



Cambridge City Council
Strategy and Resources Scrutiny Committee

Date: Monday, 10 February 2025

Time: 5.30 pm

Venue: Council Chamber, The Guildhall, Market Square, Cambridge, CB2 3QJ [access the building via Peashill entrance]

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

Second Circulation Agenda

- 7 Detailed General Fund Budget Proposals 2025/26 and an Update to the Budget Setting Context (Pages 3 - 180)

Appendix I(ii) 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.

Strategy and Resources Scrutiny Committee Members: Robertson (Chair), Gawthrope Wood (Vice-Chair), Baigent, Bennett, Bick, Sheil, Young and Todd-Jones

Alternates: Ashton, Clough, Griffin, Martinelli and Porrer

Executive Councillors: Davey (Leader), Gilderdale (Statutory Deputy Leader with Executive Responsibility for Economy and Skills) and S. Smith (Executive Councillor for Finance and Resources)

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The full text of any public question must be submitted in writing by noon two working days before the date of the meeting or it will not be accepted. All questions submitted by the deadline will be published on the meeting webpage before the meeting is held.

Further information on public speaking will be supplied once registration and the written question / statement has been received.



REPORT TITLE: Detailed General Fund Budget Proposals 2025/26 and an Update to the Budget Setting Context

To: Strategy and Resources Committee

10 February 2025

Report by:

Jody Etherington, Chief Finance Officer

Tel: 01223 458130 Email: jody.etherington@cambridge.gov.uk

Wards affected:

All

1.	Recommendations
1.1	<p>It is recommended that the Executive Councillor for Finance and Resources refers the recommendations below to the Executive:</p> <p>General Fund Revenue Budgets:</p> <ul style="list-style-type: none"> a) Recommend to Council for approval the revenue pressures and bids shown in Appendix D(a) and the revenue savings and increased income shown in Appendix D(b). b) Recommend that Council confirms delegation to the Chief Finance Officer of the calculation and determination of the council tax taxbase which is set out at Appendix A(a). c) Recommend that Council approves the increase to the city council share of council tax for 2025/26 at 2.99%, and the updated council tax levels as set out on page 17 of the attached Budget Setting Report 2025/26. <p><i>Note that the council's preceptors (Cambridgeshire Police & Crime Commissioner, Cambridgeshire & Peterborough Fire Authority, Cambridgeshire County Council and Cambridgeshire & Peterborough Combined Authority) will meet to confirm their precepts on or before 13 February 2025, following which the formal council tax calculation will be carried out for approval by Council.</i></p> <ul style="list-style-type: none"> d) Recommend that Council delegates authority to the Chief Finance Officer to reallocate budgets between services in relation to corporate and/or departmental restructuring, and any reallocation of support service and central costs in

accordance with the CIPFA Service Reporting Code of Practice for Local Authorities (SeRCOP).

General Fund Capital Plan:

- e) Recommend that Council approves the capital proposals set out at Appendix E(a), the revised capital plan set out at Appendix E(c), and the revised capital funding approach set out on page 28 of the attached Budget Setting Report 2025/26.
- f) Recommend that Council approves the Capital Strategy 2025/26 attached at Appendix H.

General Fund Reserves:

- g) Recommend that Council note the impact of budget proposals upon General Fund unallocated reserves, as set out on page 34 of the attached Budget Setting Report 2025/26.
- h) Recommend that Council note the key risks to the council's financial sustainability highlighted in the table on pages 30-31 of the attached Budget Setting Report 2025/26.
- i) Recommend that Council approve in principle a contribution to the Civic Quarter Development Reserve equivalent to the net underspend against budget for the 2024/25 financial year (currently forecast at £4.0 million).
- j) Recommend that Council approve the transfers to earmarked reserves totalling £6.602 million in 2025/26 as set out on pages 32-33 of the attached Budget Setting Report 2025/26.

Section 25 Report:

- k) Recommend that Council note the Chief Finance Officer's Section 25 Report, covering the robustness of estimates and adequacy of reserves, included at section 7 of the attached Budget Setting Report 2025/26.

Treasury Management Strategy:

- l) Recommend that Council approves the Treasury Management Strategy 2025/26 attached at Appendix G, including the prudential and treasury management indicators set out at Annexe C.
- m) Recommends that Council approves a change to the maturity structure prudential indicator, such that all new borrowing will have a maturity of at least 5 years (rather than the previous 10 years), as explained at paragraph 3.8 of Appendix G.

Other:

- n) Recommend that Full Council reconfirm that the incomes below will be disregarded (if above the £10 statutory disregard) when calculating entitlement to

	<p>housing benefit and/or council tax reduction. These schemes are often called local or modified schemes:</p> <ul style="list-style-type: none"> • War disablement pension • War widow, widower or surviving civil partner pension • Armed Forces Independence Payment <p><i>Note that the estimated cost to the council for payments of housing benefit made under the local scheme is £1,777.50 and for council tax reduction less than £50.</i></p> <p>o) Recommend that Council note the Equality Impact Assessment in Appendix F covering all General Fund budget proposals.</p> <p>p) Recommend that Council note the schedule of proposed fees and charges for 2025/26 in Appendix I(i) and Confidential Appendix I(ii)</p>
2.	Purpose and reason for the report
2.1	The Budget Setting Report (BSR) is presented to this meeting of the Strategy and Resources Scrutiny Committee to allow consideration and scrutiny of the draft budget proposals for 2025/26. The basis for the budget was set out in the Medium Term Financial Strategy approved by Full Council in October 2024. Comments made by the Strategy and Resources Scrutiny Committee will be reported to the Executive meeting taking place on 10 February 2025. The Executive will then recommend the budget for Full Council approval at its meeting on 24 February 2025.
2.2	The final Budget Setting Report, attached to this covering report, includes details of the government’s provisional finance settlement for 2025/26. The announcement of the final settlement is likely to be made in early February.
2.3	Further work may be required on detailed budgets, so delegation to the Chief Finance Officer is sought from Council for authority to finalise any changes relating for example, to the reallocation of departmental administration, support service and central costs, in accordance with the CIPFA Service Reporting Code of Practice for Local Authorities (SeRCOP).
2.3	There is an exempt appendix (Appendix I(ii)) attached to this report that is NOT FOR PUBLICATION by reason of paragraph 3 of Schedule 12A of Part 1 of the Local Government Act 1972 because it contains information relating to the financial or business

	affairs of any particular person (including the authority holding that information). The public interest test has been applied to the information contained within this exempt appendix and it is considered that the need to retain the information as exempt outweighs the public interest in disclosing it.
3.	Alternative options considered
3.1	To not provide a balanced budget would be contrary to the council's legal responsibilities.
4.	Corporate plan
4.1	The budget has been set with due consideration to the Council's Corporate Plan. Corporate plan 2022-27: our priorities for Cambridge - Cambridge City Council
5.	Consultation, engagement and communication
5.1	A summary of the responses to the public consultation survey is included at Appendix B. The consultation was presented through the council's consultation platform, CitizenLab and ran for 6 weeks from 23 October 2024. The consultation was publicised through a number of digital and offline channels, including coverage in local papers, outward facing artwork at Mandela House, promotion on the council's website, and social media including paid-for posts. We received 1,095 responses to the survey.
6.	Anticipated outcomes, benefits or impact
6.1	All budget proposals have a number of anticipated outcomes that can be beneficial to the local community or may adversely affect them. The impact of any decision is contained with the BSR and the relevant equality impact assessments.
6.2	A decision not to approve a revenue bid will impact on managers' ability to deliver the service or scheme in question and could have financial, staffing, equality and poverty, environmental, procurement or community safety implications.
6.3	A decision not to approve a capital or external bid will impact on managers' ability to

	deliver the developments desired in the service areas.
7.	Implications
7.1	Relevant risks
	The significant risks impacting upon the council's financial sustainability are set out at section 6 of the attached Budget Setting Report.
	Financial Implications
7.2	Financial implications of budget proposals are summarised in the General Fund Budget Setting Report 2025/26.
	Legal Implications
7.3	Financial implications of budget proposals, where relevant, are summarised in the General Fund Budget Setting Report 2025/26.
	Equalities and socio-economic Implications
7.4	A consolidated Equality Impact Assessment for the budget proposals is included at Appendix F. Individual Equality Impact Assessments have been conducted to support this. A local poverty rating has been included for each budget proposal to assist with assessment.
	Net Zero Carbon, Climate Change and Environmental implications
7.5	Where relevant, officers have considered the climate change impact of budget proposals which are annotated as follows: <ul style="list-style-type: none"> ● Positive High / Positive Medium / Positive Low: to indicate that the proposal has a high, medium or low positive impact on climate change. ● Nil: to indicate that the proposal has no climate change impact.

	<ul style="list-style-type: none"> Negative High / Negative Medium / Negative Low: to indicate that the proposal has a high, medium or low negative impact on climate change.
	Procurement Implications
7.6	Any procurement implications are outlined in the attached Budget Setting Report 2025/26.
	Community Safety Implications
7.7	Any community safety implications are outlined in the attached Budget Setting Report 2025/26.
8.	Background documents Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985
8.1	Budget Setting Report 2024/25 Medium-Term Financial Strategy (MTFS) September 2024 Individual Equality Impact Assessments
9.	Appendices
9.1	<p>Budget Setting Report 2025/26</p> <p>Appendices to the Budget Setting Report 2025/26:</p> <p>Appendix A(a) – Calculation of council tax base 2025/26</p> <p>Appendix B – Budget consultation survey responses</p> <p>Appendix C – Expenditure and funding projection</p> <p>Appendix D(a) – GF proposals – Pressures and bids</p> <p>Appendix D(b) – GF proposals – Savings</p> <p>Appendix E(a) – GF proposals – Capital</p> <p>Appendix E(b) – Approvals since MTFS</p> <p>Appendix E(c) – Capital plan</p> <p>Appendix F – Equality Impact Assessment</p> <p>Appendix G – Treasury Management Strategy 2025/26</p> <p>Appendix H – Capital Strategy 2025/26</p>

	Appendix I(i) – Review of charges CONFIDENTIAL Appendix I(ii) – Review of charges
9.2	To inspect the background papers or if you have a query on the report please contact Jody Etherington Chief Finance Officer tel:01223-458130 email: jody.etherington@cambridge.gov.uk

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General Fund Budget Setting Report

2025/26



February
2025

2025/26

Cambridge City Council

Version Control

Version No.	Revised version / updates for:	Content / Items for Consideration
1	The Executive (10 February 2025)	<p>Final budget proposals, incorporating updates relating to:</p> <ul style="list-style-type: none"> - Business rates and council tax considerations - Consultation outcomes <p>Proposals of the Executive</p>
2	Council (24 February 2025)	<p>Opposition budget amendments</p> <p>Final proposals to the Council, incorporating updates relating to:</p> <ul style="list-style-type: none"> - Final Local Government Finance Settlement 2025/26 - Appendix A(b) Council Tax Setting following receipt of County Council, Police, Fire and Combined Authority precepts
3	Council (Final – if required)	<p>Approved Budget Setting Report incorporating:</p> <ul style="list-style-type: none"> - Decisions of the Council - Any other final amendments

Anticipated Precept Setting Dates

Cambridgeshire Police & Crime Commissioner	Cambridgeshire & Peterborough Fire Authority	Cambridgeshire County Council	Cambridgeshire & Peterborough Combined Authority
31 January 2025	13 February 2025	11 February 2025	6 February 2025

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Appendices

Reference	Topic
A(a)	Calculation of council tax base 2025/26
A(b)	Council tax setting 2025/26
B	Budget 2025/26 consultation survey responses
C	Expenditure and funding projection
D	Budget proposals by type - revenue
E(a)	Budget proposals by type - capital
E(b)	Capital approvals since MTFS
E(c)	Capital plan 2025/26 – 2029/30
F	Equality Impact Assessment
G	Treasury Strategy Statement
H	Capital Strategy
I(i)	Review of charges
I(ii)	CONFIDENTIAL – Review of charges

Foreword by the Executive Councillor for Finance and Resources

Introduction

The Council's updated vision of 'One Cambridge, Fair for All,' recognises its roles as a public services provider, place maker, convenor and community facilitator. The vision reflects the values, aspirations and needs of local communities expressed through an engagement programme. The resulting vision is for Cambridge by 2040 to be a place where:

1. Residents enjoy a high quality of life: Cambridge is a place of high employment where everyone has a warm, safe and affordable home, and beautiful open spaces to enjoy. Communities are thriving and empowered, drawing on shared prosperity with greater equality in health and educational outcomes.
2. Decarbonisation and sustainability are central to prosperity: Cambridge is a net zero carbon city, where all ages enjoy a clean river, clean air, and biodiverse green spaces. Strong nature networks are facilitated between public and private bodies to combat the impacts of social and climate injustice.
3. Innovation benefits people and planet: Cambridge champions pioneering discoveries which shape a better future for people and planet. There is a lifelong citywide commitment to learning which enables every resident to develop their skills and fulfil their potential. Businesses are key to the success of a thriving local economy which benefits local residents and workers.
4. Development is sustainable and inclusive: Social and affordable housing is prioritised to ensure Cambridge is a vibrant and caring city, where all residents can access high quality housing. Cambridge's beautiful architecture and public realm, with exemplary community spaces, promotes pride and well-being and is accessible to all.
5. Arts, sports and culture are thriving: Cambridge celebrates the city's diversity through a vibrant arts and cultural scene, including music, festivals, sports and food and drink. Accessible arts, sports and culture provide spaces for people of all ages to come together to enjoy the city, both during the day and at night.
6. Democratic accountability is genuine and accessible: Citizens actively participate in

democratic life and decisions are made by and for the people of Cambridge. There is genuine partnership between academic, business and civic communities to enhance residents' prosperity. Local control, devolution, and community empowerment are championed through transparent and simplified local government.

These ambitious ends, continuity and evolution of services, and fulfilling a duty to balance the budget, demand prudent stewardship of the council's budgets and resources.

The context for balancing the budget remains challenging. The Medium Term Financial Strategy forecasts a savings requirement of £11.5 million pa by 2029/30 from a budget of £67.5 million, of which £38.9 million is met through fees, charges and commercial and investment income.

There isn't a single way to make savings of this scale: regulations prevent investment for income; efficiency savings without harm to service provision require investment and time; and increasing charges and fees impact on demand.

In the context, the council has planned to build a council fit to meet changing service needs within a sustainable budget. The council has put in place a new management leadership team and invested in a group redesign programme. To make savings, the ways services are designed and delivered have been challenged and where possible digitalised. Fees and charges are to be increased, in some cases, for full cost recovery and, in others, to balance the budget.

This work has enabled the Council to identify £4.9 million of recurring savings in the first year of a £6 million two-year target with minimal harm to frontline services and funds for unavoidable growth pressures. This is a remarkable achievement, for which credit is due to the council's dedicated staff, trade unions and councillors.

The budget therefore fulfils the duty to balance and meet the government's three value for money tests:

- Financial sustainability, how the council plans and manages its resources to ensure it can continue to deliver its services;
- Governance, how the council ensures it makes informed decisions and manages its risk; and
- How the council works to improve the economy, efficiency and effectiveness of the ways it manages and delivers its services.

Through these measures we will keep our community centres and swimming pools open, bring forward new community centres in Cherry Hinton and East Barnwell, protect our safety net services

for our most vulnerable neighbours, maintain our CCTV cameras and anti-social behaviour services and continue our community grants budget for organisations making positive impacts on people's lives across the city.

Council's priorities

To deliver the Council's vision for 'One Cambridge, Fair for All,' the Council's four key priorities for:

- Protecting and enhancing services;
- Supporting residents in need and preventing homelessness;
- Tackling the climate and biodiversity emergencies; and
- Being a strong voice for the people of Cambridge.

The budget making context

The forecast budget gap requires some explanation. The council's ability to fund services is the subject of economic conditions and government's political decisions which, respectively, impact on the costs of delivering services and income from the council's commercial services and property assets and government grants.

Economic conditions

Over the last three years the inflationary impacts of Brexit, Covid and Putin's illegal invasion of Ukraine, have led to higher than forecast cost pressures of £3.2 million. Competition in the funeral services market, declining demand for shopper parking and falling retail rents have led to lower than forecast income. Falling interest rates will impact on returns from the council's treasury management investments.

Government decisions

Over the eight years from 2016/17, successive Conservative governments increased the council's core spending power from £19.8 million to £20.3 million pa, a cut in real terms of £6.5 million pa. Fourteen years of public sector austerity, introduced by the Conservative/Liberal Democrat coalition government, cratered our public services. The most visible craters being the £16.3 billion backlog of highway repairs.

A business rates retention policy has enabled the Council to share in business rates growth. However, the monies received will be reset as part of the local government funding reform at a potential cost of £5 million in 2026/27.

Public consultation on the budget proposals

I wish to thank the 1,095 people who responded to the budget consultations held between 23 October and 4 December 2024.

Respondents ranked their three most important priorities for the city council to work on as follows: investing in greener transport and active travel to cut congestion 49% (533), provide affordable housing 48% (523) and ensuring people are safe 41% (448).

The consultation asked respondents to confirm either their support or opposition to proposals for reducing services and increasing charges as follows:

- i. More support than opposition: reduce frequency of mowing and leaf collection to support biodiversity 68% (743), redevelop or sell commercial properties that generate the least income 66% (723) and increase Council tax by 2.99%, 65% (709).
- ii. More opposition than support: reduce arts and cultural development which reaches into schools and communities 63% (693), reduce overall number of public toilets, maintain high quality facilities where needed 61% (669) and reduce work to support residents to stay fit and healthy 59% (647).

The main messages from written comments serve as an instruction to the council's approach to budget setting as follows:

Overall, there was recognition of the need for adequate funding for city council services, a desire for fair and efficient use of council resources without compromising essential services and the unique character of Cambridge, whilst exploring creative and more equitable ways to increase revenue and reduce costs without disproportionately impacting on vulnerable populations.

Informed by the consultation results, whilst closing underused and costly to maintain public toilets, the council has invested in public toilets at Drummer Street, Cherry Hinton Hall, Chesterton and Coleridge recreation grounds, and the current redevelopment of the Silver Street toilets. Later this year, the first steps will be taken to bring forward investment in multi-use facilities for Jesus Green and the Lido. Residents can be reassured that grazing on the commons will continue.

Conclusion

As reported, good progress is being made to build a financially sustainable, fit-for-the-future council that improves the quality of life for residents, conditions for enterprise and rewards for working people and protects our environment.

There remains a pressing need to keep realigning services with changing needs; innovating in service design, practices, technology, and funding; and building new and strengthening partnerships. The key challenges ahead are to deliver the identified savings and manage growth pressures, invest in service process innovations, make the case for Cambridge in response to local government funding reform and progress capital programme priorities for the Guildhall, market square and Corn Exchange.

Councillor Simon Smith, Executive Councillor for Finance and Resources

Section 1

Introduction

Purpose

The Budget Setting Report (BSR) is designed to provide an integrated view of the council's finances and outlook, covering General Fund (GF) revenue and capital spending. The Medium-Term Financial Strategy (MTFS), approved in October 2024, set out the financial strategy for the council in light of local context and external factors and the outlook for public sector funding. It reviewed key assumptions and risks, confirming the framework for detailed budget work for 2025/26 and beyond. The BSR brings together the detailed budget proposals and context scrutinised at Strategy and Resources Scrutiny Committee on 10 February 2025, consultation outcomes, business rates and council tax calculations and any final adjustments. It sets out detailed recommendations and proposes a budget for the next financial year and indicative budget projections for the following four years.

Background

The MTFS identified a total net savings requirement of around £11.5 million for the 5-year period. This budget gap is significant in the context of the council's current net service budget of £28.6 million, and is primarily driven by the following key factors:

- Anticipated changes to local government funding arrangements which could see the council lose significant external funding from 2026/27 (largely as a result of a national 'reset' of accumulated business rate growth).
- Significant unforeseen inflationary pressures over the past three years – net service expenditure in 2024/25 is now £3.2 million higher than predicted five years ago.
- Real terms cuts in central government funding over a number of years. For example, despite the Consumer Price Index (CPI) being 1.7% in September 2024, the 2025/26 provisional financial settlement provided no increase in the council's core spending power.
- An expectation that current high levels of income from the council's treasury management

investments will significantly reduce over the next two years as the council's excess cash is invested in capital projects, and interest rates continue to fall.

It should also be noted that the council relies heavily upon its own income generation ability to fund services. The 2024/25 budget includes £38.9 million of fees, charges, commercial and investment income, without which the cost of running Council services would be £67.5 million rather than the current £28.6 million. Whilst this strong income base is a key financial strength of the Council, it is often a challenge to increase these income streams in line with inflation. For example, many fees and charges are subject to government regulation and/or market forces, whilst investment and property income is often reliant upon external economic factors.

Against this backdrop, within the MTFS the council set ambitious savings targets with the aim of closing the budget gap before the end of the 5-year period, beginning with a target to implement £6.0 million of recurring savings by 2026/27.

