

Cabinet

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| Report Title: | RAF Mildenhall Vision and Prospectus |
| Meeting Date: | 24 January 2017 |
| Lead Councillor(s): | Councillor Colin Noble, Leader of Suffolk County Council |
| Local Councillor(s): | Councillor James Waters |
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Brief Summary of report

- To present the Vision and Prospectus for working with Government to secure a positive legacy for the RAF Mildenhall site, and the surrounding towns and villages, when the proposed closure of the base takes place in 2023. Suffolk County Council has supported Forest Heath District Council in producing the Vision and there has been wide consultation on its content during Autumn 2016. The final document has been revised to reflect the consultation response. At the Forest Heath District Council Extraordinary meeting on 22 November 2016 it was agreed that the Prospectus will be submitted to Government to inform and influence decision making regarding the future of RAF Mildenhall.

What is Cabinet being asked to decide?

- To receive and note the RAF Mildenhall Vision and Prospectus as a document with which local authorities will negotiate with Government on the future use of the site (Appendix A).

Reason for recommendation

- The Vision and Prospectus for RAF Mildenhall has been developed by key local partners. Cabinet is being asked to receive and note the document as it will be used by Forest Heath District Council, as the lead partner, to work with Government to secure a positive legacy for RAF Mildenhall and the surrounding towns and villages.

What are the key issues to consider?

4. The key requests to the Government are outlined in paragraph 33 of this paper. Cabinet is being asked to note these.

What are the resource and risk implications?

5. At this stage the only resources required from the Council are in staff time. However, as proposals for the site come forward and are considered there will be an impact on delivery of a range of services provided through the Council including, for example, strategic planning, school places, transport and infrastructure, economic development, floods and drainage, natural environment. The Council's early involvement in developing the Vision and Prospectus will ensure it is able to secure appropriate contributions for this infrastructure as the proposal develops.

What are the timescales associated with this decision?

6. The negotiations started with Government after the Extraordinary Council meeting at Forest Heath District Council on 22 November 2016 based on the agreed prospectus. Withdrawal of operations from RAF Mildenhall will begin in 2019 and complete in 2023. The Cabinet will receive reports to note progress and where decisions are required.

Alternative options

7. The Council could withdraw support to Forest Heath District Council and other partners in negotiations with Government. However, given that any future development of the Mildenhall site will have a significant impact on a range of County Council led services it would be prudent to remain engaged in this work and help shape the final outcome.

Who will be affected by this decision?

8. Local communities especially those affected by the proposed redevelopment of the site. There will also be a wider impact on the Suffolk economy as this will be a significant infrastructure project which could take 20 years to complete.

Main body of report

Introduction

9. On 8 January 2015 the United States (US) Department of Defence announced that it would be withdrawing all operations from RAF Mildenhall airbase starting in 2019 and completing by 2023. The department also announced an ongoing commitment to RAF Lakenheath with a minimum of \$120 million investment into infrastructure and construction, starting in 2019, to support the deployment of the F-35A (the next generation of US fighter jet) in 2021.
10. As a result of the above two announcements, it is estimated that there could be a net loss of approximately 2,000 on base jobs and 500 UK civilian staff employed at RAF Mildenhall. This figure does not include any transfer of jobs from RAF Mildenhall to RAF Lakenheath.
11. The Ministry of Defence (MoD) has confirmed that the 440Ha Mildenhall airbase will be released for alternative use. It is likely that the land will be transferred to the Homes and Communities Agency (HCA). It is the HCA role to look at the alternative use and model required for delivery. The Government

position is focused on delivery of substantial housing development across any MoD land that is released for development.

12. Any redevelopment at RAF Mildenhall will be subject to a masterplan, public consultation and a planning application.
13. Once there is certainty around the future of the site a review of the Local Plan will commence which will consider the on-site constraints as well as homes, jobs, and infrastructure needs to support the use of the site.

