

Cambridge City Council

Strategy and Resources Scrutiny Committee

Date: Monday, 8 February 2021

Time: 5.00 pm

Venue: via Microsoft Teams

Contact: democratic.services@cambridge.gov.uk, tel:01223 457000

Second Circulation Agenda

Agenda item 15 (Budget Setting Report) was published 4.1.21 this report can be found on the website under 'Agenda Reports Pack'. This second circulation contains all remaining reports except for agenda item 14 (Uk Municipal Bonds Agency Framework Agreement) which has been withdrawn and agenda item 16 (Amendments to Budget Setting Report) which is due to be published 2.2.21.

Decision for the Executive Councillor for Transport and Community Safety

6 King's Parade - Vehicular Access Restrictions (Pages 5 - 38)

Decisions for the Executive Councillor for Strategy and External Partnerships

7 Update on the Work of Key External Partnerships (Pages 39 - 60)

8 Cambridge City Housing Company Update (Pages 61 - 106)

The appendix to the report contains exempt information during which the public is likely to be excluded from the meeting subject to determination by the Scrutiny Committee following consideration of a public interest test. This exclusion would be made under paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

9 Cambridge North East (Pages 107 - 176)

10 Combined Authority Update (Pages 177 - 188)

Decisions for the Executive Councillor for Finance and Resources

11 Delivery of General Fund Property Development (Pages 189 -

Programme 200)

The report contains exempt information during which the public is likely to be excluded from the meeting subject to determination by the Strategy and Resources Scrutiny Committee following consideration of a public interest test. This exclusion would be made under paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

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|-----|--|-------------------|
| 12 | Capital Strategy | (Pages 201 - 236) |
| 13 | Treasury Management Strategy Statement 2021/22 to 2023/24 | (Pages 237 - 258) |
| 14 | UK Municipal Bonds Agency Framework Agreement
Item withdrawn. | |
| 17 | To Note Record of Urgent Decision Taken by the Executive Councillor for Strategy and External Partnerships | |
| 17a | Appointment of Council Representative on the Greater Cambridge Partnership Executive Board | (Pages 259 - 260) |

Strategy and Resources Scrutiny Committee Members: Barnett (Chair), Robertson (Vice-Chair), Bick, Dalzell, Davies and Green

Alternates: Collis, Martinelli, O'Reilly and Payne

Executive Councillors: Davey (Executive Councillor for Finance and Resources) and Herbert (Executive Councillor for Strategy and External Partnerships)

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Item 6

King's Parade – Public Safety Measures

To:

Councillor Nicky Massey, Executive Councillor for Transport and Community Safety

Strategy & Resources Scrutiny Committee [08/02/2021]

Report by:

John Richards, Public Realm Engineering & Project Delivery Team Leader

Tel: 01223 - 458525 Email: john.richards@cambridge.gov.uk

Wards affected:

Market, Newnham

Not a Key Decision

1. Executive Summary

- 1.1 Following advice received from the Police Counter Terrorism unit, the Council working in conjunction with them and other key stakeholders, developed and implemented an interim scheme to enhance security and public safety in the very busy, but previously easily accessed by traffic, King's Parade in January 2020. The Traffic Regulation Orders used by Cambridgeshire County Council, as Highway Authority for Local Roads, to introduce this scheme on the City Council's behalf come to an end on 13th July 2021, and will need to become permanent if controls are to remain in place thereafter.
- 1.2 Since the interim scheme's introduction the Council has been monitoring its effects, along with feedback received from stakeholders and the public, with a further consultation exercise during December 2020 and January 2021. This identifies strong support for the scheme's objectives, albeit with significant concerns about various aspects of the current interim arrangement. The Police specialist advisors remain

supportive of continued controls, with the national threat level from international terrorism increasing from Substantial to Severe (meaning that an attack is highly likely) in November 2020.

- 1.3 In recognition of this identified ongoing need, along with the findings from local monitoring and engagement, and work with partners to better manage access to the city-centre and help it recover from the Covid-19 pandemic and grow, the Council is investigating a more suited replacement solution for the longer term. It is hoped that it will be possible to introduce this from 2022.
- 1.4 This item seeks the Executive Councillor for Transport and Community Safety's support for work to enable the existing temporary barrier apparatus to remain in place from July 2021, whilst a more suited longer-term solution is developed.

2. Recommendations

- 2.1 The Executive Councillor is recommended to:
 - i. Note the outcomes of public and stakeholder engagement and consultation, and behavioural monitoring, on the interim scheme introduced from January 2020;
 - ii. Note the impact of the Covid-19 pandemic on every-day life and visitor numbers to the city, and the limitations on undertaking a fully comprehensive evaluation of the scheme's effects, through 2020;
 - iii. Support a request to Cambridgeshire County Council for Traffic Regulation Orders to become permanent, enabling the existing controls and a fuller appraisal of their effects to continue beyond 13th July 2021;
 - iv. Request that officers continue to investigate and develop a more sympathetic and suited longer-term solution that addresses the primary limitations of the existing interim scheme, and aligns with parallel work with partner organisations and groups to better manage access to the city-centre.

3. Background

- 3.1 In 2018 the Council received advice from the Police Eastern Region Counter Terrorism unit raising concerns about the potential for a vehicle-based attack in the very busy King's Parade, fronting King's

College. City visitor numbers had risen sharply over a short period from 5 million to 8 million people each year, and this street is also busy year-round with the activities of Cambridge University, local colleges and townsfolk going about their daily business. Whilst there was no specific threat identified to Cambridge, the national level of alert was classified as Severe (meaning that an attack is highly likely), and the advice took in to account learning from the then recent attacks in crowded spaces both in this country and abroad (particularly in London, and Nice).

- 3.2 Access along King's Parade by motor vehicles has been restricted by Traffic Regulation Orders establishing both a Pedestrian Zone, and a Restricted Parking Zone, for many years. These permitted use of on-street blue-badge and loading bays, access to private property (including King's College), and for taxis and cyclists (heavily used by both). However, lacking the more physical controls in place elsewhere across the city-centre, the restrictions were widely ignored by many. This resulted in a great deal more traffic in the street than intended and conflict between vehicles, pedestrians and cyclists.
- 3.3 It was this comparative ease of access by motor traffic, along with large numbers of people in King's Parade, that gave cause for security concerns. The specialist advice received followed detailed site visits involving officers from the local policing, City Council, and Cambridgeshire County Highways, services and offered recommendations on how security and public safety might be improved.
- 3.4 Through 2018 and 2019 City Council officers worked with Police Counter Terrorism unit, County Council Highways and Greater Cambridge Partnership colleagues to review the concerns raised and recommendations made, and identify possible mitigating interventions. Key local stakeholders were identified and advised of the work, with opportunity to feed in concerns to the design process. Advice was also sought from the Centre for Protection of National Infrastructure (CPNI - the UK's national technical authority for physical security), and the Police's National Barrier Asset (NBA) team, as specialists in this field.
- 3.5 The outcome of this work was a proposal for short-term use of NBA type security barrier equipment at either end of King's Parade, similar to that used in other busy UK city-centres including London, Windsor and Edinburgh, to support existing street furniture, and respond to the urgent need identified. An initial scheme proposal was developed, considered and supported by the County Council's Area Joint Committee for Cambridge on 5 March 2019. Funding for this initial

scheme was secured from the City Council and Greater Cambridge Partnership during summer 2019, with the County Council contributing officer resource to manage the highways elements, including operational support and new anti-terrorism based Temporary and Experimental Traffic Regulation Orders (TROs).

- 3.6 In order to accommodate deliveries to and from local premises a time-limited restriction was proposed to cover the period when the street was busiest between 9:30am to 7pm each day, based upon a detailed analysis of footfall numbers in the area during 2018 and 2019. These hours of operation were to be enforced via daily closing and opening of the barrier's swing-arm gate. This initial scheme included changes to parking restrictions and bays in the northernmost part of Trumpington Street close to King's Parade, to provide additional on-street blue-badge parking in place of those bays rendered inaccessible when the street was closed to traffic. A gap as large as possible was left to one side of the barrier to enable cyclists to pass when the gate was closed.
- 3.7 Barrier equipment, TROs and other highways changes needed were procured, and introduced in early January 2020. The legislation used enables comments, representations and objections to be raised in the period following implementation. Both the temporary and experimental traffic orders extend for a maximum of 18 months (to 13th July 2021), and will need to become permanent if controls are to continue thereafter.

4. Initial Experiences

- 4.1 The period immediately following introduction of the interim scheme is normally one of the city's quietest periods of the year, as Christmas and New Year activities are over, visitors are fewer and many young people resume college studies here and elsewhere. At the time of the barrier equipment's introduction Bene't Street was closed to traffic in order for urgent repairs to a collapsed sewer to be undertaken.
- 4.2 There was however significant public interest in the changes introduced and many comments and representations were received; particularly regarding the need for the scheme, the temporary barrier equipment's appearance and access for cycle movement. Many of these initial respondents however understood the drivers for the changes and need for an urgent interim solution.

- 4.3 City Council staff, supported by colleagues at Cambridgeshire County Council and external contractors, provided day-to-day operational support for the barrier equipment, dealing with issues as they emerged to ensure that the interim scheme functioned as well as it could. Officers also worked closely with key stakeholders, including emergency services, colleges, Cambridge University departments, churches and information and entertainment centres to make arrangements for essential access needs anticipated through 2020.

Covid-19

- 4.4 From late February the impact of the Covid-19 pandemic globally was starting to be noticeable in the city, with even fewer visitors than typical for the time of year particularly those from overseas. Daily barrier operations were suspended between 26 March and 29 June 2020 since Government restrictions on movement of people during the crisis greatly reduced the security risk, the need for emergency and urgent access might have been greater, and operational resources could be either furloughed or prioritised towards other essential public services.
- 4.5 This period coincided with the opportunity afforded by the experimental traffic order process to appraise the scheme benefits and consider and affect any changes needed. Following implementation of the barrier equipment and alongside the day to day operational role, officers were regularly monitoring the effects of the scheme and changes in behaviour. However, normal day-to-day life soon became so impacted during this first national lock-down period that it was not considered practicable, and would have been premature, to draw meaningful conclusions about the need for further change at that stage.
- 4.6 Since April 2020 and in order to promote and support the city's safe recovery from the pandemic the Council has been leading a multi-agency task and finish group, including representatives from the Police, Cambridge BID, the Greater Cambridge Partnership, Cambridgeshire County Council and Stagecoach. As lock-down restrictions were eased over the summer, many re-opened businesses sought to provide additional outside seating in order to safely welcome back customers. Resuming daily barrier operations assisted a number of local cafes and restaurants along King's Parade as people returned to the city centre, and the broader benefits of the scheme became more noticeable.

5. Ongoing Monitoring

- 5.1 Monitoring of parking behaviour in the area, including in blue-badge and loading bays, and use of the street by cyclists recommenced during summer 2020 and has continued since as resources and further restrictions on movement allow. The new blue-badge bays in Trumpington Street have provided an increase overall (since the existing King's Parade bays are still able to be used before 9:30am and after 7pm), with no incidents of demand exceeding capacity being observed.
- 5.2 Prior to the pandemic, deliveries to local premises once the barrier was closed in the morning were often from double yellow lines at the northern end of Trumpington Street, Bene't Street and Peas Hill. On the basis of behaviour observed from officer monitoring, the balance in provision between blue-badge and loading bays may not be quite right and would warrant further review in any longer-term scheme.
- 5.3 In recent months movement has again become restricted as the virus has evolved and spread more easily. It is hoped that the roll-out of vaccines during 2021 will enable city-centres to return to some degree of pre-2020 normality through the year, where the effects of this scheme, and further interventions implemented more recently or still under development, might be better appraised.
- 5.4 Cambridge BID have a pedestrian footfall camera located at the northern end of King's Parade near Great St. Mary's Church, providing information of the number of people present for each hour of every day over recent years. This has captured and quantified the significant drop in visitors during 2020, but peak levels are still around two thirds of those experienced during 2019. The data provided further suggests that the largest numbers of people present through the year still occur during the current barrier apparatus' daily operational period (9:30am to 7pm); re-affirming the importance of controls extending between these times. A summary of the data available can be viewed in **Appendix A**.

6. Consultation

- 6.1 In order to address the safety and security risks identified by the Police as speedily as possible experimental, and temporary, TRO powers were utilised. Whilst these required less initial consultation than permanent orders, and whilst seeking to avoid creating un-necessary alarm, the Council engaged as best it could with local stakeholders to understand their needs and keep them updated as plans were

developed. A commitment was also made that a public consultation would be undertaken at a later date once the effects of the scheme had had opportunity to be experienced and properly tested.

- 6.2 Unfortunately, though, this opportunity has been impacted by Covid-19. Nevertheless, and irrespective of the pandemic, the existing traffic orders need to become permanent if controls are going to continue beyond 13 July 2021. In order to help inform a decision on future arrangements, the Council undertook a public and stakeholder consultation from December 2020 to January 2021. Since face to face meetings were not practicable this was primarily digitally based, hosted on the Council's website and signposted through Council communications, with paper copies available if respondents wished.
- 6.3 The consultation closed on 11 January 2021. The questions asked and a summary of responses received can be viewed via the link below, with further information available in **Appendix B**:

<https://forms.office.com/Pages/AnalysisPage.aspx?id=Yr5uzntVNkShnHZ-yizUUUHmbvt-n4NJgyt4hHKF--FUN1VLQjNDWEFITjZUUFCSTYzQ1ZBVldYNC4u&AnalyzerToken=wLP2QC3JMW56JVCj3WBMq7EBZsGyF8wS>

Outcomes from consultation

- 6.4 The views of the Police Counter Terrorism Unit were paramount and therefore sought both as part of this most recent consultation and prior to recommencing barrier operations as people returned to the city-centre from the end of June 2020. The Police remain firmly of the view that the safety and security risk is as high now as it was when the need for controls was first identified (the national threat level rose again from Substantial to Severe in November 2020). Whilst they consider local authorities best placed to determine the operational details, their advice is that the need for controls is expected to extend beyond July 2021 and they remain supportive of them.
- 6.5 The recent public consultation was very helpful in identifying views on the scheme approaching 12 months after its implementation. Clearly Covid-19 has had an enormous impact, but many people and businesses needed to adapt their regular activities and behaviours following implementation of the scheme and prior to the pandemic's arrival in the city. There have inevitably been effects on cyclists,

deliveries to and from local businesses, and blue-badge holders, particularly, that will require review in any future alternative scheme.

6.6 Some 499 responses to the online questionnaire were received. The main findings are:

- Responses were predominantly from individuals (95%) rather than groups, organisations, and businesses (4%), or elected representatives
- Responses from groups, organisations and businesses were evenly split between those having very localised, and broader, interests
- Only a very small proportion of respondents live outside of the CB postcode area
- 5% of respondents consider they have a long-term illness or impairment that affects their mobility
- More people disagree (53%) that the scheme has improved safety than agree (38%), with 8% expressing no opinion
- Significantly more people disagree (69%) that the scheme has improved the environment than agree (29%)
- Slightly less respondents support a continuation of the scheme (45%) than not (55%)
- The majority of respondents (68%) visited the area more than once per week before Covid-19, though less so since (37%)
- Most respondents feel impacted by the scheme (87%) but less than half of those feel this is to a significant degree (42%). These impacts were viewed by respondents both positively and negatively
- More respondents felt that the barrier gate operational timings (9:30am to 7pm) were unsuited to their needs (38%) than otherwise (20%), but the majority expressed no opinion (42%)
- When asked if they would like to see these timings amended, the majority of suggestions were either not to operate the barrier at all, or for a shortened period. There were however also suggestions for longer operating hours
- Respondents were asked to identify their primary interest in the scheme, with cyclists, shoppers or hospitality customers, and city centre residents being the largest groups
- Responses were received from 17 local businesses along King's Parade

- Just over half (59%) of businesses responding have been able to schedule deliveries around the scheme's operational hours. Deliveries are primarily before 2pm
- Twelve businesses responding would like to see the operating hours amended, with a reduction most popular. Some however supported keeping the barrier closed later into the evenings.
- Of the blue-badge holder respondents (5%), most visit to shop or access other local services both in King's Parade and close by elsewhere (32%), with all saying the scheme has created difficulty for them and citing a general lack of suitable city-centre facilities
- Over half (58%) of blue-badge respondents feel less safe accessing the city-centre in a wheelchair or with walking aids than previously, but with two thirds (65%) feeling it is no more difficult. Most now feel dissuaded from visiting the city-centre
- 90% of respondents are customers of King's Parade shopping and/ or hospitality businesses
- Slightly more shoppers and hospitality customers feel that King's Parade isn't a nicer place now (40%) than feel that it is (34%), with a lesser but still significant number believing there is no difference (26%). Most are still able to access the facilities they seek, either very locally (77%) or elsewhere in the city-centre (17%)
- More respondents feel the changes have not improved their overall visitor experience (57%), than have (43%). Some feel that the benefits in King's Parade have caused difficulties elsewhere
- Most visitors to the area either arrive either by bicycle or on foot, with less numbers by car, bus or taxi. Most travel no differently as a consequence of the scheme
- Of those cycling in the area, most (70%) feel that the changes have made matters worse for them, with similar numbers feeling that it is either better (14%) or that there has been no change (16%). Safety was cited as the primary factor (52%), and making the barrier more permeable a request from most
- Just over half of cycling respondents (55%) feel the changes have not made them less likely to use King's Parade, with around one in ten suggesting they are more likely to cycle there. Of those indicating they would be less likely (44%), most would continue cycling but use alternative routes instead (78%).

6.7 The findings of this recent exercise were largely as anticipated and reinforce the experiences of the first year of the scheme's operation. Views are split between those who see the need for the scheme and

support its introduction and continuation (45%), and those who do not (55%). Of those that are unsupportive, most appear to have concerns about particular elements of the scheme that affect them, rather than the primary objective of enhancing public safety and security. Some respondents favour an extension of the closure operating period, and further controls on traffic movement elsewhere across the city-centre.

- 6.8 Views are broadly consistent across the differing groups of respondent, with people both strongly agreeing, and strongly disagreeing, that there has been an improvement in safety, and environment. It is disappointing though that the majority of respondents feel that there has been no overall improvement (safety 53%, and environment 69%). The temporary barrier equipment utilised so far is of a standardised format, and whilst the location and specification have been optimised to provide a 'best fit' solution there are inevitably some compromises. There have however been benefits in the protected length of King's Parade arising from the removal of most motorised traffic. It may be that changes arising from Covid-19 have restricted the full appreciation of these.
- 6.9 Of concern are the views of blue-badge holding respondents, most of whom feel that the changes have caused them increased difficulty and are now dissuaded from visiting the city-centre. Disappointing too are the views of most cycling respondents, who believe that the changes are not only more inconvenient for them but have made the area less safe. A full Road Safety Audit was undertaken prior to and following the scheme's introduction, with recommendations acted upon, and there has been little change in the level of personal injury accidents reported.
- 6.10 More positively Cambridge BID, the organisation representing businesses in the city-centre, see the benefits of the scheme to their members and wish to see controls continued. It is hoped that this will enable more of the streetscape protected from motorised traffic to be utilised for other activities, such as outside seating for local eateries. Encouraging responses were also received from Cambridge University and officers of King's College, both of whom are supportive of the scheme principles and are keen to work with the Council and partners on a more suited longer-term holistic solution that addresses both new and previously experienced difficulties in the area. It is suggested that this be the focus for forward work.

7. Longer term scheme development

- 7.1 The Council remains committed to the development of a more suited longer-term solution that better reflects the sensitive historic setting and essential user needs. Officers continue to research and investigate what options may be available and how these might interface with other initiatives including the pandemic recovery, city-centre access management, and spaces and movement, workstreams.
- 7.2 Inevitably, the city has experienced significant change during 2020; both in terms of what hasn't been possible but also the new opportunities that have arisen from additional Government grant funding secured by the Council and its partners. This includes more funding for active transport measures, £59,000 from the Ministry of Housing, Communities and Local Government, £110,000 from the European Regional Development Fund, and £710,000 via the Cambridgeshire and Peterborough Combined Authority – all aimed at promoting recovery and future growth following the principle of 'build-back better'. Work is progressing and it is hoped that by the end of 2021 a much clearer picture of the best ways forward will be apparent.
- 7.3 The iconic King's Parade environment is likely to continue to be of significant interest to visitors as travel becomes more practicable once again. As a consequence, some form of control on traffic access in the immediate area is expected to continue to be necessary. However, additional changes may be introduced elsewhere that could reduce the need for such a robust solution in King's Parade to something more suited, and attractive. These might help promote greater use of street space for other purposes, such as outside seating for local businesses and seasonal activities and events through the year – whilst traffic access is restricted. **Plan 1** identifies those areas included during 2020, and **Plan 2** the wider city-centre area under consideration.
- 7.4 Officers will continue to explore with partners what arrangement might be best suited for the longer term, and how this might be developed. Costs are likely to be considerable, and a partnership funding approach therefore likely to be necessary. If a suitable solution is identified the Council will aim to seek funding from 2022 to play its part in keeping the area safe, accessible for essential needs, and welcoming to visit in the years ahead.

8. Conclusions and Next Steps

- 8.1 This interim scheme has met its objectives in ensuring that King's Parade has remained safe and secure since January 2020 and, despite

the impact of Covid-19, valuable learning has been gained about the potential longer term effects that can be used to inform future city-centre security and access management considerations.

- 8.2 On the basis of the work undertaken thus far and the lessons taken from it, the views received from key stakeholders and members of the public, and the limitation posed by Covid-19 on a thorough and meaningful appraisal of the full effects of the scheme, officers consider that controls should remain in place in King's Parade from July 2021 onwards. 2020 pedestrian footfall data has remained highest between the existing 9:30am to 7pm operational timings, at around two-thirds of 2019 peak levels. Whilst there is considerable public support for a shorter operational period some respondents too favour an extension. Over half of local businesses suggest they have been able to schedule deliveries around the existing restrictions. It is therefore suggested that the existing timings remain best suited year-round and should continue for the time being. However, this and several other potential areas for review and improvement have already been identified for further consideration in the development of a longer-term plan.
- 8.3 The existing Temporary and Experimental Traffic Regulation Orders cannot be extended beyond their 13 July 2021 conclusion, and will need replacing with permanent equivalents. Permanent Traffic Regulation Orders however can be reviewed, rescinded and replaced if circumstances change – so the potential for further future amendment or modification is not lost.
- 8.4 The existing barrier equipment introduced has limitations but also offers significant benefits in terms of security, portability, and flexibility. It has effectively served its purpose as an interim solution and should remain in place providing protection for the area, enabling the full effects to be more meaningfully assessed, and until such time as a suitable solution can be brought forward, or the need for controls in King's Parade is no longer considered needed.
- 8.5 If the Council is supportive of this approach the next steps will be to request Cambridgeshire County Council as Highway Authority for Local Roads to progress with permanent Traffic Regulation Orders. The formal advertisement of proposals as needed would likely be undertaken from late February/ early March in order that any objections received might be considered, and determined, at the meeting of the County Council Highways and Transport Committee on 8 June 2021. If

supported, Orders would then be finalised, and sealed, to come into effect upon the expiry of those currently in place from 13 July 2021.

- 8.6 Officers will work with local and relevant Executive Councillors, and other key stakeholders, to advance plans for a more suited long-term solution for this iconic location, which meets the area's safety and security needs whilst being more sympathetic to the sensitive historic environment. It is hoped that it will be possible to introduce this from 2022, depending on progress with partners wider plans and the availability of funding. Potential options will be shared further when available, prior to full and thorough public engagement before any changes are implemented.

9. Implications

a) Financial Implications

The Council has sourced funding to ensure that the existing barrier equipment can remain in place, and design work can progress on a more suited longer-term replacement. It will seek to secure further finance necessary to play its part in introducing a more permanent solution if a viable option can be identified and agreed with key partners and other stakeholders. Operational support is shared with Cambridgeshire County Council whereby the majority of costs are met through existing contractual arrangements.

b) Staffing Implications

Staffing resource to continue operating the existing barrier, and to progress with design work on a more suited replacement arrangement, is available within existing City Council and County Council teams, with support from the Police, specialist agencies and contractors/ suppliers as necessary.

c) Equality and Poverty Implications

An Equalities Impact Assessment for this interim scheme is attached as **Appendix C**. This will be updated as circumstances change. Whilst few impacts have been identified for most protected characteristic groups, the recent public consultation undertaken identifies that blue-badge holder respondents feel that the scheme has made it less convenient for them to access this area of the city centre.

d) Environmental Implications

The scheme is considered, at this stage, to have a Net Nil overall impact upon carbon emissions and climate change. Two criteria (energy use and waste generation) were identified as having Low Negative impacts, associated with the manufacture and installation of the equipment involved. However, these were balanced by two further criteria identified as having Low Positive impacts.

In terms of broader environmental considerations, the scheme's contribution to a safer city-centre largely free from non-essential traffic aligns well with ongoing work by the Council and partners to better manage public spaces and access to them. Although hard to attribute to very localised changes such work should, collectively and in time, help reduce noise levels, improve air quality, increase footfall and benefit the local economy.

e) Procurement Implications

Procurement of services needed will either be in house or via partners, through existing term service contract arrangements, from specialist named suppliers, or subject to individual competition as appropriate.

f) Community Safety Implications

The primary objective of this scheme was to enhance public safety and security. The area has remained safe through 2020, and the changes have enabled pedestrians and several local businesses to make greater use of the outside space through the Covid-19 pandemic. Access for essential needs (for instances funeral services) has been maintained throughout. During the first lockdown period between March and June 2020 barrier operations were suspended in order that those living locally whom may have been vulnerable and/ or shielding were able to better access essential services needed. More sustainable modes of travel such as walking, cycling and use of public transport promote engagement and reduce social exclusion and are thus considered to have a positive impact on community safety.

10. Consultation and communication considerations

The need for and detail of the scheme was identified through close working with partners including the Police, Greater Cambridge Partnership and Cambridgeshire County Council. An urgent interim solution was needed that utilised Experimental, and Anti-Terrorism Temporary, Traffic Regulation Order (TRO) powers.

The proposal was considered, and supported, by Cambridge Joint Area Committee on 5 March 2019. TROs were formally advertised by the County Council, with opportunity for representations and objections to be raised. Key

stakeholders and local businesses were identified and kept informed during the scheme development, implementation and subsequent operation. The Covid-19 pandemic through 2020 has significantly impacted upon people's experience of the changes introduced. Nevertheless, a public consultation, sign posted via media releases and accessible either in paper form or through the Council's website, has recently been undertaken. The findings are summarised in section 6 of this report and also in **Appendix B**. If it is decided to continue with controls beyond July 2021 the County Council will be requested to advertise Permanent TROs as needed, with further opportunity for representations and objections which will be considered, and determined, at a future meeting of the County Council Highways and Transport Committee.

11. Background papers

Background papers used in the preparation of this report:

Cambridge Joint Area Committee, 5 March 2019 - Agenda and minutes Equalities Impact Assessment.

12. Appendices

Appendix A – Summary of King's Parade pedestrian footfall 2019 - 2020

Appendix B (1) – Summary of Consultation Responses

Appendix B (2) - [Document 8.2.21 - Agenda Item 6 - Kings Parade consultation - Cambridge Council](#)

Appendix C – Equalities Impact Assessment

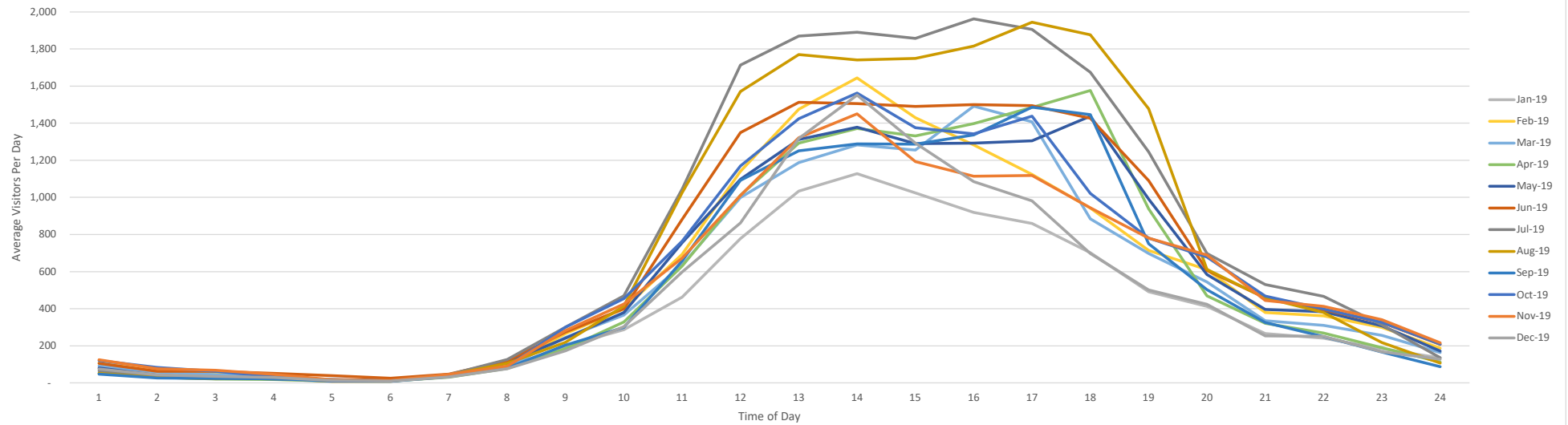
13. Inspection of papers

To inspect the background papers or if you have a query on the report please contact John Richards, Public Realm Engineering & Project Delivery Team Leader, tel: 01223 - 458525, email: john.richards@cambridge.gov.uk.

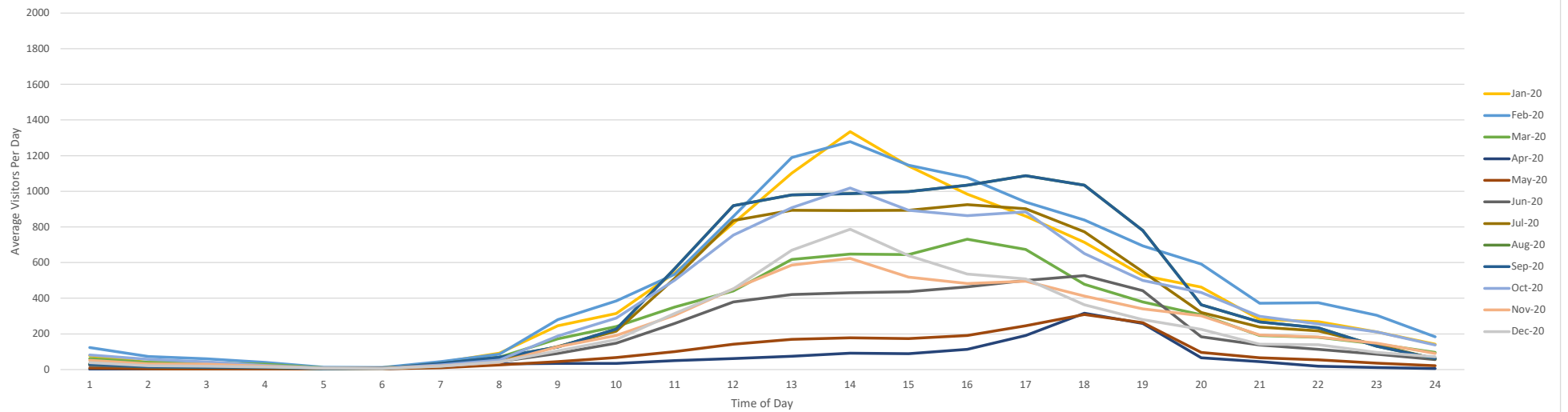
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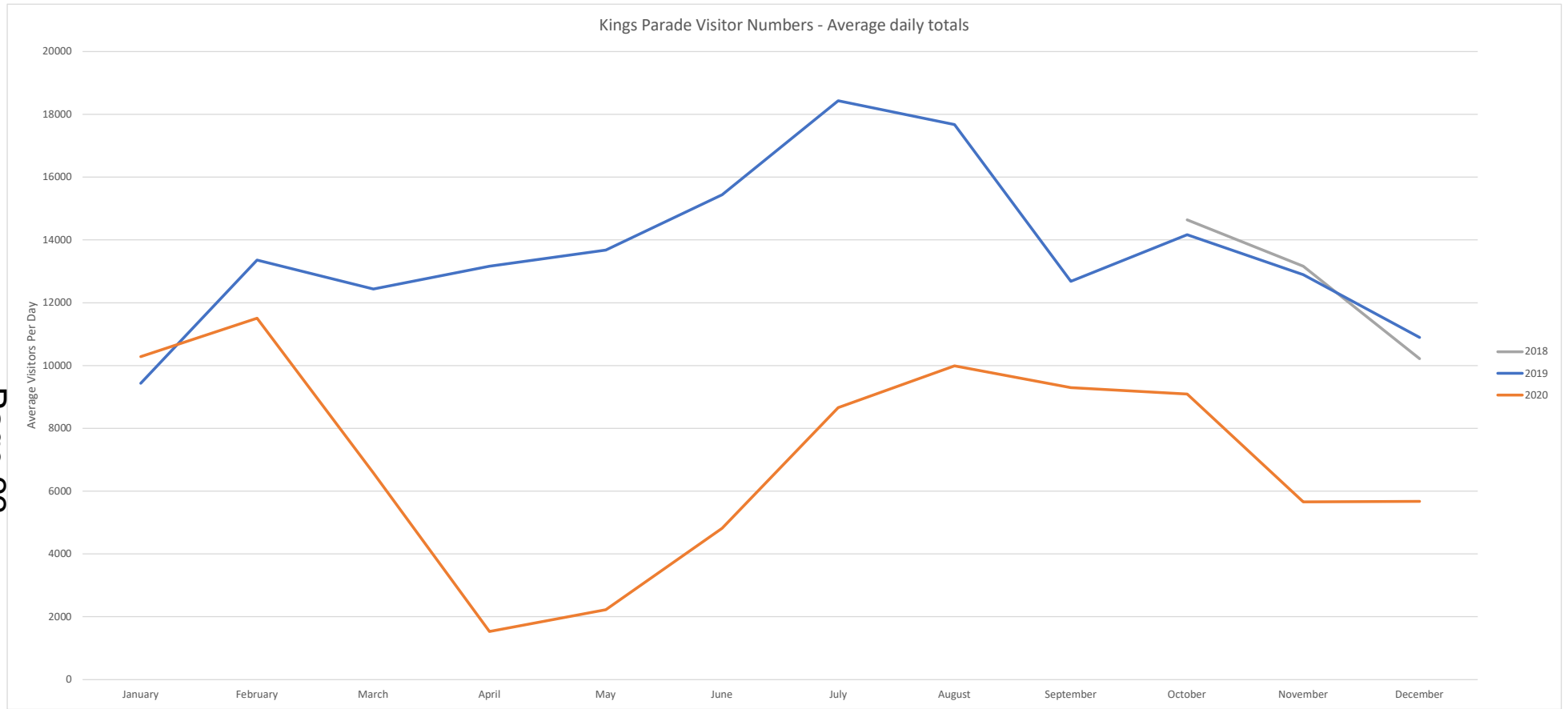
Appendix A

Kings Parade Visitor Numbers 2019



Kings Parade Visitor Numbers 2020





King's Parade Security Scheme

Public Consultation Responses to open and free text questions asked

There were 499 respondents to the online consultation running between 11 December 2020 and 11 January 2021. 95% were individuals, 3% were on behalf of a group or organisation, 1% were an elected representative, with 1% other.

