LICHFIELDS

Briefing Note

Date 25 September 2026

Subject Appendix D - Housing trajectory and five-year housing land supply calculation

1.1 These representations to the regulation 19 draft Greater Cambridge Local Plan (dGCLP) have been prepared by Lichfields for CEG Land Promotions Limited (CEG LP) on behalf of the landowners Peterhouse College and Guys & St. Thomas' Foundation in the context of their interests in Southeast Cambridge, namely the foreseen:

- Southern extension to Peterhouse College (A southern expansion to previously released Green Belt sites GB3/GB4);
- Southern extension to Employment site E/3; and
- Easterly expansion to the previously released Green Belt site GB1.

Representation

1.2 As set out in CEG LP' objections to other policies in the dGCLP (Reg 19), and notwithstanding that CEG LP consider the economic basis of the Local Plan to be insufficiently ambitious, CEG LP has concerns about assumptions made around housing delivery. With this in mind, this section critiques the supply assumptions within the dGCLP (Reg 19) (Appendix D - Housing trajectory and five-year housing land supply calculation),

1.3 There are a number of assumptions within the Development Strategy Topic Paper: Housing Trajectory for the Local Plan 2026 and five-year housing land supply (5YHLS) calculation which in spite of the additional evidence within the Housing Delivery Study Addendum 2026 (HDSA) are considered highly optimistic. Moreover, the GCSP Service's calculation of 5YHLS upon adoption incorrectly includes a supply of windfall development which the NPPF 2026 does not advise. It is acknowledged that the GCLP will be examined against the 2024 version of the NPPF but on adoption, this plan will have to adhere to the NPPF 2026 approach to assessing housing land supply. These are explored below. First, CEG LP demonstrate the need for a greater buffer against the minimum housing requirement, which is not currently accounted for.

Buffer

1.4 The GCSP Service's total identified housing supply amounts to 52,032 homes, giving only an 8.2% buffer above the minimum requirement of 48,069 dwellings set out in Policy S/JH (which CEG LP has objected to). As a point of principle, 8.2% is unlikely to provide sufficient headroom to ensure delivery of the housing requirement. This is particularly relevant in the context that on adoption, this plan will have to adhere to the NPPF 2026 in setting out its 5YHLS position, which no longer allows for an inclusion of windfall sites,

Nathaniel Lichfield & Partners Limited (trading as "Lichfields") is registered in England, no. 2778116
Registered office at The Minster Building, 21 Mincing Lane, London EC3R 7AG

meaning an even greater buffer on larger-scale sites supply is required in order to be able demonstrate a 5YHLS (see below).

1.5 At the very least, absent the other relevant factors concerning the need for additional flexibility to be incorporated into the plan, the GCSP Service would be expected to incorporate a minimum 15% buffer (an additional c.3,250 homes) to allow for circumstances where sites do not come forward and/or to avoid over-reliance on windfall sites. As discussed in response to Policy S/JH, the "*high growth*" scenario would itself lead to a c.24% more homes being required against the minimum requirement (amounting to an additional c.7,400 homes above what is already planned for), showing that even a 15% buffer on the minimum could easily be absorbed by higher growth. Indeed, if the GCSP Service was to truly 'bake in' a high growth scenario to the dGCLP (Reg 19), a 15% buffer would be required to sit on top of this, with the high growth scenario being the 'minimum requirement'.

The Council's forecasted 5YHLS positions

1.6 It is noted that the GCSP Service has sought to apply the 'Liverpool' method to its 5YHLS calculation, having the effect of offsetting shortfalls in delivery against the latest (2026) standard method over the whole plan period from adoption (in 2028), rather than over the five-year period only (the 'Sedgefield' method). This is justified on the basis that:

"A sustained increased level of annual completions at or above the annual housing requirement is not anticipated until the second half of the plan period due to the sustainable development strategy set out in this plan and the infrastructure constraints relating to water and transport (for which improvements are not anticipated to be delivered until later in the plan period)."