Summary

This Budget Setting Report sets out the council's significant progress to date in meeting the ambitious savings targets it has set. In particular, the £6.0 million net savings target for 2026/27 has been closed to £1.1 million, meaning that the council has achieved 82% of its two year target in the first year:

£m	2025/26	2026/27	2027/28	2028/29	2029/30
Net savings requirement – MTFS 2024	2.0	6.0	8.0	10.0	11.5
Impact of BSR 2025	(2.0)	(4.9)	(5.1)	(5.7)	(5.7)
Remaining net savings requirement	-	1.1	2.9	4.3	5.8

Key member decision-making dates

Date	Task
10 February 2025	Strategy and Resources Scrutiny Committee considers the budget context and budget proposals.
10 February 2025	The Executive reviews the Budget Setting Report (BSR), including the results and implications of the budget consultation, and recommends the final BSR to Council.
24 February 2025	Council approves the budget and sets the council tax for 2025/26

Section 2

National and local policy context

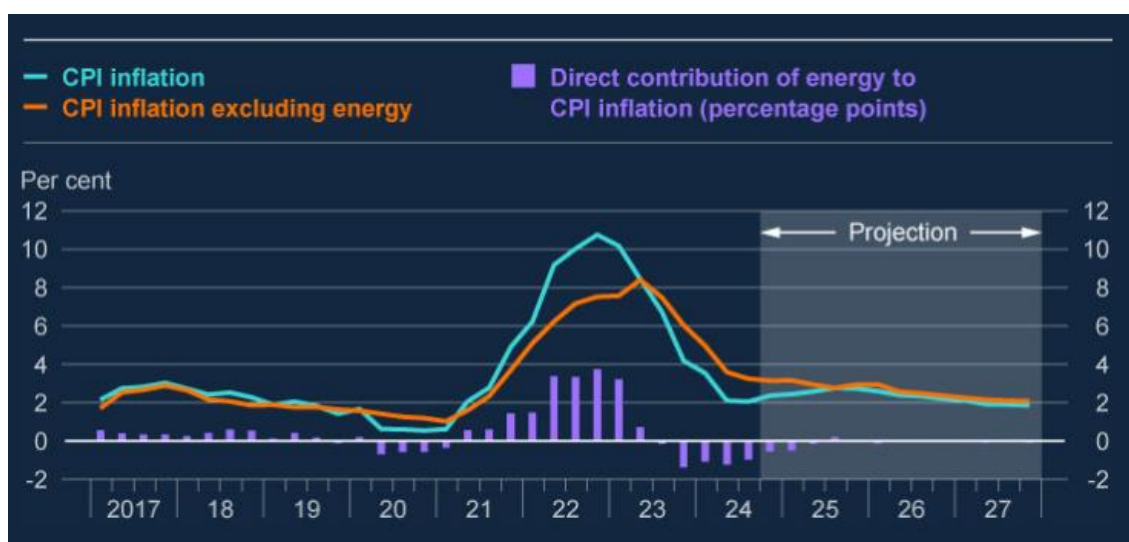
National policy framework

Economic factors

Inflation

Inflation, as measured by the Consumer Price Index (CPI), has fallen significantly from its October 2022 peak of 11.1%, to 1.7% in September 2024, before increasing slightly to 2.5% at December 2024. Some of this fall arises from a reduction in worldwide energy prices, which indicates that domestic inflationary pressures remain above the Bank of England's 2% target and are proving more persistent than previously forecast.

The Bank of England is now forecasting that CPI will continue to increase over the coming months to around 2.7% by the end of 2025. Following this, a margin of economic slack is expected to emerge during 2026, where supply begins to outstrip demand for the first time in a number of years. This will have a downwards impact on inflation, with CPI forecast to fall gradually to around 1.8% by the end of 2027, as shown in the chart below:



Economic growth

UK gross domestic product (GDP) is estimated to have increased by 0.1% in the third quarter of 2024, following an increase of 0.5% in the preceding quarter, which was slightly weaker than expected. However, the Bank of England's latest Monetary Policy Report forecasts that annual growth will pick up to 1.7% by the end of 2025. This is in part due to measures announced at the Autumn Budget 2024, which the Bank projects will boost the level of GDP in around a year's time by around 0.75% relative to its previous projections. Following this, growth is expected to fall back slightly to an annual rate of 1.1% by the end of 2026, increasing again to 1.4% by the end of 2027.

Interest rates

Earlier projections had assumed significant falls in interest rates throughout 2024 and 2025, but the persistence of domestic inflationary pressure has meant that the actual rate of change has been much slower. The Bank of England reduced the base rate twice during the second half of 2024, and the rate has been held at 4.75% since November 2024. The Bank has been clear that its primary concern is meeting its 2% inflation target, and it will not cut interest rates too quickly or too much.

Nevertheless, it is anticipated that interest rates will continue to fall gradually over the coming years. The council's treasury advisers, Mitsubishi UFG, are now projecting a Bank of England base rate of 4.00% by the end of 2025, and then stabilising at 3.50% by the end of 2026 for the foreseeable future. It should be noted that, longer-term, rates are expected to remain higher than previously predicted.

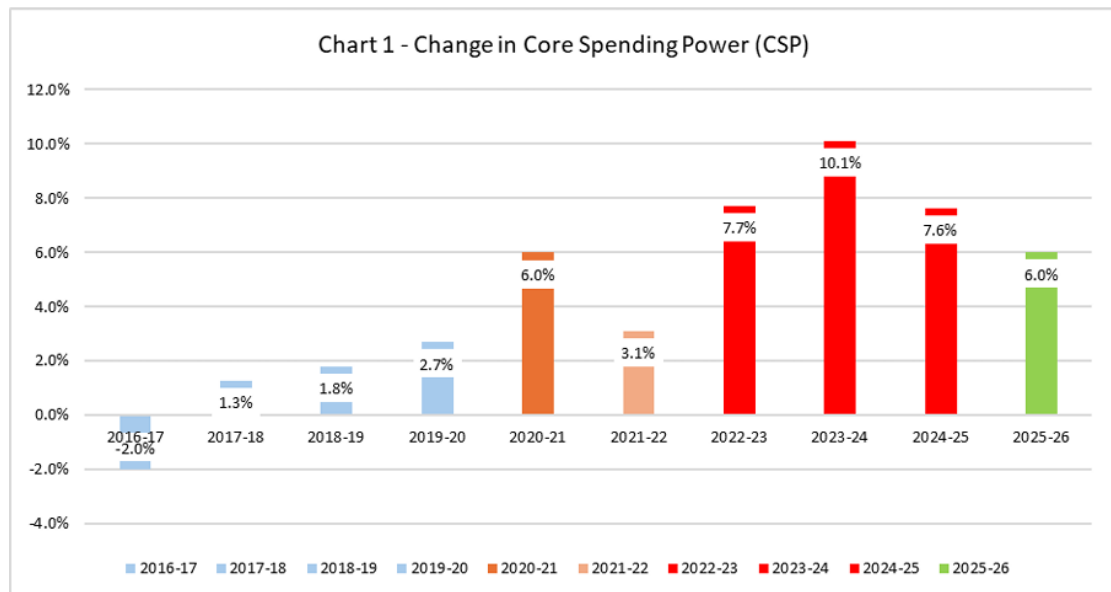
However, the Bank of England base rate is only one factor in determining the cost of council borrowing. Local authorities undertake most of their borrowing from the Public Works Loan Board (PWLB), which sets its rates by reference to daily gilt yields. UK gilt yields have increased sharply throughout December 2024 and January 2025 in response to a number of factors, including persistent inflation, government fiscal policy, and the US elections. The result is that, by mid-January, PWLB lending rates had hit their highest point since 2007, with the interest rate on a 25-year maturity loan peaking at 6.18%. Rates have since declined slightly, but remain much higher than usual.

It is expected that gilt yields will fall throughout 2025, and for the purposes of setting this budget we have assumed average borrowing costs for new lending of 5.25% for 2025/26, falling gradually to 4.50% from 2028/29 onwards, based upon projections provided by Mitsubishi UFG. However, should actual rates remain higher for longer, this is likely to result in the council incurring higher borrowing costs to support its capital plan.

2025/26 provisional local government finance settlement

The 2025/26 one-year provisional local government finance settlement was delivered on 18 December 2024, setting out the aspiration for a local government financing reset and a potential 5-year agreement from 2026/27 onwards.

Nationally, Core Spending Power (CSP) will increase by 6.0% in 2025/26, an increase of £3.9 billion compared to 2024-25, as set out in the following chart:



However, the additional funding has been highly targeted at higher-needs authorities and those with social care responsibilities. As a result, 133 out of 164 lower tier authorities, including Cambridge City Council, received no increase in their Core Spending Power (CSP) for 2025/26. Since the CSP calculation assumes that local authorities will apply the maximum allowable council tax increase, this represents a net reduction in the council's settlement funding (excluding council tax) of £369,000 in cash terms.

The table on the following page compares the CSP in the provisional settlement with the previous year CSP funding assumptions included in the MTFS:

Core Spending Power (CSP) - £m	2024/25 Final finance settlement	2025/26 Provisional finance settlement	2025/26 % change from 2024/25
Settlement Funding Assessment (SFA), including Revenue Support Grant (RSG)	4.853	4.964	2.3%
Government funding, including core grants and compensation for under-indexation of business rates	3.474	4.655	34.0%
New Homes Bonus (NHB)	1.733	0.073	(95.8%)
Council Tax	10.253	10.622	3.6%
Total Core Spending Power	20.313	20.314	0.0%

The figures in the CSP calculation above are based upon government projections. In setting the budget for the following year (and medium term forecasts), we undertake a detailed exercise to forecast future growth in council tax base and business rates, therefore the funding figures in the final budget as set out in this report will differ from the above. Any income additional to the above arises from local growth, rather than additional government funding.

The reduction in NHB is driven by a significant reduction in new properties but is compensated for but an increase in funding guarantee grant (as the government committed to ensure that no council saw a drop in their total CSP in cash terms). It is expected that 2025/26 will be the final year of NHB payments.

The settlement confirmed that the council tax referendum limit for district councils will remain at the 2.99% or £5 on the Band D property, whichever is higher. Given the cost pressures facing the council, and to avoid a cash terms reduction in total CSP, it is proposed to apply the maximum allowable increase for 2025/26.

Business rates

The council continues to benefit from the growth in the total rateable value of business properties located in the city. Whilst that growth can be observed and independently verified, the nature of the business rates system means that there can be delays between when a property is first occupied and when it is formally valued for the purpose of determining its liability for business rates.

The council has determined that the collection fund in respect of business rates is projected to be in

deficit on 31 March 2025. This is because, at the present time, the total business rates income forecast to be received in this financial year is less than the amount the council agreed to pay out based on estimates produced in January 2024. The council's share of that deficit is £2.247 million. The council will be required to make a payment into the collection fund in 2025/26 to clear its share of the projected deficit as determined at the point of setting the 2025/26 budget, and this has been taken account of throughout this report.

Despite the deficit, the council continues to be in a position where it can transfer income generated from business rates growth into the General Fund. The amounts assumed in the MTFs have been updated taking account of the current rateable value of business properties in Cambridge and expected changes in that rateable value between now and 31 March 2026. Projecting over that time horizon is inherently challenging, particularly since response times from the Valuation Office Agency (VOA) to get new or altered properties rated can be lengthy and VOA decisions can be challenged by the ratepayer and subsequently adjusted. A further update will be provided as part of the outturn report which will confirm the final amount transferred to the general reserve in 2024/25.

Tax base and council tax

Tax base

The tax base is one element in determining both the level of council tax to be set and the amount estimated to be collected. This calculation is governed by regulation and the formal setting of the tax base is delegated to the Chief Finance Officer to enable notification to be made to the major precepting authorities during January each year.

The tax base reflects the number of domestic properties in the city expressed as an equivalent number of band D properties, adjusted for various discounts, exemptions and reliefs. Allowances are made for projected growth in the number of dwellings and an estimated deduction for non-collection.

The tax base for 2025/26 is 45,731. The calculation is presented in Appendix A(a) of this report.

Collection fund

The collection fund is a statutory fund, maintained by billing authorities such as the council, into which income from council tax and business rates is recorded and out of which respective amounts set for the year are paid to the council and precepting bodies. The council's share of the deficit on the collection fund in respect of council tax at the end of 2024/25 is forecast to be £19,000, which will need to be repaid from the General Fund in 2025/26.

Council tax thresholds

Under the Localism Act 2011, local authorities are required to hold a local referendum if they propose to increase council tax above the relevant limit set by the Secretary of State. For 2025/26 an increase is deemed excessive if it is 3% or higher for a Band D property, with district councils permitted to increase their element of council tax by up to £5, where this is 3% or higher.

Council tax level

Financial projections of the council tax level made for the September 2024 MTFS assumed a council tax income of £10.638 million based on the projected council tax base at that time and an increase in council tax of 2.99%. Having updated the council tax base as part of the budget-setting process, the income from council tax in 2025/26 (after repayment of the collection fund deficit) is now estimated at £10.597 million. Band D council tax for 2025/26 will be £232.13 with proportionate increases applied to other valuation bands, as shown below:

Council tax band	2024/25 £	2025/26	Difference £
A	150.26	154.75	4.49
B	175.30	180.54	5.24
C	200.35	206.34	5.99
D	225.39	232.13	6.74
E	275.48	283.72	8.24
F	325.56	335.29	9.73
G	375.65	386.88	11.23
H	450.78	464.26	13.48

Local authority funding reform

In December 2024, the government launched a consultation on local authority funding reform, setting out its proposed approach to finance settlements from 2026/27 onwards. This comes as no surprise, since the current settlement system is based upon relative needs data (such as population figures) which are over a decade out of date.

Subject to the outcome of the consultation, there will be two main elements to this work:-

- reallocation of government funding based upon an updated assessment of each authority's

relative needs; and

- a reset of the business rates retention system, which was originally intended to occur every few years, but which in reality has not taken place since the system was introduced in April 2013.

The first of these factors is likely to see a greater level of resource flow to Cambridge City Council, due in the most part to significant population growth since the system was last reviewed. However, this will be more than outweighed by the impact of the business rates reset. Overall, based upon latest projections, the funding reform is expected to result in a net reduction in council funding of around £5.0 million per year from 2026/27:

Forecast Finance Settlement (£m)	2025/26	2026/27	2027/28	2028/29	2029/30
Business rates baseline	4.750	4.845	4.911	4.976	5.064
Accumulated business rates growth	8.767	4.029	4.682	5.362	6.095
Core government grants	4.221	3.973	3.907	3.841	3.754
New Homes Bonus	0.073	-	-	-	-
Total funding	17.811	12.847	13.500	14.179	14.913

Local policy priorities

Corporate Plan 2022-27

The local policy priorities for the council are set out in the Corporate Plan and expanded on in the suite of strategies and policies the council has adopted in recent years. The Plan, available on the council's website ([Corporate plan 2022-27: our priorities for Cambridge - Cambridge City Council](#)) sets out the key themes and strategic objectives for Cambridge City Council for the five years from 2022-27. It contains the council's vision and describes how the council is working to deliver these priorities and to transform the council to deliver quality services within a challenging financial context.

The corporate plan sets out four priorities:

- Leading Cambridge's response to the climate and biodiversity emergencies and creating a net zero council by 2030
- Tackling poverty and inequality and helping people in the greatest need
- Building a new generation of council and affordable homes and reducing homelessness
- Modernising the council to lead a greener city that is fair for all

Review of local factors

Local demographic factors impact on the council's financial strategy in terms of their effect on the level of demand for services, the specific type and nature of services, and the income available to the council through council tax, business rates, and fee and charges.

With the significant ongoing housing and economic growth, Greater Cambridge's population is set to increase by 26% between 2011 and 2031. The council is already focused on meeting the needs of new communities and residents through better use of technology, joint services with other local authorities and partnership working (through the Greater Cambridge Partnership (GCP) and the Combined Authority) in order to lever in funding for infrastructure improvements.

Whilst new homes generate new council tax income for providing services, the increase in student accommodation (with council tax exemptions) and the number of inward commuters, plus the particular needs of new residents as they settle into new communities, can present additional service demands and financial pressure. This comes at a time of ongoing financial pressures facing council budgets.

The council will continue to explore ways to make better use of resources and new technologies (for example, for managing and maintaining new open spaces being created as part of new neighbourhoods, and to enable new communities to become established and thrive on their own sooner).

Responding to the climate and biodiversity emergencies

Cambridge City Council recognises the need to act now on climate change and biodiversity emergencies. The importance placed on this is demonstrated by the fact that it is one of the four main priorities within the council's Corporate Plan. We want to play a community leadership role on these critical issues and will work to ensure that environmentally friendly choices are available to everyone, not just the more affluent.

We will work together with the whole city and our partners across Cambridgeshire to deliver a just transition towards our vision of a net zero Cambridge by 2030.

Our Cambridge Transformation Programme

In recognition of the financial challenges it is currently facing, the council has embarked on an ambitious transformation programme known as "Our Cambridge".

The programme is now well into its implementation phase, and has made a significant contribution

to the total of £5.8 million of gross recurring savings and increased income bids by 2026/27 which have been included in this budget. In particular, the council is currently undertaking a Group Design Programme which will reshape the whole organisation using a purpose-led approach to be more efficient, effective and sustainable.

Section 3

Budget consultation

Budget consultation 2025/26

The Executive, at a meeting in November 2024, approved a public budget consultation to gather residents' views. The consultation was carried out on our online consultation platform, giving everyone the chance to comment. Respondents were asked about their priorities for Cambridge and the council and how they felt about a range of approaches the council could take to balance its budget in the medium and longer term.

A summary of responses is included at Appendix B. There was broad support for many courses of action, including making efficiencies, reducing the specification of some services, and increasing charges, including council tax. However, concern was expressed about the possible impact on those who are vulnerable or on low incomes.

This feedback has informed decisions relating to the budget and will help shape future thinking on how the council meets its savings target for future years, including through the Our Cambridge transformation programme.

Section 4

General Fund revenue budgets

2024/25 outturn

As at the end of December 2024, the forecast outturn for the GF in 2024/25 is a net underspend of £4.0 million. Of this, £3.2 million relates to overachievement of treasury management interest income. This has occurred for two reasons – firstly because interest rates have remained higher for longer than predicted, and secondly because the council continues to hold higher than anticipated cash balances following capital slippage.

It is proposed that the final net underspend amount as reported in the General Fund outturn report in the summer be transferred to the Civic Quarter reserve to reduce the need for future borrowing to finance this project.

As part of this year's budget, a proposal has been included to increase the interest income budget by £3.0 million in 2025/26. Since this is a one-off gain, it is again proposed that an equivalent amount be transferred to the Civic Quarter reserve – in this way excess interest earned now is being used to reduce potential interest on borrowing in the future. It is still expected that interest income will decrease significantly from 2026/27 onwards, as both interest rates and cash balances continue to come down.

Savings target

Amidst rising cost pressures and decreasing government funding, the MTFs approved in October 2024 identified a budget gap of £11.5 million per year by 2029/30, and set out a plan to address this starting with delivery of £6.0 million of recurring savings over the next two years (2025/26 and 2026/27). These savings are to be delivered through both the Our Cambridge programme and other initiatives.

The table on the following page sets out the impact of this budget on the savings targets set for the next 5 years:

Savings requirements - £m	2025/26	2026/27	2027/28	2028/29	2029/30
Net savings requirement – new each year (MTFS 2024)	2.000	4.000	2.000	2.000	1.511
Net savings requirement – cumulative (MTFS 2024)	2.000	6.000	8.000	10.000	11.511
Savings	(2.387)	(2.850)	(2.850)	(2.850)	(2.850)
Increased income	(5.862)	(1.925)	(1.925)	(1.925)	(1.925)
Review of capital programme	(0.151)	(0.976)	(1.172)	(1.633)	(1.579)
Total savings	(8.400)	(5.751)	(5.947)	(6.408)	(6.354)
Reduced income	0.429	0.100	0.100	0.100	0.100
Bids	5.395	1.926	1.926	1.876	1.876
Total new pressures	5.824	2.026	2.026	1.976	1.976
Other adjustments	(0.066)	0.336	0.366	0.271	0.188
Changes to funding assumptions	(0.126)	(1.527)	(1.526)	(1.524)	(1.526)
Changes to council tax assumptions	0.041	0.018	0.004	0.006	(0.007)
Total other changes	(0.151)	(1.173)	(1.156)	(1.247)	(1.345)
Use of GF reserves to fund Folk Festival proposal	(0.075)	-	-	-	-
Contribution to earmarked reserve for reinvestment	0.802	-	-	-	-
Total changes to savings requirements	(2.000)	(4.898)	(5.077)	(5.679)	(5.723)
Revised net savings requirement – cumulative	-	1.102	2.923	4.321	5.788
Revised net savings requirement – new each year	-	1.102	1.821	1.398	1.467

As shown above, significant progress has been made in meeting the target of £6.0 million of recurring savings by 2026/27. To this end, this budget confirms recurring savings and increased income bids totalling £5.8 million.

Unfortunately, significant new pressures have also emerged in year, which will add £2.0 million per year to council spend. The most significant of these relate to waste disposal, temporary accommodation costs, and the cost of the recent rise in employer's national insurance contributions. The government will provide some compensation for latter, but projections show this is unlikely to meet the full cost.

Following the publication of the government's consultation on local government funding reform, the council's funding advisers have issued an updated model which predicts the level of funding the council is likely to receive in future years. This has resulted in our funding position from 2026/27 being revised upwards by £1.5 million, although it is important to note that this still represents a significant drop in funding compared to that which the council currently receives (as set out at section 2 above).

After taking into account other changes in assumptions, the £6.0 million savings target for 2026/27 has been reduced by £4.9 million, leaving a net £1.1 million to be identified as part of next year's budget setting round. This means that the council has met 82% of its two year net savings target in the first year.

In respect of 2025/26, the £2.0 million savings target set in the MTFS has been exceeded by £802,000. It is proposed to transfer this amount to an earmarked reserve for reinvestment into initiatives which support the objectives of the council's transformation programme, for example investment in service improvement or one-off transitional costs.

Budget proposals

Given the council's challenging financial situation and need to make savings, budget proposals with a net cost to the council were only considered this year where they were unavoidable (e.g. increased waste disposal costs), or met an important policy objective (e.g. support for vulnerable individuals). Most proposals this year were for savings or increased income arising from the Our Cambridge programme and other initiatives.

Where applicable, proposals are supported by business cases. All proposals have been examined and challenged by the Leadership Team and scrutinised by the Strategy and Resources Scrutiny

Committee.

The impact of each individual budget proposal is set out in detail at Appendices D(a) and D(b).

Section 5

General Fund capital budgets

Capital strategy

In line with guidance, the council will prepare a Capital Strategy to be presented to Strategy and Resources Scrutiny Committee and Full Council alongside the BSR and the Treasury Management Strategy.

Capital plan

The council's capital plan shows approved expenditure for the next five years, where relevant, for each programme or scheme.

Capital proposals

A total of £3.589 million of capital proposals for 2025/26 are listed in Appendix E(a), with a further £276,000 for 2026/27, £325,000 for 2027/28 and £165,000 for both 2028/29 and 2029/30. The projections in the remainder of the BSR assume that all capital proposals are approved.

A summary of the proposed capital plan is set out in the following table:

Capital plan spending (£m)	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	Total
Spend per MTFS 2024	105.904	17.169	1.724	0.795	0.700	0.700	126.992
Approved or Amended since MTFS November 2024 Appendix E(b)	4.632	-	-	0.100	-	-	4.732
Capital plan before new proposals	110.536	17.169	1.724	0.895	0.700	0.700	131.724
New proposals see Appendix E(a)	-	3.589	0.276	0.325	0.165	0.165	4.520
Revised capital plan	110.536	20.758	2.000	1.220	0.865	0.865	136.244

The full current capital plan, updated for schemes approved since the MTFS 2024 and proposals for new schemes, is shown in detail in Appendix E(c).

