

# **Growing Cambridgeshire**

Refresh of  
Cambridgeshire's Programme of Development  
for Housing Growth Funding

2009 to 2011

Cambridgeshire Horizons

October 2008

# Executive Summary

1. The refresh of the Cambridgeshire Programme of Development requests enhanced funding support for three fundamental reasons:
  - i. The scale of proposed growth in Cambridgeshire. The population of the Cambridge area, for example, is set to grow by around one third by 2021. This will not be achieved sustainably without substantial public investment. Our Strategic Housing Market Assessment, completed in 2008, shows the scale of the need for housing - especially affordable housing – and the ability to deliver against this is in large part dependent on sufficient public money being made available, particularly in the light of more difficult market conditions.
  - ii. The economic slowdown means we need to look afresh at new ways of ensuring delivery, in particular in the area of up-front funding support, through mechanisms such as the Rolling Fund. Rolling Funds can enable progress to be maintained despite the current economic slowdown and housing market deflation as they allow public money to take the strain during a difficult period, but because the money is eventually recovered from developers when conditions improve, it can be recycled to provide benefits over and over again. The £8m start that was made to the Rolling Fund earlier this year itself unlocked a further £10m from County Council prudential borrowing, and has been crucial in enabling swift progress to be made on the Addenbrooke's Access Road, due for completion in 2009. The early delivery of the road will in turn unlock the potential for early delivery of homes on the Southern Fringe sites.
  - iii. We have developed excellent partnership working, strong joint planning arrangements (including the agreement to a section 29 committee), and cross-party and cross-authority support for the Cambridgeshire Growth Agenda, and for the principles set out in the Quality Charter for Growth. However, these strategies and partnerships can only be effective if the underlying level of capital support is commensurate with the needs of such an ambitious programme of activity.
2. This refreshed Cambridgeshire Programme of Development sets out the shared goals of Cambridgeshire's local authorities, Cambridgeshire Horizons and key stakeholders to deliver our housing targets whilst ensuring new development meets the highest standards of quality and minimises carbon impacts. We welcome the new approach to growth funding represented by the Housing Growth Fund approach; the flexibility afforded by moving to an un-ringfenced block grant over a longer period will allow local partners to adjust to changing priorities more easily, particularly important during a period of economic uncertainty.
3. We have a strong track record of delivery, from innovative transport initiatives like the Cambridgeshire Guided Busway, to new ways of structuring affordable housing delivery such as the Cambridge Challenge. We have developed close (and in some cases unique) partnership working and governance arrangements that are designed to enhance our ability to deliver, and which bind the growth arrangements closely into the wider Local Area Agreement targets and structures.
4. Our targets for housing growth are set out in our housing trajectory. Our key targets are to
  - build on our housing delivery achievements to date (some 18,971 homes completed between 2001 and 2007)

- meet our Regional Spatial Strategy (RSS) target of 73,300 homes by 2021 and aim to exceed it by delivering at least an additional 2,745 homes over that period

5. Our Long Term Delivery Plan (LTDP) gives us a solid evidential basis for our infrastructure needs. It estimates that for 2008/09 to 2010/11 we require £830m to deliver against our targets. Our original Housing Growth Fund bid in 2007 for 2008-11 was for just under £130m. Whilst we welcome the award of £14.2m for 2008/09, and acknowledge that this was the largest single area award, it still adds up to only a fraction of what is considered necessary to fund all the vital works needed to support growth in Cambridgeshire. We are therefore requesting an increase in award for the next two years over and above the indicative figures of £19.9m given in the original award letter.

## Strong Multi-Authority Partnership

6. Cambridgeshire's strong multi-authority partnership has developed a Local Area Agreement (LAA) structure with the vision and commitment necessary to deliver the Structure Plan and Regional Spatial Strategy targets. Quality will be assured by application of the Quality Charter and quality of life strategies to which all of the partners subscribe. If properly supported, these strategies will help to ensure the Government's objectives around housing, health, obesity, social inclusion, community cohesion, the low carbon agenda, and creation of jobs and a healthy economy are met in Cambridgeshire.

7. The joint planning and delivery structures we have now established, with strong links to the LAA targets and the key national indicators, mean we are well positioned to take a holistic approach to growth. We have set up delivery boards for each of the major growth sites, combining developers, local authorities and wider public sector bodies to come together to tackle barriers to delivery. These delivery boards all now include Cambridgeshire NHS, to help ensure that we meet the needs identified in the Joint Strategic Needs Assessment, and can in turn help to deliver places designed with physical activity and healthy lifestyles in mind from the outset.

8. We have also established joint planning and development control committees for the existing growth areas and will roll out further arrangements as necessary to accommodate additional growth using further delivery boards and joint structures.

## Rolling Fund

9. Cambridgeshire was awarded £8m this January to "make a start" on the Rolling Fund concept. This was used in its entirety towards the funding of the Addenbrooke's Access Road, which will be completed by September 2009 and which is enabling earlier progress on the Cambridge Southern Fringe sites, which should deliver around 4000 new homes with jobs and infrastructure to match. The £8m also unlocked £10m local authority prudential borrowing, which combined to deliver this essential early infrastructure. However, in order for the Rolling Fund concept to work properly, it needs to achieve critical mass, as it will be some time before the developer contributions are available to replenish the initial £8m expenditure. We particularly want to develop this approach on other sites, and see this type of flexible forward funding being a key way of leveraging developers to maintain progress (as opposed to mothballing) whilst market conditions are difficult, and also, by continuing to provide for infrastructure investment during a slowdown, enabling a rapid re-start once the market recovers.

10. Colleagues at Communities and Local Government have previously advised that progress on the Rolling Fund would be contingent upon the formation of a Section 29 Joint Planning Committee. This committee has now been signed off formally by all partners, so

we feel we have completed the last piece of the jigsaw in this regard. Consequently, and for the reasons already set out about the ability to use this type of funding as a means of addressing the problems we face in the current market, we are now bidding for a further £37m of Rolling Fund, spread across the major sites. An award of this level, together with the programme of project work to be funded by HGF grant, would enable us to maintain the pace of infrastructure and housing delivery during the current economic downturn, and ensure that flagship developments such as the prototype eco-town of Northstowe can be delivered to a timeframe and a level of quality that we all desire. As Rolling Fund money is later available for use for future growth projects once developer contributions are collected, then it is a more valuable investment for Government, and should reduce the level of future grants needed. Without support of this level, there is a very real risk that the major housing sites will not be able to be progressed to meet housing needs.

## Cambridge Fringes and Cambridge East

11. In accordance with the Regional Spatial Strategy policy prioritising growth on urban extensions, significant development is being brought forward on the South, North-west and East fringes of Cambridge. The refreshed Programme of Development is targeting the two sites with greatest potential to deliver significant housing within the HGF funding period.

12. Assessment of the financial viability of the Southern Fringe in particular shows the need up-front funding in order to deliver public infrastructure in a timely fashion. Progress is continuing, with outline applications for the Southern Fringe developments having been considered favourably by the Joint Development Control Committee. Current market conditions have added an additional challenge, delaying the commencement of housing construction. Additional up-front infrastructure funding support through the Rolling Fund is critical in order to accelerate build-out once the market recovers.

13. To address the challenge of sites within the North West Fringe coming forward at different timescales, HGF will be deployed to support key infrastructure needed from the start of development.

14. In the longer term, Cambridge is planned to be extended to the East, on and around the current Airport site. This will create a high-quality new community of 10,000-12,000 dwellings and employment uses, with excellent connectivity to the City centre. This will be the largest single development in the East of England and would include major business, retail, community and public transport opportunities. Because this is a longer term project, there are no bids in this period for HGF funding support, although considerable work is being undertaken on master planning by the landowners.

## Northstowe

15. The scale of development at Northstowe, the largest new town development in the UK for many years, and its national and regional profile as demonstrating new levels of sustainable living, mean that it warrants special attention.

16. Yvette Cooper, then Minister for Housing & Planning, confirmed that Northstowe would be a prototype eco-town, displaying many of the sustainability features that Government was seeking to achieve in the new eco-town proposals. The Minister's letter of 17 October 2007 (see Appendix 2) advised that Northstowe will not be expected to meet all the zero carbon standards required of the additional new eco-towns, but advised that this did not mean that Government would not be prepared to look at *additional* funding for it (nor, indeed, for other Cambridge growth sites).

17. The current market situation, and the sheer quantum of funding needed to deliver a functioning new town on a green-field/brown-field site, mean that our ability to make real progress will depend on the level of public support that we can generate, and the risk sharing the public sector can take on, especially in the critical early phases. This will also determine how successful the community can be in its early years, and consequently its reputation with the wider public.

18. Our bid for further funding for Northstowe, and most notably some elements of what we believe we could deliver through Rolling Fund-type finance, is predicated on this analysis, and in recognition of the very challenging economic and commercial circumstances we now face. It also recalls the undertaking made by Yvette Cooper in her letter of October 2007.

19. A positive response to this bid is essential if we are to maintain progress and ensure exemplar standards for this high-profile development. We believe this is critical for Northstowe and for the people who will live there. However, its importance goes far wider than that, given that Northstowe is in many ways a test-bed for a wide range of Government policy aspirations, as set out in the Housing Green Paper, and we expect it to also be a key delivery project for the Homes and Communities Agency.

## St Neots Eco-Quarter

20. Communities and Local Government colleagues have indicated their support in principle for a sustainable urban extension to St Neots, Huntingdonshire, with the potential for additional funds to enable delivery of housing above the current RSS target levels. We understand that it is possible that St Neots may gain a particular designation as an eco-quarter delivering low-carbon growth above plan, but have in any case made a bid for supporting funding for this project in this document, pending decisions on eco-quarters more generally. We are also working with partners to establish a St Neots Delivery Board, and any grant awarded would enable an early start to be made on strategic infrastructure so that homes may be delivered as soon as possible. This development will enable the town as a whole to become more sustainable as well as delivering additional housing.

## Transport

21. Transport is the largest and most under-funded element of our current expenditure proposals, and we refer to the September 2008 Transport Economic Evidence Study (TEES) produced for EEDA by Steer Davies Gleave that identifies the need for greater emphasis on transport investment in *inter alia* the Cambridge area. An increase in population in the Cambridge sub-Region will add further loading to networks that are already stressed, even though we will benefit significantly from the Cambridgeshire Guided Busway and recent road improvements such as the Addenbrooke's Access Road.

22. Our Long Term Delivery Plan (LTDP) provides the underlying evidence base for this refreshed POD, setting out the high-level investment strategy for growth and potential funding mechanisms. The LTDP identifies Housing Growth Funds (HGF) as an essential component of the funding mix to deliver the £4bn infrastructure needed to support sustainable planned growth. Other funding streams include private sector / developer contributions and mainstream central and local government funding. However, the scale of the funding requirement set out in the LTDP was probably a significant underestimate, given the analysis we have now completed on delivering low-carbon growth, which adds at least £2bn to the infrastructure costs, and which identifies transport as the most difficult area to address if Cambridgeshire is to play its full part in helping the UK to meet its carbon reduction targets.

23. We are therefore bidding for further substantial investment in sustainable transport infrastructure, in particular to serve Northstowe and the Cambridge Fringe sites.

### Summary of the POD Bid

24. The table below sets out the key headlines of our Housing Growth Fund bid for 2008-11, together with the allocation already made for year one in each of the four sectors:

<b>Sector</b>	<b>Allocation in 2008/09</b>	<b>Refreshed POD bid for 2009/10 and 2010/11</b>
Northstowe	£2.790m	£36.265m - of which £22m could be Rolling Fund financed
Cambridge Fringe Sites	£4.000m	£21.000m -of which £15m could be Rolling Fund financed
Market Towns and other major settlements	£3.905m	£16.554m
Strategic	£3.567m	£7.939m
Revenue	£0.727m	£2.000m
<b>Total</b>	<b>£14.9m</b>	<b>£83.758m</b>

25. We believe our Programme of Development offers potential for strong partnership between Government, Cambridgeshire Horizons, local authorities and the local community in delivering sustainable growth in Cambridgeshire.

# Contents

1 Introduction	Page 9
2 Robustness of the Refreshed POD	Page 13
3 Profile of Cambridgeshire	Page 16
4 Vision for Growth and the Planning Framework	Page 20
5 Housing Trajectory	Page 25
6 Structure for Delivery	Page 28
7 Investment strategy overview	Page 32
7.1 Strategic Projects	Page 36
7.2 Northstowe: Prototype Eco-Town	Page 39
7.3 Cambridge Fringe Sites	Page 44
7.4 Market towns and Other Settlements	Page 47
7.5 Revenue	Page 50

## Key Changes from the original POD

Section	Changes (page numbers in brackets)
Executive Summary	Explains need to revisit Rolling Fund finance as a means of helping to keep up the pace of delivery and maintain quality aspirations, particularly for Northstowe, in the face of a market slowdown. Revised to reflect key changes outlined below; highlights sub-headings added for key issues; summary table revised.
1 Introduction	Updated to refer to current economic climate, credit crunch, and new RSS and RES (7); added reference to innovative funding streams (7); Quality Charter for Growth now adopted (8); the need for pump-priming of developments in the current economic climate (8-9).
2 Robustness of the Refreshed POD	Combined sections 2 and 3 of original POD; removed comparison with eco-town criteria; HGF programme management (10); two key challenges (10).
3 Profile of Cambridgeshire	Added reference to TEES study by SDG and added forecasts for market town populations 2021 (12). Otherwise minor updates and amendments. Added paragraph on SHMA (15)
4 Vision for growth and planning framework	Cambridgeshire Horizons will work across the whole county (15); added reference to multi-authority partnerships and LAA (16); added reference to long term transport strategy (17); expanded on the Quality Charter for Growth (18-19).
5 Housing trajectory	Trajectories revised to reflect the impact of the economic climate and credit crunch on housing delivery (whole section replaced)
6 Structure for delivery	Cambridgeshire Horizons now works throughout the county (29); Section 29 Committee signed off (29); Cambridgeshire NHS brought into delivery boards (29); Director of Joint Planning appointed (29); Joint Urban Design Team appointed (29; Structure diagram added (31)
7 Investment strategy overview	Update on TIF (29); information on variable tariff and CIL work (30); added reference to RIF (30); revised total bid figures (31); Rolling Fund section added (33). Order of the following programme areas has been changed.
7.1 Strategic Projects	Green infrastructure development project (project 28) transferred from capital to revenue. Cambridge Station Gateway project funding bid reduced from £4.5m to £1.5m in light of indicative CIF award.
7.2 Northstowe: Prototype Eco-Town	Outlines need for significant injection of rolling fund (£22m) to enable progress. Added progress update (37) – application now likely to be determined in mid-2009 with first homes being available in 2011. Arts centre and civic hub bids rephrased to later stage of development.
7.3 Cambridge Fringe Sites	Added progress update (41); viability challenge (42); most recent deals reached on section106 packages and affordable housing (42). Added info on NW Cambridge sites (43).
7.4 Market towns and other major settlements	Added reference to eco-quarter for St Neots, updated plans for growth in Ely and section on Shaping Fenland (43).
7.5 Revenue	Revised revenue bid figures (46); added staffing costs info (46);
8 Project summary table	Table revised to reflect POD documentation.

