

## **CAMBRIDGESHIRE HORIZONS**

### **Agenda Item No: 5**

#### **Major Development Sites Progress Report**

*To:* **Joint Strategic Growth Implementation Committee**

*Date:* **11 February 2010**

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

*Purpose:* **To update the Committee on progress with major developments.**

*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** The housing market across Cambridgeshire continues to show some signs of recovery, but this is neither universal nor uniform. Housing market bulletins produced by Cambridgeshire Horizons show some trends starting to improve or at least steady, e.g., the number of property sales, time taken to sell, and the number of viewings before an offer is made. The first and second market bulletins can be found on the Horizons website at:

[http://www.cambridgeshirehorizons.co.uk/our\\_challenge/housing/crhb\\_publications.aspx](http://www.cambridgeshirehorizons.co.uk/our_challenge/housing/crhb_publications.aspx)

and a third edition is planned for release in February 2010.

- 1.2 Re-negotiating our LAA targets for housing delivery.** Late in 2009 we were invited by Go-East to consider revising our targets for NI154 (delivery of all homes) and NI155 (delivery of affordable homes) for 2010/11; the last year of our current LAA. Using Annual Monitoring Reports (AMRs) produced by districts in December, and moderated to take account of current market conditions, we suggested the following changes to targets:

Target	Original target for 2008/9	Actual delivery 2008/9	Original target 2009/10	Predicted outturn 2009/10	Original target 2010/11	Revised target 2010/11
NI154 (homes)	2344	2813	2871	2024	3839	3011
NI155 (affordable homes)	820	924	1105	960	1344	1146

For NI154 we are suggesting a target of 3,000 homes for 2010/11 across the County. The AMRs add up to 3,716 homes for 2010/11. So AMR figures for 2009/10 were increased by 35% (equivalent to the largest increase in delivery seen in recent years) and compared to the AMR 2010/11 targets. A table in Appendix C sets out the figures.

- 1.3 Housing Growth Fund (HGF) Flexible Fund.** The Government confirmed the £6m cut to the HGF Programme budget for 2010/11 at the end of December 2009. The Horizons Board had met on 9 December 2009 and agreed the revisions needed to the HGF programme if the cut were to be confirmed, i.e. deferring the March regeneration scheme, reducing expenditure on green infrastructure schemes, schemes in Ely and Huntingdon and a reduction in the Flexible Fund for Cambridge area major sites by no more than £1m. The confirmation of the reductions to the programme also attracted considerable media interest.
- 1.4 HCA Kickstart Funding:** The Homes & Communities Agency (HCA) has announced the shortlist of housing projects provisionally accepted into Round 2 of Kickstart. The following five schemes (of 15 Cambridgeshire

applications) are shortlisted and will have to pass through 'due diligence' before being accepted (Glebe Farm, Cambridge, failed to make this shortlist but is on the reserve list and could still be brought forward):

- Cam Locks, Waterbeach, Morris Homes (Homebuy Direct)
- F1/F2 Love's Farm, St Neots, Miller Homes
- Love's Farm (balance), St Neots, Redrow Homes
- NIAB frontage, Cambridge, BDW Trading
- St Ives, Taylor Wimpey

Outcomes of due diligence are expected late February or early March 2010.

## 1.5 Infrastructure Projects:

**1.5.1** The opening of the northern section of the **Cambridgeshire Busway** did not take place at the end of November as had been planned, because the contractor has not completed finishing works. A new handover date is yet to be announced.

**1.5.2** Work has commenced by the developers on the final section of the Addenbrooke's Access Road (the Boulevard through the Cambridge Biomedical Centre) and completion is anticipated in June 2010.

**1.5.3** The County Council submitted a Business Case for **Chesterton Station** in October 2009. The station would be funded from the Regional Funding Allocation (RFA) or from the Transport Innovation Fund (TIF). If funded from the RFA it could be delivered by 2015/16, subject to funds. If funding were available from TIF, delivery could potentially be brought forward to 2012/13.

**1.5.4** The County Council have commissioned a study looking at **multi-storey schools** and are planning a presentation event, which will include JSGIC members, at the end of March 2010.

