

Cambridgeshire Horizons Ltd

Minutes from the Board Meeting of Wednesday 11 June 2008 South Fens Business Centre, Chatteris

Committee / Members Present:

Sir David Trippier	Chairman
Cllr. Dr David Bard (DB)	South Cambridgeshire District Council
Cllr. Ian Bates (IB)	Huntingdonshire District Council
Steve Cox (SC)	EEDA
Cllr. Jill Tuck (JT)	Cambridgeshire County Council
Cllr. Alan Melton (AM)	Fenland District Council
Cllr. Peter Moakes (PM)	East Cambridgeshire District Council
Cllr Ian Nimmo-Smith (INS)	Cambridge City Council
Steve Sillery (SS)	Developers Representative
Dr. Gareth Goodier (GG)	Addenbrooke's Hospital

Also in attendance:

Alex Plant (AP)	Cambridgeshire Horizons
John Onslow (JO)	Cambridgeshire Horizons
Mike Parsons (MP)	Company Secretary
Gwyn Drake (GD)	Highways Agency
John O'Mahony (JoM)	Housing Corporation
John Williamson (JW)	GO-East
Nigel Howlett (NH)	Cambridge Housing Society
Steve Ingram (SI)	Huntingdonshire County Council
Chris Hodson (CH)	Fenland District Council
Quentin Golder (QG)	Taylor Vintners
Ray Mills (RM)	Price WaterhouseCoopers
Stephen Ashworth (SA)	Denton Wilde Sapte
Rob Fairhead (RF)	Network Rail
Dr. Liz Robin (LR)	Cambridgeshire PCT
Dr. Lincoln Sargeant (LS)	Cambridgeshire PCT
Sue Beecroft (SB)	Cambridgeshire Horizons
Anna Keyes	Cambridgeshire Horizons
Laura Halstead	Cambridgeshire Horizons
Sally Hutchinson	Cambridgeshire Horizons (minutes)
Yvonne Taylor	Cambridgeshire Horizons (minutes)

Apologies:

Professor Ian Leslie	University of Cambridge
John Bridge	Cambridgeshire Chamber of Commerce
Robert Sansom	Greater Cambridge Partnership
Chris Banks	Cambridgeshire PCT

PART 1 (Public)

Action

Item 1 – Welcome and Apologies

- 1.1 The Chairman welcomed Cllr. Jill Tuck to her first Board meeting. He also welcomed Liz Robin for agenda Item 11, Sue Beecroft for agenda Item 14 and Cambridgeshire Horizons' new Communications Manager, Laura Halstead.
- 1.2 Apologies were received from Professor Ian Leslie, Robert Sansom, Chris Banks and John Bridge. The Chairman informed the Board that he would write to John Bridge wishing him well after his recent spell in hospital.
- 1.3 The Chairman also thanked Sally Hutchinson, who is leaving CH, for supporting the Board over the last 4 years.

Chair

Item 2 – Declarations of Interest

- 2.1 Cllr. Tuck – agenda item 8.
SS – agenda items 8, 9 and 12.
NH – agenda item 8.

Item 3 – Minutes of 5 March 2008 and Matters Arising

- 3.1 JoM asked for agenda item 11.2 (j) to be amended to read Housing Corporation funding and completion targets.
- 3.2 Subject to this amendment, the minutes were agreed.

Item 4 – Layout of Future Minutes

- 4.1 AP recommended shortening future Board minutes as at present they are lengthy and time consuming to prepare.
- 4.2 This was agreed, and the Chairman suggested comments on the new format to be discussed at the next meeting.

Agenda Plan

Item 5 – Company Secretary's Report and Provisional Financial Results for 2007/8

- 5.1 The Company Secretary presented the above paper. It was noted that Cllr. Walters has resigned and Cllr. Tuck has taken over as Cambridgeshire County Council's Director.
- 5.2 The Board approved the above change.

