

## CONSULTATION ON THE ESTABLISHMENT OF A CENTRALLY LED URBAN DEVELOPMENT CORPORATION FOR GREATER CAMBRIDGE:

**To:** Leader

Council 19 March 2026

**Report by:** Stephen Kelly, Joint Director, Greater Cambridge Shared Planning Service

**Wards affected:** All

Director Approval: Robert Pollock, Chief Executive, 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 Council before going to Cabinet/Cabinet Member for decision.

### 1. **Recommendations**

1.1 It is recommended that Council:

**Discuss the government's proposal to establish a centrally led Urban Development Corporation, by reviewing and commenting on the matters highlighted or on any other matter relevant to the consultation ahead of a final response being submitted by the Leader on behalf of the Council.**

### 2. **Purpose and reason for the report**

2.1 On 4<sup>th</sup> February 2026 the Ministry for Housing Communities and Local Government (MHCLG) launched a public consultation on the establishment of a centrally led Urban Development Corporation for the Greater Cambridge area. The consultation runs until 1<sup>st</sup> April 2026 and contains 13 specific questions. This report provides background information to support members of the Council to debate key issues at an Extraordinary meeting on 19<sup>th</sup> March 2026.

### 3. **Alternative options considered**

- 3.1 Not submitting a response to the consultation. However, given the potential significance of the proposals (see below) on the governance and future development of the City, this option is not supported.

### 4. **Background and key issues**

#### **Development Corporations since 1945**

- 4.1 Development corporations have been used in several statutory forms. In England, the most widely referenced three are New Town Development Corporations (NTDC), Urban Development Corporations (UDC), and Mayoral Development Corporations (MDC). There are currently 10 Development Corporations in operation in England. Nine are MDCs, there is one UDC, and all are focused on regeneration within tightly defined urban or industrial sites.

#### **4.2 New Town Development Corporations (NTDCs; 1947-1993)**

NTDCs were created under the post-war new towns programme to plan and deliver whole new settlements and communities, typically to accommodate overspill, support growth, and rebuild after WWII. The UK-wide new towns established 32 new towns over 50 years that are now home to ~2.8m people.

NTDCs coordinated delivery of 307,000 houses in England – 231,000 public homes and 76,000 private or market homes within their designated land<sup>1</sup>. NTDCs are dedicated long-life bodies with master-planning and delivery functions, including planning and compulsory purchase powers, and the ability to borrow to fund infrastructure and land assembly. There are no current NTDCs in operation.

- 4.3 The most well-known, Milton Keynes, was established in 1967 under the New Towns Act to create a new city for around 250,000 people in North Buckinghamshire. It covered 8,770 hectares (34 sq. miles), and over 25 years oversaw construction of roughly 44,000 homes and attracted more than 80,000 jobs. The MK DC received fix rate loans from Treasury repaid in 1999. The total cost of the new town was around £11bn. Milton Keynes

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<sup>1</sup> [Centre for Cities](#)

has a current population of around 288,000.

#### 4.4 **Centrally Led Urban Development Corporations (UDCs) (1980s/90s)**

The 1980s–1990s urban regeneration model, UDCs enabled primarily via the Local Government, Planning and Land Act 1980, were used to secure regeneration (and more recently development) of designated urban areas, often brownfield/industrial, accelerate delivery, and attract investment. Board members of centrally led Urban Development Corporations are appointed by the Secretary of State. Board composition can include elected Councillors but the Chair and Vice Chair cannot be elected Councillors, and the majority of Board members must comprise non-elected representatives.

UDCs must be established on a designated “urban development area” and have a focus on delivery with powers widely associated with land assembly, infrastructure delivery and planning decision-making. A recent synthesis estimates UDCs delivered around 40,576 housing units across ~3,553 hectares of land between 1981 and 1997<sup>2</sup>.

4.5 A later wave of UDC-style corporations focused on large growth corridors and regeneration areas (e.g. Thames Gateway, Thurrock, West Northamptonshire). Boundaries could cover whole boroughs, such as Thurrock, or multiple sites around existing towns as in West Northamptonshire. Thurrock Development Corporation (2003-2012) is the only example of a DC that its boundaries were coterminous with the local authority. It covered around 16,500 hectares or 64 sq. miles, and delivered around 9,000 jobs and 6,000 homes, and received around £135m in government grants.

#### 4.6 **Mayoral Development Corporations (MDC - (2010s–present)**

Established by London and metro mayors to accelerate regeneration and development in a defined geography, MDCs are local institutional responses to increase delivery capability and coordination in complex urban areas<sup>3</sup>. For MDCs, the Board of the corporation is appointed by the Mayor (as opposed to the Secretary of State). The same requirement - for a minority of Board members to be elected Councillors – applies, as does the requirement that the Chair and Vice Chair are not elected Councillors.

