

**PROPOSED ELY NORTH DEVELOPMENTS AND SECTION 106 AGREEMENTS**

*To:* **Cabinet**

*Date:* **4<sup>th</sup> March 2014**

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

*Electoral division(s):* **Ely North**

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

*Purpose:* **To consider the key issues arising from consultations on the Church Commissioners (Highflyer Farm) and Endurance Estates (Land west of Lynn Road) planning applications and the proposed infrastructure requirements to be secured through the Section 106.**

*Recommendations:* **Cabinet is recommended to:**

- a) Endorse the County Council's response to East Cambridgeshire District Council on the Church Commissioners and Endurance Estates planning applications**
- b) Endorse the County Council's proposed infrastructure requirements to be secured through the Section 106 negotiations**
- c) Delegate to the Cabinet Member for Growth and Planning in consultation with the Executive Director: Economy, Transport and Environment the authority to make minor revisions to the planning application response and/or Section 106 Heads of Terms.**

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## **1. BACKGROUND**

- 1.1 The extant development plan for East Cambridgeshire identifies a need for the development of up to 500 dwellings on land adjacent to the northern edge of Ely at Highflyer Farm. In 2011, the land owners, being the Church Commissioners, submitted an outline planning application for consideration by East Cambridgeshire District Council.
- 1.2 In parallel, the emerging new development plan for East Cambridgeshire set out a revised requirement for up to 3,000 dwellings across the northern edge of Ely and the local planning authority (East Cambridgeshire District Council) produced a Strategic Development Framework to establish the principles for how that development should come forward.
- 1.3 The respective land owners of the sites have been asked to work collaboratively to produce a joint Masterplan for the whole developable area in advance of new planning applications being determined. The developer-led Joint Strategic Master plan has no policy status but has informed the draft North Ely Supplementary Planning Document (SPD). East Cambridgeshire District Council's Development and Transport Committee considered the outcome of the consultation on the SPD at its meeting on 14<sup>th</sup> January 2014 and is now making changes to the draft SPD before the document is formally adopted.
- 1.4 The development sites are being promoted by:-
  - Church Commissioners – land to the east of Lynn Road, including Highflyer Farm; and
  - Endurance Estates – land to the west of Lynn Road and north of Cam Drive.
- 1.5 Planning applications were submitted in the summer and autumn of 2013 and are provisionally timetabled to go before East Cambridgeshire District Council's Planning Committee on 28<sup>th</sup> March 2014.
- 1.6 In summary, the sites will provide:-
  - Up to 3,000 dwellings
  - 30% affordable housing
  - 30-40% of the site to be multi-functional green space
  - Two primary schools (up to 3FE each)
  - Sufficient employment uses to deliver 1,300-1,500 jobs
  - Two local centres providing retail and community uses
  - Two small local centres, providing top-up shopping and community facilities
  - An extension to Ely Country Park
  - Play areas for young children and teenagers
  - Allotments and community orchards.

- 1.7 Appendix 1 contains the illustrative Master plan for the development sites.

## **2. THE MAIN ISSUES**

- 2.1 Initial County Officer responses were made to the planning applications in July (Appendix 2a) and October 2013 (Appendix 2b). In summary, objections were raised in relation to potential noise impacts on the primary schools and the need for further transport information in relation to area wide impacts across the two development sites. Set out below are the key issues that relate to County Council infrastructure and services and updates.

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

- 2.2 Appendix 3 sets out the draft section 106 Heads of Terms for the proposed development across both sites. Contributions for infrastructure will need to be apportioned according to the planning applications, for which at least two Section 106 agreements and planning permissions will be required.
- 2.3 Developer contributions will be provided by way of Section 106 agreement and Community Infrastructure Levy (CIL) contributions.
- 2.4 Initial viability discussions indicate that the Church Commissioners development is unviable with the full range of Section 106 requirements. Local authority officers have taken advice from East Cambridgeshire District Council's appointed viability consultants and are currently negotiating with the applicant to agree a Section 106 package and land valuation that is reasonable. This is likely to require prioritisation of developer contributions. Officers are still awaiting the Endurance viability assessment and it is not yet clear if there are any viability issues.
- 2.5 The developers have indicated that bonding all items may be difficult to achieve in current market conditions. The County Council will need to ensure that sufficient security provisions are put in place – either Bonds and/or Parent Company Guarantees – that ensure the level of risk to the Council is managed and acceptable. Indexation will be required for all contributions and consideration of a review mechanism will be given to capture any contributions that may be foregone in the early stages of development to be captured at a later stage of development, should land values increase.
- 2.6 Members are asked to delegate to the Cabinet Member for Growth and Planning in consultation with the Executive Director: Economy, Transport and Environment the authority to make changes to the Heads of Terms and detailed drafting of the Section 106 agreement, including any prioritisation of contributions, before the document is signed.

