

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

REPORT TO: Leader and Cabinet 9 November 2006
AUTHORS: Executive Director/Cultural Services Manager

LOCAL MANAGEMENT ORGANISATION FOR NORTHSTOWE

Purpose

1. Members of Cabinet are asked to approve in principle the establishment of a Northstowe Trust in 2007/8 and agree on the way forward as recommended by the Northstowe Development Trust Working Group on 12 October 2006.
2. In making this decision, Members are asked to consider the final report of the consultants URBED and Marilyn Taylor Associates, "Growing Sustainable Communities", which can be viewed on the Council's website. The Consultants' Phase One report is also available on request. Either of these documents are available in hard copy from Jane Thompson, Cultural Services Manager, whose contact details are at the end of the report.

Background

3. In October 2004, Members of the Northstowe Development Trust Working Group considered a report from the Keystone Development Trust, Thetford. This report provided background information about Development Trusts and the potential risks, roles and benefits to the community. The report also made suggestions about how such an organisation might work in a new town development such as Northstowe.
4. On 11 November 2004, Cabinet endorsed the further exploration of a Trust for Northstowe.
5. In early 2005, Members of the Northstowe Development Trust Working Group (The Working Group) visited two development trusts, the Keystone Development Trust and also the Goodwin Development Trust in Hull. Whilst very different in circumstances, members, officers and partners could see the potential benefits of a Trust in developing a new community.
6. The Working Group then agreed to commission consultants to consider the local management options for Northstowe in more detail and URBED and Marilyn Taylor Associates were appointed in October 2005.
7. Since then, the consultants have produced a number of papers and reports for the partners to consider and have consulted with a wide range of stakeholders in a number of different ways. This included meetings and discussions with SCDC Cabinet Members including the Leader and Portfolio Holders for Planning and Community Development.
8. Marilyn Taylor also attended a Community Development Portfolio Holder meeting in February 2006 to which the local Members for Oakington and Longstanton were invited.

9. A Phase One report was produced and presented to the Working Group in December 2005. The report considered different local management options and also a number of case studies in England and other European countries providing lessons to learn from both good and bad examples. The Phase One report recommended that a Trust of some type be established but that further work was required to develop this in more detail. It also recommended that a trust should initially be a flexible structure that could change over time.
10. The Working Group agreed that the Consultants should move on to the second phase of the study which would involve further stakeholder workshops and meetings and development of a final report outlining an initial 3 year plan for the Trust.
11. In parallel with this, URBED developed separate but associated work involving visioning and charter events and study tours of East Anglia, including visits to Letchworth and Shenley, and also to Freiburg in Germany. All of the partners were represented on these tours and they were funded from external sources including the Academy for Sustainable Communities.
12. The draft final report was considered by the Working Group on 13 June 2006. It was agreed that further work was still required to give greater clarity on the role and structure of the Trust and also greater consideration about the likely costs and programme for establishment. An officer workshop was subsequently organised to work through some of the key issues and provide a steer to the Consultants to enable them to complete the final report.
13. A presentation was made to the Northstowe Project Board by Simon McIntosh on Wednesday 20 September, when the Board endorsed the principle of a Northstowe Trust and agreed on the next steps and actions outlined in the accompanying report.
14. The Board also considered the potential for involvement of the Trust with existing communities in and around Northstowe and also how members of the Northstowe Project Board might become involved in an early shadow board for the Trust. It was agreed that a further report would be made to the Northstowe Project Board following completion of the next steps/action points.
15. The Final report was then discussed in more detail by the Working Group on 12 October when SCDC Members and representatives from the main partner organisations agreed on the principle of a Northstowe Trust, subject to the satisfactory completion of the next steps as outlined in this report. It was also agreed to take this recommendation to Cabinet.

Considerations

16. The process has identified a number of considerations relating to Northstowe including:
 - a. The fact that no one organisation can manage the whole public realm at Northstowe, (including public open space, community facilities, community development, drainage, country park/s etc); the new town council can't do all that will be required to make it a sustainable community in the short, medium and long term.
 - b. A trust as company limited by guarantee offers maximum flexibility; it can develop incrementally, over time.

- c. As the district council is not in a position to manage and subsidise the public realm, there is a need for an appropriate organisation/s to be set up and also for sustainable sources of income to be identified for the long term revenue costs. A key aspect is that a business arm is established to manage assets for the community benefit.
- d. There is a need to identify community champions for Northstowe and the trust will only work if the local community is fully engaged in the process.
- e. The Trust will also need strong support from all partners including Gallagher Estates, English Partnerships and Cambridgeshire Horizons and needs to be “driven” by SCDC in conjunction with the Northstowe Project Board.
- f. English Partnerships has particular experience in establishing and working alongside community trusts in new developments and of particular relevance are the Parks and Community Development Trusts at Milton Keynes. It is hoped that this experience and knowledge will be available to help ensure the success of a Northstowe Trust.

Benefits of a Trust

- 17. The process has also identified a number of benefits that a Trust will bring to the new community at Northstowe as well as the neighbouring villages and the existing population at Rampton Drift. These include:
 - a. It will be community focused, involving and engaging with local people of all ages and interests to develop social capital and community well being
 - b. It will be accountable through membership and the appointment of directors who will represent different interests within the community
 - c. It will be established before the first new residents arrive offering benefit to existing communities and responding to local need
 - d. It will attract external funds not available to the public sector
 - e. It will provide a focus on the positive eg environmental sustainability
 - f. It will demonstrate innovation and be able to develop entrepreneurial flair
 - g. It will add to the economic capital of the development thus sustaining long term property values
 - h. It will work alongside the public sector giving added value, without being restricted by public sector rules.

