

NORTHSTOWE SECTION 106

To: Cabinet

Date: 15th January 2013

From: Executive Director: Economy, Transport and Environment

Electoral division(s): Papworth & Swavesey; Willingham; Bar Hill; Cottenham, Histon & Impington

Forward Plan ref: N/a **Key decision:** No

Purpose: To endorse the draft requirements including Heads of Terms for a Northstowe Section 106 Agreement for the Phase 1 Outline Planning Application.

Recommendation: Cabinet is invited to:

- a) Endorse the draft requirements including Heads of Terms for a Northstowe Section 106 Agreement for the Northstowe Phase 1 Outline Planning Application, which will be considered by the Northstowe Joint Development Control Committee (NJDCC).
- b) Delegate to the Cabinet Member for Growth and Planning, in consultation with the Executive Director: Economy, Transport and Environment the authority to make any minor changes to the draft requirements including Heads of Terms for a Section 106 Agreement prior to inclusion in the Northstowe Joint Development Control Committee report for the Phase 1 development.

<i>Officer contact:</i>		<i>Member contact:</i>	
Name:	Graham Hughes	Name:	Cllr Ian Bates
Post:	Service Director: Strategy and Development	Portfolio:	Cabinet Member for Growth and Planning
Email:	Graham.Hughes@cambridgeshire.gov.uk	Email:	Ian.Bates@cambridgeshire.gov.uk
Tel:	01223 715664	Tel:	01223 699173

1.0 Background

- 1.1 The Phase 1 of the outline planning application for Northstowe was received on 27 February 2012. Northstowe Joint Development Control Committee (NJDCC) endorsed the Development Framework Document (DFD) for the whole town on 20 July 2012 and at its meeting on 4 October 2012 considered the phasing plan and exemplar list and noted the overall Northstowe project plan. These documents together set out the Vision, design rationale, phasing, development principles and access strategy.
- 1.2 In order to create a sustainable community it is agreed that the requirements of Phase 1 have to be provided in a coordinated manner, logically phased, and delivered early in the housing build-out programme. This to ensure that essential infrastructure such as schools and community meeting places are ready for use at the appropriate time.
- 1.3 On 2 October 2012 the County Council Cabinet considered draft Heads of Terms which were related to County services and functions such as schools, waste, archaeology and transport and libraries. South Cambridgeshire District Council (SCDC) Cabinet considered a similar report on 12th October.
- 1.4 NJDCC resolved to approve the outline planning application for the first phase of development at Northstowe on 24 October 2012. The resolution was subject to confirmation of:
 - (a) Section 106 (S106) items and triggers, which remain under negotiation;
 - (b) Satisfactory land transfer documentation with Cambridgeshire County Council regarding Secondary School;
 - (c) Agreement as to the planning conditions, currently in draft form.
- 1.5 Since the October meetings, detailed negotiations have been continuing between the local authorities and Joint Promoters to ensure that a list of requirements acceptable to all parties arising from the planning application can be agreed. As part of this process, draft requirements and triggers for the Heads of Terms endorsed at Cabinet in October have needed revision. The principal reason for these ongoing discussions has been to address viability issues regarding phase 1 of Northstowe.
- 1.6 The Minister for Housing confirmed on the 19th October 2012 that Northstowe is a high priority for the Government and stated that the Government is committed to working with the District Council and other partners as a matter of urgency to develop a package of support that will help to accelerate delivery and remove barriers to the establishment of a high quality new town. On the 22nd November 2012, the deputy Prime Minister announced new funding of £225m for investment in local infrastructure on a recoverable basis, in order to accelerate large housing sites supporting around 50,000 homes including Northstowe.
- 1.7 A business case is due to be submitted to the Department for Communities and Local Government (CLG) by the 11th January with funding from this process dependant on the robustness of the business case.

2.0 NORTHSTOWE REQUIREMENTS

- 2.1 The last time Cabinet considered this issue in October 2012, the requirements for Northstowe totalled £65m. Following the ongoing discussions, this has been reduced to £46.5m for phase 1 of the development. This has been achieved principally by re-

profiling some of the s106 requirements and where possible making savings, but not at the expense of quality. Detailed work on this is still ongoing regarding precise sums of money and triggers

- 2.2 **Appendix 1** contains the draft requirements including Heads of Terms for a Northstowe Section 106 Agreement for phase 1 of the development.

