

**South Cambridgeshire District Council
and
Cambridgeshire County Council**

Report To: Northstowe Joint Development
Control Committee (NJDCC)

29 January 2014

Lead Officer: Director of Planning and New Communities

**Northstowe Legal Agreement under Town and Country Planning Act 1990:
Phase 1 Outline Planning Application**

Purpose

1. To inform Members of progress on the Phase 1 planning application for Northstowe and in particular the provisions in the agreed Section 106 Agreement made under the Town and Country Planning Act 1990.
2. This is not a key decision for either authority because it is provided for Information only.

Recommendations

3. It is recommended that NJDCC:
 - a) Notes the contents of this report on the considerable progress made on the Section 106 Planning Agreement for the phase 1 outline planning application.
 - b) Notes the planning conditions attached to the planning consent considered necessary, including the specific requirements requested by this Committee. The full list of planning conditions will be tabled at the meeting.
 - c) Notes the outline programme for the delivery of the phase 1 development, together with the outline programme for phase 2.

Reasons for Recommendations

4. Negotiations on the Planning Agreement for the Phase 1 outline planning application are subject to final agreement between the parties and Members are advised of its terms and contents. The Agreement makes provision for the essential requirements for the first phase of Northstowe, an outline of which is provided at Appendix 1.

Background

5. The Northstowe Joint Development Control Committee (NJDCC) resolved to grant outline planning consent for Phase 1 of the Northstowe development on 19th March 2013 subject to the successful negotiation of a section 106 Agreement to secure required infrastructure and community facilities, and to the conclusion of a land transfer agreement with the Homes and Communities Agency for the secondary school. £30m is provided to enable the provision of a range of essential community infrastructure requirements; these are summarised in Appendix 1 and will be tabled in more detail at the meeting.

6. In order to develop as a new town with its necessary physical and community infrastructure, governance and public realm the costs clearly are higher than for an urban extension. Northstowe has a particular burden in this regard with approximately £41m of physical infrastructure required within the early years to enable phase 1 to be delivered. The sum of community infrastructure requirements encompassed by the section 106 Agreement is in the region of £33m with a contribution of £30m from Gallagher. Members have previously been made aware that planning permission should be granted only for development proposals that have made suitable arrangements for the improvement or provision of infrastructure necessary to make the scheme acceptable in planning terms. Consequently both the County and District Cabinets are shortly to consider reports setting out options for re-investing any savings to meet those costs in excess of the £30m cap.

The Development Proposals

7. The Development Framework Document (DFD) was endorsed by NJDCC in October 2012. It illustrates how the development proposals for the whole site including Phase 1 area could accommodate the 10,000 homes proposed for the town as a whole. A map of the DFD will be available at the meeting.
8. The Phase 1 application site of 122ha is located to the northeast of Longstanton approximately 10km northwest of Cambridge with Oakington to the south, Rampton to the east and Willingham to the north-east. The Cambridgeshire Guided Busway (CGB) and Park & Ride form its eastern boundary. The application red line boundary comprises two separate areas: the main development site including land west of the B1050 (97ha), and 25ha of land for the provision of flood attenuation ponds southwest of Longstanton on Hattons Road.
9. The main components of the scheme are:
- 1,500 dwellings including 20% affordable
 - Local Centre and provision for retail and other appropriate uses;
 - Three-form entry primary school to be provided by the Diocese of Ely
 - 5ha of employment land including a household recycling centre and foul water pumping station
 - Formal and informal public open space. Water bodies of approximately 5.2ha including a water park for recreational, ecological and drainage purposes
 - Allotments and community orchard on 1.57ha
 - Sports hub
 - Network of footpaths and cycleways;
 - Surface water drainage infrastructure for Phase 1
 - Hattons Road ponds
 - Improvements to the existing B1050 to accommodate the site access;
 - Construction of the internal bus-way link through the site from the CGB;
 - Earthworks to re-profile the site for sustainable drainage purposes
 - Provision of secondary school to south-east on land owned by the HCA.

Considerations

Land Transfer Agreement

10. The release of the outline planning permission is contingent on the County securing an acceptable land transfer agreement (LTA) with the HCA. The principles of the LTA were agreed between the County Council and the HCA in mid-January through a Memorandum of Understanding. It will provide for the release of approximately 14ha of land close to the Phase 1 southern boundary suitable for the construction of the secondary school when required. County has provided written confirmation that:

“in accordance with the Northstowe Development Control Committee (NJDCC) resolution ... agreement has been reached to the satisfaction of the County Council that the Homes and Communities Agency will transfer land for secondary school provision in Northstowe to the County Council for the purposes of providing the school.

This has been concluded through the agreement of a Memorandum of Understanding drafted by lawyers representing the County Council and the Homes and Community Agency. The land identified within the MoU reflects that which is identified within the Development Framework Document which was endorsed by the JDCC.”