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<sup>2</sup> [Onward](#)

<sup>3</sup> [Institute for Government](#)

MDCs can be given planning powers including plan-making and determining applications, compulsory purchase powers, and other tools (e.g. business rate levers) depending on the enabling arrangements. They are generally focused on specific sites or projects and accordingly their designated area is often hundreds of hectares, but can be larger.

For example, Stockport MDC is tasked with urban regeneration on a 166-hectare town centre site at a rail interchange, including 4000 homes, and new commercial space. Stockport Council fund the MDC's operating costs and have retained planning powers and control over business rates discretionary relief.

#### 4.7 **Locally Led Development Corporations LLDC**

The concept of “Locally Led” Development Corporations – where the Corporation, its development area and its Board are determined by the Local Authority (or multiple Local Authorities) was a creation of the Levelling up and Regeneration Act 2023. There have been no Locally Led Development Corporations established to date.

### 5. **Proposed Greater Cambridge Centrally Led Urban Development Corporation**

5.1 The MHCLG consultation<sup>4</sup> invites views on the creation of an Urban Development Corporation for Greater Cambridge under the following arrangements:

- Central Government led Urban Development Corporation (UDC) with all Board and other appointments made by MHCLG
- Urban Development Area based upon Greater Cambridge geography (Cambridge City and SCDC) some 363 sq. miles or 94,000 hectares.
- Duration 25 Years, with an initial review after 5 years.
- Leaders from Cambridgeshire County Council, Cambridge City Council, South Cambridgeshire District Council and CPCA Mayor invited to be on the Board.
- At least 9 Board members initially – noting need for majority of non-elected Board members (incl. Chair and Vice Chair).
- £400m funding commitment.

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<sup>4</sup> [Establishing a Development Corporation in Greater Cambridge - GOV.UK](#)

- Alongside default Development Corporation powers, proposals envisage phased implementation of Planning Powers.
- Development Management Powers for strategic developments (and non-strategic applications on sites adjoining) from 2026/inception onwards.
- Support for existing Joint Local Plan through to adoption 2026 – 2028/9.
- Acceleration of existing/emerging Local Plan sites plus sites consistent with national policy (NPPF).
- Planning Compliance powers to remain with LPA's.
- Local Plan powers to be activated by the Secretary of State at a future date to allow the Development Corporation to prepare next (and subsequent) Local Plans.
- Transport powers to remain with Highway Authority/CPCA.
- MoU proposed with Councils for transitional arrangements, Planning Compliance, information sharing and ongoing process interactions.

5.2 Based upon the proposals, the scale and proposed reach of the Urban Development Corporation would be significant. When considering the geographical area (in hectares) and population (at announcement of each development corporation), the majority of previous development corporations have been significantly smaller — from Harlow (2,558 hectares, 4,500 residents) and Ebbsfleet (1,000 hectares, 4,776 residents) to Milton Keynes (8,770 hectares, 40,000 residents) and Thurrock Thames Gateway (16,000 hectares, 176,000 residents).

5.3 In these cases, the relationship between the area/population overseen by the nationally appointed boards and local communities, whilst imperfect, was at least bounded. The proposed Greater Cambridge Corporation would cover 94,000 hectares — more than ten times the area of Milton Keynes New Town Development Corporation — and would encompass a population of 322,000 people, rising to over 400,000 during its lifetime.

5.4 The current £400m of initial funding is significantly less than historical funding arrangements for the post war New Town Development Corporations or the £1.6bn that London Docklands Development Corporation had at its disposal in the 1980's. The only

other Centrally Led Urban Development Corporation (Ebbsfleet) was allocated £315m in 2015 to deliver on largely existing planning permissions for up to 15,000 homes in the Thames Gateway (of which 5000 have so far been completed). The Ebbsfleet DC aims to have attracted £3.9bn in public and private investment by 2035.

5.5 Based on these historic precedents, a Greater Cambridge UDC with an ambition to deliver 100-150,000 additional homes and associated infrastructure might require total public and private investment of £25bn to 50bn over its 25-year lifetime.

#### **Consultation 4<sup>th</sup> February to 1<sup>st</sup> April 2026**

5.6 The consultation seeks all views on the proposals but specifically in relation to:

- The case for establishing a Centrally Led Urban Development Corporation.
- The proposed objectives and activities of the Development Corporation.
- The proposed geographical boundary.
- The proposed approach to a spectrum of powers.
- The proposed approach to integrating local democratic representation in the Development Corporation's activities.