County Council responsibilities

- 2.3 A summary of the key elements of this that relate to County Council functions is as follows.

Education

- 2.4 The largest single item within the list relates to the funding and provision of education facilities of children at both Primary and Secondary level. The Phase 1 development includes provision for a three form entry Primary School (together with early years/pre-school provision and the community health team), and it is considered essential that this is delivered at the earliest stage of development to provide community facilities from the start, giving Northstowe a hub allowing it to develop as a community. To ensure that the Primary School is available for use at the outset, the school site will need to be accessible for construction works to commence at least 18 months prior to the first occupation of any new houses being built. At the end of phase 1, the school will be fully utilised as a primary school although there will still be community access outside of normal school hours.
- 2.5 For the first years of the development, the primary school will be the community focus and will also provide secondary education for Key Stage 3 pupils with Key Stage 4 pupils being educated at Swavesey Village College until the secondary school is opened.
- 2.6 The site for the Northstowe Secondary school and a proposed Special School is outside, but adjacent to, the Phase 1 development, on land owned by the Homes and Communities Agency (HCA). It is a requirement that there will be a land transfer mechanism for delivering this facility alongside the Phase 1 development and negotiations are underway with the HCA. The funding for the secondary school will remain within the S106. The special school was not in the list of requirements presented to Cabinet in October 2012 but since then it has become clear that this is required and so is included in the current set of requirements

Archaeology

- 2.7 Archaeological investigations will be secured through compliance with Planning Condition and will take place prior to the construction of each phase of the Northstowe development according to an agreed programme and phasing plan. Section 106 contributions will be required only for the storage, display and future management of archaeological artefacts and monuments discovered through these investigations.

Waste Management

- 2.8 A site for a Household Recycling Centre (HRC) which is allocated in the adopted Minerals and Waste Local Plan 2012 is identified within the Phase 1 development site. The Section 106 Agreement will need to cover the mechanism for transferring the site for this facility to the County Council, the financial contribution towards the cost of

constructing this facility, and the provision of temporary Household Recycling facilities during the intervening period when Phase 1 development is occupied and the HRC is built.

Libraries

- 2.9 A community the size of Northstowe will be served by a dedicated library. This will be located in the town centre which will come forward in the latter stages of phase 2 of the development. For the Phase 1 development, a temporary library service will be required, delivered through co-location with other community facilities, and the Section 106 Agreement will cover a financial contribution towards the provision of this facility.

Social / Extra Care Provision

- 2.10 Social care facilities, such as residential care and extra support will be provided as part of the affordable housing offer. Therefore, no separate Section 106 contributions are being sought from phase 1.

Transport

- 2.11 There will be a significant requirement for transport services and works to be included within the Section 106 Agreement. A £27 million investment by the Highways Agency in a package of interim measures on the A14 between Huntingdon and the Milton Interchange will provide sufficient additional capacity to accommodate the forecast traffic generated by the Phase One development at Northstowe. It is proposed that this Government investment will be supplemented by a £300,000 developer contribution from Northstowe for the introduction of measures to improve traffic management during incidents such as vehicle breakdowns or minor accidents on the A14.
- 2.12 The Cambridgeshire Guided Busway (CGB) is a fundamental element of the transport strategy for the Northstowe site, and therefore a proportionate contribution will be required from Phase 1 towards the construction costs of the CGB. The development will also see the construction of the first section a bus route through the Northstowe site which will facilitate Guided Bus services through the town in future phases. Revenue contributions to kick-start these services will be sought from future phases of development, but not from Phase 1.
- 2.13 Other local public and community transport services will be supported by the development through a £2.1 million financial contribution, enabling the connection of Northstowe to other local communities such as Bar Hill not served by the CGB services. Funding is also being sought to construct an off-road shared-use path for pedestrians and cyclists alongside the B1050 between Longstanton and Bar Hill, enabling Northstowe residents to access local facilities at Bar Hill on foot or by bike.
- 2.14 The impact of Northstowe Phase 1 traffic upon the local highway network will be mitigated through the improvement of the B1050 Bar Hill North roundabout (either developer funded or through the A14 improvements, depending upon the programme for the latter scheme) and through a comprehensive traffic monitoring and management strategy that will be developer funded that will provide robust evidence to support traffic assessments for future phases. This will ensure that transport infrastructure required to support subsequent phases of Northstowe is identified and secured.

