
The Cambridge South East Transport Order

Transport And Works Act 1992

Transport and Works (Applications and Objections Procedure) (England and Wales) Rules 2006

2026 Economic Appraisal Refresh

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TECHNICAL NOTE

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1. Introduction

- 1.1.1. This Technical Note (TN) has been produced by AtkinsRéalis to refresh the figures presented in the economic appraisal for Cambridge South East Transport (CSET) Outline Business Case (OBC) Addendum **[CD1-21]** to align with the latest business case and appraisal guidance.
- 1.1.2. The OBC addendum was submitted as one of the application documents that was delivered to the Department for Transport (DfT) in January 2025 as part of the CSET order application, having been originally published in August 2024 by the Greater Cambridge Partnership (GCP). Since the application was initially submitted, an extended period of 24 months has now passed, and in this period, there have been several changes to the appraisal presentation, and parameter values and therefore it has been considered relevant for the purposes of the inquiry to update the figures presented in the business case.
- 1.1.3. Since August 2024 there have been appraisal guidance updates, which include:
- A V2.0 Datebook - which was released by the Department for Transport (DfT) as part of the May 2025 TAG Update. This provides new economic and demographic parameters, non-exhaust emission factors and carbon values. This has now been updated to v2.02, released in December 2025.
 - A change in the DfT's recommended present value year for transport appraisal – at the time of publishing the outline business case addendum this was 2010; it has now been adjusted to 2023. This is reflected as a presentational change as both costs and benefits are deflated and discounted by the same factors.
- 1.1.4. In addition to these guidance updates, the delivery timescales have also changed, and the Scheme is now anticipated to be operational in 2030. The appraisal contained within this technical note has been updated to reflect this.
- 1.1.5. In this TN, the updated appraisal undertaken covers:
- Review of the Scheme Present Value Costs, which have been updated using inflation parameters from the Building Cost Information Service (BCIS), downloaded March 2026 and reflect the updated scheme opening year.
 - Updates to the User Benefits assessment and Transport Economic Efficiency (TEE) using Transport User Benefits Appraisal (TUBA) [v1.10.01, June 2025] based on TAG Databook v2.02, December 2025 and a scheme opening year of 2030.
 - Sensitivity testing to show the differences between the core scenario alongside a low growth and COVID scenario has also been run using TUBA v1.10.01.
 - Uplift to the accident appraisal to 2023 prices, conducted using the Marginal External Cost Method.
 - Carbon, Noise and Air Quality have been appraised using a link-based approach using the traffic model, in line with TAG A3.
 - A revised Active Mode Appraisal Toolkit (AMAT) appraisal using v2.03, November 2025.
 - Wider Economic Benefits have been considered as part of an adjusted Benefit Cost Ratio (BCR) and assessed using the Wider Impacts in Transport Appraisal (WITA) software [v2.5, September 2025].

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- 1.1.6. The underlying strategic modelling using CSRM2 that informs the economic modelling has been retained for the purposes of this assessment, this maintains consistency with the previous work undertaken especially since the results of the model are still considered valid and its outputs relevant.

2. Level 1 Appraisal

- 2.1.1. Section 2 presents the results of the updated appraisal for the core scenario and also outlines the differences between the appraisal conducted in 2026 and the OBC Addendum submitted with the application.
- 2.1.2. Where benefits from the Outline Business Case Addendum are shown, prices have been shown in 2023 prices, in line with the change in DfT Present Year, achieved by inflating using the GDP Deflator and discounted from 2010 to 2023 in line with the TAG Databook.
- 2.1.3. The Level 1 Appraisal covers:
- Scheme Costs
 - User Benefits
 - Accidents
 - Environmental Appraisal
 - Active Mode Appraisal

2.2. Scheme Costs

- 2.2.1. Scheme outturn costs inclusive of risk were produced in 2022 based on the preliminary design of the Scheme and outlined in Table 1-2 of the Financial Dimension Addendum **[CD1-22, pg 6]**. The outturn costs were £160.989m **[CD1-22 page 6]**, these have been summarised below in Table 2.1.

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Table 2.1 – Scheme Outturn Costs, (2022 Prices, £)

Item	Cost	Cost Type
Direct Construction	£55,308,609	Projected
Indirect Construction	£19,358,013	Projected
Detailed Design Costs	£8,213,328	Projected
Overheads	£7,466,662	Projected
Future Costs	£1,642,666	Projected
PM Services	£2,710,398	Projected
Statutory Undertakings	£6,133,237	Projected
Land	£11,900,000	Projected
Land Risk	£2,975,000	Projected
Sub-Total BASE Outturn Cost	£115,707,913	
<i>Landfill Tax</i>	<i>£8,035,000</i>	<i>Risk</i>
<i>Risk</i>	<i>£19,488,071</i>	<i>Risk</i>
<i>Inflation</i>	<i>£9,758,032</i>	<i>Risk</i>
<i>Project Costs to Date</i>	<i>£8,000,000</i>	<i>Sunk</i>
TOTAL Outturn Cost	£160,989,016	

- 2.2.2. Outturn costs have not been re-estimated since 2022, but in a change from the OBC Addendum, it has been considered appropriate to use the TPI Roads Index instead of the TPI All-In Index to more accurately reflect the impact of inflation on the cost of materials for building the busway. The TPI Roads Index was downloaded from the BCIS in February 2026 and forecast inflation between 2022 and 2030 at 45% under the TPI Roads Index as compared to the TPI All-In Index of 26.9%.
- 2.2.3. The opening year of the Scheme has changed to 2030, and DfT's base year has changed to 2023. The Scheme present value costs have been updated to reflect the updated inflation indices, the change in opening year and the change in the present year.
- 2.2.4. Optimism Bias has been applied at 23%, in accordance with guidance from TAG A1.2 Table 8. This reflects the recommended uplift for Stage 2 (or OBC stage) for Motorway, trunk roads and local roads. The Optimism Bias uplift for Rail projects has not been used, since the Scheme is not building a track-guided system for the buses to travel on.
- 2.2.5. PVC was calculated for the 2023 base year, by applying the following to the Base Outturn cost:
- Real Cost Inflation – the inflation above the anticipated change in GDP (TPI Road Index).
 - Optimism Bias (23%)
 - Deflating and discounting to the DfT's recommended present year (2023)
 - Correcting to Market Prices (by multiplying by a factor of **1.19** as recommended by the DfT).

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2.2.6. Table 2.2 shows the scheme PVC for an opening year of 2030

Table 2.2 - Steps to Calculate PVC

Item	Opening Year in 2030 (£)
Outturn Cost (2022 Prices)	£115,707,913
Addition of Real Cost Inflation (TPI Roads Index)	£129,462,040
Addition of Optimism Bias at 23%	£159,238,310
Deflate to 2023 Present Year	£170,630,407
Discount to 2023 Present Year	£139,554,398
Adjusted to Market Prices (PVC)	£166,069,733

2.3. Transport Economic Efficiency (TEE)

2.3.1. The Transport User Benefits appraisal has been rerun in 2026 using TUBA (v1.10.01, released in December 2025). This version uses Values of Time and appraisal parameters based on the TAG Databook v2.02 (December 2025) and presents values in 2023 prices, in line with the current DfT present year. The appraisal has also been updated to reflect a later scheme opening year of 2030. The appraisal is based on the same strategic model runs that supported the Outline Business Case Addendum, meaning there has not been an update to the underlying traffic modelling, only an update to the appraisal itself to reflect the latest DfT transport appraisal guidance. Appropriate post-modelling appraisal adjustments were undertaken to present the appropriate guidance-led appraisal results.

