

**"THE POLITICS OF CAMBRIDGE'S GROWTH"**

held at Emmanuel URC, Trumpington Street: 7:00 pm to 9:30 pm

In the absence of Nigel Brown, Morcom Lunt, Chair of FeCRA, took over as the chair of the meeting and introduced the panel:

Ian Nimmo-Smith,	Liberal Democrat	(INS)
Richard Normington,	Conservative	(RN)
Tony Juniper,	Green	(TJ)
Daniel Zeichner,	Labour	(DZ)

and the interlocutors:

Michael Chisholm	(MC)
David Halford	(DH)
John Hipkin	(JH)

The audience comprised around 60 representatives of Residents' Associations and other local bodies such as Cambridge Past, Present and Future (CPPF).

**Topic 1. Appropriate roles for Central Government and Local Councils.**

Do you consider that the present disposition of power as between the central government and local councils is about right? If you do please be prepared to say why, or if not, what shift in the balance would you favour?

How would you argue for it?

- DZ** Getting the balance right is difficult. In opposition, typically greater devolution is proposed, but when in power, parties tend not to devolve so much. The present government has got the balance about right but is generally pushing in the direction of more local powers. He questioned whether local councils really understand and use the full extent of their existing powers.
- TJ** It is a complex subject. Local, national and global targets are needed eg climate change. At present the balance is not right, there is a clear need for more local power. England is the most centralised country in Europe. The key issue is engaging local people, eg in designing local communities and the actual delivery of services.
- RN** The planning system is too centralised. But growth in Cambridge would be there, even without any government targets but the present government threatens sanctions (imposition of unelected authorities) if local government does not follow or meet central targets. If more power is devolved, it must be understood that there will, as a consequence, be some level of so called 'postcode lottery'.
- INS** The issue is between central government and local people and the balance is wrong at present. There is a need for major devolution of powers to local government and the resources to implement. A shift in the balance of sources of funding is needed eg a local income tax. The accountability of local councillors would be more direct if it was 'our money' they were spending.

**Interlocutors**

**Q1:(MC)** At present the split between money raised centrally and locally is 80:20. What should the split be?

- DZ** I am against local taxation although the Business Rate Supplement Bill gives more powers to County Councils. Some money needs to be reallocated to, for example, deprived areas and central decisions are needed to handle that.

- TJ** A third source of funds is local bonds (as in the USA) but a major issue is the re-distribution of wealth, which cannot easily be achieved at local level.
- RN** The present system of ring-fencing must be stopped. Agreed that local bonds may be a way forward but I am not in favour of a local income tax.
- INS** Of the £60m raised locally in business rates, only £9m is kept locally. Much more needs to be retained locally. I agree that local bonds may be a useful mechanism for capital projects.
- Q2.(JH)** Many question how sensible the TIF (Transport Innovation Fund) and the strings attached are. Is this the right way to approach the issue?
- DZ** Targets are needed on infrastructure, and the Regional level is the appropriate place. "Cambridgeshire Horizons" has had significant monies allocated already. The Community Infrastructure Levy, to be introduced next April, will have a significant impact.
- Q3:(MC)** Is the local structure of government right? If not, what changes would you wish to see?
- INS** The present structure is not as fit for purpose as it needs to be. Cambridge City needs a joined up Council to address all the issues, including transport.
- RN** It is too easy to jump to change. Different levels are appropriate for different responsibilities and there are other ways of achieving effective joint working. While the present system is not perfect, a lot of the problems are because of the requirement for compliance with central targets and dictates. The local cost of compliance is around £1.8m pa. per council
- TJ** The present system is too complicated, with too many tiers and Quangos. It is inefficient, non-transparent and not joined up. This is not just with regard to housing growth: it includes the NHS. We could take inspiration from the German Lande.
- DZ** We need a unitary authority.

### ***One minute summaries***

- RN** The Conservatives offer more power to local authorities; an example would be enabling local councils to make use of planning gains.
- INS** Plans are already in place for major housing growth, as contained in the Local Structure Plan. The four scenarios EERA (East of England Regional Authority) have put out for consultation, are all unacceptable
- DZ** The present system has moved us forward over the last ten years; don't throw it out while improvements are still being implemented
- TJ** The real strategic issue is how do we build the city that we want in 10, 20, 30 years time. There is a need to engage the public in a real debate about this.

### **Topic 2. Appropriate limits to the Growth Agenda given the need for effective community integration, local employment and affordable housing.**

The Cambridge sub-region is destined, under government strategic plans, to grow substantially over the next decade and to go on growing at a rapid rate in the ensuing years. What view do you take of this envisaged growth? What do you see as being its benefits and possible deficits?

Is there a point at which growth would, in your view, seriously damage the functionality or character of the city?