# 1 Introduction

## Context

Cambridgeshire is part of the London-Stansted-Cambridge-Peterborough growth area. The strategy for growth specified in the Structure Plan and the RSS seeks to deliver 73,300 homes between 2001 and 2021, concentrated in and around Cambridge, in the prototype eco-town of Northstowe, and in some of the county's market towns.

Cambridgeshire has long accepted the need to increase the rate of housing growth and associated infrastructure delivery, as originally set out in the Cambridgeshire and Peterborough Structure Plan 2003, now reiterated and strengthened in the recently adopted regional spatial strategy (RSS, the East of England Plan) that provides the basis for planning to 2021. The Regional Economic Strategy (RES) also makes reference to this, setting out sub-regional economic ambitions and recognising Cambridge as a key engine of growth, which depends in large part on the successful delivery of additional homes and infrastructure.

The number of housing completions in 2007/08 was double the 2001/02 figure, and building on this track record of delivery is a key part of the Cambridgeshire Programme of Development (POD). This refresh of the POD sets out an investment strategy for delivering housing growth across the county and identifies how the Housing Growth Fund can play an essential role in ensuring delivery of large numbers of new homes, and essential supporting infrastructure, in genuinely sustainable new communities.

The demand for new housing comes from an ageing and growing population, inward migration, and lifestyle changes in the population at large. Restricted housing supply and high prices are key factors that are adding to pressures in the housing market and contributing to the un-affordability of homes. To address this problem, Government has announced plans to build 240,000 new homes per year.

The current (Autumn 2008) economic situation, with a declining housing market, the credit crunch and reduced availability of mortgage finance are reducing access for individuals to all elements of the housing market and have impacted on land values. More widely, general economic uncertainty and loss of confidence are having impacts across the country, although the Cambridgeshire economy and housing market may be less affected than some other areas. It is however more urgent than ever that the availability and affordability of housing is addressed, in order to promote a more sustainable market in the long-term and to meet immediate needs. The current situation puts more pressure on finding innovative funding solutions during a period where borrowing is expensive and building definitely could slow. In order to counter these cyclical effects, there is an urgent need for increased amounts of Rolling Fund, which can very effectively serve to bridge short-term viability gaps, or pay for delivery of infrastructure that can unlock land for swift development once the market recovers. There is also merit in considering a range of other innovative measures to bring forward funding, such as tax increment financing, or redeployment of Social Housing Grant during a period where allocated revenues may not be fully used.

## Economic Growth Potential

Cambridge is a major engine for growth, with a strong economy, and is one of the few truly international brands that the UK has. Jobs increased by 15,000 between 1999 and 2004, and are projected to grow to 75,000 by 2021 across the Cambridge Sub-region<sup>1</sup> placing further demands on the local housing stock and infrastructure to support sustainable growth. The growth in jobs in the knowledge sectors, and in science and technology in particular,

means that Cambridge and its surrounding area are of regional, national and international significance. The continuing success of the local economy leads to job growth in other sectors, especially in service industries. This in turn has led to further strong demand for housing and related infrastructure, which has not been fully met and which may be constraining the ability of the Cambridge sub-region to meet its economic potential. All of this adds to the urgency to deliver new homes of a range of tenures and types to deliver a more flexible labour market than currently exists. Given the internationally mobile nature of many of Cambridge's core industries, there also needs to be continued strong focus on the quality of life that the city and its environs can offer, so that Cambridge can compete against Paris, Boston, California, Bangalore, Shanghai and other parts of the world where people whose skills are in demand can choose to work.

We believe that it is also important to strengthen local economies and develop sustainable growth in our market towns, exploring the potential for these developments to contribute to the delivery of a low-carbon economy through use of renewable energy and advances in telecommunications, particularly in the more rural parts of the county.

<sup>1</sup> Roger Tym & Partners 2006 Economic Interventions for the Greater Cambridge Sub-region

## A Multi-Authority Partnership

The system we have in place for planning new communities in Cambridgeshire is fully integrated, combining infrastructure provision, housing strategy and economic growth and binding in all six local authorities and a number of support agencies. Partnership working between the authorities and other agencies is co-ordinated by Cambridgeshire Horizons, the local delivery vehicle, and we work closely with promoters and developers to ensure we achieve progress and quality. We have implemented a new programme and project management system, and a more robust risk management approach, designed to ensure progress is kept on track and issues are tackled in a timely manner. We have also now developed management and governance systems which binds Cambridgeshire Horizons' activity and the core growth objectives into the wider Local Area Agreement process, with a direct link between the Cambridgeshire Horizons Board and the Cambridgeshire Together LAA Board, and supporting officer structures beneath to ensure joined-up delivery.

The overall aim is to increase the provision of housing close to jobs and learning opportunities. A mix of market, intermediate and social rented housing is planned, with at least 35% affordable (i.e. social and intermediate) housing across the county and 40% affordable housing on major sites in and around Cambridge, subject to commercial viability.

## A Quality Charter for Growth

A key objective for new developments is to achieve very high standards of design and sustainability, improving the quality of life of both existing and new residents. To help achieve this, the **Cambridgeshire Quality Charter for Growth** has been agreed by the local partners and stakeholders. The Charter is focused around four key themes of Community, Connectivity, Climate, and Character, and sets out the shared principles for successful developments.

*"It is now for the planning authorities and developers to use it to ensure that we build sustainable communities that can stand the test of time".*

Barbara Follett, Minister for the East of England

The Quality Charter (QC) draws on experiences from elsewhere and builds on a series of studies, covering arts and culture, sport and leisure, balanced and mixed communities and

green infrastructure to equip key stakeholders with a clear and shared language that will enable closer working in the creation of sustainable and successful developments. It is short, but compatible with other plans such as local development frameworks and the local area agreement, and is supported by the local authorities, statutory agencies (such as the Housing Corporation), utilities, and major landowners and developers so that it will make a difference.

Significant analysis has also been undertaken on renewable energy; provision and management of community facilities including civic buildings; and communications technology. Work continues on phase 2 of the water cycle strategy and studies into the provision of faith facilities, regional arts & leisure facilities, and a major sports facility.

## Delivering Wider Policy Objectives

The programme in Cambridgeshire sits alongside and supports key national initiatives such as the Code for Sustainable Homes, the Manual for Streets, Towards a Sustainable Transport Strategy, Tackling Obesity and the range of initiatives in place to combat, and adapt to, climate change.

We welcome steps taken by Government to improve the sustainability of new developments and acknowledge that this is particularly important in the context of rapidly increasing cost of fossil fuels that is creating demand.

Climate change is now accepted as a critical threat to future generations, and recent events have reinforced the need to address travel, air quality, energy, water, and waste in particular. The need for a significant reduction in carbon dioxide (CO<sub>2</sub>) emissions by 2050, as discussed recently by the G8, adds to the urgent need for the built environment to promote less carbon-intensive lifestyles. Horizons is developing an action plan on this, in support of LAA targets and county and district council climate change strategies, recognizing the importance of ensuring new developments deliver more energy efficient homes (to reduce home heating/cooling costs) closer to places of work (to reduce travel distances and, therefore, costs), with car use reduced where possible, and provision of public transport, cycling and walking facilities prioritised. This is important not only to ensure we deliver green growth, but also to show how techniques that work in new communities could help to improve the environmental performance of existing communities.

## Northstowe

The Government's acknowledgement of Northstowe's role as a prototype eco-town is welcomed. However, earlier evaluation work shows that a prototype eco-town cannot be implemented entirely from private sector funding. To achieve success against the objectives set out, Northstowe will require substantial pump-priming public investment. An investment framework for Northstowe is being put together that will inform viability modeling. As an example of this, a site-wide renewable energy solution for Northstowe could be a means of testing the deliverability of the Code for Sustainable Homes at levels 5 and 6. This would provide lessons for growth areas across the UK in future years. Other major sites will also need Government funding to unlock barriers to implementation and ensure high standards of sustainable development.

In Cambridgeshire we are committed to playing our part in delivering new homes. Our strengths lie in our clear strategy, a track record of successful delivery of Growth Area Fund (GAF) and infrastructure projects, strong partnerships, integrated planning, robust joint decision-making, and good relationships with developers. The Housing Growth Fund has a vital role to play in ensuring long-term success across Cambridgeshire. There are

considerable opportunities for growth both on major strategic sites, our market towns and other major settlements.

However, in order to build on these existing strengths, there is a very real need to increase the level of up-front investment in infrastructure to allow progress to continue during a difficult economic period, and in order to realise our shared goal of delivering sustainable communities.

*And I am asking the climate change committee to report by October on the case for, by 2050 not a 60% reduction in our carbon emissions, but an 80% cut - and I want British companies and British workers to seize the opportunity and lead the world in the transformation to a low carbon economy and I believe that we can create in modern green manufacturing and service one million new jobs*

Gordon Brown's Opening Speech to the 2008 Labour Party Conference

Cambridgeshire in general, and Northstowe in particular, can be at the forefront of delivering this vision as it relates to housing growth, but we need to back that vision now, with renewed public sector support for our major development projects that could make low-carbon living a reality rather than an aspiration.

## 2 The Robustness of the Refreshed POD

The projects that make up our POD have been identified from our Long Term Delivery Plan and site-specific delivery plans following consultation with developers and other key stakeholders. This ensures that the projects we put forward are integrated and targeted against unlocking housing delivery.

A Housing Growth Fund Steering Group, comprising representatives from Cambridgeshire Horizons and the six local authorities, shaped both the original 3-year programme and this refresh document. The group, reporting to the Cambridgeshire Horizons Board, has also prioritised the projects, and Cambridgeshire Horizons is now managing the programme of expenditure and overseeing project development.

The HGF programme for 2008/09 has been signed off by the Cambridgeshire Horizons Board, which includes the local authority founder members, EEDA, English Partnerships, the Housing Corporation and key stakeholder interests. The Board receives regular updates on the projects and will consider recommendations from the HGF Steering Group for any significant changes to projects, their nature and extent, costs or timescales.

Following the settlement for 2008/09, the partners agreed the programme that is currently being implemented. In Cambridgeshire, we have a track record of delivering Growth Area Funded projects and our enhanced programme management arrangements, mature joint working and joint planning systems, and strengthened decision making processes will ensure we remain well positioned to deliver the programme for the three years of the current HGF programme.

Cambridgeshire Horizons has adopted a robust risk management scheme within the overall project and programme management structure. Each month, the Senior Officer Board, chaired by Cambridgeshire Horizons and comprising senior management representatives of Cambridge City Council, South Cambridgeshire District Council, and Cambridgeshire County Council reviews a strategic risk register and manage mitigations for the risks highlighted. Over recent months, two key challenges have been identified:

- delivering homes in the uncertain market conditions
- moving towards a low carbon and ultimately zero carbon future.

The bids in this refreshed POD have been made with a view to mitigating these high-level risks.

### Market Conditions

The current downturn in the housing market may lead to a slow-down in the rate of progress against the housing trajectory, raising the risk of failure to meet the RSS housing targets. Whilst this is explored in detail in Section 5 (Housing Trajectory), a range of mitigations has been implemented to minimize the impact of the downturn and to help Cambridgeshire Horizons and its partners to identify further actions:

- Partners keep up to speed with market conditions and prospects through Hometrack, and through property and economic journals. Horizons and its partners are also liaising with the local economic development partnership, the Greater Cambridge Partnership, on the effect on the hi-tech and life science clusters and the impact on the local housing market and demand for different forms of housing. Together, this

level of engagement with the 'live' market conditions informs our approach to housing delivery as well as a range of other issues.

- Delivery plans include housing trajectories (based on LDF figures) which are then developed in parallel with developer forecasts (based on developer figures) and actual delivery figures.
- Section 106 agreements are negotiated in outline prior to resolution by planning committees. Proposals from developers to revisit the terms of agreement must be taken back to Committee. Although planning applications have been considered for a number of the strategic sites, the section 106 agreements remain to be completed, largely because of increasing uncertainty from developers as to the affordability or timing of the packages of measures that were agreed in determining the planning permission. This is a real risk to the pace of delivery, and needs to be addressed, for example through imaginative use of measures such as the Rolling Fund.

## Low Carbon Future

Cambridgeshire Horizons commissioned consultants ESD in 2007 to undertake a carbon appraisal of the Long Term Delivery Plan (LTDP), evaluating the carbon impact of the growth plans for the Cambridge sub-region and its contribution to regional carbon reduction targets. The report has evaluated both the technical solutions and policy instruments required to ensure that growth across the Cambridge sub-region is low or zero carbon, highlighting the interventions that will be needed in order to drive forward and facilitate zero carbon growth.

The report reviewed Cambridgeshire's current carbon footprint and compared it to predicted scenarios in the light of housing growth being delivered. It also assessed the region's capacity for renewable energy, examined the feasibility of extending low-carbon infrastructure to existing communities and looked at the impact of positive behavioural change on carbon emissions.

The report concludes that the growth agenda will lead to significant increases in carbon emissions unless low carbon development is fully embraced. Nonetheless, carbon emissions from growth will still be only a small proportion of Cambridgeshire's total emissions, and this needs to be the key focus of a carbon reduction strategy to achieve targets outlined in regional policy. The LTDP was reviewed to add an analysis of how low carbon infrastructure could be delivered to benefit both new and existing communities. Whereas the LTDP identified infrastructure costs of £3.9bn for growth in 2007-2021, depending upon the level of provision of low carbon infrastructure, the report concluded that an extra £1.5 billion to £2.2 billion will be required for that period to deliver zero-carbon buildings and renewable energy solutions (not including transport emissions), although a proportion of these costs could be met from private sector investment.

A steering group, comprising representatives from the local authorities and Cambridgeshire Horizons, is developing an action plan that will look at the report's main recommendations, identify key actions, and list those actions that relate to growth and those relevant to existing communities. Actions for consideration for the climate change partnership are:

- To produce a low carbon transport for strategy for the region
- To develop proposals for a sub-regional carbon offset mechanism that can enable residual carbon emissions to associated with new developments to be offset through energy efficiency activity within existing communities

- That public sector buildings should lead the way in installing CHP and renewables to provide anchor loads for district heating and low carbon infrastructure networks
- To ensure provision of sub-regional resources to help council planners enforce low carbon development policies.

All of the above points to the need for sustained public funding to pump prime the key growth sites if low-carbon outcomes are to be delivered.