The results have been combined with non-time related benefits and presented below in Table 2.3.

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Table 2.3 - Summary of TEE Benefits – Outline Business Case Addendum (£000's)

	Outline Business Case Addendum	Outline Business Case Addendum <i>[Rebased to 2023 for comparison]</i>	2026 Appraisal
TUBA Version	1.9.17.2	1.9.17.2	1.10.01
TAG Databook	1.18	1.18	2.02
Opening Year	2026	2026	2030
Price Base	2010	2023	2023
Time benefit	£98,825	£214,253	£172,473
PT Fares (Users)	-£6,609	-£14,328	-£12,926
LA Off-Street Benefit	£1,401	£3,037	£2,695
Fuel VOC benefit	£253	£549	£207
Non-Variable Cost	-	-	-£2,494
Non-fuel VOC benefit	£5,686	£12,327	£7,298
Change in Operator Revenue – PT Fares	£35,099	£76,095	£68,096
Change in indirect tax revenue	-£9,129	-£19,792	-£12,594
TOTAL Transport Efficiency Benefits	£125,526	£272,140	£222,755

2.3.2. The 2026 appraisal results in total estimated user benefits of **£222.8m**. Of this, travel time savings across all modes contribute £172.5m. Vehicle Operating Cost (VOC) benefits total £7.5m, associated with a reduction in vehicle kilometres because of the Scheme.

2.3.3. Of the time-savings observed from the model, public transport modes (including Park & Ride) account for 76% of the total scheme benefits. This comprises of public transport accounting for 49% and Park & Ride accounting for 26%. The break down by user class of the 2026 appraisal has been shown in Table 2.4.

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Table 2.4 – TUBA Time Travel Saving Benefits by Mode

Mode	Benefit (£000's)	% of Total Time Savings
Car	£17,226	10.0%
LGV	£839	0.5%
HGV	£832	0.5%
Public Transport	£85,222	49.4%
Park & Ride	£46,369	26.9%
Park & Active	£19,970	11.6%
Walk & Cycle	£2,015	1.2%
Total	£172,473	

- 2.3.4. A further change between the OBC Addendum and v1.10.02 is due to the introduction of Non-Variable Costs (NVC) which were added into TUBA as of May 2025, within TUBA V1.10.01. NVCs are added back into the appraisal as an offset to the perceived fuel benefit (**TAG A1.3 May 2026, Paragraph 5.1.2 – 5.15**), hence a £2.5m disbenefit is shown.

2.4. Accident Impacts

- 2.4.1. The Marginal External Cost Method was used to capture secondary benefits relating to the change in distance travelled by car, as outlined in **TAG Unit A5.4**. Accident Benefits have been retained for the purposes of the assessment.
- 2.4.2. In 2010 prices and values, the accident benefit was estimated at **£952,740**. For the purposes of consistency with the current DfT Appraisal Year, the value has been uplifted to 2023 prices, which is equivalent to **£2,065,901**. Accidents are appraised under the MEC method for the change in vehicle mileage resulting from uptake on the busway services, as well as mode-shift to walking, cycling and park and active modes.

2.5. Monetised Environmental Impacts

- 2.5.1. This section provides the results of the monetised environmental appraisal. This quantifies the Greenhouse Gases, Air Quality and Noise impacts arising from the Scheme. Previously these had been estimated through a Marginal External Costs method, which applied a top-down approach, and considered overall reductions in vehicle kilometres to estimate the benefit of environmental factors. The assessments detailed in this updated appraisal document consider these environmental factors through a modelled approach, considering link volumes. The results of these assessments have been detailed below within this section.

Greenhouse Gases

- 2.5.2. The Scheme's impact on greenhouse gases (GHG) has been covered within the ES, Chapter 16 [CD1-10.02, pg304-pg310]. Tables 16.5 [CD1-10.02, pg309] and 16.6 [CD1-10.02, pg310] highlight the construction and operational impacts respectively.
- 2.5.3. During the construction phase, GHG emissions are anticipated due to the embodied carbon of the materials, transport of materials to site and the emission from construction plant. During the operational phase, GHG emissions are anticipated due to the need for energy use for lighting and electric vehicle charging points, changes in road user emissions due to change in traffic flows in the area are also expected to generate carbon emissions. Conversely, the planting for the Scheme and the use of photovoltaic solar panels will reduce emissions through sequestration and reduced grid electricity requirement, respectively. It should be noted that the effects of the change in GHG emissions are considered "Minor Adverse, Not Significant" both for Construction and Operational phases of the Scheme.
- 2.5.4. A monetised GHG assessment has been undertaken for this 2026 appraisal using the DfT's Greenhouse Gases Workbook. This tool helps in valuing the impact arising from the change in CO₂e emissions, in conjunction with guidance in TAG Unit A3. The results of this assessment have considered the emissions associated with whole-life carbon, which includes emissions from construction, operation, maintenance, land use change and road users.
- 2.5.5. Table 2.5 outlines the traded and non-traded emissions expected to be generated by the Scheme.

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Table 2.5 - Quantitative Assessment of Greenhouses Gases

	Value	Units
Change in CO ₂ e Emissions	24,021	Tonnes
Of Which Traded	711	
Change in CO ₂ e in opening year	7,035	
Traded CO ₂ e	-£341,309	£s
NPV CO₂e (Traded & Non-Traded)	-£4,792,034	

- 2.5.6. The Scheme will generate a net GHG disbenefit of **-£4.8m** in 2023 prices and values.
- 2.5.7. While the Scheme is anticipated to deliver a decrease in vehicle kilometres in the Do Something, the assessment has shown an increase in tailpipe emissions (non-traded) because of the assumption of diesel buses on the route as a conservative assumption based on TAG guidance.
- 2.5.8. However, the development in electric vehicle technology since the development of the model scenarios means the Scheme will highly likely be operating an electric bus fleet from its opening year. With this electric fleet, it is estimated that the change over the 60-year appraisal would be a net reduction of 23,628t CO₂e.

