EXPLANATORY MEMORANDUM TO

THE GREATER CAMBRIDGE DEVELOPMENT CORPORATION (ESTABLISHMENT) ORDER 2026

2026 No. 902

1. Introduction

1.1 This Explanatory Memorandum has been prepared by the Ministry of Housing, Communities and Local Government and is laid before Parliament by Command of His Majesty.

2. Declaration

2.1 Matthew Pennycook MP, Housing Minister at the Ministry of Housing, Communities and Local Government confirms that this Explanatory Memorandum meets the required standard.

2.2 Lise-Anne Boissiere and Cathy Francis, Directors for New Towns, Infrastructure and Housing Delivery at the Ministry of Housing, Communities and Local Government confirm that this Explanatory Memorandum meets the required standard.

3. Contact

3.1 Jonathan Blathwayt at the Ministry of Housing, Communities and Local Government can be contacted by email at the following address with any queries regarding the instrument: GreaterCambridgeDC@communities.gov.uk.

Part One: Explanation, and context, of the Instrument

4. Overview of the Instrument

What does the legislation do?

4.1 This Order establishes the Greater Cambridge Development Corporation. It is responsible for regenerating the administrative area of Cambridge City Council and South Cambridgeshire District Council that has been designated as an urban development area.

4.2 A separate order will be laid to make the Greater Cambridge Development Corporation the local planning authority for the area within the development area for certain functions.

Where does the legislation extend to, and apply?

4.3 The extent of this instrument (that is, the jurisdiction(s) which the instrument forms part of the law of) is England and Wales.

4.4 The territorial application of this instrument (that is, where the instrument produces a practical effect) is England.

5. Policy Context

What is being done and why?

5.1 Greater Cambridge is a global leader in technology and innovation and a one of Britain's most important engines for growth. Cambridge is a major contributor to the UK economy with an estimated £30bn annual Gross Value Added. However, despite

its world class institutions and significance, it faces increasing critical constraints that are preventing it from realising its full potential. Sustaining its place as a global leading centre as well as its national significance is vitally important to the government's number one mission in boosting economic growth and raising living standards.

5.2 The constraints limiting potential growth include (but are not limited to) housing affordability, the existing transport network, water infrastructure and the availability of commercial and laboratory space.

5.3 In response to these challenges, the government consulted on the proposal to establish a centrally-led urban Development Corporation, with a Development Area encompassing both the City of Cambridge and South Cambridgeshire District Council.

5.4 A centrally-led urban development corporation would provide the stability, capability and capacity needed to coordinate complex infrastructure delivery across multiple councils, landowners, delivery partners and agencies, and secure the major public and private investment required to unlock growth at this scale. It would have a clear remit to deliver lasting benefits for both existing and future communities. It would do so by accelerating economic growth; coordinating enabling infrastructure; leveraging public and private investment; delivering environmentally sustainable outcomes; and reducing inequality through affordable housing and skills development.

What was the previous policy, how is this different?

5.5 Regeneration was previously led by Cambridge City Council and South Cambridgeshire District Council.

6. Legislative and Legal Context

How has the law changed?

6.1 The legislative framework governing urban development corporations is set out at part 16 of the Local Government, Planning and Land Act 1980[1] ("The Act").

6.2 The Secretary of State may designate land as an urban development area if it is considered expedient in the national interest to do so under section 134(1) of the Act and establish an urban development corporation responsible for regenerating the development area under section 135(1) of the Act.

6.3 The constitution, proceedings and staffing of the development corporation are government by Schedule 26 of the Act.

Why was this approach taken to change the law?

6.4 This is the only possible approach to give effect to the Secretary of State's decision to establish an urban development corporation in Greater Cambridge.

7. Consultation

Summary of consultation outcome and methodology

7.1 A public consultation on the establishment of the Greater Cambridge Development Corporation was held between 4th February 2026 to 1st April 2026.

[1] Local Government, Planning and Land Act 1980 (c.65), https://www.legislation.gov.uk/ukpga/1980/65/contents. Hard copies can be obtained by writing to the Ministry of Housing, Communities and Local Government at 2 Marsham Street, London, SW1P 4DF.