5.7 The consultation contains 13 specific questions. Through feedback received from informal discussions with members and local stakeholders, the report below offers some preliminary commentary in relation to the matters raised in each of the questions. Members are invited to consider the questions and advise officers of their views. These will inform the Leader's final submission to the consultation on behalf of the Council.

5.8 **Q1 – What do you think about the current delivery of infrastructure and homes in Greater Cambridge?**

- Greater Cambridge has an excellent, award-winning planning service which is already delivering a large number of homes and employment
- 2024/25 delivery: 2,265 new homes (687 affordable) and ~63,000 sqm employment floorspace.
- Pipeline: permissions for ~37,000 homes on strategic sites and ~400,000 sqm office/lab space (to mid-2030s).
- But our area faces key blockers: Greater Cambridge faces a major challenge with utility (water, waste water, electricity) and transport infrastructure planning and funding delays.

- Like much of the country, Cambridge is also experiencing suppressed housing demand (economy/affordability) and slower jobs growth.
- Impact: infrastructure uncertainty is harming investor/innovator confidence and local quality of life; community support for growth is becoming more sceptical.
- Cambridge City Council is delivering large numbers of new council homes, which do not suffer from the same issues as market housing in terms of slow absorption rates. A development corporation should support the acceleration of this programme.
- Social infrastructure (schools, health facilities, cultural facilities, community centres) is also essential to a) create a fairer city b) retain community consent for rapid growth c) improve quality of life for all and thereby attract top international talent.

**5.9 Q2 – What do you think about the proposal to create a centrally-led urban development corporation (UDC) in Greater Cambridge?**

- The Council supports a stronger central government role because the scale of constraints (water/energy, transport, skills, investor confidence) requires national convening power, regulation and multi-billion pound investment over the long-term.
- This is particularly relevant in relation to the immediate constraints of waste water treatment, water supply and demand and electricity grid capacity.
- In that context, a centrally led DC is more appropriate than a locally led or Mayoral DC as a means to enable significant government investment.
- For example, the centrally led DC for Ebbsfleet has a target to deliver £3.9bn of investment to enable 15,000 new homes and urban regeneration by 2035.
- We do not see a UDC as the right vehicle to take Local Plan making and planning determination powers from local democratic control, nor to replace or rival the functions currently carried out by the shared planning service. We do see it as working very closely with the local authority and the Combined Authority on spatial, strategic and infrastructure planning.

#### 5.10 Q3 – What matters most to you about the future of Greater Cambridge?

- The Development Corporation should start by preparing a vision for the area with local stakeholders and communities (including voices of young people).
- Priorities should align with democratically shaped corporate plans and visions (e.g. <https://www.cambridge.gov.uk/our-vision>) and the emerging Greater Cambridge Joint Local Plan objectives.
- The Development Corporation should aim to make Cambridge a world class city in terms of quality of life.
- Emphasis on working with local public sector bodies and key institutions and business to tackle poverty and inequality, increase affordable housing, climate mitigation and adaption, enhancing nature, better opportunities and outcomes for young people, health and wellbeing, high quality placemaking, great public services such as hospitals and schools, arts, culture, good jobs and opportunities in everyday economy.

#### 5.11 Q4 - Do you have any views on the objectives of the Greater Cambridge Development Corporation, as set out in the consultation document?

- Broad support where objectives mirror local priorities (growth, infrastructure, environmental sustainability, inclusion).
- Many constraints are due to successive central government regulatory failures (utilities, infrastructure, health, local funding) and/or lack of investment. The development corporation should seek to overcome these issues, and **accelerate delivery of existing permissioned and planned infrastructure and growth sites.**
- Working across such a large and complex geography, there is a risk of a lack of focus, without very specific aims.
- DC should define its role in relation to accelerating existing permissioned homes and commercial space and planned pipeline (~77,000 homes & ~100,000 jobs); particularly in the context of a lack of additional water supply until 2032 at the earliest; pushing additional growth before then could undermine viability and delivery of current sites.
- DC should develop funded longer term plans for future transport infrastructure

and identify strategic growth sites for the SDS/next Local Plan process.

- All of this needs to be done within environmental limits and to exceptional environmental standards. The protection and restoration of chalk streams is a totemic issue for our area.