1.7 This approach is not necessarily disputed. However, the GCSP Service admits that using an alternative approach would have led to only being able to demonstrate a marginal (5.03 years) 5YHLS on adoption of the plan in 2028. Instead, applying the Liverpool method, the GCSP Service states it will be able to demonstrate 5.47 years' supply on adoption. Whilst certainly less marginal than the alternative, this is nonetheless considered a tentative position which carries significant risk of being challenged when considered in the context of its optimistic assumptions about the future deliverability of allocated sites and inclusion of a windfall allowance.

1.8 In addition, it is noted that the assumed future position applies only a 5% buffer to the housing requirement despite the acknowledgement that the dGCLP (Reg 19) is unlikely to deliver its minimum housing requirements in the period between now and 2028. If the dGCLP (Reg 19) significantly underdeliver on its housing need prior to the adoption, then there would be a requirement to apply a 20% buffer onto the 5YHLS requirement which could lead to failure of the 5YHLS test (even without the supply adjustments discussed below).

Windfall allowance in 5YHLS

1.9 The NPPF 2026 excludes windfall supply in the methodology for calculating 5YHLS in Annex D, meaning this form of supply will have to be made up through other sources in order to for Greater Cambridge to avoid speculative development through the presumptions in favour of development at NPPF 2026 policies S5(1)(j) or GB7(1)(g). This is relevant to the GCSP Service because despite the dGCLP (Reg 19) being examined in accordance with the 2024 framework, Cambridge City and South Cambridgeshire District Councils' 5YHLS statements will be required to follow the method in Annex D of the 2026 NPPF.

1.10 Given that windfall sites account for 425 homes per annum in the trajectory, this would remove 2,125 homes from supply in a given five-year period. The effects of such a reduction in assumed supply means the Council would be unable to demonstrate a 5YHLS until 2036/37 based on the scenarios presented in the table at A.2 of the HDSA 2026.

1.11 Even if assuming that a 425 home-per-annum windfall supply were forthcoming on specific sites for the first three years of a given 5YHLS period (on the assumption that three years is the maximum forward-looking gauge of supply possible on windfall developments from unexpected planning consents), this would still amount to an 850-unit reduction in assumed supply over a given five-year period which the GCSP will need to make up for as a matter of urgency if the plan is to be effective and the presumptions at NPPF 2026 policies S5(1)(j) or GB7(1)(g) avoided.

1.12 On the basis of the above, the proposed trajectory would not be effective in maintaining a supply of deliverable housing sites and is not sound with reference to NPPF 2024 paragraph 36(c).

Lead-in times and build-out rates

1.13 The HDSA 2026 suggests that comparatively low delivery in the earlier years of the plan as sites tend to need the Local Plan to be adopted before they can come forward through the planning application process and can be delivered. Whilst this principle is not necessarily disputed, this assumption appears to have been carried through to assume a four-year lead-in time from adoption of the plan to completions on as many as eight newly-allocated sites in 2032/33 totalling 655 units: 56% of the total amount of anticipated oversupply in the whole 2028/29 to 2032/33 period. This is highly ambitious and demonstrates further the precarity upon which any future 5YHLS position rests (notwithstanding that one is unlikely upon adoption).

Beyond 5YHLS

1.14 Notwithstanding the points made above in relation to the forecasted 5YHLS positions, CEG LP has more general concerns around the extent to which the housing trajectory can be relied upon as a forecast of supply in Greater Cambridge.

1.15 It is welcome that the HDSA 2026 has been updated to account for:

"concerns around over-optimistic delivery timescales for large scale sites, which are considered to take longer to be brought forward and have greater uncertainty of lead-in times. Comments highlight that there have been significant delays in the delivery of existing strategic sites in Greater Cambridge, and that this demonstrates the complexities of strategic sites."

1.16 However, CEG LP does not consider that the HDSA has appropriately demonstrated why its assumptions around lead-in times and build-out rates are appropriate. This is primarily because the HDSA 2026 repeatedly references the "*strength of the market*" as a reason behind the faith it has in development sites coming forwards. However, the HDSA fails to acknowledge the significant variations in market fragments around Greater Cambridge, and the impact this has on deliverability of sites, particularly when there is a blanket affordable housing policy across the whole area. This will have significant viability implications for sites and limit their likelihood of coming forward. The reference to the build-out report produced by Savills and Cambridge Ahead[1] is noted; the HDSA fails to acknowledge the decline in market absorption rates referred to, which is in-turn slowing down market housing delivery.