All 499 respondents provided the first three characters of their postcode, with only a very small proportion living outside the CB area.

In answer to **Question 10** - how significantly the changes have impacted respondents, some 57% either answered Slightly or Not at all. When asked how the scheme has impacted the respondent, the information received is summarised below. There were 419 responses to this question, with both positive and negative impacts identified and some duplicated answers.

Positive impacts identified:

- Reference to extending the scheme both in duration & other streets
- Improving the area & feeling safer going to the shops
- Better for pedestrians
- Dramatically improved experience
- Nicer to walk around without traffic
- Feels safer for tourists
- Tourists now not in danger
- Easier to cycle
- More enjoyable to walk & talk in area
- Outdoor spaces for coffee shops more enjoyable
- Nice to not share the space with traffic
- Quieter area, nicer environment.

Negative impacts identified:

- Aesthetic appearance
- Vehicles manoeuvring near barrier
- Limited amount of space for cyclists to ride through barrier
- Taxi drivers picking up customers
- Difficult to park
- Vulnerable residents access
- Difficult for deliveries/ picking up, and for blue badge holders
- Change in shop delivery times
- Made entrance to King's Parade more difficult
- Parking for visitors with disabilities

- Difficult to access Great St. Mary's church.

Question 12 – for those 180 respondents who said that the barrier operational timings didn't suit them, the following alternative suggestions were made:-

- 10am – 4pm
- 8:30am – 8:30pm
- 10:00am – 5pm
- Permanent closure
- Remove Barrier
- 10:00am – 6pm
- 8:00am – 8:00pm
- Rising bollards allowing permitted vehicles through
- 8:00am – 10:00pm
- 11:00am – 4pm
- 9:30am – 6pm
- 9:00am – 5:30pm
- 8:30am – 8:30pm
- 10:30am – 5pm
- 7:30am – 12:00am
- 9:30am – 4pm.

Businesses Owners/ Workers

Question 18 - when asking business owners/ workers if they would wish to see the current operational times of 9:30am – 7:00pm amended, 12 said yes and 4 said no.

Question 19 - when asking those 12 businesses wishing to see the operational times amended for alternative suggestions, the following summarises the responses received:-

- 10am – 4pm
- 10am – 6pm
- Remove barriers
- Make permanent
- 12:00pm – 4pm in winter, and 11:00am – 6pm in summer.
- 10:00am – 10:00pm
- 10:00am – 7:00pm.

Blue-Badge Holders

Question 26 – blue-badge holders were asked if the changes have caused difficulty or inconvenience. The following is a summary of the 21 responses received:-

- Parking now further away from preferred destination
- Narrow gap

- Have to have assistance in wheelchair due to location now having to park
- Less convenient
- Less able to visit area.

Residents

Question 32 – responses were received from 3 residents of King's Parade, all of whom feel impacted by the changes. When asked how, they responded as follows:-

- Access, parking restrictions & picking up/ dropping off (particularly for students at term start and end)
- Having a physical disability makes access impossible on occasion
- I am a resident of King's College

Shoppers and Hospitality Customers

Question 37 – when asking shoppers and hospitality customers if they felt King's Parade was now a nicer place, of those 180 that said no (40%), there were 165 suggestions for one thing they would improve. The following is a summary of the responses:-

- Remove the barrier
- Only vehicles allowed to be for deliveries. Completely pedestrianise otherwise
- Improved access for cyclists
- Improved access for blue-badge holders.
- Increase seating in area
- Improve visual aesthetics of barrier
- Pedestrianise area
- Remove barrier and put rising bollards in
- Change hours of operation
- Change times the street bins are emptied as the lorry is in the space at lunchtimes
- Move barrier to Silver Street

Question 38 and 39 - people wishing to access shops/ restaurants or businesses in the area were asked if they could still access the facilities they seek. Of the 439 respondents 30 (7%) said no. The following summarises the 29 responses received identifying what they were now not able to access:-

- Great St Mary's Church
- Shops for click & collect
- Colleges.
- The market
- Too far from other parking areas
- Safe cycling

- Disabled Parking
- Some shops.

Visitors

Question 43 and 44 – of the 433 people responding to the visitor experience question, 187 (43%) felt there had been an improvement and 246 (57%) felt there had not. Improvements identified (179 responses) are summarised as:-

- Feel less likely to be hit by bikes
- Would like to see businesses using the area for outside dining more
- Quieter, easier to avoid people
- Feel safer
- Less pollution
- Less congestion
- More space for pedestrians
- More pleasant atmosphere

Question 47 and 48 – when asked if they now travel differently as a consequence of the scheme, 19% of the 431 responses said yes. The following is a summary of what has changed for them:-

- Cycling is more challenging near the barrier
- Parking further away
- Stopped accessing King's Parade due to blue-badge bays not being accessible
- Cycling less
- Walk more
- Drive more.

Cycling

Question 51 and 52 – respondents who cycle were asked to indicate how the scheme affected their cycling. Those who felt it had made it worse (70%) were asked what one thing they would change. The following summarises the 282 responses received:-

- Larger space for cyclists to safely navigate through
- Remove the barrier
- Replace with something more aesthetically pleasing
- Pedestrianise the whole of King's Parade area
- Replace with rising bollards.

Ends

Cambridge City Council Equality Impact Assessment (EqIA)

This tool helps the Council ensure that we fulfil legal obligations of the [Public Sector Equality Duty](#) to have due regard to the need to –

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Guidance on how to complete this tool can be found on the Cambridge City Council intranet. For specific questions on the tool email Helen Crowther, Equality and Anti-Poverty Officer at equalities@cambridge.gov.uk or phone 01223 457046.

Once you have drafted the EqIA please send this to equalities@cambridge.gov.uk for checking. For advice on consulting on equality impacts, please contact Graham Saint, Strategy Officer, (graham.saint@cambridge.gov.uk or 01223 457044).

1. Title of strategy, policy, plan, project, contract or major change to your service
King's Parade, Cambridge – Security and Public Realm Improvements
This EqIA reviews the initial experimental scheme in order to help inform a decision on whether to move forward with a permanent scheme (or otherwise) from 2021.

2. Webpage link to full details of the strategy, policy, plan, project, contract or major change to your service (if available)
Webpage link and published media statements:
Link to report to Strategy & Resources Scrutiny Committee meeting 8 th February 2021 (when published)
https://www.cambridge.gov.uk/consultations/kings-parade-vehicle-restrictions-consultation
https://www.cambridge.gov.uk/news/2020/12/11/council-seeks-views-on-future-arrangements-for-kings-parade-security-barrier
https://www.cambridge.gov.uk/news/2020/01/15/temporary-vehicle-barrier-on-kings-parade-to-become-operational-on-thursday
https://www.cambridge.gov.uk/news/2019/12/23/temporary-motor-vehicle-barrier-to-be-installed-on-kings-parade-to-improve-safety

<https://cambridgeshire.cmis.uk.com/ccclive/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/819/Committee/11/Default.aspx>

3. What is the objective or purpose of your strategy, policy, plan, project, contract or major change to your service?

- To address concerns raised by the Police about the threat to busy city centre public safety, and property, from terrorism.
- To reduce motor vehicle access to King's Parade during busy periods enhancing both safety and the environment, for the benefit of visitors, residents and local businesses.

4. Responsible service

Streets & Open Spaces, Environment Services

5. Who will be affected by this strategy, policy, plan, project, contract or major change to your service?

(Please tick all that apply)

- ☒ Residents
- ☒ Visitors
- ☒ Staff

Please state any specific client group or groups (e.g. City Council tenants, tourists, people who work in the city but do not live here):

Those affected may include residents, the university and colleges, students, tenants, tourists and other visitors, commuters, people who work in the city but do not live here, City Council staff, churches and their attendees, shoppers, businesses and other premises in the central area specifically located on or close to King's Parade.

6. What type of strategy, policy, plan, project, contract or major change to your service is this?

- ☒ New
- ☐ Major change
- ☐ Minor change

7. Are other departments or partners involved in delivering this strategy, policy, plan, project, contract or major change to your service? (Please tick)

☒ Yes
☐ No

If 'Yes' please provide details below:

Yes (Please provide details): Cambridgeshire County Council, Police Anti-Terrorism Unit, Greater Cambridgeshire Partnership, The Home Office and Centre for the Protection of National Infrastructure, Cambridgeshire Police and Crime Commissioner.
Furthermore, the support of Cambridge University and colleges including King's, Corpus Christi and Gonville and Caius was also important.

8. Has the report on your strategy, policy, plan, project, contract or major change to your service gone to Committee? If so, which one?

Not directly, but the scheme has been subject to consideration by Strategy & Resources Scrutiny (due to the out of budget cycle funding needed) and also, following receipt of a petition, by Council.

A decision or not on whether to introduce restrictions on a permanent basis is expected to be made by the Executive Councillor for Transport and Community safety following Strategy & Resources Scrutiny on 8 February 2021.

9. What research methods/ evidence have you used in order to identify equality impacts of your strategy, policy, plan, project, contract or major change to your service?

Key stakeholders for the project were identified from the Council's core corporate list and engagement with these groups and individuals was undertaken prior to implementation of this scheme.

The Council's Equality and Anti-Poverty Officer, and Head of Environmental Services, were consulted during the formulation of this EqlA.

Monitoring of the scheme's direct affects, including parking behaviour and usage of blue-badge and loading bays, has been ongoing since introduction in January 2020, albeit Covid impacted.

A detailed, well publicised, public consultation was undertaken between December 2021 and January 2021 to enable opportunity for groups and individuals to feed back their views. This was primarily digitally based (due to the inability to hold face to face meetings at this time) with an online survey, promoted via the Council's website and press and social media statements. Paper copies were available and provided on request, and respondents were able to submit separate representations and comments by letter or email if they wished. This consultation included several questions on access for blue-badge holders.

10. Potential impacts

For each category below, please explain if the strategy, policy, plan, project, contract or major change to your service could have a positive/ negative impact or no impact. Where an impact has been identified, please explain what it is. Consider impacts on service users, visitors and staff members separately.

(a) Age - Please also consider any safeguarding issues for children and adults at risk

The reduction in vehicular traffic access to King's Parade during the day should make it easier for people (including the very young, and older people) to move around the space safely on foot, and by bicycle. The scheme does however make it more difficult for people to be dropped off close to the city centre by motor vehicle, for instance for services at Great St. Mary's Church. In the December 2020/ January 2021 public consultation, more respondents disagreed that the scheme has improved safety than agreed.

(b) Disability

Approximately 10 blue badge parking bays are rendered inaccessible during closure periods, presently 9:30am to 7pm every day. However, an additional number of new bays (available 24/ 7) have been provided reasonably close by in Trumpington Street, to compliment other facilities available in the city centre both on-street and in nearby car parks (Guildhall Street, Peas Hill and Grand Arcade - including Shopmobility). Restricting vehicular traffic in King's Parade enables people to move around the space safely away from the dangers of motor vehicle traffic.

Usage of blue-badge parking bays has been monitored by visual surveys both before and after implementation of the initial experimental scheme, and there have been very few occasions observed when there is insufficient space available for those requiring it within close proximity of the city centre.

In the December 2020/ January 2021 public consultation:

- Of the blue-badge holder respondents, most visit to shop or access other local services both in King's Parade and close by elsewhere
- All suggested the scheme has created difficulty for them, and citing a general lack of suitable city-centre facilities
- Around two thirds of blue-badge respondents feel less safe accessing the city-centre than previously, but with a similar proportion feeling it is no more difficult.
- Most now say they feel dissuaded from visiting the city-centre.

Feedback from blue-badge holders is that they have found access to the city-centre increasingly challenging as a result of the successive transport interventions implemented in recent decades. Greater Cambridge Partnership are further committed to reviewing access

to the city-centre for all, including the particular needs of those with disabilities. Significant steps forward have been made in recent years in making public transport more accessible and reliable, and the forward focus is likely to continue to promote more sustainable and active transport options wherever practicable.

(c) Gender reassignment

No equality impacts have been identified specific to this protected characteristic.

(d) Marriage and civil partnership

No equality impacts have been identified specific to this protected characteristic.

(e) Pregnancy and maternity

Restricting vehicular traffic in King's Parade enables those expecting or looking after children an improved level of safety to move around in this busy space.

(f) Race – Note that the protected characteristic 'race' refers to a group of people defined by their race, colour, and nationality (including citizenship) ethnic or national origins.

Cambridge welcomes up to 8 million visitors per year, many from overseas given the University's international significance, and in recent years particularly from the Far East. King's Parade is a popular destination, fronting King's College and its chapel. Although numbers have reduced significantly through 2020 as a consequence of Covid-19, the street has still been busy with footfall at up to two thirds of previous levels. The scheme enables those less familiar with traffic conditions in the UK to use the space separated from motor traffic during the 9:30am to 7pm hours of the barrier's operation.

(g) Religion or belief

Motor vehicle access to premises along King's Parade (including Great St. Mary's Church) is further restricted by the scheme changes. However, attendees and visitors are able to move around more safely in this space away from the dangers of motor vehicle traffic. Arrangements have been made to accommodate special events, such as funerals and other important services, as necessary.

(h) Sex

No equality impacts have been identified specific to this protected characteristic.

(i) Sexual orientation

No equality impacts have been identified specific to this protected characteristic.

(j) Other factors that may lead to inequality – in particular, please consider the impact of any changes on low income groups or those experiencing the impacts of poverty

There is significant diversity in business premises trading along King's Parade, from souvenir shops and food and beverage outlets catering primarily for visitors, to specialist independents including art galleries. It is recognised that it may be more challenging for smaller retailers to re-arrange their deliveries without inconvenience. In the 2020/ 21 consultation, just over half of businesses responding report having been able to schedule deliveries around the scheme's operational hours (9:30am to 7pm). Some have suggested these be shortened, others lengthened. The improved, pedestrian dominated, environment has enabled local food and beverage providers to place outside seating on footways and in parking bays, boosting trade and recovery and the safe return of people to the city centre following the Covid-19 pandemic. Should a decision be made to progress with more permanent changes, these aspects will be reviewed to see if they might be improved.

11. Action plan – New equality impacts will be identified in different stages throughout the planning and implementation stages of changes to your strategy, policy, plan, project, contract or major change to your service. How will you monitor these going forward? Also, how will you ensure that any potential negative impacts of the changes will be mitigated? (Please include dates where possible for when you will update this EqlA accordingly.)

The loss of access to some delivery and blue-badge bays in the city centre at certain times is unfortunately unavoidable if the benefits desired are to be realised. Alternatives, including the provision of entirely new blue-badge bays in nearby Trumpington Street, are available and usage of these is being monitored to see if they are effective and/ or further changes needed.

A broad and well sign-posted public consultation was undertaken between December 2020 and January 2021.

Should the City Council determine to introduce changes on a permanent basis Cambridgeshire County Council will progress determining the Traffic Orders needed and statutory consultee groups (including those representing people with mobility and/ or vision impairments) will be further approached and invited to comment.

Representative groups identified through this EqlA in conjunction with the Council's Equalities & Anti-Poverty Officer can be included in the development of any longer-term, replacement, scheme solution.

12. Do you have any additional comments?

A decision on whether to make the experimental scheme permanent or not is due in 2021. Councillors are mindful of the need to act quickly but also of the potential longer-term consequences (both positive and negative), and are keen for a more suited replacement arrangement to be brought forward as early as practicable. Exploratory development work on this has already commenced, including an application for potential funding to help take the work forward. Design work is anticipated during 2021, with a view to the Council seeking funding to implement a more permanent, suited and longer-term solution from 2022.

13. Sign off

Name and job title of lead officer for this equality impact assessment: John Richards, Public Realm Engineering & Project Delivery Team Leader

Names and job titles of other assessment team members and people consulted: Joel Carre, Head of Environmental Services, Corporate Strategy team - Helen Crowther, Equality and Anti-Poverty Officer

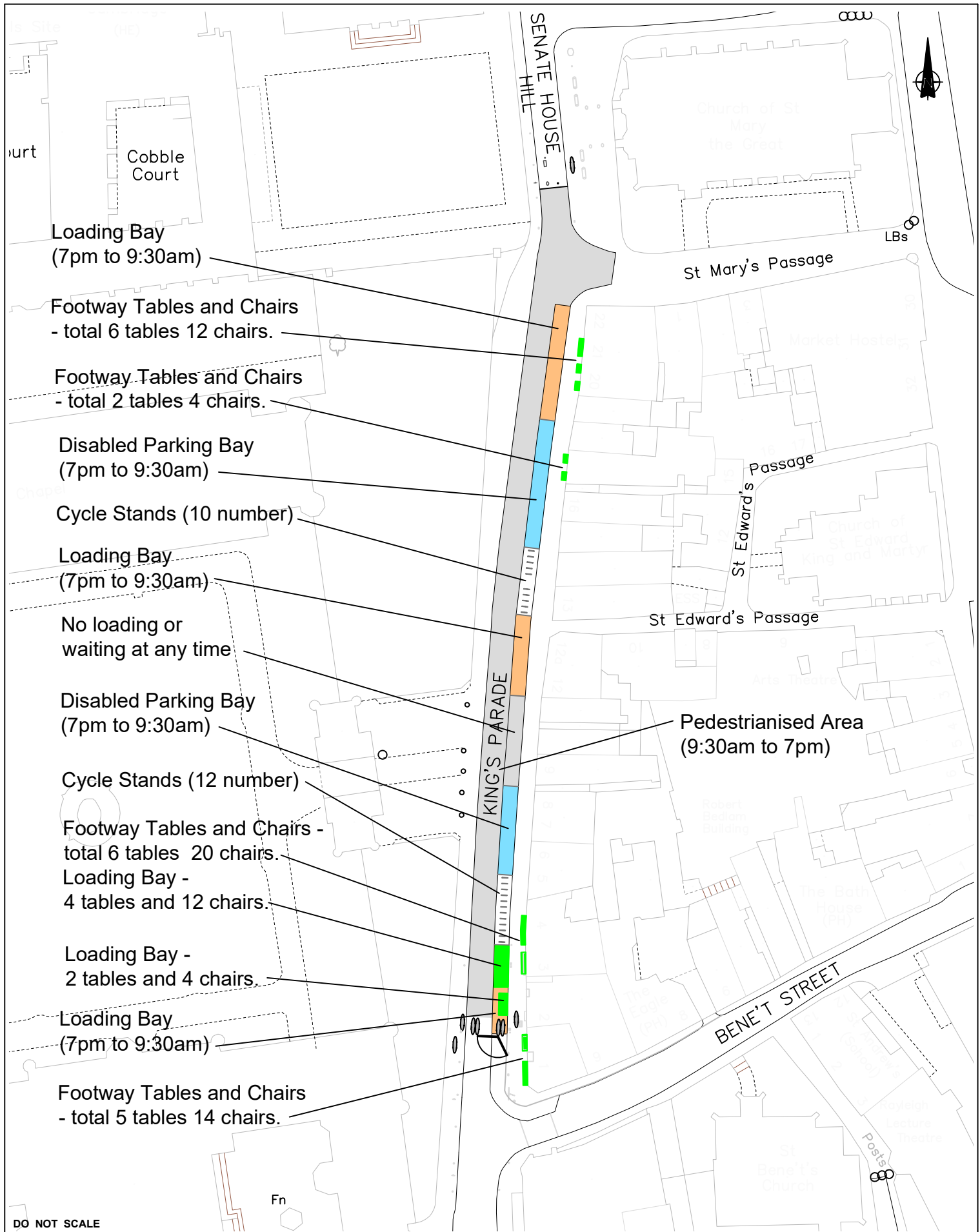
Date of EqlA sign off: 22 January 2021

Date of next review of the equalities impact assessment: July 2021

Date to be published on Cambridge City Council website: 28 January 2021

All EqlAs need to be sent to Helen Crowther, Equality and Anti-Poverty Officer. Ctrl + click on the button below to send this (you will need to attach the form to the email):

Send form



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KEY: -

One way streets

Further traffic restriction under consideration

<div><div><div>ENVIRONMENT</div><div>STREETS & OPEN SPACES</div><div>PROJECT DELIVERY</div></div><div>JOEL CARRE - HEAD OF ENVIRONMENTAL SERVICES CAMBRIDGE CITY COUNCIL, PO BOX 700 CAMBRIDGE, CB1 0JH</div></div> <div>Job Title Kings Parade HVM</div> <div>Drawing Title Plan 2</div> <div>Page 37</div>	Scale N.T.S.	A3	Designed DP			
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Item:

UPDATE ON THE WORK OF KEY EXTERNAL PARTNERSHIPS

To:

Councillor Lewis Herbert, Leader of the Council and Executive Councillor for Strategy and External Partnerships

Strategy & Resources Scrutiny Committee, 8th February 2021

Report by:

Graham Saint

Tel: 01223 - 457044

Email: Graham.Saint@cambridge.gov.uk

Wards affected:

Abbey, Arbury, Castle, Cherry Hinton, Coleridge, East Chesterton, King's Hedges, Market, Newnham, Petersfield, Queen Edith's, Romsey, Trumpington, West Chesterton

Not a Key Decision

1. Executive Summary

1.1 This paper provides an update on the work of the following partnerships:

- The Cambridgeshire and Peterborough Combined Authority (including the Business Board)
- Greater Cambridge Partnership
- Fast Growing Cities
- London-Stanstead-Cambridge Consortium, and the
- Cambridge – Milton Keynes – Oxford Arc.

- 1.2 The paper is provided as a part of the Council’s commitment given in its “Principles of Partnership Working”, to set out annual reports summarising the work of the key partnerships it is involved with and highlights the considerable amount of activity that is taking place in tackling some of the “big challenges” that the city is facing. It also shows the ongoing joint working between partners and government to help meet these challenges. This year has included responding to the to the pandemic, which has involved partners findings ways to pull together to both ameliorate and find solutions to its impacts.

2. Recommendations

- 2.1 The Executive Councillor is recommended to:

- a) Note the contents of the report and continue to work with the Greater Cambridge Partnership, Cambridgeshire and Peterborough Combined Authority, Fast Growing Cities, London-Stanstead-Cambridge Consortium and the Cambridge – Milton Keynes – Oxford Arc, so that together the Council and its partners can address the strategic issues and challenges affecting Cambridge City, to the overall benefit of citizens.
- b) note the £13,500 contribution to Oxford-Cambridge Arc partnership work

3. Cambridgeshire & Peterborough Combined Authority (CPCA)

- 3.1 The City Council is a statutory member of the CPCA, which was set up as a part of the Cambridgeshire and Peterborough Devolution Deal, with its first official meeting taking place in March 2017. Cllr. Lewis Herbert, Leader of Cambridge City Council, sits on the **Combined Authority Board**.
- 3.2 As well as the Combined Authority Board there are six other committees that are part of the CPCA. Our membership of these committees is: **Overview and Scrutiny Committee**, Cllr. Mike Davey and Cllr. Markus Gehring; **Audit and Governance Committee** Cllr. Mike Davey; **Employment Committee**, Cllr. Lewis Herbert; **Housing and Communities Committee**, Cllr. Mike Sargeant; **Skills Committee**, Cllr.

Mike Davey, and; **Transport and Infrastructure Committee**, Cllr. Nicky Massey.

- 3.3 During the last year the CPCA completed the Local Transport Plan and established a **Climate Change Commission**, with initial recommendations due to be published in February 2021.
- 3.4 The Non-Statutory Spatial Framework and Local Industrial Strategy were also progressed. The CPCA prepares an annual Business Plan that shows progress against 12 key priorities. The 2020/21 Annual Business Plan was presented to the Combined Authority Board on 29 January 2020. The key decisions of the CPCA have been reported to Cambridge City Council's Strategy & Resources Scrutiny Committee regularly by the Chief Executive.
- 3.5 The CPCA has led on, or supported, the delivery of key projects in the Cambridge area during 2020, including:
- Running a virtual public exhibition for the **A10 project**. The Strategic Outline Business Case was completed in July.
 - Taking an active role on the Project Board for the delivery of the **Cambridge South Station**.
 - Working closely with Network Rail to successfully complete the GRIP 4 stage for **Soham Station** and gained agreement and approval of its Board to develop this scheme to completion. Advanced works started on site in September 2020 and the programme now anticipates an accelerated construction programme.
 - Piloting an **E-Scooter** scheme with our partner Voi, within Cambridge city centre, encouraging an alternative to car travel and helping reduce congestion and carbon.
 - Commencing three new trial schemes to improve elements of the **bus service** and funding new bus routes connecting Cambourne to Addenbrookes and connecting St Neots and Cambourne to Cambridge Science Park.

3.6 Area wide schemes progressed during the year have included:

- Units coming forward in Cambridge City in a development on the former Cambridge Squash Court site at Histon Road, as a part of the **£100k Homes** initiative.
- Approving funding of approximately £86.5 million through grants to date and loans from the revolving fund totalling £51 million for the Affordable Housing Programme.
- Making 323 starts on site and completing approximately 80 homes completed under the City's separate allocation for affordable housing, which involved receipt of £70 million to deliver 500 homes across the area.
- Establishing the **One CAM** Limited Special Purpose Vehicle (SPV) and appointed a Board Chair, as well as five non-executive directors, to help promote and drive forward CAM's delivery. The Conceptual Design Process was launched to test the supplier market for innovative designs and technologies for the CAM vehicle, and the development of a business case approach also advanced.

3.7 The next part of the report will focus on the work of The Business Board (which took on the functions of the former GCGP LEP).

4. CPCA Business Board

- 4.1. The Business Board was constituted in September 2018 as the LEP for our region, integrated within the Cambridgeshire and Peterborough Combined Authority, which is the "accountable-body, responsible to Government for complying with any conditions or requirements attached to any funding.
- 4.2 The Business Board assists in the achievement of the Combined Authority's Growth Ambition Statement to become a leading place in the world to live, learn and work. This responds to the Cambridgeshire

& Peterborough Economic Review (CPIER) and the realisation of the Combined Authority Business Plan 2020/21.

- 4.3 The Business Board has prepared a Local Industrial Strategy (LIS) detailing the key areas of action needed to support the Combined Authority's devolution deal commitment to doubling the size of the Cambridgeshire and Peterborough economy.

The goals of the Local Industrial Strategy are:

- To scale growth further to benefit the whole area, building on Cambridge's World class assets to create INCLUSIVE growth across our economy.
- To deliver a shared growth ambition across the OxCam Arc to become part of a global economy able to rival those of Toronto, Boston, Helsinki, Tel Aviv and Seoul.

- 4.4 The LIS was co-produced with Government and supports the aims of the National Industrial Strategy. It is one of a family of four linked strategies covering the Oxford/Cambridge Arc, with the other strategies covering Oxfordshire, Buckinghamshire and the South East Midlands. A Greater Cambridge Economic Action Plan was produced in 2019/20 to identify actions in support of the LIS in the Cambridge and South Cambridgeshire area. A progress report has been produced in January 2021 and will be circulated to members of Strategy & Resources scrutiny committee.

- 4.5 The Business Board has approved business cases and funding on items of delivery from the LIS including a new business support Growth Service; Skills, Training, Apprenticeships and Recruitment (STAR) Hub; Inward Investment service, Growth Grants for businesses and a new University for Peterborough. Already in delivery are Priority Sector Strategies, which focus on Agri-Tech, Digital and ICT, Advanced Materials and Manufacturing and Life Sciences and Health Care. These strategies identify interventions for these industries and will guide future investment.

- 4.6 A Digital Sector Strategy was launched in late 2019, building on the strong foundations that already exist and aims to further enhance this region as the global centre of cutting-edge and inclusive technology

innovation. A Steering Commission guides the development of this strategy.

4.7 During the year, an **Economic Recovery Strategy Group** and **Local Economic Recovery Strategy** were formed in response to the COVID-19 pandemic, to support and address economic and business impacts. The Combined Authority also announced a number of **COVID-19 grants** in 2020/21 to support economic recovery that included:

- COVID-19 Capital Grant Scheme for businesses employing between 6 and 250 people (132 businesses supported and £5.5 million in grants awarded)
- COVID-19 Micro Grant Scheme for businesses employing less than 6 people (128 businesses supported and £500,000 in grants awarded)
- £1.5 million funding deployed towards the safe reopening of Cambridge and Peterborough City Centres, of which Cambridge City received £710,00.
- Local Restrictions Funding was also announced. During the period, 14,439 businesses were supported, and over £146 million grant was awarded

4.8 Cambridge City Council has secured £710,000 capital funding from the Cambridgeshire and Peterborough Combined Authority to support the recovery of Cambridge city centre from the impact of the coronavirus pandemic in 2021. The capital funds are to be invested in a programme of city centre measures to improve Cambridge's visitor offer and experience and thereby help the city's retail, hospitality and cultural sector recovery.

Under the title – 'Cambridge Visitor Welcome 2021' - the funds will be used to deliver the following measures between now and May 2021:

- Outdoor seating including tables, chairs and awnings
- A mobile 'pop up' visitor information centre
- Digital wayfinding and signage

- Improved street furniture and outdoor lighting

The delivery of the Cambridge Visitor Welcome 2021 project is being led by the council with support from Cambridgeshire County Council, Cambridge BID and Fitzwilliam Museum (Enterprises) Ltd.

- 4.9 The Combined Authority has also been providing **Brexit4business support**, running awareness campaigns to cascade Central Government announcements and signposting businesses across Cambridgeshire and Peterborough to national resources including sector-specific check lists, guidance on new regulations and fully funded webinars, including on the EU Settlement Scheme.
- 4.10 The **Local Growth Fund** has been fully allocated and over 16 projects have been completed so far, unlocking 892 new jobs. In total, just over £14 million has been invested directly into Cambridge City Council area projects, including the Cambridge Biomedical Campus, West Cambridgeshire Innovation Park and the Illumina Genomics Accelerator Programme.

Governance

- 4.11 The Business Board membership comprises of up to 10 members; two public sector members and up to eight business representatives. The Mayor and the portfolio holder for Economic Growth of the Combined Authority are non-voting members of the Business Board by virtue of their office and make-up the public sector membership. The term of office for private sector representatives will normally be a maximum of 3 years. The City Council is not represented directly on the Business Board.
- 4.12 In accordance with government requirements for Mayoral areas there is a Local Agreement between the Business Board and the Combined Authority setting out the responsibilities of the Chair, Board and Accountable Body.
- 4.13 The Business Board has at least two public meetings a year, including an Annual General Meeting, to ensure the communities it represents can understand and influence the economic plans for the area.

Agendas and reports for the Business Board are available on the Cambridgeshire and Peterborough Combined Authority website.

5. Greater Cambridge Partnership (“the GCP”)

- 5.1 The Greater Cambridge Partnership operates as a Joint Committee and is the local delivery body for the City Deal agreement made in 2014 between five local partners and the Government to help secure sustainable future economic growth and quality of life in the Greater Cambridge area.
- 5.2 The vision for the GCP is to “work together to grow and share prosperity and improve quality of life for the people of Greater Cambridge, now and in the future” with the aim of creating a world class public transportation system and accelerating the construction of thousands of new homes and jobs in Greater Cambridge.
- 5.3 In May 2020, the Government completed its first ‘Gateway Review’ of the City Deal – reviewing the progress and impact of GCP investments since 2015. In its conclusions, the Government noted the “significant success and progress” made by the GCP during the first five years of delivery. As a result, the Government confirmed that the GCP would receive a further £200m to 2025.
- 5.4 Given the certainty offered by the successful Gateway Review outcome, GCP officers undertook a review of the GCP’s Future Investment Strategy (FIS), the result of which was approved by the GCP Executive Board in December 2020. The updated FIS highlights the need to respond flexibly to the impacts of Covid-19 and places stronger emphasis on prioritising investment that delivers against the environmental objectives set out by the partner local authorities. In particular, it prioritised allocations to invest in zero emission buses, active travel measures and public transport services, plus housing and smart interventions.
- 5.5 The projects that the GCP is currently investing in to fulfil its aims are grouped under the following headings:
 - Housing and Strategic Planning

- Skills
- Smart Places
- Transport, and
- Economy and Environment

5.6 A quarterly progress report on projects is provided to the GCP's Executive Board. Headlines from the latest report for 10 December 2020 are shown below, to indicate progress. The full quarterly progress report is linked as a background document to this report.

Housing and Strategic Planning

5.7 The GCP funded the initial set-up of the Housing Development Agency (HDA). It has now fulfilled its forecast to deliver 301 new homes. These were completed across 14 schemes throughout Greater Cambridge. The GCP will also work with partners to explore additional opportunities to unlock further affordable housing.

5.8 One key commitment of GCP is to enable the delivery of 1,000 additional affordable homes, exceeding the level needed to meet the Cambridge and South Cambridgeshire Local Plan requirements (33,500 homes between 2011 and 2031). The Greater Cambridge housing trajectory published in April 2020 shows that it is anticipated that there will be a surplus, in terms of delivery over and above that required to meet the housing requirements in the Local Plans, in 2021-2022.

5.9 The current forecast is for approximately 840 eligible affordable homes to be delivered by 2031. Although anticipated delivery is below the target of 1,000 affordable dwellings there are still a further 11 years to go during which time affordable homes on other eligible sites will continue to come forward as part of the additional supply, providing affordable homes that will count towards this target. Historically there is good evidence of rural exception sites being delivered and therefore we can be confident that the target will be achieved.

5.10 During the period, the GCP also provided funding and support to build six temporary housing units as part of a project led by Allia and supported by Cambridge City Council (amongst others). The homes were publicly launched in June 2020.

Skills

- 5.11 In partnership with Form the Future and Cambridge Regional College the GCP launched Greater Cambridge Apprenticeship Service in March 2019. This has now been operating for seven quarters. As of November 2020, three targets for the whole contract have been met within the first 20 months of delivery. The service has also delivered 89% of its target for people starting an apprenticeship, as a result of Apprenticeship Service interventions, and the GCP expects this target to be met by the end of the contract in March 2021.
- 5.12 The GCP has made significant short and longer- term skills interventions to support the recovery from Covid-19. In the short-term, the GCP has:
- Funded two additional careers advisors through the Apprenticeship Service, to bolster a shortfall in careers advice locally.
 - Funded the creation of a dedicated training centre to support those with special needs and who would otherwise not be considered work ready, plus the immediate training of 12 trainees, through the New Meaning Foundation
- 5.13 In the longer-term, the GCP Executive Board has agreed to procure a new package of skills provision, worth up to £2m to 2025. The new package will have a revised, wider scope than the existing contract and is designed to take into account the known and likely impacts of Covid-19.