Section 106 Agreement

11. The nature, scale and phasing of all planning obligations have to be relative to the particular development and its potential impact upon the surrounding area. The underlying principle of the Phase 1 Section 106 Agreement is that the community requirements are to be delivered early in relation to the housing programme. This will ensure that essential infrastructure such as schools and community meeting places are ready for use at the appropriate time and are viable in relation to their patronage. Together with the planning conditions, the Planning Agreement is the principal mechanism for securing essential obligations.
12. The Draft Section 106 Agreement provides for funding of over 30 items of community infrastructure with funding triggered by the need for each facility and in relation, generally, to the occupation of homes.
13. ‘The Owners’ including Gallagher have three main categories of obligations:
- (a) financial ‘Contributions’
 - (b) provision of ‘Works in Kind’ as to ‘Facilities’, namely the Community Building, sports Pavilion, Allotments and Orchard, Sports Pitches, Formal Park, 1 NEAP, 4 LEAPs, Informal Single Court MUGA
 - (c) provision of ‘Amenities’.
14. The payment of financial ‘Contributions’ and the provision of ‘Works in Kind’ as to ‘Facilities’ are subject to an ‘Overall Cost Cap’ of £30,000,000 but subject to the following:
- Indexation on the Contributions is on top of the £30m
 - Affordable housing is not included in the £30m
 - Any contribution towards the Interim Primary School Facility is on top of the £30m

- The costs of the Owners providing Bonds, Company Guarantees and a Legal Charge are on top of the £30m
- The costs of remedial works or works to address Defects are on top of the £30m
- Cost overruns where the 'Actual Costs' exceed the 'Allocated 106 Costs' are on top of the £30m
- The costs of the Owners complying with the ordnance obligations in Schedule 12 are on top of the £30m

15. The cost of providing "the Amenities" is in addition to the £30m, namely:

- The provision of on-Site SUDs(Schedule 4),
- The provision of off-Site Flood Mitigation (Schedule 5)
- The provision of Street Furniture (Schedule 6)
- The provision of specific parts of Open Space (Schedule 14)

16. Therefore the overall value of obligations is in excess of £30m. The main elements of the Agreement that will be delivered are set out below:

Item	Outline Summary Sec 106 Provision
1,500 dwellings	20% affordable housing in a mix of tenure types
Local Centre and provision for retail and other appropriate uses;	Community building and informal MUGA (if not provided at the local park) provided before occupation of 900 homes and funding of c£1.5m. Funding of £300,000 for three years for community worker(s).
Three-form entry primary school to be provided by the Diocese of Ely	Funding from Gallagher of £8m to be completed in Autumn 2015
5 (ha) of employment land including a household recycling centre (HWRC)and foul water pumping station	HWRC to be provided by 1,400 homes and is funded by several developers including c£190,000 from Gallagher
Formal and informal public open space. Water bodies of approximately 5.2ha including a water park providing a recreational, ecological and drainage resource.	Several play areas (NEAP, LEAP, LAP) totalling funding of £520,000 as well as land for the faith/voluntary /community sector. Maintenance and management of public realm to be the subject of a Management Strategy be agreed with Gallagher with a Community Endowment of £1.5m
1.57ha of allotments and community orchard	Gallagher to lay out the site for orchard and allotments using £25,000
Sports hub	To be provided by 500 homes at a cost of c £1.1m
Network of footpaths and cycleways	Included in infrastructure provision and funding of c£930,000 for link to Bar Hill.
Surface water drainage infrastructure for Phase 1	Exemplar drainage scheme involving re-profiled land, swales and water bodies with maintenance funding of c£1m.
Hattons Road ponds	Mitigation of the flood risk at Longstanton through the provision of two balancing ponds

The Planning Agreement Schedules

17. The Agreement is divided into eighteen Schedules with Schedules 2-18 covering substantive obligations to make payments or carry out works etc and the Schedules are summarised under the following;