- 2.15 Funding will also be sought from the developer to support Travel Plan and construction management monitoring and enforcement activity to ensure that the development promotes sustainable travel, and that construction activity has minimal impact upon local communities.
- 2.16 A Northstowe Transport Working Group is being established that will enable local communities to raise and discuss transport issues directly with the County and District Councils and the Northstowe Joint Promoters.

District Council responsibilities

- 2.17 A summary of the key elements of the requirements that relate to South Cambridgeshire is as follows.

Community and Emergency Services

- 2.18 This includes a community centre (with interim library) in the local centre for Phase 1. This will be required when the primary school is fully utilised for educational purposes. The police and other emergency services will have a presence in the early stages of Northstowe by sharing space initially in the primary school and then at the community centre . A small sum for provision of allotments is also required.

Environment and drainage

- 2.19 Items for monitoring are required. SCDCC with the Environment Agency, Anglian Water and the promoters have been working together to provide a new pumping station for foul water drainage for the whole of Northstowe. Estimates for the pumping station are £1.8 - £2.5m. The Environment Agency has recently applied for £1m grant from the Environment Agency Growth Fund to help pay for the pump. In addition, £793,000 of loan monies have been allocated to SCDC by the Local Enterprise Partnership through the Growing Places Fund subject to submission of a satisfactory business case. It is intended that any remaining cost and a sum for future maintenance will be secured through the s106 agreement. If necessary, South Cambridgeshire District Council will consider taking on responsibility for the maintenance of the new pump and Swavesey drain.

Governance and Community Development

- 2.20 Costs associated with setting up the town council, community endowment and governance arrangements remain as before with a reduced requirement for community development funding due to a review of how this can be provided.

Sports

- 2.21 The Phase 1 sports hub and Multi-Use Games Area (MUGA) amount to around £1.2m. This has been reduced from the previous figure with land provided to allow an extension at a later stage if that is deemed necessary. The MUGA is the first one of six required across the whole site. Funding for the dual use sport facility in the secondary school is under review and may be of the order of £0.5m

Sustainable Living and Energy

- 2.22 It has been agreed that this element will be covered by the sustainable energy strategy which is being developed and there is no specific s106 requirement at this

stage.

Waste

- 2.23 This covers recycling bins and temporary facilities and is unchanged, totalling £168,500 capital.

Affordable Housing

- 2.24 The s106 agreement and viability negotiations have needed to consider the proportion of affordable housing. The District Council's policy requirement is for 40% and the Development Framework Document and planning application both state 35%. The detailed viability negotiations envisage 20% affordable housing for phase 1. In addition, SCDC and Gallagher are looking at an innovative approach towards low cost home ownership and private rented housing which should make both of these sectors available to a wider proportion of the population. The viability assessments for the whole of Northstowe still allow for 35% affordable housing in later phases.

3.0 ALIGNMENT WITH PRIORITIES AND WAYS OF WORKING

3.1 Developing the local economy for the benefit of all

The following bullet points set out details of implications identified by officers:

- The development of Phase 1 of Northstowe will increase the ability for people to both live and work in the local area, thus enhancing economic growth. Phase 1 of Northstowe includes provision for 5ha of employment land, comprising of use-classes B1 (offices), B2 (general industrial) and B8 (storage and distribution). This will provide approximately 500 jobs. In addition, further employment opportunities will be provided within the mixed-use local centre and the three-from entry primary school.
- Phase One of Northstowe also strengthens the relationship between jobs and houses within Cambridge and its surrounding hinterland. In particular given that Phase One is located adjacent to the Longstanton Park and Ride and CGB stop, this allows residents of Northstowe the opportunity to easily, quickly and sustainably access jobs in Cambridge (particularly the Science Park and the Addenbrooke's Bio-medical Campus) as well as assisting employees travelling to the Northstowe employment site from the surrounding area.