Financing

Capital schemes are funded from a variety of internal and external funding sources. The use of certain funding types is restricted, for example developer and other contributions, grants, and earmarked and specific funds.

Internal funding:

- Earmarked and specific funds (e.g. asset replacement reserve)
- Capital receipts
- Internal borrowing (use of cash balances – minimum revenue provision (MRP) funded from revenue resources)
- Prudential (external) borrowing (interest and MRP funded from revenue resources)
- Revenue resources

External funding:

- Developer and other contributions
- Grants

Where capital expenditure is funded from internal or external borrowing, a minimum revenue provision (MRP) is charged annually in line with the council's MRP policy. This effectively means that the expenditure is financed from revenue resources over the life of the relevant asset. The MRP policy is presented to Council for approval annually in the Treasury Management Strategy Statement.

The table on the following page sets out how the capital plan, including the capital proposals listed in Appendix E(a), is to be financed. As capital receipts are not certain with regard to amount or timing, only specific financing such as grants and contributions can be allocated to individual capital schemes, with the majority of schemes financed from either capital receipts or borrowing. Financing will be allocated to these schemes as they are delivered in the most financially advantageous way.

Capital plan funding (£m)	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	Total
External support							
Developer contributions	(2.032)	(0.010)	-	-	-	-	(2.042)
Other sources	(12.297)	(1.454)	(0.171)	(0.160)	-	-	(14.082)
Total – External support	(14.329)	(1.464)	(0.171)	(0.160)	-	-	(16.124)
City Council							
Direct Revenue Financing (DRF) – GF services	(0.005)	(0.025)	-	-	-	-	(0.030)
Earmarked reserve – Repairs and renewals fund – Vehicles	(1.039)	-	-	-	-	-	(1.039)
Appropriations from General Fund	(2.687)	-	-	-	-	-	(2.687)
Earmarked reserves – Capital contributions	(5.911)	-	-	-	-	-	(5.911)
Capital receipts and development surpluses	(13.429)	(2.238)	(0.687)	(1.060)	(0.865)	(0.865)	(19.144)
External borrowing – Park Street redevelopment	(64.262)	-	-	-	-	-	(64.262)
Internal and external borrowing – on-lending for capital purposes	(6.777)	(13.500)	-	-	-	-	(20.277)
Internal and external borrowing – other schemes	(2.097)	(3.531)	(1.142)	-	-	-	(6.770)
Total – City Council	(96.207)	(19.294)	(1.829)	(1.060)	(0.865)	(0.865)	(120.120)
Total Funding	(110.536)	(20.758)	(2.000)	(1.220)	(0.865)	(0.865)	(136.244)
Capital Plan	110.536	20.758	2.000	1.220	0.865	0.865	136.244

Where restricted funding is not available, capital receipts are used as the first option to fund capital

schemes. The following table shows the availability of this source of funding going forward to meet planned capital expenditure. However, there is a risk that receipts may not be achieved as forecast and that more or less borrowing will be necessary as a result. Note that the below figures include both statutory capital receipts from the sale of assets and development surpluses (for example from CIP) which the council has chosen to apply to fund the forward capital plan.

Capital receipts and development surpluses available (£m)	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
Brought forward at 1 April	11.879	2.450	0.212	-	1.940	1.075
Forecast capital receipts and development surpluses	4.000	-	0.475	3.000	-	-
Used for financing of in-year capital plan expenditure	(13.429)	(2.238)	(0.687)	(1.060)	(0.865)	(0.865)

Section 6

Risks and reserves

Risks and mitigation

The table below summarises the main external risks to the financial standing and sustainability of the council, using a High-Medium-Low assessment.

Risk	Probability (H, M, L)	Impact (H, M, L)	Overall assessment (H, M, L)	Mitigation
Funding from central government may fall below projections, particularly in the context of significant uncertainty brought about by local government funding reform. The reset of the business rates baselines will have a significant impact upon the council, although some transitional support funding may be available.	H	H	H	Monitor developments, plan delivery of savings and additional income, maintain prudent reserve balances to cover short-term pressures
In December 2024, the government issued a white paper on English Devolution, which includes an ambition to to facilitate local government reorganisation in two tier council areas. Whilst the specific implications for the council are as yet unknown, it is likely that costs will need to be incurred in preparing for any such future reorganization.	H	H	H	Monitor developments, plan delivery of savings and additional income, maintain prudent reserve balances to cover short-term pressures
The impact of forthcoming waste reforms is yet to be fully understood and quantified, and no provision has yet been made within the council's financial projections. The impact of this could be significant, and there is uncertainty as to any external funding sources which may be available to support this.	H	H	H	Monitor developments and update forecasts when further details are available, explore possible funding opportunities, maintain prudent reserve balances to cover short-term pressures

Risk	Probability (H, M, L)	Impact (H, M, L)	Overall assessment (H, M, L)	Mitigation
Savings plans may not deliver projected savings to expected timescales	H	H	H	Our Cambridge programme, management overview and monitoring
The combined effects of inflation, high interest rates and economic stresses may give rise to cost pressures, income reductions, recruitment difficulties, supply issues and other issues that will impact on the demand for and delivery of services	M	H	H	Management overview and actions targeted to address significant impacts
Assumptions and estimates, such as inflation, pay increases and interest rates, may prove incorrect	H	M	H	Management overview and monitoring
Unforeseen levels of expenditure, such as major repairs to offices and commercial properties	M	H	H	Property condition surveys, review of property use, asset management planning
New legislation or changes to existing legislation may have budgetary impacts	H	M	M	Management overview and monitoring
The council may be impacted by spending cuts implemented by other agencies	H	M	M	Engagement with partners
Increases in council tax and business rates receipts due to local growth may not meet expectations	M	L	L	Management overview and monitoring

Sensitivity analysis

The budget process addresses these risks by applying principles of prudence and sustainability throughout. The sensitivity of the budget to estimates and assumptions has been assessed in the MTFS approved by Council in October 2024.

Equality Impact Assessment

As a key element of considering the changes proposed in this BSR, an Equality Impact Assessment has been undertaken covering all Budget 2025/26 proposals. This is included in this report at Appendix F. Assessing the potential equality impact of proposed changes to policies, procedures and practices is one of the key ways in which public authorities can show that they have treated everyone fairly and without discrimination. In addition, all proposals are given poverty and climate change ratings, so that

the overall impact of the proposals in those areas can be understood.

Section 25 Report

Section 25 of the Local Government Act 2003 requires that the Chief Finance Officer (CFO) reports to the council, when it is making the statutory calculations required to determine its council tax or precept, on the following:

- the robustness of the estimates made for the purposes of the calculations; and
- the adequacy of the proposed levels of financial reserves.

This report is presented in section 7 of this BSR.

Reserves

The council holds two types of general fund reserves:

- The General Fund is a working balance to cushion the impact of uneven cash flows. It acts as a contingency for unexpected emergencies, unforeseen spending or uncertain developments and pressures where the exact timing and value is not yet known and/or within the council's control. The reserve also provides cover for grant and income risk.
- Earmarked reserves are set aside for specific and designated purposes or to meet known or predicted liabilities, e.g. insurance claims.

Earmarked reserve proposals

Civic Quarter development reserve

It is proposed that a contribution of £3 million be made to the Civic Quarter development reserve in 2025/26, equivalent to a proposed increase in the investment income budget. This will allow excess interest earned at a time of higher interest rates and cash balances to be used to reduce the need for the council to borrow (and incur interest costs) at a later date.

It is also proposed that any net underspend on the General Fund in 2024/25 (forecast at £4 million as at December 2024) also be transferred to the same reserve, on the basis that the main reason for this net underspend will again be higher than anticipated interest receipts.

Greater Cambridge Impact Fund

In July 2023, Full Council approved in principle an investment of £1 million in the Greater Cambridge

Impact Fund, of which £200,000 has already been allocated for development activities.

The remaining £800,000 was agreed subject to progress being made to secure funding commitments from other parties. Significant progress has now been made in this area, and it is anticipated that the council will be asked to make its investment in the coming financial year.

It is therefore proposed to transfer £800,000 into an earmarked reserve for this purpose, and delegate authority for drawing down and paying out this reserve to the Executive Councillor for Finance and Resources, following reassurance from the Chief Executive and Chief Finance Officer that governance arrangements are in place and due diligence is completed.

Further information is available in a separate report to the Strategy and Resources Scrutiny Committee meeting on 10 February 2025.

Transformation and reinvestment fund

The previous year's BSR included an indicative drawdown from the General Fund of £1 million per year in 2024/25 and 2025/26 to fund further restructuring arising from future phases of Our Cambridge.

Whilst none of this funding has been used to date, implementation of the Group Redesign Programme is due to take place over the coming months, and it is anticipated that significant restructuring costs will be incurred.

It is therefore proposed to add the unused £1 million from 2024/25 to the £1 million allocation for 2025/26. This will be further topped up by an £802,000 overachievement against the 2025/26 savings target, as set out in more detail at section 4, to create an overall transformation and reinvestment fund of £2.802 million. This will be used first and foremost to fund any one-off restructuring costs incurred in year. Any remaining balance will be used to fund initiatives which support the wider objectives of the council's transformation programme, for example investment in service improvement, or to address financial pressures which may arise from forthcoming local government reorganisation as set out in the recent government white paper.

General Fund

The minimum level of the GF reserve depends on the financial risks facing the council, which will vary over time. The prudent minimum balance (PMB) and target level of GF reserves were reviewed and amended in the MTFS. No further changes are recommended at this time:

GF reserves	£m
Approved levels (MTFS 2024)	
Target level	7.849
Minimum level	6.541

The projected levels of reserves for the budget setting period, based on the proposals in this report and recommended contributions to earmarked reserves are set out on the following page. This table assumes that all net savings requirements for 2025/26 and later years are delivered in the year identified.

GF reserve (£m)	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
Balance at 1 April (b/fwd)	41.815	16.318	10.727	9.879	9.202	8.669
Transfer to Civic Quarter Development Reserve	(20.000)	-	-	-	-	-
Transfer to Climate Change Fund	(0.750)	-	-	-	-	-
Transfer to Greater Cambridge Impact Fund Reserve	-	(0.800)	-	-	-	-
Planned use of reserve to fund one-off Folk Festival proposal	-	(0.075)	-	-	-	-
Planned use of reserve to balance budget in-year	(4.747)	(2.716)	(0.848)	(0.677)	(0.533)	-
Funding for restructuring arising from Our Cambridge or transfer to earmarked reinvestment reserve	-	(2.000)	-	-	-	-
Balance at 31 March before business rates growth (c/fwd)	16.318	10.727	9.879	9.202	8.669	8.669
Business rates growth – indicative growth element (at risk)	3.813	9.515	2.529	3.182	3.862	4.595
Balance at 31 March including business rates growth	20.131	24.055	25.736	28.241	31.570	36.165

Whilst reserve levels appear comfortably above the PMB when indicative levels of business rates growth are included, the inherent uncertainty around this, particularly in the context of local government finance reform, means it is prudent to set a budget which allows the council to maintain an appropriate level of reserves without relying on significant future receipts from business rate

growth. In addition, there are likely to be further calls on council reserves beyond those anticipated in this budget, including unknown future service pressures (such as those associated with waste reform).

The council has also set an ambitious target to reduce its carbon emissions from council buildings, land, vehicles and services to net zero by 2030. The costs of achieving this aim are likely to be significant. Work to identify, plan for, and assess how these challenges will be met, including better estimates of potential costs, is at varying levels of development. The council is fortunate to have reserves available to meet some of these challenges, rather than having to borrow and incur interest and ongoing minimum revenue provision costs.

Financial sustainability and resilience

The MTFS in October 2024 recognised that, despite the council's healthy reserve levels, there was a significant and growing structural budget gap (£11.5 million in 2029/30) which needed to be addressed, to avoid the council's reserves being entirely depleted in paying for day-to-day services.

Through the Our Cambridge transformation programme and other initiatives, particularly over the past few months, the council has taken huge strides in addressing this deficit. The 5-year budget gap has closed from £11.5 million to £5.8 million, and overachievement of the council's savings target in 2025/26 has allowed an additional £802,000 to be earmarked for reinvestment into service transformation and improvement.

Nevertheless, the medium-term projection still requires the remaining budget gap to be closed in order for the council to maintain its General Fund balance at or above the target level. In addition, it is likely that further service pressures will arise over the coming years, with waste reform posing a particular risk.

The current five-year projections are based upon a series of key assumptions (for example future inflation and interest rates) as set out in the MTFS. It is inevitable that actual experience will differ from the assumptions made, and sensitivity analysis within the MTFS considered a range of alternative scenarios with a 5-year budget gap of anywhere between £9.2 million and £22.7 million, in addition to the £11.5 million 'best estimate' case. This underlines the inherent risk in setting a medium-term financial strategy, and the need for an appropriate level of prudence in setting budgets and target reserve levels.

It is important, therefore, that the council continues to work hard to ensure its ongoing financial

sustainability and resilience by:-

- maintaining healthy levels of reserves;
- planning and delivering net savings in a controlled and sustainable way;
- identifying early any additional pressures which may arise and seeking opportunities for new funding sources to support these; and
- minimising unplanned overspends through careful financial monitoring and management throughout the year.

Section 7

Section 25 report

Introduction

Section 25 of the Local Government Act 2003 requires the Council's Section 151 Officer to report to the council when it is considering its budget requirement and consequent council tax setting. The report must deal with the robustness of the estimates made for the purposes of the calculations and the adequacy of the reserves allowed for in the budget proposals.

The rationale is to ensure that the estimates are sufficient to cover regular recurring costs plus any reasonable risks and uncertainties and, in the event of unexpected expenditure, there are adequate reserves to draw on. The calculations relate to the budget for the forthcoming year and the legal requirement may, therefore, be interpreted as reporting only on the 2025/26 estimates and reserves up to 31 March 2026.

Economic context

The council is subject to significant market uncertainties that make the estimation of costs and income difficult. CPI inflation remains just above the Bank of England's 2% target (2.5% at December 2024) and the future trajectory of interest rates is difficult to predict as a result. Supply chains and the labour market remain challenging. Many service areas within the council are finding staff recruitment and retention difficult, leading to the need to take on agency staff to maintain service delivery. Furthermore, adverse economic conditions have led to an increase in service demands. As a result, estimates in this BSR should be treated with some caution, and consideration given to the alternative scenarios modelled in the Medium Term Financial Strategy (MTFS) which was approved by Full Council in October 2024.

Governance and financial management

The council conducts a review of its system of internal control, and prepares and publishes an Annual Governance Statement each financial year. This demonstrates whether, and to what extent, the council complied with its Local Code of Governance. This process records the council's good practice and supports improvement of governance arrangements. Producing the Annual Governance

Statement helps the council meet the requirements of Regulation 6(1)b of the Accounts and Audit (England) Regulations 2015. It is reviewed and approved by the Civic Affairs Committee. The council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. That duty has grown in importance with the reduction in resources being made available for local authorities over recent years. The Annual Governance Statement concludes that the council has in place strong governance arrangements to protect its interests and provide necessary assurances to citizens and stakeholders. No significant governance issues were identified from the review of effectiveness.

Robustness of estimates

The council has well established and robust budget setting processes. These have been followed when compiling the 2025/26 budget and medium-term projections. An appropriately prudent approach has been taken to the estimates and assumptions used in the preparation of the MTFS approved in October 2024. Section 3 of that document sets out the key estimates and assumptions used, and indicates the sensitivity of each in financial terms. Estimates relating to investment interest, business rates and council tax have been updated and other estimates confirmed during the development of this budget.

Scenario planning and unavoidable revenue pressures

The council follows best practice in undertaking scenario modelling to support the MTFS. This includes consideration of the impacts of varying levels of general inflation, pay inflation, interest income, council tax and funding settlements. The five-year net savings requirements identified in the MTFS ranged from £9.2 million to £22.7 million. This represents 45% - 112% of the council's 2024/25 core spending power (the total of core grants, business rates and council tax income provided by the local government finance settlement).

Whilst every effort has been made to model future revenue pressures, it is impossible to foresee all eventualities, and it is likely that the council will continue to be impacted by additional future pressures which are as yet unknown. In particular, there is significant uncertainty arising from local government funding reform which will take effect from 2026/27, and there are likely to be additional costs arising from preparations for local government reorganisation following the publication of the government's English devolution white paper in December 2024. The costs of future waste reform with effect from 2026/27 are also as yet unquantified, and no provision has been made within this budget for this – careful thought will need to be given over the coming months in respect of how these costs will be

managed and funded.

Estimation and delivery of savings

The MTFS identified a net five-year savings requirement of £11.5 million. This budget includes measures which, if approved, will reduce this requirement by around half (£5.7 million). The savings arise from a combination of efficiencies, changes to services, increases to fees and charges, and a review of the council's 10-year capital forecasts. The savings requirement has also been impacted by changes to assumptions around local government funding and future business rates growth.

Identifying savings through the budget setting process is only the first step. All proposals have been subject to robust scrutiny by officers and councillors, and are considered deliverable. However, given the scale of savings this year, and the inherent risk associated with widespread organisational transformation, it will be particularly important this year to ensure that performance against budgets is closely monitored and reported throughout the year, so that any variances against the agreed budget can be identified early and mitigating actions taken. Whilst the council has historically seen service underspends within General Fund budgets, the work carried out this year to challenge and reduce budgets wherever possible means it is unlikely that this trend will continue.

Should the budgeted savings be implemented as planned, this will still leave a further £5.8 million of recurring net savings to be delivered over the next five years. The challenge and risk associated with this should not be underestimated, particularly in the context of the significant savings already made.

However, the scale of savings to be achieved by the council over the next five years remains considerable, and the associated challenge and risk should not be underestimated, particularly in the context of the significant savings already made.

Adequacy of reserves

Section 32 of the Local Government Finance Act 1992 requires billing authorities in England and Wales to have regard to the level of reserves needed for meeting estimated future expenditure when calculating the budget requirement. It is the responsibility of the Section 151 Officer to advise local authorities on the level of reserves that they should hold and to ensure that there are clear protocols for their establishment and use. Reserves should not be held without a clear purpose.

A key mitigation for financial risk is the Section 151 officer's determination of a prudent minimum level of reserves. A risk assessment was undertaken for the MTFS approved in October 2024 to

determine the level of non-earmarked general reserves required by the council. Section 6 of this report recommends no changes to the level at this time. In making this recommendation, the Section 151 officer has followed guidance in the CIPFA Bulletin 13 – Local Authorities Reserves and Balances (updated).

The following table sets out the prudent minimum levels of general reserves, together with the estimated balances at the start and end of the forthcoming financial year:

General (unearmarked) reserves (£m)	General Fund	HRA
Approved levels (MTFS 2024)		
Target level	7.849	6.161
Minimum level	6.541	7.393
Forecasts (BSR 2025) *		
1 April 2024	16.318	7.396
31 March 2025	10.727	8.409

Conclusion

I consider estimates for the financial year 2025/26 to be sufficiently robust and the financial reserves up to 31 March 2026 to be adequate.

However, I draw attention to the high levels of savings that are required to ensure the council's future financial sustainability, and that:

- significant uncertainty remains in relation to the impact on the council from local government funding reform, local government reorganisation, and waste reform; and
- the council currently does not have detailed plans to meet its five-year savings requirement in full.

Jody Etherington

Section 151 Officer

Appendix A(a)- Calculation of council tax base 2025/26

	Council Tax Bands									
	A entitled to disabled relief reduction	A	B	C	D	E	F	G	H	Total
Dwellings on the valuation list	0	4,417	11,090	20,883	10,610	6,055	3,992	3,264	511	60,822
Dwellings treated as exempt	0	(1,409)	(644)	(1,031)	(861)	(485)	(364)	(417)	(173)	(5,384)
Adjustments for disabled relief (i.e. reduced by one band)	0	(2)	(19)	(66)	(35)	(19)	(18)	(18)	0	(177)
	2	19	66	35	19	18	18	0	0	177
Total chargeable dwellings	2	3,025	10,493	19,821	9,733	5,569	3,628	2,829	338	55,438
Where there is a liability to pay 100% council tax	1	1,199	4,470	13,158	7,065	4,186	2,876	2,319	295	35,569
That are assumed to be subject to a discount or premium	1	1,826	6,023	6,663	2,668	1,383	752	510	43	19,869
Dwelling Equivalents:										
Number of dwelling equivalents after applying discounts and premiums to calculate tax base	1.8	2,532.8	8,925.3	18,075.0	9,044.5	5,207.5	3,431.8	2,696.0	326.3	50,241
Ratio to Band D	5/9	6/9	7/9	8/9	1	11/9	13/9	15/9	18/9	
Band D equivalents	1	1,688.5	6,941.9	16,066.7	9,044.5	6,364.7	4,957.0	4,493.3	652.5	50,210.1
Band D equivalent contributions for Government properties										0
Allowance for Council Tax Support										(4,345.1)
Tax base after allowance for Council Tax Support										45,865
Add										Estimated net growth in tax base 468
Less										Assumed loss on collection at 1.3% (602)
Total Band D Equivalents – Tax base for Council Tax and Precept Setting Purposes										45,731

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Appendix B

Budget 2025-26 consultation survey responses

About the consultation

The Budget 2025-26 consultation related to proposals which if implemented could generate additional income and savings of approximately £3.5 million. The proposals consisted primarily of increases in fees and charges for council services and, as a last resort, making changes to some of the discretionary services we offer.

The council consulted with people that live in, work in and visit Cambridge to see what matters to them most.

- The consultation was open for comments from Wednesday 23 October to Wednesday 4 December 2024.
- The consultation was hosted on our consultation and engagement platform: [Budget 2025-26](#) (although participants could contact us if another survey format was needed throughout the consultation).
- The consultation was publicised through a number of digital and offline channels, including coverage in local papers, outward facing artwork at Mandela House, promotion on the council's website, and social media including paid-for posts.
- 1,095 responses to the survey were received.

Responses to the survey questions are set out on the following pages, including summary analysis of the free text responses.

Participant demographics

Business or community group

29 respondents said that they responded on behalf of a business or community group.

