

Appendix A



Greater Cambridge Local Plan: Development Strategy Update (Regulation 18 Preferred Options)

January 2023

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1. Introduction

- 1.1 Cambridge City Council and South Cambridgeshire District Council (referred to as the Councils in this document), are working together to create a joint Local Plan for the two areas – which we are referring to as Greater Cambridge.
- 1.2 The Councils consulted on issues and options for the Plan in a First Conversation consultation in January and February 2020. Having considered comments received and prepared a wide range of supporting and evidence documents, the Councils then consulted on their First Proposals for the plan (the Preferred Options under Regulation 18 of the Town and Country Planning (Local Planning) (England) Regulations 2021) in November and December 2021. The results of the First Proposals consultation were published in June 2022.
- 1.3 As set out in the Greater Cambridge Local Development Scheme August 2022, this interim stage updates the Councils' position in respect of the development strategy for the new Greater Cambridge Local Plan and, having regard to representations received to the First Proposals consultation in November 2021 and updated evidence including the need for jobs and homes, seeks to confirm the development strategy approach and sites to be included in a full draft Local Plan, in so far as is possible and appropriate given current knowledge on key constraints.
- 1.4 This report has been informed by updated evidence, an interim sustainability appraisal, and by consideration of and responses to relevant representations received to the First Proposal consultation in 2021. It addresses the following aspects of the development strategy:
 - Updated needs for jobs and homes
 - Exploring provision of employment and housing – what is deliverable and how we will determine what is appropriate in terms of environmental, social and economic impacts – in particular water supply
 - Confirming our development strategy
 - Confirming key strategic sites
 - Development strategy next steps
- 1.5 All of the issues are explored in greater detail in the Strategy Topic paper which supports this Development Strategy Update. This report is a stage towards the preparation of a draft Local Plan and is not itself to be subject to public consultation. The intention is for a full draft Local Plan to be considered by the councils in summer 2023 and subject to public consultation in autumn 2023.

2 Identifying updated objectively assessed needs for jobs and homes

- 2.1 The National Planning Policy Framework (NPPF) requires that plans be prepared positively, in a way that is aspirational but deliverable. The NPPF requires that, 'Significant weight should be placed on the need to support economic growth and productivity, taking into account both local business needs and wider opportunities for development. The approach taken should allow each area to build on its strengths, counter any weaknesses and address the challenges of the future'. With regard to homes it emphasises that it is 'important that a sufficient amount and variety of land can come forward where it is needed'. Plans should address objectively assessed needs over the plan period, in line with the presumption in favour of sustainable development, unless any adverse impacts of doing so would significantly and demonstrably outweigh the benefits.
- 2.2 The starting point for the plan should therefore be to identify objectively assessed development needs. This includes understanding what is happening in the nationally significant economy of Greater Cambridge. The First Proposals made clear that we would update our evidence ahead of preparing the draft Local Plan, in particular to ensure we understood the potential longer-term impacts of COVID-19 for the objectively assessed need for jobs and homes.
- 2.3 In 2022 we updated our employment evidence and also our housing and employment relationships evidence, taking into account latest employment and demographic data including exploring COVID-19 effects, and being informed by relevant representations made to the First Proposals consultation¹. Key findings from latest data include firstly that whilst COVID-19 led to a fall in employment in population related sectors such as construction, retail, food & accommodation and the arts & recreation, in terms of investment-led, knowledge intensive sectors such as life science and ICT they have generally remained resilient or seen growth. Secondly, Census 2021 showed that population growth in Cambridge in particular has been significantly higher than previously estimated.
- 2.4 Drawing on these findings, the updated evidence identifies:
- an updated calculation of the government's Standard Method minimum homes requirement and the jobs that this would support;
 - a 'central' most likely employment forecast - reflecting some continuation of exceptional rates of overall growth since 2011 before reverting gradually towards the longer term 2001-20 average, representing a longer term view allowing for future cycles and shocks - and the homes required to support this;

¹ Reported in the Greater Cambridge Economic Development, Employment Land and Housing Relationships 2022 report (EDELHR 2022)

- a 'higher' less likely outcome - relying on the continuation of exceptional rates of overall growth since 2011 with a much more gradual slow down than in the central scenario - and the homes required to support these.