Air Quality

- 2.5.9. A monetised air quality assessment has been undertaken using the DfT's Air Quality Valuation Workbook. This has been based on TAG A3 Environmental Appraisal and is the Dec-25 version of the toolkit, using TAG Databook v2.02. The calculations used to support this assessment are based on the Defra's Emissions Factor Toolkit, (EFT v13.1).
- 2.5.10. There is an anticipated disbenefit associated with the Present Value of Change of NO_x Emissions, accounting for **-£257,685**, however the present value of change for the Particulate Matter (PM) emissions associated with the Scheme are expected to reduce, which is registered as a positive change of **£13,107**. Overall, there is expected to be a slight Air Quality disbenefit of **-£244,578**.
- 2.5.11. A disbenefit is observed in relation to air quality as a result of the anticipated modal shift from cars to buses. The emissions factors for buses are conservative, and do not allow for any future transition to an electric vehicle fleet, hence there is an increase in the NO_x emissions which arise as a result of the switch from car use to bus use. Again, this analysis is based on DfT TAG guidance and does not reflect the highly likely adoption of an electric bus fleet.
- 2.5.12. The ES [CD1-10.02, pg64 paragraph 6.3.31] highlights that opening year traffic flows are expected to generate the worst-case air quality impacts over the Scheme appraisal period. Emissions across the UK are predicted to improve over time as newer, less polluting vehicles enter the national fleet and older, more

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polluting vehicles are removed from the roads. This means air quality impacts in later years are predicted to be lower than the opening year along with existing concentrations, which are also expected to reduce.

- 2.5.13. As with the GHG assessment, the assessment of air quality also assumes use of a diesel bus fleet for Cambridgeshire services, which was specified for the original delivery of the Scheme. As electric vehicle technology has seen recent advancement since the modelling and specification was determined, it is highly likely that an all-electric fleet of buses will be used.
- 2.5.14. While there is an overall disbenefit across the study area, it should be noted that there will be a decrease in emissions along the A1307 corridor as a result of a reduction in traffic along this road, ensuring that the objective on improving air quality set out in the strategic dimension will be met.

Noise

- 2.5.15. A monetised impact assessment of changes in Noise resulting from the Scheme has been conducted. The assessment used elements of the operational noise assessment methodology from DMRB LA 111 “Noise and Vibration”, as provided in the ES Chapter 7 (from ES Para 7.3.39). The road traffic noise calculations were undertaken in accordance with the modified Calculation of Road Traffic Noise - 1988 (CRTN) methodology set out in DMRB LA 111 – 2020 supplemented by Noise Advisory Council (NAC) HDV prediction method for the busway.
- 2.5.16. The assessment used the following outputs from the traffic model:
- Traffic flows in vehicles Annual Average Weekday Traffic (AAWT) 18 hour, the average number of vehicles over a year, on weekdays from 06:00 until midnight.
 - Traffic flows in vehicles Annual Average Day (07:00 to 19:00), Evening (19:00 to 23:00) and Night (23:00 to 07:00).
 - Percentage Heavy Duty Vehicles (HDV) content of total flow for the relevant time periods defined above.
 - Traffic speeds (km/h) for the relevant time periods defined above.
- 2.5.17. This assessment has used the Noise Workbook, in line with TAG A3 to identify the monetised impacts associated with changes in noise from the operation of bus services on the busway, and within Cambridge City Centre.
- 2.5.18. For the transport business case, Noise is appraised through using a matrix, which separates noise levels at properties into 3dB noise bands, where a small change in noise at a property can lead a property into the next decibel band. Many of the changes in noise from the Scheme are small but have resulted in properties moving into the adjacent TAG noise band when compared to the Do Minimum scenario.
- 2.5.19. Table 2.6 provides the number of households that are predicted to experience a change in TAG bands in decibels, both in the daytime and nighttime.

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Table 2.6 - Household Change in Noise Impacts

Impact	Number of Households
Increased daytime noise in forecast year:	693
Reduced daytime noise in forecast year:	24
Increased nighttime noise in forecast year:	717
Reduced nighttime noise in forecast year:	25

- 2.5.20. Overall, a greater number of households near to the Scheme are expected to experience some level of increased daytime noise, this is caused by the increased number of buses operating within Cambridge. The effect on households translates into the monetised appraisal which considers noise related impacts such as sleep disturbance, annoyance and more significant health impacts including likelihood of stroke and dementia.
- 2.5.21. Monetary valuation of changes in noise is based on estimation of the number of Disability-Adjusted Life Years (DALYs) lost (or gained) under each impact pathway, and monetisation with a value of £60,000 per DALY.
- 2.5.22. Results of the change in noise and its associated monetary impact is shown below on Table 2.7.

Table 2.7 - Monetised Assessment of Noise Impacts

Item	NPV of Impact (£)
Sleep disturbance	-£7,499,601
Amenity	-£2,356,599
AMI	-£526,974
Stroke	-£240,198
Dementia	-£362,590
TOTAL	-£10,985,962

- 2.5.23. Overall, there is a net disbenefit of **-£10,985,962** resulting from the changes in noise.
- 2.5.24. The cost associated with the change in band is dependent on the existing noise levels, where properties in areas with higher noise levels results in greater monetary impact. For this Scheme there are a large number of minor increases in noise for the blocks of flats located between Cambridge Station and Francis Crick Avenue, resulting in the monetised impact reported. It is expected that the monetised noise impact of the On Road Alternative would be similar, as buses would be using the same section of track at this location under the Alternative.
- 2.5.25. Further, as per the ES [CD1-10.02, pg80], as the Study Area is fairly rural, the noise assessment is likely to overstate the impact of the Scheme in areas where there are no existing roads and busways.

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- 2.5.26. Within the ES, Table 7.16 **[CD1-10.02, pg100]** outlines the effects on receptors near the busway, the results show that during the operational phase, impacts at noise sensitive receptors are expected to be minor or negligible, and where levels of noise may have significant effects on health, the character of the noise within the prevailing noise environment is not predicted to change and will remain dominated by road traffic.
- 2.5.27. There is some uncertainty related to the levels of noise generated by electric buses at low speeds. At present there is no consistent approach for predicting noise from electric vehicles. As with the GHG and AQ assessments, the current noise and vibration assessment assumes diesel buses, but the expectation is that the fleet using the Scheme will be electric, and as such (as with the GHG and AQ) the noise assessment reported here is a conservative assessment.

2.6. Active Mode Impacts

- 2.6.1. Active Travel appraisal, undertaken using the Active Modes Appraisal Tool (AMAT)¹, has been revisited using AMAT V3.02, November 2025 as well as a review of changes to Scheme assumptions contained within AMAT. The appraisal has been expanded to include the entire route including Francis Crick Avenue and the busway to the A11 Travel Hub.
- 2.6.2. Existing demand for Francis Crick Avenue has been updated to reflect observed usage, whilst the existing demand along the A1307 at the southeastern end of the route has used a PCT derived figure.
- 2.6.3. For the purposes of avoiding double counting, only Health and Journey Quality Benefits have been obtained from AMAT to support this business case update, which have been presented below in Table 2.8.

Table 2.8 - Active Mode Appraisal Sum of Benefits

Impact Category		Benefits (2023 Prices, £000s)
Health Benefits	Reduced risk of premature death	£11,226
	Absenteeism	£1,961
Journey Quality		£990
Total		£14,177

- 2.6.4.
- 2.6.5. Through the delivery of enhanced active travel infrastructure, the Scheme will generate over £11m of health-related benefits, increasing the uptake in active travel promotes physical activity. The AMAT demonstrates that uptake in physical activity is beneficial for the wider economy, through enhancing productivity with an increasingly engaged workforce. Journey Quality benefits from the new infrastructure are associated with almost £1m in public benefit, as users perceive their travel as more attractive and beneficial to them.