- INS** The present plans (democratically approved) provide well for our needs over the next 20 years. We need to put effort into ensuring such issues as the design and quality of build, sustainability, carbon consumption, transport and infrastructure are properly addressed. This is a big enough agenda, we don't want additional growth.
- TJ** Housing growth is needed, some is already in the system, but where should it go? Should it just be in the south east? How do we attract jobs to other parts of the UK? Is growing the economy the only way forward for our society? Growth of the economy and growth of well being are not the same thing.
- DZ** Labour has sought to develop a strong regional policy. But it is very hard to push people to other parts of the country than the south east. For example, the BBC plans to move to Manchester area and is having major staff problems. The major issue locally is the failure to sort out the transport issues. So, should we be planning to develop Marshalls when infrastructure plans are not clear?
- RN** The government sets the targets and local government are compelled to go along with them. For instance, 47% of new dwellings are flats whereas the 1997 figure was 15%. The assumption behind the central approach is that, without enforcement, people would not vote for growth. The Conservative approach is the opposite. It is not about penalising, but giving incentives to local government and putting trust in local people.

### Interlocutors

- Q1.(JH)** The Conservatives say they will reverse the top down approach. What specific incentives are being proposed to persuade local government to go for growth?
- RN** We need to understand better what the local public are pushing for. Is it, for example, housing, retail, or small businesses? Different communities will want different things and the key thing is that the debate will be held locally. Because the proceeds of growth will be shared, local government will have more resources to achieve the locally agreed aims.
- Q2.(JH)** What about the use of the proceeds of growth? The area around Cambridge still contains places of relative poverty. How can we spread the benefits of growth to them?
- TJ** Globally, it is a most unequal world with vast gaps between the rich and poor countries. We need to build regional economies and need to be flexible to try different approaches. Consider two 1800 acre farms in Gloucestershire, one using all modern (bio) technology and almost no labour, the other fully organic, with high employment, 18. Both are productive, but which does the local population support? There is great scope to harness the wind in East Anglia – as we traditionally did.
- Q3.(JH)** People cannot see your vision for growth in Cambridge; can you spell out your vision?
- INS** What we have needs to be retained and improved upon. We have a world class University, a knowledge based economy, biodiversity and rich green spaces. The community is young and vibrant, the cultures are diverse. And we have an environment and culture which is such that businesses want to locate here. We must maintain and enhance these things.
- Q4.(JH)** At present the pressures are all on the centre of Cambridge. Should we be building other 'centres' e.g. the airport?
- INS** Yes, we need other centres. The development of the old cattle market site is in some part an example. And the airport development must not be as a dormitory suburb. It needs its own strong facilities; for example, an enterprise such as Anglia Ruskin University might be relocated there.

**Q5.(JH)** As regards sustainability, we have high ambitions but are not allowed to set higher standards than national ones. Why?

**DZ** Investor confidence is a key issue.

If artificially high standards are set, businesses will not want to invest here.

**TJ** The present model is set to meet the needs of developers to make a quick profit.

This must be changed so a longer term view can be taken. Some zero carbon houses costing £60k were built a couple of years ago.

### **One minute summaries**

**DZ** Some central direction is necessary. A good example is the failure to develop wind farms. They are being blocked by the Conservative County Council because of pressure from local residents. The same is likely to be true of housing growth. There is also a problem in attracting investment in a time of political uncertainty.

**RN** The centralised planning system is not right. We must put trust in local people to make the right decisions.

**INS** Housebuilders think short term and so build to the minimum standard they can get away with. We need to raise our sights and locally set the bar much higher.

**TJ** There seems to be a mistaken view that if we build lots of houses, prices will come down and so they will become affordable. Why not build council houses again. We could insist on high build standards but require low rents.

### **Topic 3. Timely provision of appropriate infrastructure, including schools, water supplies, effective road networks, public transport, shopping, community facilities, etc.**

The growth of the city should be accompanied by an appropriate level and quality of infrastructure (taken in its broadest sense). Do you agree?

How do you see that infrastructure being funded?

What should be the response of local people to any plans for growth which are not accompanied by assurances of adequate infrastructure?

**RN** Yes, the infrastructure needs to be in place early and we need to find new ways to provide and finance it. For instance, Cambridge would benefit from the provision of a ring road. The location of major employment sites such as the Science Park and the Addenbrookes expansion needs to be allowed for.

**DZ** Infrastructure funding is complex. It should be easier using the Community Infrastructure Levy, and the retention of funds from planning gains. When a party is in government, moving from rhetoric to delivery is always difficult but I think the present government is getting there.

**INS** The government's past record in this respect is poor. One lesson of the current recession is that some infrastructure can be provided in advance even if actual development may be slowed, as for example the Addenbrookes Access Road where funds were provided through Cambridgeshire Horizons. Cambridge has pioneered its own version of the Community Infrastructure Levy in the use of Section 106 Agreements.

