

**CAMBRIDGESHIRE HORIZONS**

**Agenda Item No: 13b**

**Progress on Major Developments and Infrastructure**

*To:* **Cambridgeshire Horizons Board**

*Date:* **30 June 2009**

*From:* **Director for Development**

*Purpose:* **To update Board members on progress in delivering major developments and strategic infrastructure projects, and progress on the Housing Growth Capital programme.**

*Recommendation:* **The Board is invited to note progress and comment on the Matters raised in the report.**

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**1. OVERALL PROGRAMME**

- 1.1 Overall progress with delivering homes and infrastructure has been mixed, with good progress on overall housing completions and ongoing implementation of key infrastructure. However, there is a concern about the number of new starts and there is slow progress at some key sites.
- 1.2 The impact of the recession has meant that progress with major development sites continues to be slower than previously expected, although there are some signs of improvement with the re-commencement of work on key sites, notably at Orchard Park, Cambridge. This reflects the comparative strength of the underlying local economy in the Cambridge area and is a welcome response to the acute housing needs of the area.
- 1.3 We are continuing to work with the authorities, housebuilders, the Homes & Communities Agency (HCA), and other key stakeholders to progress development on major growth sites.
- 1.4 **Housing Growth Fund (HGF) Capital Programme:** Underspends on various projects totalling nearly £2.1m have been identified from 2008/9 capital programme and, subject to confirmation, will be added to the funds available for 2009/10-10/11.
- 1.5 Some of the underspend (£50,000) is being utilised to fund works to 'tidy up' and improve the environment of Orchard Park, Cambridge. Consideration is being given to some of the unspent funds originally allocated for the ICE project, being brought forward to help fund the re-designed replacement for this scheme – "the Hive", which is planned to provide training and enterprise space linked to delivering sustainable developments.
- 1.6 Discussions are taking place on several projects within the funding allocations agreed by the Board to move towards funding agreements and tighter monitoring processes.
- 1.7 **The HCA Kickstart funding:** The HCA has invited expressions of interest in £400m of funding. The objective of Kickstart is to secure completed new homes by March 2011, and it may also usefully complement our proposals for use of the Flexible Fund. The HCA has consulted the Cambridgeshire authorities on the bids submitted and a response on each project has been coordinated through the Sub Regional Housing officer. The HCA is expected to make an announcement on successful applications within the next few months.
- 1.8 **Infrastructure Projects:** Good progress is being made with key infrastructure projects, including the Cambridgeshire Guided Busway (CGB) and Addenbrookes Access Road. The final sections of the St Ives to Cambridge section of the CGB have now been laid and operation of this section is anticipated to start in the autumn of 2009.
- 1.9 **Risk Management:** The programming and risk management work has been extended to cover the whole county and to relate risks to the delivery of the Cambridgeshire Community Strategy. This work highlights the

importance of managing traffic demand arising from growth (and risks of failure to secure necessary funding), the importance of understanding and interpreting the scale of service requirements (including public services) to meet the needs and expectations of a growing and changing population and related funding issues, and the importance of providing ongoing services to meet demands arising from population growth, resulting in increased pressure on budgets and services for the wider community including existing residents. The revised Risk Management system has been worked up by a cross-authority group and discussed at GPB and will be presented for consideration by the Audit and Risk Management Committee at its next meeting.

## 2. SUMMARY OF PROGRESS WITH MAJOR DEVELOPMENT SITES

### 2.1 Cambridge Southern Fringe

- 2.1.1** Agreement in principle has been reached with Grosvenor and USS for a Flexible Fund loan that, subject to legal work and completion of the Section 106, will unlock development at the **Trumpington Meadows** (1,200 homes) site. The agreement will deliver 300 new homes by 2012, with 40% affordable and completion of the first phase of a primary school and related community facilities.
- 2.1.2** Countryside has lodged an appeal for the **Clay Farm/Glebe Farm** planning applications (total around 2,600 homes) and the hearing date has been set for late September 2009. In parallel, however, negotiation continues on the potential use of HGF Flexible Fund, linked to a Kickstart application for HCA support and some easement on the timing of education contributions for the County Council.
- 2.1.3** Agreement on the Addenbrooke's 2020 application is now concluded following re-phasing of triggers for the Section 106 contributions to reduce the payments burden on the early phases of development. Engrossments for the 106 agreement are likely to be sent out on or around 7 July subject to endorsement of the revised Heads of Terms by the County Council Cabinet on that date and the decision notice issued accordingly. Completion of the agreement will enable the Papworth PFI process to move to the next stage. Completion of the agreement is a pre-requisite for enabling the Papworth PFI to move on to the next stage. Negotiations are continuing on this issue and County Council colleagues are confident that a successful conclusion can be reached by the end of July.
- 2.1.4** Owners of the Bell School site (350 homes) are keen to achieve an implementable outline planning permission as soon as practicable. Once the permission has been granted, the owners will consider a number of factors prior to deciding when to market the site.