## 3 Profile of Cambridgeshire

**Area:** The administrative area of Cambridgeshire is 1,176 square miles or 3,046 square kilometres.

**Population:** Cambridgeshire is one of the fastest growing counties in England with total population expected to grow from 579,000 in 2005 to 669,400 by 2021<sup>2</sup>. The expected population growth is due to higher levels of in-migration, an ageing population and smaller household sizes. The number of households within the county is expected to rise from 247,500 in 2005 to 305,400 by 2021<sup>2</sup>.

<sup>2</sup> CCC Research Group 2005-Based Ward Age Group Forecasts

**Settlement Pattern:** The county's settlement pattern is strongly influenced by the city of Cambridge, which accounts for nearly 20% of the total population and the largest concentration of jobs. Cambridge has an important regional role and is of national and international importance for its outstanding historic character, as a centre of learning and research, and because of its emergence as a centre of excellence for hi-tech industries. Recent developments, such as the SmartLife centre, suggest there is considerable potential for growth in sustainable construction. The proposed International Climate Exchange project builds on this success and positions the Cambridge area at the centre of technology solutions to address climate change issues.

Cambridge is surrounded by a ring of five Cambridgeshire market towns within 15 miles or so (St Neots, Huntingdon, St Ives, Chatteris, and Ely). There are a number of large villages close to Cambridge, including the new settlement of Cambourne, however, most other settlements are small and rural in character. The influence of Cambridge extends, however, beyond the boundary of Cambridgeshire to include parts of Essex (Saffron Walden), Hertfordshire (Royston), and Suffolk (Newmarket and Haverhill).

Northern Cambridgeshire is influenced by Peterborough, which lies just outside the county boundary, as well as Cambridge. The market towns of Wisbech and March are the main focus for economic and social life within northern Cambridgeshire. Other market towns are Whittlesey, Ramsey and Littleport. Again, most other settlements are small and rural in character.

**Transport:** Generally, the development of key transport infrastructure networks across Cambridgeshire has lagged behind rapid population and economic growth. High growth in car use and movement of freight across the county by road has adversely affected Cambridgeshire's environment and quality of life, resulting in the declaration of a number of air quality management areas across the county. However, in recent years there has been considerable progress in implementing alternatives to car travel, especially within Cambridge and on the city's main radial routes. The Cambridgeshire Guided Busway (CGB) will be completed in Spring 2009, bringing with it a quantum leap in public transport in the Cambridge area. High quality, high frequency, low emission vehicles will then be able to travel away from major traffic flows on a route that extends from St Ives to the south of Cambridge, giving a realistic and reliable alternative to use of private cars. The route is extended on-road from St Ives to Huntingdon, but also has on-road sections in Cambridge city centre which capitalise on the benefits of the existing bus priority measures, including the core scheme that restricts access to most vehicles to the city centre during the working day. The CGB will serve many of the major growth sites, including Northstowe and the Cambridge Southern Fringe. The provision of a high standard dedicated bus route to serve Cambridge East is considered to be an essential prerequisite to development of that site.

The September 2008 Steer Davies Gleave TEES (Transport Economic Evidence Study) report, produced for EEDA, looks afresh at economic priorities of transport, including wider costs and benefits, and the congestion and carbon costs of transport using an Eddington-based approach. The four main findings from the TEES are:

- the cost of congestion occurring in the East of England region is set to double to over £2 billion per annum by 2021 (within this, the direct costs to business productivity, the equivalent of Gross Domestic Product, is £1.3 billion per annum by 2021)
- there are particular hotspots where congestion is causing most damage to the regional and national economy - 85 per cent of the costs of congestion are borne in the region's seven 'engines of growth' identified in the regional economic strategy
- there will be significant economic benefits from targeted road capacity improvements in some parts of the region, however the economic returns from this approach diminish once the key constraints on economic productivity have been relieved
- new road infrastructure alone will not solve the congestion problem. The study shows that measures to manage demand for travel by road and investment in additional rail capacity will increasingly do more to reduce the cost of congestion in the long term - for example through exploring various forms of demand management, traffic management measures like motorway hard shoulder running and longer trains.

Some key corridors score very high on economic cost-benefit analysis - including Cambridge to Milton Keynes (which potentially includes the completion of dualling of the A428 in Cambridgeshire), and Cambridge to London. We also note that rail route enhancements to London score highly, partly because of the of very high local economic value of access London jobs. Finally, the report also looks at some urban access packages, including Cambridge, that look to be very good value for money.

In summary, we find the TEES report encouraging because it gives us further evidence in support of our transport proposals to support growth. This evidence will be used to inform the region's submission to Government on regional funding allocation and will consequently inform our future programmes of development.

**Economy:** Cambridgeshire has a strong economy, which is reflected in an unemployment claimant rate of 1.2%<sup>3</sup>. There are, however, important disparities across Cambridgeshire. The Cambridge area is a focus for hi-tech employment with existing clusters in the life sciences, Information and Communication Technology and the environmental sectors. In 2006 a total of 43,134 jobs in were recorded within the hi-tech sector in the county as a whole in 2006. The economy of northern Cambridgeshire is less strong by comparison. Some areas have suffered from the decline of traditional industry and agriculture although regeneration projects are being brought forward to provide new opportunities. There are pockets of social disadvantage in both urban and rural locations. Accessibility to key services is another key concern. At the regional level a target has been set for the creation of a further 75,000 jobs within the county up to 2021.

<sup>3</sup>NOMIS JSA Claim August 2007

The populations of Cambridgeshire towns are:

Town	Population 2007	Population forecast for 2021
Cambridge	113,300	149,400
St Neots*	35,800	41,200
Huntingdon*	37,800	41,300
St Ives	15,900	15,400
Chatteris	9,600	10,600
Ely	17,400	20,000
Wisbech	21,100	23,900
March	20,800	24,400
Whittlesey	12,900	13,800
Ramsey	8,500	8,400

Source: Cambridgeshire County Council Research Group 2005-based ward age-group forecasts

*\*Notes*

*St Neots includes Little Paxton and Gransden & The Offords where growth will mainly occur*

*Huntingdon includes Godmanchester, Brampton, and Alconbury & The Stukeleys where growth will mainly occur*

**Affordability of Housing:** A key issue in Cambridgeshire is the high cost of housing and a shortage of affordable housing. Our Strategic Housing Market Assessment (SHMA) shows that the average price of houses in the county is around 7.14 times greater than average earnings<sup>5</sup>. Current market conditions will have impacted upon this to some degree, but it is likely that it has remained at a high ratio. The ratio of average earnings to house prices is highest in Cambridge city at 7.75, and lowest in Fenland at 5.9 times. This results in a significant proportion of the population being priced out of the market and underlines the need for an increased supply of affordable housing.

In June 2008 our first strategic housing market assessment (SHMA) was published. Covering the whole Cambridge housing sub-region<sup>6</sup>, the assessment was created through a project team including local authority housing and planning departments, English Partnerships, the Housing Corporation, developers and land owners, GO-East and EERA, and was steered by a wider partnership group of around 120 stakeholders.

<sup>5</sup> Land Registry and CACI 2007

<sup>6</sup> The five Cambridgeshire districts plus Forest Heath and St Edmundsbury (Suffolk)

Three key outputs from the SHMA were:

- **Building Sustainable Communities:** By better understanding the dynamics of our housing markets, we can guide investment in new housing across all tenures and build communities which people value and can afford to live in, in the long term
- **Powerful Evidence:** A powerful evidence base to plan and prioritise with, and to build upon in future
- **Working Together:** Partner involvement to use and share the benefits as widely as possible

The SHMA enables us to provide more secure planning policy across the sub-region, and deliver consistently evidenced decisions. It also provides a foundation of data, which we can grow and learn from in future.

The SHMA identifies the need for a continued supply of new homes, including a high percentage of affordable homes. In Cambridge and South Cambridgeshire, 40% affordable homes is being sought, which goes some way to meeting the demand set out in the SHMA. However, this high level adds to the cost of new developments and in the current economic climate could require public sector support to ensure delivery.

**Social deprivation:** The Index of Multiple Deprivation identifies four Standard Output Areas (SOAs) within North Fenland as being within the most deprived 20% in the country. A further five SOAs are within the worst national quartile (25%). Two of these lie in Huntingdon North, one lies in Parson Drove & Wisbech St. Mary (near Wisbech), one in Hill (Wisbech) and one in Abbey (Cambridge). At the other end of the scale, 150 of Cambridgeshire's 365 SOAs (41%) lie within England's least deprived quintile, however affluence can mask small pockets of deprivation within each output area.

**Ethnicity:** The 2001 Census counted a total of 552,653 people as resident in Cambridgeshire. The overwhelming majority of the population (91.0%) described themselves as being "White British" across the county, compared to 78% in Cambridge City. A further 5% of people across the county described themselves as "White Irish" or "White Other". However the Census is now eight years old and fails to reflect the rapidly changing population of Cambridgeshire with the strong growth of a more diverse community driven by migrant workers attracted to the County, in part as a result of a shortage of local skilled labour.

**Environmental Assets:** Cambridgeshire contains a diverse range of habitats and landscapes with much that it is vital to protect and enhance. The Ouse and Nene Washes are of international importance for wildfowl and migratory birds, whilst low-lying fenland areas provide unique landscapes. However, habitats in Cambridgeshire are fragmented and isolated, and the intense agricultural use of land means that opportunities to access the countryside are often limited. Cambridgeshire is also the least wooded county in England and the low-lying nature of much of Cambridgeshire means that flood risk is a key concern.

**Green Infrastructure:** The amount and type of accessible Green Infrastructure varies across the County. For example there is currently a substantial lack of accessible Green Infrastructure in Fenland and parts of East Cambridgeshire. There will also be increased pressure on existing green infrastructure as a result of development, in particular within the Cambridge Fringes. The Cambridgeshire Green Infrastructure Strategy sets out an ambitious programme of investment to improve countryside access and biodiversity. The programme has already received growth funding, although further implementation will require substantial additional funds. The Strategy is due to be reviewed to ensure it is keeping pace with strategic issues and to ensure a more joined up approach is taken to investment in green infrastructure.

## 4 Vision for Growth and the Planning Framework

At the national level Cambridgeshire forms part of the London-Stansfeld-Cambridge-Peterborough growth area, which is identified as a focus for housing growth both in the Sustainable Communities Plan 2003, and the newly adopted Regional Spatial Strategy (The East of England Plan).

### The Vision for Cambridgeshire

Published in May 2008, the Regional Plan for the East of England identifies the importance of Cambridge to the national economy. Cambridge is identified as a key centre for development and change. The Plan reinforces and supercedes the strategy set out in the Cambridgeshire and Peterborough Structure Plan, which focuses substantial development in the Cambridge area. The focus for development within the Cambridge Sub-Region, is:

1. In the built up area of Cambridge.
2. On the periphery of the built up area of Cambridge on land released from the Green Belt (Cambridge Southern Fringe, Cambridge North West and Cambridge East).
3. At the new settlement of Northstowe.
4. In the Sub-Region's market towns and key service centres (villages with a range of services).

In parallel with the East of England Plan, the Cambridgeshire local authorities have been preparing Local Development Documents. South Cambridgeshire District Council adopted the Northstowe Area Action Plan (AAP) in July 2007. Cambridge City and South Cambridgeshire District Councils adopted the Cambridge East AAP in February 2008, to be followed by the adoption of further Development Plan Documents from late 2008 to 2011.

St Neots has been identified as a potential major expansion location, which could deliver many of the features identified for eco-towns. A major urban extension to St Neots has the potential to deliver additional housing for Cambridgeshire and help improve facilities in the town. Work has also commenced looking at the potential for Ely to deliver additional growth in a similar way.

Cambridgeshire Horizons has commissioned a number of strategies to identify the range of infrastructure required to support development within the Sub Region. These are the Major Sport Facilities Strategy, the Arts and Culture Strategy, "Balanced and Mixed Communities", the Green Infrastructure Strategy, and the Strategic Housing Market Assessment (SHMA). These strategies and the SHMA have been used to inform the preparation of this submission.

The Fens area is identified in the Regional Plan as a priority area for regeneration. The overall aim for North Cambridgeshire is to create a vibrant area that offers the highest possible quality of life for all who live, work or visit by providing good housing in safe and pleasant surroundings, a strong economy with diverse job opportunities and a range of easily accessible services to meet all needs. Policies are focused on promoting economic and social regeneration in both urban and rural areas where economic performance is below its potential and where social disadvantage is most pronounced. Wisbech and March are identified as the key market towns for economic and housing growth. Implementation will be enhanced by the decision to extend the sphere of operation of Cambridgeshire Horizons to the whole county.

## Links to key strategies

Cambridgeshire Together is the county's **Local Area Agreement (LAA)**, a 3-year agreement between the local area and central government that describes how local priorities will be met by delivering local solutions, and contributes to national priorities set out by the Government, such as homes, jobs, learning, social inclusion and health. The agreement is negotiated between the local strategic partnership and the regional Government Office, includes specific targets, and involves partners co-operating to set targets and deliver against them.

The Cambridgeshire Vision has been produced to meet the challenges of a changing county, from 2007 to 2021. Over the next three years, Cambridgeshire's LAA will serve as the delivery plan for the Vision. The LAA has now been given the green light by Secretary of State for Communities and Local Government. The Vision is for high-quality, cost-effective public services that meet the needs of local people, with the Cambridgeshire Together board deciding on the priority areas.

Priorities are structured around five areas - managing growth, economic prosperity, environmental sustainability, equality and inclusion and safer and stronger communities. This POD comprises projects and programmes of work that will contribute to the same vision across the themes. Cambridgeshire Horizons has the responsibility of overseeing the growth targets within the LAA. These are:

- NI 154 Net additional homes provided
- NI 155 Number of affordable homes delivered (gross)
- NI 159 Supply of ready-to-develop housing sites.

By providing a strong framework for sustainable development and housing growth, this POD supports various **community and economic strategies** within the Growth Area. Two key strategies are Greater Cambridge Partnership's Sub-Regional Economic Strategy and the Greater Cambridge and Peterborough Tourism Strategy.

The Cambridgeshire and Peterborough Population Growth and Capacity Planning for **Health and Social Care** 2006 identifies that population growth in South Cambridgeshire (where a significant proportion of the new housing is to be located) "...will lead to major increases in demand for all services, including those relating to older people and to children". The Programme, through delivery of supporting infrastructure that contributes to the quality of life for new and existing residents of the Growth Area, can reduce demand on health services. Formal sports and recreation facilities have clear benefits for mental and physical health, as does green infrastructure, which also has health benefits through the amelioration of climate change impacts, particularly in urban areas.

**Design** - in seeking to deliver sustainable communities the POD makes reference to the principles within:

- Sustainable Construction in Cambridgeshire. A good practice guide (Cambridgeshire County Council/Cambridgeshire Horizons 2004);
- Biodiversity by Design. A guide for sustainable communities (TCPA 2004), and ;
- Quality Charter for Growth in Cambridgeshire.

