

Joint Strategic Growth Implementation Committee Meeting
20th April 2010
The Moller Centre, Storeys Way, Cambridge

Committee Members:

Name

Sir David Trippier (SDT)	Cambridgeshire Horizons
Cllr Dr David Bard (DB)	South Cambridgeshire District Council
Cllr Ray Manning (RM)	South Cambridgeshire District Council
Cllr Sebastian Kindersley (SK)	South Cambridgeshire District Council
Cllr Roy Pegram (RP)	Cambridgeshire County Council
Cllr Tony Orgee (TO)	Cambridgeshire County Council
Cllr Nichola Harrison (NH)	Cambridgeshire County Council
Cllr Sian Reid (SR)	Cambridge City Council
Cllr Ian Nimmo-Smith (INS)	Cambridge City Council
Cllr Lewis Herbert (LH)	Cambridge City Council
Alex Plant (AP)	Cambridgeshire Horizons
John Williamson (JW)	Cambridgeshire Horizons

APOLOGIES:

Cllr Ian Nimmo-Smith	Cambridge City Council
Cllr Sebastian Kindersley	South Cambridgeshire District Council
Steve Hampson	South Cambridgeshire District Council
Simon Payne	Cambridge City Council

SUBSTITUTES:

Cllr Clare Blair (sub for INS)	Cambridge City Council
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ALSO IN ATTENDANCE:

Peter Studdert (PS)	Joint Planning Director
John Onslow (JO)	Cambridgeshire County Council
Jo Mills	South Cambridgeshire District Council
Tim Wetherfield (sub for SP)	Cambridge City Council
Sarah Monks (Item 7 only)	Cambridge University, Housing & Planning Research
Geoff Bruce	Cambridgeshire Horizons
Laura Halstead	Cambridgeshire Horizons
Gill Barker (minutes)	Cambridgeshire Horizons

Actions

1. **Welcome and Apologies**

SDT welcomed all to the meeting and noted the apologies and substitutes as listed above. SDT then reported that JO was present in his new capacity, Executive Director for Environment for the County Council, where he was on secondment for 1 year. He thanked JO for his services to Horizons and wished him well in his new role.

SDT then introduced JW, who has taken up JO's former role at Horizons, again on secondment, from Go-East for 1 year, and wished him well.

2. **Declarations of Interest**

SR – Item 5 – re student housing on CB1 site;

CB – Item 5 – re member of Community Council of Orchard Park.

3. **Minutes of the Meeting held on 11th February 2010**

The Minutes were agreed.

4. **Matters Arising**

Under Item 5, Section 3, it was queried whether the newly appointed Quality Panel included an expert on street design. PS noted that Simon Carne was appointed and has relevant expertise.

5. **Major Development Sites progress Report**

JW's report had been circulated. He drew attention to the positive news regarding the outcome of the Clay Farm/Glebe Farm Planning Appeal and paid tribute to the local authorities on the result.

There was also disappointing news from Marshall that relocating is not a feasible option at this time, and the implications of this for the growth agenda now need to be resolved.

Under Item 2.3.2: it was noted that this issue would need to be discussed in the 'appropriate fora', by the authorities involved, but presumably not until the general election had been held. It should also be considered that this issue had an impact on all the Cambridgeshire local authorities.

Discussion:

Query as to the reason behind Marshall's announcement, there appearing to be different 'versions'. SDT noted that the investigations into moving to the Mildenhall site had subsequently been closed down by government largely because a way forward could not be found that met all parties' needs including those of the USAF. Other sites, although not as desirable, had been investigated by Defence Estates and Marshall with Horizons seeking to assist wherever possible. This was ultimately a decision made by Marshall. There was no other implication to be made here and all parties now need to move on. Horizons, as the delivery vehicle, stand ready to assist once policy decisions were made.

Query as to which forum the discussions should be held in, noting that this decision would affect all Cambridgeshire Planning policy? Discussion around the Section 29 Committee (contained representatives from County, City and South Cambs authorities). The composition of this Committee was queried. It was agreed this information would be circulated;

It was also suggested that CRESSP (or a successor body) could be recovered to discuss ideas.

Under 1.6: It was noted that within the bidding for the HCA's Kickstart 2 funding there were 5 Cambridgeshire schemes being considered, 2 having been agreed recently. The others would now have to await the end of the purdah period, due to the election, before notification.