7.2 The consultation outreach was supported by the Cambridge Growth Company who undertook a series of engagement events and publicity throughout the consultation period, engaging residents, businesses and councils. This included direct outreach, formal briefings and wider public communications to maximise awareness and participation, alongside targeted engagement with business, education, community and civic organisations across the proposed area and neighbouring authorities. This was supported by communication about the consultation through established networks such as universities, Cambridgeshire Chambers of Commerce, and local authority e-bulletins to town and parish councils.

7.3 The consultation asked for views on whether the establishment of the Greater Cambridge Development Corporation was in the national interest, as well as asking for views around the Development Area, the powers the Development Corporation should have conferred upon it and how those powers should be used.

7.4 A total of 773 responses were received with 91% of the responders living or working within Greater Cambridge. 617 of the respondents were individuals and 145 from organisations, including local authorities, developers and professional bodies.

7.5 68% of individuals were opposed to the proposal to establish a Development Corporation, while 81% of private sector organisations and professional bodies supported the proposal. 48% of Local Government organisations were opposed to the establishment of a Development Corporation with 38% supportive.

7.6 The responses to the consultation set out several main themes including a concern that a Development Corporation would result in a weakening of local democracy and prioritise new development and infrastructure over the protection of the natural environment.

7.7 As a result of these comments the government has set out that the Development Corporation will establish structured forums to allow direct engagement with residents to air their views and shared their lived experience. The objective of the Development Corporation has also been altered to add greater emphasis on respecting the natural environment within the area.

7.8 The full summary of responses and the government's response to the consultation was published on the same website as the consultation itself, on 3rd2OBJ.

8. Applicable Guidance

8.1 There is no specific guidance associated with this order.

Part Two: Impact and the Better Regulation Framework

9. Impact Assessment

9.1 A full Impact Assessment has not been prepared for this instrument because no additional costs to business, charities or voluntary bodies are foreseen.

Impact on businesses, charities and voluntary bodies

9.2 The Order will not have a direct regulatory or cost impact on businesses, charities or voluntary bodies. Any effects are anticipated to be indirect and positive, arising from

[2] Consultation on establishing a development consultation in Grater Cambridge, February 2026 and summary of responses and government response, June 2026: https://www.gov.uk/government/consultations/establishing-a-development-corporation-in-greater-cambridge. Hard copies can be obtained by writing to the Ministry of Housing, Communities and Local Government at 2 Marsham Street, London, SW1P 4DF.

the Development Corporation's role in unlocking large-scale housing, infrastructure, investment and regeneration activities. Over time, this is expected to support economic growth, supply chain activity and inward investment in Greater Cambridge.

9.3 The legislation does not impact small or micro businesses.

9.4 There is no, or no significant, impact on the public sector because no functions of the local authority will transfer to the Greater Cambridge Development Corporation, by virtue of its establishment.

10. Monitoring and review

What is the approach to monitoring and reviewing this legislation?

10.1 The Ministry of Housing, Communities and Local Government will review the development corporation between 18 and 24 months after the commencement of the planning functions order, using the Cabinet Office Public Bodies Review Guidance3.

10.2 The review will be proportionate and risk based. Reviews will assess whether the body has the right delivery model, is operating effectively, efficiently and with proper governance, and whether functions should be retained, changed, or delivered differently.

10.3 Subsequent reviews will be risk based and proportionate to scale/spend, performance, or material change (e.g. functions, leadership, delivery model).

10.4 This Order does not include a statutory review clause.

Part Three: Statements and Matters of Particular Interest to Parliament

11. Matters of special interest to Parliament

11.1 None.

12. European Convention on Human Rights

12.1 The Minister of State for Housing Matthew Pennycook MP has made the following statement regarding Human Rights:
"In my view the provisions of the Greater Cambridge Development Corporation (Establishment) Order 2026 are compatible with the Convention rights.".

13. The Relevant European Union Acts

13.1 This instrument is not made under the European Union (Withdrawal) Act 2018, the European Union (Future Relationship) Act 2020 or the Retained EU Law (Revocation and Reform) Act 2023 ("relevant European Union Acts").

[3] Guidance on the undertaking of Reviews of Public Bodies
https://www.gov.uk/government/publications/public-bodies-review-programme/guidance-on-the-undertaking-of-reviews-of-public-bodies
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