Item 6 – Minutes of the Audit & Risk Management Committee of 4 and 29 February and 21 May

- 6.1 AP presented the above paper in John Bridge's absence and reported that:
- The year-end position is robust.
 - Progress on project governance was noted and that further work is required to link finance systems to the new project system.
 - CH hope to appoint a new finance manager in the next couple of weeks. Also thanked John Barnes, who left CH at the end of May, for his work.
 - AP asked the Board to sign off the paper.
- 6.2 Approved.

Item 7 – Minutes from the Joint Strategic Growth Implementation Committee of 9 April

- 7.1 The Chairman presented the minutes and asked Board Members if they have any questions or comments.
- NH asked for clarification on Item 7.2, the Northstowe Community Trust.
- 7.2 AP and JO responded that the different models for the Trust had been considered. JO went on to confirm that 2 groups are being set up: a shadow board, who will be appointing an interim director, and a member level governance group which will include the joint promoters.
- 7.3 Cllr. Bard mentioned that SCDC are still to nominate their representation – this will be confirmed by the end of the week.

Item 8 – Variable Tariff

- 8.1 The Chairman introduced Ray Mills and Stephen Ashworth who presented this agenda item with AP.
- 8.2 Following the presentation, the main discussion points were:
- The report highlights mature arrangements in Cambridge already. (INS)
 - SCDC has a wide variation in land values so ‘zoning’ may be different within an authority. (SS)
 - Remote and rural dwellers should perhaps pay more? Perhaps a different tariff? (GG)
 - This work needs to be progressed but it might not be as easy as we first think. S106 discussions still need to take place for affordable housing, etc. Should come back to the Board when more detail is available. (IB)
 - Affordable housing is often built on rural sites – tariff may be more difficult in such cases. Regarding the cliff-edge issue, local authority boundaries and the tariff boundaries are unlikely to coincide. Would be concerned if affordable housing in costly areas were to be discouraged. (NH)
 - The Highways Agency deals with similar issues all the time. Recommend addressing this – it will take a lot of effort but it is the only way forward. (GD)
 - The argument against Planning Gain Supplement (PGS) was cross-subsidisation around region but this would be county / sub-regional. (Chair)
 - Believe tariff would need to be put into development plans. Where is the discipline in costs? Developers generally support the existing tariff arrangements. Concerned things will creep onto the list. Will need a third party to monitor. Major fringe sites paying their way through S106, supports the notion that smaller sites should contribute fairly. Regarding Clay Farm, S106 guarantees the money will be spent at the right time on works for the site. Work in kind might be the answer. Market could hold land back. (SS)
 - The longer term outlook from a tariff would accelerate key infrastructure. Looking to evolve RIF in two phases: firstly linking sub-regional schemes to publicly-funded Regional Infrastructure Fund, and secondly raising private finance. Massive potential to enhance regional funding for infrastructure. (SC)
 - Thames Gateway began by assuming no public funding.

Agenda Plan

Infrastructure was committed to at an early stage where critical – can be collected as work in kind. Mentioned Milton Keynes where this was adopted. (SA)

- Housing Corporation will need to take the existence of the tariff into account. Tariff is predicated on infrastructure delivery plan and timetable so everyone is accountable. Need to get a commitment on overall delivery plan. (SA)

8.3 Questions raised during discussions included:

- a) The tariff could help to cover us for increase in the RSS numbers. Might landowners hold back land? (PM)
- b) What the situation is in relation to other sources of funding? Relationship between public acceptance of development and S106? How would local ownership of development proceeds be dealt with? Where do the City Council's current tariff arrangements sit within the proposals? (INS)
- c) SCDC S106s relate to village facilities and it is essential this linkage not lost. Can there be cross-border arrangements outside the County? (DB)

8.3 The following responses were given to the above:

- a) Tariffs differ from earlier attempts to tax development, and enjoy cross party support. It is also easier to guarantee land coming forward with tariff arrangements than with schemes such as PGS. (SA)
- b) Site-specific elements would probably not be part of the tariff arrangement – still within a bespoke deal with the developer.