¹ Version 3.03 [May 2026]

3. Wider Economic Benefits

3.1. Introduction

- 3.1.1. The Outline Business Case Addendum captured transport user benefits associated with the Scheme (Level 1 impacts). In addition to these direct impacts, as per TAG Units A2.1 to A2.4 **[CD13-13.01]**, transport schemes may also unlock wider place-based productivity impacts through improving proximity between individuals and firms, and these place-based impacts (agglomeration economies) are expected to result from the Scheme in South East Cambridge and the Cambridge City area.
- 3.1.2. In addition, there are Labour Supply and Output Changes in Imperfectly Competitive Markets to take account of which result from the absolute and relative changes in generalised journey costs (GJC) that the Scheme generates and the impact these GJC changes have on mode choice, labour supply and subsequent income tax revenues and business output.
- 3.1.3. These impacts are discussed in more detail in Section 3 of this note and the results of the Wider Impacts appraisal provided.
- 3.1.4. These Wider Economic Impacts were appraised using the DfT's Wider Impacts in Transport Appraisal (WITA) v2.5. WITA takes TUBA and CSRM inputs to calculate Access to Economic Mass (ATEM) as a result of GJC changes. Standard practice CSRM skim adjustments were undertaken to ready the transport model (CSRM) inputs into WITA. WITA requires a maximum of two modes (Highways and Public Transport) so Public Transport and Park and Ride modes were combined in TUBA for WITA inputs, this too is standard practice to fit the WITA model to guidance requirements.
- 3.1.5. The WITA model results demonstrate the Scheme contributes to the objective of supporting the continued growth of Cambridge and South Cambridgeshire's economy (through improvements in productivity).
- 3.1.6. A proportionate approach to wider impact appraisal has been followed, with appraisal focussing on benefits from improved transport accessibility only (Level 2 appraisal). Economic impacts arising from land-use changes or changes in more, or less-productive employment have not been estimated. WEIs are included in the Adjusted BCR calculation, which reflects fixed land use impacts additional to the direct transport user benefits.

Agglomeration

- 3.1.7. The Scheme will deliver improved journey times across various modes which is expected to increase the ATEM for the area, meaning that there is improved accessibility for businesses and individuals to reach jobs, services and knowledge networks.
- 3.1.8. The Scheme study area is located within the Cambridge Functional Urban Region (FUR), as defined by the FUR classification², with Cambridge forming the core and the surrounding areas forming part of the hinterland. Given the study area's proximity to the Cambridge FUR, appraisal of agglomeration impacts is considered

² TAG Unit A2.4 *Appraisal of Productivity Impacts*. Appendix A: Functional Urban Regions (FURs).

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appropriate. The proposed transport interventions are expected to enhance accessibility to key employment and economic centres within the FUR, particularly Cambridge, thereby facilitating improved labour market access and strengthening economic interactions across the wider functional economic area.

- 3.1.9. The WITA scenario appraised captured impacts within key destination WITA zones that are expected to feasibly experience a direct or indirect influence from the Scheme where the Scheme would improve public transport connectivity (directly and indirectly), and impact on productivity and employment. The results are presented in Table 3.1.

Table 3.1 - Agglomeration Results

Benefit Stream	Total (£m, 2023)
Agglomeration - Manufacturing	£3.60
Agglomeration - Construction	£2.12
Agglomeration - Consumer Services	£8.61
Agglomeration - Producer Services	£23.58
Total Agglomeration Impact	£37.91

- 3.1.10. The Producer Services sector generates the largest agglomeration impact, with benefits estimated at £23.6m, or 62.2% of total agglomeration benefits. The high level of benefit for this industrial sector is driven by several factors: the sector experiences higher proportional increases in accessibility than other sectors. Furthermore, the Producer Services sector has a substantially higher agglomeration elasticity (0.083, compared to the economy weighted average 0.043). As a result, small improvements in connectivity can result in significant productivity gains, reflecting the importance of business-to-business interactions, labour market pooling and knowledge spillovers within the sector. The number of people employed in Producer Services industries forms a large proportion of the workforce within both Cambridge and South Cambridgeshire, making up 41% and 38% of employment³, respectively.
- 3.1.11. As per Section 5.1.3 of TAG Unit 2.4, due to inherent uncertainty in estimating public sector agglomeration, we have excluded it from the Adjusted BCR calculation but note that the appraisal showed £10.91m worth of public sector productivity benefits and a total agglomeration impact including public sector benefit of £48.82m.

Labour Supply & Output Change in Imperfectly Competitive Markets

- 3.1.12. Labour supply impacts, the labour supply response to a change in the GJC of travel and the resultant income tax impacts of this response, are estimated to be **-£4.75m** over the 60-year appraisal period, despite significant Level 1 benefits for commuting users, as assessed in TUBA. This negative benefit is likely attributable to the nature of the Scheme as a public transport intervention, which encourages modal shift away from car, which is generally cheaper in generalised cost terms. As average generalised costs for Labour

³ Excludes public sector. Producer services employment as a proportion of total Manufacturing, Construction, Consumer Services and Producer Services.

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Supply are calculated as a demand weighted average for both modes, modal shift impacts from private car to public transport may lead to an increased overall average generalised cost, even when the individual costs for each mode is lower in the Do-Something than in the Do-Minimum. Therefore, it is likely that the negative benefit is driven by the average cost weighting applied in WITA, rather than an expected impact of the Scheme.

3.1.13. As outlined in TAG Unit A2.2, the output change in imperfectly competitive markets (OCICM) figure accounts for the increase in value of business output that the Scheme enables that is over and above the reduction in GJC. In imperfectly competitive markets (such as the UK), the output increase that businesses produce as a result of improved GJC that the Scheme enables is higher than the value of the marginal GJC itself and hence is retained by businesses as profit. TAG unit A2-2 estimates the additional uplift to business user benefits to be 13.4%. This proportion has been applied to the business user total to provide the estimate for Output Change, equivalent to **£9.95m**.

3.1.14. The full results of the Wider Impacts Appraisal have been outlined below in **Table 3.2**.

Table 3.2 - Wider Economic Impacts Summary

Benefit Stream	Level 2 Wider Impacts (£m, 2023)
Agglomeration	£37.91
Labour Supply	-£4.75
Output Change in Imperfectly Competitive Markets	£9.95
Total	£43.11

3.1.15. The results above show that the Scheme has the potential to deliver £43.11m of wider economic benefits, achieved through agglomeration and output change in imperfectly competitive markets in addition to the transport user benefits.

