

4 September 2014

URBAN&CIVIC WINS MANDATE FOR NEW SETTLEMENT AT WATERBEACH

Urban&Civic is pleased to announce that it has been selected by the Ministry of Defence (“MOD”), via the Defence Infrastructure Organisation (“DIO”), as Development Manager to promote a proposed significant new residential settlement on the site of the former RAF barracks at Waterbeach on the outskirts of Cambridge.

The site comprises 716 acres of land designated as “previously used” or “brownfield” which had been in continuous military occupation for over 70 years. The location and nature are uniquely strong: rich lakeside settings, steeped in history, three miles from the world renowned science and technology parks and within easy cycling of the new North Cambridge and existing Waterbeach railway stations.

Waterbeach Barracks lies within the administrative area of the South Cambridgeshire District Council, which is in the process of preparing a new Local Plan to cover the period 2011-2031. The Proposed Local Plan allocates the Barracks, together with adjoining farmland to the north and east, as a new settlement.

Initial masterplanning by Fletcher Priest (the same team that worked on the Olympic Village), accommodates a new sustainable community providing approximately 6,500 additional homes entirely on MOD holdings in support of a growing Cambridge economy.

The Development Management arrangement enables Urban&Civic to:

- fund and construct necessary post planning infrastructure; -
- manage the disposal of market housing plots to house builders whilst earning a percentage retention on realised land uplifts after full cost recovery and
- to build 35 per cent of new units on its own account.

Urban & Civic chairman Nigel Hugill, delighted at the early success for the recently listed Urban & Civic, commented upon how Waterbeach can make a significant contribution to Government housing targets:

"Waterbeach represents properly joined-up national thinking. This involves public brownfield land being released by a major Government ministry for value enhancing development that anticipates and facilitates change in one of the most innovative and creative locations in the UK, whilst returning substantial proceeds to the taxpayer in the process.

"For our own part, selection without consortium partners and so soon after public listing speaks unequivocally to what Urban&Civic can achieve. The core strengths of the enlarged business rest on creating places that work and values that appreciate. At Waterbeach, our ambition is to help Cambridge function better and smile just a little more broadly.

"Building upon pro-active governance, exemplified by the recent City Deal that promises £1 billion of new capital investment into the Cambridge sub region, prodigious local economic drivers and an endowment of wonderful landscape courtesy of the Royal Engineers, Waterbeach can grow to be the youthful, vital community that defines Silicon Fen, distinguished as the only lakeside town in Cambridgeshire. Lots of people will rent but all will be happy to call Waterbeach home."

Urban&Civic intends to follow the model successfully implemented on the Stratford Rail Lands (a scheme previously created by the current Urban&Civic team), with a clear focus on Private Rental Sector housing to maximise early absorption and establish a viable residential community.

The current expectation is for an outline planning application, in similar form to those secured recently by Urban&Civic at Alconbury and Rugby, to be submitted within 24 months.

Detailed micro analysis, commissioned by Urban&Civic as part of the OJEU procurement process, shows the Cambridge housing market to be more like London than anywhere else in the UK. In particular, Cambridge ranks especially high on the relationship between employment growth and well positioned private rental accommodation.

The proportion of managerial households renting privately in Cambridge is exceeded only by nine London boroughs and St Albans. Employment in Cambridge, driven by life sciences in the south and technology, information and communications clusters to the north of the city centre, is growing at a record rate. Behind these sustained increases lies an even steeper growth in apprenticeships, thereby enlarging a younger workforce. An identified consequence will be increased private renting; stamp duty and relocation costs are such that mobile populations in their twenties and thirties with a strong employment focus and three-year time horizons require the flexibility that renting affords.

The DIO is the MOD's property and services provider. Wendy Ivess Mash, DIO Head of Acquisition and Disposals, said:

"DIO is very pleased to announce the selection of Urban & Civic as our Development Manager at Waterbeach Barracks. This appointment is the culmination of a robust, yet efficient, OJEU delivery process which has seen a preferred party selected within seven months."

Urban&Civic plc

Nigel Hugill, Executive Chairman

Tel: +44 (0)20 7569 1600

FTI Consulting

Stephanie Highett

Giles Barrie

Nick Taylor

Tel: +44 (0)20 3727 1000