

CAMBRIDGESHIRE HORIZONS

Agenda Item No: 6

CAMBRIDGE SUB-REGION LONG TERM DELIVERY PLAN

To: **Joint Strategic Growth Implementation Committee**

Date: **17th October 2007**

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

Purpose: **To update JSGIC on progress with the Long Term Delivery Plan.**

Recommendation: **JSGIC is recommended to:**

- **Note the key findings of the draft Long Term Delivery Plan.**
- **Comment on the proposal to assess the Plan's ability to deliver reduced carbon emissions.**

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1. BACKGROUND

The Cambridge Sub Region Long Term Delivery Plan is being prepared by Deloitte on behalf of the local partners. The draft final version of the Plan was received at the end of August and circulated to the commissioning partners for comment (a list of members of the commissioning group is at Appendix 1).

Following discussions at a previous JSGIC, Cambridgeshire Horizons and partners are currently in the process of commissioning an assessment of the LTDP to ensure it helps deliver a low carbon future.

2. KEY FINDINGS

The draft plan identifies total expenditure of £3.7billion to 2021. It includes estimates of committed and anticipated expenditure, with a minimum funding gap of £763million. The assumptions are yet to be tested against viability and it is highly unlikely that the maximum developer contribution will be realised. A shortfall of only 10% would increase the funding gap to £903million, whilst a 25% shortfall would increase the gap to £1.113billion.

The report identifies the significant progress which has been made, along with a number of challenges around funding future infrastructure. These include:

- Land values being insufficient to fully fund the infrastructure required for sustainable developments.
- Timing of requirements being out of step with funding streams, including developer receipts.
- Uncertainty at this stage of longer term infrastructure costs which have not yet been evaluated
- The significant role of the TIF for transport investment.
- Competing demands for funding from other growth areas and the Olympics.

The LTDP takes forward the principle of a flexible rolling fund, whereby Government investment in up-front infrastructure is recycled into the rolling fund for further investment, using value captured from developments through the s.106 process and other income. The report identifies projects suitable for the rolling fund as those requiring high levels of early investment.

The Plan sets out the need for a clear strategic framework for s.106 agreements, including dissemination of best practice, cross boundary apportionment issues, pooling of s.106 funds to deliver strategic infrastructure and a mechanism for capturing a proportion of overage that occurs as a result of a development gaining planning permission.

The LTDP also identifies indicative longer-term infrastructure costs to 2031 being between an additional £1.25billion and £1.98billion.

The Plan sets out the need to consider the future delivery chain, governance and performance management framework for the medium to long term, and the potential for new structures and arrangements associated with local community and neighbourhood management in new developments, and how these will function in the wider strategic commissioning environment. The report identifies the need to further embed delivery issues in the future spatial planning process and how this will be taken forward in the context of the Sub-national review. It also identifies key policy issues, including:

- Taking a lead role in addressing climate change.
- Sharing the evidence base for demographic trends.
- Ensuring construction capacity and labour supply.
- Ensuring economic development objectives and housing growth are aligned in a broader strategy and practical measures.

Key agencies have been involved in the preparation of the draft Plan.

3. LOW CARBON FUTURE – ASSESSMENT OF THE LONG TERM DELIVERY PLAN

A brief is being developed for work to assess the Long Term Delivery Plan's ability to delivery reduced carbon emissions. Outputs of the study will include:

- For each sector (e.g. transport, education) if the Plan will deliver reduced carbon emissions
- how much carbon reduction (best and worst case) the Plan will deliver against Government targets e.g. 60% reduction in carbon emissions by 2050
- efficacy of the adaptation and mitigation measures for climate change currently planned
- areas for improvement and a timeline for strategic interventions to reach the 2050 target

Consultants will be asked to:

- Design a methodology for assessing the plan against a low carbon future
- Design a process for ongoing engagement with key stakeholders.

Appendix 1

Long Term Delivery Plan Commissioning Group:

Name	Organisation
John Onslow	Cambridgeshire Horizons
Paul Mumford	Cambridgeshire Horizons
Natalie Blaken	EEDA
Joseph Whelan	Cambridgeshire County Council
Brian Human	Cambridge City Council
Sara Cass	Cambridge City Council
Gareth Jones	South Cambridgeshire District Council
Chris Hodson	Fenland District Council
Sue Finlayson	East Cambridgeshire District Council
Steve Ingram	Huntingdonshire District Council
Ian Burns	Cambridgeshire PCT
Guy Mills	Greater Cambridgeshire Partnership