2.5 For the central and higher employment scenarios, our consultants identified the homes required to support all jobs above those supported by standard method minimum homes, first assuming Census 2011 commuting patterns, and second incorporating a 1:1 commuting assumption (where all additional homes would be provided in Greater Cambridge).

2.6 Having considered this evidence and having regard to the obligation in the NPPF paragraph 81 to support economic growth and productivity, the 'central' forecast of the most likely level of new jobs represents our need for jobs in the plan period 2020-2041. This is an additional 66,600 jobs in Greater Cambridge over this 21 year period. In this context, and recognising that the Standard Method minimum housing number would fall well short of providing housing to support those jobs, our objectively assessed need for housing for the plan period is the number associated with the most likely future level of jobs. This is a figure of 2,463 homes per year, which would translate to 51,723 homes in the plan period 2020-41. This assumes that all the additional homes generated by forecast jobs above those supported by the Standard Method will be provided in full within Greater Cambridge.

2.7 This continues the principle of the approach to identifying the need for jobs and homes in the First Proposals, but the numbers are updated to take account of the latest forecasts that have been informed by several additional years of data. This results in an increase in the objectively assessed need for jobs and homes in Greater Cambridge in the plan period above those identified in the First Proposals.

	First Proposals Jobs	2022 Update Jobs	First Proposals Homes	2022 Update Homes
Total in Greater Cambridge 2020-2041	58,500	66,600	44,400 (rounded up)	51,723
Average annual rate	2,781	3,171	2,111	2,463

3 Employment and housing provision

- 3.1 Having identified our objectively assessed needs for jobs and homes, we then need to confirm appropriate targets for jobs and homes to plan for in the new local plan. As part of this process we must take account of any infrastructure constraints, and be able to demonstrate that our targets are capable of being delivered making reasonable assumptions, and take into account economic, social and environmental impacts and Duty to Cooperate considerations.
- 3.2 Our employment study explored the employment needs of different sectors including considering the employment forecasting referred to above, the existing supply of employment land, and drawing on a wider understanding of the Greater Cambridge economy including exploring the needs of individual sectors. Drawing on this information, the study concludes by identifying land use needs for office, R&D, and industrial employment use classes beyond our current commitments. This takes account of our overall high level of employment land supply, but reflects that some sectors have particular locational needs that are not currently met in full.
- 3.3 Reflecting national planning policy as outlined above, in principle we consider that we should plan positively to provide new land for the identified undersupply in particular types of employment, unless evidence identifies an insurmountable problem with achieving that in a sustainable way. This would reflect the NPPF's requirement that 'Significant weight should be placed on the need to support economic growth and productivity, taking into account both local business needs and wider opportunities for development'. This positive approach would ensure a flexible supply over the plan period and beyond, recognising the particular needs of the Greater Cambridge economy.
- 3.4 Also reflecting national policy, the councils' intention is to aim to meet the objectively assessed needs for housing identified within Greater Cambridge over the plan period, unless evidence identifies insurmountable problems with achieving that in a sustainable way that takes account of infrastructure capacity and can be demonstrated to be capable of being delivered. This means considering known issues including water resource availability without adversely impacting the environment, and other environmental, social and economic consequences, such as if adequate housing is not provided there is a risk of increasing affordability issues and equalities impacts.
- 3.5 The higher level of needs for jobs and homes will also mean considering what needs to be protected, including character, reflecting on the recent ministerial statement by the Secretary of State for Levelling Up, Housing and Communities. We must also consider whether the plan is deliverable, taking account of our

Housing Delivery Study, and whether they can be accompanied by the right infrastructure to make it sustainable.

- 3.6 Whilst there are a range of issues that will need further consideration as the draft Local Plan is prepared, two notable issues are water supply and housing delivery, which are considered further below.