3.2 Helping people live healthy and independent lives

The following bullet points set out details of implications identified by officers:

- Providing access to a full range of public services, such as education, early in the development will assist in meeting this priority.
- The design of the Phase 1 development will be required to build in routes and networks of footpaths and cycle paths that will assist movement in and around Northstowe and into the surrounding area by modes of transport that can help deliver this objective.

3.3 **Supporting and protecting vulnerable people**

The following bullet point sets out details of implications identified by officers:

- An important element of Northstowe will be the provision of affordable housing on site, which will help to assist those in housing need and who cannot afford to buy a property in the local area. Affordable housing will include social rented housing as well as intermediate housing (including provision for key workers).
- A special school is proposed for Northstowe to assist with the education of those students unable to attend a mainstream school.

3.4 **Ways of working**

The following bullet points set out implications identified by officers for developing our leadership role:

- The County Council has worked closely with partners on the development of Phase On1, including South Cambridgeshire District Council, the Highways Agency and a range of service providers.
- Given the pressing need for new housing in the area, there is a clear need to move the Northstowe project through the formal planning process and towards delivery, should planning permission be granted, as quickly as possible. In order to ensure the planning stages and community involvement are completed efficiently and effectively a Northstowe joint officer team has been established between SCDC and CCC, which includes transport, planning and education officers.

The following bullet point sets out implications identified by officers for working at the local level:

- The proposals for Phase 1 of Northstowe have been subject to a robust consultation process. This has included consultation with statutory consultees such as the Highways Agency, the Northstowe Parish Forum and the local community (including local public exhibition events). A Statement of Consultation is included within the outline application and provides further details of this.

The following bullet points set out implications identified by officers for investing in growth:

- The development of Phase 1 of Northstowe will increase the ability for people to both live and work in the local area, thus enhancing economic growth. Phase One of Northstowe includes provision for 5ha of employment land, comprising of use-classes B1 (offices), B2 (general industrial) and B8 (storage and distribution). This will provide approximately 500 jobs. In addition, further employment opportunities will be provided within the mixed-use local centre and the three-from entry primary school.
- Northstowe strengthens the relationship between jobs and houses within Cambridge and its surrounding hinterland. In particular the Cambridgeshire Guided Busway will allow residents of Northstowe the opportunity to easily, quickly and sustainably access jobs in Cambridge (particularly the Science Park and the Addenbrooke's Biomedical Campus) as well as assisting employees travelling to the Northstowe employment sites from the surrounding area.

4.0 SIGNIFICANT IMPLICATIONS

4.1 Resource and Performance Implications

The following bullet points set out details of significant implications identified by officers:

- Although Northstowe is an important part of the development strategy for the area, the various costs of bringing forward Phase 1 must be carefully assessed and managed to ensure the County Council's objectives are fully met. Viability of the scheme will be an important consideration in order to ensure the development is deliverable but also contains all the important services and facilities.
- Innovative approaches to service provision at Northstowe could bring financial benefits in terms of capital and revenue savings and will assist the overall viability of the scheme. These savings could be secured by spending less capital in providing new facilities through a much more flexible approach to service provision, such as the co-location of community facilities and services.

4.2 Statutory, Legal and Risk Implications

There are managed risks being taken to secure the delivery of the Northstowe project.

4.3 Equality and Diversity Implications

There are no significant implications for equality and diversity.

4.4 Engagement and Consultation Implications

The following bullet point sets out details of significant implications identified by officers:

- The proposals for Phase One of Northstowe have been subject to a robust consultation process. This has included consultation with statutory consultees, the Northstowe Parish Forum and the local community (including local public exhibition events). A Statement of Consultation is included within the outline application and provides further details of this.

4.5 Public Health Implications

There are no significant implications for Public Health; however discussions will continue to include health providers.

Source Documents	Location
<p>Northstowe Phase One Planning Application</p> <p>Northstowe Development Framework Document</p>	<p>Second floor A-Wing, Shire Hall, Cambridge</p> <p>and</p> <p>http://www.scambs.gov.uk/communityandliving/newcommunities/majordevelopments/northstowe/</p>

APPENDIX 1: Northstowe Phase 1 Section 106: Draft Heads of Terms (County matters)
January 2013

