

REPORT TITLE: Cambridge Delivery Company: Update Report

To:

Leader

Strategy and Resources Committee 10th February 2025

Report by:

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Wards affected:

All

Director Approval: Joint Director of Planning confirms that the report author has sought the advice of all appropriate colleagues and given due regard to that advice; that the equalities impacts and other implications of the recommended decisions have been assessed and accurately presented in the report; and that they are content for the report to be put to the Executive Councillor for decision.

1.	Recommendations
1.1	<p>It is recommended that the Leader:</p> <p>1. <i>Notes the update on the progress of the Cambridge Delivery Company implementation</i></p>
2.	<p>Purpose and reason for the report</p> <p>This report seeks to update the Leader and Members of Strategy and Resources Committee on the recent developments with Central Governments project for the growth of Cambridge</p>
2.1	<p>The item is for noting and to update members on the progress of the project.</p>
3.	Alternative options considered
3.1	<p>The report does not require a decision. The purpose of the report is to keep members of the Committee informed on the progression of this national project.</p>
4.	Background and key issues

4.1	<p>In July 2023, the previous government outlined an ambition for significant housing and jobs growth in Cambridge. Michael Gove, Secretary of State for Housing, Communities and Local Government appointed Peter Freeman, Chair of Homes England to establish the Cambridge Delivery Group with the purpose of exploring and advising the Government on how the ambition could be realised.</p>
4.2	<p>On 6th March 2024, the “Case for Cambridge” was published, setting out the governments ambitions more fully and the actions being taken to tackle existing constraints – including the exploration of the role of a Development Corporation for Cambridge to deliver the governments ambition. This included, the early establishment (in Autumn 2023), of the Cambridge Water Scarcity Group chaired by the former Chief Executive of the Environment Agency and Chair of Water Resources East Dr. Paul Leinster.</p>
4.3	<p>Also on 6th March 2024, the Spring Budget announced £10.2m of funding to support the future development of the biomedical campus of which £7.2m was to unlock local transport connections – notably the progression of the Cambridge South East Transport (CSET) Project with a further £3m to support CUHP plans for growth.</p>
4.4	<p>Recognising the issue of water scarcity that the City Council and SCDC had been raising since 2021, and which had resulted in objections to planning applications from the Environment Agency, on the same day in March 2024, the Government published a joint statement on Addressing Water Scarcity in Greater Cambridge and a written ministerial statement that acknowledged that Local Planning Authorities, working with the Environment Agency, could set new standards for water efficiency in specific cases.</p>
4.5	<p>On 15th May 2024, Homes England registered the Cambridge Growth Company with Companies House with 6 registered Directors, including Peter Freeman and officers from within Homes England and Civil Servants from within the Ministry of Housing, Communities and Local Government. The establishment of the Cambridge Growth Company effectively replaced the “Cambridge Delivery Group” as the entity overseeing the governments ambitions since the projects inception. Its purpose is to take forward the the Governments ambitions for Cambridge outlined in more detail below, including</p>

	<p>considering longer term delivery options.</p>
4.6	<p>Following the general election in July, on 24th August 2024, Matthew Pennycook, Secretary of State for Housing, Communities and Local Government wrote to all leaders in Cambridgeshire to advise that Cambridge remained a “key priority” for the new Government and that “...<i>the recent focus on Cambridge and its untapped economic potential are entirely warranted.</i>” Setting out the next steps to the project, the Secretary of State outlined an intention to “reset” the work and relationship between Central Government and local partners.</p>
4.7	<p>In a letter dated 30th October 2024, Matthew Pennycook confirmed Peter Freemans appointment as Chair of the Cambridge Growth Company for an initial period of 18 months and re-affirmed that “...<i>the success of Cambridge is a national priority for this government.</i>” The letter outlined the immediate priorities for the company as:</p> <ul style="list-style-type: none"> • Development acceleration: enable and accelerate developments which align with the government’s ambitions for Cambridge and unlock development on stalled sites. • Developing the evidence base to support development of an infrastructure-first growth plan and a long-term delivery vehicle: work with experts to assess infrastructure requirements, including transport, and lay the foundations for a long-term delivery vehicle. • Cross-government engagement: identify solutions to complex constraints and support cross government engagement to unblock existing development and provide the right incentives for successful development in the long-term. • Cambridge Growth Company business plan: responsibility for overseeing the effective delivery of the Cambridge Growth Company’s business plan and other associated documents. <p>The letter also outlined that... “<i>When it comes to the growth strategy, development on a more dispersed geographical footprint is perfectly acceptable, but one or more contiguous urban extensions of the city must be core components of the vision the Growth Company brings forward, in order to maximise the benefits of agglomeration. It</i></p>