- 15 respondents on behalf of a business
- 14 respondents on behalf of a community group

Sex as registered at birth

76% respondents provided information on sex as registered at birth:

- 37% were female
- 35% were male
- 4% preferred not to say
- 24% unknown

Ethnicity

72% of respondents provided information on their ethnicity (28% did not provide a response):

Ethnicity	Number of respondents	% respondents providing information	% Cambridge population
White: British	623	78.6%	52.9%
White: Irish	16	2.0%	1.3%
White: Other	106	13.4%	20.2%
Asian or British Asian: Indian	6	0.7%	4.1%
Asian or British Asian: Pakistani	1	0.1%	1%
Asian or British Asian: Bangladeshi	2	0.3%	4.4%
Asian or British Asian: Chinese	8	1.0%	2%
Asian or British Asian: Other	6	0.8%	3.4%
Black or Black British: Caribbean	1	0.1%	0.4%
Black or Black British: African	1	0.1%	1.7%
Mixed: White and Black Caribbean	1	0.1%	0.8%
Mixed: White and Black African	2	0.3%	0.7%
Mixed: White and Asian	7	0.9%	2.1%
Mixed: Other	9	1.1%	1.6%
Arab	1	0.1%	0.8%
Any other ethnic group	3	0.4%	2.3%

Age

50% (545) respondents provided information on their age (50% did not provide a response):

Age groups	Number of respondents	% respondents providing information	Cambridge population	% Cambridge population
16 to 19	4	0.7%	10,345	8.3%
20 to 24	23	4.2%	20,252	16.2%
25 to 34	101	18.5%	29,869	23.9%
35 to 49	133	24.4%	27,683	22.1%
50 to 64	132	24.2%	20,107	16.1%
65 to 74	97	17.8%	8,742	7.0%
75 to 84	50	9.2%	5,537	4.4%
85 plus	5	0.9%	2,477	2.0%

Annual household income

45% (495) respondents provided information on their annual household income (55% did not provide a response):

Annual household income	Number of respondents	% respondents providing information	Households in Cambridge	% households in Cambridge
Less than £10,000	7	1.4%	1,198	2.6%
£10,000 to £19,999	28	5.6%	4,537	10.0%
£20,000 to £29,999	66	13.3%	5,959	13.1%
£30,000 to £39,999	53	10.7%	5,771	12.7%
£40,000 to £49,999	41	8.3%	5,715	12.6%
£50,000 to £59,999	44	8.9%	5,222	11.5%
£60,000 to £69,999	36	7.3%	4,133	9.1%
£70,000 to £79,999	29	5.7%	3,289	7.3%
£80,000 to £89,999	32	6.5%	3,087	6.8%
£90,000 to £99,999	28	5.6%	2,647	5.8%
Over £100,000	131	26.5%	3,875	8.5%

Survey responses

What do you think are the three most important priorities for the city council to work on?

Multiple choice (participants could choose any many as required).



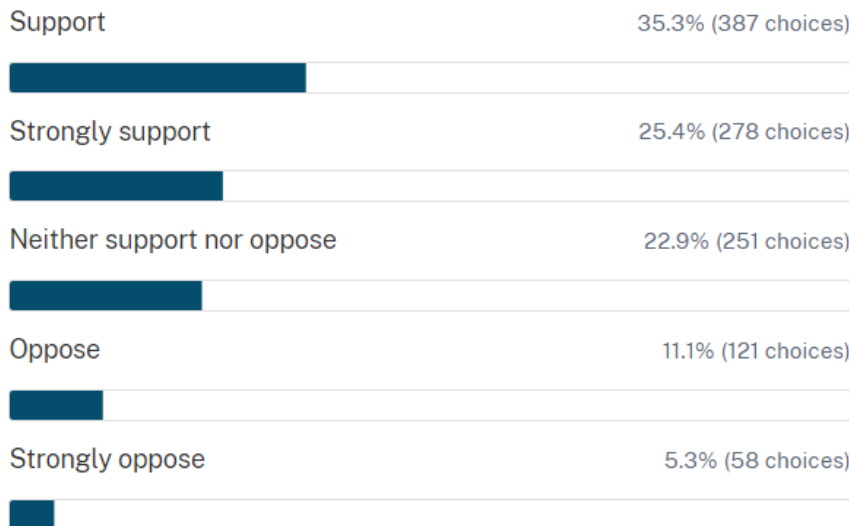
Where members of the public indicated 'something else' the following themes emerged from the 132 free text responses:

- Urban Spaces and Cleanliness (29 mentions):** Comments emphasise maintaining and improving urban spaces, focusing on cleanliness, reducing litter, and creating welcoming environments, including enhancing green spaces for public use and well-being.

- **Cycling and Transport (21 mentions):** Respondents highlight the importance of cycling infrastructure and transport improvements, including safer cycling paths, prioritising active travel and reducing hazards for cyclists and improving road conditions.
- **Growth and Infrastructure (16 mentions):** Feedback focuses on managing urban growth and the infrastructure needed to support it, including planning sustainably for increased housing and population growth, and ensuring adequate infrastructure.
- **Environmental Concerns (9 mentions):** Environmental issues, particularly around sustainability and biodiversity, including protecting green spaces, tackling climate change through city-wide initiatives and investing in renewable energy and sustainable practices.
- **Community and Safety (8 mentions):** A smaller but significant number of comments focus on fostering community and ensuring safety, including promoting community well-being through local programmes and events, and suggestions for building community cohesion.

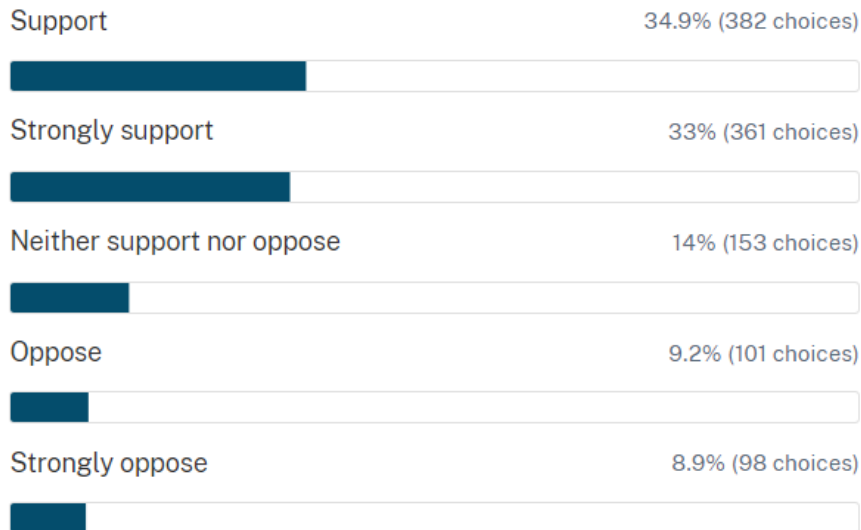
Should the council invest in using technology and data more, to find savings and improve efficiency in streets and open spaces?

- **60.7% (665 respondents) support or strongly support**
- 22.9% (251 respondents) neither support nor oppose
- 16.4% (179 respondents) oppose or strongly oppose



Should the council reduce the frequency of mowing and leaf collection in some areas?

- **67.9% (743 respondents) support or strongly support**
- 14.0% (153 respondents) neither support nor oppose
- 18.1% (199 respondents) oppose or strongly oppose



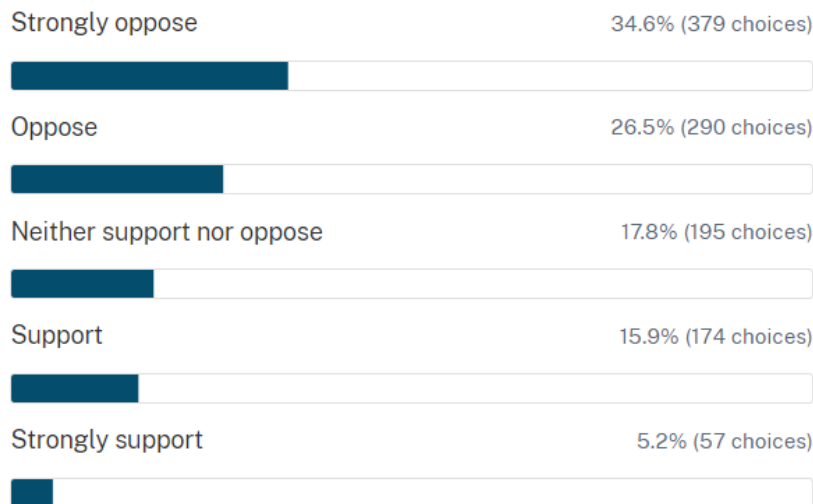
Should the council pass responsibility for funding the out of hours grazing management service to those who are allowed to graze their cattle on the city's commons?

- 32.1% (351 respondents) support or strongly support
- 16.3% (179 respondents) neither support nor oppose
- **51.6% (565 respondents) oppose or strongly oppose**



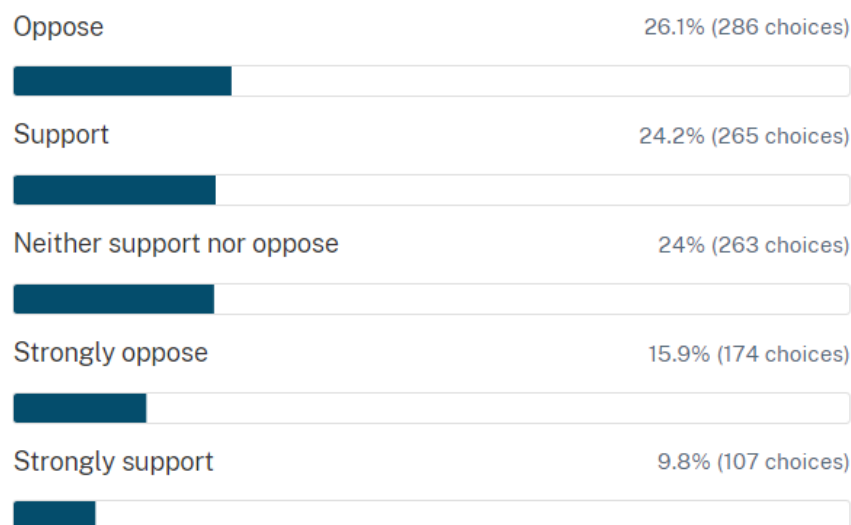
Should the council reduce the overall number of public toilets it manages?

- 21.1% (231 respondents) support or strongly support
- 17.8% (195 respondents) neither support nor oppose
- **61.1% (669 respondents) oppose or strongly oppose**



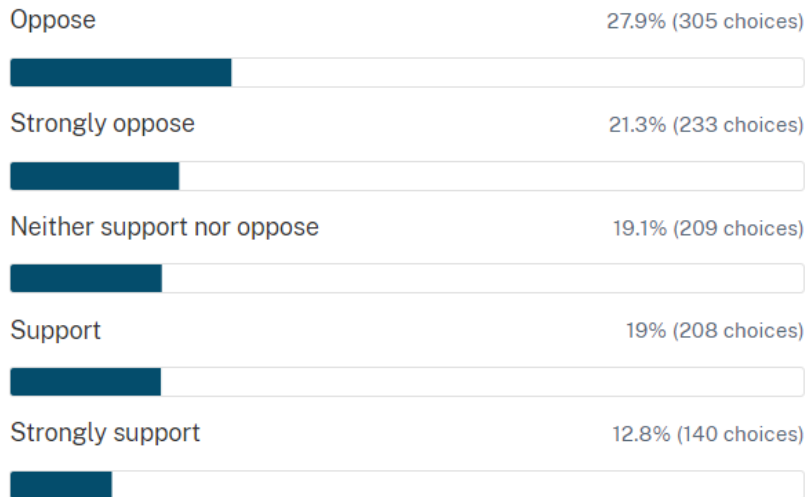
Should the council consider actively developing local community groups and transferring ownership of community centres?

- 34.0% (372 respondents) support or strongly support
- 24.0% (263 respondents) neither support nor oppose
- **42.0% (460 respondents) oppose or strongly oppose**



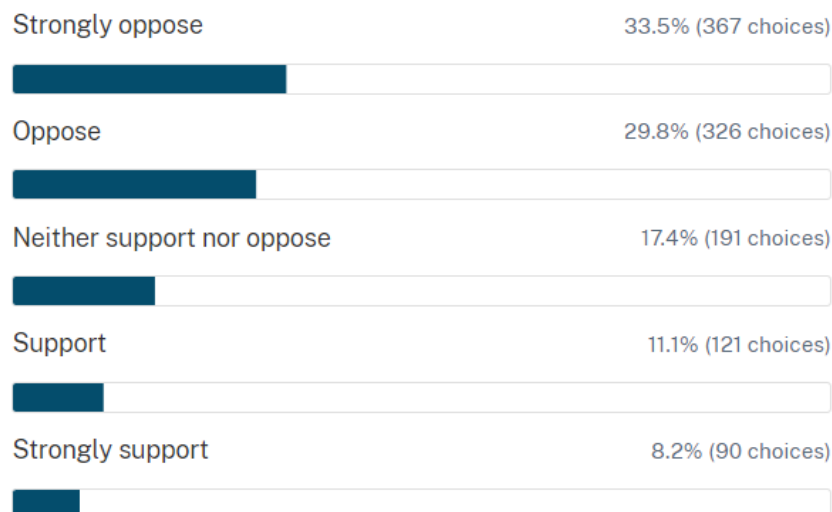
Should the council consider reducing the amount spent on CCTV cameras?

- 31.8% (348 respondents) support or strongly support
- 19.1% (209 respondents) neither support nor oppose
- **49.1% (538 respondents) oppose or strongly oppose**



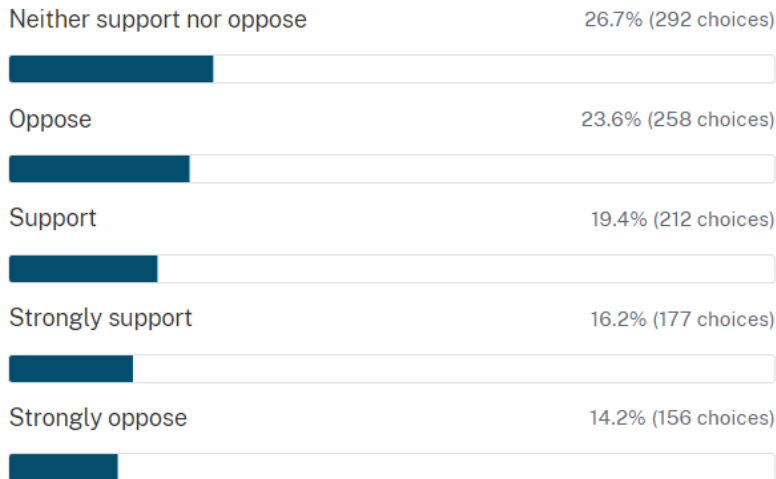
Should the council consider reducing its arts and cultural development programme?

- 19.3% (211 respondents) support or strongly support
- 17.4% (191 respondents) neither support nor oppose
- **63.3% (693 respondents) oppose or strongly oppose**



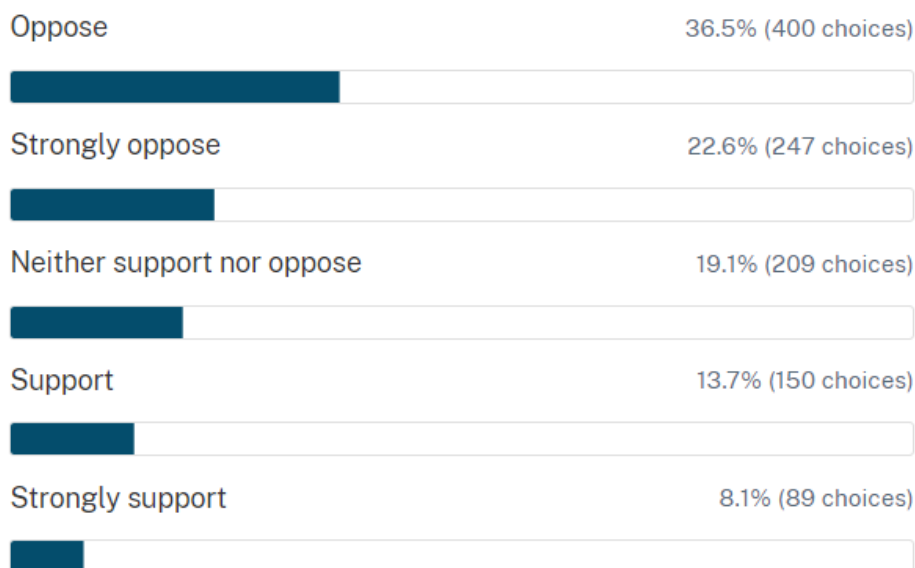
Do you support the council reducing its equalities and cohesion work in the wider community?

- 35.6% (389 respondents) support or strongly support
- 26.6% (292 respondents) neither support nor oppose
- **37.8% (414 respondents) oppose or strongly oppose**



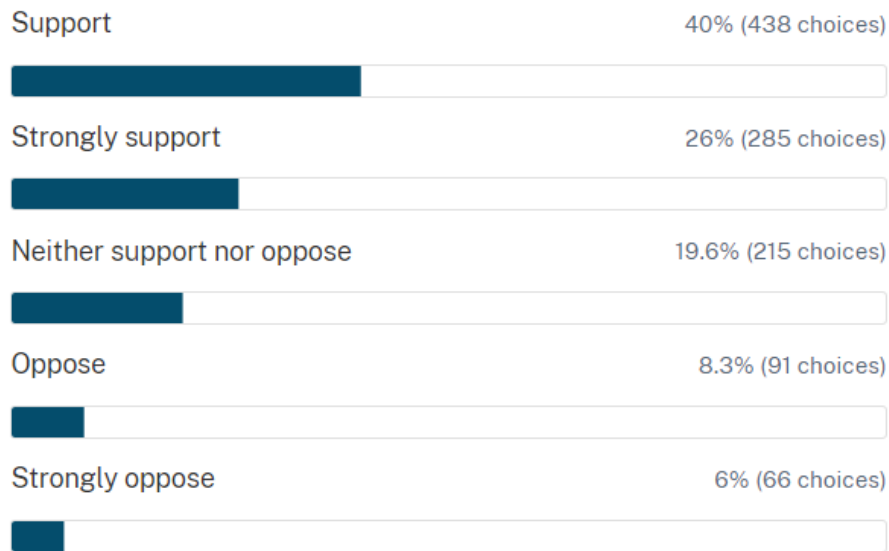
Should the council reduce its work to support residents to stay healthy and well?

- 21.8% (239 respondents) support or strongly support
- 19.1% (209 respondents) neither support nor oppose
- **59.1% (647 respondents) oppose or strongly oppose**



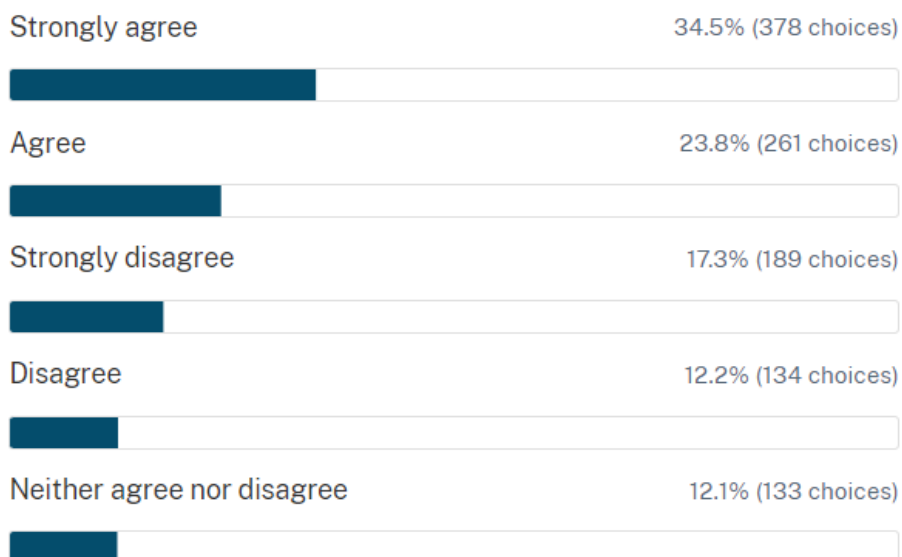
Should the council consider redeveloping or selling commercial properties that generate the least income?

- **66.0% (723 respondents) support or strongly support**
- 19.6% (215 respondents) neither support nor oppose
- 14.4% (157 respondents) oppose or strongly oppose



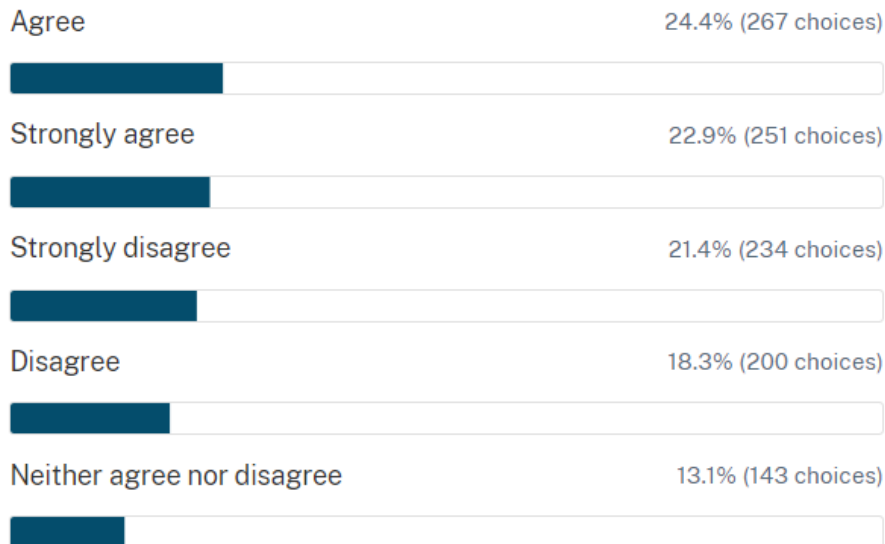
Should the council consider increasing its car park charges to make a higher contribution to other council services?