Ensuring a deliverable plan: water supply and housing delivery

Water supply

- 3.7 In consulting on the First Proposals, the Councils were clear that the preferred options set out for the plan were contingent on there being evidence of an adequate supply of water without unacceptable environmental harm. We were awaiting the publication of the Regional Water Resources Plan and also Cambridge Water's Water Resource Management Plan (WRMP) anticipated in autumn 2022 to provide further information on available supply during the plan period.
- 3.8 The [Draft Regional Water Resources Plan](#) was published by Water Resources East in November 2022. The plan is clear that "Unless urgent action is taken by all sectors, the region will face severe water shortages. This will constrain agricultural production and curtail economic growth, impacting the region's prosperity and endangering the east's iconic chalk rivers, peatlands and wetlands."
- 3.9 The main proposals set out in the draft Regional Plan for Cambridge Water's area (which covers the area of Greater Cambridge and a small part of Huntingdonshire District Council's area) are set in the context of considerable reduction in abstraction licenses by the Environment Agency in two stages; first to prevent further deterioration; and then to move towards an 'environmental destination' where the water environment would potentially be restored, focusing first on protected sites. These reductions will require further demand management and considerable new supply side capacity.
- 3.10 The Regional Plan says that additional supply is proposed in the form of a medium term water transfer from Anglian Water's area expected to be operating from around 2030 (or potentially earlier) and in the longer term from the proposed Fens Reservoir expected to be operating from around 2035-37, which has started its process but has not yet progressed to the planning permission stage.
- 3.11 Further detail on the quantum of water supply and how that relates to housing and non-domestic growth will be provided in the Water Company WRMPs. These were due to be published around the same time as the Regional Plan but have

been delayed. Until such time as they are published and we are able to analyse the detailed proposals it is not clear how water supply will compare with current commitments, the First Proposals growth levels, or the new increased needs for jobs and homes.

- 3.12 We understand that Cambridge Water are working hard to explore how they meet the needs of existing and committed development and also emerging proposals for further growth in our First Proposals, and how they can do this in response to the licence reductions identified by the EA to protect the water environment. The Regional Plan advises that it is possible that water companies could look to seek a delay to licence cap reductions until later in the 2030s due to an overriding public interest case in providing secure water supplies. This is allowable under Regulation 19 of the Water Environment (Water Framework Directive) (England and Wales) Regulations 2017. However, at this point it is not clear whether Cambridge Water will need to go down the route of seeking such a delay in reduction of abstraction, and if even if they did, whether it would be successful.
- 3.13 The local plan making process is a separate process under its own legislation. It will be for the Councils as plan makers to take a view, based on evidence, of the appropriate development strategy including considering all aspects of sustainable development. The councils' position to date has been that they would seek to meet the identified objectively assessed needs in full in Greater Cambridge but only contingent upon there being no unacceptable harm to the environment. It will be for the councils to determine how that is defined.
- 3.14 Only once Cambridge Water's draft Water Resource Management Plan is published, and we understand their proposals and water supply available at different stages during the plan period to 2041, will we be in a position to confidently know whether there is potential for there to be sufficient water supply available to meet our increased needs for homes and jobs. If this proves not to be the case, we will need to consider the economic and social impacts as well as the environmental impacts, before the councils reach an informed judgement of the appropriate housing and jobs targets for the local plan. Reduced development targets may be necessary to ensure no unacceptable environmental harm to the chalk aquifer and chalk streams.
- 3.15 However, what we do understand already is that once the reservoir is operational from around the mid-2030s there will be substantial water supply available. The process for bringing forward the new Fens Reservoir is already progressing and given the significance of the proposal to the future water security of the Region, there is considered to be a reasonable prospect that it will be delivered and therefore we can be confident that whatever decision is made for the plan period as a whole, we will be able to plan for further development being completed from the opening of the reservoir in 2035-37. It is the interim period that remains

uncertain at this point, although it is expected that the proposed water transfer measures will increase supply from around 2030. Once Cambridge Water's draft Water Resource Management Plan is published, an update to the Councils' Water Cycle Strategy will be prepared and will inform preparation of the draft Local Plan.

