



East of England All Party Parliamentary Group

Co-Chairs Daniel Zeichner MP and Peter Aldous MP
Vice-Chairs Sandy Martin MP
Secretary Clive Lewis MP

Evidence Session on Infrastructure, Investment and Housing:

Non-Verbatim Minutes of the Meeting Held on

15.00 - 16.30, 24th April 2018, Committee Room 7, House of Commons

Welcome and Introductions

The first half of the meeting was chaired by Peter Aldous MP, and the second half by Daniel Zeichner MP. Mr Aldous thanked the sponsors of the meeting, British Sugar, London Stansted Airport, and EELGA, and the APPG secretariat, DevoConnect.

The minutes of the last evidence session were agreed, subject to one change regarding the attendance of one councillor from Suffolk.

Overview: Infrastructure, Investment and Housing

Lord Andrew Adonis, former Chair of the National Infrastructure Commission, spoke about the policy and legislation necessary for better infrastructure, investment and housing. He suggested that the East of England needed to 'get its act together.' As the government is London-based and London-centric, the East of England desperately needs an assembly, body or mayor to represent its interests.

Lord Adonis also pointed out that the poorest parts of the East of England were those the furthest from London; this is no coincidence, as the government only seeks to fund projects that are of some benefit to the capital. Local infrastructure would benefit from regional strategy; ordinary people do not need travel links to Europe, they want good transport links to their closest towns and cities.

Lord Adonis believes that Cambridge could become England's second largest city by value in the next three decades, if given the correct support. The coastal communities of the East of England are desperately poor and they will need a separate strategy to prevent their complete decline. In his view, Brexit made devolution more important but unfortunately no-one in London talks about the East of England.

Councillor David Finch, Leader of Essex County Council and Chair of the East of England Infrastructure and Growth Group, focused on the infrastructure challenges and opportunities for the region. Like Lord Adonis, he mentioned that the region does not have a single conurbation and is instead focused around medium sized towns and cities. He acknowledged that the region has not been treated as a priority for the central government and the region must take matters into its own hands.

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The East of England needs certainty in support and funding from the government to sustain and improve the region's excellent growth and population growth – the second highest at 8.9% in decade to 2024. In 2016, the East of England was one of just three UK regions to contribute more in tax than it received in public money. Despite this, public expenditure in the region was £8,155 per capita in 2017, less than the UK average of £9,159.

There is lack of clarity from the central government over potential infrastructure loans and business rates retention. Financial uncertainty is holding the East of England back. At the moment, the region's economy relies heavily on London. More regional investment will lessen this problem and improve the regional – and therefore national – economy.

Questions and Comments

Peter Aldous MP asked *Lord Adonis* for advice on how to encourage central government to grant the region, which he described as a slumbering giant due to its current unfulfilled potential, greater funding. Whilst admittedly unfamiliar with the region, Lord Adonis advised that leaders needed to make the boundaries and identity of the region clearer if they were to convince the government to grant them further powers and funding. There needs to be a plan. He added that there was a case for parts of the East of England to be included in the London region.

Cllr David Finch and *Sir Henry Bellingham MP* were concerned about how existing local democracy would fit in to plans for further devolution. Cllr Finch suggested that council leaders, along with mayors, should be given devolved powers. Lord Adonis again pointed out that regional geography is an issue. Cllr Finch suggested that the region could be united by business interests or other authorities (e.g. Transport East).

Evidence Session: Infrastructure, Investment and Housing

Giles Ellerton, *BT's Regional Partnerships Director for the East of England*, and *Neil Driscoll*, *Openreach's Broadband Delivery Director*, gave evidence for digital infrastructure. Both said that further cooperation between authorities and companies is needed to improve infrastructure. Giles Ellerton said that BT considers the East of England a priority not least as it has three key sites and more than 3,000 employees in the area.

Whilst there is currently 4G coverage in 99% of the region, the company is looking to improve this further and so needs greater access to Network Rail's infrastructure. Neil Driscoll added that 99% of homes built in the region in the past year have access to superfast broadband. However, he pointed out that there was little motivation for companies to work in the East of England. Whilst there is some financial relief in place, such as business rates retention, there is little money to be made regionally. He did however point out that 94% of businesses now have superfast broadband.

