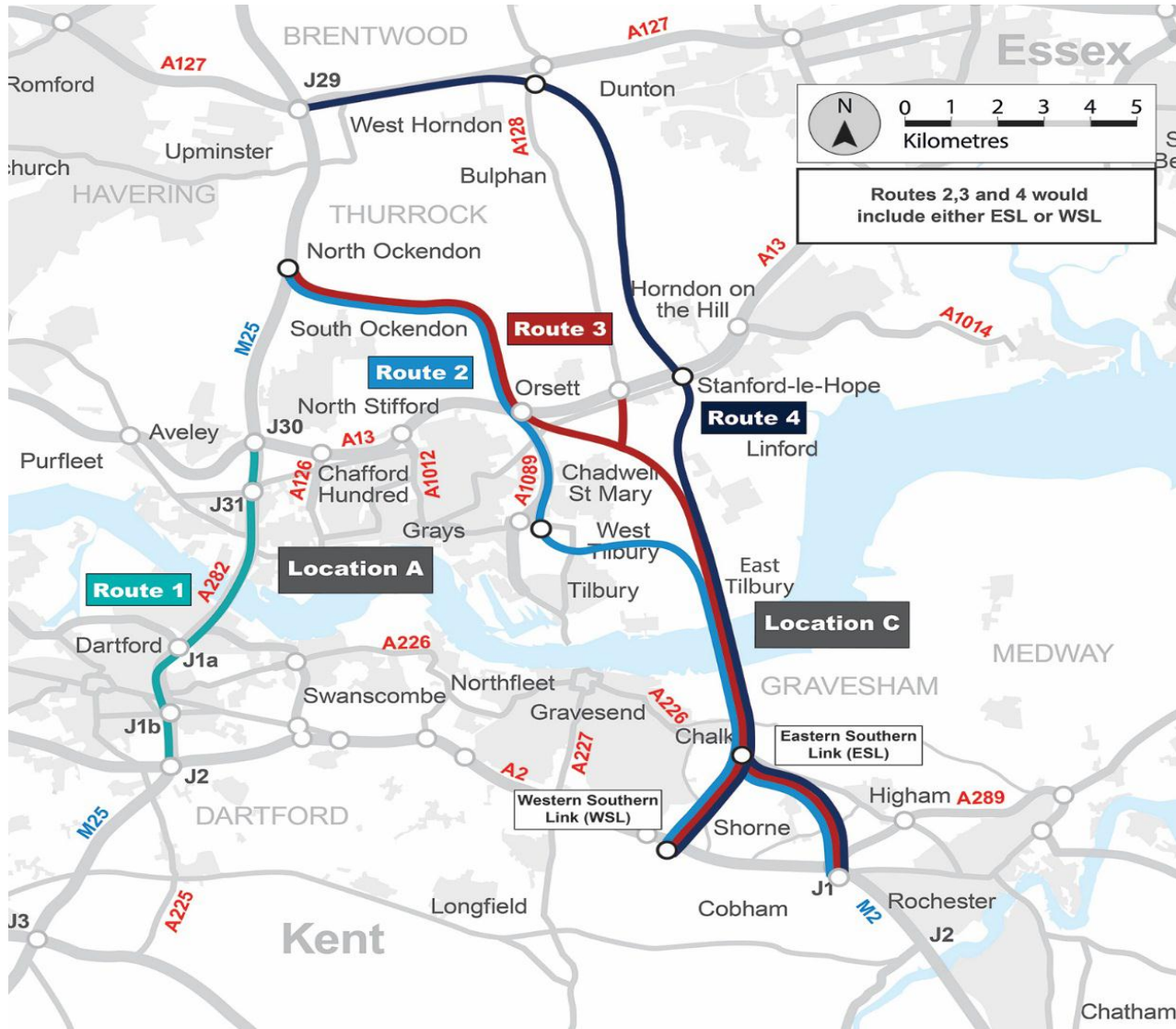
Thames Gateway Essex: C2C and Crossrail 2 – Eastern Branch (London – South Essex / London Gateway Port)