4. TUBA Sensitivity Testing

4.1. Low Growth & COVID

- 4.1.1. In addition to the core scenario updates, sensitivity testing was undertaken to account for uncertainty inherent in forecasting. The modelling scenarios developed have been taken from the CSRM2 traffic model and have been appraised using TUBA v1.10.01, based on the v2.01 Databook and reflects the current programmed opening year of 2030.
- 4.1.2. The **low-growth scenario** was developed and derived from the core land use scenario; it is constrained to the DfT's National Trip End Model Core scenario (v8.0) levels of growth. This constraint has been applied within the model by four key metrics: dwellings, jobs, population and workers. Growth between 2019 to 2041 for the low growth scenario has been estimated at 1.6% for population, compared to the core's 16.0%, dwellings at 7.4% compared to the core's 29.9%, workers at 3% compared to 21.7%, and total jobs at 8% compared to the core's 20.8%.
- 4.1.3. The **post-COVID demand scenario** has been updated and presented, this has been presented as a sensitivity test following guidance shared in November 2023 after the development of the core scenario for the Outline Business Case Addendum, under TAG M4 Forecasting and Uncertainty [CD13-19]. This sensitivity test applies a reduction on the Highway assignments as well as a 10% reduction in Public Transport Use and 5% reduction in Car, Park & Ride and Park & Active use due to the downturn of traffic following changes in working patterns due to the COVID pandemic.
- 4.1.4. The outputs of these scenarios in comparison to the core scenario results has been shown below in Table 4.1.

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Table 4.1 - Sensitivity Test Results

TUBA Appraisal Item	Scenario (£000's) - 2023 Prices and Values		
	Core Scenario	Low Growth Sensitivity	Post-COVID Demand Sensitivity
Time benefit	£172,473	£170,340	£162,185
PT Fares (Primary Benefits)	-£12,926	-£11,560	-£11,849
LA Off-Street Benefit	£2,695	£2,316	£2,427
Fuel VOC benefit	£207	£1,082	£792
Non-Variable Cost	-£2,494	-£2,501	-£2,461
Non-fuel VOC benefit	£7,298	£7,772	£7,392
Change in Operator Revenue – PT Fares	£68,096	£60,233	£62,608
Change in indirect tax revenue	-£12,594	-£11,537	-£11,748
Transport User Benefits TOTAL	£222,755	£216,145	£209,346
Accidents	£2,066	£2,066	£2,066
Greenhouse Gases	-£4,792	-£4,792	-£4,792
Air Quality	-£245	-£245	-£245
Noise	-£10,986	-£10,986	-£10,986
Active Modes Appraisal	£14,177	£14,177	£14,177
Initial PVB (inc. Accidents, AMAT, Environmental Impacts)	£222,975	£216,366	£209,566
Wider Economic Impacts	£43,110	£43,110	£43,110
Adjusted PVB (inc. WEI)	£266,085	£259,476	£252,676
Present Value of Costs	£166,067	£166,067	£166,067
Initial BCR (PVB / PVC)	1.34	1.30	1.26
Adjusted BCR (PVB / PVC)	1.60	1.56	1.52

- 4.1.5. The low growth sensitivity shows an overall reduction of 4% in transport user benefits and the COVID demand scenario shows a 6% reduction in transport user benefits.
- 4.1.6. The lower forecast growth across the population, dwelling and jobs means a reduction in journeys in the low growth scenario, resulting in lower travel time benefits due to fewer levels of overall travel demand across the region. Growth metrics have shown between 2019 and 2026 to already exceed these estimates from NTEM; therefore, it is unlikely that this trend is expected by 2041. There is also evidence that bus patronage has already returned to or exceeded pre-COVID levels.
- 4.1.7. The results show that even with the low growth and post-COVID forecasts applied to the TUBA outputs, the BCR still remains within the Medium Value for Money.

5. Value for Money Update & Conclusions

5.1. Value for Money Update

5.1.1. The results of the Scheme's Value for Money in 2023 prices are presented below in Table 5.1

Table 5.1 - Monetised Appraisal Results for core scenario 2023 price base

Element	Value (£000s)
Transport User Benefits	£222,755
Accidents	£2,144
Greenhouse Gases	-£4,792
Air Quality	-£245
Noise	-£10,986
Active Mode Benefits	£14,117
Initial PVB	£222,975
PVC	£166,070
NPV	£57,317
Initial BCR	1.35
Wider Economic Impacts (WEIs)	£43,110
Adjusted PVB	£266,497
Adjusted NPV	£100,427
Adjusted BCR	1.60

- 5.1.2. The results of this review of the appraisal in 2026 shows that the initial BCR is now estimated to be 1.35. The updated monetised environmental impact appraisal of air quality, noise and greenhouse gases result in combined disbenefit of -£16.0m, these results align with the results of the ES, generating a minor disbenefit although impacts are not considered significant.
- 5.1.3. With the addition of Wider Economic Benefits, calculated through WITA, the Scheme generates an adjusted BCR of 1.60. Which demonstrates that the Scheme should still be considered **Medium** Value for Money.
- 5.1.4. Changes to the TAG Databook and a delay in opening of the Scheme result in some slightly reduced travel time benefits. This, along with the inclusion of non-variable costs have contributed to the change in the Initial PVB, however there is a strong link to wider economic benefits generated from the Scheme through the unlocking of increased business-business interaction and the greater potential to unlock development in the wider Cambridge area. Therefore, it is considered appropriate that this Scheme should be considered medium value for money.

6. Performance Against Objectives

6.1.1. The Scheme objectives were set out in the Strategic Dimension Addendum [CD1-20, page 78]. The appraisal undertaken as part of this review highlights how the Scheme contributes to meeting these objectives. Realisation of benefits is typically assessed through the Management Dimension and will be monitored after the Scheme's completion.

6.1.2. **Table 6.1 - Performance against scheme objectives**

Objective	Measure	Evidence
Improve Connectivity to and between Employment Sites in South East Cambridge and Central Cambridge	- Travel time savings - Increased travel mode options	The Scheme generates commuter and business user journey time savings benefits of £118.3m of which £50.6m is Public Transport journey time savings; £40.9m are Park and Ride user journey time benefits; £12.7m are active mode user journey time benefits and £14.1m are vehicle journey time benefits. The introduction of additional travel modes provides options values for users travelling from the South East of Cambridge to reach employment sites in South Cambridge
Support the Continued Growth of Cambridge and South Cambridge's Economy	- Travel time savings - Productivity (agglomeration) Impacts	Journey Time savings for commuters have been estimated at £95m. Agglomeration benefits have been estimated at £38m, demonstrating enhanced business interaction and productivity resulting from the Scheme.
Improve Road Safety for all users of the A1307 corridor	Accident reduction benefits	The Scheme leads to the reduction in vehicle kilometres which results in accident prevention benefits from fatal/non-fatal accidents estimated at £2m. Reductions in collisions are also expected through uptake in Active Modes as users switch away from private car.