**Leisure** – this POD supports and enables delivery of major sports facilities for the Cambridge area. The vision for this strategy is to create a network of high quality community and specialist sports facilities in the Cambridge area that will enhance the quality of life of existing and new communities. Key strategic drivers from a sporting perspective include:

- the need for more innovative solutions to sporting provision in order to bring about the increases in participation and to link with other agencies;
- the need to link to the growth area agenda, particularly areas of major development, and ensure expectations for better quality sporting infrastructure are met;
- capital and revenue pressures on local authority budgets impacting on the ability to meet identified needs and improve value for money, and;
- the impact of London hosting the 2012 Olympic Games.

This strategy provides an exciting opportunity for Cambridgeshire Horizons to ensure that current and future sporting needs are met as part of the growth of the Cambridge area, thereby contributing to quality of life for the current and future population. The **Major Sports Facilities Strategy** identifies a number of projects, including a community sports stadium, which would also be linked to education provision, increased physical activity for children and adults, and business opportunities related to promoting health and well-being in the Cambridge area. Work has recently been completed on identifying potential sites and partners for a stadium.

The **Green Infrastructure** Strategy for the Cambridge Sub-Region (2006) maps out a 20 to 30 year plan for green infrastructure in the Sub-Region, to complement and support the significant growth in housing provision that is planned over this period. The strategy's vision is for a continuous network of green spaces throughout the whole Sub-Region, including protected sites, nature reserves, green spaces and greenway linkages, that will serve existing communities and the new developments around Cambridge and Northstowe. The POD supports Cambridge City Council's Open Space and Recreation Strategy 2004, in particular helping to deliver the Vision for New Urban Extensions and the Vision for the Urban Fringe. The POD also supports Cambridge City Council's Open Space and Recreation Strategy.

The inclusion of green infrastructure projects within the POD will support the delivery of the strategic objectives of the green infrastructure strategy by enabling a significant proportion of the high priority initiatives identified within the strategy to be progressed. These projects will complement the on-site green infrastructure provision provided by the individual developments, to ensure that a comprehensive and sustainable network of green corridors and sites is provided.

The POD also supports our sub regional **Arts and Culture Strategy** which aims not only to build on the area's existing cultural offer, but also to place culture and the arts firmly at the heart of the new planned community growth. Current key strengths in the Sub-Region include museums, libraries, archives – many of which are based around Cambridge University – as well as music and some creative industries. These however are counter-balanced by sectors which demonstrate a considerable need for development and long-term investment.

Outside Cambridge city centre, there is insufficient local access for many communities to culture and the arts. There is also no major conference facility in the East of England to support major business events. This is a real barrier to the region achieving its economic potential and the only realistic location for a major facility of this type would be in

Cambridge. There is also no major centre for the performing arts or commercial events in the sub-Region, nor a centre for supporting creative industries. All of this leads to unmet demand for creative workspace and for facilities for communities, and young people in particular, to make, enjoy and participate in a wide range of cultural and arts activities. The strategy report sets out the challenges for the sub region as a whole, and proposes viable future steps to ensure that culture and the arts make valuable contributions to all of its communities, now and in years to come.

A feasibility study has recently been undertaken into the potential for a major arts, cultural and conference facility. The study found that such a scheme could be incorporated into the Cambridge East development proposals. The project would provide a major regional venue to support high-profile regional, national and international conferences, and major arts events. The facility would provide a 1400-seat auditorium, and 5000m<sup>2</sup> exhibition and banqueting hall.

The Cambridgeshire Local Transport Plan (LTP) sets out the objectives, strategy, transport targets and programme in Cambridgeshire for the period 2006–11. The Plan now includes a Long Term Transport Strategy (LTTS) that is being taken forward in conjunction with consideration of the Transport Innovation Fund (TIF) work. The LTP is one of a number of planning and transport plans and strategies for Cambridgeshire and the East of England aimed at ensuring that large-scale development can take place in the county in a sustainable way. It looks at existing transport issues and seeks to address them. Produced by Cambridgeshire County Council in partnership with Cambridge City Council and the district councils of East Cambridgeshire, Fenland, Huntingdonshire and South Cambridgeshire, the partnership for transport has achieved considerable success bringing together the planning and transport functions across the county.

The overriding aim of planning and transport strategies is to protect and enhance the quality of life and quality of environment in Cambridgeshire. To help meet this aim, the plan sets out six objectives:

- To create a transport system that is accessible to all.
- To protect and enhance the built and natural environment.
- To develop integrated transport and to promote public transport, walking, cycling and other sustainable forms of transport.
- To make travel safer.
- To maintain and operate efficient transport networks.
- To provide a transport system that supports the economy and the growing population of the county.

The first four of these objectives mirror the Government's shared priorities for transport of safety, accessibility, congestion and air quality, while the fifth and sixth objectives reflect the local concerns identified through an analysis of our problems and opportunities.

## Quality Charter for Growth

With the Cambridge Sub-Region currently experiencing the fastest rate of growth in the country a Quality Charter for Growth was launched in May 2008 to help ensure new housing developments aspire to the highest standards possible. The Quality Charter for Growth in Cambridgeshire aims to improve quality while simplifying the development process. It

recognises the need for change in the types of housing built if new developments are to be successfully integrated with existing communities and stand the test of time. The Cambridge Quality Charter principles are:

- Community: places where people live out of choice not necessity, creating healthy communities with a good quality of life
- Connectivity: places that are well-connected and enable easy access for all to jobs and services using sustainable modes
- Climate: places that anticipate climate change in ways that enhance the desirability of the development and minimize environmental impact
- Character: Places with distinctive neighbourhoods and where people create 'pride of place'
- All of the above can only be achieved through Collaboration – the overarching 'C' of the Quality Charter.

The Charter is a result of more than a year's work by a range of partners, including Cambridgeshire Horizons, Inspire East, Cambridgeshire County Council, Cambridge City Council and South Cambridgeshire District Council. One of the key features of the Charter is drawing on the lessons of exemplary housing projects both in the UK and overseas, such as Letchworth Garden City and Freiburg in South West Germany.

The Charter was published in May 2008 and has subsequently been shortlisted for a national award by the Royal Town Planning Institute.

A training programme is being rolled out to partners during the Autumn of 2008. Trainers are relating the Charter to implementation, identifying national exemplars of best practice, and a dedicated strand of the training programme will focus on how all the points identified in the Charter are being addressed in the implementation of developments and what lessons this provides for the future, to encourage the benchmarking of developments against the Charter.

The Charter Steering Group is developing proposals for further 'looking and learning' study tours to capitalise upon best practice in UK that will pave the way for benefits in terms of process as well as outputs and how we will use the Charter to achieve quality.

## 5 Housing Trajectory

It is becoming increasingly evident that the economic downturn is having an impact on housing delivery. The latest Land Registry figures show a 6.7% annual decrease in house prices in the East of England; the largest drop in all regions. Whilst the Cambridge area may be less affected, it is not immune. Meanwhile, we have clear evidence that construction has slowed or stopped at a number of sites throughout the county. For example, developers have slowed down or stopped new construction at strategic sites asuch as Arbury Park (Cambridge), Love's Farm (St Neots), and Cambourne (South Cambridgeshire). We are also experiencing developers seeking to reopen section 106 packages in the light of more difficult economic conditions.

Construction of affordable housing is continuing at some sites. However, whilst delivery of these much needed homes is welcome, this can also give rise to some difficulties in the way that unfinished developments appear in the short term if affordable housing is “pepperpotted” amongst unfinished plots. This can probably only be fully addressed once the private housing market recovers.

Partners have expressed concern about how we handle the market downturn in the housing trajectory to be included in this refresh of the POD, but we have revised the housing trajectory in line with CLG guidance, especially with reference to the need for realism.

We have been asked by CLG to make sure our trajectory is realistic. In addition, the new POD guidance asks us to indicate expected application and decision dates for strategic sites. The advice from GO-East is that we should make every effort to reflect the current situation. For these reasons, we accept that it would not be acceptable to use the same figures as in last year's POD. Furthermore, a key element of the POD is seeking additional funds, especially Rolling Fund, to kick-start development affected by the market downturn. Our bid is therefore to some extent predicated on the need to address the market downturn.

The market slowdown is likely to lead to a review of the LAA housing targets for Cambridgeshire for 2009/10 and 2010/11.

We have modified the trajectory from last year's POD to reflect the known trends outlined above. In modifying the trajectory, we considered research<sup>1</sup> by Savills that suggested a return to 2007 residential values by 2013. The trajectory therefore increases in 2012 in anticipation of this recovery.

<sup>1</sup> The Residential Property Focus, Savills, September 2008

### Using the trajectory

- **PLAN** (orange line): The strategic allocation set out in the East of England Plan, published May 2008, gives an overall target of 73,300 homes, or 3,860 dwellings to be delivered each year between 2001 and 2021, although it is accepted that actual development will not follow a constant trend.
- **MANAGE** (green line): This line represents the numbers of homes still to be delivered up to 2021, compared to the annual planned target described above.
- **MONITOR** (red line): Taking into account the number of homes we have completed already and plan to complete each year, the monitor line signifies the number of

dwellings above or below the annual planned target i.e. compares our annual completions and planned numbers to our annual target.

## Outputs

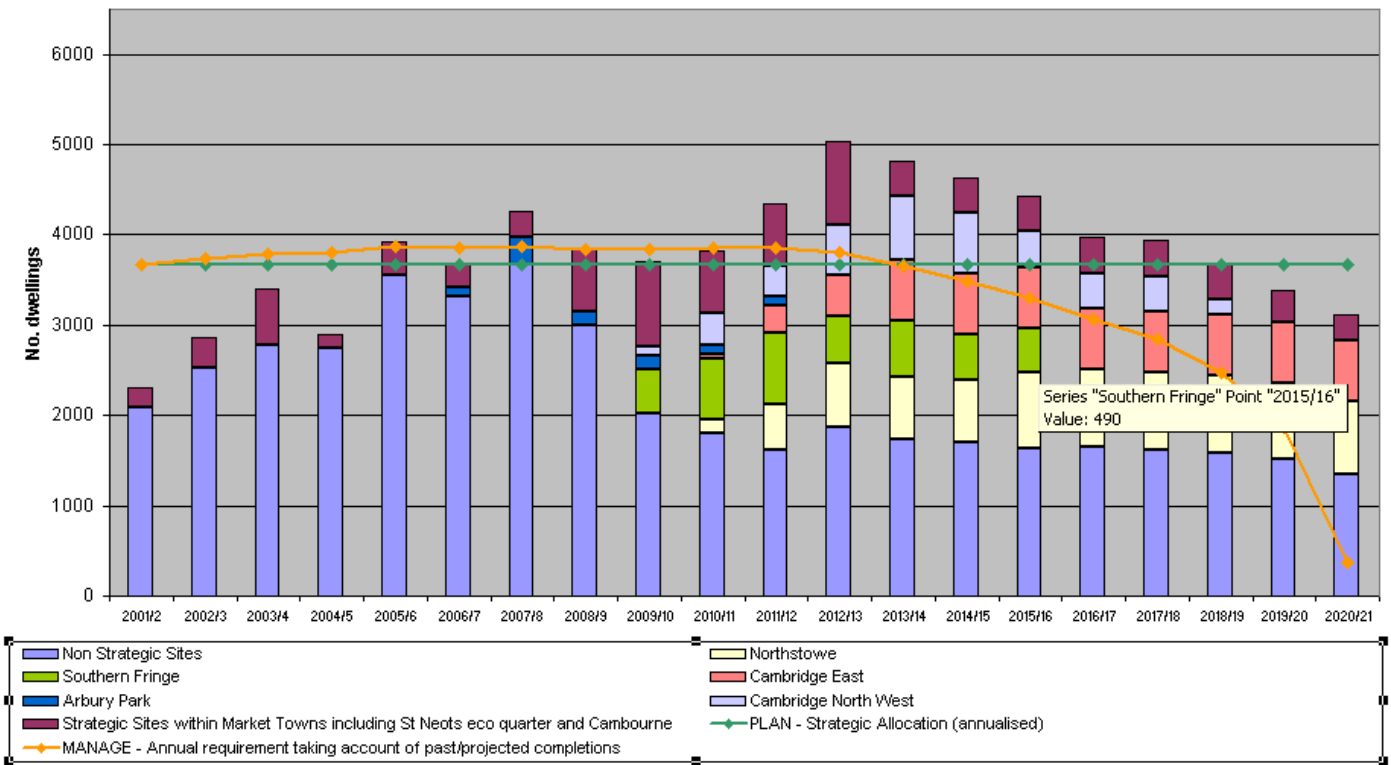
- By the end of 2007/08 we had delivered some 23,324 additional homes across the planning sub-region. (2,306 of these were complete at the end of 2001/2).
- Between 2008/09 and 2020/21 we plan to deliver 52,720 additional homes.
- This adds up to a total of 76,044 homes being delivered overall, which would mean we would exceed the RSS target of 73,300 by some 2,745 homes.

## Target Dates for Grant of Outline Planning Permissions

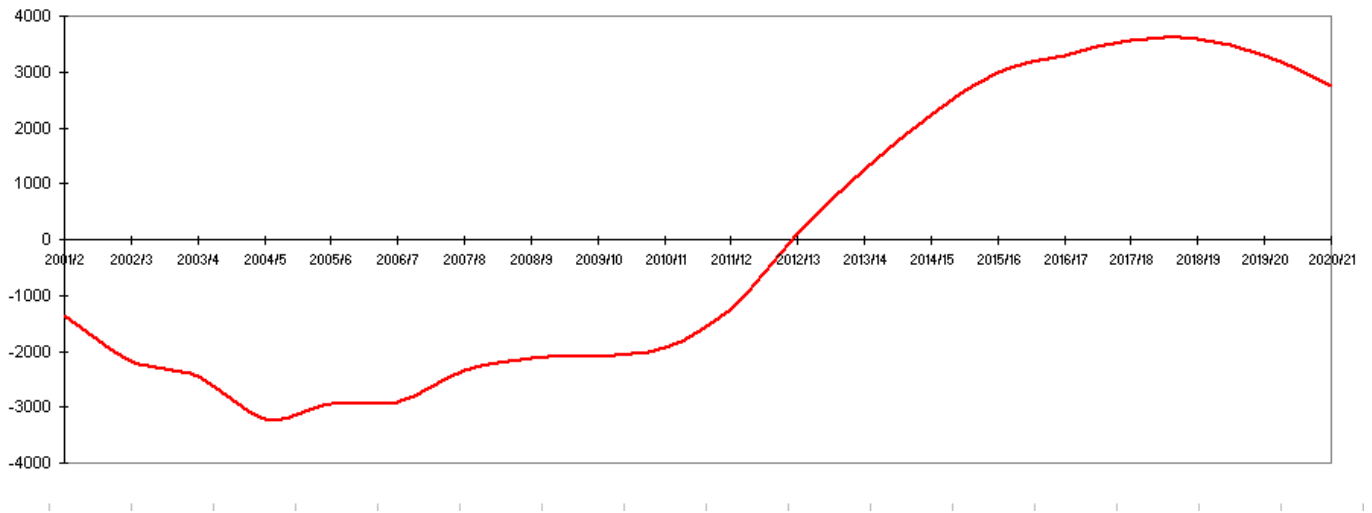
This table shows the realistic target dates for grant of outline planning permissions for the major housing sites 2008-2011. The table shows the dates at which outline planning permissions were considered and the dates at which the final section 106 packages will be agreed for the major growth sites within the current HGF funding period, 2008-2011.

site	outline permissions considered	outline permission granted
<b>Cambridge Southern Fringe</b>		
Trumpington Meadows	June 2008	November 2008
Clay Farm	May 2008	End February 2009
Glebe Farm	October 2008	End February 2009
Bell School	June 2008	End February 2009
<b>Cambridge North West</b>		
NIAB	January 2009	March 2009
<b>Northstowe</b>		
Northstowe	September 2009	September 2009
<b>Market Towns and Other Settlements</b>		
Loves Farm, St Neots	April 2006	
North Bridge, Huntingdon	2009/10	
St Neots eco-quarter	2010/11	

**Planned and Completed Dwellings in Cambridgeshire 2001 to 2021**



**MONITOR - No. dwellings above or below cumulative allocation**



## 6 Structure for delivery

The sheer scale of the challenge we face demands new ways of thinking and working. This requires the public, not-for-profit and private sectors to work together in a co-ordinated way that delivers not just successful development but also resolves and satisfies the often conflicting priorities of quality, economy, sustainability, environment and climate change issues.