- **58.4% (639 respondents) agree or strongly agree**
- 12.1% (133 respondents) neither agree nor disagree
- 29.5% (323 respondents) disagree or strongly disagree



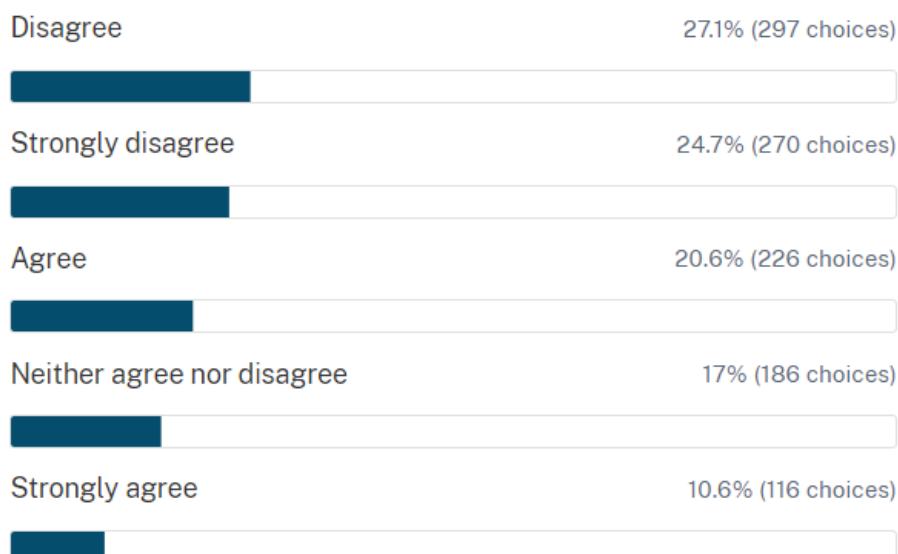
Should the council consider reintroducing charging for parking after 6pm?

- **47.3% (518 respondents) agree or strongly agree**
- 13.1% (143 respondents) neither agree nor disagree
- 39.6% (434 respondents) disagree or strongly disagree



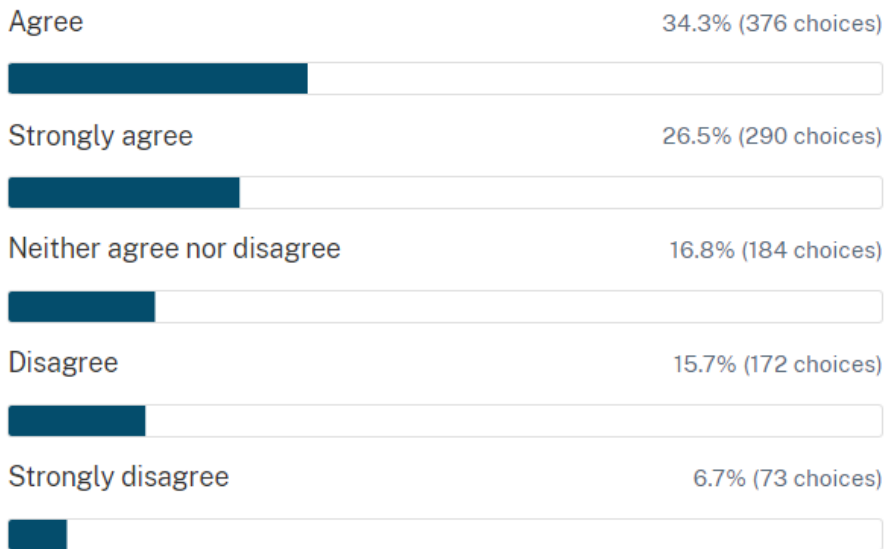
Should the council stop subsidising the use of its swimming pools, so the costs of maintaining and running the pools are covered by those who use them?

- 31.2% (342 respondents) agree or strongly agree
- 17.0% (186 respondents) neither agree nor disagree
- **51.8% (567 respondents) disagree or strongly disagree**



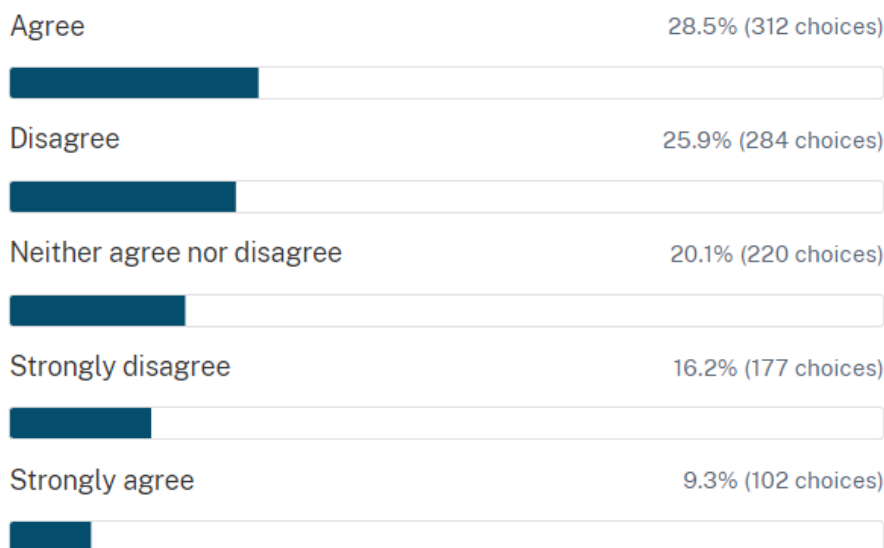
Should the council charge higher prices for non-Cambridge residents who use the council swimming pools?

- **60.8% (666 respondents) agree or strongly agree**
- 16.8% (184 respondents) neither agree nor disagree
- 22.4% (245 respondents) disagree or strongly disagree



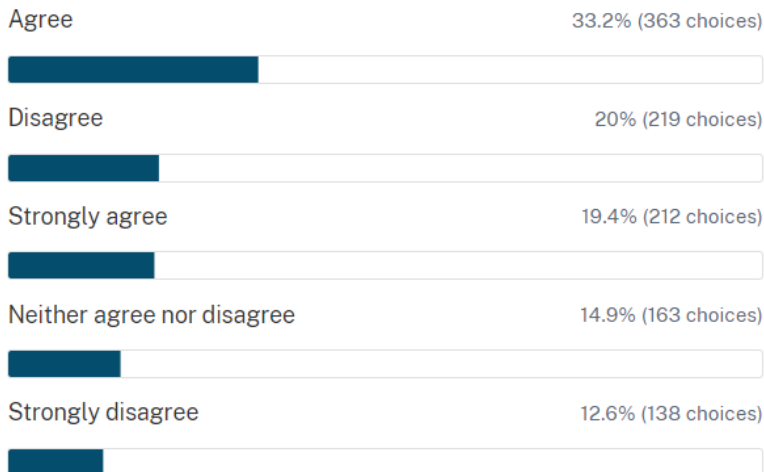
Should the council increase charges for people using sports and recreation facilities to better cover costs?

- 37.8% (414 respondents) agree or strongly agree
- 20.1% (220 respondents) neither agree nor disagree
- **42.1% (461 respondents) disagree or strongly disagree**

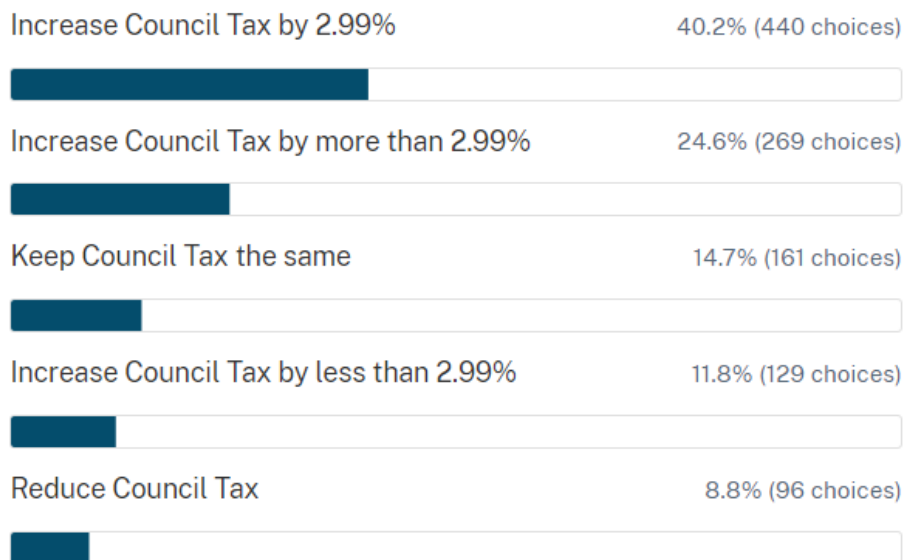


Should the council introduce charges for people using pest control services (with some exceptions for people on lower incomes)?

- **52.5% (575 respondents) agree or strongly agree**
- 14.9% (163 respondents) neither agree nor disagree
- 32.6% (357 respondents) disagree or strongly disagree



Bearing in mind the council’s budget gap, which of the following options do you support?



Please explain why you chose this option.

Respondents expressed a variety of opinions on Council Tax and city council priorities.

A common theme was the desire to maintain or improve services without significantly increasing Council Tax, acknowledging the current cost of living crisis. More than two out of three indicated support for a modest Council Tax increase in line with inflation (2.99%) to avoid cuts in services, or greater increase.

Some respondents suggest that the council should find efficiencies and manage budgets better rather than increasing taxes. There are also calls for the council to lobby for reform of the Council Tax system, arguing that it is outdated and regressive.

Overall, while there is recognition of the need for adequate funding for city council services, there were also concerns raised about the financial burden on residents and a desire for fair and efficient use of council resources.

It should be noted that Cambridgeshire County Council has proposed to increase Council Tax by 4.99%. This would have a much greater financial impact on households than the increase proposed by the city council.

Council Tax is divided between the county council, the police and crime commissioner, the fire authority and the city council. **In 2024/25 our share is 10.02%.**

| How Council Tax is split among authorities, based on a Band D property

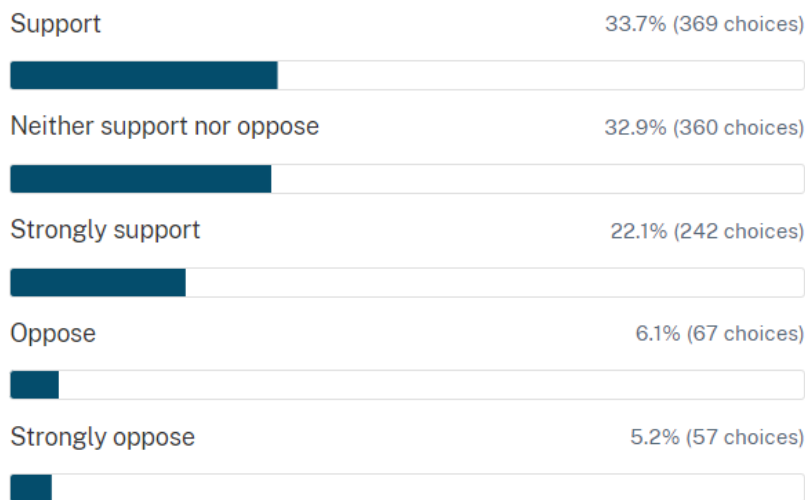
Authority	2023/24	2024/25	Share
County council	£1,542.87	£1,619.82	72.03%
Police and crime commissioner	£272.52	£285.48	12.69%
City council	£218.85	£225.39	10.02%
Fire authority	£79.92	£82.26	3.66%
Cambridgeshire and Peterborough Combined Authority	£12	£36	1.6%
Total	£2,126.16	£2,248.95	100%

A household living in a Band D property in Cambridge will pay £2,248.95 in Council Tax from April 2024, of which we will retain £225.39.

[What your Council Tax pays for - Cambridge City Council.](#)

To what extent would you support a voluntary Council Tax contribution scheme being introduced in Cambridge?

- **55.8% (611 respondents) support or strongly support**
- 32.9% (360 respondents) neither support nor oppose
- 11.3% (124 respondents) oppose or strongly oppose



If you have opposed taking some of the above measures, what other measures would you support instead, to achieve a balanced budget?

Respondents suggested a variety of alternative measures to achieve a balanced budget.

A common theme is the introduction of charges for road users, with suggestions including congestion charges, road charging and higher Council Tax for car owners.

Many support revising Council Tax bands to increase contributions from wealthier residents and implementing a tourist tax.

There are calls for the council to improve efficiency and cut costs, such as reducing management overheads. Some respondents suggest charging for currently free services like public toilets and increasing fees for non-residents using council facilities.

Several responses focus on the need to protect community services and oppose cuts that would impact public safety, such as reducing CCTV coverage. Others propose more radical fiscal measures, such as merging councils for administrative savings or introducing workplace parking levies.

The idea of a voluntary contribution scheme to supplement Council Tax was met with scepticism, with some preferring direct taxation methods. There is also a sentiment that the council should capitalise on Cambridge's status as a tourist destination by increasing fees for events and services that cater to visitors.

Overall, respondents are looking for creative and equitable ways to generate revenue without compromising essential services or the unique character of Cambridge, such as the grazing of cows on commons.

Do you have any other comments about the measures set out above or any other proposals? For example, are there any that you particularly support or oppose, and why?

Respondents expressed strong opposition to certain proposed cuts, particularly those that would negatively impact the tradition of cattle grazing on commons. Many are concerned that passing the costs of the pinder service onto farmers could lead to the loss of this iconic aspect of Cambridge's local identity.

There is also concern about potential increases in Council Tax, with many feeling it is a regressive tax that disproportionately affects those on lower incomes.

Some suggest again that the council should focus on improving efficiency and optimising processes to save money rather than cutting services.

Several respondents have suggested alternative revenue sources, such as introducing a tourist tax, increasing parking charges or implementing a voluntary Council Tax for those who can afford to contribute more.

The importance of maintaining public toilets is highlighted, with concerns about cleanliness and accessibility, especially during summer months. There is also a call for maintaining subsidies for leisure facilities like swimming pools and tennis courts to ensure they remain accessible to families and disadvantaged groups.

Overall, respondents emphasise the need to preserve community services and the unique character of Cambridge, while exploring more equitable ways to increase revenue and reduce costs without disproportionately impacting vulnerable populations.

Appendix C – Expenditure and Funding Projection

GF Revenue Projection (£m)	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
Expenditure											
City Services	1.396	0.230	1.229	1.450	1.659	1.906	2.221	2.545	2.877	3.219	3.570
Communities	12.115	10.062	10.157	10.360	10.595	10.858	11.183	11.517	11.861	12.214	12.578
Corporate Hub	11.801	10.459	12.122	12.477	12.824	13.288	13.929	14.588	15.266	15.964	16.601
Economy and Place	(4.500)	(5.034)	(4.404)	(4.313)	(4.286)	(4.195)	(4.082)	(3.967)	(3.849)	(3.727)	(3.604)
Planning and Building Control	1.741	1.559	1.771	1.830	1.889	1.966	2.026	2.089	2.154	2.220	2.289
Savings delivered from prior years	-	-	-	(1.102)	(2.923)	(4.321)	(5.788)	(7.147)	(8.729)	(10.123)	(11.052)
Net service budgets	22.553	17.276	20.875	20.702	19.758	19.502	19.489	19.625	19.580	19.767	20.382
Capital expenditure financed from revenue	2.803	-	-	-	-	-	-	-	-	-	-
Cost of revised capital financing strategy	0.041	0.241	0.730	1.882	2.726	3.027	3.439	4.027	4.387	4.427	3.970
Contributions to earmarked funds	21.318	4.967	1.712	1.712	1.712	1.712	1.712	1.712	1.712	1.712	1.712
Net spending requirement before in-year savings	46.715	22.484	23.317	24.296	24.196	24.241	24.640	25.364	25.679	25.906	26.064
Recurring savings to be implemented in-year	-	-	(1.102)	(1.821)	(1.398)	(1.467)	(1.359)	(1.582)	(1.394)	(0.929)	(0.111)
Net spending requirement	46.715	22.484	22.215	22.475	22.798	22.774	23.281	23.782	24.285	24.977	25.953
Funded by:											
Business rates baseline	(4.557)	(4.750)	(4.845)	(4.911)	(4.976)	(5.064)	(5.151)	(5.151)	(5.151)	(5.151)	(5.151)
Accumulated business rates growth	(4.199)	(8.767)	(4.029)	(4.682)	(5.362)	(6.095)	(3.389)	(3.389)	(3.389)	(3.389)	(3.389)
Government grants (including NHB)	(5.472)	(4.294)	(3.973)	(3.907)	(3.841)	(3.754)	(3.667)	(3.667)	(3.667)	(3.667)	(3.667)
Council tax	(10.253)	(10.597)	(11.050)	(11.480)	(11.947)	(12.456)	(12.963)	(13.464)	(13.967)	(14.659)	(15.635)
Appropriations from earmarked funds	(0.550)	-	-	-	-	-	-	-	-	-	-
Contributions to / (from) reserves	(21.684)	5.924	1.682	2.505	3.328	4.595	1.889	1.889	1.889	1.889	1.889
Total funding	(46.715)	(22.484)	(22.215)	(22.475)	(22.798)	(22.774)	(23.281)	(23.782)	(24.285)	(24.977)	(25.953)

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2025/26 Budget – GF Proposals – Pressures and Bids

Reference	Item Description	2025/26 Budget £	2026/27 Budget £	2027/28 Budget £	2028/29 Budget £	2029/30 Budget £	Climate Rating	Poverty Ratings & Contact
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Reduced Income

RI5299	Cremation Income	150,000	0	0	0	0	Nil	No Impact
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Current cremation income is below budget and the competition that the council faces means that this budget is unlikely to be achieved. A budget bid is included to address the budget shortfall. The bereavement service as a whole is still achieving a surplus.

Daniel
Morgan

City Services

RI5300	Garage Income	100,000	100,000	100,000	100,000	100,000	Nil	No Impact
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Work is in progress to bring in new customers and renegotiate contracts in order to try and alleviate the pressure of changes in existing contracts. This is in progress but at this stage the garage income budgets need to be realigned for future expectations.

Peter Birch

City Services

RI5326	Folk Festival Income	178,650	0	0	0	0	Nil	No Impact
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One-off reduced income bid to reflect non-achievement of budgeted Folk Festival income.

Frances
Alderton

Communities

Total Reduced Income	428,650	100,000	100,000	100,000	100,000
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2025/26 Budget – GF Proposals – Pressures and Bids

Reference	Item Description	2025/26 Budget £	2026/27 Budget £	2027/28 Budget £	2028/29 Budget £	2029/30 Budget £	Climate Rating	Poverty Ratings & Contact
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Revenue Bids

B5309	Changing Futures Contribution	50,000	50,000	50,000	0	0	Nil	Low Positive Impact
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This is to continue our contribution towards a partnership across Cambridgeshire and Peterborough working with complex and vulnerable individuals. The partnership is most active in Cambridge and Peterborough with the direct benefit of preventing homelessness.

Robert Pollock

Corporate Hub

B5318	Insurance Premium Policy for City Events	50,000	50,000	50,000	50,000	50,000	Nil	No Impact
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Additional cost resulting from sourcing a new Insurance Premium Policy for City Fireworks and other events.

Mark Pye

Corporate Hub

B5324	Grand Arcade Lift Refurbishment	344,000	0	0	0	0	Nil	No Impact
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This is the council's share of the cost of refurbishing the five Grand Arcade passenger lifts as per the council's obligations under the car park underlease.

Daniel Morgan

City Services

B5325	Review of the Folk Festival	50,000	0	0	0	0	Nil	No Impact
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Cost of freelancers and consultancy for the Folk Festival review and programming.

Sam Scharf

Communities

B5328	Civic Quarter Contribution to Earmarked reserve	3,000,000	0	0	0	0	Nil	No Impact
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One year contribution to the Civic Quarter earmarked reserve [Linked with I15327]

Jody Etherington

GF Budget Financing

2025/26 Budget – GF Proposals – Pressures and Bids

Reference	Item Description	2025/26 Budget £	2026/27 Budget £	2027/28 Budget £	2028/29 Budget £	2029/30 Budget £	Climate Rating	Poverty Ratings & Contact
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B5329	Cost of Change in Employers' National Insurance Contributions	635,270	635,270	635,270	635,270	635,270	Nil	No Impact
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Cost of decreasing the threshold and increasing the rate of employers' national insurance payments.

Jody
Etherington

Corporate Hub

B5330	Increased Contribution to the Shared Waste Service	952,650	952,650	952,650	952,650	952,650	Nil	No Impact
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The city's contribution to the shared waste service has increased due to the higher cost of the Materials Recycling Facility.

Bode Esan

City Services

B5332	Temporary Emergency Accommodation	238,000	238,000	238,000	238,000	238,000	Nil	No Impact
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Additional costs of temporary emergency bed and breakfast accommodation.

Simon Hunt

Communities

B5333	Folk Festival - Events	75,000	0	0	0	0	Positive/ Low Impact	No Impact
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Additional budget for an adapted programme of folk events for 2025 – funded from reserves.

