

COTTENHAM, DEVELOPMENT OF LAND IN RAMPTON ROAD

To: General Purposes Committee

Meeting Date: 14January 2016

From: Chief Finance Officer& Head of Strategic Assets

Electoral division(s): Cottenham, Histon & Impington

Forward Plan ref: 2016/022 **Key decision:** Yes

Purpose: To brief the Committee on proposals for the development of the Council's land at Rampton Road in Cottenham, and seek approval to submit a planning application and enter into appropriate agreements to progress the proposals through to implementation.

Recommendation: General Purposes Committeeauthorisesthe Chief Finance Officer, in consultation with the Chairman of General Purposes Committee (GPC) and the Investment Review Group,to enter into appropriate agreements outlined in this report required to implement the development by the Council of land at Rampton Road in Cottenham.

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1. BACKGROUND

- 1.1 The County Council owns 24.15 acres/9.77ha of agricultural land fronting Rampton Road in Cottenham, shown edged red on the attached plan. The site is not in the Green Belt, and relates well to the built form of the village and the school.
- 1.2 The land was promoted by Strategic Assets in 2012 as a site for a residentially led scheme for up to 300 homes with land being reserved for a new primary school or necessary expansion should this ever be required, but the site was not included by South Cambridgeshire District Council (SCDC) as a proposed allocation in the emerging Local Plan.
- 1.3 The land adjoins the Parish Council's Recreation Ground and there is an opportunity for joint working with the Parish, who wish to expand its recreational provision and reconfigure the recreation ground making a more efficient layout and potentially improve access and parking which might involve a land swap.
- 1.4 The Parish Council is currently developing a neighbourhood plan.
- 1.5 Rampthill Farm on Rampton Road was sold by the County Council in 1998 and although its location probably does not create a ransom situation it would be logical to include the house and land in the scheme if suitable terms can be agreed. The owners have expressed an interest in taking negotiations forward.
- 1.6 The current South Cambridgeshire District Council Local Plan has a shortfall in deliverable housing numbers and presents an opportunity for landowners to bring forward schemes on land that is not currently allocated.
- 1.7 Members have asked officers to bring forward proposals for the development of Cambridgeshire County Council (CCC)-owned land in response to growing budget pressures which is necessitating an increased appetite for risk. The Council could retain full ownership of the land, developing it for housing through a wholly-owned Special Purpose Vehicle (SPV) set up as a separate company, which would manage the development and construction phase of the project.
- 1.8 Three other parcels of land close to CCC's site are actively being pursued by developers or land promoters. In July, Gladman, a national land promoter submitted an application to South Cambridgeshire District Council (Application ref -S1818/15/OL) for 225 houses and up to 70 apartments with care facilities, opposite CCC's land on Rampton Rd. Persimmon are understood to be looking at an application for 100 homes and Endurance Estates for circa 50 homes.
- 1.9 The bringing forward of sustainable sites may be seen as desirable by the District Council as it will want to close any shortfall as soon as possible. This creates a degree of urgency. If the competing housing applications are successful, they may trigger the need for a new school in Cottenham or alternative provision. CCC has previously held back from pursuing a planning application for housing as it would be difficult for it to fund a new school.

- 1.10 If triggering the requirement for a new school or school expansion is a possibility, there are sound financial arguments for CCC promoting its land, which is arguably better located than any of the other parcels.
- 1.11 There is also a real possibility that if one of the competing applications is successful it may block CCC from making the most of its asset until the next local plan round as the housing shortfall could be filled.
- 1.12 In addition delaying an application until the Parish have completed their neighbourhood plan, which they may prefer, will delay CCC's ability to deliver a scheme and thus income as early as might otherwise be achieved. In that situation CCC could be too late to benefit from housing development on its Cottenham land if earlier competing applications are determined sooner.
- 1.13 CCC's intention, if successful with a planning application, would be to retain ownership of the completed development, including the affordable housing element with management of rented houses through a mechanism to be determined but which may include SCDC owned Ermine Street Housing or by setting up its own Management Company. There may be some freehold sales of part of the site depending on the final viability model and requirements of the planning consents.
- 1.14 Although the proposed SPV is intended as a commercial and investment vehicle, CCC will pursue development in accordance with the current requirements of the local planning authorities, unless the viability of the project requires an alternative approach.

2. MAIN ISSUES

- 2.1 In order to implement the project the Council will need to enter into a number of different agreements and contracts which would be better done under delegated authority.
- 2.2 It is recommended that the General Purposes Committee (GPC) authorises the Chief Finance Officer, in consultation with the Chairman of GPC, and the GPC Investment Risk Group to enter into appropriate agreements outlined in this report, required to implement the development by the Council of the land at Rampton Road Cottenham. This is a similar arrangement to the development of land at Newmarket Road, Burwell agreed by GPC in May 2015.
- 2.3 The possible contracts and agreements will include (but are not limited to):-
- A planning application and any appropriate planning representations S.106 and other planning agreements
 - Contracts to provide specialist technical advice and consultancy
 - Funding agreements with the Public Works Loan Board
 - Construction contracts for infrastructure development and building new homes
 - Contracts for letting and freehold disposal if required
 - Any other agreements considered desirable to enable the project to progress and deliver added value, social or monetary.

