

County Council – 15 December 2020

Written Question under Council Procedure Rule 9.2

1. Question from Councillor Sebastian Kindersley

London Luton Airport (LLA) currently shares arrival routes and holds with Stansted Airport. A public consultation is taking place ending February 5th 2021 inviting comment on proposed changes that will separate routes further out and higher up and create a new hold for Luton arrivals. The joint consultation, co-sponsored by LLA and air traffic control provider NATS, is looking at two options to simplify the arrival routes for flights into LLA.

The proposals being put forward by LLA and NATS affect areas not only in the immediate vicinity of the Airport but also wider areas across Bedfordshire, Buckinghamshire, Cambridgeshire, Essex, Hertfordshire and Suffolk. Cambridgeshire communities such as Gamlingay, St Neots, Waresley, Abbotsley and the Gransdens could see aircraft leaving the new stack proposed Northwest of St Neots and descending through 8000ft to 7000ft immediately above these communities; and the consultation documents describe the effect of these changes as adverse and detrimental.

The consultation presents two closely related options. It is not therefore a true consultation as it does not disclose all the options that were considered and the reasons why they were discounted. To that end is Cambridgeshire County Council prepared to ask LLA and NATS to recommence the whole route assessment and public consultation process, considering all options completely transparently and this time to include residents and local authorities right from the start?

Response from Councillor Josh Schumann, Chairman of Environment and Sustainability Committee

I would like to thank Cllr Kindersley for this question on what is quite a complicated matter. I can confirm that officers of the Council are currently assessing the consultation material, working with officers from South Cambridgeshire and Huntingdonshire and so the points Cllr Kindersley raises are very much in our minds.

In undertaking the consultation, I am told that the Civil Aviation Authority have been following governments guidelines as set out in the Air Navigation Guidance 2017, which includes regulations on conducting consultation when a proposed change in airspace is being mooted. The guidance states that

“local authorities, other organisations and individuals who may represent the interests of people living in the neighbourhood of the aerodrome that are likely to be affected by the proposed change below 7,000 feet. Changes at or above 7,000 feet will usually not have a noticeable impact so consultation is unlikely to be necessary.” (Department for Transport, Air Navigation Guidance 2017, Section 2.9)

The consultation notes that the proposal for stacking over the Huntingdon area takes place over the level of 8,000 feet, and therefore LLA have not been mandated to consult with relevant authorities in and around Huntingdonshire, although many members have expressed regret that NATS and LLA have not.

We understand that representatives from a number of surrounding authorities were invited to attend a stakeholder session on the 29th August 2019 near Luton Airport after which follow-up engagement took place via email. To the best of knowledge of officers, no such invitation was extended to Cambridgeshire County Council, and no attempts were made to engage the Council on these proposals via email or letter. While the authorities that attended the session represent areas where the impact of additional plane traffic will be more significant than our own, there is a significant part of our region, specifically the south-western parts of South Cambridgeshire, where additional plane traffic would be flying below 7,000ft as shown by the graphics in the consultation documents (Sections 5.19-5.74).

With respect to point (b), the consultation document advises that only one ‘upper option’ features in the consultation, this option being Option 1.4 (i.e. the Huntingdon stack), the other upper options having been rejected. It is the view of officers that there is an insufficient level of detail on the proposed flight paths from the Huntingdon stack to Luton airport to determine the exact impact on communities in South Cambridgeshire and there is an emerging need to seek more clarity on this.

I do therefore agree that some action with LLA and NATS is needed and will be asking Steve Cox, Executive Director, Place & Economy write to LLA and NATS to express our concerns over the process and to seek supplementary details not provided in the consultation document, so that officers are able to robustly assess the exact impact these proposals will have on those affected areas in South Cambridgeshire, and better inform the County Council’s formal response to the consultation, which is required by 5th February 2021. In the event that such additional detail is not provided, then I will be asking the Executive Director to request that the consultation be re-done in order that the consultation can provide a level of engagement and detail that gives confidence to members that the proposals will not adversely affect the communities they represent.

2. Question from Councillor Lorna Dupré

Public transport to serve Alconbury

At a meeting of the Cambridgeshire & Peterborough Combined Authority Board on Wednesday 25 September 2019, the Board was asked what assurances could be given to ensure that an interim public transport solution would be in place when Cambridgeshire County Council relocated to Alconbury. The minutes of the meeting (Minute 419) record that 'The Mayor commented that Cllr Count had assured him that there would be a solution in place by 2021 which both the Combined Authority and Cambridgeshire County Council could support'. What public transport solution will be in place by 2021 to provide public access to Alconbury Weald and how has the County Council indicated its support for it?

Response from Councillor Steve Count, Leader of the Council

The Cambs 2020 Programme sees Cambridgeshire County Council moving from our HQ in Cambridge city to a Hub and Spokes model, with a smaller purpose built HQ in Alconbury Weald and offices across the County allowing our staff to be closer to the communities they serve.