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Relieve Congestion and Improve Air Quality in South East Cambridge	▪ Congestion Reduction ▪ Reduction in Traded Carbon ▪ Improvements to Particulate Emissions	The Scheme generates vehicle journey time benefits of £18m reflecting decongestion impacts. An increase in traded Carbon emissions of 24,021 CO₂e is expected across the whole-life of the Scheme, including construction. A reduction in vehicle kilometres generates a reduction in the volume of particulate emissions of £13,107. While current non-traded emissions show an overall air quality and carbon disbenefit, the use of electric buses will negate much of the disbenefit. While an overall disbenefit, the change in air quality along the A1307 is expected to improve due to the Scheme due to reduced vehicle kilometres on this section.
Improve Active Travel Infrastructure and Public Transport Provision in South East Cambridge	Introduction of dedicated active travel infrastructure which is part of the Scheme ▪ Introduction of a dedicated Busway from the A11 Travel Hub to the Cambridge Biomedical Campus ▪ Active Mode uptake ▪ Health and journey quality benefits from active mode uptake	The new active travel route on the emergency and maintenance access track provides a safe, off-street route for walkers, wheelers, cyclists and horse riders. AMAT impacts of £13.2m in improved health through increased physical activity and £0.9m benefits in improved active travel journey quality.

7. Post Business Case considerations: Grange Farm – Land Value Changes

7.1. The Development

- 7.1.1. The Greater Cambridge Local Plan was shared in draft for public consultation in December 2025, after the drafting and submission of the Outline Business Case Addendum for the CSET Order. Within the draft local plan, **Policy S/GF**: Land adjacent to A11 and A1307 at Grange Farm was included as a policy forming part of the “New Settlements” section. As informed by the consultation page, this policy provides a planning framework to manage future applications for the development of this settlement once it is adopted to the local plan.
- 7.1.2. Grange Farm is located close to the southeastern extent of the scheme; located to the northeast of the current A11/A1307 roundabout and across the roundabout from the proposed A11 Travel Hub, the development is situated entirely outside of the Cambridge Green Belt. Figure 1 on the following page shows the current site allocation in the context of the CSET Scheme – with the Travel hub on the south-west of the image.



Figure 1 - Spatial Framework of Policy S/GF: Land Adjacent to A11 and A1307 at Grange Farm

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- 7.1.3. The local plan states that development proposals must make a positive and meaningful contribution to the creation of a fully functional, self-contained new settlement. To achieve this, the site is allocated for mixed use development comprising:
- Approximately 4,500 homes, including:
 - Affordable housing, self and custom build homes and key worker housing to support surrounding employment sites;
 - 10% of the approximately 4,500 dwellings as specialist accommodation (within Classes C2 and C3), particularly for older people or those with disabilities.
 - A total of 12 Gypsy and Traveller pitches (within a site of approximately 1 hectare);
 - Approximately 35,000 square metres gross internal area (GIA) of employment floorspace:
 - Class B2 (General Industrial) floorspace and Class B8 (Storage or Distribution) through provision of a local last-mile logistics hub/warehousing of approximately 20,000 square metres (GIA);
 - Approximately 15,000 square metres (GIA) office (E(g)(i)) floorspace to meet local needs generated by the new settlement;
 - A mix of retail, commercial and community facilities including indoor and outdoor leisure provision, provided at a new town centre;
 - Provision of educational facilities including primary and secondary schools that are operational from the early phases of development;
 - Healthcare facilities to meet the needs of the development; and
 - High-quality open space and recreation provision, including parks, community gardens and food-growing spaces.
- 7.1.4. The policy wording also directly states that the development must “*Provide a segregated link for the proposed CSET busway to enable the project to serve the development without being impacted by local congestion*”.
- 7.1.5. Further evidence submitted to the local plan consultation identified that a vehicular trip budget would need to be put into place to prevent severe impact to the surrounding road network. Mitigation measures identified to reduce vehicular trips, suggested that the CSET scheme would be a required measure. Hence, it can be considered that for the delivery of housing and the creation of the new settlement on Grange Farm, there is likely to be at least some reliance on the delivery, and subsequent extension of the Scheme.

7.2. The Case for Cambridge

- 7.2.1. The Strategic Dimension Refresh [CD1-20] outlines the significance of the Scheme, in context with the City of Cambridge, South Cambridge and the connections to Haverhill and West Suffolk.
- 7.2.2. Cambridge has developed into one of the UK's most significant knowledge-based economies, underpinned by world-leading strengths in life sciences, biotechnology, healthcare, research and advanced technology sectors. The Strategic Dimension Refresh notes that Greater Cambridge is renowned as a global centre for research, innovation and technology, supported by the University of Cambridge and a concentration of internationally significant businesses and research institutions. This concentration of high-value economic activity has contributed to sustained growth in jobs, productivity and inward investment across Greater Cambridge.

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- 7.2.3. The strategic importance of Cambridge has been recognised by Government through the Case for Cambridge, which identifies the city as a nationally important economic asset with substantial future growth potential. The document highlights Cambridge's internationally competitive innovation economy and the significant contribution that continued growth in the city's science and technology sectors can make to the UK economy. Realising this growth ambition will require supporting infrastructure capable of accommodating increases in employment, population and business activity.
- 7.2.4. A substantial proportion of future economic growth is expected to be concentrated within the south-east Cambridge corridor, where several of Greater Cambridge's most significant employment destinations are located. These include CBC, Babraham Research Campus, Wellcome Genome Campus and Granta Park, which together form a major cluster of life sciences, healthcare, research and technology activity. The Strategic Dimension Refresh identifies these locations as key employment hubs that play an important role in supporting the continued growth of the Greater Cambridge economy.
- 7.2.5. CBC is of particular significance within this cluster. The campus is recognised as a nationally and internationally important centre for healthcare, biomedical research and life sciences activity and is home to major institutions including Addenbrooke's Hospital, Royal Papworth Hospital, the University of Cambridge School of Clinical Medicine and AstraZeneca's global headquarters. The CBC Vision 2050 and emerging planning policy identify substantial opportunities for future expansion of the campus, with significant growth in employment, research activity and visitor numbers anticipated over the coming decades.
- 7.2.6. Growth is also anticipated across the wider life sciences ecosystem. Babraham Research Campus continues to expand its role as a leading bioscience research and commercial hub, whilst the Wellcome Genome Campus hosts globally significant genomics and biomedical research institutions. Granta Park has similarly developed as a major science and technology park, accommodating a broad range of research-led and knowledge-intensive businesses. Collectively, these sites support a substantial concentration of highly skilled employment and form an interconnected innovation cluster that contributes significantly to Greater Cambridge's economic performance.
- 7.2.7. The planned growth and expansion of CBC, Babraham Research Campus, Wellcome Genome Campus and Granta Park is therefore considered relevant to this assessment. These employment locations represent major drivers of future economic and employment growth within the south-east Cambridge corridor and are expected to generate additional travel demand throughout the appraisal period. Their continued expansion provides important context when considering the strategic role of the Scheme in supporting sustainable access to key employment destinations and facilitating the continued growth of the Greater Cambridge economy.

