



To: LEADER: TIM BICK
Report by: HEAD OF PLANNING SERVICES
Relevant scrutiny committee: STRATEGY AND RESOURCES 9 July
committee: SCRUTINY COMMITTEE 2012
Wards affected: CASTLE/ALL AND GIRTON PARISH

NORTH WEST CAMBRIDGE DEVELOPMENT – MANAGEMENT STRATEGY FOR OPEN SPACES, SPORTS AND COMMUNITY FACILITIES

Key Decision

1. Executive summary

- 1.1 The outline planning applications for the North West Cambridge development were submitted to Cambridge City Council and South Cambridgeshire District Council (SCDC) in September 2011. The proposed development straddles the district council boundary between the two local authority areas. Negotiations on the planning applications are now at an advanced stage and it is hoped to report the application to the Joint Development Control Committee (JDCC) in the near future.
- 1.2 This is a mixed use development, comprising a mixture of market and University key worker housing, student accommodation, academic, research and development uses. A number of new open spaces, sports and community facilities are included and it is important that the management strategy agreed for these provides the maximum benefits and degree of public access for all types of residential occupiers of the development and the wider Cambridge community.
- 1.3 Following negotiations over several months, the University of Cambridge has agreed in principle a proposal to set up a Joint Management Vehicle (JV) with the City Council for the management of Storey's Field open space (which includes the SSSI) and the proposed North West Cambridge community centre, both of which lie within the City boundary part of the development. Subject to the principle of the establishment of a JV being formally agreed by Members, further negotiations will be necessary to finalise the detailed arrangements.

1.4 The University propose that the remainder of the open space, sports and community facilities within the development would be managed by the University itself, subject to the detailed provisions being agreed and finalised through the S106 agreement associated within the planning applications.

2. Recommendations

The Leader is recommended to agree:

- a) The principle of the City Council entering into a Joint Management Vehicle arrangement with the University of Cambridge for the management of Storey's Field informal open space (including the SSSI) and the North West Cambridge community centre, on the basis of the objectives as set out in 3.4 to 3.8 of this report.
- b) That the Chief Executive should be delegated to agree and finalise the details of the proposed JV arrangements, including that the JV meets the objectives and principles set out in paragraphs 3.4 –3.8 of this report.
- c) To recommend that Council on 19 July approve a budget allocation for the proposed Joint Vehicle of up to £100k from 2027 onwards and that this be included in the Council's Medium Term Strategy.
- d) The University should manage the remaining open space, sports and community facilities within the North West Cambridge development, according to the principles set out in paragraphs 3.9 – 3.11 of this report, subject to the detailed provisions being agreed and finalised within the S106 agreement associated with the outline planning applications.

3. Background

The outline planning application

3.1. The outline planning applications for the North West Cambridge development were submitted to Cambridge City Council and South Cambridgeshire District Council (SCDC) in September 2011. The proposals are for a mixed use urban extension development, comprising 3000 dwellings (1500 market and 1500 key worker), 2,000 student units, 100, 000m² of research and academic uses. The development straddles the administrative boundaries of the City and SCDC.

Open Space, sports and community facilities provision

- 3.2. A number of new open spaces, sports and community facilities are included within the proposed development. These comprise informal open spaces, play areas, allotments, indoor sports facilities (at West Cambridge), sports pitches and a community centre. For further details refer to Appendix 1.

University management approach

- 3.3. Whilst most developers prefer to transfer open spaces and community facilities (either on a freehold or long leasehold basis) to the City Council to adopt, then manage and maintain thereafter, along with a 12 year commuted sum, the University has expressed a strong wish to retain ownership of its community assets and to manage and maintain these itself. Land transfer in these circumstances can only take place when both parties are in agreement and the Council cannot therefore compel the University to transfer the community assets to the local authority. This is not unusual and is the approach that has been agreed with the new country park associated with the Trumpington Meadows development that forms part of the Southern Fringe.
- 3.4. Given the large scale of the development and the need to ensure that key facilities located within the City boundary are managed to ensure optimum benefits and access for all sectors of the residential population of the development and the wider community, extensive negotiations have been taking place with the University over the last six months to ensure that the City Council achieves an appropriate level of democratic control and influence over the use and management of the large open space known as Storey's Field and the community centre, both within the City boundary.