Smart Places

- 5.14 The Smart Cambridge programme encompasses a diverse range of initiatives to explore how data and emerging technology can help the GCP achieve its objectives. These include the development of proposals for autonomous public transport, delivering sensors to provide better decision-making on air quality and traffic movements, a real-time data platform and 'smart panels' to present travel information to residents and visitors.
- 5.15 Projects progressed in 2020/21 include:

- **T-CABS (C-CAV3 Autonomous Vehicle Project)** - Approval to trial the technology at the revised route at West Cambridge has been granted and storage facilities for the vehicles have been identified and secured. The first shuttle was brought to the site in October 2020 and safety cases have been signed off, meaning that the first stage of the trials is ready to commence.
- **Digital Wayfinding – Procurement and Installation**
Updated signage on the wayfinding totem and a new map identifying walking routes to the city centre via either Station Road or Mill Road have been put in place and discussions are ongoing regarding Section 106 funding.
- **Mill Road Bridge Closure Monitoring**
Work on the final report to close out this project has been started but the changes in travel patterns arising during the pandemic, has meant that analysis has been delayed.
- **Data Visualisation** – the GeoSpock platform interface has recently been upgraded and training organised to make best use of it.
- **Digital Twins – Phase 1:** A report summarising the findings from the study and secondment with the Centre for Smart Infrastructure and Construction (CSIC) has been published and the use of digital twins to support the NE Cambridge development is being assessed.

Officers are also leading a project to trial an innovative traffic signal control method utilising the latest sensor technology, to optimise traffic signal timings. Phase one of the work is in progress and a kick-off meeting has been held with the successful bidder (Vivacity Labs). This project focuses on installation of the trial solution at four junctions in Cambridge (the Robin Hood junction at Cherry Hinton Road/Queen Edith's Way, and junctions at Hills Road/Brooklands Avenue, Hills Road/Cherry Hinton Road and Cherry Hinton Road/Clifton Road) by the end of March 2021.
- **Strategic Sensing Network:** Smart are leading on the procurement of a strategic sensing network that would provide classified vehicle

counts, cycle counts and pedestrian counts to support the wider GCP programme.

Transport

5.16 GCP has continued to make progress with most of its transport schemes, as set out below (the table shown in Appendix 1 provides a summary of the delivery status of transport projects, as of December 2020):

- **Cambourne to Cambridge (A428):** In December 2020, the GCP Executive Board noted the outline business case and agreed to a fully independent review of the project at the Board. The findings of the review will be put before the Board in July, with a public consultation on the detailed design and environmental mitigation for the scheme to be held in 2021, subject to the findings of the audit.
- **Waterbeach to Cambridge:** The Strategic Outline Business Case for Waterbeach to Cambridge will be considered by the GCP Executive Board in June 2021. Current work involves identifying and evaluating options. Pre-consultation engagement has now been completed and consultation undertaken. The spend profile is currently on target.
- **Eastern Access:** The Strategic Outline Business Case for Eastern Access is currently due to be completed by the end of March 2021, with a view to consideration by the GCP Executive Board in June 2021. Current work involves identifying and evaluating options. Pre-consultation engagement has now been completed and consultation undertaken. Further planning work is ongoing and once this has been completed, the spend profile will be updated.
- **West of Cambridge Package:** The scheme submitted a planning application in June. A decision is expected in early 2021. Workload associated with the project will increase as it progresses towards procurement of detailed design and construction.
- **Milton Road Bus, Cycle and Pedestrian Priority:** To manage network capacity, construction of Milton Road has been delayed, to

coincide with the completion of the Histon Road works. The scheme remains in Detailed Design stage.

- **Histon Road Bus, Cycle and Pedestrian Priority:** The scheme on Histon Road is under construction and is due to be completed in Summer 2021. The project remains on schedule to meet this timeline.
- **Residents Parking Scheme–** GCP was delivering, and part-funding, this scheme on behalf of Cambridgeshire County Council (the highways authority). The County Council decided to pause the programme for twelve months from March 2020 due to concerns around limiting parking options for commuters travelling from outside the city to destinations, away from the city centre, where public transport and other alternatives are more limited. (This pause was option two in the [County Council committee report](#)). There has been no implementation during this pause in 2020/21. The County Council will review its decision and approach in March 2021, including considering alignment with the development of an integrated parking strategy which the GCP has agreed to develop.

5.17 In addition to ongoing progress described in the Quarterly Progress Reports, some schemes have reached significant milestones throughout 2020/21. In particular:

- In response to the pandemic, the GCP (in partnership with Cambridgeshire County Council) implemented a number of experimental schemes (using Experimental Traffic Regulation Orders) to make it easier and safer for people to walk and cycle around Cambridge.
- Final work to complete the Ditton Lane/East Cambridge Cross-City Cycling scheme was completed, as part of the GCP's £8m programme of interventions across the Cross-City Cycling network.
- The Abbey-Chesterton Bridge was lifted into place, marking a key step in the delivery of the Chisholm Trail.
- The GCP Executive Board approved 11 Greenways throughout 2020, meaning all 12 proposed routes have now been approved.

The Greenways are a network of walking, cycling and equestrian routes that will provide improved links between Cambridge and surrounding towns and villages.

- Two zero-emission buses, as part of a pilot funded by the GCP, have been operating on the 6 route serving the city centre, Girton and Oakington, providing cleaner and greener journeys for thousands of people every day.

Economy and Environment

- 5.18 Throughout 2020/21, officers from the GCP, City Council and other local partners have been working together to understand and address the economic impact of Covid-19. This has enabled local partners to work in partnership with the CPCA to develop the Local Economic Recovery Strategy (LERS) and outline and deliver plans to implement the LERS in Greater Cambridge.
- 5.19 GCP investment has been targeted to address the economic impact of Covid-19, particularly skills and transport. Furthermore, the GCP has funded or part-funded research to understand the impact of Covid-19 on the local economy, including an initial piece of research in June 2020 reporting potential impacts and a research programme by the Centre for Business Research to provide quarterly sectoral analyses across 2020 and 2021, to give an in-depth insight into the strength of Greater Cambridge's unique local sectors. The first analysis was completed in November 2020.
- 5.20 GCP officers continue to progress work to address local energy grid capacity constraints. This work aims to ensure insufficient grid capacity is not a barrier to future growth and does not limit progress towards a net-zero economy (e.g. by enabling further grid capacity to enable take-up of renewable technologies and electric vehicles). In October 2020, the Executive Board approved further funding to undertake a 'scoping stage', utilising technical and commercial expertise to lay the foundations for the development of an outline business case for major investment.

Approaches to Engagement

- 5.21 The GCP continues to follow a geographically based engagement programme to ensure it can provide relevant and tailored updates about its broader work, including all relevant schemes for that area, and respond to any specific concerns or issues raised.
- 5.22 The GCP launched four public consultations in October, across major schemes including Cambridge South East Transport, Cambridge Eastern Access, Waterbeach-to-Cambridge, plus with respect to the Experimental Traffic Regulation Orders referred to above. The GCP received more than 2,500 responses across the four consultations.

Governance

- 5.23 The Greater Cambridge Partnership is led by a decision-making Executive Board which coordinates the overall strategic vision and drives forward the partnership's programme of work. It is run in accordance with a clear governance structure, agreed by all partners. Cllr. Lewis Herbert, Leader of Cambridge City Council, has been the city council's representative on the five-person Executive Board in the past year. Going forward, Cllr Nicky Massey will be the council's representative.
- 5.24 The Board is advised and scrutinised by a Joint Assembly. The Joint Assembly provides advice to the Executive Board, drawing on the broad expertise of its 15 members. Cllr. Tim Bick is Chair of the Joint Assembly and Cllrs. Dave Baigent and Mike Sargeant are members of the Assembly.
- 5.25 Both the Executive Board and the Joint Assembly meet at least four times a year. Papers relating to public meetings are published online and the public have the opportunity to participate in meetings of the Executive Board by posing questions to be discussed in public.

6. Fast Growing Cities Group

- 6.1 Fast Growing Cities is an informal lobbying group. Cambridge City Council continues to work with other fast-growing cities to emphasise to Government the particularly strong economic potential they offer to the UK economy, and the challenges that success – and the role of a sub-regional centre - brings. These cities (initially Oxford, Swindon, Milton

Keynes and Norwich, and now joined by Peterborough) share many of Cambridge's characteristics – strong on knowledge-intensive industries, pro-growth but constrained by infrastructure limitations and housing affordability.

- 6.2 Cambridge and the partner cities work with businesses, universities and neighbouring authorities to ensure that Government understands the case for investment in their economic potential and the case for particular policy interventions/relaxations to facilitate sustainable growth. The Centre for Cities also promotes this group and holds regular City Talks, and recent topics covered include the changes brought about by Covid-19 and how this might impact on the UK's future infrastructure priorities.
- 6.3 A report by the Centre for Cities reviewing the latest available data on the economic performance of the six Fast Growing Cities, and the initial impacts and implications of Covid-19, has been drafted and is due to be launched in late February 2021. This report will be shared with members of Strategy & Resources scrutiny committee.

7. London – Stansted – Cambridge Corridor Consortium (LSCC)

- 7.1 LSCC is an informal lobbying group. The consortium, of which the City Council is a member, involves business, leaders of councils and industry experts to champion the “corridor” to win investment, influence policy and support the region's pioneering start-ups, institutions and businesses in their continued growth and success. Cambridge City Council is represented in the consortium by the Leader of the Council and is supported by the Joint Director of Planning and Economic Development.
- 7.2 Last year saw the LSCC launch the UK Innovation Corridor (UKIC) Local Industrial Strategy (LIS) Growth Prospectus. The prospectus builds on and updates the data from the highly respected 2016 Independent Growth Commission, and discusses skills, housing, employment sites and infrastructure – themes consistent with each of the LEPs along the Corridor (New Anglia, Cambridgeshire &

Peterborough, Herts, SELEP and London LEAP). The objective is to support a joined-up Local Industrial Strategy (LIS) across the corridor.

- 7.3 During the year the LSCC has been pressing the Government, Treasury and Department for Transport for additional support for West Anglia Mainline renewal and the regional economic growth such investment will support and sustain as well as promoting events and specific discussions along the corridor and encouraging collaboration both between businesses and with local authorities between Cambridge City and London. Cambridge City based businesses are highlighted within the website as exemplars of innovation and idea generation.

8. Cambridge – Milton Keynes – Oxford Arc

- 8.1 In March 2016, the National Infrastructure Commission (NIS) was asked to consider how to maximise the potential of the Cambridge – Milton Keynes – Oxford corridor. The interim findings came out in November 2016 and Cambridge City Council and its partners provided a view on what was required to support our area. The final report, “Partnering for Prosperity: a new deal for the Cambridge – Milton Keynes – Oxford Arc”, was published in November 2017.
- 8.2 The report identified opportunities to create well-designed, well-connected new communities and deliver one million new homes and jobs in the area by 2050. Central to achieving this vision was the completion of a new East-West Rail line connecting Oxford and Cambridge by 2030.
- 8.3 Alongside the 2019 Spring Statement the Government published its “Ambition” and a joint declaration between Government and local partners from across the Oxford-Cambridge Arc, including Chairs of Local Enterprise Partnerships and Leaders of all local councils in the area. The document also provides an early update on the government’s work to develop a robust economic evidence base for the Arc. Cllr. Lewis Herbert, Leader of Cambridge City Council sits in an Arc Leaders

Group of local authority Leaders and Local Enterprise Partnerships (LEPs) Chairs to help ensure coordination.

- 8.4 The local authorities have established a partnership to co-ordinate activity, for instance producing an economic prospectus, work on a “Green Arc” and a spatial framework. Each Council is asked for a contribution of £13,500 to this work for 2021/22 (an increase from previous contributions of £5,500).
- 8.4 On 5th October 2020, the Arc Leadership published the Arc's Economic Prospectus. This sets out a joint vision for the Arc, shared ambitions and investment propositions that will enable the Arc to fulfil its true potential to deliver transformational economic growth that will benefit the whole of the UK. Setting out the area's 'asks of Government', the region seeks recognition and joined up investment from Government to enhance the area's science, technologies and innovative industries, tackle connectivity and congestion constraints and provide the skills that industry requires to enable the Arc to pursue its role as a leading global innovation economy.

9. Implications

(a) Financial Implications

The strategic partnerships will be responsible for drawing down significant levels of resources to improve infrastructure and support the growth of Cambridge City, including any emergency funding. By working together with other public agencies the council may be able to achieve more than working on its own. As set out in the BSR, Cambridge City Council provides resources to the GCP through a contribution of New Homes Bonus. The Council no longer pays a subscription to the LEP, following the transfer of LEP functions to the Business Board. Both the GCP and CPCA have their own funding.

Cambridge City Council made a contribution of £5,000 to the costs of the Fast Growing Cities group's activities and events; and pays £10,000 to support the work of the LSCC. The Council will pay a contribution of £13,500 to the Oxford-Cambridge Arc group of local authorities in 2021/22.

(b) Staffing Implications

This will depend on how the development of joint working opportunities is taken forward within each partnership.

(c) Equality and Poverty Implications

The partnerships will identify ways of involving all communities in their work, including those who are more disadvantaged. Emphasis will be on providing affordable housing, training and other measures to move people back into work and addressing inequalities. During the pandemic work has looked to support the local economy and support those most vulnerable.

(d) Environmental Implications

Business models that promote low carbon use and improve the sustainability of developments will be supported, including the Cambridgeshire and Peterborough Climate Change Commission being established by the CPCA.

(e) Procurement Implications

The partnerships are likely to procure or commission services to achieve their aims.

(f) Community Safety Implications

To improve community safety is the purpose of the Cambridge Community Safety Partnership, which will be the subject of a report to Environment and Community Services Scrutiny Committee.

10. Consultation and communication considerations

Individual bidding streams and plans will specify stakeholders and communities to be consulted, especially where targeted work is required.

11. Background papers

Background papers used in the preparation of this report:

Cambridge City Council's Guide to Partnership Working

<https://www.cambridge.gov.uk/guide-to-partnership-working>

Cambridgeshire and Peterborough Local Industrial Strategy, July 2019

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/818886/Cambridge_SINGLE_PAGE.pdf

Draft Combined Authority Business Plan 2020-21

<https://cambridgeshirepeterboroughcagov.cmis.uk.com/Document.ashx?czJKcaeA5tUFL1DTL2UE4zNRBcoShgo=%2fPxzRzmqFTF2rw33eZF9d3E40lkVZ9A0bcFiKnR0c%2fPYPWmpcyW0w%3d%3d&rUzwRPf%2bZ3zd4E7lkn8Lvw%3d%3d=pwRE6AGJFLDNh225F5QMaQWCiPHwdhUICZ%2fUQzgA2uL5INRG4jdQ%3d%3d&mCTIbCubSFIXsDGW9IXnlg%3d%3d=hFfUdN3100%3d&kCx1AnS9%2fpWZQ40DXFvEw%3d%3d=hFfUdN3100%3d&uJovDxwdjMPoYy%2bAjyYtA%3d%3d=ctNJF55v>

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Cambridgeshire and Peterborough Combined Authority Business Board

<http://cambridgeshirepeterborough-ca.gov.uk/business-board>

Local Economic Recovery Strategy

<https://cambridgeshirepeterborough-ca.gov.uk/assets/LERS/LERS-Appendix-2-City-Districts-and-Town-Level-Recovery-Strategies-Final-Version1-01092020.pdf>

GCP Quarterly Progress Report

See pages 29-54 of [GCP December 2020 agenda pack](#)

GCP Governance

<https://www.greatercambridge.org.uk/about-city-deal/governance/>

GCP City Access response to Covid-19 pandemic

<https://www.greatercambridge.org.uk/city-access/city-access-response-to-covid-19-pandemic>

Cambridgeshire County Council [Highways and Infrastructure Committee report](#), March 2020

Fast Growth Cities: Centre for Cities

<https://www.centreforcities.org/publication/fast-growth-cities-opportunities-and-challenges-for-cambridge-oxford-milton-keynes-swindon-norwich/>

The UK's Innovation Corridor

<https://innovationcorridor.uk/discover/#inside-stories>

The Oxford-Cambridge Arc: government ambition and joint declaration between government and local partners

<https://www.gov.uk/government/publications/the-oxford-cambridge-arc-government-ambition-and-joint-declaration-between-government-and-local-partners>

The Oxford-Cambridge Arc Economic Prospectus

https://www.semlep.com/modules/downloads/download.php?file_name=2133

12. Appendices

Appendix 1: Table showing status of delivery of GCP transport projects, December 2020

13. Inspection of papers

To inspect the background papers or if you have a query on the report please contact GRAHAM SAINT, CORPORATE STRATEGY OFFICER, tel: 01223 - 457044, email: graham.saint@cambridge.gov.uk.

Appendix 1:

Table showing an overview of delivery of GCP transport projects, December 2020

Project		Current Delivery Stage	Target Completion Date	Forecast Completion Date	Status		
					Previous	Current	Change
Cambridge Southeast Transport Study (formerly A1307)		Construction / Design	2024	2024	G	G	↔
Cambourne to Cambridge / A428 Corridor		Paused	2024	2024	R	R	↔
Waterbeach to Cambridge		Early Design	2027	2027	G	G	↔
Eastern Access		Early Design	2027	2027	G	G	↔
Milton Road		Design (Reprofiled)	2023	2023	G	G	↔
City Centre Access Project		Design	2020	2021 (Design only)	A	A	↔
Chisholm Trail Cycle Links	Phase 1	Construction	2020	2021	A	A	↔
	Phase 2	Construction	2022	2022	G	G	↔
Cross-City Cycle Improvements	Fulbourn / Cherry Hinton Eastern Access	Construction / Complete	2019	2020	A	A	↔
	Links to East Cambridge and NCN11/ Fen Ditton	Construction / Complete	2019	2020	A	A	↔
Histon Road Bus Priority		Construction	2022	2021	G	G	↔
West of Cambridge Package		Design	2021	2022	A	A	↔
Residents Parking Implementation		Implementation / Paused	2021	2021	R	R	↔
Waterbeach Greenway		Project Initiation	2024	2024	G	G	↔
Fulbourn Greenway		Project Initiation	2024	2024	G	G	↔
Comberton Greenway		Project Initiation	2025	2025	G	G	↔
Melbourn Greenway		Project Initiation	2025	2025	G	G	↔
St Ives Greenway		Project Initiation	2023	2023	G	G	↔
Barton Greenway		Project Initiation	2025	2025		G	-
Bottisham Greenway		Project Initiation	2025	2025		G	-
Horningsea Greenway		Project Initiation	2025	2025		G	-
Sawston Greenway		Project Initiation	2025	2025		G	-
Swaffthams Greenway		Project Initiation	2025	2025		G	-
Maddingley Road (Cycling)		Design	2022	2022	G	G	↔

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Item

CAMBRIDGE CITY HOUSING COMPANY LIMITED – UPDATE

To:

Councillor Lewis Herbert, Leader and Executive Councillor for Strategy and External Partnerships

Strategy & Resources Scrutiny Committee 08/02/2021

Report by:

Caroline Ryba, Head of Finance and S151 Officer

Tel: 01223 - 458134 Email: caroline.ryba@cambridge.gov.uk

Wards affected:

All

The appendix to the report contains exempt information during which the public is likely to be excluded from the meeting subject to determination by the Scrutiny Committee following consideration of a public interest test. This exclusion would be made under paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

1. Executive Summary

- 1.1 This report presents an update on the Council's intermediate housing company, Cambridge City Housing Company Limited (CCHC). The updated business plan for CCHC for the period 2020/21 – 2029/30 is attached.
- 1.2 CCHC performed well over the past year in terms of letting with low void levels, minimal arrears, and low levels of antisocial behaviour over the past year. The Annual General Meeting was held on 12th October 2020.
- 1.3 Since Covid-19, CCHC leased 5 properties from the Council to re-let to rough sleepers to help meet their needs, providing accommodation to

help keep them safe and provide support. It is considering further lettings from the private sector to provide additional properties to assist in this.

- 1.4 Financially in 2019/20, CCHC generated a small surplus in direct trading activity of £59,608 with an increase in the value of the investment property by approximately 2.36%, to c£7.9m.

2. Recommendations

The Executive Councillor is recommended to:

- 2.1 Note the comments of the Strategy & Resources Scrutiny Committee on the draft Business Plan; and
- 2.2 To inform the Board of Directors of Cambridge City Housing Company of the comments of the Strategy & Resources Scrutiny Committee/Council for consideration in finalising the Business Plan
- 2.3 Request a further review of the Housing Company's acquisition policy and future plans prior to the Council's loan refinancing due in April 2022.

3. Background

Page: 2

- 3.1. CCHC was established in February 2016 to alleviate some of the pressures on the intermediate housing market in Cambridge. It is an independent property company, wholly owned by Cambridge City Council.
- 3.2 The objectives of the company are to provide and manage housing that is affordable for those in housing need and any other property related activity in Cambridge and neighbouring districts, whilst also generating a financial return for the Council.
- 3.3 CCHC owns 23 market housing units at Water Lane and Aylesborough Close let at sub-market rent. In 2020, CCHC leased 5 properties from the Council's housing stock to let to people who were rough sleepers pre-Covid-19. This supports the Housing Company's objective to support housing need the 5 leased properties now provide accommodation for 8 people.
- 3.4 The Council's Town Hall Lettings team provide property management services for CCHC's properties and this has been a successful partnership. They provide a good service, dealing with all day to day matters arising and have developed good relationships with the tenants. The coronavirus pandemic has more recently seen their involvement with tenants increase but no significant issues have arisen so far.

- 3.5 CCHC's Annual General Meeting was held on 12th October 2020 and the draft business plan was shared at that meeting. All Councillors were invited to the Meeting and it was held virtually this year.
- 3.6 The decision making for CCHC has to be the Board of Directors but the agreed approach for the Council as shareholder to give direction to the Board is through presenting this update and the draft business plan attached as Appendix A.

4. Future development of the company

- 4.1 As the 100% shareholder of the company, the Council will continue to explore how the company can be funded and developed to meet its dual objectives in respect of meeting housing need and a financial return, within acceptable levels of risk. Opportunities that may arise, for example, through the Cambridge Investment Partnership, will be considered and where appropriate reports brought back to Committee to seek additional funding.
- 4.2 Consideration has been given to a similar model to CCHC leasing properties from the Council but with private sector landlords. This could be for up to a further 20 properties and would be used to provide accommodation and support for rough sleepers. This requires no capital outlay for CCHC and the Council has appropriate protections in place for CCHC. Initially the Council is attempting to secure private sector leased properties through the existing Town Hall Lettings route in an expansion of an existing scheme, but if this is not successful, CCHC may step in.
- 4.3 The business plan for CCHC for the period 2020/21 – 2029/30 is at Appendix A for the Committee's consideration and comment.

5. Implications

(a) Financial Implications

- 5.1 During the period ended 31 March 2020, CCHC generated a profit of £206,880, compared to a profit in the previous year of £189,080. The value of the investment property increased over the year by approximately 2.36%, to £7,927,200. Excluding the increase in the value of the investment property of £182,900, and the associated deferred corporation tax of £35,628, the company generated a surplus in direct trading activity of £59,608. This represents a revenue return on capital employed of c7.5%.

- 5.2 The company has loans from the Council of £7.5m and deferred tax liabilities of c£57k.
- 5.3 Rents have been reviewed in line with market conditions and increased where appropriate in line with local market conditions and CCHC's sub market rent approach. Market pressure on rents for some of the properties, however, has suppressed rents to some degree compared to the original business plan, exacerbated by the coronavirus pandemic. CCHC has been flexible in dealing with issues arising since March 2020 but has managed to maintain income levels with low void levels to date.
- 5.4 The Council received interest payments on its loan to CCHC of £151,500 in 2019/20. No dividend was paid as it was considered prudent to retain cash in the business as the loan repayment period has extended due to some rent increases being below original forecast.

(b) Staffing Implications

- 5.5 Housing management services are supplied to the company by the Council's Town Hall Lettings team. Council staff provide director, company secretary and administrative support to CCHC, charged to the company at cost.

(c) Equality and Poverty Implications

- 5.6 No Equality impact Assessment has been done as this is a continuation of an existing service.

(d) Environmental Implications

- 5.7 The current properties have Environmental Performance Certificates of good Bs with limited recommendations which would only marginally increase the EPC score. A typical EPC for the properties is shown below:

Score	Energy rating	Current	Potential
92+	A		
81-91	B	87 B	88 B
69-80	C		
55-68	D		
39-54	E		
21-38	F		
1-20	G		

- 5.8 Although the CCHC properties perform relatively well compared to many properties, they do not meet net zero carbon. To achieve net zero carbon will require retrofitting in the future and further investment in the properties.
- 5.9 The current CCHC business plan does not have a strategy for improving the environmental performance of its existing properties. As a small part of the Council's housing provision, it is not proposed that CCHC do independent design work on retrofitting its properties at present. CCHC will work with Estates & Facilities, learning from the work it is doing in respect of retrofitting the Council's significant HRA portfolio to achieve the required environmental performance.
- 5.10 Subsequent CCHC business plans will incorporate a strategy as to how the properties can be improved, the required level to be achieved and how this can be financed.

(e) Procurement Implications

- 5.11 The company procures services in line with the council's procurement regulations.

(f) Community Safety Implications

- 5.12 None.

6. Consultation and communication considerations

- 6.10 None, as this report recommends actions that will ensure the continuation of the services provided by CCHC.

7. Background papers

- 7.1 Background papers used in the preparation of this report:
- Cambridge City Housing Company Ltd Annual Report and Financial Statements for the Year ending 31st March 2020
 - Ensor's Final Management Report for the Year ending 31st March 2020
 - Strategy & Resources Scrutiny Committee Report and Minutes – '*Cambridge City Housing Company - Review of Pilot Phase*' – 11th February 2019

8. Appendices

9. Inspection of papers

To inspect the background papers or if you have a query on the report please contact Caroline Ryba, Head of Finance, tel: 01223 - 458134, email: caroline.ryba@cambridge.gov.uk.

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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UPDATE ON CAMBRIDGE NORTH EAST PROGRAMME AND PROGRESS ON THE BASELINE SUMMARY CORE SITE BUSINESS PLAN

TO: EXECUTIVE COUNCILLOR FOR STRATEGY AND PARTNERSHIPS

REPORT BY: FIONA BRYANT, STRATEGIC DIRECTOR

**COMMITTEE: STRATEGY AND RESOURCES SCRUTINY COMMITTEE 8TH
FEBRUARY 2021**

WARDS AFFECTED: EAST CHESTERTON

1.0 Executive Summary

1.1 This report provides an update on the North East Cambridge programme and outlines progress against the three key projects associated with its strategic regeneration.

1.2 The North East Cambridge Programme aims to deliver a brand new district in North East Cambridge. The new district will encompass around 8000 homes, set new standards of sustainability, enhance the quality of life of local people and support the economy of Greater Cambridge. It will help meet the pressing need for new homes in the Greater Cambridge housing market, in a highly sustainable location close to places of employment and well supported by amenities and infrastructure.

1.3 Located at the heart of the new district will be the Core Site – currently the location for Anglian Water's Cambridge Waste Water Treatment Plant and the adjacent Cambridge City Council owned Land. The Core Site will be central to delivering the Local Planning Authorities' vision for the wider North East Cambridge area as:

**“an inclusive, walkable, low-carbon new
city district with a lively mix of homes, workplaces, services and social spaces,
fully integrated with surrounding neighbourhoods”.**

1.3 The programme is highly complex, but, in simple terms, comprises three key projects with a number of underlying workstreams.

- The overarching planning framework (primarily through the North East Cambridge Area Action Plan (NECAAP or AAP)), led by the Greater Cambridge Shared Planning Service
- The Cambridge Waste Water Treatment Plant Relocation Project (Relocation project or CWWTPR) -funded by c£227m of MHCLG's Housing Infrastructure Programme funding, administered by Homes England), led by Anglian Water
- The Core Site development project, led by Cambridge 4 LLP, the joint venture (JV) between the City Council and Anglian Water, with U&I appointed as the Master Developer.

The JV partners and the Greater Cambridge Shared Planning Service are also working with other landowners within the NECAAP area to support the LPA to ensure a coherent master planning process for the district as a whole.

1.4 Whilst the NECAAP and the Relocation project have held public consultations in 2020, the progression on the Core Site development, of which the emerging baseline business plan is a key document going forward, has only just started this process following the final agreement on the Housing Infrastructure funding (HIF) in March 2020. At this stage the business plan is emerging as a series of high level strategies, outlining the key purpose and objectives of each area of the future business plan.

1.4 The programme is subject to monthly monitoring and reporting for Homes England and MHCLG. The individual projects also have their own statutory and/or other governance and reporting lines e.g. NECAAP through the normal statutory and/or via scrutiny and/ Exec Cllr decision making processes as appropriate. The Core Site development scheme operational management comes under the auspices of the Joint Venture LLP but reserved matters are decisions for the Council decision processes and the Anglian Water Board. General highlight and exceptions reporting has been established within the City Council's own Corporate Programme Office, with quarterly updates to Council Executive Members and the Senior Leadership team. Quarterly reporting for information will be made to the Cambridgeshire and Peterborough Combined Authority's (CPCA's) Housing Committee.

2.0 Recommendations

The Executive Councillor is asked to:

- Note the update on progress across the programme

Note the progress against the projects which are managed in line with their statutory and legal governance and management arrangements.

- Note that a further update will be submitted to Strategy and Resources committee in 2022 (any reserved matters decision requirements will be reported to the relevant Committee and Anglian Water's Board as required)

3.0. Programme Timescales and Milestones

3.1 The programme is a complex one, and the timescales are based around a key number of planning dependency milestones. These comprise some key milestones outlined within the Housing Infrastructure Fund (HIF) agreement.

3.2 Final development timescales are still evolving. Project interdependencies are key to this programme, and are under regular review, but the current estimated dates are as follows:

NEC AAP Draft Consultation	2020 (completed)
Development Consent Order (DCO) Initial Consultation	2020 (completed)
Emerging Core Site Baseline Business Plan	2021
Meanwhile Use Planning Application	2021
DCO Submission	2022/3
DCO Determination	2023
AAP final submission	2024
AAP Adoption	2025
Hybrid planning application submission	2024
Hybrid planning application determination	2025
Plot option agreements complete	2026-2030
Phased development starts on site	2027 – 2043
First Occupation of Housing on Core Site (can only happen when WWTP is fully decommissioned and commissioned at new site)	2028

4.0 Key Project Updates

4.1 The North East Cambridge Area Action Plan (NECAAP or AAP)

4.1.1 The relevant planning consents for the relocation project and the Core Site development are related to the timescales for progression on the NECAAP and the emerging Local Plan

4.1.2 The Greater Cambridge Shared Planning Service published and consulted in summer 2020 on early proposals for the new low-carbon city district including 8,000 new homes and 20,000 new jobs in a draft Area Action Plan (NECAAP) for North East Cambridge.

4.1.3 The draft proposals were approved by Executive Councillor following scrutiny in public at Planning and Transport Scrutiny in June 2020, prior to being issued for public consultation between July and October 2020

4.1.4 The vision for the Area Action Plan underpins the desired outcomes for the new district in proposing **‘an inclusive, walkable, low-carbon new city district with a lively mix of homes, workplaces, services and social spaces, fully integrated with surrounding neighbourhoods’**

4.1.5 The Greater Cambridge Shared Planning Service are working on preparing the Pre-Submission Plan for member scrutiny in summer/autumn 2021, which will form the Council's final proposed plan for North East Cambridge, subject to formal consultation and scrutiny by the Inspector at the Examination hearings. The formal submission of the AAP seeks to track the Relocation Project Development Consent Order process.

4.1.6 The Greater Cambridge Local Plan Preferred Options will be considered by members (for Cambridge - Planning & transport scrutiny committee) prior to consultation in Summer/ Autumn 2021. Specific dates yet to be confirmed. Details of the timetable of plan production can be found in the [Local Development Scheme](#).

4.1.7 . The project is led by the Greater Cambridge Shared Planning Service and primary reporting for the NEC AAP is, for City Council purposes, to Executive Cllr and Planning and Transport Scrutiny committee so this update to SnR committee is simply in the context of progress on the overall programme..

4.2 The Cambridge Waste Water Treatment plant (CWWTP) Relocation

4.2.1 Strategic regeneration of the NEC area into a new district for the city relies upon the Cambridge waste water treatment plant being relocated, unlocking an area that will deliver around 5600 of those new homes at the heart of the new quarter. The proposed relocation is being funded by the Housing Infrastructure Fund (HIF) , administered by Homes England.

4.2.2 The relocation project will deliver a modern, carbon-efficient waste water treatment plant that will continue to provide vital services for the community and the environment, recycling water and nutrients, producing green energy, and enabling Cambridge to grow sustainably.

4.2.3 Relocating the plant from the current site on Cowley Road will:

- Allow the existing site to be redeveloped, delivering thousands of much needed new homes including 40% affordable housing
- Provide a mix of homes, workplaces, retail and community spaces that are physically connected, socially cohesive and fully integrated with surrounding neighbourhoods
- Enable Improvements to walking, cycling and public transport connectivity, helping to address climate change through reducing car use
- Create a lively mixed area with a real sense of place, fostering community wellbeing and encouraging collaboration
- Create new parks and open spaces that will form a biodiverse and accessible network linked with parks in the wider area

4.2.4 The project is being considered as national strategic level project and the planning strategy is via a Development Consent Order (DCO), which is determined by a nationally appointed inspector. The development of a DCO application is a statutory process. Section 35 consent for the DCO has been approved by DEFRA.

4.2.5 The project was launched by Anglian Water on 8th July 2020 and the initial site selection consultation was published on the same day, across a range of digital and traditional

communication and engagement channels. Alongside the benefits of the strategic regeneration of North East Cambridge, the project will provide the opportunity to design and build a modern, carbon efficient waste water treatment plant using the latest technologies. This will enable more efficient service to customers across Greater Cambridge and into the future. The new plant will enable:

- Reduction of the plant footprint to around half the existing site
- Reduced carbon emissions, contributing to aim for net zero carbon
- Minimising odour through modern design and operational management
- Delivery of new biodiversity habitats and environmental enhancement

4.2.6 The project has built on Anglian Water's open, iterative stakeholder engagement strategy designed to gather feedback from a range of stakeholders throughout the development of the proposals (and in compliance with legal and regulatory requirements). In the run up to launch, Anglian Water engaged with a range of technical, local authority, community and elected stakeholders to engage them on the project and seek their input.

4.2.7 The project team has also engaged the services of the Design Council who are an independent charity and the government's advisor on design. Their team has a global network of experts in the built environment and design. The DCO process requires the applicant to demonstrate openness to good design and the Design Council will provide external assurance and validation throughout the programme's design journey.