**TJ** Many past assumptions on infrastructure may not still hold good in the future. We should create more local services (schools, doctors' surgeries etc) to reduce the need for individual transport – the "10 minute walk" approach. Bearing in mind that in 50 years there is predicted to be 20% less rain in the region, the need for adequate and timely provision of water supply is of major importance. In this connection we should aim to put more wetlands areas back into East Anglia.

**Interlocutors**

**Q1.**(DH, to INS and RN) How would your parties address the national North/South divide?

**INS** I have not considered the point specifically as I am a local politician.

**RN** The present government is obsessed with solving the problem through funding distribution. Conservatives have to change the central provision of some aspects of funding, moving to more local determination. While finance transfers will continue, we need to reduce the overly political elements, such as providing more funds in marginal seats.

**Q2.**(DH, to TJ) How do we achieve adequate and timely infrastructure?

**TJ** It depends on the type of infrastructure. Some is provided by developers either on-site or through S.106 agreements. However, the sums available through S.106 are currently inadequate and developers need to pay more. We need infrastructure investment on a "Victorian scale".

**Q3.**(DH) Infrastructure targets fall short of those needed for housing development targets. Do our present politicians take infrastructure targets far enough?

**DZ** Not far enough at present. I would encourage government to boost this, but they feel that local bodies are not doing their fair share, hence the problems. We need to get more out of the revised system which is emerging, and put more pressure on developers.

**MC** (comment): The real problem is getting infrastructure in place before, or in parallel with, developments rather than afterwards. There is a need to be tougher with developers over S.106, as they argue that they cannot increase their provision in an economic downturn. Also, cash is being taken in lieu of open space – but there is no new open space. The increased provision of flats leads to false assumptions regarding needs, e.g. "there will be no families with children so we don't need more school places."

**RN** I agree that this is a result of the "Law of Unintended Consequences". In some cases, poor design (he quoted instances) attracts more poor design close by (he quoted examples). This kind of thing should be changed, but not by central government.

**INS** Both personal and business decisions need a framework to address the problems. Central government put the test of financial viability into the S.106 system, but there should be more local power to define and settle these issues.

**DZ** reiterated that it is a complex battle between councils and developers. The danger is that if developers do not develop, we will not get the badly needed increased housing etc, and be left with derelict sites. Avoidance requires major disincentives.

**TJ** The new Infrastructure Planning Commission, as the planning authority for major projects (airports, power stations etc) will permit even less local input and decision-making.

**INS** reiterated that funds controlled by Cambridgeshire Horizons can help here. For example, there are plans to improve the Hills Road approaches to the city through an uplift in business rates, but using borrowing to achieve earlier delivery. There are other similar plans to raise such funding in advance of payback through S.106 or the planning gain.

**RN** Not only developers have short-term horizons: politicians do too. Has the Council been getting the best possible deals out of developers? The University, by contrast, can be seen to take a longer-term view in the plans it puts forward.

**INS** Planning is not a perfect science. There is the recent example on the Tim Brinton site where the developer is able to press for re-negotiation of the S.106 agreement because the government insisted on a clause which made any agreement "subject to financial viability". Not all funding can be obtained from developers.

**JH** Commented that the recent Planning Committee had been faced with a difficult decision. The developers are saying that they are entitled to a 15-18% profit margin but that they cannot make such a margin in the present market circumstances; thus they are seeking a 50% reduction in the S.106 agreement monies. This will involve major cuts in schools, community facilities, open spaces, and affordable housing. Otherwise the development will be delayed. They use good lawyers and drive very hard bargains.

### **One minute summaries**

- TJ** reiterated that the provision of adequate water supplies is especially important for the future. No new developments without the infrastructure.
- DZ** The S.106 procedure needs to be improved, and a new system will come into force in April 2010, but I am worried that a new government would not carry these improvements through.
- RN** The Infrastructure Planning Commission is a bad idea, because it lacks accountability. Infrastructure before development – yes. In any case we need to have confidence that infrastructure can and will be provided. Local councils need more powers to ensure this. But beware of relying too much on the “10 minute walk” concept: it can be too protectionist in the context of a wider (even global) economy. It is essential that local communities have incentives to get involved.
- INS** No-one answered the questions “what should locals do?” We need infrastructure in advance of new activity. Cambridge East is an example. But the Planning Inspectorate, or any new body with similar powers, can overrule local concerns and aspirations on these issues. It may be that we need to step outside legally constrained processes.

### **Questions submitted from the floor.**

Owing to time constraints, it was only possible to ask five questions, which were put through Michael Bond.