## **Education Provision**

- 2.4 The planning applications include provision for two on-site primary schools (including early years provision) to be located as part of, or adjacent to, the local centres. The first planned primary school to come forward will be on the Endurance site, north of Cam Drive, and will provide 1 Form of Entry (210 places) of primary provision to meet existing need in Ely initially and delivered through the Council's capital programme. The primary school will subsequently be expanded to accommodate children from the new developments and funded by developer contributions. A second primary school will be required on the Church Commissioner's site. The proposed primary school site locations and size are agreed.
- 2.5 The primary schools will be funded through a combination of County Council monies – to provide for existing need – and Section 106 contributions to provide for children from the proposed developments. A Community Infrastructure Levy (CIL) contribution will also be required which could provide new secondary school places which can not be met through existing provision.
- 2.6 Post-16 provision will be provided through existing facilities for which there is sufficient capacity to meet the needs arising from these developments.
- 2.7 Officers had raised objections on noise grounds for both sites; however, this has subsequently been removed subject to the imposition of an agreed planning condition and assurances on the noise bund adjacent to the A10.

## **Transport Provision**

- 2.8 Discussions continue to resolve outstanding transport matters. On the Church Commissioners site most matters are agreed except for public transport and measures to come forward through the Joint Transport Strategy. On the Endurance site, a response from the applicant on County officer comments is awaited.
- 2.9 County officers are currently reviewing the Joint Transport Strategy submission.
- 2.10 Until these matters are fully resolved it is recommended to maintain the Council's holding objection.

## **Community facilities**

- 2.11 The Section 106 list includes a financial contribution to local library facilities, which may include provision for an on-site micro library within a suitable building.

- 2.12 20% of residential dwellings are proposed to be constructed to Lifetime Homes standards in response to East Cambridgeshire District Council's Policy to seek a meaningful proportion.

### **Quality Panel**

- 2.13 Highflyer Farm went before the Quality Panel on 21<sup>st</sup> July 2011, where issues of reliance on car use and links to the neighbouring MoD site were raised and subsequently addressed in the revised planning application of 2013.
- 2.14 Endurance Estates went before Quality Panel on 4<sup>th</sup> November 2013, where the scheme which was generally supported as a scheme with lots of potential.

### **Update**

- 2.15 Officers continue to work with the applicants and East Cambridgeshire District Council to resolve the issues raised and it has been possible to remove the education objections. However, transport matters are not yet resolved and therefore the holding objection is maintained.
- 2.15 Members are asked to endorse the officer comments submitted to East Cambridgeshire District Council or make any amendments they consider necessary and to instruct officers to complete planning application and s106 negotiations commensurate with the Council's requirements and draft Heads of Terms appended to this report.

## **3. ALIGNMENT WITH PRIORITIES AND WAYS OF WORKING**

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

This development will provide new jobs during the construction phase and on-going employment opportunities through its commercial and service facilities. This will benefit residents and nearby communities

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

The development proposes that some homes will meet Lifetime Homes standards to enable all residents to have the flexibility to adapt their homes to meet their changing needs and requirements.

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

The rights of individuals and groups who may have particular needs and requirements have been considered in the Community Impact Assessments.

### **3.4 Ways of working**

County officers have worked closely with East Cambridgeshire District Council. No Planning performance agreement has been agreed.

## **4. SIGNIFICANT IMPLICATIONS**

### **4.1 Resource and Performance Implications**

The impact of this development on public infrastructure is mitigated through a package of measures including financial contributions to be secured through a section106 agreement and/or CIL. Viability issues may require the prioritisation of contributions.

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

The planning application will be determined under the provisions of Town and Country Planning Act 1990 by East Cambridgeshire District Council.

Should Cabinet resolve to introduce changes to officer comments or draft Heads of Terms, Members will need to be mindful of the statutory and legal implications, such as planning appeal or impact on the viability of the development – which is a material consideration in decision making.

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

The Community Impact Assessments prepared under the Equality Act 2010 has been prepared and published alongside the Business Plan.

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

Council officers have engaged with consultations and have been fully involved in pre-application discussions. Council officers responded to the planning application within the statutory consultation period which meant members were not able to be fully consulted before it was sent.

### **4.5 Public Health Implications**

The development proposes to encourage healthy and active lifestyles through encouraging sustainable transport measures, provision of allotments and sports facilities.