- 3.16 It is also clear from this narrative that investment in strategic infrastructure to address water supplies, to enable improvement of the water environment and to support meeting development needs, is a key issue for Greater Cambridge. It is hoped that there may still be further opportunities to speed up delivery of this infrastructure. The Councils will be responding to the water plan consultations, and have the opportunity to raise these issues.
- 3.17 The Greater Cambridge Local Plan includes policy proposals regarding water efficiency in the climate change section. The water environment highlights the need for robust policies in both domestic and non-domestic development. Strategic developments in particular provide opportunities for holistic approaches for water management, and developers must play a role in addressing the issues the region is facing. The water companies and environment agency are supportive of development of robust water efficiency policies, and we will continue to engage with them as the draft local plan is prepared.

Housing delivery

- 3.18 In the context of an increased need for jobs and homes, it becomes important to understand whether the consequential increase in the annual average housing delivery rate needed to meet those needs during the plan period would be deliverable. This is particularly relevant in the context that there could be pressure for even higher delivery rates over the later stages of the plan period once the reservoir is open to help make up any shortfall earlier in the plan period. Given the uplift in average annual housing delivery rates necessary to meet our identified needs in full, it is also important to recognise that this significantly exceeds the average annual rates assumed for the current 2018 Local Plans, but that it will not be possible for any new sites included in the new Local Plan, which are not also consistent with the adopted 2018 Local Plans, to come forward to add to those rates until the new plan is adopted.
- 3.19 Given this changing context, further work has been commissioned to supplement our existing housing delivery evidence. The Housing Delivery Study (2021) identified that the objectively assessed need included in the First Proposals (referred to when being assessed as the medium+ growth level) was considered to be deliverable. The assessment of the higher 2022 medium growth level (in the Housing Delivery Study – Addendum (2022)) concludes that this would be a material increase in annual housing completions from the previously assessed

medium growth levels, which will require significant new sources of supply over and above the additional allocations proposed in the First Proposals. It also sets out that at this stage it is hard to quantify the tipping point at which delivery in excess of the objectively assessed need in the First Proposals becomes unachievable as this would require a more detailed analysis of the sites likely to form part of the spatial strategy. Therefore, it concludes that additional testing of spatial options (baskets of sites) is required to estimate at what level the housing requirement becomes unachievable. In considering additional spatial options the Study highlights the benefits in housing delivery terms of identifying a diverse and geographically spread housing supply, less reliant on a smaller more concentrated basket of sites..

- 3.20 The Housing Delivery Study – Addendum (2022) also advises that a stepped housing target would be needed. This would address a number of considerations. First it would reflect the uplift in the average annual delivery rate required by the increased housing need and to acknowledge that it is not reasonable to expect that those higher annual rates can be achieved until the new plan is adopted and additional allocated sites, where they are not consistent with the 2018 Local Plans, can receive planning permission and start to deliver new homes. This has the effect of increasing the annual figure for the years remaining once the plan has been adopted. Second it could take account of timing of new water infrastructure becoming available and the opportunity that provides for increasing housing delivery at those points in the plan period, if that proves to be necessary.

Sustainability Appraisal Addendum

- 3.21 A Sustainability Appraisal Addendum has been prepared that provides a sustainability commentary on potential alternative options for responding to the new increased level of need for jobs and homes: to either meet the new higher needs in full, or to only provide a proportion of the new needs due to water supply and associated environmental constraints and housing deliverability constraints, particularly in the short to medium term. It recognises there is currently too much uncertainty to say which might be reasonable options but provides a short commentary on the likely direction of economic, social and environmental effects of the two emerging options, compared with the assessment of the preferred option contained in the First Proposals which met the earlier identified level of need.
- 3.22 An option that met need for jobs and homes in full would generate similar positive effects in terms of housing and employment to the First Proposals, and meeting demand would help with aspects including housing affordability and social inclusion. However, providing more development to meet the higher needs would increase likely negative effects on aspects including climate change and air, noise and light pollution, biodiversity, landscape, townscape and historic

environment. The greater the extent and scale of growth the greater the potential for negative impacts on the natural and historic environment at both the local and landscape scale. There are proposals to provide additional water supply but there remains uncertainty at this stage on the potential sustainability effects of this. If a spatial strategy for meeting increased needs maintained good access to services and facilities then impacts would remain similar to the First Proposals, but if housing delivery challenges led to a strategy with more smaller sites spread around villages that would have likely negative impacts on access to services and facilities.