4.2.8 The pre-application phase is a 24-month programme with three rounds of technical and community engagement.

4.2.9 The project was launched with a virtual 'village hall' exhibition and a [digital engagement platform](https://cwwtpr.com/) which can be accessed through the website (<https://cwwtpr.com/>) where can view, real time, the feedback Anglian Water are receiving from the community:

4.2.10 The first phase of consultation on the Relocation (CWWTPR) project was held between July and September 2020, designed to build awareness and understanding regarding the need for the relocation and what it would deliver and specifically asked for feedback regarding the three relocation site options:

4.2.11 Anglian Water published a [consultation summary report](#) towards the end of November which summarised the quantitative and qualitative feedback received and explained how this was being incorporated into the final decision on the site and the early design process.

4.2.12 There were 5,700 unique visitors to the website and 3366 comments made by 1766 unique respondents giving further insights from the local communities and a wide spectrum of stakeholders.

4.2.13 The vast majority of respondents stated they were local residents and responses were received from communities local to all three site area options. The most frequently raised topics for each site were: 'Air quality, noise and vibration': the most popular topic for each site option, within which the main concern was anticipated odour impacts to local communities and amenities.

'Traffic and access', 'Impact on local amenities', and 'Landscape and views' were also frequently commented on for each site.

4.2.14 All feedback received to the consultation is being considered in the site selection alongside environmental, planning, operational and programme assessments. Site selection will conclude in late January 2021 when Anglian Water will announce which site has been selected. All feedback received during this consultation and the further two phases to follow will be published in full in the final Consultation Report which will be included within the application for a Development Consent Order (DCO) planned for 2022/23.

4.2.15 Stakeholder engagement is ongoing and now focused on seeking to build an understanding and gain input into Anglian Water's design vision both for the new plant and to explore the wider community aspirations the project could deliver.

5.0 The Development of the Core Site

5.1 The Core Site comprises around 48ha of land at the heart of the proposed new district and is owned by Anglian Water and Cambridge City Council. Whilst the Core site itself is located within the City, its place within the wider NECAAP area and its location at the very heart of the proposed new district mean that its strategic regeneration will also deliver major benefits for the wider Greater Cambridge geography.

5.2 The development of the Core Site is underpinned by the master development agreement (MDA), the contract between the Cambridge 4 LLP Joint venture (Anglian Water and Cambridge City Council) and the appointed master developer, U&I. The terms of MDA require the Developer and the Owners to act in good faith to achieve the objectives.

5.3 Following the signing of the Housing Infrastructure Funding (HIF) contract and the Area Action Plan and Development Consent Order process being underway, it was agreed, as reported to Strategy and Resources Committee in October 2018 and February 2020 that the next key piece of work would be to develop an emerging business plan for the proposed Core Site development.

5.4 The timescales of the negotiations on the HIF agreement and the early stages of the Core Site development project mean that at this stage, the business plan is a series of high level strategies, outlining the key objectives and context for each strategy.

5.5 The Business Plan is a legal document to be reviewed at least once a year. A number of virtual workshops were held this year with colleagues to establish the key principles and objectives for the strategies making up the emerging business plan, and senior management team members and other key managers have commented on the draft strategies. Summaries of the major strategies are outlined in the following pages.

5.6 The Vision

5.6.1 Central to any major scheme development is outlining the vision and values for such a development. The vision for the Core Site builds on the NECAAP's vision and on City Councillor and Anglian Water Board's input and contributions to discussions by many stakeholders on the project over the last few years.

5.6.2 A draft Placebook is being developed to help to introduce the importance and opportunity of the Core Site to underpin the new district at its heart through an innovative, sustainable and integrated scheme. The placebook is a dynamic document and will evolve as the scheme develops and the NECAAP masterplan becomes more established. The current draft is attached at Appendix B.

5.6.3 The Vision for the Core Site is for a place that:

- is not only located, but also firmly **rooted in Cambridge**. It will be an integral area of this unique city, delivering the needs of the future whilst taking inspiration from the past. It will be a place where people know their neighbours and put down roots. It will be **shaped by many**, involving local people and organisations as it is planned, being built by a wide range of delivery partners and involving future residents in its management once it's complete.
- The Core Site will be **open to all**: its resources will be available to everyone, offering affordable housing as well as a place to start and a place to stay. By considering the needs of children and more vulnerable people, it will be a good place for everyone. The Core Site will make it easy for people to **live within their environmental means**, using innovative technologies to reduce the impacts of construction, responding to the climate emergency and encouraging more sustainable lifestyles.
- The Core Site will **be integrated with nature**, incorporating biodiversity, enabling people to experience wildlife at first hand, and looking to the natural world to help solve challenges. And it will be an inclusive place with **street life** offering spaces for play, exercise and nature, places to work, shop and have fun, and enabling walking, cycling and low-carbon modes of movement.

5.6.4 The vision is based on three Promises – to the people who'll live, work, or simply spend time here, to the city of Cambridge, Greater Cambridge and to the planet – and six Values, the principles that will guide the project as it is planned and delivered, and which will shape the identity of the new place.

Three key Promises underpin our vision for the Core Site.



PEOPLE: The Core Site will support the health, happiness and wellbeing of the people who'll live, work and spend time here.



CITY: The Core Site will be an integral new quarter of Cambridge, taking inspiration from the city, engaging with its citizens' present needs and helping shape its future.



PLANET: The Core Site will be an exemplar for development fit for the challenges of the 21st Century, enabling sustainable lifestyles, protecting and enhancing nature and accelerating the transition to a zero-carbon world.

Six Values will underpin and guide the project.

Rooted in Cambridge	<ul style="list-style-type: none"> The Core Site will be an integral, new piece of Cambridge, that is both part of the city and a distinctive new place in its own right. It will help shape the City's future whilst learning from the city's history and character. It will be a place to live, work, play and learn, where people know their neighbours, shop locally and put down roots.
Shaped by many	<ul style="list-style-type: none"> We'll engage with many people and organisations through the process of planning and delivering the Core Site, enabling the new place to be influenced by different perspectives. It will be delivered by many partners: larger developers, affordable housing providers, SMEs and community-led organisations. Once built, residents will continue to shape the new place, through community-focused forms of place and space management and a culture of participation.
Open to all	<ul style="list-style-type: none"> The Core Site's resources – its homes, public space, shops, employment opportunities and community facilities – will be affordable, available and accessible to all. It will provide a place to start, and a place to stay, with homes for those just starting out, those raising families, people downsizing and others in the later stages of their lives. The Core Site will foster a culture of inclusiveness and diversity, designed to value children, older people, those who are more vulnerable, and those whose voices do not always get heard.
Living within environmental means	<ul style="list-style-type: none"> The Core Site will be innovatively designed and constructed to make efficient use of valuable natural resources such as land, water and energy. It will respond to the challenges of the climate emergency and help Cambridge meet its commitment to achieving net zero carbon before 2050. It will make it easier for people to live sustainable and healthy lifestyles with a high quality of life.
Integrated with nature	<ul style="list-style-type: none"> The Core Site will incorporate nature and wildlife throughout its buildings, gardens, streets and parks. It will offer the opportunity to experience nature at first hand – through food growing, conservation initiatives and exploring wild places, and using nature to enhance wellbeing. We'll learn from nature in developing innovative approaches to design, construction, energy production and water management.

Street life	<ul style="list-style-type: none"> • In large part free of cars, streets at the Core Site will take on many new roles – places for children's play, exercise, café tables and natural landscaping. • The Core Site's streets will be home to a variety of uses, providing places to work, shop and have fun within easy walk of home. • Streets will enable walking, cycling and low-carbon modes of transport, with excellent bus connections and easy access to Cambridge North station.
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5.7 THE PLANNING STRATEGY

5.7.1 The planning strategy is a key component of the business plan in that it identifies, for the Core Site development, the framework within which a planning application will be progressed. The approach to the planning strategy will be informed by the objectives in the Master Development Agreement and the Promises and Values established for the Core Site.

5.7.2 Of particular relevance is the Promise to support the health, happiness and wellbeing of the people who'll live, work and spend time here, and to *enable sustainable lifestyles, preserving and enhancing nature and accelerating the transition to a zero-carbon world*

5.7.3 The Planning Strategy will chart an appropriate course through the planning process, noting in particular the inter-relationships with the Development Consent Order (DC) and Area Action Plan (NECAAP)

5.7.4 Whilst the Core Site is proposed for redevelopment in the 2018 adopted Cambridge Local Plan, the wholesale relocation of the waste water treatment plant was not envisaged at that time. Therefore adopted policy seeks commercial & industrial uses rather than a residential led approach. Given this, the purpose of the Planning Strategy is to articulate the journey from current planning status to submission and determination of a planning permission for a residential-led mixed use development to the quantum set out in the MDA (5,600 homes).

5.7.5. The principal factors determining what detailed matters will be included for determination in the principal outline planning application will relate to the following:

1. Meanwhile Use If a programme of meanwhile activities can be funded and is deliverable;
2. Any proposed initial phase of commercial development being brought forward under the scope of the existing adopted local plan;
3. The requirement for principal infrastructure and other matters to be fixed at the outset, even if not to be delivered until later phases.

5.7.6 The design code will be a particularly important element of the planning application since it will set out what is prescribed of development – and critically of streets and the public realm. It will also provide guidance and advice where there is more flexibility for developers.

5.8 PLOT DELIVERY STRATEGY

5.8.1 The Plot Delivery Strategy describes how developers will be selected to deliver plots, safeguard design and construction quality, and ensure each plot fulfils its part of the overall vision and masterplan for the Core Site. In doing so, it will help ensure that we deliver on the project's promises and values described in the Vision, while protecting and enhancing our and our partners' wider interests and reputation.

5.8.2 This strategy is based around the following key objectives:

1. Engaging a range of delivery partners in bringing forward the coordinated delivery of the masterplan

A key aim of the Plot Delivery Strategy is to enable the delivery of the development in a way that reflects the Vision, Promises and Values of the project. This involves the Master Developer setting the context, parameters and commercial arrangements for a range of delivery partners, making sure that what is delivered is compliant with the planning permission, the vision of the project and the longer-term value creation strategy. It will also involve making sure that development is coordinated between Plots and phases.

2. Maximising the value of the land as a whole by optimising the value of each plot

This objective recognises that achieving the highest possible price for each plot will not always be the best way to maximise the whole. The merits and logic of this approach are increasingly well understood and assessed. For example, *The Value of Placemaking* (Savills, October 2016) found that additional early spending on placemaking increased overall land value by nearly a quarter as significant new developments became established in the market as destination places to live and inhabit, enabled by a patient approach to investment and land-value extraction.

5.8.3 The summary of the strategy is as follows:

- All developable land within the Core Site Masterplan will be allocated to a Plot Plan.
- Plots will reflect the development parameters established by the Planning Permission.
- There will be three Plot Types – Enabling Plots, Standard Plots and Bespoke Plots – according to size, complexity and requirement for infrastructure.
- A range of different development partners will be engaged in the delivery process – from specialist SMEs to volume housebuilders and institutional investors; the three different Plot Types will provide a framework for categorising the potential partners.
- Enabling infrastructure will either be delivered by the Master Developer or otherwise passed on as a requirement to the plot developer with appropriate safeguards.
- Plots will be subject to design governance including the Site Wide Design Code. A Plot Development Brief will be prepared for every Plot and form the basis of the disposal of that Plot.
- A range of disposal and procurement processes, design governance measure, financial structures and enforcement mechanisms will be applied to ensure quality.

5.8.4 A Plot:

- is any area containing developable land which it is intended will be disposed of as a single entity;
- may range in scale from multiple blocks or even a whole neighbourhood down to a single building lot;
- may or may not also contain non-developable land, together with any associated obligations.

- enforcement in deliver

5.8.5 The matrix below shows how the tools described above may be deployed in relation to the three types of plot.

	Strategic scale	Enabling	Standard	Bespoke
Overview	Description	Large disposals under which plot developers fund or deliver infrastructure enabling wider neighbourhood development, as well as their own plot development, with the cost of infrastructure offset against the land price.	Mid-size disposals of residential plots for 'good ordinary' development by housing developers of a mix of sizes and types.	Bespoke disposals at the scale of a street, block or building requiring special attention to design quality or user engagement by virtue of its prominence, civic importance or market niche.
	Plot developers	Institutional investors Tier 1 contractor-developers Council	Volume housebuilders SME housebuilders Commercial and mixed-use developers Housing associations Specialist developers Council	SME developers Specialist developers Master developer Council
	Estimated % of site (by plots)	35%	50%	15%
	Typical locations	Higher-density plots at neighbourhood edges	Lower-to-medium density residential areas throughout	Prominent plots on primary streets One-off, special buildings
Scope	Typical size (residential units)	250+	100-250 (more in stages)	<100
	Typical tenures	PRS residential Market sale residential Affordable	Market sale residential PRS residential Affordable residential	Civic, cultural and community Mixed-use Custom-build and community-led

		residential Mixed-use		residential Specialist residential
	Infrastructure responsibilities	Primary and/or secondary to neighbourhood Tertiary to plot	Tertiary to plot Some secondary	Tertiary to plot
Tools	Disposal and procurement processes	Competitive or negotiated dialogue	Developer Panel Open-market disposal	Open-market disposal Direct delivery
	Design governance	Site-wide Design Code Plot Development Brief Master Developer review and approval Design subdivision Independent design review Additional planning permissions	Site-wide Design Code Plot Development Brief Master Developer review and approval Design subdivision Independent design review	Site-wide Design Code Plot Development Brief Design Competitions Master Developer review and approval Independent design review Additional planning permissions
	Financial structures	Negotiation Joint venture Land-for-infrastructure	Competitive two-stage sale Negotiation Overage and profit-sharing Deferred payment	Competitive two-stage sale Deferred payment Joint venture
	Enforcement mechanisms	Building licence Approval of construction details	Building licence Panel reviews	Building licence Mandatory forms of contract Approval of construction details

5.9 PHASING STRATEGY

5.9.1 Strategy Objectives

This strategy is split into 4 sections: Activation, Phase 0, Phase 1, and Future Phases. The objectives of the Phasing Strategy are as follows:

- To establish the place making as early as possible by bringing forward a mix of residential and complementary non-residential uses.
- To support the long-term value creation strategy as detailed in the Plot Delivery Strategy.
- To strike a balance between spreading development (i.e. developing out multiple areas simultaneously to speed up delivery) and concentrating it (i.e. focusing on completion of specific neighbourhoods).
- To maintain a mix of Plot types, dwelling types, sizes and tenures in each phase, with the aim of accelerating absorption rates.

- To support flexibility and resilience allowing the project to respond to changing market conditions.

5.9.2 It must be noted that we expect the masterplan and phasing to evolve considerably through the design and engagement process over the 3 years preceding a planning application. The Phase 0 Strategy will set out a proposal for a commercially-led phase to be delivered in 2023-25 (prior to the submission of the overall masterplan) – to build on the activation phase with the first permanent phase on site and keep momentum on the project. The Phase 1 Strategy sets out our thinking behind the first comprehensive mixed-use phase delivered in 2026-2028, as part of the overall site wide planning application, once the site is free from the operational, odour zone, and tenancy constraints, and when residential units can be occupied.

The Future Phases Strategy is less specific given the uncertainties with predicting trends and markets 7 years in advance – but simply sets out our general strategy to adapt future phases to achieve the project objectives. This considers absorption rates, placemaking, unit type/tenure mixes, best value, etc.

5.10 INFRASTRUCTURE STRATEGY

5.10.1 The following values are of particular importance in devising and implementing the infrastructure strategy:

‘Open to all’ - The Core Site will foster a culture of inclusiveness and diversity, **designed to value children, older people, those who are more vulnerable**, and those whose voices do not always get heard.

‘Living within our means’ - The Core Site will **be innovatively designed** and constructed to make efficient use of valuable natural resources such as land, water and energy.

‘Integrated with nature’ - The Core Site will incorporate **nature and wildlife** throughout its buildings, gardens, streets and parks.

5.10.2 This strategy seeks to ensure that the necessary infrastructure to support growth at the Core Site is planned, programmed, funded and delivered at the most appropriate level and at the right time as development proceeds; draws on economies of scale across North East Cambridge; is future-proofed and resilient to the challenges of climate change, adopting proven innovation where possible and appropriate

5.10.3 The infrastructure strategy will be delivered at three levels:

1. North East Cambridge AAP
2. The Core Site-wide
3. Individual plot or parcel

1. North East Cambridge AAP

Consultants Stantec have been appointed by Greater Cambridge Shared Planning Services to produce an Infrastructure Delivery Plan for NEC. Aspinall Verdi have been appointed alongside Stantec to undertake viability modelling. The Core Site team will be engaging with the consultant team to ensure that any proposals do not impact on the viability of development coming forward at the Core Site.

2. On-site infrastructure by the master developer

The scope of on-site infrastructure to be directly delivered by the master developer is anticipated to include the following:

- Demolition of any remaining waterworks infrastructure left over following the relocation and demolition procedures undertaken by Anglian Water;
- Completion of the necessary remediation and site preparation either on a plot-by-plot or entire-site level basis, where not undertaken by the Anglian Water Contractor (see section on remediation below);
- Primary streets to serve the development plots together with strategic links to neighbouring sites;
- Provision of public transport facilities on the primary street network;
- Strategic utilities to serve the development plots (to include electricity, water, sewage, surface water drainage, telecoms);
- Key water attenuation infrastructure, including ponds and storm cells;
- Key green infrastructure, including the main park, perimeter boundaries and green links;
- Key public buildings such as community centres and healthcare; and
- Transport hubs.

On-site infrastructure to be delivered by Cambridgeshire County Council, statutory undertakers and an Independent Distribution Network Operator (IDNO) will include:

- Two or more new schools. These will be funded through a Section 106 contribution (or any replacement regime) with the delivery supply chain either being procured by Cambridgeshire County Council coordinated with the wider development under the control of the master developer or procured by the master developer directly
- The diversion of the high-voltage overhead power cables currently crossing the site on pylons. The work will be coordinated and delivered by UKPN and their contractors but in coordination with the master developer

Off-site infrastructure to be delivered by U+I as master developer

The scope of the infrastructure to be delivered by U+I will likely include highway works consisting of two junction improvements, primarily on Milton Road and new junctions serving the site from Cowley Road east/west and Cowley Road north/south. It will also include improvements to pedestrian and cycle links west to the Science Park.

5.10.4 The delivery of this infrastructure will be controlled under the guardianship of the master developer using explicit contractual arrangements and the Design Code. The anticipated scope of the infrastructure to be delivered by the plot developers includes the following:

- Secondary and tertiary streets within development plots
- Neighbourhood squares within development plots
- Utilities distribution within development plots
- Local water attenuation, for example through blue roofs and storm cells
- Infrastructure for the recycling / reuse of grey water
- Waste management infrastructure

5.11 HOUSING STRATEGY

5.11.1 The Cambridgeshire and Peterborough Independent Economic Report focussed on the need to address the major challenges of housing and transport if wishing to fulfil Greater Cambridge's potential as a leading economy in the UK and globally recognised. The approach to the Housing Strategy will be informed by the Project Objectives in the Master Development Agreement and the Promises and Values established for the Core Site, as outlined in the Vision section earlier in this Business Plan. Delivery of the Core Site is consistent with a wider set of strategic objectives, including the emerging Greater Cambridge Local Plan and North East Cambridge Area Action Plan as well as the Greater Cambridge Housing Strategy. In design of housing, the reviewed Cambridge Sustainable Housing Design Guide will be a key reference.

5.11.2. The aspiration is for the Core Site to play a major role in the Greater Cambridge housing market, delivering a significant quantum of housing of a range of housing types and tenures to meet a variety of needs over the next two decades and becoming an exemplar community equipped to address the challenges of climate change in the decade to come. The Core Site will be revolutionary in its approach to housing in Greater Cambridge. It will have the ability to accommodate new and diverse solutions to residential-led development, with an emphasis on innovative, flexible, high quality, sustainable new homes.

5.11.3 The objectives of the Housing Strategy are for the Core Site to provide a range of different types, sizes and tenures, including affordable, to offer a new world-class provision to meet the requirements of those most in need (there are currently 1600 people on the City's housing register) and to also create new forms of market hitherto not offered in the City nor indeed its UK competitors. Parts of the City's economy compete on a global scale and the Core Site needs to respond to the opportunity that this presents whilst ensuring that no sections of the community are left behind or socially excluded.

5.11.4 The affordable tenures will make up 40% of the total number of housing units on the site.

5.11.5 The housing market in Cambridge is remaining reasonably buoyant at this time. Affordability ratios remain worse, and house prices and rents higher, than many parts of the country. The ratio of median house price to median gross annual residence based earnings in the City compared to the East of England and England as a whole is set out in the table below.

Table 1: Decreasing affordability of housing in Cambridge (house price:earnings ratio)¹

Area	2002	2010	2019
Cambridge City	7.84	9.16	13.67
East of England	5.45	6.94	9.02
England	5.11	6.85	7.83

5.11.6 These are some of challenges that the adopted and emerging planning policy documents, and the Greater Cambridge Housing Strategy, are attempting to address. They suggest that the

¹ Available at

<https://www.ons.gov.uk/peoplepopulationandcommunity/housing/datasets/ratioofhousepricetoresidencebasedearningslowerquartileandmedian>

Core Site should maximise the opportunities of providing a plurality of tenures and specialist housing types. These include not just affordable housing but also diversifying the range of products to respond to changing demographics and demand pressures. As well as Build To Rent, student housing, specialist housing suitable for an ageing population, people with disabilities, HMOs, custom build and cohousing could all have a role to play (see section on potential markets below).

5.11.7 Furthermore, the inclusion of a number of mixed land uses within the walkable neighbourhood concept, will ensure that a majority of residents in the Core Site can achieve their daily needs (work, shopping, education, community, leisure and recreation) without the permanent ownership of a car. It will also help to exploit post Covid-19 patterns of living including increased working from home.

5.11.9 The positive effect of this strategy will mean that the Core Site will appeal to a wide range of housing sectors and residents:

- Micro-housing for single people and couples, such as engineers / scientists / researchers seeking an affordable home close to work at the surrounding science, innovation and research parks;
- The Build to Rent / Private Rented Sector – across a range of different models and with varying additional facilities;
- Student accommodation;
- More conventional market housing of various sizes to suit people at different stages of life, from apartments to 4-bedroom family townhouses;
- Some larger apartments for family housing. For example, four bedrooms to suit those familiar with living in these types of units in other parts of Europe;
- Affordable housing of various tenures;
- Housing for older people, and/or people with mobility difficulties – who wish to live within a community and independently in homes suitable for their needs, where activities and facilities are within close proximity;
- Purpose built Houses in Multiple Ownership, for groups of people seeking accommodation that is affordable in the City; and
- Those seeking to live in an intentional community (such as a cohousing group) and/or seeking custom-build opportunities close to the City.

5.12 TRANSPORT STRATEGY

5.12.1 The Transport Strategy for the Core Site seeks to set it apart from its competitors as a place which is not designed around the needs of the motor vehicles but adopts a people-first approach, maximising the use of cycling and walking due to the great connectivity for public transport and by locating employment close to where people live. The strategy will help create a liveable space where people feel comfortable – and will improve their health and wellbeing in the process. It underpins each of the three Promises that define the project's goals and strikes a chord with the following Values: Street life - Streets will enable walking, cycling and low-carbon modes of transport, with excellent bus connections and easy access to Cambridge North station.

5.12.2 The overall transport objectives for the project are:

- Long-term transport neutrality, across the life of the development. Creating a sustainable development through constraining car usage and promoting sustainable travel options as an alternative to single occupancy car use.

- Quality of life. Providing a high quality of life through the provision of a highly accessible development without the high levels of emissions associated with inner city living.
- Quality of place. Creating a high-quality environment through the restriction of cars, whilst prioritising the aesthetic quality of the streetscape over a car dominated environment.
- Rebalancing an employment dominated part of Cambridge, achieving a sustainable mix of housing, work, retail and leisure and reducing the need to travel.
- Integration with existing and proposed infrastructure to create and improve linkages across the north of Cambridge as well as key destinations such as the City centre, the Science Park and recreational space.
- Reducing severance. Establishing sustainable transport links, which have been severed by major roads or the Anglian Water Treatment Plant itself.
- Wellbeing. Creating a sense of wellbeing through landscaped street scenes and green links, through the provision of Healthy Streets; helping to create an environment that people want to live and socialise in.
- Integration. Integrating the scheme with the ethos of Cambridge to promote active travel, as well as integrating and enhancing existing sustainable transport links.
- Innovation. Utilising SMART City technology to provide innovative solutions to how people go about their day to day life from a transport point of view. In addition, focusing on how we can future proof to ensure the development can adapt to change and technology progress.
- Providing a scheme that is designed to be accessible to all, with provision for disabled people and supporting those travelling by sustainable alternatives to the private car.

5.12.3 Nationally, the drive to minimise the need for transport and use more sustainable forms including cycling and walking is part of the response to the global challenges of climate change and the journey to net zero carbon. This will have ramifications in the design of development and in the approach to storage and use of cars in particular.

The masterplan and **outline planning application** will be key mechanisms for delivering the transport strategy through:

- Establishing the design principles which reduce the need to travel (locating employment and living space close to each other);
- Providing access to essential goods and services within 5, 10 and 15-minute walking times;
- Enabling access to sustainable methods of transport including the guided busway and Cambridge North Station; and
- Making the ownership and storage of vehicles less attractive than in many conventional volume-built urban extensions through the use of car-barns located in neighbourhood hubs rather than on-plot parking.

5.13 VACANT PLOT STRATEGY

5.13.1 The objective of the vacant plot strategy will be to balance ongoing income to Cambridge City Council and Anglian Water with achieving vacant possession of the patchwork of land parcels required at the appropriate times, to deliver the masterplan at the Core Site. We will work with the JV partners (LLP) to meet both the project's, and their own, short and long-term needs.

5.13.2 There are a number of occupiers across both the Cambridge City Council (CCC) and Anglian Water (AW) ownerships. Vacant possession across the site will be required

on a phased basis, and the strategy will need to be considered carefully in line with the proposed programme of the masterplan and the phasing.

5.13.3 The strategy will also consider how to facilitate construction. Construction phases of each plot will be facilitated through the formation of a site construction compound. The strategy will consider the timing and phasing of the masterplan in relation to the different areas of land owned. We will manage these to maintain and maximise income, and adhere to operational requirements, whilst still ensuring vacant possession is given at the optimum time. The strategy also aims to allow flexibility for all parties and for alterations in both the future masterplan and phasing.

5.13.4 There is currently a project ongoing within the Council to identify future needs for the depot and to plan for a relocation to another, or possibly more than one site.

5.14 ENGAGEMENT STRATEGY

5.14.1 The final three strategies summarised in this report (engagement and sustainability) are particularly important in underpinning the entire project and the development. Of particular relevance to this strategy is the Promise to be an integral new quarter of Cambridge, taking inspiration from the city, engaging with its citizens' present needs and helping shape its future and the following value: 'The proposals for engagement include the intention to engage with **many people** and organisations through the process of planning and delivering the Core Site, enabling the new place to be influenced by different perspectives.'

5.14.2 The approach to engagement focuses on collaboration between specialists and communities of interest, marrying specialist expertise with a broader perspective, and in doing so is reflective of the distinctive history of Cambridge. The engagement strategy will maximise the opportunity for dialogue and seek to draw in people who wouldn't normally get involved in the planning process. We look to go well above the standard expectation of engagement, particularly with the local community.

5.14.3 The key objectives of the strategy are:

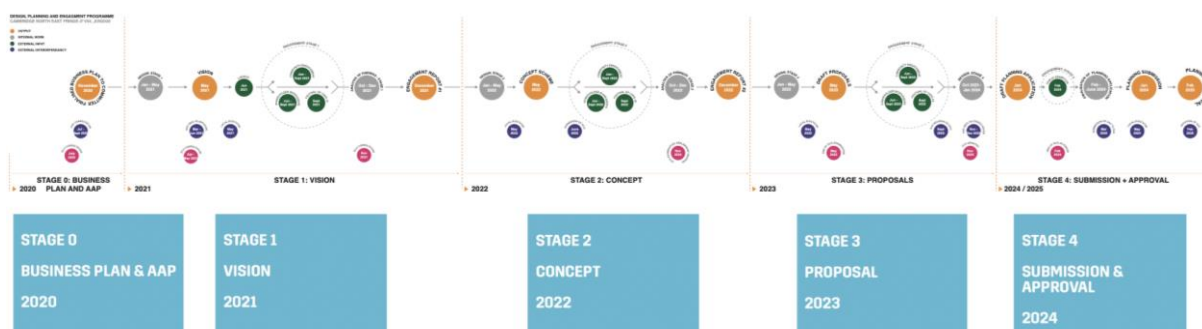
- To identify relevant business and community organisations before the launch, in addition to the statutory consultees, to make sure the design process benefits from their **early involvement**.
- To map the local demographics to help make sure the engagement is **representative** of the community as a whole, including harder to reach groups.
- To provide stakeholders with timely, accurate and **tailored information throughout** the stages of the design and planning process - using **accessible formats** and different mediums to appeal to harder to reach groups.
- To pro-actively engage utilising a variety of approaches to support focused dialogue with a wide variety of stakeholders in a **phased approach** that enables the engagement to genuinely inform the evolution of the Scheme.
- To **utilise digital**/social media platforms and accessible formats and be responsive to the differing needs of harder to reach groups to make sure the approach is **inclusive** of the whole community.
- To reflect the Vision and Values of the Core Site in the practical arrangements for the engagement activities – to **live the values in practice**.

- To establish **panels** for challenge and accountability through the design process to supplement the community engagement process.
- To **listen to feedback** thoroughly, seeking to understand concerns and explore alternative ideas and suggestions. To establish the **foundation for ongoing dialogue** and involvement which will endure past the outline planning application stage and throughout the life of the project.
- To ensure **best practice** compliance with planning guidance for public consultation.
- To support Project Partners with their engagement strategies for the Area Action Plan and the Cambridge Waste Water Treatment Plant and learn from their consultation experience, in so far as it is relevant and appropriate to do so while maintaining a **clear distinction** between the three elements.

5.14.4 The initial targets are:

Timeframe	Unique individuals involved	Event attendees	Each newsletter delivered to
Three years of local engagement	6,000+	10,000+	18,000 Residents and businesses
Social media followers	Comments on the masterplan	Regular updates to	Local events
4,000+	2,000+	15,000 addresses	100+

5.15.5 The engagement programme is summarised in the table below. The first four stages of engagement activity mirror the four stages of the design process - vision, concept, proposal and planning submission (see image below). The fifth stage relates to the period when both both Anglian Water and U+I are expected to be active on the Core Site, while the sixth stage relates to a period when just U+I is active on the Core Site.



The timing of the phases is dependent on the Development Consent Order for the Cambridge Waste Water Treatment Plant and the Area Action Plan programmes. There has been liaison with Anglian Water and the local authorities and will continue to be close liaison to make sure there is a logical sequence for all the engagement activities to avoid confusion between the different engagement processes.

5.15.6 We plan to use a number of activities to engage with our stakeholders set out below. Flexibility of approach will be needed in order to be responsive as the engagement process unfolds. Covid-19 brings a significant degree of uncertainty to the early phases. The detailed planning will take be taking this into account and with contingencies for as many planned activities as is practicable.

	Stage 0 - Bussines plan	Stage 1 - Vision	Stage 2- Concept	Stage 3- Proposal	Stage 4 - Submission &	Stage 5- Transition	Stage 6 - Delivery		Digital platforms	Social media	Mainstream media	1-to-1 meetings	Attend local events	School engagement	Receptions	Festivals	Public exhibition	Desian charettes	Hackathons	Focused workshops	Thematic workshops	Community outreach
Nearby Landowners		*	*	*	*	*	*					*			*							
Decision-makers and key influencers		*	*	*	*	*	*					*	*		*							
Other local influencers		*	*	*	*	*	*				*	*	*		*							
National influencers		*	*	*	*	*	*				*	*			*							
Statutory consultees			*	*																		
Other consultees		*	*	*											*	*	*	*	*	*	*	*
Local community		*	*	*	*	*	*		*	*	*		*	*	*	*	*	*	*	*	*	*

5.15.6 Communications for the programme are already managed through a communications task group, comprising key programme and communications and media representatives from Anglian Water, the City Council, South Cambs DC (communications and shared planning team), U&I, CPCA, and Homes England, and are underpinned by an agreed communications protocol.

5.16 ENVIRONMENTAL SUSTAINABILITY STRATEGY

5.16.1 The proposal is for the Core Site to be an exemplar for development fit for the challenges of the 21st Century, enabling sustainable lifestyles, protecting and enhancing nature and accelerating the transition to a zero-carbon world and the following value: The Core Site will be **innovatively designed** and constructed to make efficient use of valuable natural resources such as land, water and energy. It will respond to the challenges of the **climate emergency** and help Cambridge meet its commitment to achieving net zero carbon before 2050. It will make it easier for people to live **sustainable and healthy lifestyles** with a high quality of life.

5.16.2 The objectives of the Environmental Sustainability Strategy are as follows:

- To work towards the goal of achieving net zero carbon before 2050 in line with the UK, Cambridge City Council and Anglian Water commitments.
- To lead and champion sustainable development and be an exemplar model for development that helps tackle climate change.
- To respond to both the Climate emergency and Biodiversity emergency.
- To make the Core Site resilient to climate change and to design and build in climate adaptation measures. (e.g. to address overheating)
- To align with local policy and planning aspirations, in particular those in the draft NEC AAP.
- To enable people living and working on the Core Site to live a healthy and sustainable life.
- To thoroughly engage with and listen to stakeholders' and the local community's concerns and needs regarding environmental sustainability and to adapt the strategy to reflect local needs.
- To ensure the strategy is fully integrated in different elements and phases of the project including design, procurement, construction, operation, management and maintenance.
- To establish specific measurable targets for environmental sustainability against which performance can be monitored.
- To continually review and adapt the strategy in response to changes in policy, technology and scientific evidence about the impact of climate change.

5.16.3 The Environmental Sustainability Strategy will be developed through an iterative process to evolve into an ambitious and deliverable strategy that responds to the current climate and biodiversity challenges. We are currently at the early stage of this process which will take the project to planning submission. The process is divided into seven steps as set out below.

Step 0	Set out environmental sustainability commitments for the Core Site Commitments will be established in the context of the following: Adhering to global environmental limits. Being a model for development fit for the challenges of the 21st Century and beyond. Cambridge City Council and Anglian Water commitments.
Step 1	Establish what does this mean in terms of targets for the Core Site Derive appropriate overarching targets for the Core Site, for example: Carbon: 2.5 tonnes per person pa (vs 8.34 tonnes pa today) Lowering energy consumption to 2,000 watts per person (2000-Watt Society concept) A combined ecological footprint approach (eg https://www.footprintnetwork.org) or alternative metrics
Step 2	Break down the challenge Break down the current ecological impact across relevant categories, eg: Construction, Building operation, Holiday travel, Food, Products/services, etc NB this may require specialised footprinting input
Step 3	Work out which areas we can control or influence For each of the above, establish which elements are i) under our direct control (as owner / master developer), ii) things we can influence and iii) outside our control or influence
Step 4	Set out strategy scenarios Set out and test alternative scenarios for how we get from current state to the target state for ecological impact.