As for justification on costs, given the size of the funding gap, we would not be forced into recalculation unless tariff would be over-collecting, which is very unlikely. (AP)

- c) There are no precisely equivalent tariff arrangements currently in place but lots of similar schemes. Mentioned North Kent (Dartford & Gravesham) where money is being pooled to address problems. (SA)

S106/planning benefits – tariffs less direct. S106 was usually linked closely to planning benefits.

8.4 It was agreed that the work should move onto the next stage.

Item 9 – Progress on Major Developments and Infrastructure

- 9.1 JO presented the above and drew the Board's attention to Section 2 of the paper which summarises the key points relating to the major developments.
- 9.1 The following points were discussed:
- Cambridge Northern Fringe East – a report was commissioned 6 months ago and confirms that relocation of the waste water treatment works is not viable in the foreseeable future. Have to start thinking about how to take this forward in line with what is already on the site.
 - SCDC have written to the joint promoters giving an overview of the key issues with regard to the Northstowe application.
 - Concern over the fact that part of Cambridge Northern Fringe East is in South Cambridgeshire and the problem is now where to place the 600 extra houses lost. (DB)
 - Joint discussions are needed. The recent Cambridge Northern Fringe East study is helpful as it looks at the needs of the area as a whole. (INS)
 - AP mentioned that a small scale residential development at the eastern edge of the Northern Fringe East area should not be ruled out. Cllr. Moakes questioned whether this was low lying land and AP confirmed that it is not on a flood plain.
 - Inspectors will recommend what they believe SCDC's shortfall to be. (SS)
 - The Masterplan for Ely was being reviewed. East Cambridgeshire District Council's Strategic Development Committee to widen political input and consultation process. Believes this is the way forward. (PM)
 - A formal response has been received from Government regarding St. Neots growth status although it still leaves some doubt. A joint response is needed back to CLG. (AP)
 - Regarding St. Neots, there are difficulties with funding issues and appropriate designation given complexities of existing growth area. Still scope for discussion. (JW)
 - JO referred to 3.3 and confirmed that community infrastructure funding (CIF) would help to unlock major developments. The Housing Growth Fund Steering Group proposed the list put forward and is awaiting a response.
 - JO also confirmed the Programme of Development (PoD)

AP

(used by Government to determine housing growth fund allocations) will be refreshed and expected to submit this by the end of September. CLG have consulted on the HGF process and the Officer Group response was attached. We would welcome the new approach and flexibility. The Board endorsed the draft response for submission to CLG.

JO

9.2 Questions raised in the discussion following the presentation of this agenda item included:

- a) Is this approach mirrored elsewhere? (PM)
- b) Cllr. Bard mentioned a query regarding HGF at the last JSGIC meeting regarding EDF's presentation and ducting and the flexibility in the HGF. (DB)
- c) It was questioned whether we could expand on CH's relationship with the LAA. (LR)
- d) Concern expressed over the transparency issue and asked about the closing date for CIF bids. (IB)
- e) In refreshing the PoD would we lose track of the order of priorities and who is changing it? Concerned at the amount of input the Board would have due to the tight timescale. (SS)

9.2 Responses to the above questions:

- a) Other LDVs were saying the same thing about their situation. (JO)
- b) We do have almost complete flexibility once awarded. There is a process where we agreed priorities but need more flexibility in our local system, e.g. we could "borrow" money from HGF to use as a loan to provide the funding for the ducting, and be recompensed later. Currently this would have to go back to the Steering Group and Founder Members' group, which could slow decisions down. The constraints would be around project management rather than funding issues. (AP)
- c) Confirmed that LAA introduced greater local control of targets, including housing. CH leads on key housing indicators but development related funding is the main source of funding. (JO)

Although there are overlaps, they are separate – LAA targets around housing and HGF money from CLG assists in delivery. (AP)

- d) Initial expressions of interest have been submitted for CIF, and 6 bids have been entered for Cambridgeshire. A Government announcement should be made in October. (JW)

- e) The Board will be asked to sign this off at the meeting scheduled for 17 September assuming the submission date is later than the Board meets. (JO)

- 9.3 JO presented an update from the Highways Agency and confirmed they are working closely with the major contractors (Costain-Skanska). Communication with the key stakeholders is essential and it was suggested inviting the contractor to present at the next meeting.