- 3.23 Alternatively, an option that did not fully meet growth needs would have more limited impacts on the natural and built environment and help avoid unacceptable environmental harm to the chalk aquifer and chalk streams in Greater Cambridge. However, if fewer homes and jobs were provided in Greater Cambridge, people would likely have to travel greater distances to commute to and from workplaces and access local services and facilities, resulting in more negative effects on access to services and facilities, climate change and air pollution. The impacts would be exacerbated if jobs continue to grow given the strength of the economy and land supply, whilst new housing was limited. Impacts may be reduced but not eliminated if neighbours were willing and able to accommodate some or all of a shortfall in Greater Cambridge.

Approach to provision of jobs and homes

- 3.24 In the context of water supply and housing delivery considered above, and informed by the commentary on them provided by the Sustainability Appraisal Addendum, it is currently anticipated that either or both these factors could mean that it may not be possible or appropriate to meet the new objectively assessed housing need in full.
- 3.25 In principle the councils' position remains that the Greater Cambridge Local Plan should seek to provide for the identified objectively assessed needs for housing and jobs. However, the councils are very clear that this must be considered in the context of whether, or how much of, that need can be provided without unacceptable sustainability impacts. Once the water supply position is understood, the councils will need to revisit the view taken at the First Proposals stage that development levels set as targets for the Local Plan should not cause unacceptable environmental harm, taking account of available water supply during the plan period to 2041, weighed against the social and economic impacts of not meeting our objectively assessed needs for homes and potentially also jobs in full. Informed by the Housing Delivery Study, it will also be necessary to consider the spatial distribution of additional growth both in terms of whether it provides a development strategy that is capable of being delivered by the market or by more interventionist means, and also whether it would provide sustainable

development, particularly if that would need to involve a dispersed development strategy, which would not be consistent with the principles that informed the First Proposals and that we consider still to form a good basis to build on for any future strategy. In putting together a housing trajectory to inform the draft plan, we will draw on the recommendations from our Housing Delivery Study (2021) on build out rates and lead in times for sites and the windfall allowance.

- 3.26 The preparation of the draft Local Plan will also be made in the awareness of the Ministerial Statement referred to above. This focuses on forthcoming changes to the planning system. It states that, 'It will be up to local authorities, working with their communities, to determine how many homes can actually be built, taking into account what should be protected in each area - be that our precious Green Belt or national parks, the character or an area, or heritage assets. It will also be up to them to increase the proportion of affordable housing if they wish.'
- 3.27 It will be therefore be necessary for further work to be undertaken to understand the implications of both water supply and housing delivery on the draft local plan targets for jobs and homes to conclude the most appropriate targets for jobs and homes to include in the draft Local Plan, as well as consider site specific sustainability implications of potential solutions to the development needs.
- 3.28 However, it is clear that there will be capacity for some additional homes to be delivered during the plan period to 2041 above current supply contained in the adopted 2018 Local Plans. In particular, we can be confident that there will be considerable capacity in terms of water supply once the new reservoir becoming operational in around 2035-37 and the piping of water to the area from around 2030 may also provide additional capacity. The following section considers what we can confirm at this stage.
- 3.29 Notwithstanding the current uncertainties, given the current understanding, it would be prudent to explore the potential ways forward in the event that it is concluded, taking account of all the evidence, that it is not reasonable or realistic to plan to meet our needs in full. This includes asking our neighbouring authorities if they have potential to provide for any of the outstanding needs in their area. This has already been done as part of preparing the First Proposals as required by national planning policy in cases where there is Green Belt in the area even though we were planning to meet our needs in full at that time, and it did not result in any suggested sites coming from our neighbours. However, in light of the increased needs and potential constraints in terms of water supply and housing delivery, it is appropriate to repeat those consultations explaining the latest position and asking the question again. If that does not result in additional supply to meet our new needs in full, the councils would likely have to put forward a plan that does not demonstrate that needs will be met in full and argue through

the examination process that it can be found sound. This eventuality was highlighted in the First Proposals.