For the teams moving from Shire Hall to Alconbury Weald, we recognise that while public transport is available between the two locations, the current route available is reasonably long. Therefore, Cambridgeshire County Council has undertaken an options appraisal to consider a chargeable bus service reducing the time/distance between Cambridge and Alconbury Weald.

This proposal (created using employee feedback) has now been taken through internal governance approval, however funding still needs to be identified before it can be confirmed. The proposal would see Cambridgeshire County Council commissioning a public bus service (available to staff and members of the public) between Cambridge North Station, an additional pick up in Bar Hill, before completing the journey at Alconbury Weald. The service would be commissioned for a fixed period of one year to support the transitional period for staff. If this proves successful the Council could consider extending beyond this period. In providing a public bus service, this enables opportunities for individuals outside of the organisation to utilise this service and maximise the capacity available, and it will promote sustainable travel to our staff to reduce single occupancy car journeys.

3. Question from Councillor Lorna Dupré

Staff transport to Alconbury

Will the Leader please update the Council on arrangements for staff transport to Alconbury Weald?

Response from Councillor Steve Count, Leader of the Council

The answer is included in the response to question 2.

4. Questions from Councillor Lorna Dupré

1. How much was CCC's original loan to This Land?
2. How much has been loaned subsequently?
3. How much of the principal was expected to be repaid between the initial loan and the present date?
4. How much of the principal has actually been repaid in that period?
5. How much interest was due between the initial loan and the present date?
6. How much interest has actually been received in that period?
7. Councillors were advised that the council would receive a 3.0-3.5 per cent margin on all loans to This Land. What margin is CCC actually receiving?
8. How many sites is This Land now disposing of on the open market?
9. Does the value of the land owned by This Land outweigh the Company's financial obligation to the council?

Response from Councillor Mark Goldsack, Chairman of Commercial and Investment Committee

Thank you for these questions. I should begin by drawing attention of Councillors to the reports received by the Commercial and Investment Committee regarding This Land, the Council's wholly owned housing development company, most recently in October 2020 and April 2020. Some of that information remains commercially sensitive and I have of course been mindful of that in drafting this answer.

[I am aware that several incorrect assertions were made about This Land, in a satirical magazine in recent weeks, so I welcome this opportunity to put on record the information in this reply.]

1. The original loan from CCC to This Land, advanced in November 2017, amounted to £2.8m.
2. The total amount loaned to This Land from CCC from November 2017 (including that initial sum) to date is £123.477m.
3. Pursuant to the loan agreements agreed by This Land and CCC, £11.3m of that principal amount was scheduled to be repaid to the Council during that period to date.
4. As planned, £11.3m has indeed been repaid to the Council by This Land. This means the total amount on loan today is £112.177m. There is further commentary on the total amounts on loan and the requested total facility within the reports to C&I Committee.
5. The amount of interest due to the Council from This Land since November 2017 is £13.134m.
6. The actual interest received by CCC during that period is £13.134m.
7. Councillor Dupré refers to the approximate margin quoted in the 2016 outline business case. For each loan advanced, the Council has considered the lending terms with regard to the length of loan and underlying collateral and so as to avoid state aid. Land loans also resulted in a simultaneous capital receipt for the Council, negating the need to immediately borrow. In this context, interest rates were not determined as a product of achieving a particular margin compared to the Council's cost of borrowing, and the exact rates are likely to be commercially sensitive. Across the total portfolio of lending to This Land, compared to equivalent borrowing costs to the Council, I can confirm the average margin exceeds 3%.
8. A core objective in setting up This Land was to sell properties to private purchasers. We are starting to see some successes with sales and Members heard at a shareholder meeting earlier this month about progress by the company which is quite dynamic. The homes at the first developments at Cityglades are proving popular. In terms of the overall strategy with disposals, I would refer you to the reports to C&I Committee which set out the site-by-site approach.
9. The financing that the Council has advanced to This Land is both for land acquisition as well as development and construction costs. On this basis, it is likely that the market value today of the land owned by This Land today does not exceed the total amount on loan from the Council. This is not unexpected and C&I Committee has considered the risk and reward from developing the property owned by This Land through the company's planned investment and construction. Only as that development progresses and completes will the uplifts in values be fully realised, as is the nature of property development.

10. Crucially, This Land's financial obligations to the Council are appropriately phased over the coming years. The company's cashflow position means it is already strongly placed to meet its financial obligations to the Council over the next 12 months and has an appropriate longer-term plan for continuing to deliver the significant interest returns scheduled as well as repaying principal sums as they fall due and as we have already seen to date, throughout the lifecycle of the company. There is more detail on loan security, and gross development values, as assessed by an independent valuer, within the C&I Committee reports.