

CAMBRIDGESHIRE HORIZONS

Agenda Item No: 6

Major Development Sites Progress Report

To: **Joint Strategic Growth Implementation Committee**

Date: **9 September 2009**

From: **Director for Development, Cambridgeshire Horizons**

Purpose:

- 1.To update the Committee on progress with the Programme;**
- 2. To update the Committee on the Strategic Risk Register;**
- 3. To provide a Summary of Progress with Major Development Sites;**
- 4. To update the Committee on HGF Capital and Revenue projects, including Quality of Life and Strategic Infrastructure.**

Recommendation: **The Committee is invited to note progress and comment on the issues raised in this report.**

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1. OVERALL PROGRAMME

- 1.1 Overall progress with delivering homes and infrastructure continues to be mixed and the recession has slowed progress with major development sites. There are, however, some signs of improvement with the re-commencement of work on some sites reflecting the comparative strength of the underlying local economy in the Cambridge area.
- 1.2 Horizons and the authorities are continuing to work with the housebuilders, the Homes & Communities Agency (HCA), and other key stakeholders to progress development on major growth sites.
- 1.3 **Housing Growth Fund (HGF) Flexible Fund** is dealt with under Item 9 on the agenda.
- 1.4 **HCA Kickstart funding:** The HCA invited expressions of interest in the first round of £400m of funding but, disappointingly, only one site in Cambridgeshire has been shortlisted for Round One funding (56 homes in Oxmoor, Huntingdon) and this is not one of our major growth sites. Round 2 of Kickstart was announced in July and it is understood that expressions of interest will be invited in September 2009, followed by detailed bidding, with announcements of successful schemes being made early in the new year. Alex Plant and Liz Bisset wrote jointly to the HCA Regional Director in August to suggest that there be greater involvement in the process from local partners in this second round.
- 1.5 **Infrastructure Projects:** The northern section of the Cambridgeshire Guided Busway is now scheduled to be handed over to the County Council at the end of October and the expectation is that this section will be open and in use within a month of handover. Work on the Hauxton Road junction with Addenbrookes Access Road commenced on 17 August 2009 and completion is anticipated in June 2010 (see also 2.1.4).
- 1.6 **Risk Management:** Attached at Appendix A is the Strategic Risk Register (SRR). The SRR is an evolving document and is therefore continually being updated and some risk scores have been changed and some mitigation actions updated to reflect recent events since last being reported to JSGIC in July 2009. Also appended are an explanatory note and an exception report (Appendices B and C respectively) and officers are continuing to meet to refine the information (the next review is likely to be in early October 2009). Senior officers have discussed the resource implications of maintaining the register and have reached the view that the most efficient balance between providing an up-to-date register and appropriate use of resources is for the SRR to be published as a public document (with any commercial confidential items redacted) every three months to tie-in with the Horizons Board cycle. Any significant changes that occur after publication but before a Committee meeting would be reported in the progress report.
- 1.7 **Resources:** The Senior Officer Board continues to monitor the deployment of the Joint Planning Budget and officers will be undertaking a

review of the funds available and delivery structures in the autumn to ensure that resources are used most effectively. .

2. SUMMARY OF PROGRESS WITH MAJOR DEVELOPMENT SITES

2.1 Cambridge Southern Fringe

2.1.1 We have secured agreement in principle on the section 106 and flexible fund agreements for the **Trumpington Meadows** (1,200 homes) site. The funding agreement between Cambridgeshire Horizons and Grosvenor and USS for a Flexible Fund loan will unlock the development, deliver 300 new homes by 2012 (with 40% affordable), and secure completion of the first phase of a primary school and related community facilities.

2.1.2 Work is being undertaken to agree a protocol for preparing the Design Code for the Trumpington Meadows development. It is anticipated that the Design Code will be brought before the Joint Development Control Committee later in the year or early in 2010.

2.1.3 Countryside Properties plc has so far declined to accept the offer of an HGF Flexible Fund equity investment deal that would have enabled early commencement on the **Clay Farm/Glebe Farm** site (total around 2,550 homes). The planning appeal proceedings are now in train and the public inquiry is scheduled to commence on 28 September 2009. The door has been left open to Countryside to accept this offer subject to the agreement of the Horizons Board on 24 September. Countryside's HCA Kickstart Round 1 application was unsuccessful, but Countryside has been told by the HCA that an application into Round 2 of Kickstart, due to be launched in September, would be given favourable consideration if it met the HCA's criteria. The door has also been left open to Countryside to continue negotiations on the duplicate applications and so avoid the need for the Inquiry.