	For example one approach may focus more on embodied carbon, another more on in-use carbon.
Step 5	Test scenarios Test the scenarios to establish the preferred strategy, against: Project values (for example, how do they support wellbeing, etc), Cost (which interventions provide the best return), Local constraints (which deliver best against factors such as local air quality, water management, biodiversity etc)
Step 6	Set objectives and targets For each area of intervention (grouped as above and added to if necessary to make a complete strategy), prepare: Strategic vision, Objectives, Specific actions / requirements / targets
Step 7	Establish measuring and monitoring framework Up to and post planning, maintain an overarching assessment of the impact

5.16.4 The first step will be to set out environmental sustainability commitments for the Core Site which will be informed by the NECAAP vision, Core Site Vision, Cambridge City Council sustainability objectives, Anglian Water sustainability ambitions, and both local and global climate and biodiversity challenges. In addition, during this step of the process we will also look to include any relevant commitments from the landowners and other relevant project partners such as Homes England. Of particular relevance will be the sustainability aspirations in the draft NEC AAP as well as Anglian Water's commitments such as the Green Recovery Goals. Examples of relevant objectives that Cambridge City Council have signed up to include those in the Climate Change Strategy 2016-2021. The Climate Change Strategy is currently undergoing consultation and the updated targets and objectives will then be embedded in the Core Site environmental sustainability strategy. For reference, the current Climate Change Strategy objectives are set out below:

- Reducing energy consumption and emissions by promoting energy efficiency measures, sustainable construction, renewable energy sources, and behaviour change
- Reducing emissions from transport by promoting sustainable transport, reducing car travel and traffic congestion, and encouraging behaviour change
- Reducing consumption of resources, increasing recycling and reducing waste
- Supporting council services, residents and businesses to adapt to the impacts of climate change

5.16.5 Anglian Water has also signed up to sustainability ambitions as part of its Strategic Direction Statement 2020-2045. Similarly to Cambridge City Council's sustainability objectives, these will help form the context for setting out the Core Site environmental sustainability commitments. Anglian Water's ambitions as set out in the Strategic Direction Statement are as follows:

- Make the east of England resilient to the risks of drought and flooding.
- Enable sustainable economic and housing growth in the UK's fastest growing region.
- Be a carbon-neutral business by 2030.
- Work with others to achieve significant improvement in ecological quality across our catchments.

5.16.6 It would be pre-emptive at this stage to foresee what the the Core Site targets will be but some examples of possible targets or frameworks used elsewhere include:

- Carbon (2.5 tonnes per person pa vs 8.34 tonnes pa today)
- Combined ecological footprint approach (eg <https://www.footprintnetwork.org>)
- One Planet Living framework
- Sustainable Development Goals
- Doughnut Economics model
- Energy (eg 2000-watt society)
- Water - A provisional target on water consumption of 80l per day (vs current local plan target of 110l/day)

5.16.7 In terms of frameworks, the Doughnut, developed by economist Kate Raworth, for example, is a model that defines our social and planetary boundaries and gives a framework within which to make progress, govern and build. It can be used to apply to the whole world, a specific country as is the case in Costa Rica, a city such as Amsterdam, or even a specific development such as Meridian Water in North London. Another framework that approaches environmental sustainability with a social foundation in mind are the United Nation's 17 Sustainable Development Goals. The interlinked goals and their respective targets and 231 measurable indicators address various challenges we face, including poverty, inequality, climate change, environmental degradation, peace and justice. The goals form part of a UN Resolution and are intended to be achieved by 2030. A number of these models, frameworks and targets overlap and / or can be complementary. The selected targets for the Core Site may therefore include a combination of some of the above, an adaptation of an existing framework or an entirely new model tailored specifically to the needs and aspirations of the Core Site.

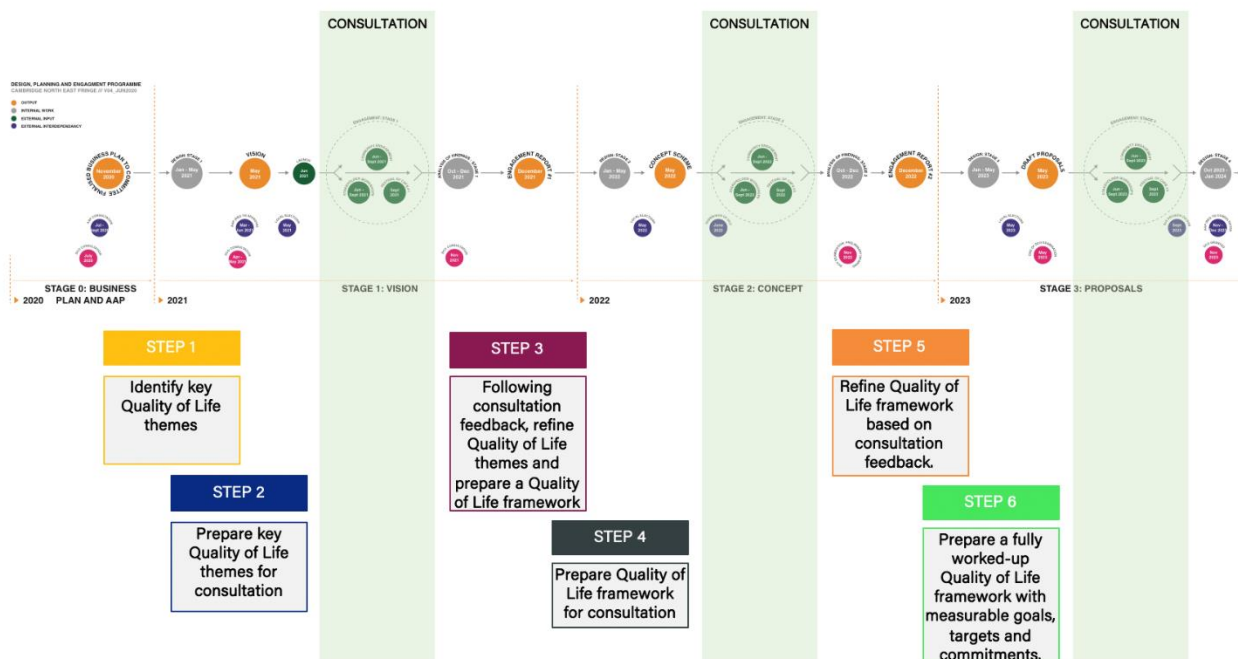
5.17 QUALITY OF LIFE STRATEGY

5.17.1 The Vision for the Project sets the framework for the Quality of Life aspirations for the Core Site project. Of particular relevance is the Promise to support the health, happiness and wellbeing of the people who'll live, work and spend time here and the Open to all value that states that the Core Site will foster a culture of inclusiveness and diversity, designed to value children, older people, those who are more vulnerable, and those whose voices do not always get heard.

5.17.2 The objectives of the Quality of Life Strategy are as follows:

- To ensure Quality of Life is an integral element of the way the Core Site is designed, planned, built and managed.
- To champion the importance of Quality of Life in the built environment.
- To help tackle the existing health challenges the UK society is facing such as loneliness, obesity, respiratory disease, etc., through the delivery of the Core Site.
- To take into account the results of the latest research and evidence on the relationship between quality of life and the built environment.
- To ensure Quality of Life on the Core Site is resilient to potential global challenges such as climate change, natural disasters, biodiversity emergency, global pandemics, etc.
- To enable people living and working on the Core Site to live a healthy, happy and sustainable life.
- To thoroughly engage with and listen to stakeholders' and the local community's concerns and needs regarding quality of life challenges and to adapt the strategy to reflect local needs.

5.17.3 The Quality of Life Strategy will be developed over the next three years through an iterative process to deliver an ambitious and deliverable strategy that ensures Quality of Life is firmly embedded in all aspects of the Core Site project. The Quality of Life Strategy will be prepared in line with the general stages of the project which are based around three key stages: Vision, Concept, and Proposals. The process for setting out the Quality of Life framework is summarised in the programme below.



The first two steps will include undertaking research, looking at best practice case studies, and preparing a set of key themes for Quality of Life such as those described above. This process will be underpinned by stakeholder and public engagement to refine the themes and make them relevant and reflective of local needs.

Steps 3 and 4 will revolve around taking the themes and working them into a Quality of Life Framework. This process will be further refined through an engagement stage with a focus on consulting with experts in the area, such as the Quality of Life Foundation and similar, who can help set out a framework that would work for the project for the long term.

5.17.4 We are currently at the early stage of this process which will culminate in a Quality of Life Framework for the project. Although further work needs to be undertaken, at this stage it is expected that the Quality of Life Framework will comprise key themes that help define what is meant by good Quality of Life. These themes will then form the basis of the Quality of Life Framework through detailed goals, targets and commitments.

An initial set of themes that will form an integral part of Quality of Life are summarised below but the list is currently not exhaustive and further works needs to be undertaken to review, refine, and consult on the themes.

Active life. The Core Site will be built to encourage a physically active life both through building in active transport such as walking and cycling, and through the provision of green space, leisure and play facilities.

Community life. Being able to be part of a community will form an integral part of this new place with opportunities for communities to be able to have control of and manage their environment.

Public life. Public space will be open and accessible to all and social infrastructure, such as publicly accessible buildings like libraries, will form the backbone of the Core Site.

Equal life. The Core Site will be an inclusive place that welcomes people from all walks of life, creating intergenerational communities, making spaces accessible, and homes and workplaces affordable.

Sustainable life. The Core Site will enable a lifestyle that is respectful of our planetary boundaries by making active travel the best choice for transport, building to high environmental sustainability standards, encouraging local food growing and healthy eating, and incorporating climate resilience into the built environment.

Healthy life. Accessibility to nature, community spaces, and walkable, cyclable and car-free streets, will all help tackle air and noise pollution, respiratory disease, cardiovascular disease, obesity, and mental health issues such as loneliness.

Thriving life. The Core Site will be a compact and well-connected place where people can live close to work with employment and training opportunities nearby, as well as leisure, shopping, entertainment and open spaces.

5.18 FINANCIAL STRATEGY

5.18.1 At this early stage, any financial summary is extremely indicative. More detailed work will need to be done over time to ensure:

- Any summary includes all indicative costs and values based on AAP masterplan framework and up to date valuations
- Costs and sources of financing
- Development sustainability levels
- That summaries will need to be regularly updated in line with market conditions
- That summarised and backing data are verified by cost consultants and That the SRO and Section 151 have considered appropriate analysis and assurance.

5.18.2 The objective of the financial summary is to summarise concisely the key inputs and outputs of the financial appraisal and to test viability on a phase-by-phase basis as the masterplan progresses. The financial model will be continually refined and updated as the masterplan evolves and there is greater certainty around the value, cost and scale assumptions.

5.18.3 The current assessment of the Gross Development Value has taken advice from the Savills teams to ensure the robustness of initial inputs. In terms of value per sq ft, Cambridge behaves much more like London than the rest of the East of England and has seen the same levels of rapid growth since the global financial crisis of 2008. Prime private residential values in the city centre are the equivalent of London Zone 2 locations at £600-650 psf. This may change over time. Current sales of new build stock in Cambridge are concentrated at the top end of the market in terms of quality. The inputs used to calculate the total GDV including residential, commercial, community and leisure

values will be reviewed on a regular basis to ensure these remain robust reflections of the market and will be based upon comparable evidence provided by commercial advisers.

5.18.4 The housing costs, including the associated infrastructure costs applicable to the residential-led development of the Core Site will be supported by the Faithful+Gould order of cost estimate. This estimate is based on the design information currently available and forms a working document that has been reviewed by the design team and will be under constant review going forward. The estimate will be expanded and updated as and when the detail and designs develop. In turn the developing design will be challenged at every point, regarding the cost effectiveness and programme efficiency of the proposed solution. The building costs and rates estimates will be established from F+G's extensive database along with their knowledge & experience within the residential market for the various residential unit types and ancillary / section 106 related buildings. The model assumes professional and contingency fees in line with market standard.

5.18.5 A plot development management fee has been included, linked to construction costs, in line with the market for what housebuilders will charge. A development management fee linked to infrastructure costs is included to reflect the U+I fee as agreed and included within the MDA.

5.18.6 In terms of finance costs, the model assumes the development will be financed via a mix of equity/debt. U+I will be funding the initial up-front planning and promotion costs and, potentially, infrastructure costs up to a capped maximum within any funding period. Interest rates will vary with debt financing levels under the MDA. Therefore there may be alternative sources of finance preferred. The viability of the scheme will be tested on an ongoing basis as the masterplan evolves.

5.18.7 The following have been excluded from the initial financial review:

- The Meanwhile use (referenced in Meanwhile Strategy) and any temporary industrial uses that may be located in the north west corner of the site.
- Properties outside of the red line boundary
- Costs of the AAP development funded through a budget bid of £799k which was secured through the BSR process in 2018. The proposed budget covers the costs of the development of the Area Action Plan and the project management and legal costs for the HIF programme bid. SCDC is co-funding the production of the AAP.

5.18.8 The Council has also indicated a provisional interest in an open book investment in 500 council rented homes and possible commercial property on the Core Site. Any specific requirements for investment by the Council at this stage e.g. the purchase of 500 council rented homes and or commercial property which will be requested through the relevant decision channels and built into the business plan at the appropriate time.

6.0 KEY RISKS

6.1 At this early stage, the majority of the current risks are associated with the pre-planning period. A short summary of the key risks for this period is included below.

Area	Impact	Action
Funding and alignment with financial requirements	Insufficient funding to support development	Robust financial modelling and alignment with section 123 and Anglian Water's requirements
Planning -DCO Consents	Consent application unsuccessful	Robust compliance with statutory process and high level engagement
Planning - Area Action plan submission	AAP coverage or timescale does not meet HIF requirements	Maintain the proposed AAP programme in alignment with wider project
Governance	Governance insufficient to manage project in line with best practice requirements	Ensure transparent and robust governance structures to oversee and manage projects and programme interdependencies
Transport	Lack of coordination of project with AAP and wider transport strategy and capacity	Critical early engagement with partners and DFT ref transport strategy, priorities and planning
Customer and Stakeholder Engagement	Insufficient engagement with key stakeholders	Establish clear vision and plan early and consistent stakeholder engagement with robust strategy and communications framework

Supply chain capacity & expertise	Challenges around capacity and expertise availability in the supply chain to deliver the masterplan	Early market engagement and use of proven technologies
Failure to implement relocation of Water Recycling Centre in a timely fashion	Delays in relocation and decommissioning of the CWRC impact subsequent delivery of the masterplan	Achieving statutory consents Development of robust implementation plan underpinning agreed project plan
Market demand	Market changes impact masterplan viability	Professional teams support in underpinning robust business plan and reviews to ensure masterplan evolves to reflect market demands

7.0 Implications

a) Financial

See section 5.18 in the report for financial strategy

The programme is subject to monthly monitoring and reporting for Homes England and MHCLG. Financial claims for the Relocation Project are signed off by the S151 Officer before submission and funding received is monitored by the Deputy Head of Finance prior to allocation to the project.

The individual projects also have their own statutory and/or other governance and reporting lines e.g. NECAAP through the normal statutory and/or via scrutiny and/ Exec Cllr decision making processes as appropriate, with the appropriate underpinning project management frameworks.

The Core Site development scheme is managed by the Joint Venture LLP Board through the legal framework of the Master Development Agreement, and the professional team appointed, but reserved matters (as approved as part of the Joint

Venture Membership Agreement) remain subject to the Council and the Anglian Water Board decision processes.

General highlight and exceptions reporting has been established within the City Council's own Corporate Programme Office, with quarterly updates to Council Executive Members and the Senior Leadership team. Quarterly reporting for information will be made to the Cambridgeshire and Peterborough Combined Authority's (CPCA's) Housing Committee.

b) Staffing Implications

The SRO for the programme is the City Council's Strategic Director. The full project team also includes resources provided by Anglian Water and the Master Developer. Anglian Water are leading the Relocation project.

The NECAAP project is led by the Greater Cambridge Shared Planning Service

(c) Equality and Poverty Implications

None specific at this stage although as the programme progresses, the relevant implications will be considered as part of the overall programme. The strategic objectives, including those around affordable housing, are in line with the antipoverty strategy, and sustainable development objectives.

(d) Environmental Implications

The relevant implications are considered as part of the overall programme and in line with Section 5.16.

e) Procurement Implications

The Master Developer was procured in accordance with the Competitive Procedure with Negotiation under the Public Contracts Regulations 2015. Project team procurement is in line with the Master Development Agreement

(f) Community Safety Implications

The relevant implications are being considered as part of the overall programme

(g) Consultation and communication considerations

Initial consultations have been carried out for the NECAAP and Relocation projects in 2020. The communications and engagement strategy for the Core Site development is outlined in this report.

(h) Appendices

Appendix A
Placebook draft 1.0

(i) Inspection of papers

To inspect the background papers or if you have a query on the report please contact Fiona Bryant, Strategic Director, Cambridge City Council
tel: 01223 - 457325, email: Fiona.bryant@cambridge.gov.uk

APPENDIX A

CORE SITE PLACEBOOK

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THE HEART OF A NEW DISTRICT IN CAMBRIDGE.

Anglian Water and Cambridge City Council, working with U+I and TOWN, are planning a new urban quarter, at the heart of a new district of Cambridge.

A new quarter of over 5,000 homes, shops, workplaces, education, community and leisure facilities, and open spaces, that will promote **new ways of community living**.

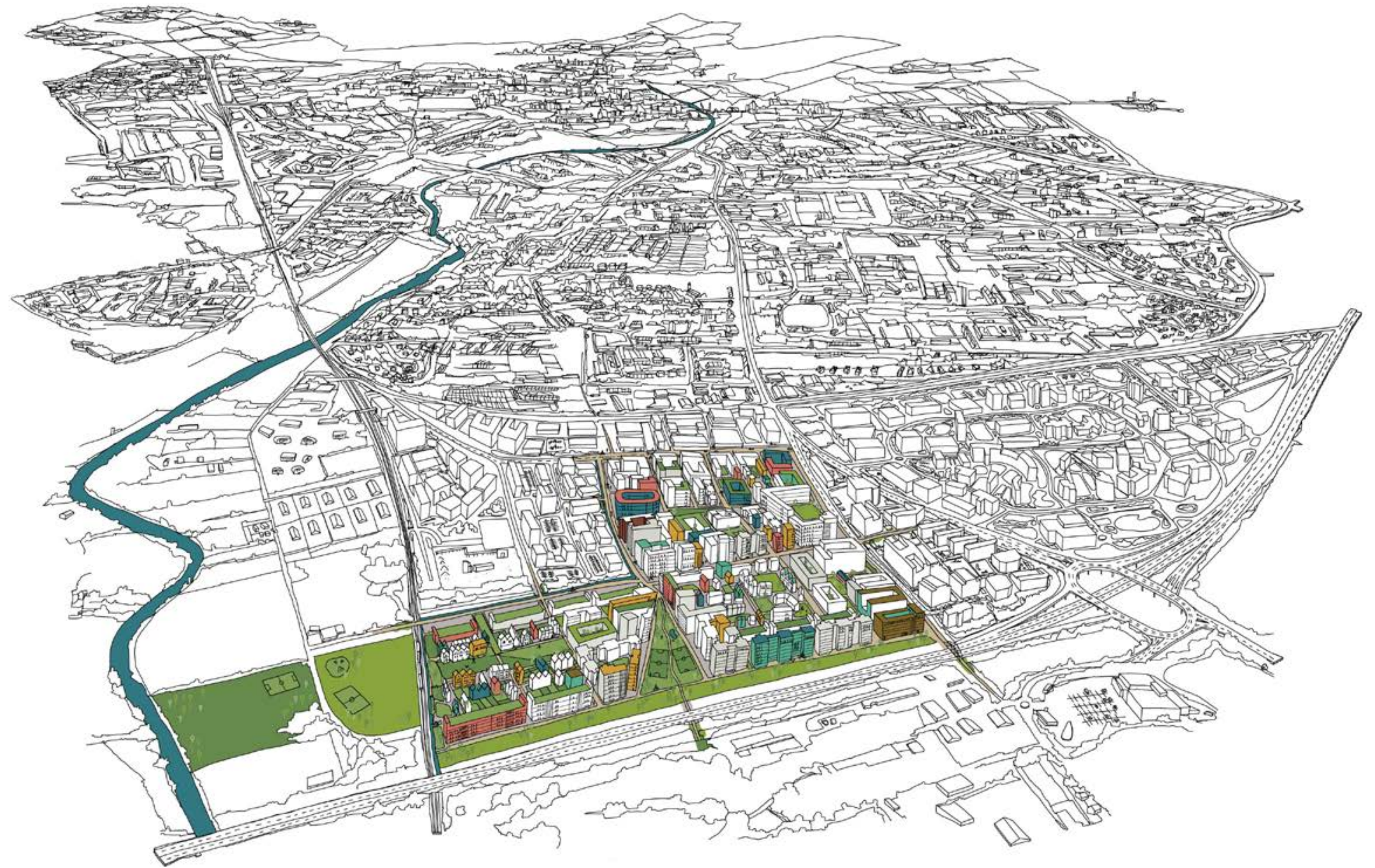
Over the coming 20 years, we will deliver a new place that will set **new standards for sustainability**, enhance the **quality of life** of local people and **support the economy of Greater Cambridge**.

This Placebook – the first version of a document which will be updated through the course of the project – is intended to inform and inspire. We're at an early stage in the project and invite you to be part of the process as we plan and deliver this new place.

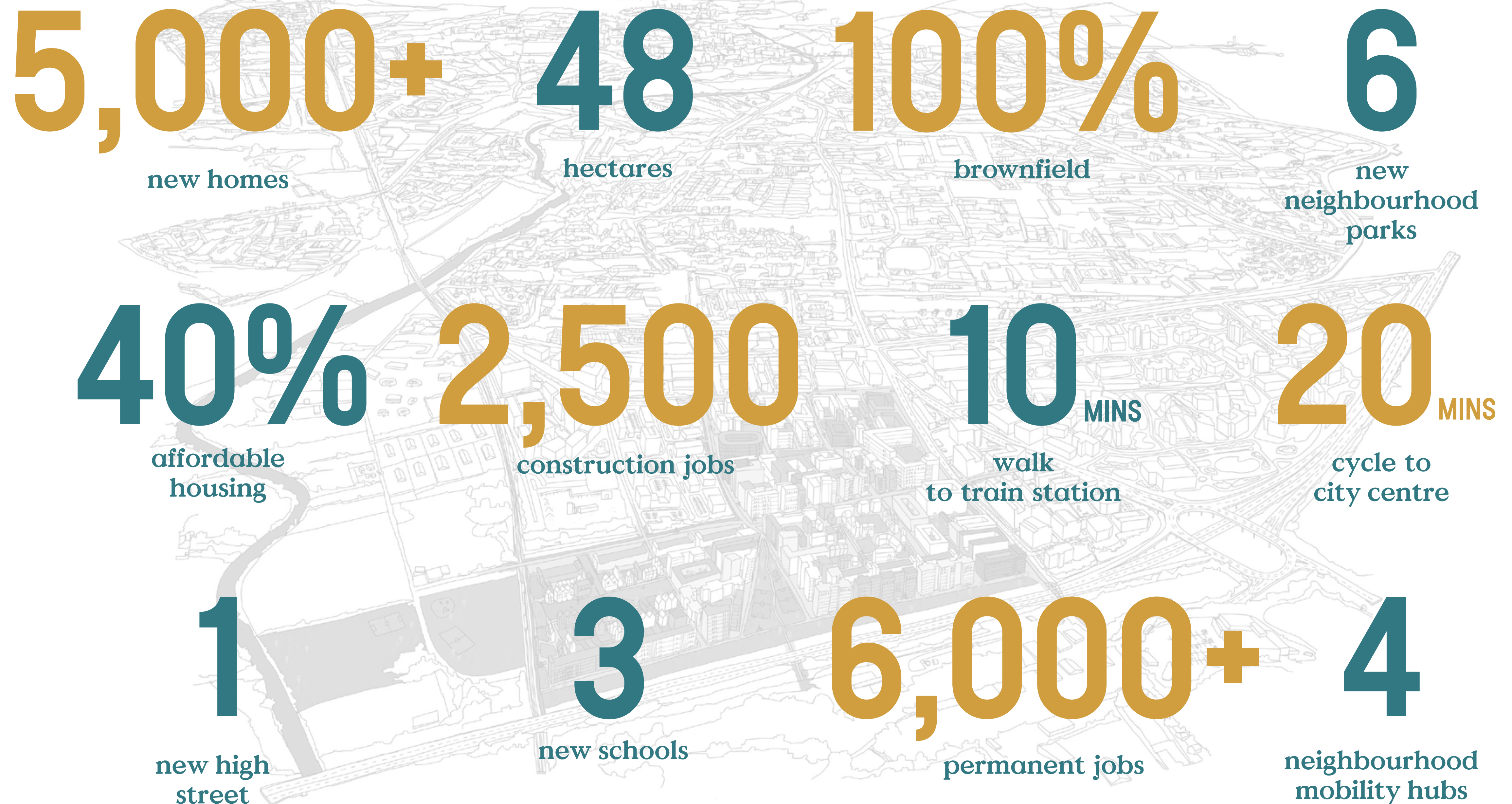
The Core Site – consisting of the Cambridge Waste Water Treatment Plant and adjacent Cambridge City Council-owned land – is located at the heart of the planned new district of North East Cambridge.

Page 141
The wider North East Cambridge area has, as a whole, been identified for over 8,000 new homes, shops, workplaces, and supporting amenities, enabled by the relocation of the Cambridge Waste Water Treatment Plant. This will help meet the pressing need for new homes in the Greater Cambridge housing market, in a location close to places of employment and well supported by amenities and infrastructure.

The Core Site will be central to delivering the Local Planning Authorities' vision for North East Cambridge as '**an inclusive, walkable, low-carbon new city district with a lively mix of homes, workplaces, services and social spaces, fully integrated with surrounding neighbourhoods**'.



FOR ILLUSTRATIVE PURPOSE ONLY



LANDOWNERS



The Core Site is owned by Cambridge City Council and Anglian Water, who are working in partnership to bring forward their vision for the creation of a new and innovative quarter of Cambridge.

MASTER DEVELOPERS



U+I, in partnership with TOWN, are appointed by the landowners as master developer, and are responsible for the placemaking, design, planning and promotion of the site, the funding and delivery of the infrastructure, and the disposal or delivery of land parcel.



THE OPPORTUNITY

The Core Site, Cambridge

The Core Site is the **last, large-scale, undeveloped, brownfield regeneration opportunity** in Cambridge.

The site consists of 47 hectares lying to the north east of Cambridge, the site consists of the Cambridge Waste Water Treatment Plant owned by Anglian Water, and adjacent land owned by Cambridge City Council.

The Core Site is highly accessible, with a **20-minute cycle or bus ride into the centre of the city via the nearby guided busway**, and a **55-minute journey time to London** via the new Cambridge North train station which lies close by.

It is located at the centre of the **North East Cambridge Area Action Plan area**, a planned new district of the city that will, as a whole, deliver over 8,000 new homes, as well as new employment and community buildings and spaces.

The Core Site's sustainable location, close to workplaces and infrastructure, will help **meet housing need while reducing the impact on the wider infrastructure of Greater Cambridge**.

Journey Times

Walk to Milton Country Park: 5 minute

Bus to the city centre: 20 minutes

Walk to the River Cam: 10 minutes

Train to Stansted Airport: 40 minutes

Cycle to the city centre: 20 minutes

Train to London: 55 minutes



The Core Site is located within a predominantly employment-based area of the city, neighboured by **Cambridge Science Park**, **St John's Innovation Park** and the **Cambridge Business Park**. Its redevelopment is key to rebalancing the land use of the local area, providing new homes for people working locally, helping to reduce the burden on roads and other infrastructure.

The residential areas of **East Chesterton**, **King's Hedges**, **Orchard Park** and **Milton** are located close by - development of the Core Site will provide valuable additional amenities for people in these areas.

The site is served by a number of important transport options that will support new development, including **Cambridge North railway station**, the **Cambridge guided busway**, and the new **Chisholm trail**.

Green spaces near the Core Site include **Milton country Park**, and meadows lying to the east of the site between the railway line and the **River Cam**, which have the potential to complement green and open space within the Core Site and the wider North East Cambridge area.

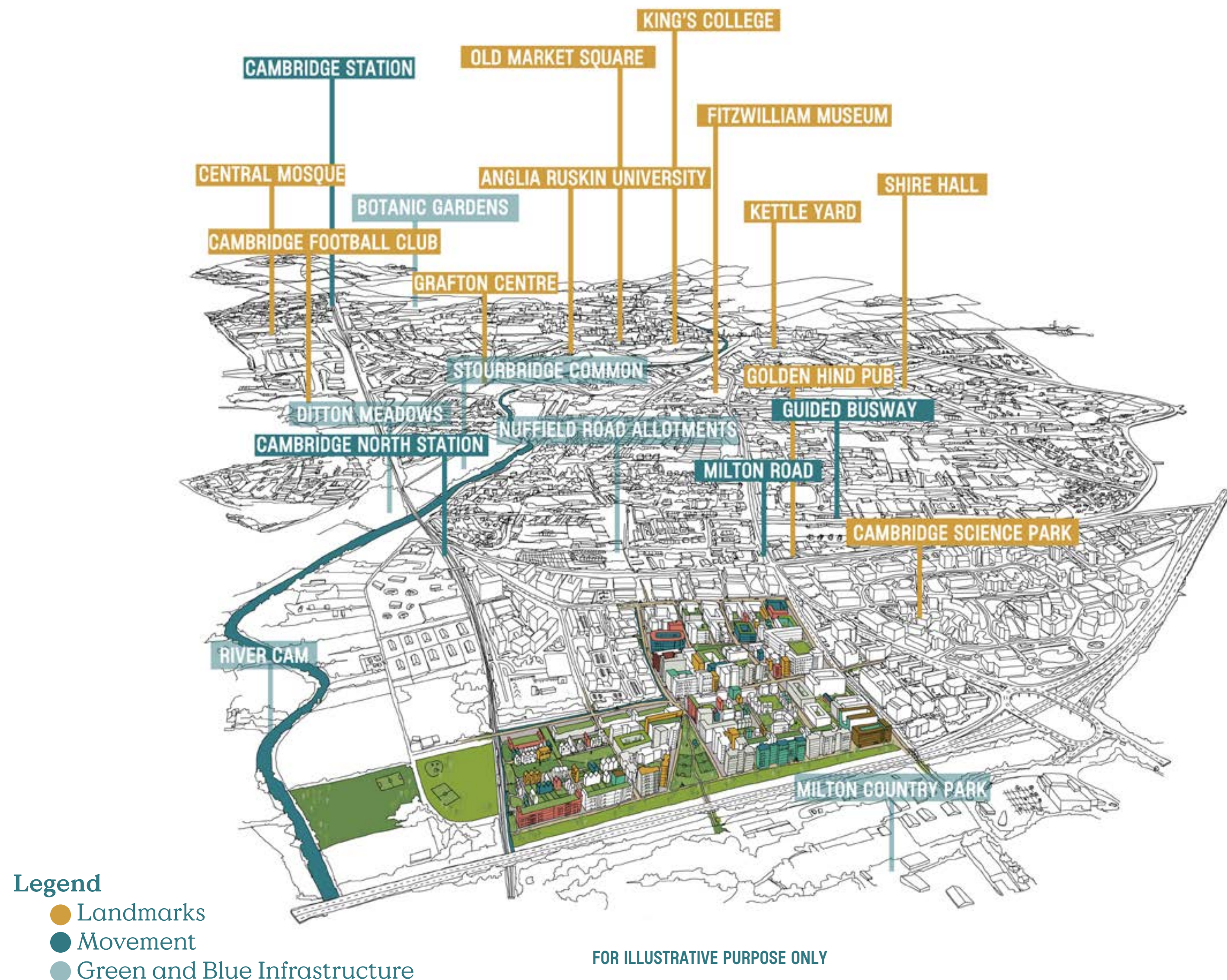


One of the world's leading academic cities, Cambridge is home to **two universities**, Cambridge University and Anglia Ruskin University. Between them, they are home to around **30,000 students**. It is ranked the **most desirable city for graduates** to move to after leaving university. New homes are needed to help to ensure that Cambridge continues to be **a viable place for graduates to live**.

Page 147

The city is a **globally-important centre of business**, generating 19 times more patents in a year than the national average and a large number of start-ups and established businesses. The Core Site is an opportunity to deliver much-needed new housing and other mixed development to support the local workforce that's vital to Cambridge's continuing global role. Delivering new homes on the Core Site will help to sustain the economic prosperity of Greater Cambridge.

While Cambridge is the **UK's fastest-growing city**, it faces pressing challenges, including the **affordability of housing**, with homes costing on average around 13 times the average local salary, and the **challenge of inequality**, in a city which has the largest gap between rich and poor of any in the UK.



The Core Site sits within the **North East Cambridge Area Action Plan** (NEC AAP), an emerging framework for comprehensive development of a **new employment and residential district** between Cambridge North railway station and Cambridge Science Park.

The site plays a critical role in delivering the vision for North East Cambridge. The relocation of the Cambridge Waste Water Treatment Plant, supported by **£227 million of Housing Infrastructure Programme funding**, will enable redevelopment not only of the site but will also remove constraints that currently restrict residential development within the wider area.

The draft Area Action Plan envisages **over 8,000 new homes within the NEC area**, of which over 5,000 will be delivered on the Core Site. This will anchor the new district, providing **homes, workspaces and community and leisure facilities alongside new and improved green spaces** for the benefit of Greater Cambridge.



(Image: NEC AAP)

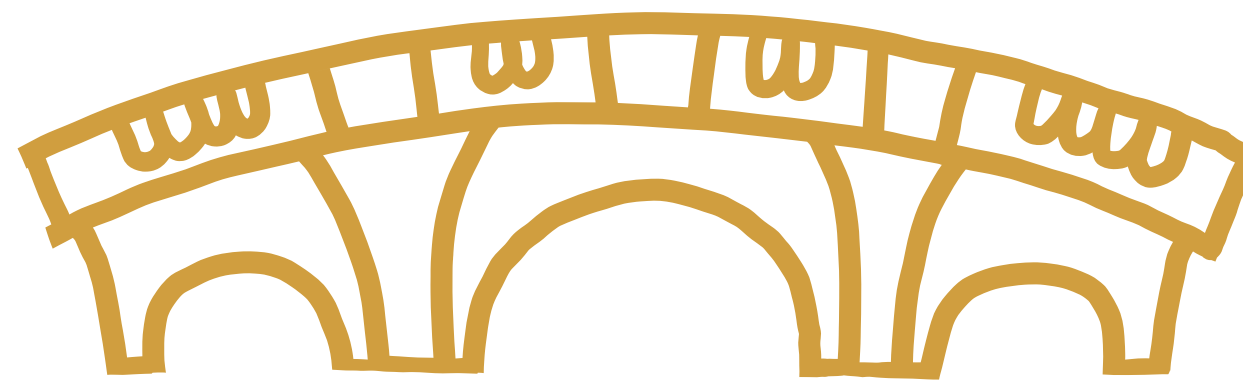
OUR VISION

OUR PROMISES

Our vision is underpinned by three Promises – to the **people** who'll live, work, or simply spend time here, to Greater Cambridge and to the **planet**.