To do this, we have put in place a unique partnership to lead the project and secure the right results for the people of Cambridgeshire. It is a partnership that consists of the six councils in Cambridgeshire and Cambridgeshire Horizons. The Cambridgeshire Horizons Founder Members and Board agreed in Summer 2008 to amend the Memorandum and Articles of Association so that Cambridgeshire Horizons covers the whole county rather than Cambridge sub-Region. This change was made partly in response to the publication of the new East of England Plan in May 2008. Cambridgeshire Horizons Board is now also the governance body responsible for delivering the LAA growth targets (NI 154, 155 and 159).

Changes in the structure for delivery needed to support integration with the LAA are being worked up, but the likely way forward is outlined at the end of this section (Future Structure for Delivery).

Following a review by CLG, new political level governance arrangements have been designed to increase the effectiveness of the planning and development control process for the major development sites around Cambridge. The three councils covering this area and the Cambridgeshire Horizons Board have adopted these arrangements (see structure diagram below).

The principal features are:

- A joint committee, the **Joint Strategic Growth Implementation Committee (JSGIC)** to oversee the growth agenda for the major growth sites in the Cambridge and South Cambridgeshire area
- Following approval by CLG, a **Section 29 Committee** for plan making and policy has been agreed to by the local authorities (see structure diagram below).
- Two **Joint Local Authority Development Control Committees**, one for Northstowe comprising South Cambridgeshire District Council and Cambridgeshire County Council and one for Cambridge Urban Fringes comprising South Cambridgeshire District Council, Cambridge City Council, and Cambridgeshire County Council.

The following joint management arrangements at officer level support the political level structure:

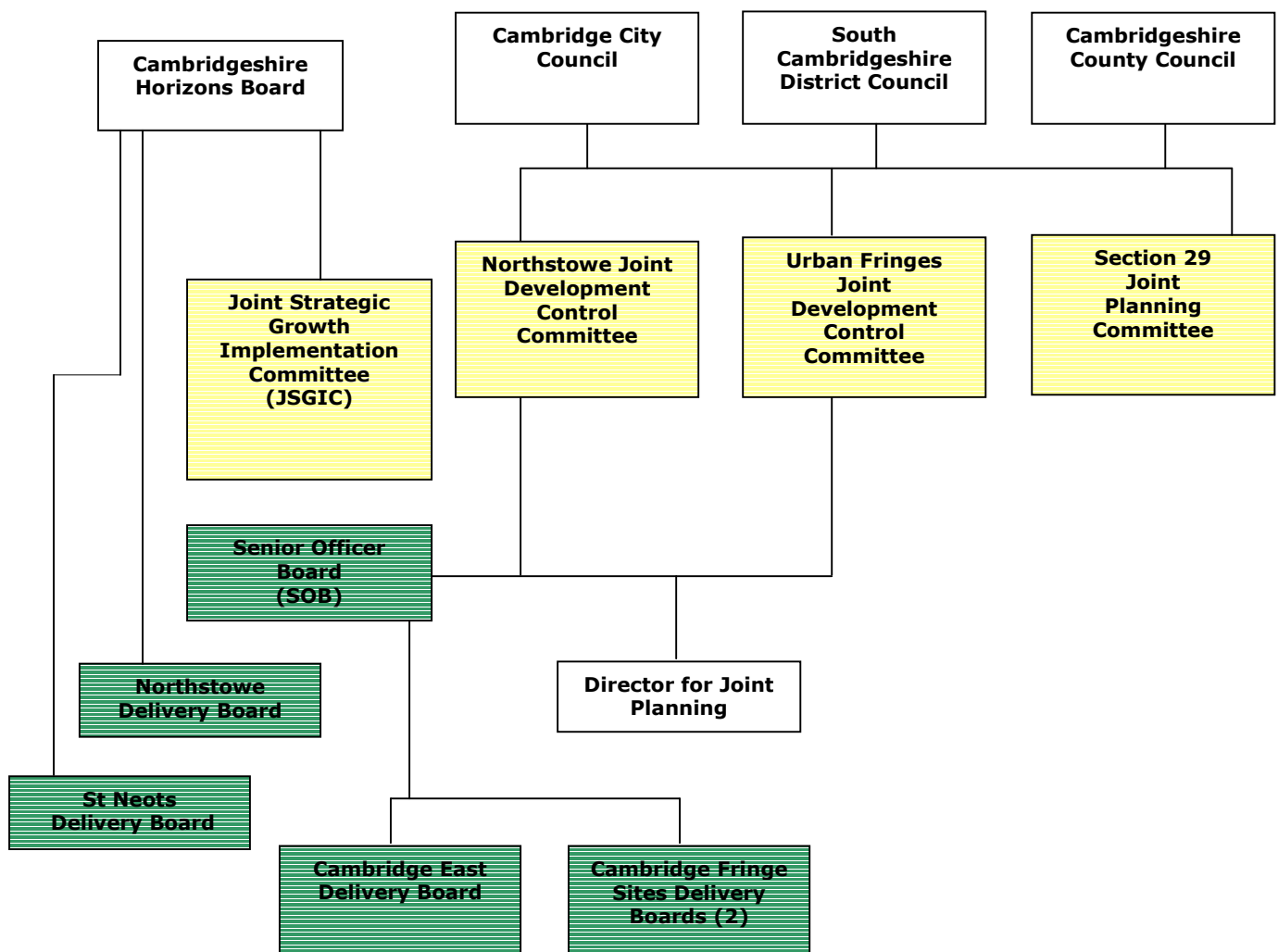
- A **Director of Joint Planning** has been appointed to represent the views of South Cambridgeshire District Council, Cambridge City Council, and Cambridgeshire County Council in determining applications for major growth sites and securing the related section 106 packages
- A **Senior Officer Board**, comprising directors of local authorities and Cambridgeshire Horizons, to oversee delivery of the agenda covered by JSGIC.
- **Delivery Boards** (one each for Northstowe, Cambridge Southern Fringe, North-West Cambridge, Cambridge East and St Neots) to ensure structured

implementation of the new developments; Cambridgeshire NHS has been brought onto the Boards to ensure we deliver places designed with physical activity in mind to address targets set out in the local area agreement “Cambridgeshire Together”

- A **Joint Urban Design Team** has been established between South Cambridgeshire District Council and Cambridge City Council. It is part funded by HGF Revenue.

These arrangements, backed up by strong programme, project and risk management, ensure we have in place a robust partnership approach to delivery, which builds on the successes of the past and ensures that decisions are made in a joined up way wherever possible.

### Structure diagram: Joint Working - Planning and Delivery Framework



Key:  Member Groups       Officer Groups

## The Cambridge Challenge

In January 2007 the Housing Corporation invited submissions from organisations interested in becoming a strategic development partner to deliver affordable housing in Cambridge as part of the Cambridge Challenge programme.

The three sites identified are in areas where there is significant growth and an acute shortage of affordable homes. This new approach aims to maximise the impact of Government funding programmes by securing a partner from site inception to completion, improving the efficiency of housing investment, and enhancing the delivery of affordable homes in a Government priority area. The selection involved a partnership approach from the Housing Corporation which included a panel of key local stakeholders including local councils, land owners, English Partnerships and Cambridgeshire Horizons.

Cambridgeshire Partnerships Ltd (CPL) was selected as the new strategic development partner for the delivery of affordable housing on the three sites:

- Northstowe, a planned new town of 9,500 homes
- the Southern Fringe of Cambridge where 4,000 homes are planned
- the NIAB site in North West Cambridge where 1,400 homes are planned.

CPL was chosen in advance of the 2008-10 bid round (August 2007) and was given a five-year grant funding commitment. This commitment to longer-term grant funding for an affordable housing programme over a number of specified sites marks a departure from previous investment practice. This is a national pilot investment process, which may see up to £60m invested in 3,500 new homes over the next five years. This pilot will test the benefits of identifying a strategic partner for affordable housing provision at the earliest stage in the design and development of new communities.

CPL comprises Bedfordshire Pilgrims Housing Association, Aldwyck Housing Association, King Street Housing Society, The Papworth Trust and Hundred Houses Society. They were selected from a shortlist of bidders, for being best able to contribute to well designed communities with high-quality homes.

CPL's vision is "to build thriving new communities". They have an ambitious vision for the future with three clear objectives to:

- establish new, well-managed, balanced and thriving communities in Cambridgeshire.
- create well-designed, high quality homes, with design features that set standards for the future.
- offer the best value for public investment.

The plan is not simply about providing high quality housing. Success will be measured by our ability to create well thought-out, sustainable communities that address the aspirations of the people who will live there. The partnership will work with existing communities and will engage with people who come to live in the developing communities, making sure we understand their needs, welcome and involve them as they arrive.

## Future Structure for Delivery

The Senior Officer Board (SOB, see structure diagram above) considered options for future joint working across the county in response to the East of England Plan, the county-wide LAA targets, and the extension of Cambridgeshire Horizons' coverage to the whole of the county. The Board concluded that a "wider officer board" (name to be agreed) would be

needed, involving senior officer representation from each Cambridgeshire authority. This officer Board will support the main business of the Cambridgeshire Horizons Board, and oversee the establishment of appropriate market town delivery boards. The Board agreed to the establishment of a St Neots Delivery Board in September 2008.

The SOB agreed, however, that the benefits to the Cambridge fringe sites of continuing to work closely with JSGIC justified retention of a smaller, more focussed officer Board as well.

## 7 Investment Strategy Overview

The Cambridgeshire POD builds on successes achieved so far, sets out a detailed investment plan for the funding period 2009/10 and 2010/11 and looks beyond the current three-year funding period to longer-term investment.

Progress has slowed on a number of sites, as set out earlier, but construction and development activity is continuing. At Cambourne, 2,400 homes have been built in the last five years (from a maximum of 4,250) and at St. Neots, work is under way to deliver a major sustainable extension of the town. Work is also progressing to shape plans for significant growth in Ely, and in the Fenland market towns. Growth in northern Cambridgeshire has consistently exceeded the structure plan and RSS targets.

There has also been substantial investment in infrastructure, including the dualling of part of the A428, Cambridgeshire Guided Busway, Addenbrooke's Access Road, investment in public transport facilities and new buses, and new electricity infrastructure, including additional power lines and a new grid station currently being prepared for commissioning.

However, substantial further investment in infrastructure is required in the short, medium and longer term.

The Long Term Delivery Plan identifies £3.7bn (excluding affordable housing) of infrastructure required for the period 2007 to 2021. Some of this investment is already in the pipeline or being planned (such as the A14 upgrading) but other schemes need to be brought forward and implemented if growth is to be sustained. The funding requirements are based on a partnership between the public and private sector. We have commissioned work to identify alternative funding sources and will continue to explore options. Housing Growth Funds together with other funding, such as mainstream local authority funding and developer contributions to ensure implementation. We are also in the process of upgrading the LTDP, in association with EEDA, so that it can become a full Integrated Development Programme, to help Cambridgeshire play its part in delivering against the regional economic and spatial strategy priorities.

Independent valuations have been carried out on key early development sites and these studies are being used to identify funding gaps, which form the basis of the Cambridgeshire POD bid.

Cambridgeshire County Council put forward the Transport Innovation Fund (TIF) scheme for consultation in October 2007 and the results were formally considered in July 2008. The Council agreed in principle to the establishment of a Transport Commission to consider the merits of TIF and the public response to it and to advise from the point of view of the stakeholders represented, whether and how it should be modified to tackle the growing problems of congestion faced by the Cambridge area. The Council has approved outline terms of reference for the Commission and a detailed timescale is to be considered in the Autumn of 2008.

Our transport strategy has been highly successful in growing public transport and cycling as alternatives to car travel, especially in Cambridge, where park and ride, bus priority measures and cycle facilities have been introduced.

Master planning of several new major sites, such as Northstowe and Cambridge East, is progressing and planning applications are currently being considered for major developments in Northstowe, Cambridge Southern Fringe and North-West Cambridge. Earlier stage work is in train for outlet housing growth – St Neots, Ely, March, Wisbech.

Previous growth area funds have been used to maximum effect in Cambridgeshire, including provision of essential transport infrastructure to unlock developments, the provision of community facilities for new and existing residents and green infrastructure to enhance the environment and improve opportunities for healthy lifestyles. However, the implementation of the major sites requires further Government investment to ensure implementation. Support for the ongoing growth of our market towns is also required to enable them to develop in a sustainable fashion, matching infrastructure and community provision with the scale of housing and economic development.

Cambridgeshire Horizons has appointed consultants to examine implementation options for a **variable rate tariff** or 'roof tax' on development in Cambridgeshire. This option study has now been completed. The Cambridgeshire Horizons Board approved progression of the work to the implementation stage at their June meeting.

The variable tariff work forms an important part of Cambridgeshire Horizons' exploration of innovative methods for funding infrastructure and dealing with the front funding gap. A variable level of tariff contribution across the county is proposed in response to the wide range of land prices, which were identified by earlier work as the key barrier in Cambridgeshire to a flat rate tariff, such as that used in Milton Keynes.

The option study concluded that a system of standard charges for development would offer considerable advantages, including:

- additionality, capturing contributions from smaller developments not currently covered by section 106 agreements
- certainty, both for planners and developers
- clarity and speed, in comparison to individually negotiated section 106 agreements
- equity, as developments will pay a fairer contribution to their infrastructure requirements than is currently the case
- leverage of other funding streams in the longer term, including links to the Regional Infrastructure Fund and potential to borrow against tariff revenues to front-fund infrastructure.