**1.6** The **Cambridgeshire Local Infrastructure Plan** (LIP) is being prepared by Cambridgeshire Horizons with the authorities in order to facilitate the Single Conversation between the Local Authorities of Cambridgeshire and the Homes & Communities Agency. The object of the plan is to show that investment in Cambridgeshire will meet significant needs and offer excellent value for money, demonstrating that growth and regeneration projects can succeed despite the economic downturn. The content of the LIP will be drawn from the considerable body of existing work on housing, sustainable communities, economic development and spatial planning across the county, and in particular from the Integrated Development Programme, agreed by the Board in December.

- 1.7 Risk Management:** Scores of the risks rated RED in the Strategic Risk Register (SRR) remain unchanged. Decisions on how best to use the residual Flexible Fund monies to help deliver the major Cambridge fringe growth sites are linked to the outcome of the Clay Farm inquiry. Attached at Appendix A is an exception report showing the direction of travel since the last JSGIC meeting. The most recent published Strategic Risk Register (SRR) is shown at Appendix B.
- 1.8 Resources:** In response to the funding pressures on authorities and uncertainty about the levels of future revenue growth funds, Senior Officer Board has started to look at how to make the best use of future resources deployed on growth, and to explore the potential for more effective and efficient joint working. Options to be considered include further use of formal or informal joint team arrangements and the internal consultancy model developed with the Joint Urban Design Team. The next stage will look at potential principles and objectives for joint working, and work areas for consideration. A report setting out the scope of this work and potential objectives will be brought to the next JSGIC for discussion.

## 2. SUMMARY OF PROGRESS WITH MAJOR DEVELOPMENT SITES

### 2.1 Cambridge Southern Fringe

- 2.1.1** It is currently anticipated that the Design Code for Trumpington Meadows will be brought before the Joint Development Control Committee in March 2010. Reserved matters applications for the first phase of 350 housing and site wide infrastructure are being progressed concurrently. Start of construction of infrastructure is anticipated in late summer 2010.
- 2.1.2** The outcome of the appeal on **the Clay Farm/Glebe Farm** site (total around 2,550 homes) is expected by 10<sup>th</sup> March 2010. Negotiations continue with Countryside Properties on the potential use of Flexible Fund monies as proposed to the Inspector, based on the principle of funds being returned to be re-invested in future schemes, such as an equity investment model.
- 2.1.3** Negotiations are continuing on finalising the Bell School Section 106 agreement and it is anticipated that the Section 106 agreement will be completed by early April 2010.

### 2.2 North West Cambridge

- 2.2.1** The applicant for the main **NIAB** site (1,593 homes) has requested that consideration of the planning application by the Joint Development Control Committee be deferred pending the Clay Farm decision. As noted above the frontage site (187 homes) has been shortlisted for Kickstart2 funding and commencement is anticipated soon after completion of the due diligence process.

**2.2.2** The developer of the **NIAB Extra** site has advised that no progress will be made with an application for the site until the main NIAB site is well under way.

**2.2.3** The Area Action Plan for the **University's North West Cambridge** development, adopted by the City Council on 22 October 2009, allocates up to 3,000 homes, 50% of which will be University Key Worker housing. The University's consultant team has been working with local authority officers on the planning project team overseeing formulation of the Masterplan. Key issues to be worked through are around demographics (including the crucial role of the lettings policy for the proposed key worker housing), transport and access, noise, air quality, and retail proposals. Stakeholder and public consultation took place in November and a Member briefing was held on 28 January. The project team proposes to fix the key parameters of the Masterplan in January for the purpose of testing them in the environmental assessment. The draft master plan will be taken through the University's internal processes between January and July 2010, working up to anticipated submission of outline planning applications to Cambridge City and South Cambridgeshire District Councils in July 2010.

**2.2.4** Work continues on the retail study in the North West Cambridge area. When the initial phase is complete, transport implications will be assessed.

## **2.3 Cambridge East**

**2.3.1** Cambridge East remains subject to discussions between Marshall and key partners. The focus of the work remains around identifying a suitable local relocation site, and establishing a clear plan for taking the project forward.

## **2.4 Northern Fringe (East)**

**2.4.1** Initial work has started on the production of a new Joint Area Action Plan. It is anticipated that the AAP could be ready for submission to the Secretary of State by mid 2011 and to be adopted by July 2012.