## **2.2 North West Cambridge**

**2.2.1** Barratt Strategic has advised that development of the consented 187-home NIAB frontage site will not now commence until 2011. The planning application for the remainder of the main NIAB site (1,580 homes) is programmed for determination in September, following the Inspector's report into the potential allocations of SCDC housing land to meet the LDF shortfall, notably with reference to the allocation of "NIAB2" land to the north of the application site. This report is due at the end of June 2009, and will determine the number of houses to be accommodated on NIAB2 somewhere between 920 and 1,300. An oral update may be given at the Board meeting. The site will also include a site for a further primary and for a larger secondary school.

**2.2.2** The Inspector's report on the EiP of the North West Area Action Plan for the University development site is due at the end of July 2009. The authorities have advised the Inspector of the output from capacity tests for up to 3,000 homes (of which 50% would be for University key users) and accommodation for 2,000 students. The University has commenced the commissioning of consultants with a view to establishing a master plan by late autumn 2009 and submission of an outline planning application in autumn 2010.

## **2.3 Cambridge East**

**2.3.1** Progress is covered elsewhere on the agenda.

## **2.4 Northstowe**

**2.4.1** Negotiations between the Homes & Communities Agency (HCA) and Gallagher (Longstanton) continue. Submission of the revised outline application for the whole development is now anticipated in December 2009. Work is continuing on A14 transport modelling, Uttons Drove, and the renewable energy project. The public agencies involved are identifying how to structure their resources to place them best to move ahead swiftly when the revised application comes forward.

**2.4.2** The Northstowe Delivery Board has prioritised four projects, within the allocation agreed by the Board, to take forward in 2009-11, viz., renewable energy, land drainage at Uttons Drove, countryside access and cycleways linking to Cottenham and Histon.

## **2.5 Market Towns**

**2.5.1 Ely:** East Cambridgeshire District Council is continuing to develop the masterplan for growth and has received transport modelling work for growth from consultants that identifies a package of measures that would mitigate against the impacts of growth. The

Council is now looking at landscape aspects of development north of Ely with a view to producing a draft masterplan for consultation later in the year.

- 2.5.2 St Neots:** Discussions are continuing with the HCA about the potential for St. Neots eastern extension to be an eco-quarter demonstration project funded. The consultant's report on stage 2 of the St. Neots Health Check Workshop has been published and Stage 3 has commenced.
- 2.5.3** The Loves Farm development is of strategic importance to the district: in addition to circa 1,400 new homes, it will also include a new school, sports facilities and a community building. In recent weeks significant additional grant funding for affordable housing has been secured from the Homes and Communities Agency. BPHA has almost completed 145 of the affordable homes that will be built here and the next phase of 130 will soon be under way. They will offer a range of affordable tenures including rent, shared ownership and a chance to rent a home now with the option to buy it later. Aldwyck Housing Association has separately secured funding for 14 homes, which will be completed by July. There are also plans to provide an ExtraCare scheme in a later phase to enable older people who need support to continue to live independently
- 2.5.4** As a result, all the affordable housing apart from the Extracare has now secured grant funding. This amounts to a total of 477 units, with total grant of £19.8m. The number of affordable homes to be provided will exceed the number initially sought in the planning agreement.
- 2.5.5 Huntingdon:** Work on the town centre extension and redevelopment project in **Huntingdon** is progressing and a funding agreement for £4m of HGF is being discussed. We are discussing with Hunts DC proposals for re-allocation of some of the funding for the latter scheme to other projects in Huntingdon having better prospects of delivery in 2009-11, e.g., redevelopment opposite Sapley Square, North Huntingdon, to deliver a mix of affordable and private housing.
- 2.5.6** The development at Mayfield Road, Huntingdon, comprising 29 affordable homes to be built to Code Level 5, has full planning permission and is on programme.
- 2.5.7 March:** Fenland DC is preparing a housing and regeneration project to deliver up to 800 homes and other associated works supported by HGF funding. As part of the LDF, Fenland DC is taking forward two locations for which refreshed concept plans are anticipated in late June 2009 providing around 800 units in South East March and 1200 in March West. HGF funding has been allocated for transport infrastructure, subject to a funding package linked to delivery of outputs being agreed.