The Core Site will support the health, happiness and wellbeing of the people who will live, work and spend time here.



The Core Site will be an integral new quarter of Cambridge, taking inspiration from the city, engaging with citizens' present needs and helping shape the future of Greater Cambridge.



The Core Site will be an exemplar for development fit for the challenges of the 21st Century, enabling sustainable lifestyles, protecting and enhancing nature and accelerating the transition to a zero-carbon world.

OUR VALUES

Six values will shape our approach to developing the Core Site. These are the principles that will guide the project as it is planned and delivered, and which will shape the identity of this new place.



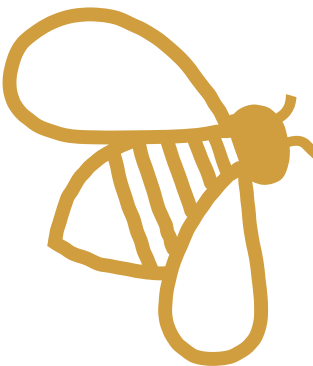
ROOTED IN CAMBRIDGE



LIVING WITHIN ENVIRONMENTAL MEANS



SHAPED BY MANY



INTEGRATED WITH NATURE



OPEN TO ALL



STREET LIFE



ROOTED IN CAMBRIDGE

ROOTED IN CAMBRIDGE



The Core Site will be an **integral, new area of Cambridge**, that is both part of the city and a **distinctive new place** in its own right.

It will help shape the City's future whilst learning from the city's **history** and **character**.

It will be a place to live, work, play and learn, where people know their neighbours, shop locally and **put down roots**.



ENHANCING NATURAL ASSETS

We'll enhance the natural features of the site, improving access to the **River Cam** and **Milton Country Park** and improving the **First Drain**.



AMENITIES CLOSE TO HOME

People will be able to access most of their daily needs, such as **shops and schools**, within their local neighbourhood.



CONSIDERATE DESIGN APPROACH

Streets and buildings will be a **contemporary reflection** of the city's character.



A THRIVING LOCAL ECONOMY

A place where local, independent **businesses can thrive** such as cafes, shops and start-ups.



HOMES FOR GREATER CAMBRIDGE

The development will provide homes for people who may **work nearby** but who currently find it **hard to access the local housing market**.



A SENSE OF COMMUNITY

We'll make a place where people know their neighbours, **put down roots** and feel **part of a community**.



ADDRESSING CLIMATE CHANGE

The Core Site will support the City's transition to a **low-carbon economy** and enable more **sustainable lives**.



RETAINING HERITAGE

Historic buildings and features of the site will be **retained and enhanced** to lend character to the development.



SHAPED BY MANY

SHAPED BY MANY



We'll engage with **many people** and organisations through the process of planning and delivering the Core Site, enabling the new place to be influenced by different perspectives.

It will be delivered by **many partners**: larger developers, affordable housing providers, SMEs and community-led organisations.

Once built, residents will continue to **shape the new place**, through community-focused approaches to place management and a culture of participation.



LEARNING FROM OTHERS

Different **voices and perspectives** from outside the development industry will **enrich the planning and design** of the Core Site.



COOPERATIVE MANAGEMENT

The approach to place management, will welcome **coproduction and community** involvement.



A DISTINCTIVE PLACE

Distinctiveness will be a key feature of each neighbourhood providing **variety and character to differentiate** areas of the site.



MEANWHILE SPACES

Local organisations will be involved from the outset in helping shape the **meanwhile use** and **making it relevant** to local people



DESIGNED BY ALL

We will bring in the voices and **perspectives not normally at the centre of building places** and people whose voices are often not heard.



COLLABORATIVE DESIGN

We will **work closely** with organisations, communities and individuals using **participatory design** processes.



RANGE OF PARTNERS

A **diverse range of development partners** will be involved, from Institutional Investors to SMEs and community-led housing groups



VISITOR ENGAGEMENT

There will be a **dedicated physical space on site** for visitors to engage with site proposals



OPEN TO ALL

The Core Site's resources — its homes, public space, shops, employment opportunities and community facilities — will be **affordable and accessible to all**.

It will provide **a place to start, and a place to stay**, with homes for those just starting out, those raising families, people downsizing and others in the later stages of their lives.

The Core Site will foster a culture of inclusiveness and diversity, **designed to value children, older people, those who are more vulnerable**, and those whose voices do not always get heard.



BUILDING BETTER CONNECTIVITY

Connections through the site and to surrounding areas • such as a **bridge, underpass and a green loop** • will improve access and permeability.



IMPROVING LOCAL AMENITY

Amenities such as shops, restaurants, schools, workspaces, libraries, will be planned to **benefit existing local communities**.



EMPLOYMENT OPPORTUNITIES

There will be **work and training opportunities**, during construction scheme, and through **affordable and start-up workspace**.



HOUSING MIX

We'll deliver a variety of tenures and sizes to help create a **diverse and mixed** multi-generational community.



ACCESSIBLE SPACES

Open spaces will be **open to anyone**, not just residents, and people will be involved in **the stewardship** of these spaces.



NEW & EXISTING COMMUNITIES

We will actively seek to plan, design and build for both **new communities** and **people already living and working in the local area**.



AFFORDABLE HOMES

A place where **people with differing means** can choose to live • contributing to Grater Cambridge's affordability challenge.



TRAINING OPPORTUNITIES

There will be a variety of training opportunities and apprenticeships with a focus on **upskilling local people**.

OPEN TO ALL



LIVING WITHIN ENVIRONMENTAL MEANS

LIVING WITHIN ENVIRONMENTAL MEANS



The Core Site will be **innovatively designed** and constructed to make efficient use of valuable natural resources such as land, water and energy.

It will respond to the challenges of the **climate emergency** and help Cambridge meet its commitment to achieving net zero carbon.

It will make it easier for people to live **sustainable and healthy lifestyles** with a high quality of life.



RENEWABLE ENERGY

Renewable energy will be **generated, stored and used on site**, helping reduce reliance on the grid and reducing carbon.



SUSTAINABLE LIFESTYLES

Design and management approaches will help **foster a culture of sustainable living**, enabling a high quality of life with less resource consumption.



CIRCULAR ECONOMY

Innovative approaches will be taken to the **circular use of resources and materials**; buildings will be adaptable during their lifespans and suitable for reuse.



FABRIC-FIRST DESIGN

Modern methods of construction will help to achieve **high levels of building performance** thereby reducing energy bills for residents.



ZERO CARBON

Buildings and infrastructure will be designed to **minimise embodied carbon and operational energy requirements**, and to achieve a net zero carbon standard.



WATER EFFICIENCY

Water will be recognised as a scarce and valuable resource and will be **carefully managed** at neighbourhood and building levels.



NEIGHBOURHOOD HUBS

Mobility hubs will provide space for shared car storage, car clubs, last-mile services and community facilities, helping **reduce car use across the site**.



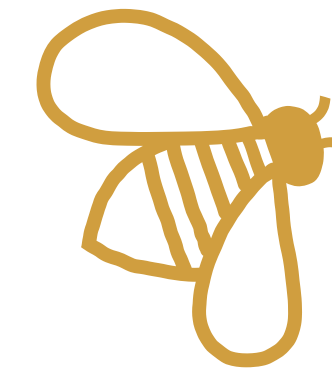
LOW-CARBON MOVEMENT

The Core Site will be designed to have **active travel at its heart**, with walking and cycling the main modes of travel, supported by excellent local train and bus service.



INTEGRATED WITH NATURE

INTEGRATED WITH NATURE



The Core Site will incorporate **nature and wildlife** throughout its buildings, gardens, streets and parks.

It will offer the opportunity to **experience nature** at first hand — through food growing, conversation initiatives and exploring wild places, and using nature to enhance wellbeing.

We'll **learn from nature** in developing innovative approaches to design, construction, energy production and water management.



DIVERSE GREEN SPACES

Multi-functional green spaces will provide **natural amenity** from shared gardens to neighbourhood parks, will connect to larger green spaces beyond the development.



EXPERIENCE OF NATURE

Day-to-day interactions - birdsong, tree-climbing and pond-dipping - will help **foster wellbeing** and an **appreciation of the natural world**.



INTEGRATING WILDLIFE

Buildings and public realm will be **designed for nature as well as humans** - with integrated bird and bat boxes, and hedgehog highways.



GREEN ROUTES

A network of **green walking and cycling routes** will provide natural environments for daily movement within the site and connecting to neighbouring areas.



GREEN BUILDINGS

The incorporation of **greenery into streets and buildings** will help support mental health and wellbeing, and mitigate climate change impacts.



SUSTAINABLE URBAN DRAINAGE

A **natural approach to rainwater management**, working in tune with the site, will reduce environmental impact and enhance amenity.



WILDLIFE CORRIDORS

Planting will be planned to **enhance biodiversity** and connect habitat areas, **allowing movement** of birds, mammals and pollinating insects.



LOCAL FOOD GROWING

Opportunities for **local food growing**, at home, in shared gardens and through community food projects, will help form community and establish a local food culture.



STREET LIFE

STREET LIFE



In large part **free of cars**, streets at the Core Site will take on many new roles — places for children's play, exercise, cafe tables and natural landscaping.

The Core Site's streets will be home to a **variety of uses**, providing places to work, shop and have fun within easy walk of home.

Streets will enable walking, cycling and **low-carbon modes of movement**, with excellent bus connections, nearby employment areas and easy access to Cambridge North station.



WALKING AND CYCLING

Streets will be designed to make **walking, cycling and micromobility** the norm for daily movement, reducing pressure on local transport infrastructure.



CHILD FRIENDLY

Streets will provide diverse opportunities for **children's play and learning**.



SAFE STREETS

Streets will be **made for people** before cars and designed with the more vulnerable in mind.



SCHOOL STREETS

Routes to school will be designed and managed to **enable children to travel** with greater independence.



CAR-FREE STREETS

A low-traffic neighbourhood approach will enable most streets to be largely **free of cars**, creating a safe and healthy urban environment.



VARIETY AND DIVERSITY

Adopting a 15-minute neighbourhood approach, a rich **mix of uses and amenities** will be provided to meet people's day-to-day needs.



SOCIABLE STREETS

Residential streets will be designed to **encourage the daily interactions** that help make community.



GREEN STREETS

Planting will be integrated throughout the street network, with certain streets designed as strategic **biodiversity corridors**.



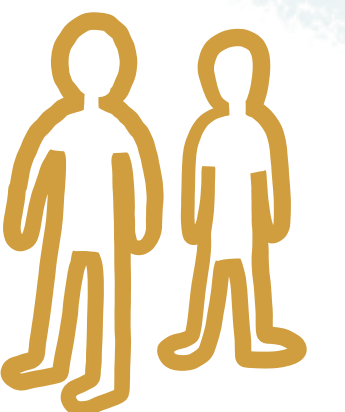
OUR PROCESS

ENGAGEMENT

The target submission date for the application is in 2024, which puts us in the privileged position of having three years to run a **comprehensive communications programme** that gives ample opportunity to **explain processes, opportunities and constraints**, whilst also giving local people a voice and a number of **chances to influence important decisions**.

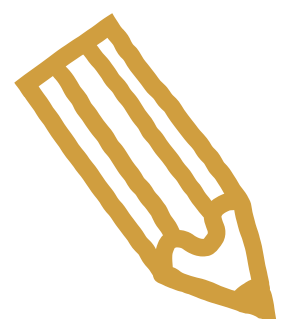
Consultation is due to **launch in early summer 2021** and we propose to divide the consultation into three stages (one each year) to share **emerging ideas** and seek further **understanding of the needs and concerns** of local people at every opportunity.

We will talk with people across Greater Cambridge to hear a **cross-section of views** to gain an understanding of opinions across the community. The target audience will be diverse and includes **Councillors and community representatives, local businesses and residents, potential new residents and the wider Cambridge population**, including minority groups, and those who may not usually show interest in planning and development plans.



We are proposing a **wide range of activities to raise awareness of the plans**, communicate information and encourage feedback. The impact of Covid-19 is likely to have long-lasting impact on the way we consult, but we hope to host and attend some face-to-face events. We will utilise a **range of communications mechanisms** including letter box drops, local press, websites, social media, webinars, 1-2-1 meetings and telephone calls.

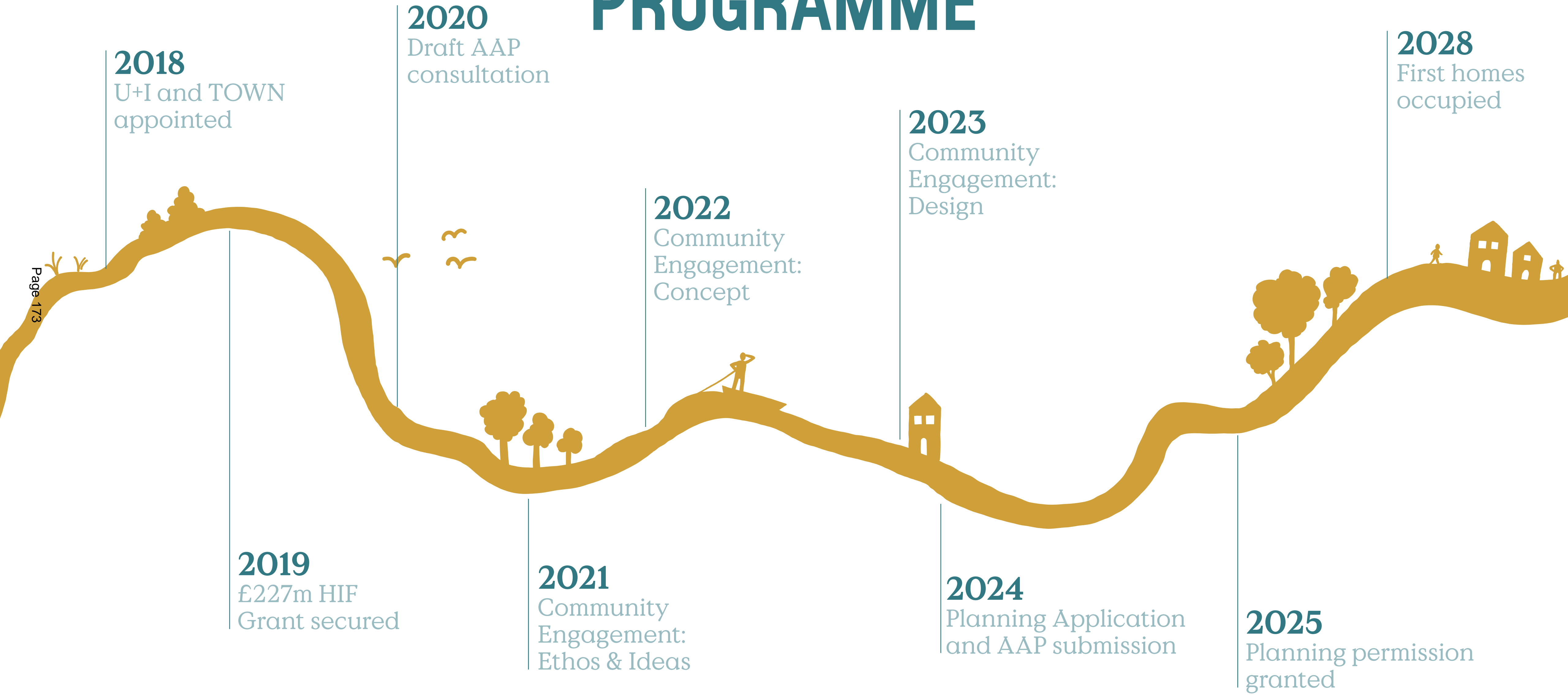
We are regularly talking to **project partners** to ensure we learn from previous consultations and share experiences that will shape the planned engagement programme.



Alongside more traditional forms of consultation, we are also proposing to utilise **new technology and creative ideas** to help us connect with a wider audience and spark curiosity.

This consultation is **not just a tick box exercise**, we want to get people talking about local and national issues that are shaping new developments, we want people to **share stories about their community** and enable people to **play a part in shaping the future** of Greater Cambridge.

PROGRAMME



Page 173

Anglian Water Relocation

GET IN TOUCH:

CAMBRIDGE@UANDIPLC.COM

THANK YOU



January 2021

IMAGES INDEX

CGI OF NEW HIGH STREET ON THE CORE SITE
SOURCE: CITYSCAPE



VIEW FROM AN EXISTING BUILDING ON THE CORE SITE
SOURCE: U+I



AERIAL IMAGE OF CORE SITE
SOURCE: U+I



NEC AAP VISION
SOURCE: NEC AAP, GREATER CAMBRIDGE SHARED PLANNING SERVICE



TOWN'S MARMALADE LANE COHOUSING DEVELOPMENT, CAMBRIDGE
SOURCE: DAVID BUTLER



EXISTING FIRST DRAIN ON THE CORE SITE,
SOURCE: U+I



U+I'S DEPTFORD MARKET YARD REGENERATION DEVELOPMENT, LONDON
SOURCE: U+I



MARKET SQUARE, CAMBRIDGE
SOURCE: STOCK IMAGE



SHEPHERD'S BUSH MARKET TRADERS, LONDON
SOURCE: U+I



SCIENTIST WORKING IN A LABORATORY
SOURCE: STOCK IMAGE



U+I'S 8 EMBANKMENT REGENERATION DEVELOPMENT, LONDON
SOURCE: U+I



CLIMATE CHANGE PROTEST IN 2019
SOURCE: STOCK IMAGE



EXISTING VICTORIAN BUILDING ON THE CORE SITE.
SOURCE: U+I



COMMUNITY ENGAGEMENT WORKSHOP BY TOWN, WOLVERTON
SOURCE: TOWN



ACADEMY OF URBANISM CONFERENCE, AMERSFOORT, NETHERLANDS
SOURCE: TOWN



TOWN'S MARMALADE LANE COMMUNITY CONSULTATION BOARD
SOURCE: TOWN



RESIDENTIAL DEVELOPMENT, AMERSFOORT, NETHERLANDS
SOURCE: TOWN



SHEPHERD'S BUSH MARKET TRADERS, LONDON
SOURCE: U+I



MINECRAFT WORKSHOP WITH YOUNG PEOPLE
SOURCE: SIMON BECKETT



DESIGN FOR CHANGE COMMUNITY WORKSHOP, GLEADLESS VALLEY
SOURCE: URBED



NEW HOUSING DEVELOPMENT IN VIENNA, AUSTRIA
SOURCE: TOWN



U+I'S CIRCUS STREET MIXED-USE DEVELOPMENT, BRIGHTON
SOURCE: U+I



HOVENRING, FLOATING CYCLE ROUNABOUT, EINDHOVEN, NETHERLANDS
SOURCE: TOWN



SANDPIT, BOSTON, USA
SOURCE: TOWN



CONSTRUCTION WORKER ON TIMBER CONSTRUCTION SITE
SOURCE: STOCK IMAGE



TOWN'S MARMALADE LANE COHOUSING DEVELOPMENT, CAMBRIDGE
SOURCE: DAVID BUTLER



PEOPLE WALKING IN HAMPSTEAD HEATH, LONDON
SOURCE: TOWN



STREET PLAYGROUND WITH TREES, BARCELONA, SPAIN
SOURCE: TOWN



MID-RISE HOUSING ASPERN SEESTADT, VIENNA
SOURCE: TOWN



COMMUNITY BASED HORTICULTURE AT U+I MAYFIELD DEVELOPMENT, MANCHESTER
SOURCE: U+I



MAYFIELD, MANCHESTER
SOURCE: U+I



USING RENEWABLE ENERGY FOR BUILDINGS
SOURCE: STOCK IMAGE



ZERO WASTE STORE, NEWCASTLE UPON TYNE
SOURCE: TOWN



CIRCULAR ECONOMY GRAPHIC
SOURCE: TOWN



CROSS-LAMINATED TIMBER CONSTRUCTION, MARMALADE LANE, CAMBRIDGE
SOURCE: TOM PILSTON



ZERO CARBON FOOTPRINT GRAPHIC
SOURCE: TOWN



CANAL-SIDE HOME, AMERSFOORT, NETHERLANDS
SOURCE: TOWN



TRANSPORT HUB WITH ROOFTOP PLAYGROUND, COPENHAGEN
SOURCE: STOCK IMAGE



CITY CYCLING
SOURCE: STOCK IMAGE



GREEN STREET, TORENALLEE, EINDHOVEN, NETHERLANDS
SOURCE: TOWN



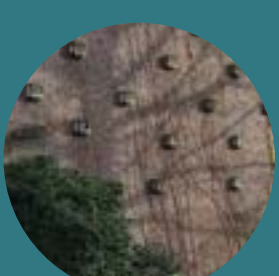
MID-RISE HOUSING ASPERN SEESTADT, VIENNA, AUSTRIA
SOURCE: TOWN



NATURAL CHILDREN'S PLAY, BRIGHTON
SOURCE: TOWN



BIRDBOXES ON A BUILDING WALL, AMSTERDAM, NETHERLANDS
SOURCE: TOWN



TREE LINED CYCLE PATH, TORENALLEE, EINDHOVEN, NETHERLANDS
SOURCE: TOWN



GREEN BUILDING, AMSTERDAM
SOURCE: TOWN



RESIDENTIAL DEVELOPMENT, AMERSFOORT, NETHERLANDS
SOURCE: TOWN



ENHANCING BIODIVERSITY AND WILDLIFE IN EINDHOVEN, NETHERLANDS
SOURCE: TOWN



COMMUNITY BASED HORTICULTURE AT U+I MAYFIELD DEVELOPMENT, MANCHESTER
SOURCE: U+I



DEPTFORD MARKET, LONDON
SOURCE: U+I



SHARED WALKING AND CYCLING STREET IN BARCELONA, SPAIN
SOURCE: TOWN



A PUBLIC SPACE INCORPORATING WATER FEATURES, BRIGHTON
SOURCE: TOWN



FUN STREET, COPENHAGEN, DENMARK
SOURCE: TOWN



CHILDREN TRAVELLING TO SCHOOL
SOURCE: STOCK IMAGE



PEDESTRIAN STREET, BARCELONA, SPAIN
SOURCE: TOWN



COURTYARD, BARCELONA, SPAIN
SOURCE: TOWN



COURTYARD, BERLIN, GERMANY
SOURCE: TOWN



BIKES BY A CAFE WITH PLANTING, EINDHOVEN, NETHERLANDS
SOURCE: TOWN



U+I'S 8 EMBANKMENT REGENERATION DEVELOPMENT, LONDON
SOURCE: U+I





Item

Cambridgeshire and Peterborough Combined Authority - Update

To:

Councillor Lewis Herbert, Leader and Executive Councillor for Strategy and External Partnerships

Strategy & Resources Scrutiny Committee 8 February 2021

Report by:

Andrew Limb, Head of Corporate Strategy

Tel: 01223 457004 Email: Andrew.Limb@cambridge.gov.uk

Wards affected:

Abbey, Arbury, Castle, Cherry Hinton, Coleridge, East Chesterton, King's Hedges, Market, Newnham, Petersfield, Queen Edith's, Romsey, Trumpington, West Chesterton

Not a Key Decision

1. Executive Summary

- 1.1 This is a regular report to provide an update on the activities of the Cambridgeshire and Peterborough Combined Authority (CPCA) Board since the 5 October 2020 meeting of Strategy & Resources Scrutiny Committee.

2. Recommendations

- 2.1 The Executive Councillor is recommended:

To provide an update on issues considered at the meetings of the Combined Authority Board held on 25 November (reconvened on 27 November 2020) and on 27 January 2021.

3. Background

- 3.1 Meetings of the Cambridgeshire and Peterborough Combined Authority Board were held on 25 November (reconvened on 27 November 2020) and on 27 January 2021. The decision sheets from the meetings are attached as Appendices A and B for the committee's consideration.

4. Implications

- (a) **Financial Implications**
- (b) **Staffing Implications**
- (c) **Environmental Implications**
- (d) **Procurement**
- (e) **Community Safety**

There are no implications from this update report in relation to any of the categories listed above

- (f) **Equality and Poverty Implications**

An EqIA has not been produced as there are no direct equality and poverty implications from this update report.

- (g) **Consultation and communication**

The Combined Authority will continue to issue communications about its activities and consult on its work.

5. Background papers

- 5.1 The background papers used in the preparation of this report are listed in the appendices below.

6. Appendices

Appendix A Decision sheet for CPCA Board meeting 25.11.20

Appendix B Decision sheet for CPCA Board meeting 27.01.21 (to follow)

7. Inspection of papers

To inspect the background papers or if you have a query on the report, please contact: Andrew Limb, Head of Corporate Strategy, tel: 01223 457004, email: Andrew.Limb@cambridge.gov.uk.



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

JAMES PALMER
CAMBRIDGESHIRE &
PETERBOROUGH MAYOR

Combined Authority Board Decision Statement

Meeting: Wednesday 25th November 2020.

[Meeting adjourned at 2.04pm and reconvened on Friday 27 November 2020 at 8.00am]

Published: Wednesday 2 December 2020

Decision Review deadline: Wednesday 9 December 2020

Each decision set out below will come into force, and may then be implemented at 5.00pm on the fifth full working day after the publication date, unless it is subject of a decision review. [see note on call in below].

Part 1 - Governance Items

1.1 Announcements, Apologies for Absence and Declarations of Interest

Apologies were received from Councillor Ryan Fuller and co-opted member Jessica Bawden when the Board met on Wednesday 25 November 2020. Following an adjournment, the meeting was resumed on Friday 27 November and apologies were received from Councillors Ryan Fuller, John Holdich and Bridget Smith and from co-opted members Jessica Bawden and Councillor David Over.

A declaration of interest was made by Kim Sawyer, Chief Executive, in relation to Item 4.1: CAM Special Purpose Vehicle Budget Update and Award of the CAM Conceptual Design Contract. Ms Sawyer is an Interim Director of the Board of the CAM Special Purpose Vehicle, but as she was appointed to this position by the Combined Authority Board there was no conflict of interest.

1.2 Minutes of the Combined Authority Board meeting on 30 September 2020

The minutes of the meeting on 30 September 2020 were approved as an accurate record. A copy will be signed by the Mayor when it is practical to do so.

1.3 Petitions

No petitions were received.

1.4 Public Questions

No public questions were received.

1.5 Forward Plan

It was resolved to approve the Forward Plan.

1.6 Combined Authority Board and Committee Appointments: November 2020

It was resolved to:

- a) Note the appointment by Cambridge City Council of Councillor Martin Smart as its substitute member on the Combined Authority Board for the remainder of the municipal year 2020/2021.
- b) Note the appointment by Cambridge City Council of Councillor Mike Davey as one of its members on the Overview and Scrutiny Committee for the remainder of the municipal year 2020/2021.
- c) Note the appointment by Cambridge City Council of Councillor Mike Sargeant as one of its substitute members on the Overview and Scrutiny Committee for the remainder of the municipal year 2020/2021.
- d) Nominate and appoint members and substitute members to the Employment Committee.

1.7 Appointment of Chief Executive Officer (ONE CAM LTD)

This report was withdrawn.

Part 2 – Finance

2.1 Budget Monitor Report Update: November 2020

It was resolved to note the updated financial position of the Combined Authority for the year.

2.2 2021/22 Draft Budget and Medium-Term Financial Plan 2021 To 2025

It was resolved to:

- a) Approve the Draft Budget for 2021/22 and the Medium-Term Financial Plan 2021/22 to 2024/25 for consultation.
- b) Approve the timetable for consultation and those to be consulted.

Part 3 – Combined Authority Decisions

3.1 Allocation of Additional Funds to Highways Agencies

Having consulted the Board, the Mayor resolved to allocate the grants as set out below:

Additional Pothole and Challenge Funds

CCC - £10,201,000

PCC - £2,353,000

Total - £12,554,000

Additional Home to School and College Transport Funds

CCC - £876,164

PCC - £179,328

Total - £1,055,492

3.2 Allocation of Getting Building Fund

It was resolved to note Key Decision 2020/081 made by Mayor James Palmer on 5th November 2020 using the General Exception procedure.

By recommendation to the Combined Authority Board

Part 4 – Transport and Infrastructure Committee recommendations to the Combined Authority Board

4.1 CAM Special Purpose Vehicle – Budget Update and Award of the CAM Conceptual Design Contract

It was resolved to:

a) In accordance with the shareholder agreement, approve the recommendations of the One CAM Limited Board to:

- I. agree the appointment of the non-executive directors
- II. agree the remuneration for the non-executive directors in the sum of £40,000 per annum for each director
- III. agree the appointment of Jon Alsop as interim Chief Finance Officer for One Cam Ltd
- IV. agree the amendment to the heads of terms of the shareholder agreement
- V. ratify the opening of a bank account with Barclays for One Cam Ltd

b) Delegate authority to the CPCA Chief Executive to enter into contracts following compliant procurement processes on behalf of the Combined Authority and later novate to One Cam Ltd as follows:

- VI. Three contracts to deliver Concept Designs for the CAM in the sum of £200,000 per contract
- VII. A contract for legal services based on schedule of rates and within the 2020/21 agreed budget.
- VIII. A contract to MACE based on schedule of rates and within the 2020/21 agreed budget to facilitate the progression of the CAM outline business case
- IX. A contract to Jacobs to support key elements of the Delivery Strategy capped at £620,000

4.2 Fenland Stations Regeneration Outline Business Case

It was resolved to:

- (a) Approve the Outline Business Case outcomes
- (b) Approve the start of construction for Manea and March Station works
- (c) Approve the drawdown of £1.2 million from the budget within the Medium-Term Financial Plan.

4.3 Fengate Phase 1 Strategic Outline Business Case

It was resolved to:

- a) Approve the Strategic Outline Business Case;
- b) Approve the commencement of the Full Business Case and detailed design stage;
- c) Approve the drawdown of £270,000 from the budget within the Medium-Term Financial Plan to develop the Full Business Case and detailed design.

4.4 Oxford to Cambridge Arc

It was resolved to note the Oxford to Cambridge Arc report.

4.5 Market Towns Programme Investment Prospectus – Approval of Second Tranche of Project Proposals

It was resolved to:

Approve the second tranche of project proposals received under Market Towns Programme from Fenland and East Cambridgeshire in the sum of £1,426,169 plus an additional £99,900 for the ‘unapproved’ balance for tranche one.

4.6 Devolution Deal, Gainshare Gateway Review and Combined Authority Prospectus

It was resolved to:

- a) Note that 72% of Devolution Deal Commitments have already been delivered or are in delivery, and agree to take six-monthly progress reports on Devolution Deal delivery in future,
- b) Approve the Locality Complementary Report at Appendix 2,
- c) Approve the Prospectus at Appendix 3.

Part 5 – Housing and Communities Committee recommendations to the Combined Authority Board

5.1 Local Transport Plan CAM Sub Strategy

It was resolved to:

- a) Note the consultation responses to the Cambridgeshire Autonomous Metro (CAM): Local Transport Plan (LTP) sub-strategy;

- b) Agree the amendments made to the CAM: LTP sub-strategy in light of the consultation responses;
- c) Note that the CAM LTP sub-strategy sets out the vision for CAM, against which, schemes contributing to the CAM will be considered; and
- d) Approve the CAM LTP sub-strategy.

5.2 March Area Transport Study

It was resolved to:

Approve the drawdown of £900,000 for construction of the remaining March Area Transport Study Quick Win Schemes

5.3 A47 Dualling

It was resolved to:

Note the report and the proposed next steps.

5.4 Cambridge South East Transport Better Public Transport and Active Travel Consultation

It was resolved to:

Delegate responsibility to the Director of Delivery and Strategy to respond to the consultation on behalf of the Combined Authority, in consultation with the Chair of the Transport & Infrastructure Committee.

Part 6 – Skills Committee recommendations to the Combined Authority Board

6.1 Local Growth Fund Programme Management November 2020

It was resolved to:

- a) Allocate the remaining £2,043,178 Local Growth Fund into the Growth Grants strand of the new Business Growth Service;
- b) Delegate authority to Director of Business and Skills, in consultation with the Monitoring Officer, Lead Member for Finance and Investment and Section 73 Officer, to approve launching the grant scheme approved by the Business Board to receive the remaining £2,043,178 Local Growth Fund;
- c) Approve the carry forward of £100,000 of the current funding allocation to the Eastern Agri-tech Growth Initiative scheme to enable the close out of the scheme, handling of final claims, a full programme evaluation and report during 2021-22; and
- d) Note the programme updates outlined in the report to the Business Board.

[Meeting adjourned at 2.04pm. The following decisions were made when the meeting reconvened at 8.00am on Friday 27 November 2020]

6.2 Growth Deal Project Proposals November 2020

It was resolved to:

Approve funding for the Cambridge Visitor Welcome project based on the project scoring criteria and external evaluator recommendation.

6.3 Local Economic Recovery Strategy Update

It was resolved to:

- a) Approve the updated version of the Local Economic Recovery Strategy (LERS) for Cambridgeshire & Peterborough.
- b) Note that the next Economic Recovery Strategy (LERS) for Cambridgeshire & Peterborough Refresh will be brought to the Board in March 2021, rather than January 2021 as previously proposed.**

6.4 Business Board Annual Report 2019/20 and Annual Delivery Plan 2020/21

It was resolved to:

Approve the Business Board Annual Report for 2019-20 and Annual Delivery Plan for 2020-21, and for these to be published and formally submitted to the Department for Business, Energy & Industrial Strategy (BEIS).

6.5 iMET Project Local Growth Fund Recovery

It was resolved to:

- a) Approve pursuing clawback of Local Growth Funding (LGF) in relation to the iMET Programme LGF investment, by selling the iMET building on the open market for a cash receipt back into the recycled Local Growth Funding budget, through agreements with Cambridge Regional College and the Landlord Urban and Civic;
- b) Approve the Combined Authority owning and disposing of the iMET building to effect claw-back, if required. It is not the intention of the transaction as currently envisaged that CPCA would take ownership of the iMET Building. If CPCA do take ownership, it would only be for a short period of time before the iMET is transferred to the end purchaser;
- c) Approve a refocussed Grant Funding Agreement between Cambridge Regional College and the Combined Authority and that final sign-off of that agreement, in relation to the iMET equipment being retained and utilised by Cambridge Regional College to continue delivering learner outputs, is delegated to the Director Business and Skills in consultation with the s73 Officer and the Lead Member for Investment and Finance;
- d) Delegate authority to the Director Business and Skills, in consultation with the Section 73 Officer, the Monitoring Officer and the Lead Member for Investment and Finance, to finalise the form and then sign-off the Surrender or Assignment Option Agreement between Cambridge Regional College and the Combined Authority, once full and final agreement with the landlord has been achieved; and

- e) Delegate authority to the Director Business and Skills in consultation with the Section 73 Officer, Monitoring Officer and the Lead Member for Investment and Finance to finalise Heads of Terms on an agreement with the landlord of the iMET building, which in turn facilitates the final sign-off of the option agreement with Cambridge Regional College.