Possible key strategic infrastructure schemes/areas (long list)	How does it benefit Wider South East and local priorities, in particular in terms of transport, economy, housing?	Status and existing local/national support/commitment?	Indicative cost and funding gap of infrastructure investment	What more needs to be done (scoping, costing, funding, etc)	WSE actions needed to assist scheme (what, when, who to target)
Thames Gateway Kent: Crossrail 1 extension East and HS1 route (London – North Kent – Channel Tunnel)	<ul style="list-style-type: none"> • There is potential to create 270,000 homes and 390,000 jobs across the whole Gateway. • The Crossrail 1 extension from Abbey Wood to Ebbsfleet and Gravesend would support growth at Bexley Riverside, Ebbsfleet Garden City and elsewhere in North Kent. Around 20,000 of the 55,000+ new homes planned for the area has been assessed as 'dependent' on the Crossrail extension. • Beyond Crossrail 1 extension, there is also potential for economic growth and development along the HS1 route towards Ashford and the Channel Tunnel to make best use of the potential future capacity on HS1 domestic services. • The South East LEP's Strategic Economic Plan estimates that 7,000 additional jobs and 8,500 additional homes could be created along the HS1/M20 route. 	<ul style="list-style-type: none"> • A Thames Gateway Strategic Group has been established to promote the benefits of development and investment across the Gateway. • A high-profile Thames Estuary Commission has also been announced by Government to maximise the opportunities of infrastructure improvements. 	<ul style="list-style-type: none"> • Indicative cost of Crossrail 1 extension to Ebbsfleet/ Gravesend is expected to be around £2.5 billion 	<ul style="list-style-type: none"> • The Strategic Group has commissioned an Outline Business Case for presentation to the Treasury for the Autumn Statement 2016. • More widely, the Thames Estuary Commission will develop a vision for the area and a delivery plan in time for the 2017 Autumn Statement. 	<ul style="list-style-type: none"> • Engage with the Strategic Group and the Commission to complement their work and any specific improvements to focus on. The results of the business case for the Crossrail 1 extension should inform this.



Thames Gateway Kent: Crossrail 1 extension East and HS1 route (London – North Kent – Channel Tunnel)