## **2.5 Orchard Park**

**2.5.1** Development continues at Orchard Park with 555 of the planned 900 homes on the development now occupied. Planning permission was granted for the commercial centre in November 2009 and pre-application discussions have opened regarding a second hotel. Delivery of the local centre is largely dependent on the results of the North West Quadrant Retail study (currently underway). Completion of POS1, consisting of the sports pitches, tennis court, changing rooms and skate park, is expected in March 2010.

**2.5.2** Proposals for a self-provided housing scheme on the City Council land at site K1 are being taken forward following the study carried out by Stephen Hill of Futureplanners. A small project team is developing the proposals, gaining member views and design/policy guidance ahead of some soft marketing of the idea over the summer.

**2.5.3** Orchard Park continues to be used as a reference site for other authorities, with visits from Rackheath on 1 February and the Joseph Rowntree Foundations Sustainable Urban Neighbourhoods Network on 15 March. The Partners Group continues to meet on a quarterly basis (next meeting 26 February) and remains an important element of the strategic delivery of the development.

## **2.6 Cambourne**

**2.6.1** Development at Cambourne continues and 2,883 homes have now been completed. The police station is under construction and due to open in the summer of 2010. Planning applications for the fire station and a garage are being considered, and a planning application for the sports centre is due to be submitted in March 2010.

**2.6.2** The current outline application for 950 extra houses is the subject of viability discussions at present, along with refinement of the S106 obligations. Amendments to the application are due to be submitted during February.

**2.6.3** Colleagues associated with the Rackheath Eco-town proposals visited Cambourne on 1<sup>st</sup> February when SCDC hosted a GO-East seminar as to what Rackheath can learn from Cambourne and Orchard Park, and shared experiences and ideas.

**2.6.4** The County Council application to the Department for Children, Schools & Families for capital funding for a secondary school at Cambourne has not yet been determined. The DCSF is currently reviewing all of its existing capital funding streams and no decision will be made on the application until this is complete.

## **2.7 Northstowe**

**2.7.1** The housing minister has announced that Government would be taking forward expressions of interest from local authorities to test whether Northstowe (among others) could meet the concepts and standards set out in the Eco-town Planning Policy Statement. Jo Mills is leading a project group examining how to take this forward and the results of this work will inform a formal bid to CLG in due course. Discussions also continue between the HCA and Gallagher Estates on the best options for moving Northstowe forward.

**2.7.2** The Northstowe Renewable Energy Project has evolved and is now part of a wider regional-scale scheme, the Low Carbon

Development Initiative that will enable knowledge to be shared among growth sites in the county and the wider region.

**2.7.3** A solution has been proposed for agreement by major developers to upgrade Uttons Drove that will allow a land drainage solution at lower cost and lower carbon impact than any alternatives, and which will provide for the new developments both at Cambourne and Northstowe. A Memorandum of Understanding has been completed between the main parties (Anglian Water Services, the developers of Northstowe and Cambourne, and the Environment Agency). It is anticipated that work will commence in summer 2010 and be completed by March 2011. Lord Smith, Environment Agency Chairman, visited Cambridge in February and attended a briefing with Cambridgeshire Horizons on the growth agenda more broadly, which included a description of the Uttons Drove project, which is potentially something the Agency would want to use as a template for other parts of the country.

## **2.8 Cambridge Station Gateway CB1**

**2.8.1** The original developer of the CB1 scheme, Ashwell, has gone into administration. However, the key CB1 development site is now being taken forward by a new company, Brookgate Development, and good progress is being made on finalising the Section 106 agreement and reserved matters applications. Work on the site is now expected to commence later this year.

**2.8.2** The County Council is preparing a planning application for the transport interchange to enable it to be constructed by mid-2011, using the £1.5m of HGF capital allocated, whether or not the CB1 scheme progresses within this window. The interchange scheme has interdependencies with the link road between Hills Road and the station, which is reliant on funding from the Community Infrastructure Fund monies that were secured in 2008, and which are time-limited (the funds must be used by end March 2011).