6.6 Kickstart Scheme

It was resolved to:

- a) Approve the Business Growth Service to act as a Gateway Organisation to administer the Kickstart Scheme for the Cambridgeshire and Peterborough area; and
- b) Approve the Business Growth Service as the primary referral partner for any Kickstart requests via the CPCA.

Notes:

- (a) Statements in **bold type** indicate additional resolutions made at the meeting.
- (b) Five Members of the Overview and Scrutiny Committee may call-in a key decision of the Mayor, the Combined Authority Board or an Officer for scrutiny by notifying the Monitoring Officer.

For more information contact: Richenda Greenhill at Richenda.Greenhill@cambridgeshire.gov.uk or on 01223 699171.

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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Item

Strategy & Resources 8 February 2021 - Finance and Resources Portfolio: Capital strategy 2020/21

To:

Councillor Mike Davey, Executive Councillor for Finance and Resources Portfolio

Report by:

Caroline Ryba, Head of Finance

Tel: 01223 - 458134 Email: caroline.ryba@cambridge.gov.uk

Wards affected:

(All) Abbey, Arbury, Castle, Cherry Hinton, Coleridge, East Chesterton, King's Hedges, Market, Newnham, Petersfield, Queen Edith's, Romsey, Trumpington, West Chesterton

Key Decision

1. Executive Summary

- 1.1 The council continues to develop and expand well-established, long term capital planning.
- 1.2 This report presents the capital strategy of the council together with a summary capital programme for the General Fund (GF) and Housing Revenue Account (HRA). The previous capital strategy was approved by the council on 25 February 2020. The strategy is focused on providing a framework for delivery of capital expenditure plans over a 10-30 year period. These plans cover spending on operational assets to support service delivery and on investments which provide an income for the council alongside meeting the council's objectives in relation to economic development and place-making, regeneration and climate change mitigation. Governance arrangements are also outlined in order to ensure the capital programme continues to deliver value for money.

- 1.3 The council has a substantial capital programme which is mainly guided by and supports the strategic aims of the council as outlined in the *One Cambridge – Fair for All* vision and defined in the *Annual Statement* as published on the council website.
- 1.4 The strategy has been updated to reflect:
- the ongoing development of a programme to build 1,000 new council homes in the 10 years from 2022 (page 5, paragraph 4.11)
 - changes in capital financing as recommended in the General Fund Budget Setting Report 2021/22 (page 8, paragraph 5.9)
 - the revised Public Works Loan Board (PWLB) lending terms (page 12, paragraph 5.27).

2 Section 151 officer report

- 2.1 The council's section 151 officer is required to report explicitly on the affordability and risk associated with the capital strategy.
- 2.2 As highlighted in the strategy the council ensures that capital projects and schemes are accompanied by detailed funding proposals. Where projects are to be funded from borrowing, either internally from cash balances or externally, a prudent Minimum Revenue Provision charge is made. The council has not borrowed externally to fund capital expenditure in the recent past, the current external borrowing representing debt incurred on the transition from the old housing subsidy system to HRA self-financing.
- 2.3 Where the council has expanded its commercial activities by purchasing additional commercial properties or by making loans to subsidiaries and joint ventures to facilitate the provision of intermediate housing or the development of sites for market and affordable housing, it ensures that the risks taken are proportionate to the size and scale of the authority. Legal advice is taken alongside the completion of appropriate due diligence and any loans are secured where appropriate. On projects undertaken by joint ventures the council monitors the expected

repayment of loans and expected future surpluses carefully. The council has not borrowed externally to fund the increase in commercial activity.

- 2.4 External debt will be used to fund the redevelopment of the Park Street multi-storey car park, future housing developments within the HRA. The council is aware of the risks associated with borrowing for these purposes and will seek appropriate external advice.
- 2.5 From 2021/22, external borrowing may also be used to fund the remainder of the capital programme where capital receipts and cash balances are insufficient. The level of capital spending will be reviewed annually for affordability in the Medium Term Finance Strategy (MTFS), before proposals are brought forward through the budget setting process.

3 Recommendations

3.1 The Executive Councillor is asked to:

- Recommend the capital strategy to Council; and
- Note the summary capital programme

4. Implications

(a) Financial Implications

The capital strategy underpins the Medium Term Financial Strategies (MTFSs) and Budget Setting Reports (BSRs) for the General Fund (GF) and Housing Revenue Account (HRA). The financial implications of the strategy are included within those documents. The treasury management implications of the strategy are summarised within the treasury management strategy statement.

(b) Staffing Implications

The capital strategy is considered to be deliverable within current staff resources. However, this will be kept under review by management through the relevant programme boards.

(c) Equality and Poverty Implications

Decisions around individual items of capital expenditure, properties and investments will consider the equality and poverty implications as and when specific proposals are made.

(d) Environmental Implications

Decisions around individual items of capital expenditure, properties and investments will consider the environmental implications as and when specific proposals are made.

(e) Procurement Implications

There are no direct procurement implications arising from this report. Any subsequent actions will be undertaken in accordance with procurement regulations, contract procedure rules and any other related legislation.

(f) Community Safety Implications

None.

5. Consultation and communication considerations

Individual proposals arising from this strategy will be consulted on as appropriate.

6. Background papers

These background papers were used in the preparation of this report:

- GF and HRA Budget Setting Reports 2021/22
- Treasury Management Strategy Statement 2021/22

7. Appendices

The following item is included in this report:

- Capital Strategy 2021/22

8. Inspection of papers

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

Author's Name:	Caroline Ryba, Head of Finance
Author's Phone Number:	01223 - 458134
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Cambridge City Council Capital Strategy 2021/22

Contents

Section	Title	Page
1	Introduction	1
2	Objectives	2
3	Scope	2
4	Council priorities and external influences	3
5	Capital expenditure	7
6	Debt, borrowing and treasury management	14
7	Commercial activity	17
8	Other long-term liabilities	26
9	Knowledge and skills	26
Appendix 1		29

Introduction

- 1.1 The CIPFA Prudential Code requires that councils have a capital strategy that demonstrates that the council takes capital expenditure and investment decisions in line with service objectives and properly takes account of stewardship, value for money, prudence, sustainability and affordability. The strategy should set out the long-term context in which capital expenditure and investment decisions are made and give due consideration to both risk and reward and the impact on outcomes.
- 1.2 As local authorities become increasingly complex and diverse it is important that those charged with governance understand the long-term context in which investment decisions are made and the financial risks to which the council is exposed.
- 1.3 The strategy maintains a strong and current link to the council's priorities and to other key strategy documents including the Treasury Management Strategy, General Fund and Housing Revenue Account Medium Term Financial Strategies and the Council's Vision and Annual Statement.

2 Objectives

- 2.1 The objective of the capital strategy is to ensure that the overall strategy, governance procedures and risk appetite are clear to members, officers and readers in general. The strategy outlines how stewardship, value for money, prudence, sustainability and affordability will be secured.

3 Scope

- 3.1 The capital strategy specifically focusses on the key areas of:

- Capital expenditure;
- Debt, borrowing and treasury management; and
- Commercial activity.

It also considers:

- Other long-term liabilities; and
- Knowledge and skills.

Capital Expenditure

- 3.2 Capital expenditure in the City Council takes a number of forms:

- The council runs a majority of services in house and has a significant operational asset base to run and sustain those services - including council houses, community centres, car parks, a crematorium and vehicle fleet. This asset base must be maintained and assets replaced or upgraded as they age. This often reflects an enhancement, e.g. providing better energy efficiency.
- The council may purchase or develop new assets, for example community centres in new areas of the city, or purchase or enhance existing investment properties to address building/functional/economic obsolescence, support

regeneration of the local area and to generate additional income to support Council services.

- The council may make grants, loans or investments which are treated as capital expenditure under statute.

Debt, Borrowing and Treasury Management

- 3.3 The council has both external borrowing with the Public Works Loan Board (PWLB) and 'internal' borrowing from cash balances. This borrowing is managed alongside the investment of cash balances (currently over £100m per annum) as part of the council's treasury management function.

Commercial Activity

- 3.4 There has been an emerging commercialisation agenda in local government in the last few years as councils look to become more financially self-sufficient. The City Council has focused on loans to council joint ventures and companies wholly owned by the council. It has completed a programme to purchase further investment properties in accordance with its asset management plan to improve diversity of the portfolio or as strategically important to future portfolio performance. The council is considering investment in renewable energy generation and associated areas as part of its response to the Climate Emergency.

4 Council priorities and external Influences

- 4.1 The Council has an overall Vision statement – 'One Cambridge – Fair for All, in which economic dynamism and prosperity are combined with social justice and equality. The vision can be viewed at www.cambridge.gov.uk/our-vision
- 4.2 The Council's annual statement, published at www.cambridge.gov.uk/annual-statement outlines how it will

achieve the vision giving more detail on the Council's priorities and specific projects.

- 4.3 The Corporate Plan sets out three strategic objectives from the Annual Statement, with actions, initiatives and strategies to achieve those objectives. The Corporate Plan can be accessed at <https://www.cambridge.gov.uk/corporate-plan>.

Local Plan and North East Cambridge (NEC)

- 4.4 The Cambridge Local Plan was adopted in October 2018. The council will now use the local plan to guide development in the city in the coming years, with 14,000 additional homes and 22,000 additional jobs set to be created by 2031. The process to develop a new local plan with South Cambridgeshire District Council, to be known as the Greater Cambridge Local Plan, has begun. This has included an initial consultation held in January and February 2020 and publication of an initial evidence base and strategic options assessments in November 2020. Further information can be found at <https://www.greatercambridgeplanning.org/emerging-plans-and-guidance/greater-cambridge-local-plan/>.
- 4.5 Among the areas designated in the plan for potential future development is the NEC area around Cambridge North Station. The council, working with partners has secured £227m in national funding to support the relocation of Anglian Water's Cambridge Water Recycling Centre. Once the relocation has been achieved, 5,200 homes are planned for the core site, together with around 1m square feet of commercial space (7,000 jobs) and a mix of retail, community and leisure space. The redevelopment of the adjacent sites covering the wider NEC area, if enabled by the relocation of the water recycling centre, has the potential to deliver an additional estimated 2,400 homes and around 40,000 new jobs, supported by amenities and community facilities. This scale of development would make a significant contribution to the additional homes and jobs likely to be required by the new Local Plan.

- 4.6 As a significant landowner in the area the project to develop NEC will be important in the council's future capital plans. This is both in terms of capital expenditure and as a source of funding in the form of capital or other receipts.

Delivery of new council homes

- 4.7 The council has secured £70m of devolution grant towards the provision of 500 new council houses in Cambridge. This funding is to be used alongside right to buy receipts and other HRA resources, with current plans in place to deliver 589 additional, and some replacement, homes.
- 4.8 The council has formed a number of 50:50 joint venture partnerships with Hill Residential under the umbrella of the Cambridge Investment Partnership (CIP). CIP is undertaking the redevelopment of the council's former depot at Mill Road which will provide an equal number of market and council homes.
- 4.9 The council has purchased a former builders merchant's site at Cromwell Road which it is currently redeveloping with CIP to provide 295 units, 40% of which will be new council homes. CIP has also purchased a further site, L2 on Orchard Park for development for homes, 40% of which will be new council homes.
- 4.10 The council is also undertaking the redevelopment of the Meadows and Buchan Street community centre sites to deliver over 100 new council homes, a community hub and to re-provide local retail / commercial premises.
- 4.11 The council is working on a programme to deliver 1,000 new council homes over the course of the decade from 2022 following the end of the current housebuilding programme. New homes will be built to a Passivhaus standard where possible, with an intention to move to zero carbon during the life of the programme where possible and feasible to do so.

Other capital priorities

- 4.12 In addition to the major developments above for the delivery of new homes and businesses in Cambridge, the council is also planning and implementing a number of significant enabling investments to drive digital delivery and service improvement. This includes investment in new IT equipment to promote flexible and collaborative working under the umbrella of 'Council Anywhere' and the replacement of a number of key systems including the housing management system.
- 4.13 The council uses condition surveys and asset management planning for both the Housing Revenue Account (HRA), covering the council's 7,000 council houses, and the General Fund (GF) to inform priorities for capital expenditure.
- 4.14 The council undertakes energy efficiency and carbon reduction work on council buildings with funding allocated from the Climate Change Fund and other resources, as available. The Council also undertakes energy efficiency work on its commercial property portfolio to ensure compliance with the statutory requirements of the MEES legislation.
- 4.15 The council will continue to bring forward projects, including those targeted on energy saving and generation, within the council's property estate and in other locations where an environmental, social or financial benefit may be derived.

Working with external partners

- 4.16 The council works closely with external partners and this extends to decisions around capital.
- 4.17 The council has worked closely with the Cambridgeshire and Peterborough Combined Authority on the project to develop NEC,

which was prioritised by the Combined Authority as its only submission in the round of funding bids for the Housing Infrastructure Fund.

4.18 The Combined Authority is also responsible for the allocation of the 500 council homes devolution grant to the City Council.

4.19 The council is involved in a number of shared services with Huntingdonshire District Council and South Cambridgeshire District Council under the 3Cs Shared Services name. Further services are shared with either South Cambridgeshire alone or Huntingdonshire alone. Where these services require capital investment, the councils work closely together.

5 Capital expenditure

Governance

5.1 Capital projects put forward for funding through the Medium Term Financial Strategy (MTFS) or Budget Setting Report (BSR) must:

- Be linked to the council's vision and address other strategic considerations, including impact on the climate;
- maintain or enhance service delivery;
- be properly planned and developed and appropriate risks considered;
- be affordable and provide value for money; and
- be ready to be implemented, subject to any procurement requirements.

5.2 The council has a process for the review and prioritisation of new capital projects or programmes prior to approval by members. These arrangements are coordinated by the council's Corporate Programme Office (CPO). The objectives of the process include ensuring that the council has the capacity to deliver projects which are approved for inclusion on the capital plan. Review of capital

proposals also ensures that the sensitivity of costs to both internal and external risks is considered.

- 5.3 Under the process one of the programme boards (Business Transformation, Place, Digital, Housing, and Corporate Transformation) will review and make recommendations for the political approval that is required and funding approval in the BSR or MTFS. The CPO and a virtual Quality Assurance Group (QAG) reviews projects prior to presentation to the relevant board.
- 5.4 Boards have responsibility for monitoring the delivery of projects and ensure 'lessons learned' reviews take place to identify both good practice and areas for improvement. These reviews are shared to inform decision making on future projects.
- 5.5 The council's accounting policies have a de minimis of £15,000 (£2,000 for vehicles) for capital assets which are reflected in the processes above.
- 5.6 Where projects are to be funded by S106 contributions they are allocated S106 funding via the S106 priority-setting process by the Executive Councillor in the appropriate scrutiny committee.
- 5.7 The HRA capital programme is scrutinised by the Housing Futures (Senior Management) Team and Housing Committee prior to decisions being taken as part of the Housing BSR and MTFS.

Financing of capital expenditure

- 5.8 Consideration of the financing of capital projects is integral to the governance procedures outlined above.
- 5.9 For 2021/22 and later years, the council will normally no longer finance capital expenditure from in-year revenue funding. Where specific funding, such as grants or capital contributions are available, these will be used. Other capital expenditure will be financed from capital receipts and internal or external borrowing. To

ensure that capital expenditure is both affordable and prudent, an annual limit of capital financing from capital receipts and borrowing will be set and reviewed annually through the Medium Term Financial Strategy (MTFS).

5.10 Available resources will be allocated to capital proposals based on the following hierarchy of objectives:

- Statutory requirements e.g. Health and Safety;
- Maintenance of service delivery capacity and capability;
- Income generation to support the delivery of council objectives; and then
- The delivery of wider policy objectives, including those related to climate change and biodiversity.

5.11 Work with Heads of Service on forecasting possible GF capital expenditure requirements over the next 10 years has identified a core of around £2.0m per annum of expenditure to update or replace assets reaching the end of their useful lives. This forecast will however be dependent on future decisions relating to service delivery, so will be kept under annual review and will feed into consideration of the capital expenditure limit referred to above.

5.12 In the HRA the council is required to make a contribution from revenue resources to the Major Repairs Reserve each year – this is equal to the assessed depreciation on HRA assets. This funding will be used mainly to ensure that the existing stock meets decent homes standards and to build new homes. The HRA will also use direct revenue funding from its revenue resources and an element of borrowing to support reprovision of existing units (which cannot be funded from right to buy receipts) and wider investment on housing estates.

5.13 Where the council identifies that GF capital expenditure is to be supported by borrowing, either externally or internally from cash, a prudent Minimum Revenue Provision (MRP) charge will be made to revenue to fund the expenditure. This will ensure that the council

makes appropriate provision to fund the repayment of external debt or 'repay' cash balances internally borrowed. There will be circumstances in which MRP is not judged to be required. If so, the reasons will be specifically outlined in the MRP Policy. The MRP policy is published each year as part of the Treasury Management Strategy.

Asset management planning

- 5.14 The council's GF asset management plan was approved in July 2019, following an independent review of the council's property portfolio covering both operational and commercial properties. It will be reviewed every five years.
- 5.15 The asset management plan outlines how the council will manage its property. The plan sets out:
- The guiding principles of efficient management and the components and tools available to deliver results
 - How the council's objectives are supported, both in respect of property and its wider corporate objectives
 - The objectives of the commercial property portfolio and the regular reviews to be undertaken to assess how the portfolio meets these objectives
 - Property management including KPIs, the objectives, principles and process of acquisition, property reviews, asset management, development and disposals
 - Portfolio-wide matters such as repair and maintenance, health and safety, carbon management and sustainability and property data management.
- 5.16 The HRA asset management plan for housing stock was also reviewed and updated in 2019. The plan aims to return to a partial investment standard model rather than the basic decent homes standard, ensuring that the council invests in the current housing stock at the appropriate time and in the long term to reduce the level of spend in revenue repairs and maintenance.

- 5.17 The updated HRA asset management plan increases focus on improving the energy efficiency of the stock and compliance with relevant regulations, including fire safety. As this is a developing area following the Grenfell fire, the plan will be reviewed and updated once changes in regulations and other compliance requirements are published.
- 5.18 Work is also in progress to understand the level of investment that will be required to move existing homes towards Passivhaus or net zero carbon standards through retrofit, so that this can be balanced against the aspiration to also deliver new build homes to the highest sustainability standards possible, within resource constraints.
- 5.19 The council will review the condition of its existing assets on a regular basis, using specialist advisors where appropriate. This includes reviews of the maintenance requirements of operational property, investment properties and council housing stock.
- 5.20 Maintenance costs of existing assets will be considered carefully alongside replacement or upgrade decisions. For example, the council has its own fleet garage located in Waterbeach which is responsible for the maintenance of vehicles and keeps detailed records against each asset. Annual budgets will include provision for the maintenance of assets and service managers have the opportunity to make bids and offer savings in maintenance funding as part of the annual budget-setting round.
- 5.21 With the exception of the £214m loans taken out on the inception of self-financing of the HRA at the end of the previous subsidy system, the council currently has no external debt. It therefore does not need to consider the impact of past borrowing on asset management plans.

Forecasts

- 5.22 Forecasts of capital expenditure and the underlying need to borrow, also known as the Capital Financing Requirement (CFR), are included at Appendix 1.

Disposals

- 5.23 Disposal of assets will be subject to scrutiny by relevant committees and Executive Councillor approval. Detailed cases will be prepared for any asset disposals and where appropriate, independent advice taken, to ensure that best value is achieved on disposals, taking into account any strategic objectives. The council is also obliged to sell council properties to qualifying tenants under the Right to Buy legislation.
- 5.24 The council's current plans for disposal include the sale of its interest in Hobson House, formerly used as a council office, and various commercial properties as indicated by the property portfolio review undertaken at the same time as the current GF asset management plan.

Funding and borrowing restrictions

- 5.25 Under the Prudential Code the council has discretion to undertake borrowing which is prudent, affordable and sustainable.
- 5.26 With the removal of the HRA debt 'cap' in October 2018, the HRA is now able to borrow to fund its capital plans, subject to the normal provision that any borrowing is affordable.
- 5.27 There are a number of restrictions around borrowing and funding of capital expenditure and these will be taken into account in the development and monitoring of the capital plan. In particular, the PWLB has recently revised its lending terms which now require councils to confirm that they have no plans for capital schemes that can be classified primarily as 'debt for yield' investments before any loans are agreed.
- 5.28 Guidance indicates that the purchase of assets primarily for yield would usually have one or more of the following characteristics:
- Buying land or existing buildings to let out at market rate

- Buying land or existing buildings which were previously operated on a commercial basis which is then continued by the local authority without any additional investment or modification
- Buying land or existing buildings other than housing which generate income and are intended to be held indefinitely, rather than until the achievement of some meaningful trigger such as the completion of land assembly

5.29 At present, no schemes of this types are included in the council's capital programme.

5.30 The majority of the receipts from asset disposal come from the sale of council homes under the Right to Buy. The council remains subject to the agreement with the Ministry of Housing, Communities and Local Government (MHCLG) that allows the retention of right to buy receipts, subject to a set of specific conditions. These conditions include a requirement that such receipts are spent on housing.

5.31 The receipts assumed in the HRA Self-Financing Settlement continue to be shared with MHCLG in the statutorily agreed proportions, with a proportion of the receipts from any subsequent sales kept by the authority in recognition of the debt that the authority holds in respect of the asset. The balance of capital receipts is ring-fenced for one-for-one (1-4-1) investment.

5.32 Currently, 1-4-1 receipts must be spent within a three-year timeframe to fund the delivery of new social housing. A maximum of 30% of the cost can be met from this funding stream with the balance funded from the council's own resources or borrowing. MHCLG has consulted on allowing authorities longer to use existing receipts but the outcome of the consultation is still awaited.

5.33 Where receipts are not used within the three-year timeframe, receipts have to be repaid to central government with interest at 4% above the base rate.

- 5.34 The council aims to be around 12 months ahead of the profile for return of monies but this is critically dependent on the progress of housing developments that may be affected by factors outside the council's control. If the council is unable to use receipts within the three-year timeframe, it will either acquire existing properties on the open market or look to pass receipts on to a registered provider to deliver affordable housing in the city. All efforts will be made to ensure that no receipts are paid back to central government.
- 5.35 The council must also ensure that it observes the ring-fence between GF and HRA resources.

Capital receipt flexibilities

- 5.36 Under a direction issued by central government in February 2018 authorities can choose to use capital receipts received in the 6 years commencing from 1 April 2016 to fund the revenue costs of transformation projects. Qualifying expenditure must 'generate ongoing revenue savings in the delivery of public services and/or transform service delivery to reduce costs and/or transform service delivery in a way that will reduce costs or demand for services in future years for any of the public sector delivery partners.'
- 5.37 The council has no plans to use this flexibility.

6 Debt, borrowing and treasury management

Summary

- 6.1 Appendix 1 shows a summary of the council's total underlying need to borrow – the Capital Financing Requirement (CFR), together with the estimated levels of borrowing and the level of protection provided by reserves.

- 6.2 The Prudential Code requires that the council set and publish an authorised limit and operational boundary for external debt. These can be found in the annual treasury management strategy.

External debt

- 6.3 At present the only external debt held by the authority relates to the twenty loans from the PWLB for self-financing the HRA taken out in 2012 totalling £213,572,000.
- 6.4 These loans have maturities from 2038 to 2057 and interest rates between 3.46% and 3.53%.
- 6.5 Although the council is not required to make MRP payments on this debt, the HRA has a 30-year business plan which demonstrates its ability to meet the on-going financing costs of this debt and considers the options for repayment or refinancing.
- 6.6 The council will borrow to support capital expenditure where prudent to do so. At present there are plans to fund the redevelopment of the Park Street multi-storey car park (see 7.10) and some residential development within the HRA by external debt. These schemes will increase the council's external debt by around £210m over the next four years.
- 6.7 The change to capital financing outlined in 5.9 will give rise to additional external borrowing. This will be dependent on the timing and level of capital receipts achieved, the level of cash balances held and the timing of delivery of capital schemes. Estimate of external debt are included in the treasury management strategy.

Internal borrowing

- 6.8 Where the council borrows from internal cash balances it must also ensure that it makes a prudent MRP charge. The MRP policy is included each year as part of the treasury management strategy.

Treasury management

6.9 The council manages its deposits in-house and uses Link (formerly Capita) as its independent treasury adviser. The council recognises that responsibility for treasury management activities remains with the organisation. The council will ensure that the terms of Link's appointment are properly agreed, documented and reviewed annually.

6.10 The council's deposit priorities are (and in this order):-

- The security of capital;
- The liquidity of deposits; and;
- The yield or return on its deposits.

6.11 The council takes a cautious approach within its treasury management strategy. However, in order to ensure that the council invests its funds in the most appropriate way, the strategy will be reviewed at least annually taking into account the information available from Link and wider developments.

6.12 The council will use the creditworthiness service provided by Link which is updated daily for the authority to use. The service uses a sophisticated modelling approach utilising credit ratings from the three main credit rating agencies – Fitch, Moody's and Standard & Poor's. However, the council does not rely solely on the current credit ratings of counterparties but also uses the following as overlays:-

- Credit watches and credit outlooks from credit rating agencies;
- Credit Default Swaps (CDS) spreads to give early warning of likely changes in credit ratings i.e. akin to an insurance policy whereby counterparties enter into a contractual agreement; and;
- Sovereign ratings to select counterparties from only the most creditworthy countries.

- 6.13 The council will not place an investment contrary to Link's credit methodology criteria which includes a maximum duration period (except for 'smaller' building societies).
- 6.14 In addition to considering the creditworthiness of counterparties the council will also consider the duration of deposits to ensure the appropriate liquidity of funds.
- 6.15 Treasury management activity will be delegated to officers in the council's finance team in line with the defined treasury management practices.
- 6.16 The current investment position will be reported to the Senior Management Team as part of the council's quarterly budget monitoring process. Investment performance will be formally reported to Strategy and Resources Scrutiny Committee and Council at the mid-year and outturn.

7 Commercial activity

- 7.1 Where the council invests in non-financial assets, it will consider security, liquidity and yield, as it does for financial assets.
- 7.2 Specifically, in relation to non-financial assets:
- **Security** – the council recognises that it will normally have an asset that can be used to recoup capital invested. Therefore, it will ensure through regular valuations at fair value, that there is sufficient value in assets and the portfolio as a whole to protect the funds invested.
 - **Liquidity** – the council has a large diversified portfolio of non-financial assets and will therefore be able to look at potential disposals across it to access funds, without having to rely on the disposal of a key asset for liquidity. The council will also maintain significant financial investments to meet its liquidity needs.

- **Yield** – Return for non-financial assets is represented by rental income less direct costs and will be reviewed on a regular basis. Yield will be appropriate to the perceived level of risk for the asset in the market at that time, within any constraints imposed by policy decisions, after satisfying the requirements for security and liquidity.

7.3 The council considers commercial activity to include:

- The provision of income-generating services, such as car parking and bereavement services, which utilise significant assets, classified as operational assets for management purposes.
- Investment in commercial properties through acquisition but also through portfolio management (recycling portfolio performance through buying and selling) and regeneration or redevelopment of the existing portfolio.
- Investment in other income-generating assets that support council objectives, such as housing and renewable energy generation facilities
- Loans to group undertakings

Investment in commercial properties

7.4 The council has historically owned a significant investment property portfolio, including retail, office and industrial properties. The GF asset management plan identifies the following objectives for the commercial property portfolio:

- Securing a financial return from the net rental income
- Diversification (geographic, property type, tenure) to mitigate stock specific risk
- Meeting wider corporate objectives such as improving environmental performance and sustainability by providing high performing property
- Delivery of services to the citizens in accordance with objectives
- Opportunity to influence through wider land ownership

- Providing opportunities for entrepreneurs and small businesses which may not always be available through the private sector
- Ensuring appropriate standards of property management are maintained including but not limited to environmental and health and safety standards and legislation
- Improving the quality of the public realm.

7.5 The GF asset management plan sets out criteria and procedures for property acquisitions. Where new acquisitions are to be made, agents will be appointed to advise on and acquire suitable commercial property investments.

7.6 As there are many factors to consider, a weighted scored matrix will be used to assess potential acquisitions. Acquisitions should generally meet the following requirements, but exceptions may be made where an acquisition is strategically important in relation to the council's existing land ownership or portfolio balance:

- Location: investment in Cambridge but a good quality investment relatively close can be considered.
- Rate of return: at least 5% p.a. on capital value
- Risk: certainty of income, as reflected by tenant and lease structure and the credit ratings of tenants
- Management: net income close to gross income, property management requirements not intensive.
- Condition: in good condition, not requiring significant capital investment
- Accessibility: good
- Environmental performance: EPC rating of C or above.

7.7 Consideration will also be given to how the acquisition will fit within the council's existing portfolio. Specific portfolio key performance indicators (KPIs) are given in the monitoring portfolio performance section below.

7.8 The council will follow the approved process and governance arrangements for investment property acquisitions when funding is available for investment. These recognise that the local commercial

property market is competitive, and that success depends upon timely decisions in relation to investments. The council has therefore delegated authority to the Head of Property Services to approve acquisitions after consultation with the relevant Executive Councillor, Committee Chair, Opposition Spokesperson and Head of Finance. Subsequently, acquisitions will be reported to the relevant committee.

- 7.9 In order to achieve some geographical diversity, the council has invested in properties which fall outside the city boundary. The council took appropriate legal advice from counsel that these out of area purchases do not contravene the relevant legislation and the powers given to the council under the Local Government Act 2003. The council also achieves some wider geographic diversification through its investments in pooled property funds managed as part of its treasury activity, although this represents a relatively small percentage of its property investments.
- 7.10 The council has approved plans to redevelop an operational asset, the multi-storey car park it owns on Park Street in Cambridge. The car park will be replaced by a smaller underground car park, with an aparthotel above, achieving significant regeneration, environmental and public realm improvement in the area. Once complete, the aparthotel will form a significant part of the council's investment portfolio in an under-represented property type.
- 7.11 The council will also develop commercial land and property it already owns. A programme of nine projects has been identified to produce new or extended commercial property which is in short supply in the city. Some projects will be mixed use schemes, including residential accommodation some of which may be sold to partially fund the developments. The programme is expected to span 10 years, cost c£30m, generate capital receipts of £24m and increase annual rent income by £900,000. Further feasibility and development work will be required before individual projects within the programme can come forward for consideration and approval.

Monitoring portfolio performance

7.12 The portfolio will be reviewed annually as a whole by classification, lot size range, bandings and average, sector mix, geography, lease type and repairing obligations, net income return, average unexpired lease term, percentage void and compared with previous years. This will identify portfolio imbalances. A new property management database is being procured to support the delivery of the asset management plan.

7.13 The following portfolio KPIs, as included within the GF asset management plan, will be introduced:

Measure	Target / Baseline	Comment	Frequency
Gross external debt to net service expenditure	N/A	Not currently relevant due to the revised PWLB lending terms – see para 5.25	Annually
Commercial property income to net service expenditure	<50%		Annually
Ratio of investments to the resources of the council	<30%	Fair value of investment property as a % of the council's net assets.	Annually
Ratio of external borrowing to portfolio value	N/A	Not currently relevant due to the revised PWLB lending terms – see para 5.25	Annually
% outside jurisdiction	<25%	To maintain Cambridge focus with economic benefits too but also diversity from local economy and achieve stronger yield	Annually
Net income return	>5% on current capital value	To maintain income levels	Annually

Measure	Target / Baseline	Comment	Frequency
Average unexpired lease term	>5 years	Target is income security	Annually
% investment grade property	>80%	Generally lower expenditure	Annually
% void	<£100,000 income	To maintain income levels	Quarterly
Largest lot size	<10% of portfolio	Excluding Lion Yard. To reduce specific stock risk	Annually
Cashflow target (if set)	Meet target within 20%	To achieve the net investment level	Annually
Sector	No more than 50% in any sector, retail to trend downwards towards 30%	To diversify sector risk	Annually

7.14 The council's sizeable property portfolio includes equity stakes in two major shopping centres, a selection of small business units aimed principally at small local and start-up companies and more than 80 shops in council estate locations which provide important local services for their communities.

7.15 The total value of investment properties at 31 March 2020 was £162m. The council considers that the investment property portfolio retains sufficient value (measured using the fair value model) to provide security of investment.

7.16 Based on the council's financial statements the fair value of investment properties, the yield achieved (rental income net of direct costs) and the gain or loss in fair value for properties held in the GF has been as follows:

	2019/20	2018/19	2017/18	2016/17	2015/16
Rental income net of direct costs (£'000)	9,163	9,544	9,418	8,049	7,857

Fair Value at year end (£'000)	162,722	170,782	175,281	148,345	139,046
Yield	5.6%	5.6%	5.4%	5.4%	5.6%
Gain / (loss) in fair value in year (£'000)	(8,212)	(4,499)	2,674	10,128	13,321

7.17 The loss in fair value in 2019/20 reflects exposure to retail through its significant shopping centre investments, market uncertainty in relation to both the Brexit process and the onset of the COVID-19 pandemic at the end of the year. As such, some reductions are considered to be temporary, but may take some time to reverse.

7.18 The investment property portfolio is managed as a whole, including those properties which the council has held for a number of years. However, it is estimated that the yield being achieved on properties purchased since 2015 is around 6.3% and is generating income of approximately £2.1m per annum.

Proportionality of commercial property holdings

7.19 Following significant activity in the commercial property market by local authorities, including district councils, concern has been expressed by MHCLG and CIPFA about the size of some property holdings. Particular concern has been raised about those councils which are externally borrowing to invest in property. Cambridge City has not used external borrowing to fund purchases but has instead used reserves or internal borrowing.

7.20 Investment Guidance and the Prudential Code were updated in early 2018. CIPFA have since released further guidance on prudential property investment. This considers the concept of 'proportionality' when considering the size and scale of new property investments, whether they are consistent with the authority's corporate and financial strategies and if they expose the authority to unacceptable levels of risk.

- 7.21 The council is aware of the range of risks associated with investment in commercial property and works to ensure appropriate due diligence and prudence. These risks include the reliance on income from commercial properties to fund council services.
- 7.22 The use of investment property income to support the council's activities has been established over many years and over a number of economic cycles. Reflecting this experience, the council considers 50% to be the prudent maximum level of this indicator.
- 7.23 The financial statements at 31 March 2020 show that the net cost of services (net of service-related income) chargeable to the GF was £24.7m. Net income from investment properties was 39.4% of this figure. This is consistent with the proportion for 2017/18 and 2018/19.
- 7.24 The HRA holds a small number of investment properties, mainly retail units linked to council housing, for example shops with flats above. These properties are valued at £5.7 million at 31 March 2020 and earn rental income of around £440k per annum.