**2.5.8** Work continues with Fenland DC to bring forward housing and mixed use development at **Wisbech Nene Waterfront**. A £2m decontamination contract has been commissioned and a Kickstart application has been made for the scheme. HGF funding has been allocated for transport infrastructure, subject to a funding package being agreed.

### **3. QUALITY OF LIFE AND STRATEGIC INFRASTRUCTURE**

#### **3.1 Quality Charter for Growth**

**3.1.1** The 'Quality Charter for Growth Agenda Training Programme' continues, running to the end of 2009. Most recently, we have held two Masterclass sessions and two study visits to Adamstown in Dublin. Further study visits are planned to Newhall (Harlow) and Freiburg. Member training is being held on 2 July, and a number of workshops are arranged for later in the year.

#### **3.2 Strategic Infrastructure**

**3.2.1** Site-specific work is continuing on Phase 2 of the **Water Cycle Strategy**, focussing on Southern Fringe and North West Cambridge sites. A report is anticipated at the end of 2009.

**3.2.2** A scoping study for a combined Water Cycle Strategy and Strategic Flood Risk Assessment for East Cambridgeshire and Fenland is expected to conclude by July 2009.

**3.2.3** We are continuing discussions with Network Rail and the train operating companies the possibility of bringing forward **Chesterton Station** earlier than 2016 using regional infrastructure funding. Service patterns in and around Cambridge will be changing between now and then and much of the site now needs to be retained for rail use, principally for train stabling. Together with the proposed station and the need to relocate the freight rail activity within the site, there is a challenge on physical space. Discussions continue. Horizons are supporting the local authorities in providing advice on the delivery aspects of future use of the Northern Fringe East site.

**3.2.4** The northern section of the **Cambridgeshire Guided Busway** between St Ives and Cambridge will open in late summer 2009.

**3.2.5** Two Strategic projects were identified for expenditure from the 2009-11 HGF Capital allocation:

- **Cambridge Gateway (CB1) Project:** £1.5m of HGF to support and enhance the successful £3m bid for **Community Infrastructure Fund (CIF2)** funding of the project that will deliver a high quality gateway to Cambridge in conjunction with major development around Cambridge Station. HGF will be used particularly to deliver high quality

cycle facilities, footpaths and information points, bus shelters with seating and real-time information. County officers are working with CB1 developers towards an anticipated start on site summer 2009 and have commenced work on the concept and vision of the improvements that will be funded by HGF.

- **The Hive** (formerly known as the International Climate Exchange): up to £1.5m to be made available to match fund other contributions. The scope of the project has contracted because of the reduction of EEDA and EDRF contributions and concerns over the ability of the LSC to contribute anything at all. The revised project incorporates a social enterprise centre and discussions continue with a view to funding agreement to be put in place.

### **3.3 Green Infrastructure (£3m allocated)**

**3.3.1** At the meeting on 26 March 2009, the Green Infrastructure Forum welcomed the Year 2 and 3 HGF settlement and agreed the programme of green infrastructure projects that would fit the available funds. Progress with Green Infrastructure projects has been good, five out of the six projects having commenced, with the final project starting by the Autumn 2009.

### **3.4 Joint Strategic Needs Assessment – new communities**

**3.4.1** Cambridgeshire PCT is working on a new JSNA relating to new communities, alongside two other new JSNAs, which focus on Homelessness and on Migrant Workers.

**3.4.2** The draft JSNA around new communities will be circulated to the Cambridgeshire Horizons Board and to the Sub-regional Housing Board around the end of July 2009 for consultation.

## **4. RECOMMENDATIONS**

**4.1** The Board is invited to note progress and comment on the issues raised in this report