Frances
Alderton

Communities

Total Revenue Bids	5,394,920	1,925,920	1,925,920	1,875,920	1,875,920
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Pressures & Bids Total:	5,823,570	2,025,920	2,025,920	1,975,920	1,975,920
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2025/26 Budget – GF Proposals – Savings

Reference	Item Description	2025/26 Budget £	2026/27 Budget £	2027/28 Budget £	2028/29 Budget £	2029/30 Budget £	Climate Rating	Poverty Ratings & Contact
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Savings

S5251	Group Design Restructure - Communities	(285,260)	(376,460)	(376,460)	(376,460)	(376,460)	Nil	No Impact
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This relates to all the staffing changes within the General Fund Communities Group as part of the Group Design work. Sam Scharf
Communities

S5252	Group Design Restructure - City Services	(967,920)	(1,277,390)	(1,277,390)	(1,277,390)	(1,277,390)	Nil	No Impact
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This relates to all the staffing changes within the General Fund City Services Group as part of the Group Design work. James Elms
City Services

S5254	Group Design Restructure – Corporate Hub	(60,460)	(79,790)	(79,790)	(79,790)	(79,790)	Nil	No Impact
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This relates to all the staffing changes within the General Fund Corporate Hub Group as part of the Group Design work. Jane Wilson
Corporate Hub

S5255	Review of Historical Underspent Budgets - City Services	(191,000)	(191,000)	(191,000)	(191,000)	(191,000)	Nil	No Impact
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Budgets in the City Services group have been reviewed in detail to provide ongoing savings. James Elms
City Services

S5257	Reduction in the Provision of Public Toilets	(121,000)	(121,000)	(121,000)	(121,000)	(121,000)	Positive/ Low Impact	Negative Impact
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To close low use public toilets. Alistair Wilson
City Services

2025/26 Budget – GF Proposals – Savings

Reference	Item Description	2025/26 Budget £	2026/27 Budget £	2027/28 Budget £	2028/29 Budget £	2029/30 Budget £	Climate Rating	Poverty Ratings & Contact
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S5274	Meadows Community Centre - Electricity Contract	0	(30,000)	(30,000)	(30,000)	(30,000)	Nil	No Impact
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The Meadows Community centre is expected to generate savings of £30,000 from 2026/27 resulting from changing the electricity contract provider and completing solar panel installation. Richard Brown

Communities

S5275	Communities - Historical Underspends	(103,900)	(103,900)	(103,900)	(103,900)	(103,900)	Nil	No Impact
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Budgets in the Communities group have been reviewed in detail to provide ongoing savings. Sam Scharf

Communities

S5276	Agency Model for the Leisure Contract	(180,000)	(180,000)	(180,000)	(180,000)	(180,000)	Nil	No Impact
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This saving represents the minimum expected reduction of the management fee to GLL for the adoption of a new "agency model" being implemented into the existing leisure contract. Ian Ross

Communities

S5277	Corporate - ICT Savings	(250,800)	(250,800)	(250,800)	(250,800)	(250,800)	Nil	No Impact
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The savings are from budgets for discontinued revenue projects, retired systems and budgetary slack. Jane Wilson

Corporate Hub

S5279	Corporate Hub	0	(100,000)	(100,000)	(100,000)	(100,000)	Nil	No Impact
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Net savings from 2026/27 as a result of process automation. Jane Wilson

Corporate Hub

S5280	Dial-a-Ride Service	(44,850)	(44,850)	(44,850)	(44,850)	(44,850)	Nil	No Impact
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It has been agreed that the CPCA will undertake the Dial-a-Ride service instead of the city resulting in a saving of £44,850 pa. Clarissa Norman

Corporate Hub

2025/26 Budget – GF Proposals – Savings

Reference	Item Description	2025/26 Budget £	2026/27 Budget £	2027/28 Budget £	2028/29 Budget £	2029/30 Budget £	Climate Rating	Poverty Ratings & Contact
S5317	City Building Control Contribution Savings	(95,000)	(95,000)	(95,000)	(95,000)	(95,000)	Nil	No Impact

The City's budgeted contribution toward the 3C Building Control Shared Service has reduced from £260,000 to £165,000 per year. The ongoing savings of £95,000 will be achieved by reducing the non-fee-earning budgeted elements, allowing the service to accommodate these savings.

Steve
Fulcher

Planning and Building Control

S5319	Shared Planning Service Savings for 25/26	(87,000)	0	0	0	0	Nil	No Impact
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The 2025/26 budgeted contribution reflects uplifts for salary-related costs and Star Chamber savings. The city's share of the Star Chamber savings includes legal fees, compensation, salaries, and additional income relating to the Built & Natural Environment and Development Management.

Stephen
Kelly

Planning and Building Control

Total Savings	(2,387,190)	(2,850,190)	(2,850,190)	(2,850,190)	(2,850,190)
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2025/26 Budget – GF Proposals – Savings

Reference	Item Description	2025/26 Budget £	2026/27 Budget £	2027/28 Budget £	2028/29 Budget £	2029/30 Budget £	Climate Rating	Poverty Ratings & Contact
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Increased Income

II5256	Car Parking Increased Income	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	Positive/ Low Impact	Negative Impact
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Increases in charges for all car parks will result in increased income of approximately £1 million per annum.

Daniel
Morgan

City Services

II5281	Community Centres Increased Income	(30,000)	(30,000)	(30,000)	(30,000)	(30,000)	Nil	No Impact
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New bookings and partnerships at Trumpington and Browns Field community centres have resulted in increased income in the current year which should continue.

Richard
Brown

Communities

II5282	Reintroduce evening/night time parking charges	(275,000)	(275,000)	(275,000)	(275,000)	(275,000)	Positive/ Low Impact	Negative Impact
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Reintroduction of evening and night time parking charges for Grand Arcade, Park Street and Grafton East and West.

Daniel
Morgan

City Services

II5284	Swimming Charges increase for Non-City Residents	(335,000)	(335,000)	(335,000)	(335,000)	(335,000)	Nil	Negative Impact
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An increase in income from swims as a result of increasing charges for non-city residents and by removing the £2 per head general subsidy, retaining discounts and concessions for members, students, over 60s and people in receipt of certain benefits.

Ian Ross

Communities

II5286	Tennis Court and Pavilion Hire Income	(70,000)	(70,000)	(70,000)	(70,000)	(70,000)	Nil	No Impact
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£60,000 could be achieved from charging both £5 at peak times and £2 at non-peak times across all 4 courts at Jesus Green and Christ's Pieces (8 courts total), based on a 60% occupancy rate. £10,000 of additional income on pavilion bookings and hires gives the total of £70,000 additional income.

Ian Ross

Communities

2025/26 Budget – GF Proposals – Savings

Reference	Item Description	2025/26 Budget £	2026/27 Budget £	2027/28 Budget £	2028/29 Budget £	2029/30 Budget £	Climate Rating	Poverty Ratings & Contact
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II5288	Moorings	0	(9,000)	(9,000)	(9,000)	(9,000)	Nil	Negative Impact
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Increase current fees by 10% to balance cost recovery with affordability. Residents are exempt from Council Tax. Alistair Wilson

City Services

II5289	Allotment Income	0	(3,000)	(3,000)	(3,000)	(3,000)	Nil	Negative Impact
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Increase charges (currently £24pa for a starter plot up to £68pa for a full allotment) to balance full cost recovery with affordability. Alistair Wilson

City Services

II5290	Pest Control Charges	(60,000)	(60,000)	(60,000)	(60,000)	(60,000)	Nil	No Impact
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To introduce a charging regime to residents for the pest control service, with the exception of those residents who are in receipt of certain benefits, where the service will continue to be free. Yvonne O'Donnell

Communities

II5292	Redesign of management of Community Centres	0	(142,500)	(142,500)	(142,500)	(142,500)	Nil	Negative Impact
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The redesign of the management of community centres should result in this saving from 2026/27 onwards. The aim is to increase clusters of centres which would bring in more efficient booking and invoice methods. Richard Brown

Communities

II5327	Increased Interest income	(3,000,000)	0	0	0	0	Nil	No Impact
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One year increased investment income as a result of sustained higher interest rates and cash balances to invest – to be allocated to the Civic Quarter earmarked reserve [Linked with B5328]. Jody Etherington

GF Budget Financing

II5331	Waste Income	(1,092,000)	0	0	0	0	Nil	No Impact
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One year DEFRA grant for the Extended Producer Responsibility for Packaging. Bode Esan

City Services

2025/26 Budget – GF Proposals – Savings								
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Reference	Item Description	2025/26 Budget £	2026/27 Budget £	2027/28 Budget £	2028/29 Budget £	2029/30 Budget £	Climate Rating	Poverty Ratings & Contact
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Total Increased Income	(5,862,000)	(1,924,500)	(1,924,500)	(1,924,500)	(1,924,500)
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Savings Total:	(8,249,190)	(4,774,690)	(4,774,690)	(4,774,690)	(4,774,690)
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2025/26 Budget – GF Proposals – Capital

Reference	Item Description	2025/26 Budget £	2026/27 Budget £	2027/28 Budget £	2028/29 Budget £	2029/30 Budget £	Climate Rating	Poverty Ratings & Contact
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Capital Bids

CAP5261	Coolers at Clay Farm Community Centre	25,000	0	0	0	0	Negative/ Low Impact	No Impact
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This scheme is a one-off purchase of chillers at the community centre. The funding is provided by the Mechanical and Electrical fund underspend in the cyclical maintenance budget. [Funded from DRF] Richard Brown

Communities

CAP5263	EastNet Connect Migration	200,000	0	0	0	0	Nil	No Impact
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The EastNet partnership was set up to procure a managed Wide Area Network (WAN) and additional core services to help support that WAN. The council is part of a partnership that connects to Eastnet to provide internet services to each of their sites. This is contracted until the end of September 2025. The contract has been out to tender and awarded to a new provider. The funds will be used for configurations, installations, migrations, and professional services to complete the work before the current contract expires. On completion of migration, savings are expected to the current revenue cost. [Funded from capital receipts] Thomas Law

Corporate Hub

CAP5264	Windows Server 2016 Replacement	36,450	0	0	0	0	Positive/ Low Impact	No Impact
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Several Windows 2016 servers currently operated by the council will be end of life with Microsoft in January 2027 and will not receive security or software updates. Various costs are being sought from vendors to host services in their cloud on an ongoing basis as opposed to 3C ICT needing to upgrade the Server Operating System on a regular basis (typically every 2-3 years). The total number of servers are 14. HRA (8 Orchard) and GF (6). This relates to the GF cost - the HRA element is shown Reference CAP5308 in the HRA BSR. [Funded from capital receipts] Thomas Law

Corporate Hub

CAP5265	Trumpington Pavilion fit-out for counselling centre	16,000	0	0	0	0	Nil	Low Positive Impact
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We have been working with colleagues in the NHS to develop Trumpington Pavilion into a local centre to support those accessing the Food Hub / Social Supermarket with additional services including counselling, parenting support, CAB and other services. The idea is to help regular attenders to move on from seeking support from the Food Hub. The funding will help us to provide additional storage so that we can repurpose a room with sound proofing, furnishings and decor that will help people to feel comfortable as they receive the support that they need. It means that we can offer these additional services whilst still maintaining our existing bookings and income. [Funded from external grant] Richard Brown

Communities

2025/26 Budget – GF Proposals – Capital

Reference	Item Description	2025/26 Budget £	2026/27 Budget £	2027/28 Budget £	2028/29 Budget £	2029/30 Budget £	Climate Rating	Poverty Ratings & Contact
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CAP5267	Structural repairs at Cambridge car parks	165,000	165,000	165,000	165,000	165,000	Nil	No Impact
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Queen Anne's Terrace fire doors and LED lighting. Current scheme extended for six years at £165,000 each. [Funded from capital receipts/borrowing] Daniel Morgan

City Services

CAP5270	Decarbonisation programme of works Phase 1	27,000	111,000	160,000	0	0	Positive/ High Impact	No Impact
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Project sponsor is the Director of Economy and Place. The project delivers energy efficiency and low carbon technologies across 4 assets to significantly reduce energy consumption and carbon emissions. The sites identified for this programme of works are Cambridge Crematorium, Brown's Field Community Centre, Trumpington Pavilion and Barnwell House. [Funded from government grant] Pawel Goc

Economy and Place

CAP5293	Legal Case Management System	20,000	0	0	0	0	Positive/ Low Impact	No Impact
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Procurement/replacement of IKEN Legal Case Management System triggered by new procurement act. Due to new procurement rules coming into force on 24 February 2025, no further rolling contract extensions are allowed beyond this date. The existing IKEN contract runs until 31/07/25. Therefore, the only compliant route is undertaking an entire procurement exercise with an Open Tender for the Legal Case Management System (IKEN). [Funded from capital receipts] Tom Lewis

Corporate Hub

CAP5310	Purchase of Mower	30,000	0	0	0	0	Nil	No Impact
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The replacement of a 10 year old mower that is currently costing increasing amounts to repair [Funded from capital receipts] Alistair Wilson

City Services

2025/26 Budget – GF Proposals – Capital

Reference	Item Description	2025/26 Budget £	2026/27 Budget £	2027/28 Budget £	2028/29 Budget £	2029/30 Budget £	Climate Rating	Poverty Ratings & Contact
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CAP5312	Kings Hedges Play Equipment	75,000	0	0	0	0	Nil	Low Positive Impact
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Kings Hedges is a large play area in a relatively condensed residential area, with the second highest proportion of children aged under 16 in the city and is a Type C play area or NEAP (Neighbourhood Equipped Areas for Play – for play and informal recreation, and provision for young people). The play area had not received any significant funding for many years and the equipment was reaching the end of its 15-20 year life expectancy. Some of the equipment/surfacing did not conform to current standards (EN1176 and 1177). However, as this standard cannot be implemented retrospectively, the equipment was currently still serviceable. Following an initial funding allocation of £165,000 in 2022 for a major redevelopment which was completed in March 2024, one section of the unit was destroyed by fire following an arson attack. Residents and ward members have expressed a desire to have this unit replaced at a cost of £75,000. [Funded from capital receipts]

Alistair
Wilson

City Services

CAP5314	CCTV Hardware and Software System Update	120,000	0	0	0	0	Nil	No Impact
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The CCTV Shared Service control room system needs to be upgraded to replace end of life hardware and software. In October 2025 the hardware and software will no longer be supported by Windows and there will be a significant risk of failure in the system servers installed at Cambridge and Huntingdon which could result in the loss of service. [Funded from capital receipts]

James Elms

City Services

CAP5315	Shared Waste Vehicle Replacements	1,370,000	0	0	0	0	Positive/ Medium Impact	No Impact
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End of life vehicles need replacing to avoid breakdowns and much increased maintenance costs. This relates to the replacement of city council owned vehicles. [Funded from borrowing]

Bode Esan

City Services

CAP5316	New Chippers and Shredders to help achieve efficient green waste management	100,000	0	0	0	0	Positive/ Low Impact	No Impact
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This proposal is for the acquisition of 4 x towable woodchippers/shredders for use by the grounds maintenance teams. The woodchippers/shredders will enhance operational efficiency, reduce waste management costs, and align with sustainable practices by recycling green waste on-site. Instead of transporting green waste to landfill sites, the chipped material will be repurposed as mulch for shrub beds, contributing to a circular economy and reducing the environmental impact of operations. The cost-effective and sustainable benefits justify this investment, with potential for substantial long-term savings and improved service delivery. [Funded from capital receipts]

Alistair
Wilson

City Services

2025/26 Budget – GF Proposals – Capital

Reference	Item Description	2025/26 Budget £	2026/27 Budget £	2027/28 Budget £	2028/29 Budget £	2029/30 Budget £	Climate Rating	Poverty Ratings & Contact
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CAP5320	Clay Farm Centre remedial works	1,200,000	0	0	0	0	Nil	No Impact
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To do essential remedial works to Clay Farm Centre. [Funded from external grant] Will Barfield

Economy and Place

CAP5321	Purchase of Channel Sweeper	160,000	0	0	0	0	Negative/ Low Impact	No Impact
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Addition of a second LGV Channel Sweeper. [Funded from capital receipts] Alistair Wilson

City Services

CAP5322	Replacement of Ride on Mowers	45,000	0	0	0	0	Nil	No Impact
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Replacement of mowers that have come to the end of their useful life. [Funded from capital receipts] Alistair Wilson

City Services

Total Capital Bids	3,589,450	276,000	325,000	165,000	165,000
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Capital Total:	3,589,450	276,000	325,000	165,000	165,000
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Appendix E(b): Approvals since MTFS November 2024

Ref.	Description	Lead Officer	2024/25 (£000's)	2025/26 (£000's)	2026/27 (£000's)	2027/28 (£000's)	2028/29 (£000's)	2029/30 (£000's)
Capital-GF Projects								
PR058	Waste vehicle replacement programme	P Birch	534	0	0	0	0	0
SC883	Development of the Civic Quarter	B Binns	3,000	0	0	0	0	0
SC839	Laptop and desktop replacement	T Law	0	0	0	0	100	0
SC654	Silver Street additional budget	D O'Halloran	80	0	0	0	0	0
Capital-GF Projects (financed from Council resources)			3,614	0	0	0	100	0
SC904	S106 Nightingale Rec Ground tennis court refurbishment	I Ross	67	0	0	0	0	0
SC902	S106 Planting 14 semi-mature trees in Cambridge	M Magrath	60	0	0	0	0	0
SC907	CPCA grant domestic energy efficiency and low carbon heating	J Smith	950	0	0	0	0	0
SC908	NHS new community room at Abbey Leisure Complex	I Ross	206	0	0	0	0	0
SC820	Wetlands at Logan's Meadow LNR	G Belcher	55	0	0	0	0	0
SC900	Artificial 3G pitch at Abbey Leisure centre	I Ross	850	0	0	0	0	0
SC909	Sport England grant for improvements at Abbey Leisure Centre	I Ross	58	0	0	0	0	0
SC905	Market Square security lights - PCC grant funded	J Ogle	28	0	0	0	0	0
Capital-GF Projects (S106 and grant financed)			2,274	0	0	0	0	0
PV007	Scheme removed - Cycleways	J Richards	(314)	0	0	0	0	0
SC708	Scheme removed - Jesus Green pool plantroom	I Ross	(140)	0	0	0	0	0
SC644	Scheme removed - Acquisition of land at Huntingdon Crem	D Morgan	(36)	0	0	0	0	0
SC678	Scheme removed - Crematorium car park	D Morgan	(338)	0	0	0	0	0
SC679	Scheme removed - Crematorium café	D Morgan	(283)	0	0	0	0	0
SC761	Scheme removed - Installation of cattle ramp	J Richards	(44)	0	0	0	0	0
SC627	Scheme removed - Guildhall large hall window	W Barfield	(101)	0	0	0	0	0
Capital-GF Projects (Schemes removed following a review)			(1,256)	0	0	0	0	0
Total approved since MTFS November 2024			4,632	0	0	0	100	0

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Appendix E (C) – Capital Plan

The following table sets out the approved capital plan for 2024/25 and the next five years.

Description (£m)	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	Total
Park Street car park development	64.262	-	-	-	-	-	64.262
Loan to CIP to purchase land south of Cambridge	6.777	13.500	-	-	-	-	20.277
Sustainable Warmth Grant - Home Upgrade Grant 2	9.028	-	-	-	-	-	9.028
Depot Relocation Programme to create Operational Hub	8.884	-	-	-	-	-	8.884
East Barnwell new centre	1.471	1.996	0.677	-	-	-	4.144
Administrative buildings maintenance	0.187	0.400	0.400	0.400	0.400	0.400	2.187
Commercial property repair and maintenance	0.486	0.300	0.300	0.300	0.300	0.300	1.986
WREN solar project at Waterbeach	1.159	-	-	-	-	-	1.159
Decarbonisation works at Abbey Pool and Parkside Pool	0.785	0.400	-	-	-	-	1.185
Development of the Civic Quarter	4.000	-	-	-	-	-	4.000
Clay Farm remedial works	1.200	-	-	-	-	-	1.200
Essential repairs to Jesus Green bank	0.854	-	-	-	-	-	0.854
Development of land at Clay Farm	0.839	-	-	-	-	-	0.839
Recommended maintenance at Abbey Pool and Parkside Pool	0.286	0.240	0.175	-	-	-	0.701
Redevelopment of Silver Street toilets	0.620	-	-	-	-	-	0.620
Investment programme for public toilet re-purposed property	0.492	-	-	-	-	-	0.492
CHUB - community extension to Cherry Hinton library	0.427	-	-	-	-	-	0.427
Waste vehicles replacement programme	1.580	1.370	-	-	-	-	2.950
Environmental Improvements Programme (EIP) options	0.416	-	-	-	-	-	0.416
Laptop and desktop replacement	0.199	0.100	0.100	0.100	-	-	0.499
Cambridge Corn Exchange infrastructure improvements	0.327	-	-	-	-	-	0.327
SPF-UK Green Business Grants	0.312	-	-	-	-	-	0.312
Chalk Streams projects in Cambridge	0.176	0.120	-	-	-	-	0.296
Wetlands at Logan's Meadow LNR	0.331	-	-	-	-	-	0.331
3G artificial pitch at Abbey Leisure Complex - S106 and grant funded	0.850	-	-	-	-	-	0.850
CPCA grant for domestic energy efficiency and low carbon heating	0.950	-	-	-	-	-	0.950
Structural repairs at Cambridge car parks	-	0.165	0.165	0.165	0.165	0.165	0.825
Decarbonisation programme of works Phase 1	-	0.027	0.111	0.160	-	-	0.298
Minor projects funded through S106 contributions	1.607	0.010	-	-	-	-	1.617
Other minor projects, individually less than £250k.	2.031	2.130	0.072	0.095	-	-	4.328
Total capital plan	110.536	20.758	2.000	1.220	0.865	0.865	136.244

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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.

1. Title of strategy, policy, plan, project, contract or major change to your service

General Fund Budget 2025/26 proposals

2. Webpage link to full details of the strategy, policy, plan, project, contract or major change to your service (if available)

[Agenda for Strategy and Resources Scrutiny Committee on Monday, 10th February, 2025, 5.30 pm - Cambridge Council](#)

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

This Equality Impact Assessment (EqIA) assesses the equality impacts of the General Fund element of the City Council's budget.

An EqIA is undertaken on the budget proposals each year. The budget proposals enable the City Council to set a balanced budget for 2025/26 that reflects the Council's vision and takes into account councillors' priorities in its proposals for achieving the savings required.

This EqIA has been completed for budget proposals that are likely to result in significant service changes or have a directly identifiable equality impact. For some proposals there are minimal or neutral impacts and therefore they have not been included in this document.

This approach is intended to ensure that in making decisions on the Budget, the Council is discharging its Public Sector Equality Duty under the Equality Act 2010.

The 2025/26 budget proposals that are considered as part of this impact assessment are:

- B3306 Changing Futures contribution
- B5324 Grand Arcade Lift Refurbishment
- B5332 Temporary Emergency Accommodation
- B5333 Folk Festival - Events
- CAP5261 Coolers at Clay Farm Community Centre
- CAP5267 Structural repairs at Cambridge car parks
- CAP5265 Trumpington Pavilion fit-out for counselling centre
- CAP5312 Kings Hedges Play Equipment
- CAP5314 CCTV Hardware and Software support update
- I15256 Car Parking Increased Income
- I15282 Reintroduce evening/night time parking charges
- I15284 Swimming Charges increase for Non-City Residents
- I15286 Tennis Court Hire Income
- I15289 Allotment Income
- I15290 Pest Control Charges
- I15292 Redesign of management of Community Centres
- S5251 Group Design Restructure – Communities
- S5252 Group Design Restructure - City Services
- S5254 Group Design Restructure – Corporate
- B5253 Group Design Restructure - Economy & Place
- S5257 Reduction in the Provision of Public Toilets
- S5280 Dial-a-Ride

Note that individual equality impact assessments for impacts on staff have been undertaken for B5253 Group Design Restructure Economy & Place, S5252 Group Design Restructure City Services, S5254 Group Design Restructure Corporate and S5251 Group Design Restructure Communities. This EqIA draws on another document produced in October 2024 that looks at overarching impacts on staff across all the restructures together.

4. Responsible Team and Group

The Finance service manages the budget process, but a range of Council Services are responsible for the individual bid proposals included in this EqIA.

