

**CAMBOURNE WEST PLANNING APPLICATION - DRAFT S106 HEADS OF TERMS**

*To:* **Economy and Environment Committee**

*Meeting Date:* **16<sup>th</sup> December 2016**

*From:* **Executive Director – Economy, Transport and Environment**

*Electoral division(s):* **Bourn**

*Forward Plan ref:* **2016/064** *Key decision:* **Yes**

*Purpose:* **To consider the draft Section 106 Heads of Terms for Cambourne West and approve the draft prior to determination of the planning application by South Cambridgeshire District Council.**

*Recommendation:* **The Committee is requested to:**

- a) Receive an update on the outline planning application progress;**
- b) Consider and approve the draft S106 Heads of Terms set out in appendix 2; and**
- c) Delegate to the Executive Director (Economy, Transport and the Environment) in consultation with the Chairman and Vice Chairman of the Committee the authority to make minor changes to the draft Heads of Terms.**

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## **1. BACKGROUND**

- 1.1 Cambourne is a new settlement in South Cambridgeshire situated between Cambridge and St Neots on the A428 Corridor. It comprises of three villages, Great Cambourne, Lower Cambourne and Upper Cambourne and is home to approximately 10,000 residents.
- 1.2 The draft South Cambridgeshire District Council (SCDC) Local Plan makes a further allocation of 1,200 dwellings (Policy SS/8: Cambourne West) on 49.3 hectares of land to the west of Cambourne. The Local Plan is currently at the Public Examination stage.
- 1.3 In parallel to the Local Plan process, the developer consortium for the main settlement (MCA Developments Ltd) has submitted an outline planning application (reference S/2903/14/OL) to South Cambridgeshire District Council in November 2014. This application is for up to 2,350 dwellings on 147.25 hectares of land west of Cambourne. The planning application also provides land for two new primary schools and one new secondary school as well as a range of other facilities such as community facilities, sport, recreation, retail and employment.
- 1.4 Appendix 1 contains the location plan and site boundary of Cambourne West. The complete planning application can be accessed at the link below:  
  
<http://plan.scambs.gov.uk/swiftlg/apas/run/WPHAPPDETAIL.DisplayUrl?theApnID=S/2903/14/OL>
- 1.5 The Economy and Environment Committee at its meeting on 21<sup>st</sup> April 2015 considered an officer response to the outline planning application. This broadly supported the proposals contained in the planning application subject to the conclusion of an appropriate s106 agreement.
- 1.6 In the response to SCDC, the County Council sought the provision of the following infrastructure and services to be secured through planning obligations:
  - i. Land for up to two primary schools and a secondary school, including capital contributions;
  - ii. Off-site highway works, public transport, new bus shelters, improving off-site pedestrian and cycle routes and implementation of a full Travel Plan;
  - iii. Libraries and lifelong learning;
  - iv. Strategic waste; and
  - v. Community, children and social care provision.
- 1.7 The Committee also endorsed two holding objections relating to transport and archaeology which were subject to the applicant submitting further information, assessment and providing details of mitigation for the potential impacts.

- 1.8 The applicant submitted an amended application in November 2015 and Officers provided a further response to these amendments.
- 1.9 In parallel to the amended planning application, negotiations on the Section 106 Heads of Terms, together with a viability assessment, have been undertaken jointly between the applicant, SCDC and the County Council.

## **2. MAIN ISSUES**

### **Viability Assessment**

- 2.1 Planning Obligations, commonly known as Section 106 agreements, assist in mitigating the impact of unacceptable development and may only be secured if they meet the statutory tests set out in the Community Infrastructure Levy Regulations (2010). To comply with these tests planning obligations must be:
- 1) Necessary to make the development acceptable in planning terms;
  - 2) Directly related to the development; and
  - 3) Fairly and reasonably related in scale and kind to the development.
- 2.2 The Government's policy on planning obligations is set out in the National Planning Policy Framework. The scale of planning obligations should not be such that they threaten the ability of the development to be delivered viably, taking into account normal costs of development and mitigation and providing a competitive return for the landowner and developer.
- 2.3 The developer has run a viability model to determine if the development, with full planning obligations and 40% affordable housing provision, would generate sufficient incentive to develop the site.
- 2.4 Outputs from the model indicate that in the current market a fully policy compliant Section 106 package of measures is not viable. This has been verified by consultants acting on behalf of the local authorities. Therefore, working with the applicant and SCDC, measures such as a reduction of affordable housing provision from 40% to 30% has been considered along with a revised s106 package of measures.

### **Draft Section 106 Heads of Terms**

- 2.5 Infrastructure provided or facilitated by the County Council has remained largely unchanged through this process, since items such as schools, transport and community infrastructure provision are necessary to make the development acceptable in planning terms. Based on the agreement reached between the parties, Table 1 overleaf highlights the main County Council infrastructure items where a direct contribution will be received.