The tariff work will take account of emerging proposals for the Community Infrastructure Levy (CIL). Regulations underpinning CIL are expected to come forward in Spring 2009 at the earliest, giving Cambridgeshire the opportunity to develop an appropriate evidence base and governance arrangements. These will be designed to ensure smooth and swift transition to CIL, when required.

Cambridgeshire Horizons is currently agreeing the next stage of work with consultants, to be completed in January 2009.

EEDA has employed consultants to produce an outline business case for a **Regional Infrastructure Fund**. This will support infrastructure schemes to promote growth in the region. Initial ambitions for the RIF have been revisited in light of discussions with stakeholders and the more difficult financial context. The first phase will be of a similar size to the South West RIF, with the intention to expand it on the economic upswing. This could potentially include the use of tariff revenue to facilitate front-funding major inter-urban schemes. Work with stakeholders to further clarify details of the RIF is ongoing, and Cambridgeshire Horizons is represented on the RIF steering group.

In Cambridgeshire, we have developed a clear strategy and joined up approach to delivery, with close working between the local authorities, Cambridgeshire Horizons,

other key agencies and promoters and developers of new sites. We have worked closely with Government and wish to build on this partnership through the HGF programme. We welcome the extension of the programme to 2010/11 and the freedoms and flexibilities which are to be introduced to allow funds to be targeted where they can have maximum impact on delivering sustainable new communities.

This POD comprises four key areas for capital investment in the remaining two years of the current HGF Programme:

- Northstowe £14.265m
- Cambridge Fringe Sites £6.000m
- Market Towns and other major settlements £16.554m
- Strategic £7.939m

In addition, the strategy includes a bid for £37m identified as a flexible **Rolling Fund** to be invested on major sites in 2008/09 and 2009/10 to ensure early implementation of infrastructure. Expenditure from this fund could be recovered from developers when capital receipts are available and reinvested in future sites, but it is considered likely that any such receipts will be later than originally planned due to the downturn in the housing market. We therefore consider that further tranches of Rolling Fund will be needed in the years immediately following the current HGF Programme (i.e., after 2011) to enable continued investment in pump priming of development.

We have also identified £2.4m of **revenue funding** required over the next two years to supplement the allocation of revenue funding already confirmed. This funding is needed to fund key studies to bring forward major developments and infrastructure. This level of revenue funding is needed in Cambridgeshire to enable the partners to deliver the growth agenda. Further detail is set out in section 7.5.

## The Long Term Delivery Plan

The Cambridge Sub Region Long Term Delivery Plan was prepared by Deloitte on behalf of the local partners. The plan identifies total expenditure of £3.7bn to 2021. It includes estimates of committed and anticipated expenditure, with a minimum funding gap of £763m. 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 £903m, whilst a more realistic 25% shortfall would increase the gap to £1.113bn.

The report identifies the significant progress that 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
- additional requirements engendered by the need to significantly reduce CO<sub>2</sub> emissions.

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 section 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 section 106 agreements, including dissemination of best practice, cross boundary apportionment issues, pooling of section 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 £1.25bn and £1.98bn.

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.

The Long Term Delivery Plan identifies several priorities for expenditure for the period 2007 to 2031. These are:

- Very significant investment in transport infrastructure, including highways, public transport and other sustainable transport infrastructure, notably major schemes such as the A14 and A428, alongside a programme of transport works valued at circa £550m under the TIF bid (currently being re-examined);
- Major investment in health facilities, identified to support development at Addenbrooke's and Hinchingbrooke Hospitals funded through Private Finance Initiatives plus small scale additional health requirements relating to individual developments.
- Additional infrastructure costs of circa £670m to deliver education, community facilities, and open space, recreation and quality of life initiatives.

- Investment in utilities (water, electricity, gas, communications), including major site specific works.

As mentioned earlier, the LTDP is being updated to address the challenges of the low-carbon agenda, and so that it can develop into an Integrated Development Programme.

## The Rolling Fund

Given the overall scale of our programme of development and the risk carried by developers, it is almost inevitable that traditional developer contributions via section 106 will generally arrive after the point when major infrastructure commitment needs to be made. Current efforts to raise private finance on acceptable terms indicate the need for continuing public sector financial involvement – either through direct investment or underwriting of risk.

Provision of this infrastructure at the earliest possible stage both reduces developers' risk and enhances the attractiveness of substantial private sector investment. While it may be necessary for the public sector to “pump prime” infrastructure investment, the opportunity should be taken to maximise that early investment. The most appropriate way is by creating a rolling fund, used to invest in key infrastructure delivery and be repaid from section 106 contributions at times to be agreed in negotiation with the relevant developers.

In this way, using HGF to kick-start to infrastructure delivery, we can obtain real value for money with the fund being replenished.

The Year 1 allocation of Rolling Fund has all been invested in the Addenbrooke's Access Road, a scheme that is opening up development land for over new 4,000 homes in the south of Cambridge. Rolling Fund has been more than matched by County Council prudential borrowing to enable a timely start on the scheme and completion is anticipated in September 2009. The cost of the road is being secured in section 106 agreements with developers of land in the Southern Fringe and Addenbrooke's Hospital Site. Progress with these sites is reported in Section 8 but, in summary, the current rolling fund is likely to be committed for some time pending the sales of the new homes that will enable the developers and housebuilders to repay.

In the meantime, Cambridgeshire is keen to roll out the advantages of the Rolling Fund to other major growth sites to enable further starts on infrastructure that will pave the way for earlier delivery. Further investment is needed for the Southern Fringe, but schemes are also identified for North-West Cambridge and for Northstowe (see Section 8 for details), and may be applicable for other market town growth as these plans mature.

## 7.1 Strategic Projects

This section brings together projects that have Sub-Regional significance and include

- Green Infrastructure
- Sub-Regional Sport Facilities
- Transport

It is the intention of this bid submission to ensure that the programme of development is focussed on delivering a low carbon future. This means coordinating infrastructure, housing and lifestyles within a framework of reducing emissions.

## Maintaining and enhancing quality of life in the growth area

Cambridgeshire Horizons as part of its Quality of Life Programme researched and delivered a good practice guide, *Balanced and Mixed Communities*. This guide has informed the development of the Quality of Life Programme and describes some key lessons including:

- clarity is needed on the potential role of the new communities and whether they will all perform similar functions within the Cambridge housing market. This clarity should inform the 'vision' for each new settlement<sup>7</sup>
- new communities cannot be considered in isolation, measures to enhance and engage existing communities also need to be planned and shared
- identity of a community is strengthened if it includes a 'drawcard attraction' to which other people would travel (e.g. swimming pool, art gallery etc)
- consideration should be given to the use of design codes and charters to build common understanding about the vision for emerging communities
- green infrastructure should be planned at the sub-Regional scale.

As a result, the Quality of Life Programme commissioned three Sub-Regional strategies. These include green infrastructure, major sports, arts and culture facilities. These strategies have set out long term visions that provide for new facilities to support a growing and changing population.

<sup>7</sup> *Balanced and Mixed Communities*, Cambridgeshire Horizons

## Green Infrastructure

The green infrastructure projects that are included in the POD for medium-term HGF funding were also discussed and ratified by the Green Infrastructure Forum, a partnership of statutory and non-statutory bodies who are delivering green infrastructure projects in the Growth Area and who provide a means for local involvement and representation in the delivery of the Strategy.

### The Cambridge Green Necklace Project (28)

The Green Necklace intends to create a landmark project that delivers key elements of green infrastructure ahead of housing growth, helping to create more sustainable new communities, as identified in the Green Infrastructure Strategy for the Cambridge Sub-region.

Key objectives include; linking existing and planned developments to the countryside and wider network of green infrastructure sites and corridors, increasing opportunities for informal exercise, recreation and enjoyment which will contribute to a high quality of life for new and existing residents of the Growth Area, creating new accessible green space and habitat improvements to provide biodiversity corridors alongside access provision.

The funding will bring forward the delivery of newly accessible and restored green infrastructure and green corridors ahead of housing growth around Cambridge. This project enables the delivery of key elements of the Green Infrastructure Strategy for the Cambridge Sub-region. Specifically the project will enable:

- The identification of gaps in the Rights of Way network, development of new routes for non-motorised users, and enhancement of existing routes, to deliver a strategic green corridor that will connect developments in Cambridge to the wider network of green infrastructure sites and corridors around the Sub-Region.
- Enhancement of the existing green corridor of the River Cam and its tributaries, ensuring the river becomes a focal point for biodiversity and access.
- The delivery of a key sustainable access link from Cambridge Southern Fringe to Wimpole Hall (a significant green hub) and the surrounding countryside.
- The provision of a sustainable access route from Cambridge and the Cambridge East urban extension to Bottisham Fen, contributing to the delivery of the Wicken Fen Vision.
- The acquisition and enhancement of a significant area of new accessible greenspace, and provide sustainable access to this and adjacent major green infrastructure sites from Cambridge Southern Fringe at Wandlebury and the Gog Magog Hills.
- The provision of an important educational, interpretative and community 'hub' at Coton Countryside Reserve ahead of significant housing growth around Cambridge and in particular at Cambridge NW.

## Other strategic green infrastructure projects

Not all green infrastructure projects are included in the Cambridge Green Necklace. For example, there are projects that relate directly to the new settlement of Northstowe, or those that are closely linked to growth in the market towns within the Growth Area. There are other projects that serve a more strategic role in the Growth Area, although they are still associated with specific areas of housing development. These projects fall under this strategic sector.

**Peterborough & Yaxley to Great Fen (29)** : Sustainable transport links. The project will create links between the housing growth located in south Peterborough and north Huntingdonshire and the Great Fen Project. The Great Fen project is delivering 3700ha of publicly accessible green infrastructure within 2km of the new housing areas and is also accessible to housing growth within the wider Growth Area. Sustainable access from the Great Fen north towards Peterborough is currently poor. The project is identified in both the Green Infrastructure Strategy for the Cambridge Sub-Region and the Peterborough Natural Networks (green infrastructure) Strategy as an important Green Corridor (number 13). The key objective of the project will be to create a pedestrian/cycle link between Peterborough and Yaxley to the Great Fen (with a possible bridleway route for equestrian use) and will include links to the proposed Yaxley Park and Ride site.

**Green Infrastructure Development Project (28)** . : The capital funding identified for this project in the original POD has now been transferred to revenue. Consequently, it does not appear in the table of POD projects in Appendix 1.

## Transport

The programme includes two major strategic transport projects that are essential to ensure sustainable transport solutions are delivered in support of growth:

**Cambridge Gateway (34):** Re-development of the Cambridge Station Area will bring together sustainable modes of transport (trains, guided bus, conventional buses, cycling and walking) to provide a really high quality 'Gateway to the City'. It will maximise the benefits for the Sub-Region in terms of minimising car use, improving accessibility and providing the capacity required to support significant housing growth. The scheme has been shortlisted as a candidate for £3.0m of joint DfT/CLG Community Infrastructure Funding and a full business case is currently being prepared. We have consequently, and on the assumption that the CIF bid is confirmed, reduced the HGF bid within the 2009-11 timescale from £4.5m to £1.5m.

**Support for green travel initiatives (35):** Cambridge, as a Sub-Regional provider of facilities and jobs is proposing the delivery of sustainable transport infrastructure such as new cycleways and cycle parks, footpaths and information points, bus shelters, seating and real time information. It also includes subsidies for public transport and car sharing schemes to get them 'used and running' before car usage becomes the norm for residents moving into our new communities.

## 7.2 Northstowe: Prototype Eco-Town

Northstowe will be a community of at least 9,500 dwellings, housing nearly 25,000 people. This new town aims to be an exemplar of sustainability in five key areas:

- Renewable energy generation and distribution
- Sustainable transport
- Water Resource Management
- Governance of local assets
- Information technology

Northstowe is critical to developing sustainable solutions to the challenge of a growing population within a resource-limited world and is of national, regional and local significance in developing new and innovative solutions.

The new town lies entirely in South Cambridgeshire, north west of Cambridge city, between the villages of Oakington and Longstanton. The site will be served by the Cambridgeshire Guided Busway, currently under construction. The vision set out in the Area Action Plan is shared between public and private partners. The developers (Gallagher Estates and English Partnerships) have both publicly stated that Northstowe will be:

“a model for sustainable living, protecting and enhancing the natural and built environment, having a low ecological footprint, high quality open space and a built environment with sustainable energy production and usage to achieve reductions in emissions”

English Partnerships East of England Brochure June 2007

“...an exemplar of sustainability in the use of renewable energy sources”

Gallagher Estates June 2007

## The Challenge

Within the field of new and growing communities in the East of England, Northstowe stands out as a completely new town, unable to draw upon the existing community facilities available to urban extensions. The community will be almost entirely new, and will not benefit from established support networks. Northstowe provides an opportunity to pioneer

new ways of living and of building communities that are truly sustainable. The Prime Minister announced in the eco-town prospectus that Northstowe should act as an exemplar and test-bed for the building of proposed eco-towns. For Northstowe to fulfill this role, significant investment is required to overcome remaining barriers to its delivery and deliver sustainable benefits over and above those identified in current policy. We are also trying to deliver this exemplar scheme in the most challenging economic climate we have seen for many years.

As the joint promoters of Northstowe, Gallagher (Longstanton) Limited and English Partnerships will be responsible for its development. They will act as master developers and build the main roads and other infrastructure in accordance with an approved master plan. They will market serviced land to individual housing and commercial developers that will build out their own schemes at rates that will meet the targets set out in the adopted Area Action Plan.

The joint promoters are working closely with Cambridgeshire Horizons and the local authorities to ensure that this programme is delivered on time. A Delivery Plan has been drawn up and agreed by the public agencies in liaison with the promoters. The joint promoters submitted an outline planning application in December 2007, and the planning authorities responded in detail in a letter to the joint promoters in June 2008. As a consequence, the joint promoters propose to submit a revised application early 2009 and it is currently anticipated that the Northstowe Joint Development Control Committee will consider it in September 2009. The draft section 106 agreement is being worked up in parallel with the application.

Once resolutions to permit are in place, the section 106 agreement has to be formally completed. The joint promoters aim to commence work on the roads and infrastructure in late 2009, bringing forward the first new homes in 2011.

As part of the response to the original outline application, the local authorities have requested a re-phrasing of the scheme to enable an earlier start on the civic centre of the new town (rather than the developers' own proposals to commence on the Northern Gateway and at the south of the site). This is in line with CABE's suggestions. The joint promoters have advised that this change would bring forward the need for £12m of upfront infrastructure costs and have opened discussions with Cambridgeshire Horizons on possible use of Rolling Fund. They have agreed that, should rolling fund be made available, costs would be recovered from the joint promoters once development is under way and a positive cash flow is established. This POD includes a bid for £12m Rolling Fund for this aspect of the development.