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):

N/a

6. What type of strategy, policy, plan, project, contract or major change to your service is this?	Each of the proposals identified will change the level of service to be delivered.
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7. Are other departments or partners involved in delivering this strategy, policy, plan, project, contract or major change to your service? (Please tick)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
--	--

If 'Yes' please provide details below:

This is an assessment of the Council's budget proposals and therefore covers all our services. The budget also affects some of the Council's partnership working.

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

Strategy and Resources Scrutiny Committee 10th February 2025.

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?
--

This information is based on feedback from Council Officers that lead on the individual Budget proposals and any EqlAs they have produced.

Where EqlAs have been produced separate to this document the most significant impacts have been summarised here rather than reproducing the information from other EqlAs in full.

10. Potential impacts
<p>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.</p>

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

B5333 Folk Festival - Events

This is for the cost of freelancers and consultancy for the Folk Festival review and programming. Part of this will mean further investment in youth activities.

CAP5261 Coolers at Clay Farm Community Centre

The proposal is to replace three air conditioning chillers at Clay Farm Community Centre. The chillers were poorly specified and broke shortly after the end of the guarantee period. The chillers feed cold air to the medical centre's drugstore room and to the centre's communications cupboard where the fibre broadband enters the building and is distributed.

If the coolers are not replaced then the drugstore room is compromised, which may disproportionately negatively impact children and older people who may be more vulnerable when experiencing ill-health. Not replacing the coolers might also impact on the ability of the library to operate in the centre. If the library would need to close, this would negatively impact children and young people who come to the library to do homework, working-age people who work from the library, and older people who come into the library for support to access IT.

CAP5314 CCTV Hardware and Software support update

This would have a positive impact around safeguarding adults at risk and children. This is because without the funding for the update there would be a risk of loss of CCTV service from October 2025.

I15256 Car Parking Increased Income

The proposal is to increase charges for all car parks. This might have a disproportionate negative impact on families with children who may require convenient parking to access schools, and may be more likely to find driving more convenient than use of public transport.

I15284 Swimming Charges increase for Non-City Residents

This item proposes to of increase charges for non-city residents and remove the £2 per head general subsidy but to retain some discounts and concessions, including for people in receipt of certain benefits:

- Those who are over 65 years old will receive up to a 50% discount off the headline price.
- Those under 65 and in receipt of means tested pensions tax credits will receive a 50% discount off the headline price.
- Those aged 17-64 years will only receive up to a 20% discount for general residential discounts, or if they are in receipt of means tested benefits, they could receive up to a 50% discount off the headline entry price.
- Children are aged between 3 and 16 years automatically receive a 50% discount off the headline price. Children whose parents are in receipt of means tested benefits

will receive up to a further 50% off the headline after the previous discount is applied so will be paying around 25% of the main headline price.

- Children under the age of three would continue to swim for free.

CAP5312 Kings Hedges Play Equipment

Last year one section of the play equipment at Kings Hedges play area was destroyed by fire following an arson attack. Residents and ward members have expressed a desire to have this unit replaced, which is covered by this budget proposal. This would be of benefit to children, especially as Kings Hedges play area is in a relatively condensed residential area, with the second highest proportion of children aged under 16 in the city.

II5292 Redesign of management of Community Centres

This proposal is to save costs by streamlining the management of the smaller City Council run community centres and reducing staffing. The smaller centres would be managed and administrated by the team at Brown's Field Youth and Community Centre.

In making this change, the presumption would be that hirers would set their own rooms up where the council's staff currently do that for all groups. This change might deter some older residents and those with very young children from using the centres who may be less able to set up rooms due to mobility impairments and childcare responsibilities respectively. The council can mitigate this by having a small team who by arrangement can set up tables, chairs and equipment for groups less able to do this so that the room is ready to use. This mitigation has been factored into the proposal.

Staff also report that older people drop into some of the centres for support or advice from centre staff, particularly at Akeman Street Community Centre, which would no longer be staffed on a daily basis. The council will mitigate this negative impact by advertising the Breakfast Club on Thursday as a good time to drop into the centre for all ages but particularly older people. Moreover, the Coffee and Connect Parent and Child Drop in on Monday mornings will be staffed which will be advertised as a good time to drop in. Residents can also visit the larger centres: Meadows, Clay Farm or Browns Field which will continue to be staffed.

Group Design Restructure budget items for City Services (S5252), Communities (S5251), Corporate (S5254) and Economy & Place (B5253)

With regards to impacts for staff, for those at-risk, people in the 45 to 54 and 55 to 64 age groups are disproportionately affected, making up almost 70% of those at risk (whereas they make up 52.5% of the overall workforce). This means that proposed changes to staff may affect the overall age distribution across the council, decreasing the percentage of staff who are over 45. However, there are a number of new roles being created, so these changes would depend on the makeup of the cohorts applying for those (which we would expect to include a large number of staff in the redeployment pool). With the aim of maximising redeployment for those at risk, the council is offering CV and interview training and workshops for all staff.

For changes to existing roles ("assimilation"), those in the 25 to 34, 35 to 44 and 45 to 54 age groups are most impacted - making up just over 84% of those affected (and

representing 67.4% of the overall workforce). For internal moves across the council, there are similar trends to those in the assimilation category, with higher proportions of staff in the younger age brackets affected (just 2.78% of staff over 55 are being moved, despite them making up 30% of the workforce).

S5257 Reduction in the Provision of Public Toilets

This proposal recommends closing underused public toilets on the outskirts of the city, prioritising accessibility in high-traffic pedestrian areas. In relation to age, this might disadvantage:

- Families with young children: Parents, especially those with babies and young children, may require public toilets with baby-changing facilities. The closure of such facilities could be a barrier to parents participating in public activities or travelling.
- Older people: Older individuals are more likely to have medical conditions, such as incontinence, that necessitate easy access to toilets. The Centre for Ageing Well finds that older people may rely on public toilets to maintain good health and wellbeing, thereby reducing the need for health and social care services in the longer term. The biggest impact on older residents of the wards where there is proposed to be less toilet provision is in Cherry Hinton ward. Of toilets closing there would be one facility in Cherry Hinton and a second facility where hours will be reduced. Currently, around 16% of residents in Cherry Hinton are 65 years or older (1,455 people) with around 7% aged 85 and over.

To help mitigate these negative impacts, toilet provision will still be provided in areas of high footfall and usage. Moreover, the proposal is to ensure there are open suitable alternative facilities within a short distance of those proposed to close. The council will ensure there is clear signage so that members of the public can easily find these facilities. The council also plans to explore the introduction of a community toilet scheme: Partnering with businesses in the city centre to create a network of "community toilets". In practice this means that businesses may receive a nominal annual fee to allow public use of their facilities. For families with young children requiring baby changing facilities, if the proposal goes ahead there will still be three sites with baby changing facilities within the city centre and three sites with baby changing facilities at the council's large recreational park sites.

(b) Disability

B3306 Changing Futures contribution

This proposal is to continue our contribution towards a partnership across Cambridgeshire and Peterborough working with people with three or more multiple disadvantages. The list of disadvantages includes mental health issues, meaning this has a positive impact relating to disability. Other multiple disadvantages focused upon are homelessness, substance misuse, domestic abuse and offending behaviour. The work encourages involvement of people with lived experience at all stages of service design to support them and looks at how partnerships affect people.

B5324 Grand Arcade Lift Refurbishment

This is for one-off lift maintenance. In maintaining the lift, this proposal would have a positive impact for people with mobility impairments meaning they are less able or unable to use stairs.

CAP5261 Coolers at Clay Farm Community Centre

The proposal is to replace three air conditioning chillers at Clay Farm Community Centre. The chillers feed cold air to the medical centre's drugstore room. Without replacing the chillers the drugstore room would be compromised that would have a disproportionately negative impact for disability, as people with long-term illnesses and some disabilities are more likely to be in need of medication.

CAP5267 Structural repairs at Cambridge car parks

For this item there is a very limited impact relating to equalities. If the repairs were not undertaken, this may cause risk to the safety of the public and harm that might result in disability.

CAP5265 Trumpington Pavilion fit-out for counselling centre

This budget item is to provide funding for additional storage space for Trumpington Pavilion so that a room can be repurposed as a counselling centre. The counselling centre room will be developed with funding from the NHS and will be used by Connected Lives, an organisation providing trauma-based therapy. The budget item then will have a positive benefit for people with disabilities relating to mental health, especially for those experiencing trauma. Other services are co-located at Trumpington Pavilion so adding the counselling centre will help provide more holistic support for people experiencing trauma who are able to be referred from or to the other services in the building.

II5256 Car Parking Increased Income and II5282 Reintroduce evening/night time parking charges

The proposals are to increase charges for all car parks (II5256 Car Parking Increased Income) and to reintroduce evening and nighttime parking charges for Grand Arcade, Park Street and Grafton East and West (II5282 Reintroduce evening/night time parking charges).

Disabled individuals who are Blue Badge holders have access to accessible parking, and increased costs associated with the rise in car park charges are mitigated by the 3 hours free parking offer. (Blue Badge holders can park for free for up to three hours in our car parks. Normal parking charges apply after the free-parking period has ended.)

However, not all disabled people are eligible for a Blue Badge and disabled people are more likely to experience poverty (in part due to increased general living costs associated with having a disability). This means disabled people might be disproportionately impacted by the increase in charges. This potentially negative impact is mitigated in part by the availability of the £2 bus service (single bus fares in Cambridgeshire and Peterborough are to remain capped at £2 per journey until at least the end of March 2025).

CAP5314 CCTV Hardware and Software support update

This would have a positive impact to help prevent or gather evidence relating to hate crime experienced by disabled people. This is because without the funding for the update there would be a risk of loss of CCTV service from October 2025.

I15284 Swimming Charges increase for Non-City Residents

This item proposes to increase charges for non-city residents and remove the £2 per head general subsidy but to retain some discounts and concessions:

- The headline price will be discounted by up to 50% for those with registered disabilities and any means tested disability benefits too.
- The Council also offers a policy of Free entry for Carers accompanying a disabled person up to the ratio of two carers can swim for free when accompanying a disabled swimmer.

I15286 Tennis Court Hire Income

The proposal is to charge both £5 at peak times and £2 at non-peak times across all 4 tennis courts at Jesus Green and Christ's Pieces (8 courts total). The courts are currently free to use by everyone regardless of age, or any other protected characteristics. Other City Tennis Courts will remain free of charge to play on in local parks and open spaces and can also be booked via the LTA ClubSpark system at no charge for games. The booking system makes no differentiation for Adults or Juniors nor offers any means tested discounts. There might be a minor negative impact for disability if the charges mean that people stop playing tennis altogether and do not take up another sport/exercise. This is because exercise can help prevent long-term ill health leading to disability.

I15290 Pest Control Charges

This proposal is to introduce a charging regime to residents for the pest control service, except for those residents who are in receipt of certain benefits, where the service will continue to be free. Where people have disabilities which impact on their ability to carry out day-to-day tasks, it might be difficult for them to manage their rubbish by themselves – particularly domestic waste or large bulky domestic items – which may lead to more issues with pests. Moreover, disabled people are more likely to experience poverty due to extra costs of living with a disability and greater likelihood of unemployment. (In Cambridge the employment rate for disabled people averaged 68.7% in 2022 whereas this was at 83.8% for people living in the city.) Additional impacts for disability include how some people with disabilities have limited mobility or are at home for much of their time, so having access to a responsive and prompt pest control service is important to quality of life – especially as a person maybe more prone to infections. The negative impact of introducing a charging service for disability is mitigated by providing the service for free to people on receipt of benefits, including disability related benefits.

I15292 Redesign of management of Community Centres

This proposal is to save costs by streamlining the management of the smaller City Council run community centres and reducing staffing. The smaller centres would be managed and administrated by the team at Brown's Field Youth and Community Centre.

In making this change, the presumption would be that hirers would set their own rooms up where the council's staff currently do that for all groups. This change might deter some disabled residents from using the centres who may have impairments making it difficult or not possible for them to set up rooms. The council can mitigate this by having a small team who by arrangement can set up tables, chairs and equipment for groups less able to do this so that the room is ready to use. This mitigation has been factored into the proposal.

Staff also report that some disabled people might drop into centres for support or advice from them, especially where people have sight impairments, poor mental health and/or who are digitally excluded. The council will mitigate this negative impact by asking people to attend at specific times when the council will have a presence at the smaller centres or asking people to go to the larger centres which will be unaffected by this change in staffing.

Group Design Restructure budget items for City Services (S5252), Communities (S5251), Corporate (S5254) and Economy & Place (B5253)

The council has just over 7% of staff who identify as being disabled. The percentage affected by the changes brought about by the restructures is fairly consistent with the percentage declaring themselves as disabled (6.8% of those at risk and 6.85% of those assimilated into their current role with modifications). To mitigate any adverse impact on those with a disability, the redundancy selection criteria that is proposed excludes absence related to a disability. The council's organisational change policy provides guidance about suitable alternative employment and outlines that occupational health advice may be necessary prior to redeploying individuals who have a disability and that reasonable adjustments will be considered. The trial period linked to redeployment will also be extended should any disability related absence take place during this time.

S5280 Dial-a-Ride

Dial-a-Ride is a not-for-profit organisation that provides local transport services via a Membership Scheme that are safe, affordable, and accessible to community groups and to individuals who have difficulty in accessing public transport especially disabled people and older people with disabilities. The Cambridgeshire and Peterborough Combined Authority (CPCA) has agreed to provide some funding for Dial-a-Ride supporting them with a longer-term sustainability plan. This has resulted in a saving of £44,850 for Cambridge City Council as we had set aside some money for this, which is now not needed. The fact the sustainability plan will still be funded by another organisation is a positive impact for disabled people.

S5257 Reduction in the Provision of Public Toilets

This proposal recommends closing underused public toilets on the outskirts of the city, prioritising accessibility in high-traffic pedestrian areas. The proposal might impact on people with some disabilities in the following ways:

- Many people with disabilities rely on accessible public toilets, including those accessible for those needing wheelchairs. One of the proposals is to close Grand Arcade Level 1 facilities, which include a Changing Places facility next to the Shopmobility service. However, helping mitigate this negative impact is that Drummer Street toilets are proposed to remain open, which have recently been refurbished to include a Changing Places facility. Other toilet closures proposed where there are accessible toilets include Romsey Recreation Ground. However, there would still be three sites with disabled access within the city centre, six sites with disabled access at the council's large recreational park sites and three Changing Places facilities (one of which is in a community centre).
- People might experience an increased need for public toilets relating to their disability/long-term health condition, especially for people with gastrointestinal disorders such as Crohn's disease and colitis. UK research indicates that knowledge of lack of facilities nearby acts as a 'loo leash', deterring over two in five (43%) from venturing outside their homes among those with medical conditions requiring frequent toilet use. To help mitigate this impact the proposal is for there to be suitable alternative facilities, with disabled access, within a short distance of those we will close. The council will prioritise retention of public toilets in areas with high footfall/usage. Moreover, the council plans to look into introducing a community toilet scheme: Partnering with businesses in the city centre to create a network of "community toilets". In practice this means that businesses may receive a nominal annual fee to allow public use of their facilities.

(c) Gender reassignment

CAP5314 CCTV Hardware and Software support update

This would have a positive impact to help prevent or gather evidence relating to hate crime experienced by transgender people. This is because without the funding for the update there would be a risk of loss of CCTV service from October 2025.

II5256 Car Parking Increased Income and II5282 Reintroduce evening/night time parking charges

The proposals are to increase charges for all car parks (II5256 Car Parking Increased Income) and to reintroduce evening and nighttime parking charges for Grand Arcade, Park Street and Grafton East and West (II5282 Reintroduce evening/night time parking charges). People travelling to meet other LGBTQ+ individuals / attend social activities might be disadvantaged, especially visitors to Cambridge who may not have social activities for LGBTQ+ people close to where they live. The importance of social activities aimed at LGBTQ+ people for reducing loneliness and isolation was highlighted in the Cambridgeshire & Peterborough LGBTQ+ Needs Assessment 2022. This potentially negative impact is mitigated in part by the availability of the £2 bus service across Cambridgeshire and Peterborough.

S5257 Reduction in the Provision of Public Toilets

This proposal recommends closing underused public toilets on the outskirts of the city, prioritising accessibility in high-traffic pedestrian areas. The proposal is to ensure that there is still suitable alternative gender-neutral facilities within a short distance of toilets that would be closed. This means there would still be three gender neutral facilities in the city centre and three sites with gender neutral facilities at the council's large recreational park sites. Community centres across the city will continue to provide toilet facilities some of which include gender neutral facilities. There may be scope to introduce gender neutral facilities in three toilets that are proposed to stay open, which currently do not have them.

(d) Marriage and civil partnership

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

(e) Pregnancy and maternity

B5324 Grand Arcade Lift Refurbishment

This is for one-off lift maintenance. In maintaining the lift, this proposal would have a positive impact for people with small children (especially who need to use pushchairs/ buggies) meaning they are less able or unable to use stairs.

CAP5261 Coolers at Clay Farm Community Centre

The proposal is to replace three air conditioning chillers at Clay Farm Community Centre. The chillers feed cold air to the medical centre's drugstore room. Without replacing the chillers, the drugstore room would be compromised. This might have a negative impact for pregnancy and maternity as pregnant people, babies and young children might be more vulnerable to ill-health.

S5257 Reduction in the Provision of Public Toilets

This proposal recommends closing underused public toilets on the outskirts of the city, prioritising accessibility in high-traffic pedestrian areas. This might impact on pregnancy and maternity in the following ways:

- Pregnant women require more frequent use of toilets.
- People might use public toilets for privacy when breastfeeding or attending to their child's needs.
- Those with babies and infants, may require public toilets with baby-changing facilities.

Toilets where closure is proposed that have baby changing facilities are Gonville Place, Lion Yard, Romsey Road Recreation Ground, and Victoria Avenue. It is proposed that Cherry Hinton Hall, that has baby changing facilities, has reduced winter hours.

The proposal will ensure the council provides a suitable number of public toilet facilities, within a short distance of those to be closed. It prioritises retention of public toilets in areas with high footfall/usage. Toilets with baby changing facilities for which no closure is planned include Drummer Street, Jesus Green, Lammas Land, and Silver Street which is due to reopen later in 2025 post re-development. It is proposed that Quayside, which has baby changing facilities, is leased to punting businesses or that the lease is terminated.

(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.

CAP5314 CCTV Hardware and Software support update

This would have a positive impact to help prevent or gather evidence relating to hate crime motivated by racism. This is because without the funding for the update there would be a risk of loss of CCTV service from October 2025.

II5256 Car Parking Increased Income and II5282 Reintroduce evening/night time parking charges

The proposals are to increase charges for all car parks (II5256 Car Parking Increased Income) and to reintroduce evening and nighttime parking charges for Grand Arcade, Park Street and Grafton East and West (II5282 Reintroduce evening/night time parking charges). Some ethnic groups, especially Bangladeshi and Pakistani people, may be more likely to experience poverty or low income that make increased parking charges a more significant burden. This potentially negative impact is mitigated in part by the availability of the £2 bus service across Cambridgeshire and Peterborough.

II5290 Pest Control Charges

This proposal is to introduce a charging regime to residents for the pest control service, except for those residents who are in receipt of certain benefits, where the service will continue to be free. Cambridge has long had a large population of temporary residents in the city, including from overseas – mainly students and visitors. This means that there might be an impact in people understanding local arrangements for appropriate rubbish disposal and pest control. (For instance, previous work done in East Cambridgeshire with the ‘Know Before You Go campaign’ highlighted that many temporary residents found it challenging to understand the rules around waste disposal when arriving in the UK). Language barriers and inaccessible information contribute to this misunderstanding. This means that people new to the UK living in Cambridge might especially have pest issues and therefore be impacted by the charges. Negative impacts on this group associated with bringing in charges are mitigated by not applying these for people on benefits. Moreover, in communicating about charges, this can increase communications about pest control generally, which might benefit people new to the UK living in Cambridge by increasing their understanding of support available.

II5292 Redesign of management of Community Centres

This proposal is to save costs by streamlining the management of the smaller City Council run community centres and reducing staffing. The smaller centres would be managed and administrated by the team at Brown's Field Youth and Community Centre.

Staff report that some people for whom English is a second language drop into the centres for support or advice from time to time, especially with completing online forms. The reduction in staffing in smaller centres may prevent people from being able to receive this support. The council will mitigate this negative impact by asking people to attend at specific times when the council will have a presence at the smaller centres, or asking people to go to the larger centres which will be unaffected by this change in staffing.

Group Design Restructure budget items for City Services (S5252), Communities (S5251), Corporate (S5254) and Economy & Place (B5253)

Across the council, 16.7% of staff are from an ethnic minority group (81.3% are White British, and almost 3% of staff have not disclosed their ethnicity). In terms of those affected by the changes, 11.4% of those at risk belong to ethnic minority groups, and 86.4% of staff at risk are White British. There are similar trends across those being assimilated (people whose roles will be changed but who will not be at risk), with those in an ethnic minority group making up just 9.6% of those affected. The statistics are slightly different when it comes to internal moves, with 25% of those affected belonging to a minority group. The Corporate Group has the biggest impact on this data, with around 35% of those being moved being from ethnic minority backgrounds. In City Services it is around 21% and it is 0% in Communities.

S5257 Reduction in the Provision of Public Toilets

This proposal recommends closing underused public toilets on the outskirts of the city, prioritising accessibility in high-traffic pedestrian areas. Many people using toilets in the city centre especially are likely to be tourists who might be from overseas. However, the proposal will ensure the council provides a suitable number of public toilet facilities within a short distance of those proposed to close, prioritising retention of public toilets in areas with high footfall/usage. Moreover, in redeveloping Silver Street, which will remain open, the council has paid particular attention to needs of overseas visitors, as those facilities are often used by people being dropped off by tourist coaches.

(g) Religion or belief

CAP5314 CCTV Hardware and Software support update

This would have a positive impact to help prevent or gather evidence relating to hate crime motivated by hatred towards someone's religion. This is because without the funding for the update there would be a risk of loss of CCTV service from October 2025.

I15256 Car Parking Increased Income

The proposal is to increase charges for all car parks. There might be a negative impact on people needing to travel to access their place of worship, if not available close to their place

of residence. This potentially negative impact is mitigated in part by the availability of the £2 bus service across Cambridgeshire and Peterborough.