Agenda Plan

Progress on the Northstowe application seems to be slowing. If this is the case, there are ramifications – the number of houses on site in the early years would be less. Working actively to ensure that the A14 is not overloaded before the scheme goes ahead, although some slippage on timescales eases the A14 pressures.

- 9.4 The following points were noted:

- Redevelopment of the A14 is crucial for the sub-region and further afield. Would like something to come back to the Board to fully understand the implications. (IB)
- The other element to consider is the Cambridgeshire Guided Busway and the relief this will give to traffic congestion on the A14. (AP)
- Need to consider RSS review – a clear understanding of Government's expectation of what we should be doing will be imperative. (SS)
- Issues related to St. Neots and other locations need to be looked at from sustainability perspective. RSS review is a key process and we are working together and in discussion with Government, EERA and EEDA. (JO)
- Similar issues apply to the A47. Would like the report to the Board widened out. (CH)

- 9.5 Questions raised from the discussion included:

- a) How much local input there has been? Will these concerns be taken on board? (JT)
- b) A14/Northstowe issues are delicate. What ongoing works are happening to ensure other developments do not have similar issues? (NH)

- 9.6 The following responses were given to the above:

- a) On A14, no formal public consultation per se. Ground rules have been set as to what it looks like. (GD)

- b) As for wider schemes, Highways Agency will look at each development on merit and consider growth on a collective basis. (GD)

Item 10 – Delivering Transport as part of the Sustainable Growth Strategy

- 10.1 JO presented this paper and referred particularly to points 1.6 (key roles for local development framework including sustainable travel) and 1.9 (sets out the key funding streams, challenging to bring together). Also commented on the issues in Part 2 of the paper (focussing on rail within the wider growth agenda).
- 10.2 JO introduced Rob Fairhead (RF) who distributed a copy of his presentation to Board members.
- 10.3 The following points were made:
- Need a co-ordinator to oversee the integration of all transport. Need to minimise disruption. (JT)
 - The increase in freight traffic through Ely was mentioned. Would increase rail freight and increase the time the barrier is closed – this is good news as it helps in building their case for a southern bypass. (PM)
 - Roads are not affected as works are within rail corridor. Agreed rail is not the answer for everything. Cambridge station development providing new 2-storey cycle parking. (RF)
- 10.4 The following questions were raised during the discussion:
- a) Disappointed at the exclusion from the presentation of the East Coast line and asked what is happening here. Agreed we are reasonably well served in the region but should aim to improve accessibility. If travelling by rail there is nowhere to park. Need to talk to authorities to ensure capacity for parking. Mentioned Welwyn Viaduct, which is already at capacity. (AM)
- b) Car parking charges are prohibitive and a significant addition to the cost of travel. Queried whether Network Rail has had discussions with Hanley Grange developers. (DB)
- c) Could a paper be presented to the Board at a later date relating to the Local Transport Bill. (INS)
- 10.5 RF responded to the above questions as follows:
- a) Welwyn Viaduct is not in the plans. Hitchin flyover is however, and this will enable a more reliable service. Peterborough station to increase capacity. Recognised parking constraints. Network Rail can fund upfront for more parking to be repaid at a later stage. Happy to talk about any proposals.