Schedule	Brief Description	Payment of Monies	Works in Lieu of Monies
2 Education	Primary School (Design)	£1,200,000	
	Primary School (Build)	£9,800,000	
2 Education	Secondary School (Design)	£1,000,000	
	Secondary School (Build)	£7,000,000	
3 Household Waste Recycling Centre	HWRC	£190,395	
4 Sustainable Urban Drainage System	SUDS (Monies and Works)	£1,015,967	✓
5 Off Site Flood Mitigation Works at B1050, Hatton's Road	Mitigation Works (Monies and Works)	£31,500	✓
5 Off Site Flood Mitigation Works at B1050, Hatton's Road	Drainage upgrade & maintenance	£46,500	
6 Transport Including the Cambridgeshire Guided Busway	CGB	£2,380,500	
6 Transport Including the Cambridgeshire Guided Busway	Bus Funding Contribution	£1,320,000	
6 Transport Including the Cambridgeshire Guided Busway	Community Transport Contribution	£80,000	
6 Transport Including the Cambridgeshire Guided Busway	Annual Transport Monitoring Contribution	£70,000	
6 Transport Including the Cambridgeshire Guided Busway	Capital Transport Monitoring Measures Contribution	£860,000	
6 Transport Including the Cambridgeshire Guided Busway	Cycle Way	£932,000	
6 Transport Including the Cambridgeshire Guided Busway	Street Furniture		✓ (costs cap £30,000)
6 Transport Including the Cambridgeshire Guided Busway	Construction Environmental Management Plan		✓
6 Transport Including the Cambridgeshire Guided Busway	Travel Plans		✓ (costs cap £175,000)
8 Community Centre	Community Centre	£1,522,500	✓ (costs cap £1.52m)

Schedule	Brief Description	Payment of Monies	Works in Lieu of Monies
9 Allotments and Orchards	Allotments and Orchards (£25,000)	£25,000	
10 Community Support and Development	Community Support and Development	£300,000	
11 Land for Faith/Voluntary Groups	Faith and Voluntary Sector Land (provision of land)		
12 Environment	Air Quality Monitoring	£78,550	
12 Environment	Ordinance Evacuation Costs	£60,000	
	Ordinance – Planned Costs	£10,000	
12 Environment	Water Course – technical assistance	£1,500	
12 Environment	Noise and Vibration monitoring	£31,625	
12 Environment	Webbs Hole Pump	£277,500	
12 Governance	Governance	£22,500	
14 Open Space	Open Space Formal Park (Works) LAPs, LEAPS (Works) NEAP (Works)		✓ ✓ ✓ ✓
14 Open Space	Sports Pitches (Works)		✓
14 Open Space	MUGA (Works)		✓
14 Open Space	Sports Pavilion (Monies or Works)	£1,100,000	✓ (costs cap £1.1m)
14 Open Space	Community Endowment for Public Realm Maintenance	£1,500,000	
15 Temporary Waste Facilities and Recycling Bins	Temporary Waste	£24,000	
15 Temporary Waste Facilities and Recycling Bins	Bins	£140,250	

Planning Conditions

18. Following the NJDCC resolution to approve the outline application on 24th October 2012 Members agreed to delegate the completion of the Planning Conditions to officers. This was subject to consultation with the Chair and Vice Chair of the NJDCC who could decide to bring any points back to NJDCC if they felt that significant new matters had arisen or where satisfactory resolution had not been achieved.
19. The following conditions are to be brought to NJDCC for determination:
 - (a) Condition 17 - B1050 Access;
 - (b) Condition 20 - Transport Monitoring;
 - (c) Condition 8 - Strategic & Detailed Design Codes;
 - (d) Condition 31 - Construction Environmental Management Plan
20. The wording of the Planning Conditions has undergone several revisions in consultation with the applicant. The final draft version will be available at the Committee meeting. The stages of development for which applications will be received are:

21. Earthworks - the strategic site-wide land re-profiling, remediation works and foul and surface water drainage infrastructure works e.g. waterpark, Hatton's Road attenuation ponds, and strategic swale and ditch corridors.
22. Enabling Works - surveying, environmental and hazardous substance testing and sampling, soil tests, pegging out, tree protection, archaeological investigation, demolition and removal of buildings and other structures on the Site.
23. Strategic Engineering Elements - strategic public utility works, foul water pumping station, surface water pumping and rising main, access from the B1050, primary roads and dedicated busway along with other aspects of drainage not covered by Earthworks.
24. Development Parcel - the phase or part of the development associated with housing, employment, the local centre, primary school, public open space, play areas etc. It is understood that there will be 10-13 different development parcels likely to be developed by several different house builders.

Work Programme

25. The intention is that the overall Planning and Implementation programme will be presented to NJDCC at the next meeting when there will be more certainty around key construction dates and phase 2 planning proposals. Broadly the draft programme timetable is:
26. Phase 1
 - (a) February/March 2014 - Issue the Decision Notice for the outline consent for phase 1 together with the Section 106 Agreement.
 - (b) March through 2014 - Gallagher will submit applications covering many of the conditions and matters reserved for consideration, relating mostly to infrastructure, but including the B1050 proposals and the Design Code, the development of which Members have had opportunity to be involved and have received informal briefing during 2013.
 - (c) 2014/2015 - housing developers will come forward with detailed proposals for the first few development parcels. Each parcel is likely to be 75-150 homes and will number 10-13 in total. In the meantime, the authorities with Gallagher will be bringing forward proposals for the community facilities. The 'triggers' for these have been agreed in the Section 106 and reflect the anticipated housing numbers and the optimal timing in relation to the need for each facility.
27. Phase 2
 - (d) January-March 2014 – HCA workshops with Members and Parish Forum etc on branding, economic development, design and traffic proposals and southern access to the A14.
 - (e) March 2014 – informal consultation on the proposals
 - (f) June/July 2014 - submission of planning applications.