Northstowe – Phase 1

Item	Obligation	Trigger	Comments
COUNTY ITEMS			
<i>Education</i>			
<ul style="list-style-type: none"> Primary School (3FE) 	£11,170,201 Plus free land	Primary education from first occupations. Secondary education for KS 3.	Includes provision for; <ul style="list-style-type: none"> • Early year's provision. • Children Centre services. • Health workers office. Temporary secondary school capacity and community use.
Secondary School	£10,000,000 Plus free land (14.1 ha)	To be available 4 years from first occupations. Site to be transferred to County Council on signing of S106.	(2FE)Required plus 2FE for CCC requirements. This includes core for 12FE and dual use sports facilities
Post 16 facility located with the secondary school	Site of 1.88 hectares to be provided. This is included as part of the 14.1 ha secondary school site.		Future phase cost £12,000,000 No financial contributions requested in Phase 1.
Special school	Additional land of 1.7ha	To be co-located with secondary school	Future phase costs = £7,500,000
Early years Childcare provision	Duty on the developers to provide sites for such facilities at a commercial rate.		
<i>Archaeology</i>			
Archaeology S106 requirements	£10,000 storage £30,000 interpretation £12,000 capital and £2,000 revenue	Agreed triggers through out Phase 1	Potential to include these elements within planning condition(s).
<i>Household Recycling Centre</i>			
Household Recycling Centre	£190,395 Plus site area of 1.25 ha	Capital contribution at end of Phase 1.	Site transfer to be prior to end of phase 1.
<i>Library and Lifelong Learning</i>			
Interim Library	Capital fit out - £113,500 Revenue £80,000 (3 years funding)	Capital contribution on commencement with revenue payments phased throughout development.	
Permanent Library	This will be provided as part of the community hub in the town centre		
<i>Sustainable Urban Drainage & Reservoir</i>			
<ul style="list-style-type: none"> Annual Maintenance Capitalised commuted sum to cover a 50 year period. 	(totals for 50 year period) <ul style="list-style-type: none"> • £1,975,000 	Yearly maintenance cost of £39,500 5 years revenue costs required prior to	The County Council could take ownership of areas of land. These elements could also be

		construction, 10 years revenue costs required after 5 years from start of construction, 35 years revenue costs required 15 years after construction.	covered by either planning conditions or the S106.
<ul style="list-style-type: none"> Replacement Pump Capitalised commuted sum to cover a 50 year period. 	(totals for 50 year period) <ul style="list-style-type: none"> £ 170,800 	Requirement is for 50 years. 50% 5 years after construction starts 50% 15 years after construction starts	Replacement pump is a one off cost.
<ul style="list-style-type: none"> Desilting of reservoir Capitalised commuted sum to cover a 50 year period. 	(totals for 50 year period) <ul style="list-style-type: none"> £1,000,000 	Requirement is for 50 years. 50% 5 years after construction starts 50% 15 years after construction starts	Desilting of reservoir is a one off cost.
Transport			
Cambridgeshire Guided Busway	Capital contribution of £2,380,500 (Pro-rata contribution for Phase One development at Q4 2010 prices). Balance of capital contribution and revenue contribution to be met by future Phases at Northstowe	Phased contribution. Suggested profile: £380,500 on first completion. £1,000,000 on 500 th completion. £1,000,000 on 1,000 th completion.	Payments triggered by completion (houses available for sale) rather than occupation (people moving in) as the availability of the CGB should form one of the main selling points for Northstowe. Three payments selected to ease the bureaucracy involved in calculating payments. Lower first payment to reflect cash flow issues faced by the developer.
Public Transport	Combined with Community Transport (£2.1 million)	Annual payment with first payment due on first occupation, and successive payments on the anniversary thereafter. Sliding scale (with payments reducing year on year to reflect increased patronage of the bus services).	Apportionment of contribution depends upon the receipt and validation of further information on forecast revenue streams from Gallagher.
Traffic Monitoring & Management Strategy	Capital (£60,000) Revenue (£70,000) Implementation (£750,000)	Initial payment of £60,000 required within one month of signing the S106 Agreement. Initial payment of £10,000 revenue for monitoring payable at the same time, with six further payments of £10,000 on the successive anniversaries of that payment. Three payments of	Up front capital funding of monitoring is essential to reimburse CCC for the installation of traffic count equipment. Revenue funding required for top-up surveys throughout the Phase One development. Traffic management payments to be equally split through