Strategic Management Objectives

- 3.5. Discussions with relevant City Council Executive Councillors in relation to securing the best management strategy for Storey's Field and the community centre have established a number of key objectives that need to be met:
- Equality of access for all type of residents within the development;
 - Access to facilities for the wider Cambridge community in the same way that they have access to other comparable open spaces and community facilities/public assets within the City;
 - Facilities that are sustainable in the long-term;
 - Facilities managed and maintained to a good standard comparable to at least the standard that the City Council manages and maintains equivalent facilities;

- Management and maintenance arrangements that are cost-effective but which avoid large service charges being imposed on residents of the development to fund the ongoing revenue costs.

3.6. It is within this context that the proposal has emerged to set up a Joint Management Vehicle (JV) with the City Council for Storey's Field and the proposed community centre.

Proposed Joint Management Vehicle Arrangements for Storey's Field and Community Centre and associated principles

The JV would potentially take the form of a company limited by guarantee or most probably a charitable company and would be a legal entity separate from the Council. It is proposed that the JV body would have control over the two assets, based on a 50: 50 split of governance control between the University and the City Council and that a 101 year lease of the assets would be vested in it, at a peppercorn rent. In terms of the ongoing costs of the managing and maintaining the JV assets (less income generated), it has been agreed between the parties that they would be split 50:50, (including the administrative costs associated within the set up and running of the JV) but that the City Council would not contribute towards the costs until Year 13, so that the structure agreed effectively provides for a twelve year commuted sum period, similar to more standard management and maintenance arrangements where assets are transferred to the City Council. The University would therefore cover all the costs for the first twelve years.

In addition it is important that the following principles are addressed through the further detailed negotiations between the parties in due course:

- Both parties would have the right to leave the agreement by giving their shares to the other party.
- Appropriate mechanisms will need to be put in place for resolving disputes between the JV partners.
- The JV would need to submit a business plan to both parties for agreement given that they will be underwriting the costs of the JV.
- The structure will need to address public accountability and transparency requirements.
- There needs to be a means for the JV to engage with other stakeholders, particularly SCDC and Girton Parish Council.

- 3.7. Fall back arrangements for the management of the facilities would still need to be provided for through the S106 agreement, in the event that the JV arrangements are disbanded.
- 3.8. Before proceeding with any further detailed negotiations on the structure and funding of the JV, agreement is therefore being sought to the principle of the proposed arrangements. The timing of this is key given that the outline planning application is due to be reported to the JDCC in the near future and the agreed principles of the proposed management strategy for the community facilities need to be included in the officer report and S106 heads of terms that will be appended to it.

Management strategy for other open space, sports and community facilities

University Community Strategy

- 3.9. Extensive negotiations have been taking place over several months to make sure that the University management proposals for the remainder of the open spaces and sports facilities meet as many of the Council's strategic objectives (as set out in paragraph 3.4. above) as possible. In this respect, the University has submitted a Community Strategy document to support the outline planning application that sets out key principles in relation to each type of facility proposed. This has been subject to review and negotiation with the City Council's Heads of Community Development, Arts and Recreation and Streets and Open Spaces, as well as relevant officers from SCDC. The final agreed version of Strategy would be appended to the S106 agreement. Appendix 1 provides a breakdown of the proposed management approach by type of facility.

Indoor sports strategy

- 3.10. Originally, the University proposed new indoor sports provision within the development site itself. This strategy has now been amended so that the indoor sports provision for the North West Cambridge development would be provided as part of the University's previously approved West Cambridge indoor sports facilities development currently being progressed. This would provide a wide range of indoor sports facilities, including a swimming pool in Phase 2. Although no additional facilities are being created within the West Cambridge development to serve North West Cambridge, more extensive public access is to be secured to the facilities which would secure increased benefits for the community in this area of the City and SCDC, as well as the wider City and SCDC as a whole. The details of the proposed West Cambridge strategy are still being finalised. The City Council's Head of Arts and Recreation is broadly supportive of the approach, subject to some points of detailed clarification in relation to public

access. Once agreed, the details would be secured through a Deed of Variation to the existing West Cambridge S106 agreement (which would need to be reported to the City Council's Planning Committee) and via the discharge of condition attached to the 2010 West Cambridge permission. Improved access arrangements, in terms of enhanced walking and cycling routes between North West Cambridge and the West Cambridge site are also being negotiated through the S106 process. There would, however, still need to be a fall back requirement within the NWC S106 agreement to provide indoor sports facilities on site, in the event that the West Cambridge facilities were not completed.