3. ALIGNMENT WITH CORPORATE PRIORITIES

3.1 Developing the local economy for the benefit of all

The development of this land at Cottenham will provide jobs in the local area during the construction phase and thorough management of the completed homes, and will provide homes for workers throughout the area including if desired the potential for key worker housing for staff.

3.2 Helping people live healthy and independent lives

The Council proposes to build 'Lifetime Homes' to a standard which will allow residents to stay in their homes for the longest possible time. The Council will meet its statutory requirements for provision of supporting Open Space and other facilities through the planning system and would work with the Parish Council to deliver improved recreational facilities.

3.3 Supporting and protecting vulnerable people

Retaining ownership of the completed dwellings provides the potential for the County Council to discuss the proposed use of parts of the development to provide specialist housing to meet established Care needs.

4. SIGNIFICANT IMPLICATIONS

4.1 Resource Implications

The Council is building up its staff resources but does not currently have sufficient skills or capacity to manage this project along with other similar projects in the pipeline and its normal day to day workload. Additional resources will be required to provide an in-house client function for the project and to resource the proposed SPV and this work is in hand

The Council will forward fund the capital construction costs, and the interest on borrowing will be repaid by the SPV from rental income received.

4.2 Statutory, Risk and Legal Implications

The Council will accept and manage financial risk as part of these proposals. The housing market can be volatile, and the property development market is dependent on economic conditions for funding, resource and financial returns. Generally the property market performs well over the long term, but can be subject to short term volatility and fluctuations in demand and consequently in value.

The Council will establish separate legal entities as part of these proposals, and will be required to abide by the law governing such entities.

4.3 Equality and Diversity Implications

There are no significant implications within this category.

4.4 Engagement and Consultation Implications

Full engagement and consultation will be undertaken with the local communities as part of the planning application process. The Local District and Parish Council are aware of the proposals.

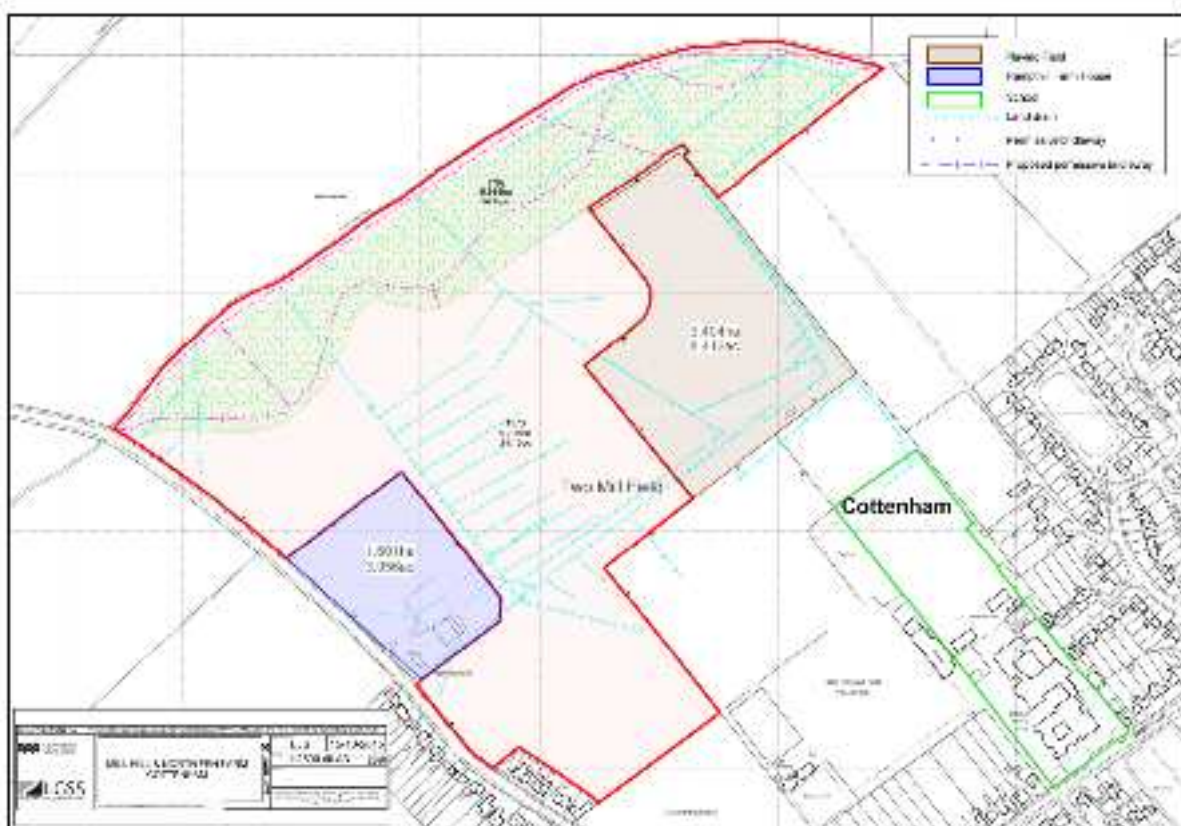
4.5 Localism and Local Member Involvement

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

- The Local members are Councillors David Jenkins and Mike Mason, who have been notified of the County's intentions.
- The Parish Council is developing a Neighbourhood Plan but it is too early in their process to be identifying any preferred sites for new housing.

4.6 Public Health Implications

There are no significant implications within this category.



Source Documents	Location
None	OCT1104 Shire Hall Cambridge