4 Confirming our development strategy

Confirming key strategic sites: North-East Cambridge, Cambridge East, and Cambridge Biomedical Campus.

- 4.1 Notwithstanding the challenges relating to water and housing delivery explored above, given the conclusion that whatever the outcome on those issues there will be capacity for some additional development beyond current commitments in the 2018 Local Plans, it is appropriate to consider whether there are some parts of the development strategy that it is reasonable to confirm a position about at this point. This is in the context that we can be confident there will be capacity in terms of water supply and housing delivery to see some additional development coming forward within the plan period to 2041 as set out above.
- 4.2 This is particularly relevant in respect of three strategic sites in and on the edge of Cambridge. North East Cambridge and Cambridge East are confirmed in our evidence as our most sustainable locations for development and at Cambridge Biomedical Campus there are site specific circumstances justifying further consideration. Confirmation of a position now will assist with working up proposals for those sites to be included in the draft plan, in particular to give confidence to the promoters of those sites to progress major infrastructure projects that will enable development of the sites to take place. This is also key to providing evidence that the sites are deliverable, and/or to enable continued working with promoters of those sites to help inform policy development for the draft Local Plan.
- 4.3 Drawing on the above, we propose that these three key strategic sites that formed part of the First Proposals will form central building blocks of any future strategy for development. The approach to each of the sites is set out below, having reviewed our evidence alongside relevant representations to the First Proposals consultation, noting that detailed policies including the quantum and nature of the proposed development as well as the timing and phasing of delivery will be addressed in preparing the draft Local Plan:
 - 4.3.1 **North East Cambridge** – this brownfield site within the urban area of Cambridge is identified in the First Proposals strategy as the most sustainable location for strategic scale development available within Greater Cambridge. The proposals are also consistent with the Proposed Submission North East Cambridge Area Action Plan (Regulation 19) as agreed by the councils in January 2022 for future public consultation, contingent upon the separate

Development Consent Order being undertaken by Anglian Water for the relocation of the Waste Water Treatment Plant (WWTP) being approved. As made clear in the Area Action Plan, the regeneration of North East Cambridge has been a long-held ambition for the councils. The securing of funding from central government's Housing Infrastructure Fund to relocate the Cambridge Waste Water Treatment Plant, creates a once-in-a-generation opportunity to comprehensively transform the area and create a new city district for Cambridge. As such the Greater Cambridge Local Plan should include and prioritise delivery of this site, with timing of delivery informed by the approach of the plan in respect of water supply and housing delivery. Whilst the local plan itself does not require the relocation of the WWTP to take place, the locational merits of the site are clear from the Local Plan evidence base. A decision at this point on the inclusion of the site in the draft Local Plan will provide further confirmation of the redevelopment potential of the site established in the Proposed Submission AAP and its inclusion as a key part of the development strategy of the new Local Plan. This will inform the Development Consent Order process being undertaken by Anglian Water, which in turn will form a critical part of the evidence supporting the Local Plan as it progresses to the proposed submission stage.

4.3.2 **Cambridge Airport** – this site's suitability for development was previously established through its inclusion in the Cambridge East Area Action Plan 2008, and then being identified as safeguarded land for future development in the adopted 2018 Local Plans. No new evidence has changed the Councils' position regarding its suitability for development; indeed it is identified in the First Proposals strategy for a major new eastern quarter for Cambridge, being the second most sustainable location for strategic scale development available within Greater Cambridge. The inclusion of the site in the Local Plan is contingent on the relocation of Cambridge Airport. Marshall of Cambridge (Holdings) Limited submitted an outline planning application to Central Bedfordshire Council in November 2022 for relocating the Airport operations to Cranfield Airport. A decision at this point on the inclusion of the site in the draft Local Plan will help give confidence to Marshall to continue to develop their relocation proposals, which in turn will form a critical part of the evidence supporting the Local Plan as it progresses to the proposed submission stage. Taking all these factors into account, the Greater Cambridge Local Plan should include and prioritise delivery of this site, with timing of delivery informed by the approach of the plan in respect of water supply and housing delivery.