A further bid is included in the refreshed POD for £10m to contribute to transport and other early infrastructure that will enable this development to commence. The key infrastructure requirements would conventionally be funded by the promoters as normal developer costs. However, up-front infrastructure of the scale required is impossible to fund fully ahead of securing capital receipts from the site. For this reason, it is proposed that they be included as part of the rolling fund, under which other key requirements can be seen as abnormal developer costs and would therefore normally qualify for grant funding. These will include projects to remediate the site itself (much of Northstowe is brownfield land)

The POD programme includes funds to continue the Northstowe Renewable Energy Project, which is looking to provide on-site renewable energy from the outset of the development to secure affordable heat and power and to reduce carbon emissions. This scheme is essential to demonstrate that Northstowe is an "exemplar eco-town".

The joint promoters, Cambridgeshire Horizons, the local authorities and statutory agencies agree that the development programme for Northstowe is extremely demanding. It is

achievable, but requires up-front investment to ensure that barriers to development, especially early infrastructure funding, are removed within the next two years.

Northstowe is one of the Cambridge Challenge sites, which means that Cambridgeshire Partnerships Limited, as our strategic partner, will engage with partners, stakeholders and residents to help deliver homes and communities, and to secure funding and meet the standards required for affordable housing.

The following provides a brief illustration of the Northstowe projects within the HGF programme which, if implemented over the next three years, will remove major risks to the housing programme and enable current targets to be achieved.

## Key projects

**Northstowe Rephrasing Costs (47).** The current planning application for Northstowe envisages two separate communities being developed in the early phases, at opposite ends of the development site. The view of the local authorities, and CABE, is that a rephrasing of Northstowe is essential to create a cohesive community during the early years, essentially bringing the early development sites closer together. Rephrasing would also allow the early re-use of existing buildings for community benefit and integrate existing attractive landscape features within the development. The joint promoters have advised that this would add £12m to upfront costs (whilst not increasing the cost of the project overall), which they cannot find from within their existing resource envelopes. Without this change being made, it seems likely that Northstowe would be stalled. We are therefore urgently requesting £12m of Rolling Fund to enable this rephrasing to happen.

**Provision of transport measures to enable early implementation of Northstowe (48).** Provision of road transport access to Northstowe is an essential project that will enable an early start on site prior to completion of the A14 upgrading scheme. New road links have been identified in the master plan and planning applications have been previously submitted. Cambridgeshire Horizons, the local authorities, promoters and Highways Agency have signed a Memorandum of Understanding that sets out our joint commitment to identify and implement these measures. We are now in the process of finalising the plans and, with appropriate funding, will be able to implement the schemes as soon as permission is granted for the Northstowe proposal. This scheme is identified as a £10m Rolling Fund project to be repaid by developer contributions.

**Northstowe early green infrastructure including community sports facility (10)** – the intention is to establish the provision of a Community Sports Facility for the early residents of Northstowe, in Phase 1. As establishing grass pitches takes at least two years, this project will bring forward the first usable green spaces. This also enables early green separation between the site and the existing villages of Longstanton and Oakington, which is important to the existing communities. The project includes delivery of the first formal sport and recreation facilities. Learning from Cambourne, we are aware of the importance local people give to public open space and of the high participation and sports team generation rates from the first year of house building. At Cambourne, residents had to wait for pitches and sports areas to be established, whereas at Northstowe we want to apply these lessons and build a vibrant and healthy community, where local people are able to form new sports clubs and “help themselves” from the start, participating in recreation and sport. Without HGF funds, delivery of essential community facilities may be seriously delayed and not available for the early years of Northstowe, and if the country park was not deliverable, there would be a high number of homes expected with small or no gardens.

**Northstowe countryside access (11)** - To build on the GAF 2 ‘Northstowe Area Footpath and Cycleway Network Project’ outcomes to better deliver countryside access

improvements to benefit sustainable transport, safe healthy exercise and biodiversity. The funding will bring forward necessary improvements to countryside access networks around Northstowe.

Significant improvements are already being delivered by the GAF 2 Northstowe Area Footpath and Cycleway Network Project, but this has necessarily been limited by delays in the planning process for Northstowe and also in the Highways Agency A14 improvements, with consequent uncertainty in the location of development and supporting infrastructure. Though some further countryside access improvements have been written into the section 106 heads of terms, funding delays risk losing momentum from the current programme.

**RSPB Fen Drayton Lakes (9)** - The project will continue to manage and develop Fen Drayton Lakes to attract and provide a high quality visiting experience for residents of the Growth Area. In particular the project will allow Fen Drayton to become well established and developed ahead of housing growth at Northstowe. Fen Drayton Lakes has been identified as a key green infrastructure site for use by the residents of the new settlement of Northstowe, including during the Northstowe AAP Examination in Public and subsequent Inspector's report. In developing the site between 2008-11 the funding will ensure that residents can immediately use Fen Drayton Lakes for recreation, enjoyment and exercise. This will allow an increased focus on housing and other forms of supporting infrastructure. Fen Drayton Lakes is within 5 miles of Northstowe and will be easily accessible by sustainable modes of transport through the Cambridgeshire Guided Busway (request stop at Fen Drayton Lakes and the parallel bridleway).

**Cycle routes around Northstowe (12):** four priority cycle routes support Northstowe, as below:

**Northstowe – Rampton – Cottenham – Histon:** Starting from the crossing of the CGB at Northstowe, the route follows the bridleway into Rampton, hardened to give a proper cycle-friendly surface. The scheme would include for widening and improving an existing shared-use path between Rampton and Cottenham. Leaving Cottenham, the route to Histon relies on widening and improving the existing path, unfortunately the location of a recent cycling fatality. The scheme would yield a path of 2 to 2.5m width, safely linking local communities and connection to Northstowe.

**Over – Willingham:** A two metre wide, off-carriageway, shared use path is needed between the villages of Willingham and Over to directly link communities. It will make the superior facilities of Northstowe accessible for those travelling by sustainable means from these villages. The path will offer enhanced natural surveillance, security and LED lighting, which is important for many users, especially children, during the winter months and at night time.

**Swavesey – Buckingway Business Park – A14 services:** Proposed shared use cycle and pedestrian path on the east side of the road between Swavesey and the A14, linking Northstowe and Swavesey with a local employment area. Currently there is no provision of any kind. Again, this will be 2 to 2.5m wide and lit with LED studs.

**Fen Drayton – CGB – Northstowe:** Proposed improvements to the former quarry road, giving a quality cycle link between the village of Fen Drayton, the CGB maintenance track and thence Northstowe. The link would also have merit for those seeking to reach Swavesey Village College.

**The hard surfacing of the CGB maintenance track (5)** in 2008 to enable cyclists to commute to Cambridge and other neighbouring employment centres will provide an immediate alternative to the private car and thus help meet sustainability objectives through changing modes of transport and will produce wider community health benefits. This will

help housing developers offer more choice to prospective residents, many of whom will not wish to use cars or cycles on the A14 trunk road or local roads. Can be comfortably delivered within the programme.

**Developing and implementing Renewable Energy (1)** for Northstowe that delivers a low carbon future and demonstrates the shift from code level 3 and 4 to the higher code level of 6 as proposed in the Code for Sustainable Homes.. This project will set up a Special Purpose vehicle (SPV) that manages all the early risks (including energy supply chain and planning) and develops a finance model to bring forward a large scale renewable energy plant e.g. Biomass Combined Heat and Power and/or other site based renewable technologies. Securing land and contributions to early infrastructure for district heating (as promoted at code level 4) will form part of the discussions along with the provision of public benefit from our investments in managing the early risks. One measure of success for this project will be establishing the community facilities and schools as key anchor loads for the power and heat services.

**Delivery of the first primary school, health and other community facilities (3)** are critical, and must be in place when the first residents of Northstowe arrive in January 2010. This will help build the new community from the start and will avoid the need for expensive and disruptive interim provision either in Northstowe or the neighbouring villages. At least 2 years must be allowed for carrying out feasibility studies and consultation with prospective promoters and for the essential planning, design, procurement, construction and commissioning. This process must therefore commence in January 2008 at the latest. This will be before the granting of the outline planning permission and subsequent reserved matters applications and therefore the promoters and local authorities will need to undertake this work at their own risk. The promoters will also be expected to meet the staged costs of building these facilities in advance of generating a positive cash flow from the sale of their land. Advanced funding of 50% of the costs of these facilities through the HGF is therefore proposed.

**Establishing a Community Trust for Northstowe (4)** and the surrounding area to develop community engagement and involvement with existing communities, within and around the site, and to bring added value to the governance structures and the RSL. The Trust will play a significant role in ensuring community ownership of assets and open spaces and provide opportunities for social enterprise, entrepreneurialism and income generation, all key to the success and financial sustainability of the new community. The Trust will be key to positive place-making and developing a positive image for Northstowe from the earliest possible stage; this includes a leading role in the promotion of sustainable lifestyles. The Trust will ensure long term management and maintenance of public realm and community infrastructure, including some public buildings, in the public interest. The joint promoters will need to know an efficient organisation is set up early so that the various liabilities can be transferred with confidence that the quality and integrity of the public domain will be maintained. Without this, the promoters and developers will be constrained in marketing and disposing of housing land.

**Communications infrastructure (7):** The development of a model for a communications infrastructure for Northstowe is required in order to facilitate three interlinked objectives: support development of Northstowe as an environmentally and economically sustainable settlement; promote and enhance community cohesion by providing access to relevant technology to promote community involvement; and ensuring the desirability of Northstowe homes. Installation of communications infrastructure to the site, enabling Northstowe to be at the vanguard of information technology. .

**Reuse of existing MOD facilities (2)** – To make improvements to the existing buildings within the site for sport, recreation and space to develop small business, social enterprise

and creative industry. May also deliver early sports and recreation space meeting the needs of new residents, attracting creative and entrepreneurial people to Northstowe, as well as benefiting residents of existing neighbouring communities. Delivery is subject to further information being provided on the suitability of the site and the value for money of expenditure in this direction by the site promoters. The location of existing buildings may make them unsuitable for early residents but we would like to ensure that any opportunity is properly explored.

In addition to the above, we are also pursuing work to develop an **Arts Centre** which would require a feasibility study and research into the provision of the arts centre in the heart of Northstowe, as identified in the Sub Regional Arts and Cultural Strategy. Feasibility work is required to ensure the facility meets the needs of the new community whilst complimenting existing arts facilities in the surrounding area. A strong partnership is already in place and planning for this facility including the Arts Council. Other potential partners include the voluntary sector. We are also looking to develop work towards a **Civic Hub**, which would again require a feasibility and business case. A key building designed to provide major health and community facilities including library, police, town council, town centre management and advice services as appropriate. This project is currently going through a CABE Enabling Process to help develop a design brief. This building will contribute significantly to Northstowe's identity and will provide an important community and cultural focal point in the heart of the town centre.

## 7.3 Cambridge Fringe Sites

Investment in high quality facilities for the community will enable the delivery of urban extensions totaling 7,000 new homes, including 2,800 affordable units, within the Cambridge City fringes. Around 4,000 homes will be delivered in the Cambridge Southern Fringe and at least 3,000 in North West Cambridge.

Two of the sites, Trumpington Meadows in the south and NIAB in the North West, span the boundary between Cambridge City and South Cambridgeshire District Councils. Applications for both sites will be determined through the Joint Development Control Committee, which comprises councillors from both authorities and Cambridgeshire County Council.

Major development sites within the eastern fringe of Cambridge are also due to come forward for development in the next few years. These will deliver a further 10,000 to 12,000 new homes and will require funding in the next HGF round.

It is important to note that a significant proportion of infrastructure costs are being met by private sector contributions. Other key projects such as the Cambridgeshire Guided Busway (CGB), Addenbrooke's Access Road, and the Cambridge Challenge will all play vital parts in the delivery of these developments. The LTDP gives an estimate of their costs in the long term.

## Cambridge Southern Fringe

The Cambridge Southern Fringe comprises five major development sites covering just under 120 hectares. Four of these (Clay Farm, Trumpington Meadows, Bell School and Glebe Farm) will deliver significant volumes of new housing, while the fifth delivers a major extension to Addenbrooke's hospital, including new clinical facilities and a biomedical research park. The site location on the urban fringe, land previously included in the green belt and linked to green corridors into the city, provides opportunities for improved access to countryside and biodiversity enhancement.

The development control process is well advanced; resolutions to approve, subject to the completion of section 106 agreements, have been made on outline applications for Trumpington Meadows, Clay Farm and Bell School. The Trumpington Meadows section 106 agreement is scheduled for completion by the end of 2008. The timelines for signing the Clay Farm and Bell School section 106 agreements are currently under review, with both likely to be complete by the end of February 2009, although developers have recently contacted us to outline their concerns about their ability to meet previously indicated levels of developer contributions, owing to the tighter market circumstances they now face. The outline planning application for Glebe Farm is to be considered by Joint Development Control Committee on the 2<sup>nd</sup> October 2008.

Costs for many of the infrastructure requirements have been apportioned across the Southern Fringe sites. For example, a new secondary school is required that will serve three of the sites, requiring costs to be shared in accordance with the number of pupils each will generate.

The package of section 106 contributions to infrastructure requirements for the Southern Fringe amounts to over £100m in total. In order to deliver a balanced community, 40% of the housing is to be affordable with 75% of that socially rented. Provision of high-quality infrastructure is vital to ensure sustainable and cohesive new communities that integrate with the existing city. Certain critical elements of infrastructure must be provided at an early stage of the development, in order to be available to the first residents as they move in.

In summary, the infrastructure requiring contributions through section 106 includes:

- **Schools:** New Secondary and Primary Schools;
- **Transport:** New access roads and off-site improvements together with major public transport investment to promote sustainable travel;
- **Waste:** Waste and recycling facilities;
- **Community Facilities:** Two community centres, including a major co-located community hub with health facilities, a library and space for young people's use;
- **Sports Facilities:** Sports pitches including a floodlit Synthetic Turf Pitch and multi-use games area, an indoor sports hall and changing facilities;
- **Open Space:** A new Country Park, major green corridor, pocket parks and play areas.

## Viability

Cambridgeshire Horizons engaged the consultant King Sturge to model the viability of each site on the Southern Fringe, based upon the total section 106 package required. This included 40% affordable housing, 75% of this to be social rented, a policy which is supported by the sub-Region's Strategic Housing Market Assessment.

The modelling outputs were used to evaluate the viability gap on the Clay Farm and Trumpington Meadows sites. Adjustments were made to the funding streams and timing of triggers for S106 contributions, to enable S106 negotiations to be successful. This approach uses alternate means of funding to allow delivery of 40% affordable housing at the required tenure mix, despite viability concerns.