Funding arrangements

- 3.11. The University proposed to fund a significant proportion of management and maintenance costs through an estate management charge that will be levied on most types of occupiers of the development, including the University and commercial elements as well as the housing elements. See Appendix 1 for funding approach to each type of community infrastructure provision. Following negotiations, it has been agreed that the community centre, primary school and proposed police offices will not be subject to the estate management charge and the Community Strategy document has been amended to reflect this.
- 3.12. All the detailed provisions would be secured through the S106 agreement associated with the outline planning applications.

S106 obligations

- 3.13. The S106 agreement would include obligations associated with the community infrastructure provision as follows:
- Space requirements (hectares) and standards to be adhered to.
 - Timing and phasing of provision.
 - Contributions to local authorities in relation to provision of community development workers, sports development workers and community chest.
 - Terms of hire of community centre.
 - Community access agreement to be appended to the S106, including opening hours, prioritisation if any, bookings policy, events management.
 - Management and maintenance specifications
 - Design brief, procurement and delivery process for community centre
 - Fall back provisions for indoor sports
 - Community engagement strategy
 - JV principles
 - Fall back provisions should JV be disbanded

Conclusions

- 3.14. Negotiations over an extended period in relation to the proposed NWC community infrastructure provision have sought to secure optimum benefits and maximum public access for the residents of the development itself and the wider community.
- 3.15. In the context of the University's preferred approach to "self-manage" facilities within the development, negotiations have focused on ensuring that the University's management approach will result in community provision that will be managed and maintained to a standard and include a degree of public access that are comparable to other similar facilities within the City, managed by the City Council. In addition, to ensure that the City Council secures a greater degree of influence and control over key facilities within the City, namely Storey's Field and the community centre. This could be achieved through the proposed JV arrangements.
- 3.16. The Leader's agreement is therefore now sought to the principle of the City Council setting up a JV for Storey's Field and the community centre, subject to further detailed negotiations with the University on the structure and funding of it.
- 3.17. In addition, the Leader is asked to agree that University should manage the remaining open space, sports and community facilities within the North West Cambridge development, according to the principles set out in paragraphs 3.9 – 3.11 of this report, subject to the detailed provisions being agreed and finalised within the S106 agreement associated with the outline planning applications.

4. Implications

(a) Financial Implications

It is proposed that the revenue costs associated with the JV facilities are split between the JV parties on a 50: 50 basis but that the University will fund the total costs for the first twelve years and the City Council contributing towards 50% of costs from Year 13 onwards.

The approximate completion date for the open space, Storey's Field, is the end of 2014. The trigger for the opening of the community facility is still being negotiated but potentially at 250 residential occupations (mid 2014). This would make year thirteen of the agreement 2027.

Estimated management and maintenance costs for the proposed JV Facilities, including the costs associated with the JV itself, are estimated to

be within the range of £160,000 to £200,000 (net of income). The Council's contribution would therefore be between £80,000 to £100,000. Actual net cost will depend upon the design of the building and the type of use/ activities that are promoted at the centre. Both of these elements will be informed by stakeholder and community engagement and agreed by the JV partners.

On average, the Council-run community facilities generate an income of around 30% of their costs depending on their location and community focus. In 2011-12 Brown's Field Youth and Community Centre generated an income equivalent to 8% of its total running cost. This is primarily due to its focus on youth and its location in an area of relatively low income. In contrast, Ross Street Community Centre generated an income equivalent to 61% of its total running cost. The income projection for the North West Cambridge facility is based on 35% of its estimated cost.

The model also assumes that activities at the centre will receive some support in the short term from the Community Development Workers paid for by the University.

Although it has been agreed between the parties that the City Council will not incur any expenditure in relation to the JV until Year 13, the budget allocation will still need to be agreed by Council in July in order to feed into the Medium Term Strategy now, so that financial assumptions can be made on the basis of the future expenditure that will be incurred in due course.