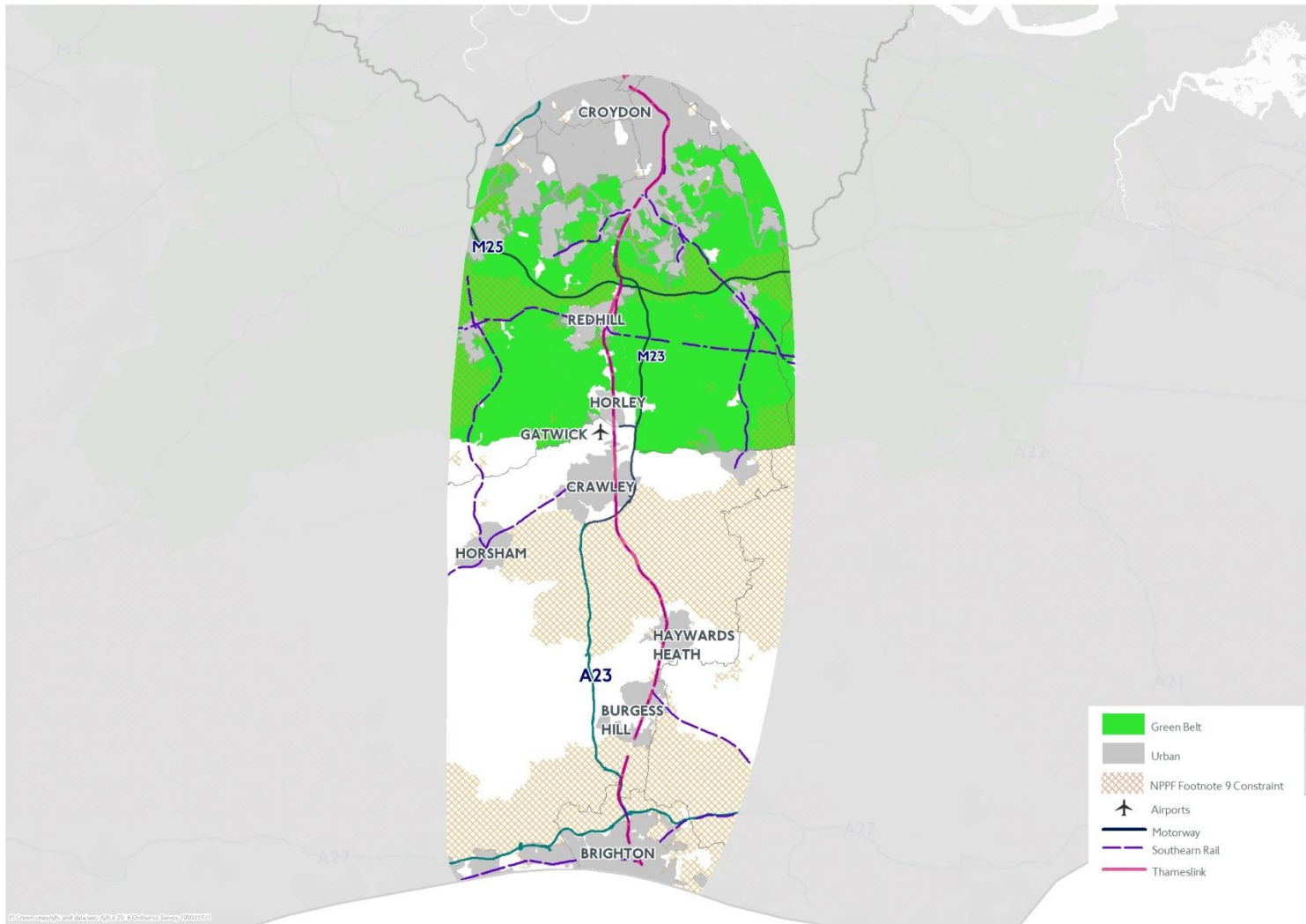
Possible key strategic infrastructure schemes/areas (long list)	How does it benefit Wider South East and local priorities, in particular in terms of transport, economy, housing?	Status and existing local/national support/commitment?	Indicative cost and funding gap of infrastructure investment	What more needs to be done (scoping, costing, funding, etc)	WSE actions needed to assist scheme (what, when, who to target)
<p>Lower Thames Crossing</p>	<ul style="list-style-type: none"> • There is potential to create 270,000 homes and 390,000 jobs across the Gateway. • The Crossing aims to relieve heavy congestion at the existing Dartford crossing and reduce pressure on the A2 and provide better routes for international freight. It is expected to unlock economic growth. • According to the business case the proposed scheme could add over £7bn cumulatively to the economy by stimulating investment and business opportunities and create over 5000 new jobs nationally. • Also, this new crossing, together with other crossings proposed in East London, could directly catalyse the development of an additional 27,000 homes in East London and a further 20,000 homes in Essex and Kent. 	<ul style="list-style-type: none"> • A Thames Gateway Strategic Group has been established to promote the benefits of development and investment across the Gateway. A high-profile Thames Estuary Commission has also been announced by Government to maximise opportunities of infrastructure improvements. • Highways England recently consulted on the preferred location and different route options for a new crossing east of the existing Dartford crossing. These include an option next to the current site ('Location A'), and other potential route options further to the east ('Location C'). • SEEC's Missing Links report highlights the importance of this scheme, noting Government's commitment that the scheme is required. 	<ul style="list-style-type: none"> • Construction costs are expected to be between £3.4 billion and £4.6 billion. 	<ul style="list-style-type: none"> • The Commission will develop a vision for the area and a delivery plan in time for the 2017 Autumn Statement. 	<ul style="list-style-type: none"> • Work with partners to expedite existing commitments to bring the project forward asap • Engage with the Strategic Group and the Commission to complement their work and any specific improvements to focus on. • Also work with Highways England and look into financing options for the scheme and promote a clear plan to deal with the consequential pressure on the surrounding road network.