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- b) Network Rail has little influence where parking is concerned. Confirmed they have met with Hanley Grange developers for exploratory talks. Want to ensure Whittlesford / Great Chesterford could cope. Confirmed there will be more freight traffic through Ely and is happy to work in partnership with Ely regarding the level crossing. Would also be prepared to contribute financially. Network Rail supports the case for the southern bypass.

Item 11 – Public Health Input to the Growth Agenda

- 11.1 Dr. Liz Robin (LR) and Dr. Lincoln Sargeant (LS) presented the PCT's perspective of the growth agenda, following which the main discussion points were:
- In promoting strategic housing and partnership working, the public health agenda is often forgotten and it should really be at the top of the agenda. Social cohesion is essential. The economic downturn gives a chance to reassess our priorities. Need to make sure we provide rounded communities. (AM)
 - Revenue support for growth should be increased in line with population increases, so as to make growth benefit the sub-region. Suggested making a collective case to Government. (AP)
 - The revenue point was important but who would lead on pulling this together? Would need circulating to Board members. (JT)
- 11.2 Questions raised during the discussion on this agenda item:
- a) Should the Chief Executives' Liaison Group (CELG) lead on this? Mark Lloyd has raised the issue of CELG taking on a broader role within the LAA. CH can act as catalyst. (AP)
 - b) What more can be done to promote thinking. What will entice people? Could the Developers Forum explore the idea? (INS)
 - c) Any further information on 'new town blues'? (NH)
- 11.3 The following responses were received to the above questions:
- a) Agreed CELG should take this forward and asked if AP could raise this matter on the Board's behalf. (IB)
 - b) Agreed to take this forward to the Developers Forum. (SS)
 - c) On 'new town blues', there are few hard facts available. Strong links between social networks and physical and mental health. LS working on growth communities in the next year. (LR)

Item 12 – Update on Regional Infrastructure Fund

- 12.1 SC presented a short update on the above. EEDA have employed consultants to produce a strategic outline business case for RIF. This will have 2 phases and maybe established from the Regional Funding Allocation. Will bring a paper back to the Board in September.

Steve Cox

Item 13 – Housing Completion Updates

- 13.1 Sue Beecroft (SB) presented the above paper. Since 1999, 20,284 homes have been delivered. Structure plan (to 2016) has been replaced by the RSS (to 2021).
- 13.2 The main discussion points were:
- Noted major sites are still to come on stream. (DB)
 - The Chairman mentioned that Northstowe also still to come.
 - The graph on page 6 shows the important of the relationship between sites. Ely and St. Neots are sites beyond RSS targets. (SB)
- 13.3 The discussion then turned to potential boundary changes and the impact on housing targets. The key points were:
- Would like to see more integration of affordable housing to provide the whole picture. SCDC and Cambridge City consulting whether to change the boundaries. Need the support of CH and GO-East to make sure a sensible approach is taken to recognise boundary changes should this occur, and that housing targets would need to change too. (INS)
 - The impact of boundary change on targets would be an issue of national policy, as the RSS is now adopted. (JW)
 - Would be amazed if Government did not recognise that changing boundaries should change housing targets. (AP)
 - Would be helpful if there was some form of comfort. (INS)
 - Hoped GO-East should be in a position to raise this with CLG. (AP)
 - This needs to be addressed through the RSS review. Boundary changes in place before development begins would be preferable. Cannot unilaterally change housing figures in RSS. (JW)
 - The support for increased market town growth perhaps needed to be tempered. Public examination of RSS included Safron

Walden, Newmarket and Haverhill. Cannot assume that scattering housing across the sub-region is sustainable. (SS)

- Cllr. Bates – asked to see details on the boundary changes.

13.4 The Chairman thanked SB.

Item 14 – Any Other Business

14.1 The Chairman informed the meeting about a consultancy process CH have just undertaken with the public about the growth agenda. The results are not damning but there are some surprises. Will need to share the results with the press, but not until circulated to Board members for any comments they wish to make.

Chairman