Other income generating assets

- 7.25 The council is developing housing through the Cambridge Investment Partnership (CIP) – a joint venture and deadlock partnership in which the council has a 50% stake. Affordable housing on these sites will be owned and managed by the council's HRA, contributing towards the council's target of 500 new council homes. Market housing will be sold to generate surpluses, 50% of which will return to the council to support further capital expenditure. The council will continue to work with the CIP to identify and bring forward appropriate development projects.
- 7.26 The council has a wholly-owned subsidiary company, the Cambridge City Housing Company (CCHC), which owns residential properties in Cambridge. These are let on affordable rents to those who cannot afford local market rents but are unlikely to be allocated

council housing. The company has two objectives, the provision of affordable rented housing and a financial return to the council.

- 7.27 The company currently owns 23 properties. The council has agreed that no further properties will be purchased until the volatility in house prices resulting from Brexit has subsided. Then, subject to viability considerations and the availability of suitable properties, the council will consider providing the company with further funding to purchase residential properties. The company also leases 5 properties from the HRA, specifically to house homeless individuals with support needs.
- 7.28 The council is investigating options for investment in renewable energy schemes. Appropriate independent advice will be sought to support the council is assessing potential investments, particularly with regard to risks and their mitigation.

Loans to group undertakings

- 7.29 The council has made and plans to make further loans to a number of group undertakings. These loans include:
- A loan of £7.5m to CCHC: this loan is secured on the properties owned by CCHC and pays an interest rate of 2.02% per annum.
 - A £5.2 m loan note to CIP: to facilitate the redevelopment of the council's former depot site at Mill Road. No interest is payable on this loan.
 - An interest-bearing loan note of £27m to CIP: to enable housing development on the Cromwell Road site
 - Interest-bearing capital contributions and loans to the CIP: to fund development on these two sites and L2. The payments are appropriately covered by assets in CIP and there are detailed plans to demonstrate that all investment in the CIP will be recovered in less than five years with a surplus 'profit' paid to the council.

8 Other long-term liabilities

- 8.1 The council will take on liabilities in the course of the provision of operational services. Examples include financial guarantees, including those given in respect of subsidiaries or joint ventures. Where decisions are made for service purposes, these may be outside of normal commercial terms, including liquidity, security and/or yield.
- 8.2 Where such liabilities are taken on the council will ensure that financial risks are clearly identified and quantified along with any implied subsidy as part of the decision-making process.

9 Knowledge and skills

S151 Officer

- 9.1 The council's S151 officer is required to report explicitly on the affordability and risk associated with the capital strategy. The S151 officer is an experienced CCAB qualified accountant with statutory responsibilities for the proper administration of the council's financial affairs and for advising the council on budgetary matters. As such the S151 officer oversees the council's capital expenditure and investment activities and ensures that professional advice is obtained where the council does not have the necessary skills in house.

Treasury management

- 9.2 Treasury management activity is undertaken by an accountant and assistant accountant in the council's technical and financial accounting team. They are managed by a CCAB qualified accountant.

- 9.3 The team has many years of treasury management experience and has demonstrated that it has the skills to opt-up to professional status under the MiFID II reforms.
- 9.4 The CIPFA Code requires the responsible officer to ensure that members and officers are adequately trained in treasury management. Training is arranged as required and is regularly reviewed.

Property assets

- 9.5 The council's investment property is managed by its property services team, an experienced team of 8 staff. The team includes 6 chartered surveyors each with over 25 years of property experience in both the private and public sector. This extensive experience includes dealing with a mix of property types and professional work including professional services, landlord and tenant, statutory valuations, acquisitions and disposals, commercial and residential property management. They have extensive knowledge of the Cambridge property market with most of the team having worked in and around Cambridge for the past 10 years or so, some much longer.
- 9.6 Property services also works with external agents where specialist expertise is required to deal with particular properties or resource is not available to deal with matters in a timely way. Examples of where external advice is used include agency, valuation, building surveying and planning work. The council also has internal building surveying resource in its estates and facilities team to advise on construction, repair and maintenance, and statutory compliance matters across its investment properties. Estates and facilities commission and manage repairs and maintenance as well as capital investment programmes, either directly or through framework contracts.
- 9.7 The council's asset valuations for its financial statements are prepared by external agents with an agreed rolling programme of

valuations for the whole council property portfolio. All material investment properties are valued on an annual basis.

- 9.8 When acquiring new investment property, the council appoints external agents to advise on and negotiate the terms of acquisition, recognising that others are closer to the investment market on a day to day basis than the council's in-house team in some cases. As well as advising prior to acquisition, the agents undertake due diligence which helps to ensure that those charged with governance can make informed decisions.

External advice

- 9.9 In addition to the use of external agents in the purchase of investment properties the council makes use of other external advice as necessary for capital and treasury activity. This includes getting appropriate legal and other professional advice on more complex projects and capital transactions and the appointment of treasury management advisors.

Appendix 1

Estimated Capital Programme, Capital Financing Requirement and Reserves - 2020 to 2030

£'000	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
General Fund Capital Expenditure	60,960	41,760	31,291	40,348	13,156	15,441	4,782	3,443	4,087	3,492
Housing Revenue Account Capital Expenditure	53,789	67,845	97,897	92,192	89,386	89,217	88,163	90,399	94,410	100,726
Capital Financing Requirement	320,729	352,474	429,146	497,631	540,078	584,542	613,729	644,387	678,150	716,102
General Fund Projected Year End Reserves	13,789	11,722	9,656	7,590	7,590	7,590	7,590	7,590	7,590	7,590
HRA Projected Year End Reserves	9,495	3,123	3,192	3,366	3,340	3,385	3,419	3,489	3,578	3,691
Total Reserves	23,284	14,845	12,848	10,956	10,930	10,975	11,009	11,079	11,168	11,281

The Capital Financing Requirement shows the Council's underlying need to borrow including £213,752k for Council Dwellings under self-financing.



Item

ANNUAL TREASURY MANAGEMENT STRATEGY STATEMENT REPORT 2021/22 TO 2024/25

To:

The Executive Councillor for Finance & Resources: Councillor Mike Davey
Strategy & Resources Scrutiny Committee 8th February 2021

Report by:

Caroline Ryba – Head of Finance & S151 Officer
Tel: 01223 458134 Email: caroline.ryba@cambridge.gov.uk

Wards affected:

All Wards

Key Decision

1. Executive Summary

- 1.1 The Council is required to receive and approve, as a minimum, three main treasury management reports each year.
- 1.2 The first and most important is the Treasury Management Strategy (this report), which covers:
 - capital plans (including prudential indicators);
 - a Minimum Revenue Provision policy which explains how unfinanced capital expenditure will be charged to revenue over time;
 - the Treasury Management Strategy (how investments and borrowings are to be organised) including treasury indicators; and
 - a Treasury Management Investment Strategy (the parameters on how investments are to be managed).

- 1.3 A mid-year treasury management report is produced to update Members on the progress of the capital position, amending prudential indicators as necessary, and advising if any policies require revision.
- 1.4 The Outturn or Annual Report compares actual performance to the estimates in the Strategy.
- 1.5 The statutory framework for the prudential system under which local government operates is set out in the Local Government Act 2003 and Capital Financing and Accounting Statutory Instruments. The framework incorporates four statutory codes. These are:
- the Prudential Code (2017 edition) prepared by CIPFA;
 - the Treasury Management Code (2017 edition) prepared by CIPFA;
 - the Statutory Guidance on Local Authority Investments prepared by Ministry of Housing, Communities and Local Government (MHCLG) (effective 1 April 2018); and
 - the Statutory Guidance on Minimum Revenue Provision prepared by MHCLG (effective 1 April 2019).
- 1.6 The Council's S151 Officer has considered the deliverability, affordability and risk associated with the Council's capital expenditure plans and treasury management activities. The plans are affordable. Where there are risks such as the slippage of capital expenditure, or reductions in investment values or income, these have been reviewed and mitigated at an acceptable level. The Council has access to specialist advice where appropriate.
- 1.7 Treasury Management Reports are required to be adequately scrutinised before being recommended to the Council. This role is undertaken by the Strategy and Resources Committee.

2. Recommendations

- 2.1 The Executive Councillor is asked to recommend this report to Council, including the estimated Prudential & Treasury Indicators for 2021/22 to 2024/25 (inclusive) as set out in Appendix C.
- 2.2 The Executive Councillor is asked to recommend to Council that the authorised limit for external debt is increased from £400 million to £450

million on 1 April 2022, and to £550 million on 1 April 2023, in order to provide sufficient headroom for external borrowing to finance the HRA new build programme in accordance with the HRA capital plan.

3 Treasury Management Activities

- 3.1 The Council is required to have regard to the relevant CIPFA and MHCLG Guidance when carrying out its treasury management activities (see paragraph 1.5). The Council is required to set prudential and treasury indicators, including an authorised limit for borrowing, for a three-year period and should ensure that its capital plans are affordable, prudent and sustainable.
- 3.2 The Prudential Code states that, where appropriate, the S151 Officer should have access to specialised advice to enable them to reach their conclusions in respect of affordability and risk. As such, the Council has retained Link Asset Services (LAS) as its specialist treasury management advisors.
- 3.3 LAS's specialist services include the provision of advice to the Council on developments and best practice in treasury management, the creditworthiness of potential counterparties, deposit and borrowing interest rates, and the performance and outlook of the wider economy.

4. Borrowing Policy Statement

- 4.1 The Council is permitted to borrow under the Prudential Framework, introduced with effect from 1st April 2004.
- 4.2 At present the only debt held by the authority relates to twenty loans from the Public Works Loan Board (PWLB) for self-financing of the Housing Revenue Account (HRA). These loans were taken out in 2012 and total £213,572,000.
- 4.3 The Council does anticipate taking further external borrowing of approximately £219 million during the period 2021/22 to 2024/25, including approximately £91 million to fund the Park Street redevelopment project and £119 million to fund Council house building within the HRA.
- 4.4 In the event that external borrowing is undertaken the Council is able as an eligible local authority to access funds at the PWLB Certainty Rate (a 0.20% discount on loans) until 31st October 2021.

- 4.5 The Council will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates and will be considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds.

5. Minimum Revenue Provision (MRP) Policy Statement

- 5.1 Minimum Revenue Provision (MRP) is the revenue charge that the Council is required to make for the repayment of debt, as measured by the underlying need to borrow, rather than actual debt. The underlying debt is needed to finance capital expenditure which has not been fully financed by revenue or capital resources. As capital expenditure is generally expenditure on assets which have a life expectancy of over one year it is prudent to charge an amount for the repayment of debt over the life of the asset or some similar proxy figure.
- 5.2 The Local Authorities (Capital Finance and Accounting) regulations require local authorities to calculate for the financial year an amount of MRP which is considered to be 'prudent'.
- 5.3 There is no requirement to charge MRP where the Capital Financing Requirement (CFR) is nil or negative at the end of the preceding financial year.
- 5.4 The Housing Revenue Account share of the CFR is not subject to an MRP charge.
- 5.5 There is no requirement to make an MRP charge on an asset until the financial year after that asset becomes operational.
- 5.6 The Government has issued revised guidance (effective 1 April 2019) on the calculation of MRP. The Council is required to have regard to the guidance based on the underlying principle that the provision should be linked to the life of the assets for which the borrowing is required.
- 5.7 However, the guidance is clear that differing approaches can be considered as long as the resulting provision is prudent.
- 5.8 In general, the council will make a minimum revenue provision based on the equal installment method, amortising expenditure equally over the

estimated useful life of the asset for which the borrowing is required. However, no provision will be made in respect of expenditure on specific projects where the Head of Finance determines that capital receipts will be generated by the project to repay the debt. Specifically, in respect of the current capital programme:

- The Council has made a loan to a company (which is classed as capital expenditure) to enable it to let intermediate rent properties. This will be financed from internal borrowing. As this loan is to a wholly owned subsidiary company and is secured on assets no MRP will be set aside. However, to ensure that this policy is prudent, the Council will review this loan annually and if the loan is renegotiated. Where there is evidence which suggests that the full amount of the loan may not be repaid or is not secured on assets of appropriate value, it will be necessary to reassess the need to commence MRP to recover the impaired amounts from revenue.
- The Council continues to make capital contributions and loans to the Cambridge Investment Partnership (CIP) – a joint venture and deadlock partnership in which the Council has a 50% stake – to facilitate the development of new housing within the city. These payments are classed as capital expenditure. As the payments are appropriately covered by assets in the CIP and as there are detailed plans to demonstrate that all investment in the CIP will be recovered in less than five years with a significant surplus, no MRP will be set aside. However, to ensure that this policy is prudent, the Council will review the position regularly. Where there is evidence which suggests that the finance provided may not be repaid, it will be necessary to reassess the need to commence MRP to recover the impaired amounts from revenue.
- No MRP will be required on bond investments which are treated as capital expenditure under regulation where those bonds are appropriately secured. This security will be reviewed at least annually.

5.9 The Council approved a programme of investment in commercial property using powers under S12 of the Local Government Act 2003 in October 2016. This is deemed capital expenditure and will be financed from cash balances. MRP will be provided for using the useful life determinant with regard to maximum lives permitted in the revised MHCLG MRP guidance of 50 years for freehold land and 40 years for all other assets. MRP is made on the purchase of these properties from the date that rental income is earned.

- 5.10 The Council has agreed to finance an element of the capital cost of a new community centre at Clay Farm from internal borrowing. Using the asset life method MRP would normally be made over an asset life of 40 years. However, the element of capital cost being funded from internal borrowing will effectively be repaid over a shorter period from receipts of rental income from the tenant and subsidy from the site developer. The current estimate is that this repayment will take approximately 17 years. The Council has decided to make MRP on this accelerated basis in respect of this asset.
- 5.11 The Council is developing a scheme to regenerate its multi-storey car park on Park Street, funded by external borrowing. The source, timing and form of this borrowing is to be determined. This MRP policy will be updated as necessary, in line with guidance, once more details are known.
- 5.12 In 2019/20, the Council made a voluntary overpayment of MRP of £9,545k.

6. The Council's Capital Expenditure and Financing 2020/21 to 2024/25

- 6.1 The Council undertakes capital expenditure on long-term assets. These activities may either be:
- financed immediately through the application of capital or revenue resources (capital receipts, capital grants, developer contributions, revenue contributions, reserves etc.), which has no resultant impact on the Council's borrowing need; or
 - if insufficient financing is available, or a decision is taken not to apply other resources, the funding of capital expenditure will give rise to a borrowing need.
- 6.2 Estimates of capital expenditure forms one of the required prudential indicators. The table below shows the proposed capital expenditure and how it will be financed. Note that this includes both capital expenditure which has been approved through the formal budget setting process, along with forecast capital pressures for which no bid has yet been submitted.

	2020/21 Estimate £'000	2021/22 Estimate £'000	2022/23 Estimate £'000	2023/24 Estimate £'000	2024/25 Estimate £'000
General Fund Capital Expenditure	60,960	41,760	31,291	40,348	13,156
HRA Capital Expenditure	53,789	67,845	97,897	92,192	89,386
Total Capital Expenditure	114,749	109,605	129,188	132,540	102,542
Resourced by:					
• Capital receipts	-13,135	-13,634	-8,695	-9,367	-4,511
• Other contributions	-55,753	-63,665	-43,260	-54,127	-55,023
Total available resources for financing capital expenditure	-68,888	-77,299	-51,955	-63,494	-59,534
Financed from internal and external borrowing	45,861	32,306	77,233	69,046	43,008

7. The Council's Prudential and Treasury Management Indicators

- 7.1 The table below shows the Capital Financing Requirement (CFR), which is the underlying need to incur borrowing for a capital purpose. It also shows the expected debt position over the period. This is termed the Operational Boundary.

Capital Financing Requirement & Cumulative External Borrowing	2020/21 Estimate £'000	2021/22 Estimate £'000	2022/23 Estimate £'000	2023/24 Estimate £'000	2024/25 Estimate £'000
General Fund Capital Financing Requirement	114,894	146,639	171,210	204,907	215,411
HRA Capital Financing Requirement	205,835	205,835	257,936	292,724	324,667
Total Capital Financing Requirement	320,729	352,474	429,146	497,631	540,078
Movement in the Capital Financing Requirement	45,300*	31,745*	76,672*	68,485*	42,447*
Estimated External Gross Debt/Borrowing (Including HRA Reform)	213,572	245,317	321,989	390,474	432,921
Authorised Limit for External Debt	400,000	400,000	450,000	550,000	550,000
Operational Boundary for External Debt	325,729	357,474	434,146	502,631	545,078

*After Minimum Revenue Provision (MRP) of £561,000.

7.2 A further prudential indicator controls the overall level of borrowing externally. This is the Authorised Borrowing Limit (ABL) which represents the limit beyond which borrowing is prohibited and needs to be set and revised by Members. If the above level of Prudential Borrowing is maintained, this limit (ABL) will require increasing from £400.0m to £450.0m in 2022/23, and £550.0m in 2023/24.

7.3 During the above financial years the Council will operate within the 'authorised' and 'operational' borrowing limits contained within the Prudential Indicators set out in the Council's Treasury Management Strategy Statement. The anticipated Prudential & Treasury indicators are shown in Appendix C.

8. Investment Strategy

- 8.1 The Council's overall approach to investment in financial and non-financial assets is outlined in the Capital Strategy presented in a separate report to the Strategy and Resources Committee and Council.

9. Financial Asset Counterparties

- 9.1 The full listing of approved counterparties is presented at Appendix A, showing the category under which, each counterparty has been approved, the appropriate deposit limit and current duration limit.
- 9.2 There is no risk to the capital invested (other than the risk of failure of the financial institution) for fixed term deposits and constant net asset value money market funds.
- 9.3 The Council continually reviews its investment policy and has identified concerns in relation to property holdings within the retail sector. As the Council has a £15 million stake in the CCLA Local Authorities' Property Fund, it has taken steps to be in constant dialogue with our Relationship Manager to assess any changes in their retail sector holdings. He confirmed that the fund holds a small high quality retail investment portfolio (shops) equating to around 3.9% of their total investments.
- 9.4 The Council has made a loan of £7.5 million to Cambridge City Council Housing Company, a wholly owned subsidiary. This loan earns 2.02% and is secured on the properties owned by the company.
- 9.5 The Council has also begun making loans to Cambridge Investment Partnership, a joint venture – see paragraph 5.8 for further details.

10. Brexit Update

- 10.1 The Government's stated target is to leave the EU on 1 January 2021, which it did with a deal.
- 10.2 The Council will continue to monitor the situation and to take advice from its treasury advisors as appropriate.

11. Interest Rates & Interest Received

- 11.1 In support of effective forecasting the Council needs to be aware of the potential influence of interest rates on its treasury management. The Council is provided with regular interest rate forecasts by its treasury advisors, and the latest forecast is presented at Appendix B.
- 11.2 Total interest and dividends of £1,138,100 (on our traditional treasury investments) has been received on the Council's deposits up to 31st December 2020 (for this financial year) at an average rate of 1.17% (1.44% in 2019/20). This has over-achieved the Council's interest budget by £171,100 at this date.

12. Implications

(a) Financial Implications

The prudential and treasury indicators have been amended to take account of known financial activities.

(b) Staffing Implications

None.

(c) Equality and Poverty Implications

No negative impacts identified.

(d) Environmental Implications

None.

(e) Procurement Implications

None.

(f) Community Safety Implications

No community safety implications.

13. Consultation and communication considerations

None required.

14. Background papers

No background papers were used in the preparation of this report.

15. Appendices

Appendix A – The Council's current Counterparty list

Appendix B – Link's opinion on UK Forecast Interest Rates

16. Inspection of papers

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

Author's Name:	Stephen Bevis
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Appendix A

Treasury Management Annual Investment Strategy

Current Counterparty List

The full listing of approved counterparties is shown below, showing the category under which the counterparty has been approved, the appropriate deposit limit and current duration limits (*references have now been made to RFB & NRFB for UK Banks, with explanations within the Glossary at Appendix D).

Name	Council's Current Deposit Period	Category	Limit (£)
Specified Investments:-			
All UK Local Authorities	N/A	Local Authority	20m
All UK Passenger Transport Authorities	N/A	Passenger Transport Authority	20m
All UK Police Authorities	N/A	Police Authority	20m
All UK Fire Authorities	N/A	Fire Authority	20m
Debt Management Account Deposit Facility	N/A	DMADF	Unlimited
Barclays Bank Plc – NRFB*	Using Link's Credit Criteria	UK Bank	35m
HSBC Bank Plc – NRFB*	Using Link's Credit Criteria	UK Bank	20m
HSBC UK Bank Plc – RFB*	Using Link's Credit Criteria	UK Bank	20m
Standard Chartered Bank	Using Link's Credit Criteria	UK Bank	20m
Bank of Scotland Plc (BoS) – RFB*	Using Link's Credit Criteria	UK Bank	20m
Lloyds Bank Plc – RFB*	Using Link's Credit Criteria	UK Bank	20m
Name	Council's Current Deposit Period	Category	Limit (£)
National Westminster Bank Plc (NWB) – RFB*	Using Link's Credit Criteria	UK Nationalised Bank	20m
Santander UK Plc	Using Link's Credit Criteria	UK Bank	5m

The Royal Bank of Scotland Plc (RBS) – RFB*	Using Link's Credit Criteria	UK Nationalised Bank	20m
Other UK Banks	Using Link's Credit Criteria	UK Banks	20m
Members of a Banking Group	Using Link's Credit Criteria	UK Banks and UK Nationalised Banks	30m
Svenska Handelsbanken UK	Using Link's Credit Criteria	UK Bank	5m
Enhanced Cash Funds (Standard & Poor's: AAAf/S1, Fitch: AAA/S1)	Over 3 months and up to 1 year	Financial Instrument	10m (per single counterparty)
Enhanced Money Market Funds (not below AAf) – VNAV	Over 3 months and up to 1 year	Financial Instrument	5m (per fund)
Money Market Funds (AAAf) – CNAV, VNAV & LVNAV	Liquid Rolling Balance	Financial Instrument	15m (per fund) with no maximum limit overall
Custodian of Funds	Requirement for Undertaking Financial Instruments	Fund Managers	Up to 15m (per single counterparty)
UK Government Treasury Bills	Up to 6 months	Financial Instrument	15m
Name	Council's Current Deposit Period	Asset Value (£'m) – as at 23rd November 2020	Limit (£)
Other Specified Investments - UK Building Societies:-			
Nationwide Building Society	1 month or in line with Link's Credit Criteria, if longer	245,732	Assets greater than £100,000m - £20m
Yorkshire Building Society		52,815	
Coventry Building Society		48,771	

Skipton Building Society		23,648	Assets between £50,000m and £99,999m - £5m
Leeds Building Society		21,162	
Principality Building Society		10,483	Assets between £5,000m and £49,999m - £2m
West Bromwich Building Society		5,565	
Non-Specified Investments:-			
All UK Local Authorities – longer term limit	Over 1 year and up to 5 years	Local Authority	Up to 35m (in total)
Cambridge City Council Housing Working Capital Loan Facility*	Up to 1 year	Loan	200,000
CCHC Investment *	Rolling Balance	Loan (Asset Security)	7,500,000
Cambridge Investment Partnership (Mill Road)*	Rolling Balance	Loan (Asset Security)	17,800,000
Cambridge Investment Partnership (Cromwell Road)*	Rolling Balance	Loan (Asset Security)	48,300,000
CCLA Local Authorities’ Property Fund	Minimum of 5 years	Pooled UK Property Fund	Up to 15m
Name	Council’s Current Deposit Period	Category	Limit (£)
Certificates of Deposit (with UK Banking Institutions)	Liquid Rolling Balance	Financial Instrument	15m (per single counterparty)
Certificates of Deposit (with UK Building Societies)	Liquid Rolling Balance	Financial Instrument	2m (per single counterparty)
Certificates of Deposit (with Foreign Banking Institutions)	Liquid Rolling Balance	Financial Instrument	2m (per single counterparty)

Enhanced Cash Funds (Standard & Poor's: AAf/S1, Fitch: AAA/S1)	Over 1 year and up to 5 years	Financial Instrument	10m (per single counterparty)
Enhanced Money Market Funds (not below AAf) - VNAV	Over 1 year and up to 5 years	Financial Instrument	5m (per fund)
Commercial Property Investments funded from cash balances	Over 1 year	Commercial Property	25m (in total)
Municipal Bonds Agency	N/A	Pooled Financial Instrument Facility	50,000
Secured Local Bond in Local Businesses – Using Allia Limited	N/A	Local Business Bond	Up to £5m in total
Supranational Bonds – AAA	Using Link's Credit Criteria	Multi-lateral Development Bank Bond	15m
UK Government Gilts	Over 1 year & up to 30 Years	Financial Instrument	15m

Note: In addition to the limits above, the total non-specified items over 1 year (**excluding balances with related parties***) will not exceed £50 million.

Appendix B

Link Asset Services Opinion on Forecast UK Interest Rates – As Currently Predicted

Introduction

The paragraphs that follow reflect the views of the Council's treasury management advisors (Link Asset Services) on UK Interest Rates as currently predicted.

Interest rates

The Bank of England voted unanimously to keep interest rates on hold at 0.10%.

In addition, they have decided unanimously to maintain their policy on government bonds and sterling non-financial investment-grade corporate bond purchases, financed by the issuance of central bank reserves and allowing them to maintain the target for the total stock of asset purchases at £745 billion. The vote took place on 17 September 2020. The vote was 9-0 in favour to keep Bank Rate unchanged. Link Asset Services has provided the following interest rate forecast, also issued on 17 September 2020:-

	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23
Bank rate	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	-	-	-	-
3 month LIBID	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	-	-	-	-
6 month LIBID	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	-	-	-	-
12 month LIBID	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	-	-	-	-
5yr PWLB rate	1.90%	1.90%	2.00%	2.00%	2.00%	2.00%	2.00%	2.10%	2.10%	2.10%	2.10%
10yr PWLB rate	2.10%	2.10%	2.10%	2.10%	2.10%	2.10%	2.10%	2.20%	2.30%	2.30%	2.30%
25yr PWLB rate	2.50%	2.50%	2.50%	2.50%	2.60%	2.60%	2.60%	2.70%	2.70%	2.70%	2.70%
50yr PWLB rate	2.30%	2.30%	2.30%	2.30%	2.40%	2.40%	2.40%	2.50%	2.50%	2.50%	2.50%

Appendix C

PRUDENTIAL & TREASURY MANAGEMENT INDICATORS

	Estimate 2020/21 £'000	Estimate 2021/22 £'000	Estimate 2022/23 £'000	Estimate 2023/24 £'000	Estimate 2024/25 £'000
PRUDENTIAL INDICATORS					
Capital expenditure					
- General Fund	60,960	41,760	31,291	40,348	13,156
- HRA	53,789	67,845	97,897	92,192	89,386
Total	114,749	109,605	129,188	132,540	102,542

	Estimate 2020/21 £'000	Estimate 2021/22 £'000	Estimate 2022/23 £'000	Estimate 2023/24 £'000	Estimate 2024/25 £'000
Capital Financing Requirement (CFR) as at 31 March					
- General Fund	114,894	146,639	171,210	204,907	215,411
- HRA	205,835	205,835	257,936	292,724	324,667
Total	320,729	352,474	429,146	497,631	540,078
Change in the CFR	45,300*	31,745*	76,672*	68,485*	42,447*
Deposits at 31 March	122,800	112,100	132,900	115,300	95,700
External Gross Debt	213,572	245,317	321,989	390,474	432,921
Ratio of financing costs to net revenue stream					
-General Fund	-1,045	-742	-842	-361	-61
-HRA	7,119	7,263	7,885	8,251	8,508
Total	6,074	6,521	7,043	7,890	8,447
% of net revenue expenditure					
-General Fund	-5.65%	-4.58%	-5.39%	-2.47%	-0.40%
-HRA	16.40%	16.29%	16.64%	16.42%	16.20%
Total (%)	10.75%	11.71%	11.25%	13.95%	15.80%

*After £561,000 Minimum revenue Provision.

PRUDENTIAL & TREASURY MANAGEMENT INDICATORS

	Estimate 2020/21 £'000	Estimate 2021/22 £'000	Estimate 2022/23 £'000	Estimate 2023/24 £'000	Estimate 2024/25 £'000
TREASURY INDICATORS					
Authorised limit					
for borrowing	400,000	400,000	450,000	550,000	550,000
for other long term liabilities	0	0	0	0	0
Total	400,000	400,000	450,000	550,000	550,000

Operational boundary					
for borrowing	325,729	357,474	434,146	502,631	545,078
for other long term liabilities	0	0	0	0	0
Total	325,729	357,474	434,146	502,631	545,078
Upper limit for total principal sums deposited for over 364 days					
	50,000	50,000	50,000	50,000	50,000
Upper limit for fixed & variable interest rate exposure					
Net interest on fixed rate borrowing/deposits	6,074	6,844	8,467	8,749	8,003
Net interest on variable rate borrowing/deposits	-15	-15	-17	-17	-17
Maturity structure of new fixed rate borrowing		Upper Limit	Lower Limit		
10 years and above (PWLBB borrowing for HRA Reform)		100%	100%		

Appendix D

Treasury Management – Glossary of Terms and Abbreviations

Term	Definition
Authorised Limit for External Borrowing	Represents a control on the maximum level of borrowing

Term	Definition
Capital Expenditure	Expenditure capitalised in accordance with regulations i.e. material expenditure either by Government Directive or on capital assets, such as land and buildings, owned by the Council (as opposed to revenue expenditure which is on day to day items including employees' pay, premises costs and supplies and services)
Capital Financing Requirement	A measure of the Council's underlying borrowing need i.e. it represents the total historical outstanding capital expenditure which has not been paid for from either revenue or capital resources
Certificates of Deposit (CDs)	Low risk certificates issued by banks which offer a higher rate of return
CIP	Cambridge Investment Partnership
CIPFA	Chartered Institute of Public Finance and Accountancy
Corporate Bonds	Financial instruments issued by corporations
Counterparties	Financial Institutions with which funds may be placed
Credit Risk	Risk of borrower defaulting on any type of debt by failing to make payments which it is obligated to do
Enhanced Cash Funds	Higher yielding funds typically for investments exceeding 3 months
Eurocurrency	Currency deposited by national governments or corporations in banks outside of their home market
External Gross Debt	Long-term liabilities including Private Finance Initiatives and Finance Leases
Government CNAV	Highly liquid sovereign stock based on a Constant Net Asset Value (CNAV)
HRA	Housing Revenue Account - a 'ring-fenced' account for local authority housing where a council acts as landlord
HRA Self-Financing	A new funding regime for the HRA introduced in place of the previous annual subsidy system

Term	Definition
London Interbank Offered Rate (LIBOR)	A benchmark rate that some of the leading banks charge each other for short-term loans
London Interbank Bid Rate (LIBID)	The average interest rate which major London banks borrow Eurocurrency deposits from other banks
Liquidity	A measure of how readily available a deposit is
Low Volatility Net Asset Value (LVNAV)	Highly liquid sovereign stock based on a Constant Net Asset Value (CNAV)
MHCLG	Ministry for Housing, Communities & Local Government (formerly the Department for Communities & Local Government, DCLG)
MPC	Monetary Policy Committee - The Bank of England Committee responsible for setting the UK's bank base rate
Minimum Revenue Provision (MRP)	Revenue charge to finance the repayment of debt
NHBC	National House Building Council
Non Ring-Fenced Bank (NRFB)	Government & Bank of England rules apply to all UK Banks from 1 January 2019, requiring them to split their business into 'core' retail and investment units known as Ring and Non Ring Fenced Banks
Non-Specified Investments	These are investments that do not meet the conditions laid down for Specified Investments and potentially carry additional risk, e.g. lending for periods beyond 1 year
Operational Boundary	Limit which external borrowing is not normally expected to exceed
PWLB	Public Works Loans Board – an Executive Government Agency of HM Treasury from which local authorities and other prescribed bodies may borrow at favourable interest rates
Quantitative Easing (QE)	A financial mechanism whereby the Central Bank creates money to buy bonds from financial institutions, which reduces interest rates, leaving businesses and individuals to borrow more. This is intended to lead to an increase in spending, creating more jobs and boosting the economy

Term	Definition
Ring Fenced Bank (RFB)	Government & Bank of England rules apply to all UK Banks from 1 January 2019, requiring them to split their business into 'core' retail and investment units known as Ring and Non Ring Fenced Banks
Security	A measure of the creditworthiness of a counterparty
Specified Investments	Those investments identified as offering high security and liquidity. They are also sterling denominated, with maturities up to a maximum of 1 year, meeting the minimum 'high' credit rating criteria where applicable
Supranational Bonds	Multi-lateral Development Bank Bond
UK Government Gilts	Longer-term Government securities with maturities over 6 months and up to 30 years
UK Government Treasury Bills	Short-term securities with a maximum maturity of 6 months issued by HM Treasury
Variable Net Asset Value (VNAV)	MMF values based on daily market fluctuations to 2 decimal places known as mark-to-market prices
Weighted Average Life (WAL)	Weighted average length of time of unpaid principal
Weighted Average Maturity (WAM)	Weighted average amount of time to maturity
Yield	Interest, or rate of return, on an investment

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CAMBRIDGE CITY COUNCIL

Record of Executive Decision

RECORD OF URGENT DECISION
APPOINTMENT OF COUNCIL REPRESENTATIVE ON THE GREATER
CAMBRIDGE PARTNERSHIP EXECUTIVE BOARD

Decision of:	Councillor Herbert Executive Councillor for Strategy and External Partnerships	
Reference:	20/URGENCY/SR/01	
Date of decision:	25/01/21	Recorded on: 25/01/21
Decision Type:	Non-key	
Matter for Decision:	To agree the appointment of Councillor Nicky Massey as the Council's member on the Greater Cambridge Partnership Executive Board.	
Why the decision had to be made (and any alternative options):	A change to the Council's Executive Board member needs to be made by the Executive Councillor for Strategy and External Partnerships. The decision is required before the next meeting of the Strategy and Resources Scrutiny Committee as the appointment is effective from 1 February 2021.	
The Executive Councillor's decision(s):	Appoint Councillor Nicky Massey as the Council's member on the Greater Cambridge Partnership Executive Board with effect from 1 February 2021. Councillor Lewis Herbert will be the alternate member.	
Reasons for the decision	The Executive Councillor for Strategy and External Partnerships wished to change the Councillor representing the Council on the GCP Executive Board.	
Scrutiny consideration:	The Chair of the Strategy and Resources Committee and the Opposition Spokesperson were advised of the decision in advance of becoming effective.	
Report:	None	
Conflicts of interest:	None	

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