Source: Highways England

Lower Thames Crossing

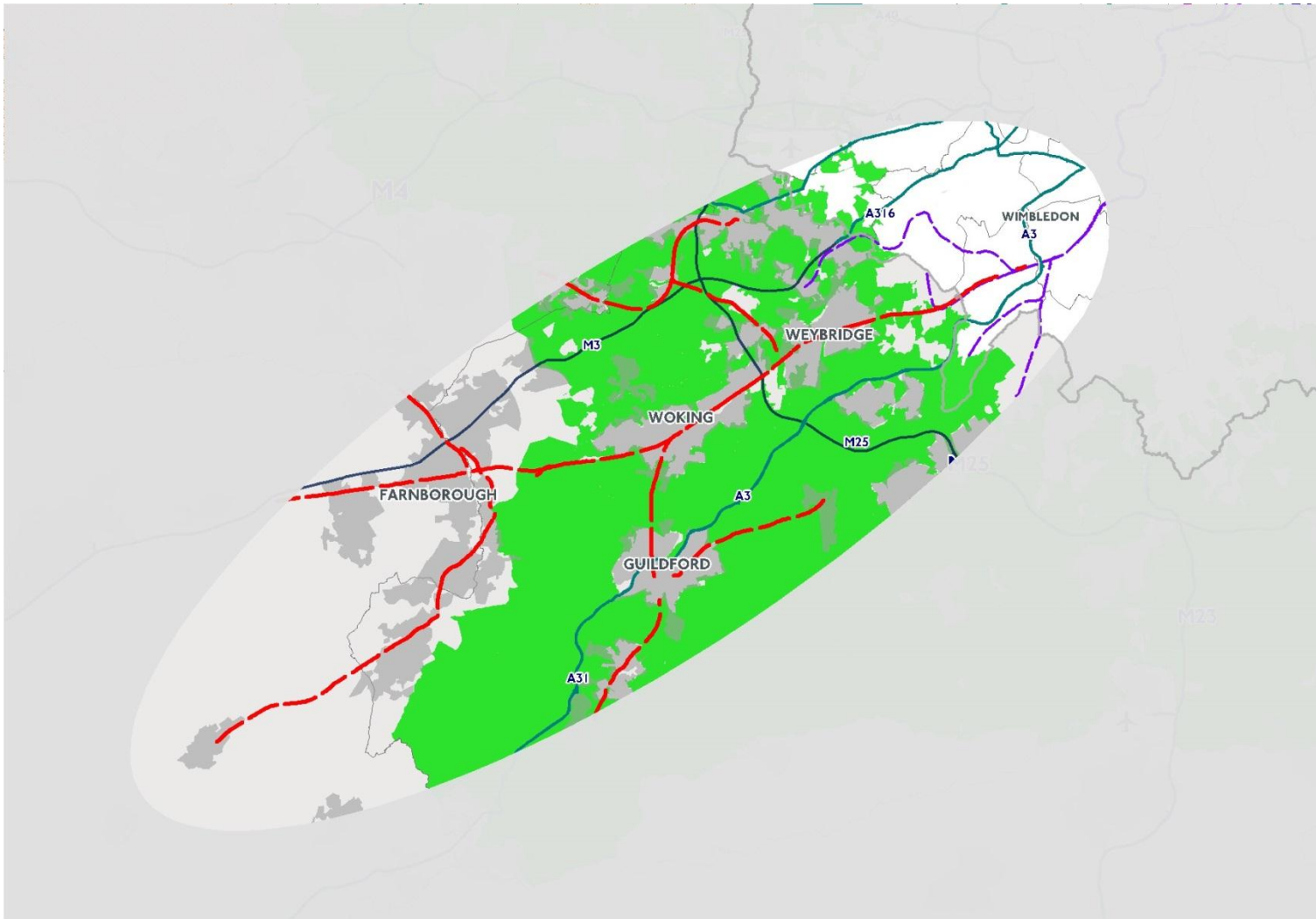
Possible key strategic infrastructure schemes/areas (long list)	How does it benefit Wider South East and local priorities, in particular in terms of transport, economy, housing?	Status and existing local/national support/commitment?	Indicative cost and funding gap of infrastructure investment	What more needs to be done (scoping, costing, funding, etc)	WSE actions needed to assist scheme (what, when, who to target)
<p>Brighton Mainline (London – Gatwick – Brighton)</p>	<ul style="list-style-type: none"> • Improvements to strategic transport could support economic growth and development. • According to the LEP's Strategic Economic Plan there is growth potential along the corridor in particular at Croydon, Gatwick, Burgess Hill and Brighton with the potential to deliver around an additional 18,000 jobs and 15,000 homes. • Recent independent LEP-led report shows scheme could deliver up to £1.5bn GVA and 7,500 jobs. • It is however recognised that the area has significant environmental constraints. 	<ul style="list-style-type: none"> • The Coast to Capital LEP supports improvements to the Brighton Mainline. Last year Terms of Reference were agreed for a strategic case for investment along this rail corridor, but it is not clear if this is being progressed. • In terms of roads, the M23 motorway is being considered for the Smart Motorway scheme to help with efficiency and smoother traffic flows. • At the centre of the area the Gatwick Diamond has been established as a business-led partnership. 	<ul style="list-style-type: none"> • Improvements not formally defined yet, so no costs available. 	<ul style="list-style-type: none"> • How improvements would support councils' ambitions along the route is not currently clear. • The Government's decision on aviation and the future of Gatwick Airport expected at the end of this year will be a key factor for the scale and phasing of potential growth and infrastructure improvements in this area. 	<ul style="list-style-type: none"> • Assessment regarding extent of councils' support for corridor would be needed, as well as identification of specific improvements required.