	<p><i>must also build on and go further than local plans, in terms of scale, ambition and timescale...</i></p>
4.8	<p>Budget November 2024</p> <p>The Autumn 2024 budget on 1st November announced £10m of funding to unlock future economic growth in the area through the Cambridge Growth Company. It is understood that this funding will be used to commission new studies and to employ dedicated staff to deliver the Company's objectives.</p>
4.9	<p>Cambridge Growth Company: Advisory Council</p> <p>Through engagement between Local Leaders and Peter Freeman, the Cambridge Growth Company has established an Advisory Council. The terms of reference for the Council indicate that the objectives of the Council are; <i>"... to provide views and perspective to the growth company board¹ on a range of issues relevant to the activities of the Growth Company, for example, transport, finance, community, business, innovation, and design/sustainability;"</i></p> <p>The Leaders of the City Council, South Cambridgeshire District Council and the County Council together with the Mayor of the Cambridgeshire and Peterborough Combined Authority are members of the Council. There are two other members of the Council at this time, Dr Paul Leinster (see above) and Baroness Sally Morgan. The Advisory Council has so far met once, on 11 November 2024. The Terms of reference (Appendix 1) provide an opportunity for other invited members to attend its meetings as appropriate. Officers from the Council and Government Departments will also attend as required. The first meeting in November sought only to agree the terms of reference and discuss future arrangements and organisation of the Council meetings.</p>
4.10	<p>In December 2024, the Cambridge Growth Company published an invitation to tender (ITT) for specialist consultancies to assist it in the development of the evidence base to underpin its work. It is anticipated that an appointment of a consultancy team will take place early in 2025, with work on the development of the evidence base taking some 12-14 months to complete.</p>

4.11	<p>Officer engagement</p> <p>Beginning in Autumn 2023, officers from the City Council, including the Chief Executive and officers from the Greater Cambridge Shared Planning Service have been meeting frequently with representatives from Government and the Cambridge Growth Company. There has been extensive and ongoing engagement between Council officers and Civil Servants. Building on the letter from Matthew Pennycook in August, and allowing for a settling in period post-election, officers have now begun closer working on the development of complementary evidence base studies that the Councils and Combined Authority and the Cambridge Growth Company will then be able to use to underpin their respective programmes. This has seen increasing sharing of information on the Councils programmes and objectives, as well as the sharing of information from Peter Freeman and his team. The Leader has also met with Michael Gove and Matthew Pennycook and the officials involved with the project.</p>
4.12	<p>Water Scarcity Group</p> <p>Established in Autumn 2023, the Water Scarcity Group meets approximately monthly and comprises representatives from Government, including DEFRA, DHCLG and the Environment Agency, the water regulator (Ofwat), Water Companies (Anglian Water and Cambridge Water), Water Resources East and Greater Cambridge Shared Planning. Formed through the initial Ministerial interventions in Autumn 2023, the group is sponsored by DHCLG but is also expected to report into the Cambridge Growth Company. The Group oversees a programme of work that includes tracking the progression of the Water Company Water Resources Management Plans (WRMP), specific projects such as the Fen Reservoir and the Grafham Transfer, nature based solutions being developed by WRE, the development of a water credits scheme, development of a water retrofit programme and the ongoing investigation/planning surrounding water demand and supply positions across the area.</p>
4.13	<p>Next steps</p> <p>A detailed work programme for the Cambridge Growth Company (CGC) is currently being developed, along with its plans for full establishment on the back of the funding announced in the Autumn 2024 budget. The Council's officers alongside colleagues from the County Council and CPCA meanwhile are working with officers from the CGC to explore how critical work programmes, including the Joint Local Plan, Greater Cambridge Transport</p>

	<p>Strategy, CPCA Growth Plan and Local Nature Recovery Strategy will interact with the work being undertaken by the CGC to identify further long term growth opportunities consistent with its current priorities. Further reports will therefore be provided to the Council in due course, once this programme work has concluded.</p>
5.	Corporate plan
5.1	<p>The Cambridge Growth Company project is a government sponsored programme and does not directly relate to delivery of the City Councils corporate plan. As they become more defined, the growth proposals (and means of implementation) of the Cambridge Growth Company nevertheless have the potential to support, complement or otherwise impact the delivery of the four Council priorities.</p> <p>The development of a growth strategy has the potential to impact on the Joint Local Plan being prepared with South Cambridgeshire District Council and articulating the growth strategy for the Greater Cambridge area over the next decade. Clarity on how the two projects will interact is expected through 2025 as the programme for the Cambridge Growth Company emerges.</p>
6.	Consultation, engagement and communication
6.1	<p>The Cambridge Growth Company is not a Council project, and no consultation has been carried out by the Council to date in connection with the initiative.</p>
7.	Anticipated outcomes, benefits or impact
7.1	<p>That members will be informed and up to date on the Councils ongoing engagement with the Cambridge Growth Company.</p>
8.	Implications
	<p>None: The report is for information.</p>

8.1	Relevant risks
	There are no new risks to the Council arising from this report.
	Financial Implications
8.2	The report has no financial impact. The Cambridge Growth Company has advised the Council that it is aware of the potential for its activities to have a resource impact upon the services of the Council and is seeking to engage with Council officers to identify and mitigate such impacts.
	Legal Implications
8.3	None. The report is for information.
	Equalities and socio-economic Implications
8.4	The report does not result in any actions or decisions from the Council that would give rise to the need for an EQIA. This report is for information.
	Net Zero Carbon, Climate Change and Environmental implications
8.5	None: Whilst clearly having the potential to impact upon the Councils objectives, this report is for information only and contains no decision or policy recommendations.
	Procurement Implications
8.6	None:
	Community Safety Implications
8.7	None
9.	Background documents Used to prepare this report, in accordance with the Local Government (Access to

	Information) Act 1985
9.1	Homes England Chair's letter - GOV.UK The Case for Cambridge - GOV.UK Realising the full potential of Greater Cambridge - GOV.UK
10.	Appendices
10.1	<i>Appendix 1: Terms of Reference: Cambridge Advisory Group</i>
	<p>To inspect the background papers or if you have a query on the report please contact</p> <p>Stephen Kelly Joint Director of Planning stephen.kelly@greatercambridgeplanning.org</p>