1.17 Similarly, the HDSA 2026 repeatedly references that build-out in Greater Cambridge is likely to be higher on the basis that schemes have greater levels of affordable housing which speeds up delivery as it is not subject to the same market absorption issues. Whilst it may be the case that the proportion of affordable housing delivered through s106 agreements in Greater Cambridge is higher than in other parts of the country, and that this does not in itself have an effect on market absorption levels of the market homes, which are themselves often necessary to support the delivery of affordable housing. Indeed, the affordability pressures for high value market housing – and impacts of mortgage availability - may well make the demand-side more challenging in Cambridge than in some lower market areas. Indeed, one analysis of Land Registry data shows Cambridge transaction volumes down around 26% year-on-year to 2026

1.18 On this basis, CEG LP's view is that despite the additional evidence submitted, the fast lead-in times and the high build out rates of a number of the large-scale allocations are plainly unrealistic and therefore should be tempered.

Windfall allowance in plan supply

1.19 Notwithstanding the points made above relating to windfall supply in the context of the calculation of 5YHLS, it remains relevant that of the 52,032 homes identified in the dGCLP (Reg 19) for delivery over the plan period, more than 7,000 of these are windfalls. Of these, only 2,052 homes are on specific identified sites. Therefore, more than 5% of the dGCLP's (Reg 19) housing requirement is future speculative, unidentified development. Whilst the principle of applying a windfall allowance is not disputed, such a significant portion of windfall supply leaves significant parts of the housing trajectory as unknowns. Consideration should be given to the potential of omissions sites, which could be strategically planned with accompanying policies, designed to meet the strategic goals of

[1] https://cambridgeahead.co.uk/wp-content/uploads/2026/01/CA-Savills-Planning-Consents-and-Build-Out-Rates-Q3-2025.pdf

the plan that would facilitate a more joined-up approach to development for the 7,225 homes currently anticipated on unidentified windfall sites. This would encourage plan-led development, in line with the NPPF's ambitions.

Allocation of more development sites

1.20 It is evident that there is a need to deliver housing development on substantially more sites than is currently allocated in the dGCLP (Reg 19) (i.e. see CEG LP's objections to Policy S/JH). But it is in this context that new allocations to this consultation, like land on the South East of Cambridge, need consideration. This is explored extensively in our response to Policy S/DS.

Soundness

1.21 The trajectory as drafted cannot be relied upon for the dGCLP (Reg 19). With regards to the tests of soundness:

a It is not positively prepared because it cannot credibly make the contributions to the area's objectively assessed needs that are stated.

b It will not be effective as it will deliver as planned over the plan period.

Proposed Modification

1.22 The below changes need to be made to the housing trajectory:

1 A significantly increased buffer between the housing requirement (Policy S/JH) and stated supply needs to be incorporated to ensure delivery and to ensure the dGCLP (Reg 19) is positively prepared and effective.

2 More allocations must be made in the early years of the plan period to ensure that on adoption, when a 5YHLS cannot include a windfall allowance, the GCSP Service has enough sites to demonstrate a 5YHLS on adoption.

3 More realistic lead-in time and build-out rate assumptions need to be utilised to ensure there is no overconfidence by the GCSP Service with the "strength of the market" in light of both the blanket affordable housing policy across the whole area which will impact viability and the wider decline in market absorption rates slowing down market housing delivery.

4 To address the above, more sites for residential development will need to be allocated and included in this trajectory.

Participation at the Examination

Yes.

1.23 CEG LP is committed to working productively with the GCSP Service to deliver on its strategic priorities through this Local Plan. Drawing on its interests and experience delivering in the area, CEG LP hopes to play a significant role in meeting Greater Cambridge's housing and employment needs. Therefore, it is essential that policies within

the Local Plan create a deliverable environment informed by CEG LP's experience. CEG LP would be able to make a positive contribution during the examination's hearing sessions to expand on the points made above and provide further detail to inform the Inspectors' considerations.