Brighton Mainline (London – Gatwick – Brighton)

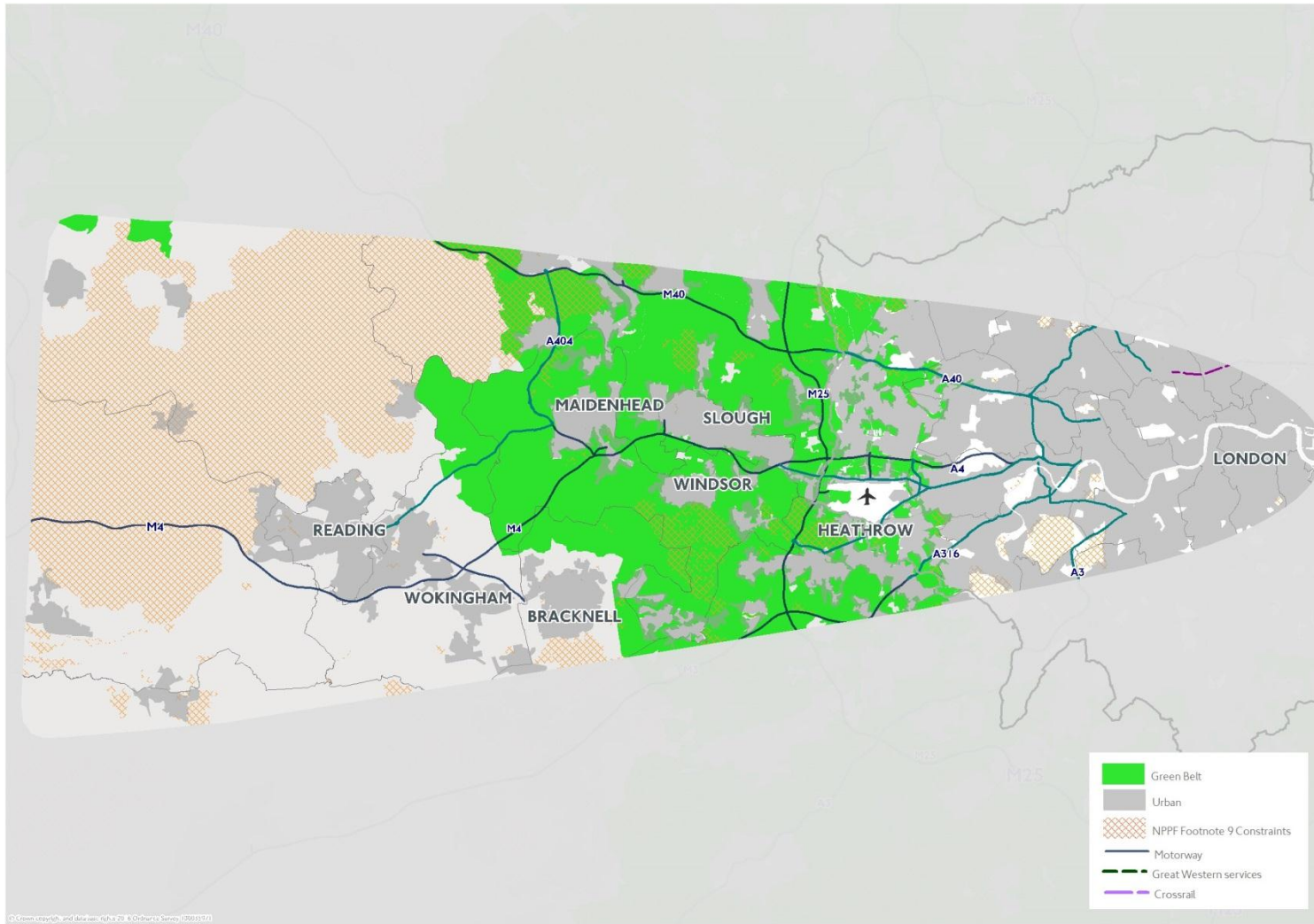
Possible key strategic infrastructure schemes/areas (long list)	How does it benefit Wider South East and local priorities, in particular in terms of transport, economy, housing?	Status and existing local/national support/commitment?	Indicative cost and funding gap of infrastructure investment	What more needs to be done (scoping, costing, funding, etc)	WSE actions needed to assist scheme (what, when, who to target)
<p>South West Mainline and Crossrail 2 South West (London – Surrey / southern access to Heathrow)</p>	<ul style="list-style-type: none"> Existing transport links with London in this area are overcrowded. Crossrail 2 (and the potential Metroisation of inner suburban services) could help to address this, potentially also releasing capacity on trains into Waterloo. Crossrail 2 estimates the project could overall deliver up to £102bn additional GVA to the UK economy (KPMG analysis) and that between 20,000 and 60,000 additional homes could be delivered within the south west of Outer London and in the South East. Benefits to the South East will depend on route extension (eg Woking). It is, however, recognised that the Green Belt as well as significant environmental constraints have to be taken into account. The area would also benefit from a Southern Rail Access to Heathrow though this would depend on the exact routing of this potential new rail line. Recent independent LEP-led report shows this could deliver up to £1.8bn GVA and 8,200 jobs. In terms of roads, the M3 motorway is currently being upgraded to a 	<ul style="list-style-type: none"> There is support in principle for improvements on the South West Mainline and rail access to Heathrow from local partners including Surrey CC and Enterprise M3 LEP. It is also highlighted in SEEC's Missing Links report. The Government has (based on National Infrastructure Commission recommendation) identified Crossrail 2 as a priority investment project contributing £80 million towards its development and aiming for a Hybrid Bill by 2019. A Crossrail 2 Growth Commission has also been set up to support related development opportunities. SEEC, EELGA and London Councils have written in support of Crossrail 2's swift delivery and extension. Surrey CC has undertaken work 	<ul style="list-style-type: none"> Indicative cost for Crossrail 2 as a whole are expected to be around £ 27 billion. Indicative costings approx. £50m-100m for public transport improvements (but updating required). 	<ul style="list-style-type: none"> DfT and TfL have been proposing the transfer of responsibility from the DfT to TfL for inner suburban rail services that operate mostly or wholly within Greater London. South West Trains' rail franchise is due for renewal in 2017. Government's decision on aviation expected at the end of this year will be a key factor for the scale and phasing of growth and infrastructure improvements in this area. 	<ul style="list-style-type: none"> Engage with partners to complement their work and any specific improvements to focus on to secure commitment/funding/delivery. Maintain pressure to expedite delivery of Crossrail 2.