Creating a Legacy

14. RAF Mildenhall is of significant importance to the local economy and its future use must meet local needs. A housing-led scheme would not replace the jobs lost as a result of the US departure. A large scale shift in land use will require support from the public sector and be focused on:
 - Clarity over future uses for the site.
 - Governance and delivery models.
 - Creating a vision.
 - Determining the anchor uses.
 - Capturing the viability and land values.
 - Determining the level of infrastructure and accessibility requirements.
 - High level of project planning.
15. In 2015, Forest Heath District Council with local partners including Suffolk County Council were successful with a £230,000 bid for funds from the Government's One Public Estate (OPE) Programme to start work on local priorities for RAF Mildenhall. The main part of the funding was allocated to commission external advisors 'Cushman & Wakefield' (C&W) to provide external challenge, commercial insight, market expertise and independent assessment of the various land uses that had been suggested at engagement sessions. This has supported the development of a Vision and Prospectus for alternative uses of RAF Mildenhall airbase and surrounding land.
16. A Steering Group comprising of senior representatives from Forest Heath District Council, Suffolk County Council, New Anglia Local Enterprise Partnership (LEP), Greater Cambridge Greater Peterborough LEP and Newmarket & District Chamber of Commerce was formed to work with C&W to prepare the Vision and Prospectus document.
17. The Vision and Prospectus outlines the local ambition for the airbase and the surrounding towns and villages to influence and work with Government. It is not a masterplan and does not address feasibility issues.
18. It is the Steering Group's view that the need for clarity and long term planning is required now to ensure the site is not mothballed after the US Visiting Forces (USVF) depart in 2023.

19. C&W assessed the market potential of various land uses. The criteria was based on legacy objectives and delivery criteria. The aviation options were assessed by Infrata, a specialist aviation sub-consultant.
20. The legacy objectives aim to ensure that the impact of the base closure is minimised so metrics include creating new employment opportunities and integrating new development into existing communities. These objectives were used to assess the viability of the different use classes and allow for analysis of which uses present the most favourable development options.
21. There was a significant amount of local support for a continued aviation use which is why Infrata were contracted to carry out a detailed assessment of the variety of aviation options available at the base. It was recognised by Forest Heath District Council that an aviation use for the site could deliver significant economic benefits, so in January 2016 they wrote to the Department for Transport regarding the potential to consider RAF Mildenhall for civil aviation use. The Government responded to confirm that RAF Mildenhall airbase would not be considered as part of its plans for future air transport in the UK. Further to the Government response, Infrata assessed the aviation potential for passenger operations, cargo services, maintenance composites, de-manufacturing and general aviation and concluded that a more detailed business plan would be required taking into account capital expenditure, operating expenditure and revenues of all the business streams. Based on the findings it has been determined that Maintenance Repair and Overhaul is an area where demand is likely to grow and should be further explored for RAF Mildenhall.
22. In anticipation of a positive response it was recommended that an area of 200 acres be protected for aerospace activity to be further expanded.
23. With regards to C&W detailed assessment of land uses it was determined that due to the scale of RAF Mildenhall it would be highly unlikely that a single land use would utilise the full area. Therefore whilst the assessment related to the potential for individual uses a mix of uses at different scales would be likely to provide the most optimal solution. The following scenarios were short listed and tested for viability:
 - Employment led delivering approximately 3,250 dwellings and 11,200 jobs.
 - Aviation led delivering 0 dwellings and 1,900 jobs.
 - Hybrid scenario (aviation led but includes residential, business and industrial space) delivering approximately 2,000 dwellings and 1,900 jobs.
24. Following viability testing the preferred hybrid scenario was developed and is the basis of the Vision and Prospectus document. The allocation of the land in the document is conceptual and the location of the housing will depend on the land allocated for aviation and employment use. Led by Forest Heath District Council the County Council will work with the MoD and HCA to complete a more detailed business case and masterplan assessment so that the site can be maximised.