#### 5.12 **Q5 – What do you think about the proposed boundary of the Greater Cambridge Development Corporation?**

- Support the proposed boundary.
- Boundary has unprecedented scale: >94,000 hectares, ~322,000+ population (rising to >400,000 by 2040), with local democratic representation in minority on a Secretary of State appointed board.
- Area is 10 times larger than MK New Town Development Corporation. Without significant resources this means that impact and focus of Devco could be significantly diluted.
- Mooted additional homes 100-150k would represent a 1/3 to 1/2 of all homes completed during the 50year post war New Towns programme. 3-4 times the number of homes completed by UDCs in the 1980s and 90s.
- MHCLG should set out what other options to support delivery they considered and discounted and why these were discounted.
- To be effective, the development corporation will need to focus in on key strategic sites, transport corridors, and infrastructure routes.
- Risk: perceived ability to impose development without local mandate, amplified by transfer of Local Plan responsibilities.
- Should seek strong commitment to participatory engagement to address the “democratic deficit”; not clear govt currently grasps the importance of this.
- The development corporation should also look beyond its boundaries to other relevant sites in the travel-to-work-area, such as Tempsford, Stansted Airport, Universal Studios, Haverhill, Newmarket, Royston.

#### 5.13 **Q6 – What do you think about the phased approach we have proposed in regard to plan making powers?**

- The consultation does not provide any details of the alternative options explored

- and discounted prior to settling on the phased transfer of planning powers outlined.
- Strongly object to transferring Local Plan making powers: would sever plan-making from local democratic accountability built over decades.
  - If we are to maximise public value from the proven competencies and capacities of the exceptional shared planning service, local authorities must retain democratic oversight, which has been crucial in securing a democratic mandate and local buy-in for growth.
  - If powers are transferred, should at minimum allow completion and adoption of the emerging Joint Local Plan first.
  - Lack of clarity on phasing/timetable of DC taking LP powers risks stalling/forestalling current planned developments; SoS should define criteria, publish an assessment and engage public before taking powers.
  - If primary issue is specifically transport corridors into Cambridge, existing Local Plan identifies key long term strategic growth sites such as CBC, Cambridge East, NEC, North Cambourne etc.

5.14 **Q7 – What do you think about the proposals to give the Development Corporation plan making powers as set out in the consultation document?**

- **Strongly object** to transferring Local Plan-making powers: this would sever plan-making from local democratic accountability and consensus that has been built over decades
- Given the scale of the proposed geography compared to previous development corporations, the rationale/arguments for taking all plan making powers into the hands of an unelected body has not been set out clearly and would be disproportionate.
- Transfer is unnecessary given Greater Cambridge's very strong track record of growth and investment in local plan-making. DC would still be subject to NPPF (e.g. green belt) and legislation requires general conformity with Mayor's SDS (itself based upon ambitious Local Growth Plan) when that is agreed.
- Secretary of State already has intervention powers to force through development and has used them elsewhere.
- Transfer would weaken future council buy-in and compound community

- disempowerment and any emerging anti-growth sentiment.
- The government and development corporation should collaborate with and provide specialist support to the planning service.
  - Local Plans need to be feasible, viable, deliverable. The Development Corporation's role should be creating the pre-conditions for these three: notably waste water treatment, water supply and management, grid and transport issues.
  - With the approach to transport powers in the consultation, the Government has established a principle of collaboration, rather than one of taking on powers from the start. 'As a backstop, transport powers can be transferred to the Development Corporation, where deemed necessary.' This same principle could easily be applied to development management and plan making powers

**5.15 Q8 – What do you think about the proposals to give the Development Corporation powers to determine planning applications as set out in the consultation document?**

- Strongly object
- The rationale and justification is unclear and unproven given the track record of Councils affected and the GCSP.
- If justified, proposals need to be limited to genuinely strategic scale developments (this is not currently the case).
- There are potential adverse short term effects – dependent upon precise arrangements – arising from transition phase, duplication of work, uncertainty for staff, future financial resilience of GCSP that may impacts on local capacity potentially undermining continued delivery and growth – noting lead times for new strategic sites.
- Greater Cambridge must have a democratically controlled planning service that is fit for a global city. Development corporation could provide additional specialist capacity to support the planning service.

**5.16 Q9 – Thresholds for DC decision-making (see table below)**

- Object to a separate development corporation planning committee.

- The proposed thresholds needs to be subject of further discussion so that the focus is on only the largest strategically significant projects.
- If powers are to be transferred, the thresholds should be higher than proposed to ensure democratic local determination for non-strategic schemes and focus of DevCo is on only strategic scale growth projects justifying national intervention.
- Lower thresholds risk DC being swamped by non-strategic applications not requiring DC capacity/infrastructure – risk of current development pipeline being paused to await transition.
- Seek tighter definitions to avoid uncertainty/challenge and flags unknowns (e.g., minerals/waste) and impacts on the shared planning service.