		£250,000 each payable on 100 th , 500 th and 1,000 th occupation.	the development build-out period to reflect increased travel demand on the network. Trigger could also be linked to traffic generation from the site as monitored through the count sites.
Travel Plans	£200,000 contribution based on cost information on Travel Plan package provided by the developer.	Annual payment linked to the number of houses forecast for completion each year. First payment upon first occupation.	Could be translated into an annual subscription to the Travel for Work Partnership.
Off-site Walk/Cycle Links	Capital £932,000. Figure updated based on cost estimate prepared for preliminary design of scheme.	One payment to be made upon commencement of construction works on the site.	This will allow the design and planning processes to be underway prior to the first occupation, and delivery of the scheme to follow early in Phase One.
Parking Management/Traffic Regulation Orders	Capital contribution £25,000	Cost of Orders to be met by developer as and when they are required to facilitate development works.	
Construction Management Strategy including enforcement	£100,000 Gallagher offer	Payment to be made prior to the commencement of construction works on site.	Could be linked to other enforcement / adoption activity under the terms of the CEMP.
Interim measures to maintain A14 level of service.	Capital £300,000 contribution for traffic and incident management measures.	Payment to be made upon first occupation.	Highways Agency to implement the measures.
SOUTH CAMBRIDGESHIRE ITEMS			
<i>Community</i>			
Community Centre to include meeting space, play group area, function rooms, touch down for emergency services	£1,447,500 £ 75,000 revenue	To be linked to provision of local centre in Phase 1, phasing details to be agreed	Phase 1 community centre will be located in proposed local centre. Specification to be agreed and will include adequate provision for emergency services.. Revenue allowance of £25,000 over three years.
Allotments	£30,000		Land allocation of 1ha including community orchard
<i>Environment</i>			
Air quality monitoring equipment	£27,250 £51,300 revenue	Six months prior to commencement of development	Real time monitoring equipment and database web site
Noise and vibration monitoring equipment	£20,000 £11,625 revenue	On commencement of development	Additional funding in future years. One monitoring system to be located in vicinity of

			Rampton Drift and the other co-located with traffic monitoring for existing homes.
Contaminated land – consultant to review site investigation and remediation reports	c.£150,000 TBC	Prior to commencement of contaminated land investigation development	Five year consultancy
Land drainage GIS data	c. £30,000 TBC	On approval of relevant phase of development	Commuted sum. Relates to airbase phases.
Award Drains upgrade and maintenance along Council drains	£14,400	Prior to commencement of development	Commuted sum
Uttons Drove repair and maintenance	£37,500	Prior to commencement of development	Commuted sum
Webbs Hole pump	Capital contribution of £720,000 (maximum contribution) and a commuted sum of £450,000		Negotiations are still under way linked to funding bids and long term maintenance responsibility
Award drains access for maintenance to sections of Longstanton Award drain	£9,000	Prior to commencement of development	
Balancing ponds access for maintenance	£31,500	Prior to commencement of balancing ponds	Commuted sum
Technical assistance regarding design calculations for flows along Longstanton watercourses	£3,000	Prior to commencement of development	
Governance			
Community endowment for public realm maintenance and other projects	£3,000,000	Trigger to be agreed.	Based on £2,000/home
Town Council establishment	£11,250	On commencement of development	Later phases to provide £63,750
Electoral support	£11,250	On commencement of development	Later phases to provide £63,750
Community support and development			
Officers including community development, sports, youth and community energy	£500,000 revenue	On first occupation of housing	Job descriptions and hours of working to be agreed. Funding for five years
Sports			
Sports hub	£1,050,000 £60,000 revenue	On commencement of Phase 1 development	Specification and costs to be confirmed. Land are 6.17ha
Multi-use games area	£150,000 £15,000 revenue	On commencement of Phase 1 development	Specification and costs to be confirmed
Dual use sports facility in secondary school	£525,000 revenue	On completion of secondary school	Over five years to support early use of sports facilities in secondary school by community
Waste Collection			
Temporary recycling facilities	£24,000 £10,000 revenue	On completion of Phase 1	Maintenance cost of £2,000 over five years
Provision of waste and	c£140,000	From first occupation	Other phases

recycling bins			£793,333. Based on £69.50/property and £150/flat
----------------	--	--	---