2.1.4 Agreement on the **Addenbrooke's 2020** proposal has been reached in principle and engrossments have been sent out (to be confirmed next week). Work has commenced on the construction of the northern section of the **MRC Boulevard** and completion is anticipated early in the new year.

2.1.5 The owners of the **Bell School** site (350 homes) have been asked to comment on the draft 106 agreement. Negotiations continue.

2.2 North West Cambridge

2.2.1 The planning application for the main **NIAB** site (1,580 homes) is scheduled to be considered by the Joint Development Control Committee on 1 October 2009, although there are still some outstanding Section 106 issues to be resolved (relating to health and schools provision and transport contributions).

2.2.2 The draft Inspectors' Report on the Site Specific Policies DPD dealing with the **NIAB Extra** land has been published, and confirms that the site should be allocated for housing led development as a sustainable location to address a housing shortfall the Inspectors had identified, consistent with the Core Strategy sequence, in a location identified in the Structure Plan and where Green Belt and various technical considerations lead to a conclusion that the land could be allocated without harm to these important considerations. In particular the Inspectors conclude that the development can be accommodated in transport terms once the A14 Improvements are completed, notwithstanding that there will be some increase in congestion on local roads, which they say can be minimised by increasing the attractiveness of travel modes other than the private car, and by improvements to the local road system at certain locations. They say that given the need to build new dwellings in South Cambridgeshire, suitable alternative locations would generally be less sustainably located, further from Cambridge's employment and services, giving rise to greater amounts of vehicular travel and harmful emissions and that locations further out tend to involve greater car use, whereas the NIAB extra site would give the opportunity of greater choice of travel mode. The report also confirms that the development will include the proposed North West Cambridge secondary school. The Inspectors identify capacity for approximately 1100 dwellings on the site, with 630 dwellings by 2016.

2.2.3 The Inspectors' final report on the examination in public of the North West Cambridge Area Action Plan for the **University** development site was published on 24 August 2009. The Inspectors have concluded that the University's needs are of such national and local importance that the larger site footprint should be allocated, which has capacity for approximately 3,000 new homes, of which 50% will be for University key workers, accommodation for 2,000 students, 100,000m² University-related academic and research development, and supporting services and facilities. The Inspectors have confirmed the challenging policy for Climate Change and Sustainable Design and Construction, which requires the development to be a step ahead of Building Control requirements. The University has commissioned its consultant team and negotiations on the master plan have commenced with the Planning Project Team, led by the Director of Joint Planning, which is overseeing this work. The University is planning public consultation on the emerging master plan during October and November, with a view to taking the draft master plan through its own internal processes between January and July 2010. An outline application will then be submitted in October 2010. A number of task-orientated groups are envisaged, steered by the Planning Project Team, to focus on the following areas:

- Communications

- The Local Centre (including the scale of food retail provision)
- Housing and Balanced Communities
- Education and Community Facilities
- Energy and Waste
- Open Space Water/Biodiversity/Landscape and SSSI
- Movement
- Noise and Air Quality.

2.2.4 Potential proposals for main supermarket provision in the wider NW Cambridge area have been put forward by the University and also by Gallagher in respect of Orchard Park. The NW Cambridge AAP Inspectors did not consider the issue of a larger supermarket and the AAP proposes a local centre with a definition consistent with PPS6, ie. a “small supermarket”. The development plans for the other parts of the NW Cambridge area, ie. NIAB/NIAB Extra and Orchard Park, also propose local shopping facilities. Any capacity for convenience retail provision that might be identified beyond this definition would be a departure from Cambridge City and South Cambridgeshire District Councils planning policies. The Councils have jointly commissioned retail work to inform their response to these proposals. This will take the form of an update to the Cambridge Sub Region Retail Study (October 2008) and will consider whether there is capacity for additional convenience retail provision in the NW area over and above that already committed or proposed in development plans, if so how this would best be provided in terms of scale and location, including consideration of impact on the provision of a local centre in the development in which it were located and impact on other proposed local centres in the area. It is intended that transport work will start soon to identify the transport implications of any emerging retail capacity options. Transport work will be based on the NW Cambridge AAP policy which states that the link road between Madingley Road and Huntingdon Road will be designed for low vehicle speeds, consistent with the AAP, with a direct segregated public transport route. It is intended that when both the retail and transport work is finalised and a planning assessment has been undertaken and officer recommendation reached, a joint Member briefing of the three authorities will be held. Reports will then go to South Cambridgeshire and Cambridge City Councils separately for Members to consider and, if appropriate, endorse an informal Council policy to inform discussions with developers.