Possible key strategic infrastructure schemes/areas (long list)	How does it benefit Wider South East and local priorities, in particular in terms of transport, economy, housing?	Status and existing local/national support/commitment?	Indicative cost and funding gap of infrastructure investment	What more needs to be done (scoping, costing, funding, etc)	WSE actions needed to assist scheme (what, when, who to target)
	<p>Smart Motorway to help with efficiency and smoother traffic flows.</p>	<p>supporting CR2 extension into the SE.</p> <ul style="list-style-type: none"> • Government’s decision on aviation expected at the end of this year will be a key factor for the scale and phasing of growth and infrastructure improvements in this area. • The London Borough of Hounslow and Heathrow Airport Limited have established a Working Group to develop and deliver a vision for an expanded Heathrow that would reflect its potential role within the wider sub-region. The Group’s membership predominantly comprises officers from local authorities to the west of London, with GLA and TfL officers attending as observers. 		<ul style="list-style-type: none"> • Work is underway by Surrey CC to assess Southern Access to Heathrow options/ costs to help inform the way forward. 	



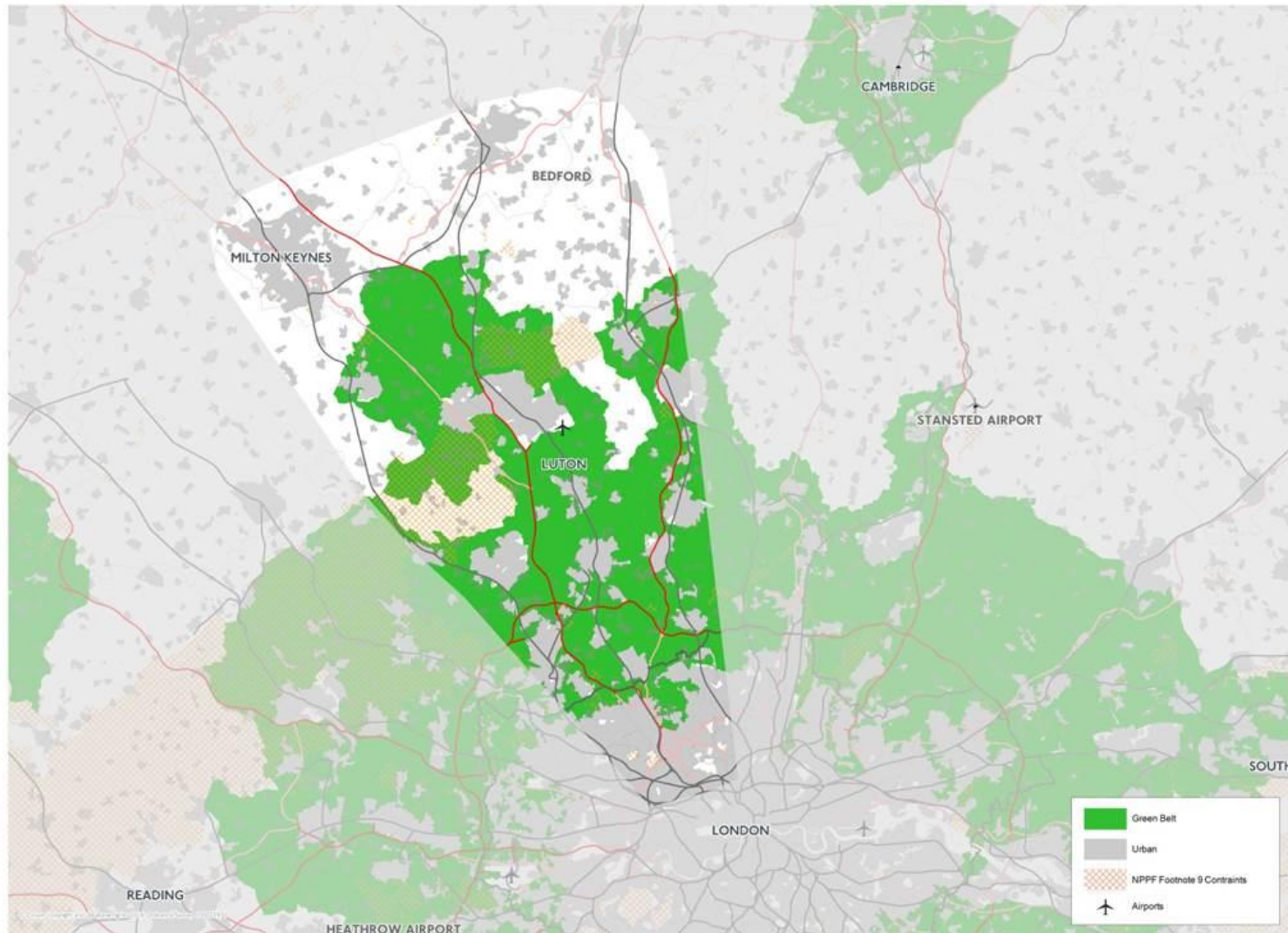
South West Mainline and Crossrail 2 South West (London – Surrey / southern access to Heathrow)

Possible key strategic infrastructure schemes/areas (long list)	How does it benefit Wider South East and local priorities, in particular in terms of transport, economy, housing?	Status and existing local/national support/commitment?	Indicative cost and funding gap of infrastructure investment	What more needs to be done (scoping, costing, funding, etc)	WSE actions needed to assist scheme (what, when, who to target)
<p>Great Western Mainline (London – Reading / western access to Heathrow)</p>	<ul style="list-style-type: none"> • Connectivity and capacity of the strategic transport links between Reading (with its substantial level of economic activities and significant attractiveness for inward investment) and London will improve considerably. This could be a real catalyst for development and