7.3. Land Value Uplift Considerations

- 7.3.1. The Outline Economic Dimension Addendum that was submitted to the application **[CD1-21]** discussed only the direct transport benefits provided by the Scheme. The economic case outlined the changes to users in terms of travel-time savings, accident reduction and active mode enhancements, with consideration a fixed land-use scenario. Under a fixed land-use scenario, the appraisal demonstrates how users would interact with the Scheme if there was the transport intervention without any changes to their place of residence or place of work and encompasses the typical journeys an individual currently makes from these static locations; however, the Scheme is considered a large and transformational transport scheme. Demand is expected to be induced as a direct response to the transport investment and users will alter their travel habits around the investment such as relocation to somewhere more accessible.

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- 7.3.2. Investment in land and the delivery of new homes and employment opportunities become available as sustainable transport infrastructure makes new sites viable. The associated transport infrastructure connecting to new land allocations allow future users to access employment, schools and local facilities without compromising the existing road and public transport network and provides valuable options for those moving into these new residences. Businesses will also value transport development as their place of work becomes increasingly accessible, and as the wider economic impact section shows, agglomeration benefits arise where business-to-business interactions benefit organisations through increased idea and resource-sharing, made possible by new transport options.
- 7.3.3. The benefits from land use arising from transport development can be calculated through land value uplift and Residual Land Valuation, outlined in TAG A2.2 Induced Development. This is a commonly used approach as part of a business case to estimate the value of the development that is determined to be dependent on the scheme being brought forward. This method involves estimating the final value of the development (Gross Development Value) and subtracting from this an estimate of the development costs. Implementation of this method and associating it with the transport scheme business case would have to show there was specific need for the Scheme such that without the Scheme the existing transport network would not be able to cope with the scale of development.
- 7.3.4. The Grange Farm development is still in a very early stage of the planning process, having only been included in the draft local plan just ahead of the Regulation 18 Consultation at the end of 2025. At this stage, the planning authority takes their initial views on key topics or themes from the local plan, inviting interested parties and statutory consultees to make representations over a minimum six-week period. This period of consultation took place and concluded at the end of January of 2026. This does not mean that the site will make it to the adopted local plan, however there is a strong chance considering its strategic location and connection with the Scheme.
- 7.3.5. At this stage, the exact quantum of residences and employment is not yet firm with only a maximum deliverable target set of 4,500 homes. In line with the DfT's Uncertainty Log classification for future inputs **[CD13-09, Table A2 - pg55]**, the level of certainty attached to this site would closely relate to "A committed policy goal, subject to tests (e.g. of deliverability) whose outcomes are subject to significant uncertainty". It would therefore be considered as a Reasonably foreseeable site (where the outcome may happen, but there is significant uncertainty). At this stage, this site could form part of alternative scenarios.
- 7.3.6. Modelling scenarios are not available to test the level of dependency of the Grange Farm development on the Scheme. In order to test dependency, the following assessment would need to be undertaken:
- Transportation Network Impacts:
 - *Without dependent development (but including deadweight) and with transport scheme*
 - *With dependent development (including deadweight) and with transport scheme*
 - Safety Impacts
 - Environmental Impacts
 - Scheme Cost for the delivery of the additional infrastructure to cross the A11 between the Travel Hub to connect to Grange Farm.
- 7.3.7. Nonetheless, Grange Farm is not insignificant in the Cambridge planning landscape and therefore it is reasonable to consider the potential that this development may have on the Scheme, particularly the scale of infrastructure being delivered to support the development of the Biomedical Campus, making Grange Farm an attractive location for commuting, living and working.

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7.4. Benchmarking of Cambridge Transport Schemes

- 7.4.1. Without the certainty from the site, it has been considered appropriate to review similar transport schemes to understand the potential that the Scheme could equally deliver with the inclusion of a large, strategic development settlement. At present, there are two similar transport schemes currently progressing through the planning stages within Cambridgeshire, these have been reviewed to understand how their impact on new settlements has been quantified. This will be able to provide a level of benchmarking of the potential benefits that the Scheme may offer once the proposals at Grange Farm are more mature.
- 7.4.2. The schemes selected are the **Cambourne to Cambridge (CtoC)** transport scheme Business Case, which assessed land value change from with the Bourn Airfield and Cambourne West Developments, and the **Waterbeach to Cambridge (WtoC)** transport scheme Business Case which is associated with the development of Waterbeach New Town.
- 7.4.3. Both the Waterbeach to Cambridge and Cambourne to Cambridge busway schemes are of a similar design with the associated settlements connected to them located at a similar distance from Cambridge City, with these sites generating a similar number of new homes to Grange Farm.

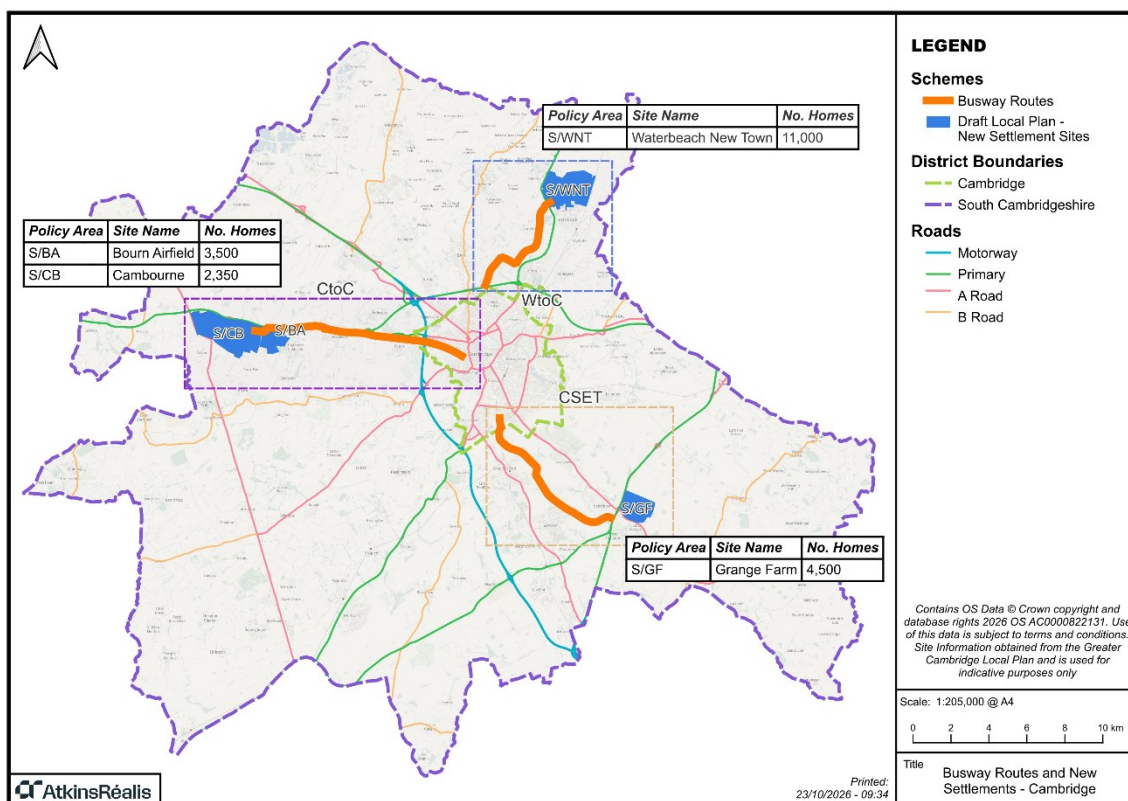


Figure 2 - Location of New Settlements and Busway Routes

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7.4.4. Further details about the sites shown above have been compiled within Table 7.1, which outlines the developments shown above and their associated status and housing stock, connected with the transport schemes and the proposed number of units, as well as demonstrating the stage in the planning process that the new settlements are in.