4.3.3 **Cambridge Biomedical Campus** – the First Proposals said that the Local Plan will support the continued development and evolution of the Campus. It highlighted the potential benefits from an updated masterplan for the whole campus to improve the overall experience of the site for workers and visitors.

It also identified an additional area to the south where it may be possible to demonstrate a case for exceptional circumstances to release land from the Green Belt in this location, but this needs to be balanced with the existing supply of employment land in the area, and the impacts on the environment and how they can be mitigated. Ongoing engagement with the site promoters continues to indicate that it may be possible to demonstrate exceptional circumstances for release of further land from the Green Belt to meet the long-term needs of the campus, given the significance of this biomedical cluster for nationally and indeed internationally. It is appropriate at this stage to confirm the inclusion of the existing campus and 2018 Local Plan allocations in the draft Local Plan to realise the benefits of a comprehensive approach to this existing major site within the urban area of Cambridge and also to continue to explore and confirm whether an exceptional circumstances case can be made for the allocation of additional land to the south and its removal from the Green Belt, and if so to propose its inclusion in the draft Local Plan for consideration by the councils.

Overall development strategy

4.4 As discussed above, given the delay in publication of Cambridge Water's draft Water Resource Management Plan, we are not yet in a position to confirm the targets for the Local Plan for jobs and homes or confirm the overall preferred development strategy and sites, given uncertainties over available sustainable water supply. In terms of the overall development levels to be proposed in the Local Plan and the appropriate development to meet those needs, we will need to complete further assessments once the WRMP is published to confirm what levels of growth are deliverable. We will also need to complete an assessment of the impacts on all three aspects of sustainability: environment, economic and social. Having concluded that assessment, we will need to reach a view on the appropriate development levels to seek to plan for, that best contribute towards meeting our identified development needs. If we conclude we cannot meet our housing or jobs requirement in full, we will undertake the following tasks in preparing the draft Local Plan for consultation:

- Define an appropriate housing and employment targets, having regard to all material factors including water supply and housing delivery – this is expected to include a stepped housing target that accounts for the date of adoption of the plan, and as necessary the likely timing of planned future water supply infrastructure provision.
- Identify further sites beyond North East Cambridge, Cambridge East and Cambridge Biomedical Campus if needed to meet our identified targets – having reviewed First Proposals representations and our evidence we confirm that the development strategy principles that informed the First Proposals development strategy (set out in the Policy directions below) remain valid, and we would build on these to

inform the identification of any additional sites. As such we would expect to reach a view on the sites included in the First Proposals as a first step. This would include the other new strategic scale development identified as an expansion of Cambourne, and take account of recent announcement in the government's Autumn Statement confirming East West Rail. We would use the same principles to consider any additional sites that may be necessary to meet the housing and employment targets. As part of this process we will consider how we prepare a housing trajectory that fits with a stepped housing target.

- Talk with our neighbouring authorities about their providing for any part of our objectively assessed needs that cannot be met within Greater Cambridge.

4.5 In addition to the above tasks, the current Local Development Scheme 2022 (LDS) sets out the Local Plan and North East Area Action Plan timetables. For both plans the latter stages of plan making are dependent on the outcome of the forthcoming Development Consent Order being undertaken by Anglian Water for the relocation of the Waste Water Treatment Plant. The Local Development Scheme 2022 assumes submission of the DCO in autumn 2022. This is now expected in the first quarter of 2023. As such the councils will need to review the Local Plan timetable once the DCO for the relocation of the WWTP has been submitted.

5 Proposed policy directions

5.1 This section sets out proposed policy directions for the draft Greater Cambridge Local Plan drawing on the sections above. They are informed by updated evidence, an interim sustainability appraisal, and by consideration of and responses to relevant representations received to the First Proposal consultation in 2021.