2.3 Cambridge East

2.3.1 The current process and timescale for exploring relocation options for Marshall Aerospace activities is tied into the timeframe for the

County Council responding to the East of England Regional Assembly's consultation on the Review of the Regional Spatial Strategy. The Cambridge East Relocation Group, chaired by Cambridgeshire Horizons, has been facilitating discussions between Marshall, Defence Estates, and the relevant local authorities. The company has been asked to give an update on its position in time to inform the County Council's response. The issue will be discussed at the Cambridgeshire Horizons Board meeting in late September.

2.4 Northern Fringe (East)

2.4.1 The partners have commenced joint work with key stakeholders with the expectation of presenting proposals to the Section 29 Committee that will lead to a formal local development scheme

2.5 Orchard Park

2.5.1 The site continues to grow with three new land parcels now being developed and stalled sites now being completed. Occupations at 15th July were 508 (260 market and 248 affordable). The community centre was transferred to the Community Council at the end of August and a date is now being set for its formal opening. Work has started on Public Open Space 1 with drainage being put in for the sports pitches and tennis courts.

2.5.2 The Inspectors' draft Report on the Site Specific Policies DPD has accepted South Cambridgeshire's recommendation for an extra 220 homes in place of other uses at Orchard Park to contribute towards meeting the housing shortfall. The final report is due to be issued shortly.

2.5.3 Planning permission has been granted for the local centre and it is hoped the commercial centre application will be presented to South Cambridgeshire District Council's planning committee in October.

2.5.4 Partners are meeting in September to review progress and strategic issues. These include:

- Self build options, working with land owners and partners including the proposed Hive, Cambridge City Council and Unex to explore alternative delivery options.
- Options for K1 (land owned by Cambridge City Council)
- Reviewing options for the use and promotion of private rented sector initiatives and accessing new funding streams such as Kickstart 2.

2.6 Cambourne

- 2.6.1** Development at Cambourne continues and 2,736 homes have now been completed. The third primary school has opened for the autumn term in temporary accommodation and the police station, currently under construction, is due to be completed in December.
- 2.6.2** The draft Site Specific Policies DPD Inspectors' Report confirms that higher density development in the remainder of Cambourne than was originally envisaged in the Masterplan would be "sound". This would produce an overall net density of approximately 30 dwellings per hectare, likely to accommodate around 950 further dwellings within the existing Masterplan footprint. The County Council has applied to the Department for Children, Schools & Families for funding for a secondary school at Cambourne, with part funding from section 106 contributions from the 950 further dwellings proposed.
- 2.6.3** The Inspectors acknowledged arguments made by the objectors in favour of extensions to Cambourne, but they see difficulties in integrating any extension of Cambourne with the existing layout. They have specifically commented on the proposal for expansion to the north of the A428 that in their view the difficulty of integrating any expansion of Cambourne across this major traffic route in a meaningful way makes this option "untenable".

2.7 Northstowe

- 2.7.1** Progress on submission of a revised planning application for Northstowe has been delayed while the Homes and Communities Agency and Gallagher Estates have been re-appraising the project and the best options for moving it forward.

2.8 Cambridge Station Gateway CB1 is regarded as a priority for HGF because of the leverage of other funding, notably the CIF2 monies.

- 2.8.1** Proposals for the bus link between the station and Hills Road will be available for consultation in October/November 2009.
- 2.8.2** Work on the link is being integrated with construction of the cycle town demonstration project work proposed for Hills Road Bridge and the Cambridgeshire Guided Busway work at the station. Commencement is anticipated in the new year, but it will have to be completed by March 2011 to meet the availability of CIF2 funding.

3. RELEVANT HGF REVENUE PROJECTS

- 3.1** Work continues on projects funded from HGF Revenue, i.e. the Water Cycle Strategy Phase 2 (notably for Cambridge North West), infrastructure studies, and business planning for community facilities.
- 3.2** Further transport work is being commissioned to supplement the North West Cambridge retail study and the final report is due in late summer.