**Table 1: Draft Section 106 – County Council Contributions**

<b>Item</b>	<b>Contribution</b>
2 x 2 Form of Entry Primary Schools (420 places each)	(£8,630,000 per primary school) £17,260,000
Primary school revenue	£80,000
Secondary school	(based on £26,013 per place) £14,809,852
Special Education Needs	£1,988,000
Children's Centre	£115,000
Library Contribution	£388,930
Bus service revenue support	£1,200,000
A428 Madingley Road Bus Priority (contribution to City Deal scheme)	£8,700,000
Walking/cycle links within Cambourne	£610,000
Bus link to Broadway	£305,000
Travel Plan coordinator and monitoring	£237,500
Travel Plan measures	£470,000
Household Waste Recycling Centre	£425,350
Community health and development workers and CFA services	£666,880

- 2.6 In addition there will also be a range of transport mitigations included in the Section 106 that the developer will provide as works in kind. These include:
- Sheepfold Lane and A1198 access works; and
  - Off-site access mitigation.
- 2.7 The policy requirement for affordable housing is 40%. However as a consequence of the viability and the scale of other planning obligations necessary to make the development acceptable the affordable housing requirement has been reduced to 30%.
- 2.8 The complete agreed Section Heads of Terms are set out in Appendix 2.

## **Outstanding Matters**

### Holding Objections

- 2.9 The archaeological implications of the development were the subject of an objection to the planning application. This was made on the grounds that the impact of the development on heritage assets of archaeological significance had not been adequately assessed and that the requirements for mitigation of the impact had not been defined. The Historic Environment Team has since advised that the outstanding mitigation matters can be secured by planning condition and therefore the holding objection has been withdrawn.
- 2.10 A holding objection was also made to the application on transport grounds. This was based on the requirement for the applicant to provide additional information to understand the transport impact of the development and determine the most appropriate mitigation. This further information has been provided and has led to the development of a range of mitigation measures, including items included in the Heads of Terms and further design enhancements. The extant transport matters have passed the relevant Safety Audit necessary to proceed to planning committee. This overcomes the Highway Authority's objection on the grounds of highway safety, subject to suitable conditions and/or provisions within the S106 agreement. The objection has been withdrawn.

### **Next Steps**

- 2.11 The County Council has been asked to confirm to SCDC its agreement to the draft Section 106 Heads of Terms ahead of the planning committee when the application will be determined. Following the Planning Committee, and assuming it resolves to grant planning permission, Officers will commence detailed negotiations of the Section 106 agreement based on the agreed Heads of Terms.

## **3. ALIGNMENT WITH CORPORATE PRIORITIES**

### **3.1 Developing the local economy for the benefit of all**

The development will provide employment and retail opportunities to benefit the local economy for all.

### **3.2 Helping people live healthy and independent lives**

The application provides a range of measures to promote healthy lives, including sport, play and leisure uses.

### **3.3 Supporting and protecting vulnerable people**

Contributions towards community health and development workers are being sought to help support vulnerable people whilst the new community is being established.

## **4. SIGNIFICANT IMPLICATIONS**

### **4.1 Resource Implications**

A development of this scale will inevitably place additional demands on Council services. Through the negotiations undertaken to date the impact of this additional demand has been mitigated insofar as the planning process can secure mitigation.

### **4.2 Statutory, Risk and Legal Implications**

Officers of the County Council and the Local Planning Authority are satisfied that the Section 106 contributions sought comply with the statutory tests for planning obligations.

### **4.3 Equality and Diversity Implications**

There are no significant implications within this category.

### **4.4 Engagement and Consultation Implications**

The planning application has been consulted upon in accordance with statutory processes governing planning applications.

### **4.5 Localism and Local Member Involvement**

Members are involved through the statutory planning consultation process

### **4.6 Public Health Implications**

The proposed contribution towards community health and development has been negotiated to mitigate potential negative impacts on early residents of the development. Without these contributions there is a risk that appropriate services to vulnerable people may not be delivered.

<b>Implications</b>	<b>Officer Clearance</b>
<b>Have the resource implications been cleared by Finance?</b>	<del>Yes or No</del> Name of Financial Officer: Sarah Heywood
<b>Has the impact on Statutory, Legal and Risk implications been cleared by LGSS Law?</b>	<del>Yes or No</del> Name of Legal Officer: Fiona McMillan
<b>Are there any Equality and Diversity implications?</b>	<del>Yes or No</del> Name of Officer: Tamar Oviatt-Ham
<b>Have any engagement and communication implications been cleared by Communications?</b>	<del>Yes or No</del> Name of Officer: Mark Miller
<b>Are there any Localism and Local Member involvement issues?</b>	<del>Yes or No</del> Name of Officer: Paul Tadd
<b>Have any Public Health implications been cleared by Public Health</b>	<del>Yes or No</del> Name of Officer: Tess Campbell

<b>Source Documents</b>	<b>Location</b>
Planning application documents	Room 305, Shire Hall, Cambridge