Table 7.1 - Scheme Development Sites

Scheme	Development Site / Policy Name	Number of Homes	Status
CSET	Grange Farm – S/GF	4,500	Subject to Adoption in Draft Local Plan
Cambourne to Cambridge	Bourn Airfield – S/BA	3,500	Outlined Planning Permission Granted in 2024
	Cambourne West – S/CB	2,350	Outlined Permission Granted in 2017 - Planning Approval granted for 550 homes (2020 – 2023) with a further 556 homes subject to reserved matters approval in 2025.
	Waterbeach New Town East – S/WNT	4,500	Outlined Planning Permission Granted in 2024
Waterbeach to Cambridge	Waterbeach New Town West – S/WNT	6,500	Outlined Planning Permission Granted in 2019, first phase underway

7.4.5. The development of the strategic housing sites located at Cambourne West and Bourn Airfield are at a mature stage of development. Planning approval has been granted for sites at Cambourne West with Bourn Airfield in progress. The CtoC scheme business case assessed the impact of induced investment at these sites. Of the total homes set to be built within Cambourne and Bourn Airfield, 2,000 were considered “deadweight” (Comprising 1,500 at Cambourne West and 500 at Bourn Airfield).

7.4.6. As highlighted by Greater Cambridge Shared Planning in respect to the development at Bourn Airfield “*The overarching vision for the adopted Local Plan, including for the new settlements, is to secure a modal shift away from use of the private car and hence the Cambourne to Cambridge route*” hence a focus on the public transport route was preferred over road-based improvements to bring the full potential of housing available as part of Bourn Airfield. Through the assessment to support the CtoC scheme business case, it was determined that 28% of development at Cambourne West and 69% of development at Bourn Airfield were dependent on being unlocked by the CtoC busway scheme; these dependent homes were estimated to be valued at over £1.5bn of gross dependent development value before costs.

7.4.7. Removing the build costs and considering the transport external costs, the CtoC scheme is expected to deliver almost **£400m** worth of economic benefits associated from dependent development (in 2023 prices). This is obtained from a development of similar radius and size from Cambridge as Grange Farm.

7.4.8. The Waterbeach to Cambridge (W2C) Busway scheme, also being delivered by the GCP connects the proposed Waterbeach New Town development, located to the North to Cambridge through the provision of

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a guided busway. It is anticipated the New Town will have provision of around 11,000 new homes. In addition to the busway, the town will be served by a new station from the relocation of the existing Waterbeach Station.

- 7.4.9. Outlined in the Waterbeach New Town Supplementary Planning Document (SPD) is the need for a public transport corridor, in addition to connections to rail at Cambridge City. As part of the SPDs guiding principles (pg89), contributions will be required towards a package of appropriate, deliverable measures to mitigate the impact of developments on existing roads, which would include a *“new segregated busway (between Waterbeach and Cambridge)”*.
- 7.4.10. The 2023 Waterbeach to Cambridge Outline Business Case determined a 25% development dependency. At the time of publishing the 2023 business case, the Waterbeach New Town East development would not have been granted approval and only outline approval has been determined for the West development.
- 7.4.11. Similar to the requirements of the Scheme, the W2C Business Case Economic Narrative (Appendix A, pg5) outlines the high employment demand associated with the region, the cost of living in central Cambridge relative to the price of housing, and development of new park & ride sites to alleviate the issues of congestion into the city centre. Therefore, to meet the ambitious housing targets set by the district, new transport infrastructure needs to be built to support the major development in Waterbeach to effectively connect to Cambridge as its key employment destination and trip attractor.
- 7.4.12. The land value associated with the Waterbeach to Cambridge Busway Scheme was calculated on a per hectare basis, using values from MHCLG for Greater Cambridge and Peterborough (South Cambridgeshire), at £5,300,000 per hectare in 2023 prices for residential development at approximately 40 dwellings per acre. The has been calculated based on the area of developable land outlined within the Supplementary Planning Document for Waterbeach New Town based on an 11,000-dwelling development size, excluding land reserved for strategic landscape areas, land used for education, primary road infrastructure, land for SUDS, public transport and Park and Ride.

25% of Waterbeach New Town proposed housing stock in Waterbeach New Town was considered as dependent on the delivery of the W2C scheme. Inflating and discounting to 2023 prices, the value associated with land value uplift has been determined to be £130m of Dependent Development benefits. With an estimated £226m contribution to the scheme benefits from Land Value Uplift.

7.5. LVU Summary

- 7.5.1. Considering these two schemes, it is appropriate to consider that there will be significant benefit in unlocking the land at Grange Farm, achieved by the addition of the public transport route.
- 7.5.2. The CtoC scheme has a well-developed assessment of land value dependency, which demonstrates strong links between the CtoC scheme and delivery of the additional housing to fully unlock the two developments. Should the core dynamic land impacts be considered, the CtoC scheme overall is expected to deliver Medium VfM. The Waterbeach development is at early maturity, although has been included within the currently adopted local plan.
- 7.5.3. The Scheme has a strong narrative with the direct connection to the expanding Cambridge Biomedical Campus, with the number of jobs doubling, from the 22,000 people that currently work on the Campus, in the next ten years.

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- 7.5.4. Further economic growth associated with sites such as the Wellcome Genome Campus, Granta Park, Babraham Research Campus, CBC Phases 3 and 4 can all be anticipated but, again, was not reflected in the Scheme OBC as these are aspirational sites for the expansion of the campus not currently envisaged in the next immediate plan period.
- 7.5.5. Considering these sites, in comparison to the two other Cambridge transport schemes shows that there is a potential for large economic benefit from ensuring the full extent of development can be delivered at Grange Farm, in relation to its land value uplift and the dependency. It is hoped that at FBC stage greater certainty of the development arrangements will be known, and along with future modelling and site development aims, a more comprehensive appraisal can be undertaken to determine its dependency with the Scheme. It is anticipated that this will enhance the benefit offering that the current application BCR is delivering for the Scheme and accurately capture the full spectrum of economic benefits affecting land use, further strengthening the case for the CSET busway as part of the growth of South Cambridgeshire.
- 7.5.6. The work undertaken for CtoC and W2C would suggest that once assessed, potential benefits could be in the range of £100M or more in present value cost, even assuming a relatively low level of dependency and a significant contribution made to the cost of extending the Scheme to the Grange Farm site.