Policy S/JH: Jobs and homes

5.2 The proposed policy direction remains, as in the First Proposals, that the level of homes associated with the central 'most likely' employment scenario, described as medium growth level, is considered to represent the objectively assessed need for homes in Greater Cambridge, assuming that all the additional homes generated by forecast jobs above those supported by the Standard Method will be provided in full within Greater Cambridge (1-1 commuting scenario as above). However, the actual numbers should be updated to reflect the conclusions of the updated assessment contained in the Councils' updated 2022 employment and housing evidence.

Our updated objectively assessed needs for development in the period 2020-41 are therefore:

- 66,600 jobs
- 51,723 homes, reflecting an annual objectively assessed need of 2,463 homes

Policy S/DS: Development strategy

- 5.3 In principle the Councils' position remains that the Greater Cambridge Local Plan should seek to provide for the identified objectively assessed needs for housing and jobs. However, the councils are very clear that this must be considered in the context of whether, or how much of, that need can be provided without unacceptable sustainability impacts. This includes understanding the water supply position and potential to cause unacceptable environmental harm. This will be weighed against the social and economic impacts of not meeting our objectively assessed needs for homes and potentially also jobs in full, including the social, environmental and economic impacts such as worsening housing affordability and climate impacts from increasing numbers of people travelling to work in Greater Cambridge from outside the area. Consideration will be given to consider the spatial distribution of additional growth both in terms of whether it provides a development strategy that is capable of being delivered by the market or by more interventionist means, and also whether it would provide a strategy that delivers sustainable development, including how it may impact on the character of the area.
- 5.4 The proposed policy direction in the First Proposals said "The proposed development strategy is to direct development to where it has the least climate impact, where active and public transport is the natural choice, where green infrastructure can be delivered alongside new development, and where jobs, services and facilities can be located near to where people live, whilst ensuring all necessary utilities can be provided in a sustainable way. It also seeks to be realistic around the locational limits of some new jobs floorspace which is centred upon national and global economic clusters".
- 5.5 Having reviewed First Proposals representations and our evidence we confirm that:
- The development strategy should include development at North East Cambridge, Cambridge East, and the existing Cambridge Biomedical Campus; and
 - the development strategy principles set out above, which informed the First Proposals development strategy, remain valid and we would build on these to inform the identification of any additional sites that may be necessary to meet, or go towards meeting, the 2022 housing and employment targets. As such

we would expect to reach a view on the sites included in the First Proposals as a first step.

Policy S/NEC: North-East Cambridge

- 5.6 The proposed policy direction is that the Greater Cambridge Local Plan should include and prioritise delivery of North East Cambridge as an important part of the development strategy, to deliver an inclusive, walkable, low-carbon new city district, with detailed policy requirements including the quantum and nature of the proposed development as well as the timing and phasing of delivery to be addressed in preparing the draft Local Plan, informed by the approach of the plan in respect of water supply and housing delivery.

Policy S/CE: Cambridge East

- 5.7 The proposed policy direction is that Greater Cambridge Local Plan should include and prioritise delivery of Cambridge East, as an important part of the development strategy, to provide a major new eastern quarter for Cambridge, with detailed policy requirements including the quantum and nature of the proposed development as well as the timing and phasing of delivery to be addressed in preparing the draft Local Plan, informed by the approach of the plan in respect of water supply and housing delivery.

Policy S/CBC: Cambridge Biomedical Campus

- 5.8 The proposed policy direction is that Greater Cambridge Local Plan should include the existing Cambridge Biomedical Campus, to meet local, regional or national health care needs or for biomedical and biotechnology research and development activities, related higher education and sui generis medical research institutes, associated support activities to meet the needs of employees and visitors, and residential uses where it would provide affordable and key worker homes for campus employees. The councils will continue to explore and confirm whether an exceptional circumstances case can be made for the allocation of additional land to the south and its removal from the Green Belt. Detailed policy requirements including the quantum and nature of the proposed development as well as the timing and phasing of delivery will be addressed in preparing the draft Local Plan, informed by the approach of the plan in respect of water supply and housing delivery.