GDB

Glebe Farm is currently on the reserve list, with AP having had discussions with the Minister John Healey about this scheme recently, urging this to be brought forward.

Under 1.8: Horizons and all the local authorities were currently working on the Cambridgeshire Local Investment Plan (LIP), and a draft had been to Horizons Board in March. This work is being undertaken to fit with the evidence base required for HCA's future funding requirements.

Under 1.9: Three particular issues of note under Risk Management:

- a) The withdrawal by government of the Transport Investment Fund (TIF), substituted with the Urban Challenge Fund (UCF) would mean a smaller 'pot' of money, yet to be announced, being available to a wider remit of bidders;
- b) Good progress on the County's improved demographics for planning new communities;
- c) The Community Infrastructure Levy regulations had been introduced by government on 6th April, so now available as a funding tool.

Under 1.10: Pruning for Growth – on Agenda separately;

Under 2.1: Cambridge Southern Fringe:

Horizons has been working on the Trumpington Meadows loan agreement to enable this development to move on. Construction will commence on site this year.

Clay Farm/Glebe Farm – Countryside Properties plc had responded well to the result of the Planning Appeal and had accepted the provision of Affordable Housing at 40%. The £8m equity investment will unlock the Clay Farm site. The Joint Development Control Committee (JDCC) considered the detailed application for Glebe Farm on 21st April, resolving to grant permission.

Under 2.2: North West Cambridge:

The NIAB site is now active;

The University site is progressing, with issues involving the MasterPlan being addressed;

Under 2.5: Orchard Park:

Work is ongoing regarding community facilities and the guiding design principles for the remainder of the site;

Under 2.6: Northstowe:

Government has granted provisional Eco-Town status, and as a result £1.5m of funding has been awarded for 'demonstrator projects'. The local authorities are currently working up two of these, with Horizons managing the programme;

Under 2.8: Cambridge Station Gateway CB1:

The Section 106 agreement is now complete and CCC is working on the transport interchange;

A correction to paragraph 2.8.1 was noted: planning permission has not been granted for the student flats on the CB1 site.

Under 3.1: Quality Charter for Growth:

The Quality Panel has now been appointed with the first meeting planned for next Friday. This will include reviewing a work programme and a tour of suitable local sites;

A Learning Prospectus is also being built, currently out to tender, to cover officer and member training issues;

General:

A draft of a 1-pager report had been circulated, for the North West University site as an example. JW invited comments on this, noting that it had been received well at Senior Officer Board (SOB). Subject to any disagreement, it would be the intention to produce a 1-pager for each of the development sites in future, with the report giving a brief overview.

Discussion:

1.7.4 – Report refers to the UCF too optimistically, with no likelihood of similar funding to TIF of £500m. Plan 'B' now required;

2.4 – Cambridge Northern Fringe East (CNFE) –

- Noted and agreed that County Council must be involved in discussions around Chesterton Station, and with the timescales involved, this needed to be soon;
- Noted also that City Council, as a major landowner in the area along with Anglian Water, were already carrying out preparatory work even though there was no certainty this project would proceed;
- Section 29 Committee, which involved County Council, should be working on the Joint Area Action Plan (JAAP) which could then be discussed at JSGIC;
- Query as to why local authorities could not prioritise this area and organise to fund and build Chesterton Station themselves?
- A forum for ideas of this kind to be discussed and decided upon was required urgently. The Joint Transport Forum (JTF) was suggested;

2.6.2 - Northstowe – Query whether any further news? Noted that there was no announcement yet. Affected by purdah period. Expectations of something clearer emerging post election;

2.6.4 - Uttons Drove (and 2.7 – Cambourne): Noted that the report implied this work affected Northstowe only, but should be noted was critical for Cambourne also. Current dispute between the Environment Agency (EA) and developers regarding sewage issues may delay the additional 950 houses in Cambourne.

2.9.2. – Green Infrastructure Strategy Review – noted this should provide a robust evidence base to support policy making;

General:

Query as to approval process for £8m loan/equity investment proposal for Clay Farm/Glebe Farm project. Noted that the £8m equity investment proposal for Clay Farm/Glebe Farm was a deployment of the Flexible Fund as agreed by Main Board in the first round, and again subsequently when considering reduced programme due to government £6m cut. Noted that as the deal is worked up for agreement, it will need to come back to JSGIC for consideration but due to timescales may have to be dealt with by correspondence. Suggestion that a meeting may be required.