Consultation

25. A five-week public consultation of the Vision and Prospectus for RAF Mildenhall took place between 6 September and 11 October 2016. This was led by Forest Heath District Council with support from Suffolk County Council officers. A range of engagement activities were undertaken to raise awareness of the project and to encourage residents, businesses and other stakeholders to have their say.
26. Throughout the consultation it was generally endorsed that the USVF departure presents a once in a lifetime opportunity to create an economic legacy for the site with investment in infrastructure, skills and economic growth. The response to some of the general themes and challenges from the consultation are listed below (paragraphs 27 – 31) and have been addressed in the Prospectus and will also be submitted to Government to support the work to complete a more detailed business case and masterplan assessment.
27. **‘The entire site should be used as a regional airport’**. Given standard airport operating costs and revenues this is unlikely to be viable. Infrata said it could only succeed if other airports in the area closed and the population grows at a faster rate than is currently forecast.
28. **‘The infrastructure won’t cope with thousands of new homes’**. The Vision and Prospectus recognises that all options for the site involve intensification of its use and will require upgrades to existing public transport, highways, health, education and leisure facilities. The road infrastructure, in particular issues with the Fiveways roundabout, was a point made by numerous consultation responses. Forest Heath District Council have recently commissioned a transport assessment of the Vision and Prospectus to take a holistic review of the transport need.
29. **‘The planned housing is too close to the runway’**. The Vision and Prospectus is purely a concept to show the land uses. A more detailed business case and masterplan assessment should be completed to show land allocations in more detail.
30. **‘Why develop the industrial estate when there are empty units now?’** The departure of USVF from RAF Mildenhall is seen as an opportunity to create a new vision for Mildenhall. Intrinsic to this is the work being completed on the Cambridge to Norwich Tech Corridor by South Norfolk, Breckland and Forest Heath District Councils.
31. **‘How can you build when the site is so contaminated?’** It is expected that there will be land contamination, Forest Heath District Council has requested further information regarding the levels of land contamination, the site will remain operational until 2023 so land studies will not commence until nearer this time. The Vision and Prospectus asks for a minimum site closure standard to be applied before the site is transferred or a dowry fund to meet the costs.

Updated Vision and Prospectus

32. The Vision and Prospectus has been updated to ensure issues raised in the consultation are addressed. The following changes have been made:
 - Now refers to Mildenhall and the wider community benefiting from investment in the infrastructure. New road access that avoids the town

centre will ensure people can move around more easily and development of the site will add weight to the business case for the improvements to the Fiveways roundabout and the A14/A11 junction.

- An explanation to the map to state that the location of any housing will be dependent on the impact of and land allocated for aviation use.
- There was no support for a housing led scenario so this was removed.
- Additional reference has been added that the extent of and outstanding land contamination problems will need to be investigated.
- Additional text was added referring to the £12m investment in an aviation academy at Norwich Airport.
- Text was added to clarify the position in the Local Plan – the site cannot be included in the current Local Plan because of the uncertainty around the scale of release and the contamination issues.
- References to the Cambridge Norwich Tech corridor have been included.
- Following Government confirmation that no UK re-provision will be required, all references to potential British military requirement have been removed.

33. There are specific requests of Government set out in the document, they are:

- To work in partnership with us to respond to this prospectus and accelerate and clarify decisions where possible about the USVF withdrawal.
- Minimum site closure standards to be applied before all or part of the site is transferred from the military or a dowry fund to be established to meet the costs.
- Whilst aerospace options are explored further we ask that the airfield supporting infrastructure be protected.
- To make available capacity funding to assess the requirement and costs of new infrastructure required and to develop business cases which demonstrate the return on this investment.
- A funding package to be repaid from sale proceeds of the land when it becomes developed to meet the costs of the required improvements to infrastructure and services to facilitate new development.
- To explore with Government, the benefits of designations such as Enterprise Zone, Housing Zone and Development Corporation to support the delivery of the Vision.
- That Government works with us jointly to develop a masterplan for the site that builds on the Vision and Prospectus, having regard to local and central government priorities. We ask Government to share all information gathered to date so we can assess the need for further jointly commissioned work.

Next Steps

34. The Prospectus and Vision has been submitted to Government to inform and influence the decision making in particular the requests highlighted in paragraph 33 of this report and a mixed use development for the site which includes aviation.
35. A detailed business plan and discussion with Government to define the most viable and deliverable mix of uses for the site that are focused on the wider social, economic and physical benefits that can be unlocked.
36. The Council working with the Steering Group will start the conversation with Government regarding a new partnership agreement to support a focused and integrated approach for Mildenhall. It is hoped that future bids can be submitted in partnership with MoD and HCA to reflect a combination of land ownership, funding resource, delivery expertise and local knowledge.

Sources of further information

- a) RAF Mildenhall Vision and Prospectus. Attached or:
http://www.westsuffolk.gov.uk/Business/RAF_Lakenheath_and_Mildenhall/upload/RAFMildenhallVision.PDF
- b) RAF Mildenhall Vision and Prospectus Report to Forest Heath District Council Extraordinary Council meeting held on 22 November 2016.
<https://democracy.westsuffolk.gov.uk/ieListDocuments.aspx?CId=172&MId=3494>
- c) For further information on Forest Heath District Council's Equality Impact Assessment please contact:
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