#### **QF1.** *How do we control the developers?*

- DZ** With difficulty! There is no simple solution. The Community Infrastructure Levy will help as might a land value tax, but that is not recommended.
- TJ** We need to set out clear standards, especially in “green” matters. We also need a way for citizens to challenge the planning process; we need ways for citizens to resist large companies such as Tesco: the system and money must be in balance. Voluntary efforts will be insufficient. The New Infrastructure Planning Commission will effectively exclude the views of the public.
- RN** Give local authorities more control of the process – less top-down direction. We have to devote sufficient resources to have effective planning departments.
- INS** An adequately resourced local planning service is essential, and adjudication time scales affect the planning process. Greater powers of enforcement are needed. But we still need not to see developers as “enemies” and we need to be realistic about local aspirations. We need to encourage a longer term perspective – as shown by the University.

#### **QF2.** *Can Cambridge survive without Marshalls?*

- RN** The Conservatives, and the County, do not want Marshalls to go, but their decision must be based on the commercial viability of their business. Cambridge has a diverse economy but we cannot allow central government to drive important parts of it away.

- TJ** Too much faith has been put in globalisation and this applies to Marshalls. We need to learn lessons for the future in favour of fostering more local and regional industries and companies. Can we find a new site for Marshalls, whether within its existing site or elsewhere in the county, which still allows the release of land urgently needed for housing?
- INS** No-one is forcing Marshalls to move. They are talking to Defence Estates (MoD) about using other local sites. They have adapted their activities over the last 100 years and need to continue to do so. For example, they may need a longer landing strip and have started to "go to the problem" rather than "bringing the problem in." Cambridge needs land for homes for existing families and their successors in a highly sustainable location.
- DZ** Cambridge could manage without Marshalls but it would be the poorer for it. Around 2,000 jobs would be lost. Strong economies need diversity. Part of the blame lies with the County Council. If Marshalls stay, there is space for only four of the twelve thousand houses planned.
- RN** This is a case where the Infrastructure Planning Commission might step in anyway. Again, the cause lies in the top-down approach.
- QF3.** *Provision of infrastructure has been a running theme tonight. Should Cambridge get more than its "fair share" of infrastructure development?*
- TJ** Much higher levels of life satisfaction are seen in places where there is more social equality. Increasing the "fair share" in areas where there is already prosperity would tend to increase polarisation in this respect.
- INS** What is a fair share? The Cambridge sub-region is a very important part of the national economy and the whole country might suffer if Cambridge does not receive a share of the infrastructure provision appropriate to its needs.
- DZ** Yes, extra resources are needed as Ian says. Cambridge is a key driver for the national economy. We can achieve this increase through the Business Rate Supplement Bill if the County Council has the courage to do it.
- RN** So much more needs to be done. It is up to us to ensure that we can maintain the quality of life which attracts people to Cambridge and the inequality argument simply fails. An obsession with relativism in this respect is a mistake.
- QF4.** *Participation: are the existing planning processes too restrictive, or not restrictive enough? Are they easily understandable?*
- DZ** The process is too complicated. Politicians need to engage more with local communities. But we need to remember all aspects of local communities, i.e. businesses as well as residents, and seek to balance their interests.
- TJ** The current planning system has to cope with small projects like house extensions, up to large projects like new airports. Some aspects leave too much power to the developers, whose interests are purely commercial. The system needs to be made simpler and more transparent in order to engage local communities. There is a need for planners to talk more to local people in order to understand their needs. Regional Spatial planning is the wrong way round.
- RN** Most people want a planning system which works, and doesn't need too much involvement by ordinary people who cannot be expected to understand all the issues. To some extent we should place trust in the people we elect to do this on our behalf. 37% of appeals against planning decisions are successful.
- INS** We need to close the loop by letting people know how their input has informed and affected decisions. Cambridge conservation and cycling groups **are** very effective. We need more such activity to reinforce Development Control Forums. Some parts of the current system are too restrictive. Councils need the power to strike out repeated applications.

**QF5.** *What are the parties' commitments, in real terms, to green space development?*

**TJ** I am involved in the Wicken Fen development and the Great Fen Vision. These will provide big improvements in many green issues and will set an example to other areas.

**RN** In this case, as regards the rural areas I am on the side of the food producers rather than "mosquito farmers"! Cambridge needs new homes, transport facilities, and Chesterton Station. But for instance, as regards road verges, there is room for either cars, or trees and grass, but not for both as is too common at present.

**DZ** I have been pleased to help in Petersfield Ward with the defence of open space on the Howard Mallett site. These matters still come down to the strength of the local political will. We should have zero carbon homes by 2016 and bus services upgraded so that they are the transport of choice for men in suits.

**INS** The Cambridge Local Plan 2006 aims to double the amount of publicly accessible open space in the City, of a range of different natures including those suitable for wildlife as well as recreation, especially in the Southern Fringe development, replicating features like Coldhams Common and Byron's Pool. Sustainable systems of all kinds are needed, and all of these together should provide a more acceptable and less costly environment.

End