Conclusion

28. The planning consent with the Planning Agreement reflects 15 years of negotiation against a changing political and economic landscape. It is strongly felt that a realistic and viable solution has been derived that will enable a start on site in mid-2014 of the early infrastructure works, followed shortly by the phased construction of new homes and facilities. The provisions of the Draft Section 106 Agreement permit the delivery of the essential requirements of the physical framework for the new community and represent the optimal solution in the current climate. The Agreement has been carefully crafted jointly by the three principal parties and will give confidence both to the market in bringing forward the development of new homes, and to the public sector in taking forward the second phase of housing and the creation of the new town centre.

Background Papers

Northstowe Action Area Plan (NAAP) 2007
Committee Report to NJDCC, 20th July 2012
Committee Report to NJDCC, 4th October 2012
SCDC Cabinet report, 12th October 2012
Committee Report to NJDCC 24th October 2012
Committee Report to NJDCC, 30th January 2013
Committee Report to NJDCC, 19th March 2013

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Appendix 1: Summary of Section 106 Agreement, Phase 1

Please Note: A full summary will be tabled at the meeting of the NJDCC on 29th January 2014.

There are 18 Schedules to the Agreement and Schedules 2-18 cover substantive obligations to make payments or carry out works etc and the Schedules are summarised under the following;

Schedule 1 Provides details of the **Owners' Title**

Schedule 2 – Education

Part 1 – Location Of The School Site

Part 2 – Bonding Constructing And Funding The Primary School Building

Part 3 – Secondary School Contribution

Part 4 – Interim Primary School Provision

Part 5 – Provision Of Highway Works

Part 6 – Project Core Team Terms Of Reference

Schedule 3 – Household Waste Recycling Centre

Schedule 4 – Sustainable Urban Drainage System

Part 1 – On-Site Suds

Part 2 – Covenants Relating To Laying Out And Certification

Schedule 5 – Off Site Flood Mitigation Works

Part 1 – Off Site Flood Mitigation Works

Part 2 – Covenants Relating To Laying Out And Certification

Part 3 – Drainage Upgrade And Maintenance Contribution

Schedule 6 – Transport Including The Cambridgeshire Guided Busway

Schedule 7 – Affordable Housing

Part 1 – Affordable Housing Scheme

Part 2 – Affordable Housing Site Transfer

Part 3 – Affordable Housing Contribution

Part 4 – Affordable Housing Price Table

Part 5 – Trigger Controls

Part 6 – Affordable Homes Build Standard

Part 7 – Affordable Housing Tenure Mix

Part 8 – Affordable Housing Mix (As To Numbers Of Bedrooms)

Schedule 8 – Community Centre And Sports Pavilion

Part 1 – Community Centre And Sports Pavilion Location And Specifications

Part 2 – Community Building Land Transfer And Sports Pavilion Land Transfer
Generic Arrangements

Part 3 – Option 1 – Transfer And Construction Arrangements

Part 4 – Option 2 – Transfer And Construction Arrangements

Part 5 – Option 3 – Transfer And Construction Arrangements

Part 6 – Option 4 – Transfer And Construction Arrangements

Part 7 – Transfer Of Land To An Alternative Body Or Management Company

Part 8 – Requirements To Be Observed By The Owners When Constructing The
Community Building And Sports Pavilion

Part 9 – Arrangements As To The Flexible Sum (Or Part Thereof)

Schedule 9 – Allotments And Orchards

Part 1 – Allotment Land Location And Specification

Part 2 – Orchards

Schedule 10 – Community Support And Development

Schedule 11 – Land For Faith/Voluntary Groups

Schedule 12 – Environment And Ordnance

Schedule 13 – Governance

Schedule 14 – Open Space

Part 1 – Sports Strategy

Part 2 – Youth And Play Strategy

Part 3 – Lap, Leap And Sip, Neap And Formal Park Specifications

Part 4 – Open Space Land Transfer

Part 5 – Management And Maintenance Of The Public Realm

Part 6 – Maintenance Scheme Provisions

Part 7 – Covenants Relating To Laying Out And Certification

Part 8 – Covenants Relating To Delivery Requirements

Part 9 – Incidental Open Space

Part 10 – Terms Of Reference For The Steering Group For The Management And Maintenance Of The Public Realm

Schedule 15 – Temporary Waste Facilities And Waste And Recycling Bins

Schedule 16 – Webbs Hole Sluice

Schedule 17 – Covenants By Scdc

Schedule 18 – Covenants By The County Council