- 3.3** Work continues as planned on the other HGF Revenue-funded projects that affect City and South Cambridgeshire as well as the remainder of the County that were reported to the last Committee meeting.

4. QUALITY OF LIFE AND STRATEGIC INFRASTRUCTURE

4.1 Quality Charter for Growth

4.1.1 The 'Quality Charter for Growth Agenda Training Programme' continues, running to the end of 2009, and we are working with Brian Human to ensure the QC is fully embedded in planning processes.

4.1.2 Most recently, we undertook study visits to the Building Research Establishment Innovation Park to examine the exemplar low energy homes, and to the new development New Hall, Harlow, an exemplar of excellent masterplanning.

4.1.3 Further events are arranged for later in the year, e.g., low carbon economy debate at Clare College on 19 October, two sustainable construction workshops in the autumn, and officer and member training on the Quality Charter for Growth.

4.2 Strategic Infrastructure

4.2.1 The regional funding allocation for the Eastern Region is under review and the outcome may impact on the timing of the proposed **Chesterton Station**.

4.3 Joint Strategic Needs Assessment (JSNA) – New Communities

4.3.1 It is anticipated that the consultation draft of the new communities JSNA will be considered by the Growth Partnership prior to completion and launch in early 2010.

5. RECOMMENDATIONS

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

Appendices

Appendix A - Strategic Risk Register (separate file)

Appendix B - Explanatory note about Strategic Risk Register

1. The Strategic Risk Register (SRR) is a Countywide key strategic document used to highlight risks and mitigation measures and opportunities to overcome risks.
2. Risks are rated on probability of occurring and impact should they occur, and identified as either:
 - Red: Scoring 20 or more on a multiplier of likelihood and impact
 - Amber: Scoring between 10 and 20
 - Green: Scoring less than 10
3. Mitigations are identified for each risk, together with an “owner” who is responsible for coordinating the mitigation, a completion date and an assessment of current status, either:
 - Happy face / Green – on target / progressing well
 - Neutral / Amber – being dealt with but needs close monitoring
 - Sad face / red - In need of intervention / new action
4. The SRR will be refreshed on a quarterly basis by a team of officers drawn from Horizons and the six local authorities reporting to the Growth Partnership Board (Directors). The publications dates are (TBA). The SRR will be appended to the progress reports to the Horizons Board and Joint Strategic Growth Implementation Committee (JSGIC).
5. The SRR is set out so that the risks are aligned to the Cambridgeshire Together vision / Local Area Agreement (LAA) outcomes for the Managing Growth theme to ensure that actions are targeted at the key objectives.
6. An exception report will be produced with the SRR, highlighting all red risks, any significant change in risks and any changed mitigations.
7. Any entries of commercial confidentiality will be redacted in the published SRR.
8. Any significant changes to the SRR occurring after the publication date will be reported to the Horizons Board and JSGIC in the general progress report.

Appendix C - SRR Exception Report

Table 1 - Red Risks

Risk	Comments
6.2 Inability to secure early adequate funding for infrastructure delays progress on growth sites	Score increased from 15 to 25 because of proposed HGF cut for 2010/11 and loss of RFA allocation for the proposed Chesterton Station. Horizons is working with the partner authorities on a Robust campaign against the proposed cut in HGF capital. Growth Partnership Board to make recommendations to Cambridgeshire Horizons Board on impact of the proposed cut on the capital programme.
7.2 Inability to afford/provide services to meet demands arising from population growth, resulting in increased pressure on budgets and services for the wider community including existing residents.	(No change to score) Authorities are considering service and resource implications of growth, and exploring alternative funding and options for more efficient service delivery.

Table 2 - Risks with increasing scores and other issues worthy of consideration

Risk	Comments
11.1 Opportunities not seized and/or barriers to development are not overcome	Score increased from 12 to 16 because of concerns about completion of deals to use HGF to unblock delivery of new homes. Potential offers remain on the table and work is in hand to secure completion. Clay/Glebe Farm proposal not accepted by Countryside in the form offered. GPB to consider potential reallocation of funds to unblock delivery elsewhere.
11.2 Funding is not secured or used effectively	Score increased to 12 to 16 because of difficulties in securing S106 contributions through completed agreements. Delivery of the CIF-funded CB1 project remains as programmed.