economic growth within this area. • Recent independent LEP-led report shows improvements to Reading-Waterloo rail could deliver £1.9bn GVA & 7,500 jobs. • Crossrail 1 will provide a direct service into central London. Great Western Mainline improvements with electric trains on Thames Valley services will provide a significant increase in peak capacity into London. • Reading would also benefit from the Western Rail Access to Heathrow providing a direct rail link to the airport. • In terms of roads, the M4 is being considered for the Smart Motorway scheme to help with efficiency & smoother traffic flows. 	<ul style="list-style-type: none"> • Great Western Mainline improvements are included in the National Infrastructure Plan as part of National Rail's enhancement programme. • There is support in principle for improvements on the Great Western Mainline and rail access to Heathrow, including Thames Valley Berks LEP. Need for improvements are highlighted in SEEC's Missing Links report. • Crossrail 1 services are expected to start in 2018 and fully opened through Central London in December 2019. • Government's decision on aviation expected at the end of this year will be a key factor for the scale and phasing of growth and infrastructure improvements in this area. • London Borough of Hounslow and Heathrow Airport Limited have established a Working Group to develop and deliver a vision for an expanded Heathrow that would reflect its potential role within the wider sub-region. The Group's membership predominantly comprises officers from local authorities to the west of London, with GLA and TfL officers attending as observers. 	<ul style="list-style-type: none"> • Indicative costing of Western rail access to Heathrow approx. £750m. • Great Western electrification (total for London-Cardiff) £2.8bn commitment through Network Rail enhancement programme. 	<ul style="list-style-type: none"> • Government's decision on aviation expected at the end of this year will be a key factor for the scale and phasing of growth and infrastructure improvements in this area. 	<ul style="list-style-type: none"> • Engage with partners to complement their work to help secure funding and quick delivery.