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Evidence for utilities infrastructure was provided by *Alex Plant, Regulations Director of Anglian Water*. As the region is one of the driest in the UK, it is challenging to work there. The company operates in an area that goes beyond the East of England, which means it is difficult to map a regional strategy. A mayor covering part of the region has made the task more difficult; Plant believes that a single regional mayor would be more helpful in supporting growth and creating an 'Eastern deal.'

Anglian Water is in an odd position, as everyone is entitled to use the company's sewage network, which puts pressure on the infrastructure. A role in granting planning permission would be helpful, as well as the consideration of local water scarcity when building new homes.

Cllr David Finch, speaking on behalf of the East of England Local Government Association, spoke about how important housing is for the region. He said there are three challenges: affordable housing, as the region has some of the highest housing costs outside London; the need for complementary infrastructure investment so there is the necessary infrastructure (transport, schools, etc.) to support new housing; and the need for a fairer funding so, whilst the importance of the Northern Powerhouse is noted, investment there should not be to the disadvantage of the quick, high return potential of the East of England.

As the region pays more money in tax than it receives in public funding, Cllr Finch said the area now deserves its fair share of funding. It is appalling that many rural areas still do not have access to superfast broadband, as this is holding people and growth back. The East of England's great ambitions must be matched by excellent infrastructure. This does not just mean improvements in housing: wider educational, medical and business facilities are essential too.

Q&A, Comments and Discussion

Giles Ellerton said BT is keen to work with councils and developers to become involved in the planning process. New homes need superfast broadband and mobile connectivity. As a provider, some notice of this would be helpful.

Alex Plant, of Anglian Water, and *Cllr Tom Fitzpatrick* both raised the issue of devolution and funding. Plant said that it is hard to plan infrastructure as councils do not have the same financing powers as devolved leaders (e.g. mayors). Cllr Fitzpatrick said that, whilst it is promising that central government is increasingly trusting local leaders to make regional decisions, financial backing would be of more use. *Cllr David Williams, Leader of Hertfordshire County Council*, offered the point that devolution does not have to focus entirely on combined authorities, and devolved powers would be welcomed by councils like his.

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Drawing on his overview, *Lord Adonis* raised the point that Cambridge has excellent graduate retention rates, and this talent can be used to the entire region's advantage. By creating better regional infrastructure (e.g. transport links and housing), the East of England could compel graduates to move outside of Cambridge, benefitting the entire region. The region could also use its proximity to London to attract talent and investment from outside the area.

Conclusions

Daniel Zeichner MP closed the meeting by thanking everyone for attending and in particular the guest speakers and those who gave evidence. The final EAPP evidence session, focusing on the Industrial Strategy, will take place on **12th June at 15.00 – 16.30 in the House of Commons' Committee Room 7**. He explained a small Working Group of officers would also be meeting to begin to draft a submission to the Autumn Budget and the plan is for this to be agreed at a meeting in September.

Attendee List

<i>Name</i>	<i>Organisation</i>
Peter Aldous MP	Co-Chair, East of England APPG
Daniel Zeichner MP	Co-Chair, East of England APPG
Sir Henry Bellingham MP	House of Commons
Lord Andrew Adonis	House of Lords
Clr David Finch	Leader, Essex County Council and Chair, East of England Infrastructure and Growth Group
Clr Tom Fitzpatrick	Chair, East of England LGA
Clr David Williams	Leader, Hertfordshire County Council
Giles Ellerton	BT
Neil Driscoll	Openreach
Jonathan Finney	Openreach
Alex Plant	Anglian Water
William Hall	London Stansted Airport

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Hannah Shah	EELGA
Kate O'Driscoll	EELGA
Claire Rick	Assura
Richard Tunnicliffe	CBI
Steve Feast	Eastern Academic Health Science Network
Steve Barwick	DevoConnect
Lily Sheehan	DevoConnect

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