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

**3.1** The work programme for the **Quality Charter for Growth** will be reviewed and rolled forward by the Quality Charter Steering Group. Meanwhile, work continues on the roll-out of the Training Programme, running through to the end of 2010 and working with all authorities in Cambridgeshire on embedding the Charter principles in planning processes, e.g., local development plans, transport planning and community plans. We are in the process of recruiting for the Quality Panel, which will provide independent advice to the authorities on major developments across the County.

**3.2** A number of activities have been held or are planned, including:

- Sustainable construction

- Planning for non-Planners
- Transforming utilities

The last of these aims to equip the authorities with an understanding of the elements required to procure renewable energy for new developments, including legal, financial, and logistical considerations. Proposals at St Neots and the Cambridge City and Anglian Ruskin University Combined Heat and Power scheme for Parkside Pool will be used as case studies.

## Appendices

### Appendix A - Strategic Risk Register Exception Report - February 2010

#### Part 1

This exception report is an update on the current Strategic Risk Register, highlighting changes in risk rating and mitigation status since the last review on 24<sup>th</sup> November 2009.

- No changes to risk rating or mitigation status categories.

#### Part 2

This exception report (Table 1) is an update highlighting changes in risk rating and mitigation status occurring between the Strategic Risk Register presented to JSGIC on 4<sup>th</sup> November 2009 and the last review on 24<sup>th</sup> November 2009.

**Table 1**

Risk	Rating	Mitigation	Status	Change	Commentary
1.2a Targets for new and affordable homes not met, resulting in loss of future support from HCA and Government.	Amber	Continue to work with the Homes & Communities Agency as part of the 'single conversation' to take forward the issues set out in the Cambridgeshire Prospectus and to deliver the housing programme. Next Milestone: tba	Amber	<b>Green to Amber</b>	Further discussions taking place with HCA
1.3b Applications for development (including major growth sites) do not come forward to meet delivery timescales, leading to long-term shortfall in key sites and potential failure of Core Strategies.	Amber	Press forward with Northstowe through the established delivery mechanism. Next Milestone: Delivery Board 1/12/2009	Amber	<b>No mitigation to Amber</b>	New mitigation identified at Amber status.
5.2c Failure to achieve sufficient modal shift resulting in over-reliance on car travel and traffic congestion.	Amber	Delivery of Cambridgeshire Guided Busway. Next Milestone: opening of St Ives to Cambridge section postponed	Amber	<b>Green to Amber</b>	Opening date to be confirmed
1.4a Submitted applications for major	Amber	Commission viability modelling to increase understanding of	Green	<i>Amber to Green</i>	Strengthened approach to viability

<p>developments are significantly delayed (because, e.g., of the downturn in the housing market and mortgage availability, prolonged S106, viability gaps, planning appeals)</p>		<p>viability, supporting requirements for 40% affordable housing and 106 packages. Next Milestone: further viability modelling tba dependent upon outcome of Clay Farm appeal; Horizons to review process with King Sturge 2/12/2009.</p>			<p>modelling,</p>
<p>2.1a Early Years, Primary and Secondary Education facilities (0-16) not provided on time resulting in reduced ability to meet the needs of first residents.</p>	<p>Amber</p>	<p>Keep demographic information up to date to ensure planned provision remains consistent with the proposed scale and nature of developments. Next Milestone - Agree Uni site housing tenure and mix Dec 09.</p>	<p>Green</p>	<p><i>Amber to Green</i></p>	<p>Work in progress to agree University Site housing mix.</p>

*(the full SRR is attached as a separate file)*

### Appendix C: Detailed figures for NI154 target setting

	AMR figures for 2009/10	x 35%	Revised figure for 2010/11	AMR figures for 2010/11	Proposed target for 2010/11 for NI154
City	260	91	351 + 290 <sup>1</sup>	1,070	641
ECDC	235	82	317	419	317
FDC	276	97	373	547	373
HDC	622	218	840	832	832
SCDC	631	221	852	848	848
<b>Total</b>	<b>2,024</b>	<b>709</b>	<b>2,733</b>	<b>3,716</b>	<b>3,011</b>

<sup>1</sup> 290 is added back in to City's total, for Addenbrooke's keyworker housing which is predicted to complete in 2010/11 and is treated as additional to the affordable homes being delivered i.e. additional to the proposed uplift model.