Further detailed advice on any VAT and tax implications will be taken before the final arrangements are put in place.

It is therefore recommended to Council that a provisional revenue budget allocation of up to £100k is made for this purpose.

(b) Staffing Implications

There will be no additional staffing implications for the local authority arising from these proposals.

There will be a need for the local authorities to monitor compliance with the S106 obligations and any associated planning conditions imposed on the University relating to the provision of and delivery of open space, sports and community facilities over the build out period of the overall development. However, S106 monitoring contributions have been agreed for this purpose through the negotiations on the outline planning applications.

In addition, contributions towards the provision of community development workers and sports development workers are also being negotiated through the S106 agreement.

These will all be set out in the draft S106 heads of terms that will form part of the outline planning application Committee report that will be determined by the Joint Development Control Committee in due course.

(c) Equal Opportunities Implications

The negotiations on the management strategy for the proposed community infrastructure within the NWC development have had equality of access for all types of residents within the development and access for the wider Cambridge community as key strategic objectives.

The principles agreed so far are therefore aimed at ensuring the maximum degree of public access both for all types residents within the development and the wider community.

An Equality Impact Assessment has not been carried out.

(d) Environmental Implications

There are no direct environmental implications. However, the JV arrangements will secure a greater degree of control and influence for the City Council over the management and maintenance of Storey's Field and the community centre that would include environmental standards, strategy and policy. This is therefore considered to have a LOW positive rating.

(e) Consultation

There has been extensive public consultation on the outline planning application.

The JV facilities are located within the City boundary but would serve the whole development, including those areas of the development within SCDC. SCDC officers have been closely involved in negotiations with the City Council and the University on the submitted Community Strategy document.

SCDC and Girton Parish Council would need to be involved in future detailed discussions on the community centre design and management arrangements generally.

A community engagement strategy for the North West Quadrant developments as a whole has been developed, informally agreed by relevant City and SCDC chief officers and discussed with relevant portfolio holders within both local authorities. The final structure and resource implications associated with this will be the subject of a separate report to Community Services Scrutiny Committee later this year.

(f) Community Safety

There are no community safety implications arising from the proposals set out in this report.

(g) Legal Implications

Legal advice will be taken by officers as required.

5. Background papers

None.

6. Appendices

Appendix 1 –schedule of community facilities and management proposals
Appendix 2 –site plans showing locations of key community facilities

7. Inspection of papers

To inspect the background papers or if you have a query on the report please contact:

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Appendix 1

Schedule of community infrastructure within North West Cambridge development

a) Storey's Field informal open space (including SSSI but excluding cricket pitch and pavilion)

Location –City

Management strategy –proposed JV

Funding arrangements –University and City Council

Public access – general public access to informal open space elements.

b) Other informal open spaces

Location –throughout the development, both City and SCDC.

The large Western Edge informal open space lies within SCDC.

Management strategy –University led

Funding arrangements –estate management charge (except Western Edge landscaping)

Public access –general public access

c) Sports pitches (including cricket pitch) and pavilions

Location -City

Management strategy –University led by University Sports Syndicate via a Sport Management Company

Funding arrangements – University to cover costs

Public access -general public access but prioritisation to occupiers of development. Booking arrangements to be put in place.

d) Play areas

Location –throughout the development, both City and SCDC.

Management strategy –University led

Funding arrangements – estate management charge

Public access –general public access

e) Allotments

Location -largest area within City, smaller area within SCDC.

Management strategy –University led, in accordance with Cambridge Allotments Management Policy for Growth Areas.

Funding arrangements – University to cover costs

Public access – in accordance with the above policy.

f) Community centre

Location –City

Management strategy –proposed JV

Funding arrangements –University and City Council

Public access – general public access. Booking and prioritisation to be agreed through S106/JV arrangements.

g) Indoor sports facilities (including swimming pool provision)

Location City, West Cambridge site

Management strategy –University led/strategy to be agreed through discharge of condition to W Cambridge planning permission

Funding arrangements – University will cover costs.

Public access – To be secured through Deed of Variation to existing West Cambridge S106. Prioritisation to NWC occupiers but facilities accessible to general public.

Appendix 2 –Site location plans showing locations of community infrastructure