Some issues were also raised about how the LCDI funding is agreed – this is an issue for the Main Board.

Draft 1-pager document – Query regarding note of 'transport study work (mid April 2010)? Noted that this related to the Retail Study, currently in progress, which would consider transport implications of retail provision.

Agreed:

- 1-pager reports noted and agreed;
- Confirm that Section 29 Committee was programming the CNFE work including a JAAP;
- Circulate CNFE planning timescales.

JW

GDB
AP/PS

6. Pruning for Growth

AP gave a verbal update. Main points:

Further work on integration, particularly in the City/SCDC area in relation of JSGIC Committee area, discussed at Senior Officer Board which included mapping resources and Joint Planning Budget spend;

Investigating collective responsibility and 'doing more for less';

PS and Sharon Brown were investigating resources required at differing stages of the Planning process and there had been positive engagement from all three local authorities.

Results of all this work will return to JSGIC as a report seeking decisions.

Discussion:

Query whether JSGIC should see an overall picture of what Horizons does, core budget and how it is spent. Noted that this was a Board issue which is already delegated out to the Audit & Risk Committee (ARM), and should be raised there;

Noted that the report currently being worked up will consider: a) current resources, b) individual local authority cuts, and the effect of that on staff costs, and c) links to transport funding for new communities;

Query regarding sign off of HGF Revenue budget. Noted that this had been delayed to Main Board, although had been through ARM, discussed at Growth Partnership Board, but will be on next Board agenda;

GDB

7. Housing Economy Update

SDT introduced Sarah Monk, Deputy Director of the Cambridge Centre to Housing and Planning Research at Cambridge University.

Sarah Monk gave a presentation of which the main points were:

- Noting the pre-crisis events – growth in sub-prime lending, fall of Northern Rock, followed by global financial crisis – and the immediate effects;
- Second round effects for consumers included increased unemployment, wage cuts, higher mortgage deposits and eventually less availability of mortgage funds and of private rented accommodation;
- Second round effects on new housing supply include many project mothballed, write-downs on land values, lack of funding for development;
- Government response included a mortgage rescue package, stamp duty holiday for first time buyers, emphasis on social housing;
- Results of government initiatives – slow take up of mortgage rescue package, new output fallen by 50% of which 50% is supported by government;
- Economic outlook shows house prices risen back to 6% below peak, fall in output not as severe as in previous recessions, full recovery will be dependant on global recovery;
- Current trends show – rise in mortgages in February by 12%, prices fell by 0.1% in same period, with nationwide increase in prices by 0.7%, up 9% on previous year;
- Prospects locally – major problem of long term funding for new housing, Cambridge area will create 75k new jobs so demand for housing will remain strong, lack of public funding can be overcome if government allows local authorities to restructure own finances.

Discussion:

- Noted that Cambridge(shire) had not been affected as severely as other areas of the country;
- Land values cause problems for future funding due to negative equity problems, assumptions being that this will continue for a time, until confidence in lending sector increases allowing them to take more risk;
- Noted that Registered Social Landlords (RSL's) should be able to respond more quickly;
- Some local authorities would like to provide more social housing;
- Orchard Park development is moving again, with strong demand for rented housing. Three different types of housing – 1) Affordable Housing (Social); 2) Private rental and 3) Intermediate rental, and should be more of 3). SCDC currently involved, with City Council, in the K1 site for this area of provision, one which the HCA also seem to consider important enough to have a separate funding 'pot';
- Requirement for greater degree of institutional investors for private rental;
- HCA has its own Private Rental Initiative (PRI) with Cambridgeshire being the only place outside of London where they consider there is a market, with interest in Northstowe and Cambridge Southern Fringe;
- Returns on residential private rental lower than commercial;
- Query whether the trends show a requirement for more 1-bed homes for single people? Noted that City have a 10% limit for 1-beds;
- Current deposit rates for mortgages noted as being an average of 25%.

SDT thanked SM for attending and presenting this information.

8. Forward Agenda Items

Agenda for July to include:

- Implications for Growth;
- Communications.

**AP/JW
LH**

9. Any other Business

There was none.

10. Date of next meeting:

Wednesday 21st July, 1000 at The Swansley Rooms, South Cambridgeshire District Council offices, Cambourne.
The meeting closed at 1600.