Agreement in principle has been reached between the developers of Trumpington Meadows, Grosvenor/USS, and Cambridgeshire Partnerships Limited for the affordable housing infrastructure contribution to be paid in full upon commencement of development. Negotiations continue with the Housing Corporation to seek methods of replicating this model on other sites, although it is recognised that this may be impacted by the formation of the new Homes and Communities Agency.

## Funding Required

Housing Growth Funding is required to support the timely delivery of vital infrastructure elements and affordable housing, enabling the developments to proceed.

Although over £30m has been committed locally to infrastructure in the Southern Fringe, including Addenbrooke's Access Road and CGB, the viability modeling carried out by King Sturge shows an additional funding gap. We estimate that a further £10m tranche of Rolling Fund (project 49) and additional £2m HGF grant (project 13) will be required to proceed with delivery of the 4,000 new homes on the Southern Fringe.

Much of the infrastructure, notably transport and community facilities, will be required early on in the development, before any housing is sold. To support this front-loading, we ask that funding is phased as shown in the following table.

The Rolling Fund already supports southern Fringe development: the previously allocated sum has been used in full to deliver Phase 2 of the Addenbrooke's Access Road. This will complete access to the hospital site and open up the four residential sites within the Southern Fringe.

Rolling fund and grants have been deployed so far to fill viability gaps and allow favourable determination of outline planning applications whilst still delivering 40% affordable housing and Code for Sustainable Homes levels 3/4 early triggers. This level of success can only be replicated on other sites with similar levels of funding support.

## North West Cambridge

North West Cambridge comprises two major development areas, the NIAB site providing 1,780 homes (40% affordable) and the University site. The number of homes proposed for the University land is currently 2,500, but is being reviewed as part of the AAP process. It is anticipated that 50% of dwellings will be affordable housing for University key workers.

The draft Area Action Plan for the University land is currently being considered by the Secretary of State and adoption is expected in Spring 2009. Once adopted, it will clarify

community facilities and schools requirements. A planning application for the site is expected in 2010.

An outline application for development of the frontage of the NIAB site, delivering 187 new homes and a new corporate headquarters for NIAB, was approved in May 2008. Start on site is expected in Spring 2009.

The outline application for the bulk of the NIAB site (1593 homes) was received on 19<sup>th</sup> December 2006, but remains to be determined as a result of negotiations on the requirements across the sector for community facilities and schools. South Cambridgeshire District Council is also considering options for allocating further sites to make up a shortfall in LDF housing allocations. Allocation of the adjoining site for housing will have implications for the planning and delivery of the whole sector, requiring careful S106 negotiation. The current NIAB application is on track to be determined in January 2009, and a decision on the adjoining site will be taken in Spring 2009.

Although no detailed work has been undertaken to identify or evaluate a viability gap on the whole North-West sector development, the NIAB applicants are currently undertaking such work specific to their site. Further discussions will be required once this work is finished at the end of October 2008. Early indications are that use of Rolling Fund would speed up delivery with front-funding, enabling, for example, access off Huntingdon Road to be constructed for both NIAB and University land, rather than having two separate disruptive road works schemes. HGF front-funding for the co-located community health and library facility could have a significantly positive effect on delivery in North West Cambridge within the current budget period. £5m Rolling Fund (project 48) is needed to ensure early delivery of community and schools facilities. In addition, £4m of HGF grant (project 14) is required for road access over the two year period.

## 7.4 Market Towns and Other Major Settlements

Market Towns and other major settlements in Cambridgeshire have the environmental capacity to deliver additional housing and related developments, with appropriate funding support.

These settlements fulfill both historic and newly-emerging roles as local service centres and are now acting as established focal points to support a significant proportion of the new housing and employment growth planned for Cambridgeshire. Regional and local policies promote major housing development in sustainable locations, creating a balance between homes and jobs.

While policy focuses on delivering much of the planned housing growth in and around Cambridge, the Market Towns and other major settlements retain the potential to deliver targeted amounts of new housing and other related developments in highly sustainable ways. Proposals are already being developed for an eco-quarter extension to St Neots (Huntingdonshire) that will provide 2,745 new homes in excess of the current RSS. Meanwhile, a master plan is being drawn up for major sustainable growth of Ely, which could provide housing above current district allocations. Fenland District Council has commenced work on the strategy Shaping Fenland that will determine the approach to sustainable development of the District. We are bidding for funding to realise these aspirations.

These settlements face significant challenges in delivering housing growth, the outer Cambridgeshire districts still having to deliver some additional 25,000 dwellings up to 2021.

This scale of development needs to be carefully promoted to ensure it integrates new growth successfully while safeguarding the character, setting and environmental qualities of those communities.

The Market Towns and other major settlements also need to address their existing problems such as under-performing town centres and the lack of appropriate social facilities and related infrastructure. To become more sustainable, they need to develop their physical, economic, social and green infrastructure so they can address and accommodate growth.

The Market Towns and other major settlements can build on an impressive track record of delivering sustainable growth; they can deliver by reusing previously developed land and developing appropriate windfall sites. Early delivery on these smaller sites can happen more quickly than some of the larger urban extensions and new settlement proposals - which may need longer lead-in times and have more environmental issues to overcome.

The planned early delivery of sustainable growth opportunities within these settlements is crucial to the overall strategy to deliver growth across Cambridgeshire. This represents good financial sense because the funding allows communities to build upon the 'positives' that already exist and to address established concerns, to develop into more cohesive communities by integrating new growth into established communities.

The commitment to deliver on previously-developed land can result in extra costs because of the nature of such sites, so funding can bring forward their delivery and ensure any unusual development costs are offset. This means that the affordable housing, which is so urgently required within Cambridgeshire, and all the other social and community infrastructure essential to the successful integration of these new developments into established communities can be effectively delivered.

The bids related to the Market Towns and other major settlements focus on enabling delivery on significant previously-developed sites. The key projects aim to enhance essential community infrastructure and build greater community understanding of sustainable development issues, so these communities can more readily accept and accommodate new housing and other developments.

## Key projects

More detail is provided in section 8, however the following outlines some of our high priority projects.

**West of town centre link road, Huntingdon (15):** To bring forward the development of large scale urban brownfield development opportunity. Enables the Huntingdon area to support housing growth beyond its existing commitments, enhances the vitality and viability of Huntingdon town centre, increases the supply of affordable housing beyond existing identified sites. The site can sustain a mixed-use scheme including up to 400 homes, however viability including 40% affordable housing is in serious doubt given costs of decontamination and infrastructure. Funding would facilitate access to this regeneration opportunity, offsetting its extraordinary costs and enabling the provision of affordable housing.

**Exemplar Eco-affordable homes in Mayfield Road, Huntingdon (16):** This scheme will demonstrate that highly sustainable, affordable homes can be delivered. The funding will enable development of a council-owned site to provide 30 affordable home, some rented and some low cost home ownership. The council will provide the land at below market cost to support affordability of the development and will provide an exemplar development incorporating the latest energy-saving technology. We will seek innovative proposals from

affordable housing providers through a competitive process. Some of the properties will be accessible to developers and other interested parties and 'cost in use' studies will be conducted to demonstrate how high energy efficient construction can be achieved. Commitment to this project is carried over from Year 1 start.

**Additional Housing, in Sapley Square East, Oxmoor, Huntingdon (in conjunction with business and training centre) (17):** To facilitate the early delivery of additional housing units in conjunction with proposed business and training centre. The development of affordable housing units within a mixed business and training scheme on this opportunity site. The scheme is the third phase of the Sapley District Centre in the heart of the Oxmoor regeneration area. The proposed scheme is to provide business units linked with projects to build up the skill base and tackle long-term worklessness. The grant would enable the addition of housing over the business units and on adjacent land to high environmental standards. Delivers 25/30 affordable housing units to at least code 4 of sustainable homes. It is anticipated that these homes would also be occupied by people undergoing training in association with the business units.

**March Leisure Facilities (21):** To provide major leisure facilities in conjunction with College of West Anglia's new college. Major sub regional leisure facilities, sports hall, 80 station gym, swimming hall and class 3 MUGA for community benefit. Specification resulting from public consultation exercise undertaken by COWA. New and enhanced leisure facilities, closely related to major areas of new housing development in March, totalling some 3,600 dwellings 2001 - 2021. Specifically it will provide the redevelopment of the existing, dated leisure facility allowing the expansion of March town centre to provide for enhanced retail provision at ground level with residential redevelopment above - 50 dwellings. Improves the quality of life for both existing and new residents by providing additional capacity to provide for growth, enhances attractiveness of March as a sustainable market town to live.

**Bringing Forward Development in Ely (23):** To build on masterplanning work carried out in Year 1, seeking to carry out further feasibility studies where appropriate, and commence implementation on key strategic projects where practical. Studies to create development briefs for the Ely Northern Housing Growth Area and the town centre extension; further feasibility work on the proposed Southern Relief Road. The project will also resource staffing for the growth programme.

**St Neots Strategic Green Infrastructure (25):** To enhance and extend Green Infrastructure provision and public access within and adjoining St. Neots, to complement its planned growth and create capacity for further market town expansion. This will provide enhanced and extended area of strategic open space totalling in excess of 1000 ha in the river corridor through St Neots to match the proposed growth of 2,000 homes - and more importantly add green space capacity to facilitate the further larger eco-urban extension of approximately 3,500 homes.

**March Country Park (26):** will provide Strategic Green Infrastructure to meet a significant shortage of strategic open space linked to a number of transport corridors, walking, cycling, river and road, serving whole district. This shortage of open space is identified in Cambridgeshire County Council Strategic Open Space Study 2004 and Fenland District Council's emerging Local Development. Framework Core Strategy. Provision of strategic open space linked to a number of transport corridors, walking, cycling, river and road, serving whole district.

**Ely Country Park (27):** To create new green-space provision in Ely to address shortfalls in the market town and sub region by 2010. To deliver an accessible multi-functional greenspace incorporating wildlife, recreation and cultural experiences. Given the funding, the scheme will provide 150 hectares of managed greenspace, some in Council ownership,

some on long term lease arrangement; a network of Public Rights of Way and new permissive footpaths; links to new housing developments via signed foot and cycle routes; provision of bird hides, look out points, interpretation facilities, moorings, fishing areas, signage; habitat management and meadow, reed bed and woodland enhancement.

## 7.5 Revenue

Revenue represents a vital element of our funding package, as it funds the employment of key staff engaged in the growth agenda and allows strategy development and feasibility studies to be undertaken. We already have confirmation of LDV funding up to March 2011 (letter from CLG, 13 August 2008) in response to our initial HGF bid. Our **POD revenue bid (37)** comprises £2.0m for studies, feasibilities, and other costs.

Funding is required to engage consultants to carry out studies that unlock significant development opportunities. Examples of this include the funding in respect of Cambridge East, which is due to provide 12,000 homes in the medium to long term, there will be a need to finance impact studies looking at the consequences of relocating Marshall Aerospace activities. Without such preliminary work to deal with obstacles to development, the growth agenda identified in the Structure Plan will not be achieved.

Revenue funding at a similar level, but index linked, will be required as a minimum in the next funding period.

### Revenue: Key Studies and Project Work

#### Water Cycle Strategy Phase 2

Site-specific Phase 2 work on Cambridge area water cycle strategy is commencing in late 2008. The completed Phase 1 strategy:

- identifies the demands of the proposed level of growth on existing water services infrastructure and establish its ability to deal with it
- considers the key areas of flood risk management, water resources and supply, foul sewerage and wastewater treatment, and other relevant aspects such as demand management, wetlands ecology and guidance for developers
- identifies capacity issues and potential blockers to growth, enabling these to be resolved at the earliest possible stage in the planning process
- provides an open, collective approach which will allow stakeholders to plan and implement infrastructure in time to meet the needs of new housing and industry.

Phase 2 will identify immediate infrastructure needs up to 2016 including the opportunities to plan for sustainable development infrastructure and sitting alongside all this the policy development framework to require new developments to achieve water neutrality in the longer term and to mitigate any increase in flood risk. To help develop this framework, an action plan of measures for achieving sustainable development was developed as part of phase 1 and it is important that Phase 2 can build on these actions and start to deliver the recommendations.

East Cambridgeshire and Fenland District Councils are also in the process of undertaking a Phase 1 Water Cycle Strategy, with support from Horizons. This will identify future water services infrastructure requirements for the districts to provide a timetabled delivery plan.

The project will liaise with Huntingdonshire District Council, where a Phase 1 study is already under way.

## Sub-Regional Historical Environment Audit

Undertaking an audit of the Historic Environment of the Cambridge Sub Region will supply a broad overview of its character and nature, using existing resources and datasets in a holistic approach. This will deliver:

- A wide Historic Environment Strategy for the area;
- A series of geographically specific and thematic studies;
- Promotion and interpretation of the historic environment, and;
- Specific guidance to assist the implementation of the growth area plans.

The assessment will cover all aspects of the historic environment: buildings/conservation area, scheduled monuments, archaeological sites, landscape types, representing approximately 2/3rds of the county's known archaeology. The audit will identify sites, buildings and landscapes at risk, and propose conservation/mitigation strategies for the reuse, preservation or public access to the same as part of wider Green Infrastructure agenda. It will help us deliver:

- sustainable development designed and planned with the historic environment in mind;
- master planning and settlement design based on characterisation of existing landscapes and settlements;
- a framework for rapidly assessing the impact and sensitivity of known historic environment features;
- a wider partnership for the impact future developments on the Historic Environment, and;
- strategies that meet the requirements of Policy ENV 5 and para 9.20 of the EERA Plan 2004 (Draft).

## Community Stadium

A report on a possible Community Stadium report was commissioned by Cambridgeshire Horizons from PNP Consultants. The report, made public in August 2008, identifies three possible sites, and we are currently working to prioritise these and liaise with sports clubs. A development group is being established that will meet on 2 October 2008 to agree a detailed business plan, including identifying revenue funding streams (such as HGF Revenue). The stadium and associated facilities would bring major health benefits in addition to a major spectator sport arena. The release of existing land for housing/mixed use development would form a key part of the development package for a new stadium.

## Arts, Cultural and Conference Venue

A report on a possible Major Arts, Culture and Conference facility was commissioned by Cambridgeshire Horizons from Tourism UK Limited. The report, due to be published soon, favours Cambridge East as the most suitable location for the facility, subject to discussion with stakeholders. A development group is working up a detailed business plan and identifying funding streams.

## Sustainable urban drainage study

An extensive study of sustainable urban drainage will produce a comprehensive SUDS strategy including provision, maintenance and future funding of SUDS in and around Cambridge. SUDS is a vital element within the new development areas, especially as the City and surrounds, including the major development areas, are low lying and will be susceptible to flooding if we fail to ensure proper drainage is constructed and effectively maintained.

## Specific studies

Site-specific studies, feasibilities, valuation and legal support. Our programme of studies is focused on delivering sustainable growth. Further studies will be identified for future years, including work to bring forward major developments in the longer term and in market towns.