Development Type	Proposed threshold minimum
C3 (Residential dwellinghouses)	A minimum set at 250, 500 or 1,000 dwellings or equivalent floorspace
C1 (hotels) and C2 (hospital/care homes)	A minimum set at 100 or 250 rooms or equivalent floorspace
C2a (Secure Residential Institutions)	A minimum set at 1,000sqm or 2,500 sqm
Class E (commercial, business and service)	A minimum set at 1,000sqm or 2,500 sqm
Class B (general industrial B2 and storage distribution B8)	A minimum set at 1,000sqm or 2,500 sqm
Class F (learning, non-residential institutions recreation and community uses)	A minimum set at 1,000sqm or 2,500 sqm

**5.17 Q10 – Do you have any other views on the proposed approach to the Development Corporation’s powers and functions?**

- Lack of clear government financial commitment; figures floated (£400m) are inadequate relative to precedent (Ebbsfleet, Docklands, Milton Keynes).
- Creating DC without real capacity/funding will compound frustration and damage

international confidence.

- Withdrawal of Cambridge WWTP relocation funding has already harmed investor confidence.
- The Development Corporation is better focused on adding value by facilitating a cross- government approach to tackling physical and social infrastructure deficits and new capacities to allow continued growth, as outlined above
- social infrastructure: cultural facilities, community centres, schools, hospitals, GP surgeries etc is currently largely absent from the consultation, but is a crucial part of a) creating a fairer city b) retaining community consent for rapid growth c) improving quality of life for all and thereby attracting top international talent
- Skills and opportunity to tackle inequality and plan for workforce of the future
- Bring forward large-scale nature network, including nature reserves/country parks, and plan for climate adaptation, in relation to resilience, retrofit and heat

**5.18 Q11 – What do you think about proposed local representation on the Development Corporation Board, as set out in the consultation document?**

- Urban DC model inherently replaces local democratic control with an appointed majority.
- Proposed size of DC makes democratic deficit unprecedented especially given proposed transfer of local plan making powers.
- There needs to be a structure under the Board to facilitate ongoing discussion and local involvement in decision-making
- The development corporation must have significant ongoing community engagement, of a kind that the growth company has not engaged in so far.

**5.19 Q12 – What do you think about the board having expertise in areas such as planning, property development, design, environment, finance, and infrastructure delivery?**

- Support high quality board with expertise in delivery disciplines, but stress need for members who understand Greater Cambridge and its social/environmental priorities.
- Scrupulous transparency needed to avoid (real/perceived) conflicts of interest and build trust.

5.20 **Q13 – Do you have any views on the impacts of the above proposals for anyone with a relevant protected characteristic?**

- Reduced democratic representation risks disadvantaging minority voices in the process.
- A full EQIA should be carried out
- Age -- potential education, job and housing opportunities for young people must be at the heart of decision making.

**Corporate plan and Council Vision**

6. The Objectives for the Urban Development Corporation comprise the following:

- Transformational economic growth
- Infrastructure Led Development
- Innovative Investment
- Environment and Climate
- Inclusion and Equality.

These objectives are broadly consistent with the Corporate Plan and Council Vision .

Establishment of an Urban Development Corporation with sufficient dedicated resources to realise its objectives could have a positive impact upon the delivery of the Council objectives. The transfer of planning powers from the City Council to the Urban Development Corporation may nevertheless impact upon the ability of the City Council to directly control the delivery of all of its current Corporate plan and Vision objectives.

[Corporate plan 2022-27: our priorities for Cambridge - Cambridge City Council](#)

[Our vision - Cambridge City Council](#)

**Consultation, engagement and communication**

7. Officers convened an all Member Briefing on Wednesday 11<sup>th</sup> March. Feedback from the meeting will be verbally reported to the Council.

**Anticipated outcomes, benefits or impact**

8. The outcome of the report is expected to be improved insight to help shape the Councils formal response to the consultation.

### **Relevant risks**

9. There is no decision for Council at this stage. Risks to delivery of the Councils objectives will depend upon the Government intended course of action in response to the consultation feedback.

### **Financial Implications**

10. No direct impact from this report. The establishment of a Centrally Led Urban Development Corporation with planning powers may give rise to significant financial implications. The precise impact will depend upon the Government's actions in response to the consultation.

### **Legal Implications**

11. None at this time.

### **Equalities and socio-economic Implications**

12. None at this time. Responsibility for completing an EQIA for the proposals rest with MHCLG

### **Net Zero Carbon, Climate Change and Environmental implications**

13. *None at this time.*

### **Procurement Implications**

14. *None*

### **Community Safety Implications**

15. *None*

To inspect the background papers or if you have a query on the report please contact:

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