The next steps

- 18. The next steps identified by officers and to be completed by end of January 2007 are:
 - a. Commissioning detailed financial advice including the development of a business plan for the trust; this will include advice on potential sources of income, risks and assets for the trust. A brief is currently being finalised.

- b. Commissioning legal advice on establishment and running of the trust. A brief is currently being finalised.
 - c. Engagement with existing communities in and around the site to consider the benefits to the wider area and to identify key individuals who may become involved in the trust
 - d. Further work on a number of key areas such as the Energy Supply Company and IT Networks and their potential links to the trust
 - e. A visit to Milton Keynes to learn more about the Trusts there and the relationship with English Partnerships and possibly a visit to Caterham Barracks, which has been identified by the Consultants as the most directly relevant example.
 - f. Produce a plan for establishing the Northstowe Town Council.
19. The proposal is then to report back to a further meeting of the Development Trust Working Group in February/March 2007, and then back to Cabinet. If the results of the above actions are positive in terms of establishing a Northstowe Trust, it is expected that recruitment of a Trust Director and Chairman will commence by mid 2007 with a view to gradually developing the Trustee Body by late 2007. A project plan including identifying funding sources and early Trust initiatives will also be required and will be the first responsibility job of the Trust Director.
20. The Working Group emphasised the importance of securing high calibre Director, Chairman and Trustees for the Trust.

Options

21. This report is recommending the agreement in principle to the establishment of a Northstowe Trust in 2007/8 and identifies a number of actions now required to help prepare the way.

Implications

22. Northstowe will be very different to any other settlement in South Cambs in terms of scale and density and must be treated differently. We can't rely on traditional and existing rural infrastructure to meet the needs of the new community but are in a good position to learn from our experiences with Cambourne, both good and bad.
23. A successful trust could provide the structure required to make Northstowe a vibrant and sustainable community. It can contribute significantly to making Northstowe a success with good community spirit and involvement.
24. The implications for Northstowe of inadequate or inappropriate management, poor community engagement and development work and lack of resources are obvious, and we must take decisive action to avoid such problems.

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| 25. Financial | <p>The initial costs for establishing the Trust are estimated as follows:</p> <p>2006/7 Commission financial, legal and business advice £30,000 (funded from Growth Area Funds)</p> <p>Community Engagement £10,000 (funded from Growth Area Funds and partner contributions)</p> <p>Then, subject to the successful completion of the above work (funding expected from partners including SCDC):</p> <p>2007/8 Employment of a Northstowe Trust Director £60,000 Recruitment of staff, communications and £110,000 running costs, including the early Board Feasibility Studies £50,000</p> <p>2008/9 Running costs £200,000 Feasibility Studies £50,000</p> |
| Legal | <p>There are a number of significant legal issues, which will need to be resolved before Members should give their final approval to the proposals contained within this report. However, the current Head of Legal Services has recent relevant experience of these issues, which he can contribute before any decision is made to engage external and costly legal advice. Moreover more work will require to be undertaken on probable sources of funding, although again there is experience of this in the in house legal team. There are no further legal or proprietary issues which require consideration at this time</p> |
| Staffing | None at present – consultants will be used |
| Risk Management | Risks will be further identified in the next steps |
| Equal Opportunities | Equality will be at the heart of a Northstowe Trust |

Consultations

26. The process has involved a great deal of consultation with a wide variety of stakeholders from agencies involved in the growth agenda. The need for this now to extend to engagement with individuals and groups from the wider community in and around Northstowe is identified as a next step.

Effect on Annual Priorities and Corporate Objectives

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| 27. Affordable Homes | No direct effect although the Trust may involve Registered Social Landlords and neighbourhood management |
| Customer Service | No immediate effect, but the Trust would enable good customer service in future years |
| Northstowe and other growth areas | Direct and significant effect |
| Quality, Accessible Services | Direct and significant effect |
| Village Life | Direct and significant effect |

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| Sustainability | Direct effect on both community and environmental sustainability |
| Partnership | An example of partnership working |

Conclusions/Summary

28. The management of Northstowe is a major issue for South Cambs District Council and partners to consider and make a decision. A significant amount of work and effort has already been put in to the process, and members and officers have been involved in a number of meetings, workshops and visits. Many important lessons and issues have been considered and there are some still to resolve.
29. There is general agreement by stakeholders that a Trust will offer considerable added value to Northstowe and indeed could be considered essential to make it a success.

Recommendations

30. It is recommended that Cabinet
- (a) agrees in principle to the establishment of a Northstowe Trust, including the surrounding villages, in 2007/8 and endorses the further steps now required as outlined in paragraph 18 of this report, and
 - (b) notes that it is proposed to bring a further report back Cabinet in the spring of 2007, once the outcomes of the next steps have been considered by the Working Group.

Background Papers: the following background papers were used in the preparation of this report:

Reports and papers from URBED and Marilyn Taylor Associates including the phase one reports "Who Runs this Place" and "Learning From Case Studies", the paper on "Moving Forward into Phase Two" and the final report "Growing Sustainable Communities".

The report on Northstowe and Development Trusts from Keystone Development Trust, 2004.

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