Great Western Mainline (London – Reading / western access to Heathrow)

Possible key strategic infrastructure schemes/areas (long list)	How does it benefit Wider South East and local priorities, in particular in terms of transport, economy, housing?	Status and existing local/national support/commitment?	Indicative cost and funding gap of infrastructure investment	What more needs to be done (scoping, costing, funding, etc)	WSE actions needed to assist scheme (what, when, who to target)
Midlands and West Coast Mainline (London – Luton – Bedford / Milton Keynes)	<ul style="list-style-type: none"> • Beyond the Thameslink (Bedford route) and Midlands rail service improvements there is also the opportunity for an extension of Crossrail 1 to Tring on the route to Milton Keynes (West Coast Mainline). The new HS2 rail link has in addition the potential to release capacity on the rail network of the area for local, commuter and regional rail services. • The area also lies in the middle of the London-Cambridge-Oxford 'Golden Triangle' and East West Rail runs through its centre. 				<ul style="list-style-type: none"> • More detailed work is required with the relevant local authorities, transport operators and LEPs to agree potential priorities for key infrastructure improvement on this route.



Midlands and West Coast Mainline (London – Luton – Bedford / Milton Keynes)

Annex 4 **Terms of Reference and Membership**
Wider South East Political Steering Group

East of England Local Government Association (EELGA) nominates five members representing the East of England, South East England Councils (SEEC) nominates five members representing the South East of England and the Greater London Authority (GLA) and London Councils jointly nominate five members representing London. Members will meet 2-3 times per year. The group will have a rotating chair, and agendas/paperwork and arising work will be jointly prepared and agreed.

The purpose of the Steering Group is to initiate, steer and agree strategic collaboration activities across the Wider South East (WSE) – defined as East of England, South East of England and London.

The Steering Group will

1. Be a forum for political oversight and debate on key issues arising from the Summit, including identifying opportunities for engagement, joint working and input to the London Plan process;
2. Be accountable to the annual Summit as well as its constituent membership bodies addressing actions identified by the Summit but also propose key issues for discussion to the Summit;
3. Prioritise work and resources and take forward agreed joint projects, including tasking officers to pursue strategic actions on behalf of the WSE and oversee their progress. Also keep oversight of functions, terms and membership of the Officer Working Group, which serves the needs of the Political Steering Group and the Summit;
4. Advise on the need for any additional thematically/geographically focused working groups beyond existing groupings to address strategic issues;
5. Oversee an effective engagement network to underpin communication between the bodies and members involved to ensure progress on agreed actions is made between meetings; it is also important to provide regular updates for all WSE Leaders.
6. Use the collective influence of the Political Steering Group to further joint strategic goals with Government and other stakeholders;
7. Be informed of the work of relevant other groups and organisations that relate to the priorities of the WSE.

Annex 5 **Future Meetings**

Frequency of Meetings

- Wider South East Summit – one meeting annually
- Wider South East Political Steering Group – 2-3 meetings annually
- Wider South East Officer Group – four meetings annually

Planned Future Meetings for 2016

- Officer Working Group: Friday 9 September 2016, 13:30 - 16:00, City Hall
- Political Steering Group: Wednesday 12 October 2016, 14:00 - 16:30, LGA
- Summit: Friday 9 December 2016, 12:00 - 16:00, Kings College London