(h) Sex

B3306 Changing Futures contribution

This proposal is to continue our contribution towards a partnership across Cambridgeshire and Peterborough working with people with three or more multiple disadvantages. The list of disadvantages includes domestic abuse, which is experienced by 1 in 4 women and 1 in 6 men. Therefore, the proposal to contribute this funding will have a positive impact for sex. The work encourages involvement of people with lived experience at all stages of service design to support them and looks at how partnerships affect people.

CAP5314 CCTV Hardware and Software support update

This would have a positive impact to help prevent or gather evidence relating to sexual harassment, disproportionately experienced by women. This is because without the funding for the update there would be a risk of loss of CCTV service from October 2025.

II5256 Car Parking Increased Income and II5282 Reintroduce evening/night time parking charges

The proposals are to increase charges for all car parks (II5256 Car Parking Increased Income) and to reintroduce evening and nighttime parking charges for Grand Arcade, Park Street and Grafton East and West (II5282 Reintroduce evening/night time parking charges). Single parents are more likely to experience poverty and low-incomes and single parents are disproportionately women (89% of single parent families are single mother families). Also, 59% of unpaid carers are women. People with caring responsibilities make a higher number of trips making car travel more convenient, which might mean that increasing charges might disproportionately impact on this group. Moreover, women are less likely to feel safe using public transport, as an alternative means of transportation to a car than men, relating to risk of harassment. Women are also less likely to feel safe in all public settings, especially after dark, than men so the evening charges might especially disproportionately negatively impact on them.

II5290 Pest Control Charges

This proposal is to introduce a charging regime to residents for the pest control service. Women tend to earn less than men and so may be less able to afford a pest service. They might also have periods not in work whilst caring for others. Negative impacts relating to affordability of the pest control service are mitigated in part by still providing the service for free to benefit claimants.

Group Design Restructure budget items for City Services (S5252), Communities (S5251), Corporate (S5254) and Economy & Place (B5253)

The City Council workforce is almost completely evenly split between male and female employees (50.9% versus 49.1% respectively). This distribution is very different to those

affected by the restructures: almost 79% of those at risk are male, 56.2% of those assimilated are male, and 55.6% of those being moved are male. The only group where the reverse is true is for the Communities Group. Despite its workforce being 61.2% female, the percentage of those affected, be it at risk, assimilated or being moved, is consistently higher in the Communities Group (70.6%, 71.1% and 100% respectively).

In relation to impacts for those at risk, there are a number of new roles being created, which staff in the redeployment pool may apply for. With the aim of maximising redeployment for those at risk, the council is offering CV and interview training workshops for all staff.

S5257 Reduction in the Provision of Public Toilets

This proposal recommends closing underused public toilets on the outskirts of the city, prioritising accessibility in high-traffic pedestrian areas. This might impact on women disproportionately in the following ways:

- Women generally need to use toilets more frequently than men, particularly during menstruation or pregnancy.
- The closure of well-lit, safe public toilets may force women to seek alternatives that are less secure, raising safety concerns, particularly at night.

To help mitigate these impacts, the proposal is to ensure there is a suitable number of public toilet facilities within a short distance of those we will close, prioritising retention of public toilets in areas with high footfall/usage. Additionally, some of the sites proposed for closure have a lower usage which in turn could make them feel unsafe to use by women generally. If closures to proposed sites take place there will still be three sites within the city centre and these are well-lit sites, six sites at the council's large recreational park sites, and toilets in community centres. In addition, the council plans to explore partnering with businesses in the city centre to create a network of "community toilets".

(i) Sexual orientation

CAP5314 CCTV Hardware and Software support update

This would have a positive impact to help prevent or gather evidence relating to hate crime motivated by hatred towards someone's sexuality. This is because without the funding for the update there would be a risk of loss of CCTV service from October 2025.

II5256 Car Parking Increased Income and II5282 Reintroduce evening/night time parking charges

The proposals are to increase charges for all car parks (II5256 Car Parking Increased Income) and to reintroduce evening and nighttime parking charges for Grand Arcade, Park Street and Grafton East and West (II5282 Reintroduce evening/night time parking charges). People travelling to meet other LGBTQ+ individuals / attend social activities might be disadvantaged, especially visitors to Cambridge who may not have social activities for LGBTQ+ people close to where they live. The importance of social activities aimed at LGBTQ+ people for reducing loneliness and isolation was highlighted in the Cambridgeshire

& Peterborough LGBTQ+ Needs Assessment 2022. This potentially negative impact is mitigated in part by the availability of the £2 bus service across Cambridgeshire and Peterborough.

(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.**
- **People of any age with care experience – this refers to individuals who spent part of their childhood in the care system due to situations beyond their control, primarily arising from abuse and neglect within their families. The term “Care experience” is a description of a definition in law, it includes anyone that had the state as its corporate parent by virtue of a care order in accordance with the Children Act 1989 and amendments.**
- **Groups who have more than one protected characteristic that taken together create overlapping and interdependent systems of discrimination or disadvantage. (Here you are being asked to consider intersectionality, and for more information see: https://media.ed.ac.uk/media/1_159kt25g).**

People of any age with care experience

No impacts have been identified specific to people with care experience of the proposals – however, care leavers are more likely to experience lower incomes and therefore might be disproportionately impacted by proposals relating to increasing or introducing new charges for services.

Low-income groups or those experiencing the impacts of poverty

B3306 Changing Futures contribution

This proposal is to continue our contribution towards a partnership across Cambridgeshire and Peterborough working with people with three or more multiple disadvantages, which includes homelessness as one of the multiple disadvantages listed. The work encourages involvement of people with lived experience at all stages of service design to support them and looks at how partnerships affect people.

B5332 Temporary Emergency Accommodation

The proposal is for additional costs of temporary emergency Bed and breakfast accommodation needed for people experiencing homelessness, meaning there is a positive impact for poverty.

B5333 Folk Festival - Events

This proposal is for additional events in place of the Folk Festival, which will include some free events which might benefit people in poverty or with low incomes.

CAP5261 Coolers at Clay Farm Community Centre

The proposal is to replace three air conditioning chillers at Clay Farm Community Centre. The chillers feed cold air to the centre’s communications cupboard where the fibre

broadband enters the building and is distributed. Not replacing the coolers might impact on the ability of the library to operate in the centre. If the library would need to close, this would negatively impact on low-income people who use the library for a range of services, including access to IT.

CAP5265 Trumpington Pavilion fit-out for counselling centre

This budget item is to provide funding for additional storage space for Trumpington Pavilion so that a room can be repurposed as a counselling centre. The counselling centre room will be developed with funding from the NHS and will be used by Connected Lives, an organisation providing trauma-based therapy. The centre will be based where there is support provided from Citizens Advice, and where there is a social supermarket – services that especially support people experiencing poverty or on low-incomes. Co-locating the counselling centre there means that the services can make referrals/signpost between one another. Housing Advisers have shared that complex needs families and households in poverty whom our services support often experience trauma. Trauma might be a root cause of poverty for those households and families. Therefore, providing those people with trauma informed counselling might have a longer-term outcome of raising people out of poverty. This can in turn reduce their needs for support from Citizens Advice and the social supermarket, thus supporting those services keep manageable caseloads.

II5256 Car Parking Increased Income and II5282 Reintroduce evening/night time parking charges

The proposals are to increase charges for all car parks (II5256 Car Parking Increased Income) and to reintroduce evening and nighttime parking charges for Grand Arcade, Park Street and Grafton East and West (II5282 Reintroduce evening/night time parking charges). People experiencing poverty are less likely to own cars so be impacted by these changes. For those on lower incomes who own cars and have to use car parks, these proposals might have disproportionate negative impact.

II5284 Swimming Charges increase for Non-City Residents

This item proposes to increase charges for non-city residents and remove the £2 per head general subsidy. To help mitigate negative impacts relating to poverty and low income, the council would retain some discounts and concessions (relating to age and disability – see above), including for people on means-tested benefits who would receive 50% off the headline price. GLL also offer discounted swimming sessions within their timetables for £1 swim sessions for Juniors and discounted family sessions and have some free promotional weekend use at certain times throughout the year at the pools.

II5286 Tennis Court Hire Income

The proposal is to charge both £5 at peak times and £2 at non-peak times across all 4 tennis courts at Jesus Green and Christ's Pieces (8 courts total) per 45 mins. The courts are currently free to use by everyone. If the charges are introduced no allowances will be made for people on means-tested benefits. However, other Cambridge city tennis courts will remain free of charge to play on in local parks and open spaces and can also be booked via the LTA ClubSpark system at no charge for games. Also, in practice, the charges might equate to between 50p and £1.25 per person depending on the numbers attending and at

what time. The charges are low when compared to other local private facilities charging up to £18 per court per hour.

I15289 Allotment Income

The proposed increase in allotment fees has the potential to create a limited negative impact on individuals or families with low incomes, as it will increase the financial burden associated with maintaining an allotment. While the initial setup costs for materials and tools to cultivate an allotment can be high, allotments remain a valuable resource for growing affordable, fresh produce, which can be cost-effective in the long term compared to purchasing fruits and vegetables from shops or supermarkets.

To mitigate potential disadvantages, the fee increase has been designed to remain proportionate and balanced, ensuring that the costs are reasonable and in line with inflation and the cost of maintaining and improving allotment sites. This measured approach aims to avoid creating significant financial barriers for current and prospective allotment holders, particularly those from low-income households.

This approach seeks to ensure that allotments continue to serve as an affordable and sustainable option for growing fresh produce while balancing the need to maintain and develop allotment services for the community.

I15290 Pest Control Charges

This proposal is to introduce a charging regime to residents for the pest control service. Negative impacts relating to affordability of the pest control service are mitigated in part by still providing the service for free to benefit claimants.

I15292 Redesign of management of Community Centres

This proposal is to save costs by streamlining the management of the smaller City Council run community centres and reducing staffing. The smaller centres would be managed and administrated by the team at Brown's Field Youth and Community Centre.

All of the council's community centres are in areas of high economic need. They are used and visited by a wide range residents some of whom have a range of issues and barriers who approach community centre staff for signposting to services like Citizens Advice, food banks and social supermarkets. Council staff also provide help to those who are digitally excluded, which disproportionately impacts on people with low incomes. The council is aware that it will be reducing this ad hoc support by reducing staffing, and aims to mitigate this impact by asking people to attend at specific times when centres will be staffed or to go to the larger centres which will be unaffected by this change in staffing.

Group Design Restructure budget items for City Services (S5252), Communities (S5251), Corporate (S5254) and Economy & Place (B5253)

Pay Bands 1 to 5 and apprentices make up over 69% of the workforce, and 76.5% of people at risk relating to the restructures. This data is significantly impacted by proposals in the City Services group, with 41.7% of those at risk sitting in Band 3, despite that band only spanning 18.4% of the workforce. Across the other groups, Bands 1 to 5 and apprentices make up only 43% of those affected. Band 6 and above (£49,498+), make up 31% of the

workforce, and represent over 55% of those placed at risk. These statistics are also partially affected by City Services deleting the City Pay Band 2 posts who automatically qualify for Band 3/4 roles that have been created. Additionally, the City Services and Corporate groups have already done a restructure at the senior management level, so the council would expect to see those in higher grades less affected than if the restructures had been run alongside each other.

In relation to impacts for those at risk, there are a number of new roles being created, which staff in the redeployment pool may apply for. With the aim of maximising redeployment for those at risk, the council is offering CV and interview training and workshops for all staff.

S5257 Reduction in the Provision of Public Toilets

This proposal recommends closing underused public toilets on the outskirts of the city, prioritising accessibility in high-traffic pedestrian areas. Public toilets often provide the only sanitary facilities for individuals experiencing homelessness and closing them can affect their health and wellbeing. However, the proposal ensures that the council will provide alternative facilities within city centre, where it expects the majority of homeless people to be. An additional impact relating to poverty/low-income is that where public toilets have closed elsewhere, the public has expressed concern around having to use local businesses and pay for products just to have permission to go to the toilet. To help mitigate this potentially negative impact the council plans to look into introducing a community toilet scheme: Partnering with businesses in the city centre to create a network of "community toilets". In practice this means that businesses may receive a nominal annual fee to allow public use of their facilities.

S5280 Dial-a-Ride

As a service, Dial-a-Ride is also helpful for people on lower incomes as it provided affordable transport for people who have difficulty in accessing public transport especially disabled people and older people with disabilities. The Cambridgeshire and Peterborough Combined Authority (CPCA) has agreed to provide some funding for Dial-a-Ride supporting them with a longer-term sustainability plan. This has resulted in a saving of £44,850 for Cambridge City Council as we had set aside some money for this, which is now not needed. The fact the sustainability plan will still be funded by another organisation is a positive impact for people on low incomes who use or might need the service.

Intersectionality

In relation to intersectionality, for most of the budget proposals no distinctive inequalities/disadvantages have been identified relating how different elements of people's identities intersect. However, negative or positive impacts identified above might be exacerbated where people have two or more characteristics that individually are likely to be positively or negatively impacted by a proposal coming into effect.

B3306 Changing Futures contribution

This proposal is to continue our contribution towards a partnership across Cambridgeshire and Peterborough working with people with three or more multiple disadvantages, meaning the work considers intersectionality. The list of disadvantages includes mental health issues,

homelessness, substance misuse, domestic abuse and offending behaviour. The work encourages involvement of people with lived experience at all stages of service design to support them and looks at how partnerships affect people.

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 EqIA accordingly.)

II5291 Cambridge City Housing Company

This proposal helps ensure there is time and budget to transfer four small community centres to community groups. It is too early to determine equality impacts and an equality impact assessment will be needed in each case.

12. Do you have any additional comments?

B5325 Review of Folk Festival

This is for the cost of freelancers and consultancy for the Folk Festival review and programming. The review itself would be subject to an EqIA.

CAP5259 Civic Quarter Redevelopment

There are no equality impacts specific to this budget item itself. However, an equality impact assessment was produced for the Civic Quarter update that went to the Environment & Communities Scrutiny Committee on 21st November (see: [appendix-6-eqia-civic-quarter-project-updated-october-2024.pdf](#)).

13. Sign off

Name and job title of lead officer for this equality impact assessment: Helen Crowther (Equality and Anti-Poverty Officer)

Names and job titles of other assessment team members and people consulted: Alistair Wilson (Strategic Delivery Manager – City Services), Anthony French (Asset Development Officer), Claire Adelizzi (Team Manager- Environmental Health), Clarissa Norman (Customer Support Manager), Daniel Morgan (Operations Manager – Crematorium and Parking Services), Ian Ross (Sport and Recreation Manager), Jane Wilson (Chief Operating Officer), Paul Boucher (Transformation Programme Manager), Rachel Kamall (Transformation Programme Manager), Richard Brown (Community Facilities Manager), Suzanne Goff (Health Prevention Programme Officer) and Yvonne O'Donnell (Environmental Health Manager)

Date of EqIA sign off: 24/01/2025

Date of next review of the equalities impact assessment: EqIAs on the council's budget setting process are produced annually

Date to be published on Cambridge City Council website: 29/01/2025

All EqIAs need to be sent to the Equality and Anti-Poverty Officer at equalities@cambridge.gov.uk

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ANNUAL TREASURY MANAGEMENT STRATEGY 2025/26

1 Executive Summary

- 1.1 Full Council is required to approve the council's Treasury Management Strategy on an annual basis, covering:-
- 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).
- 1.2 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 (2021 edition) prepared by CIPFA;
 - the Treasury Management Code (2021 edition) prepared by CIPFA;
 - the Statutory Guidance on Local Government Investments prepared by the Ministry of Housing, Communities & Local Government (MHCLG) (effective 1 April 2018); and
 - the Statutory Guidance on Minimum Revenue Provision prepared by MHCLG (effective 1 April 2019).
- 1.3 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.
- 1.4 Treasury Management Reports are required to be adequately scrutinised before being recommended to Full Council. This role is undertaken by the Strategy and Resources Scrutiny Committee.

2 Treasury Management Activities

- 2.1 The council is required to have regard to the relevant CIPFA and MHCLG guidance when carrying out its treasury management activities (see paragraph 1.2). The council is required to set prudential and treasury indicators, including an authorised limit for borrowing, for a minimum of a three year period and should ensure that its capital plans are affordable, prudent and sustainable.
- 2.2 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 as its specialist treasury management advisors. In May 2024, Link was acquired by Mitsubishi UFG (MUFG).
- 2.3 MUFG'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.
- 2.4 The council recognises that its non-treasury investments mean that it may need to consult with specialists in other areas, particularly commercial property. Arrangements are in place to ensure that the S151 Officer and relevant senior managers can access appropriate expertise in respect of the council's commercial activities.

3 Borrowing Policy Statement

- 3.1 The council is permitted to borrow under the framework, introduced with effect from 1 April 2004.
- 3.2 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) totalling £213.6 million (taken out in 2012); and
 - commercial borrowing to fund the Park Street development of £30 million drawn down in April 2024.
- 3.3 The council has agreed further external borrowing of £55 million to fund the remainder of the Park Street redevelopment project. This is in the form of an annuity loan and will be received in two tranches during 2025. The council has benefitted from forward-fixing the interest rates on the Park Street borrowing at a weighted average rate of 1.67% - significantly below the rates currently available from PWLB or on the commercial

market.

- 3.4 If the council is to deliver its ambitious 10-year new homes programme in the city, the HRA will need to take on additional borrowing in the future to part finance this spend.
- 3.5 It is also assumed that further borrowing will be required to fund General Fund capital expenditure over the next 10 years, in particular in relation to the Civic Quarter project, should this receive the approval of Full Council later in the year.
- 3.6 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.
- 3.7 The government recently announced the extension of an arrangement whereby a concessionary PWLB loan rate is available to authorities wishing to take out borrowing for the purpose of financing capital expenditure in their HRA. This arrangement is now in place until March 2026 and enables the Council to borrow at 0.4% lower than would be the case for PWLB borrowing to fund General Fund capital expenditure. As the deadline for the end of the concessionary rate approaches, work will need to be undertaken to identify the extent to which external borrowing should be undertaken. At the present time, even after factoring in the concessionary rate, PWLB rates are significantly higher than they are expected to be in 12-18 months' time.
- 3.8 Previously, the council has set a prudential indicator for the maturity of new borrowing, which requires 100% of new borrowing to have a maturity of at least 10 years. In light of the forthcoming need to borrow, the required maturity profile has been reviewed by reference to the council's liability benchmark, as shown at Annexe C. This shows the borrowing need in the General Fund decreasing gradually over the next 20 years or so. In light of this, and the shape of the yield curve in the market such that shorter-term borrowing is currently cheaper than longer-term borrowing, it is proposed to revise this indicator to state that 100% of new borrowing will have a maturity of at least 5 years. This will allow more flexibility in achieving a portfolio of borrowing which meets the councils long-term cashflow needs, whilst seeking an appropriate balance of refinancing risk against borrowing cost.

4 Minimum Revenue Provision (MRP) Policy Statement

- 4.1 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.
- 4.2 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'.
- 4.3 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.
- 4.4 The Housing Revenue Account share of the CFR is not subject to an MRP charge.
- 4.5 There is no requirement to make an MRP charge on an asset until the financial year after that asset becomes operational.
- 4.6 The Government issues statutory guidance 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.
- 4.7 However, the guidance is clear that differing approaches can be considered as long as the resulting provision is prudent.
- 4.8 In general, the council will make a minimum revenue provision charge 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 Chief Financial Officer 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.

4.9 In the circumstances outlined above when a capital receipt is received in the form of a loan or bond repayment this will be applied in the year of receipt to the CFR thereby reducing the CFR and extinguishing the unfinanced spend incurred in previous financial years.

4.10 The council has borrowed via the money markets to fund the redevelopment of the Park Street car park site. The borrowing comprises three annuity loans. These loans require the council to make a fixed cash repayment every six months comprising interest and repayment of principal over the life of the loans. Over the life of each loan the interest portion of the repayment reduces as the balance outstanding reduces. As permitted by the relevant statutory guidance, the council has determined that the annuity method is an appropriate approach to provide MRP for Park Street. A hybrid interest rate based on the rates for the agreed loans will be used to calculate MRP.

4.11 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 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 Council has

decided to make MRP on this accelerated basis in respect of this asset, in line with the receipts generated.

4.12 The Council is required to report whether it has made any voluntary payments over and above that required to comply with its Minimum Revenue Provision policy. The Council can confirm that it made a voluntary overpayment of MRP of £9.545 million in the 2019/20 financial year.

5 Capital Expenditure and Financing 2025/26 to 2029/30

5.1 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.

5.2 Estimates of capital expenditure forms one of the required prudential indicators. The table on the following page shows the estimated capital expenditure for the next 5 years. Please note that this includes expenditure already approved, proposed for approval in the 2025/26 Budget Setting Report, and also a forecast of future expenditure not yet brought forward for formal approval.

Capital Expenditure Estimates (£m)	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
General Fund	111.539	21.783	14.675	57.112	5.495	6.308
Financed from:						
Capital Receipts	(13.429)	(2.238)	(0.687)	(17.060)	(0.865)	(0.865)
Other Contributions and Balances	(24.974)	(2.514)	(1.196)	(31.185)	(1.025)	(1.025)
General Fund Prudential Borrowing	(73.136)	(17.031)	(12.792)	(8.867)	(3.605)	(4.418)
HRA	107.748	81.980	120.189	137.235	112.592	45.742
Financed from:						
Capital Receipts	(6.017)	(3.220)	(2.007)	(503)	(4.743)	(6.870)
Other Contributions and Balances	(31.987)	(35.438)	(73.377)	(98.849)	(90.795)	(36.614)
HRA Prudential Borrowing	(69.744)	(43.322)	(44.805)	(37.883)	(17.054)	(2.258)
Total Capital Expenditure Financed from Prudential Borrowing	142.880	60.353	57.597	46.750	20.659	6.676

6 Prudential and Treasury Management Indicators

- 6.1 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 indicative debt position over the period. This is termed the Operational Boundary which the council would not normally expect to exceed. Actual debt levels may be lower due to the use of surplus cash balances, timing of capital expenditure and the availability of capital receipts and other sources of non-debt finance. Regulations require that the council's external debt level cannot exceed the Authorised Limit set out on the following page:-

CFR and Borrowing Estimates (£m)	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
Capital Financing Requirement (CFR) at 31 March						
- General Fund	139.987	155.366	126.974	133.346	133.810	134.896
- HRA	284.880	328.202	373.007	410.890	427.944	430.202
Total CFR	424.867	483.568	499.981	544.236	561.754	565.098
Movement in CFR	142.572	58.701	16.413	44.255	17.518	3.344
External Gross Debt	243.572	340.793	384.478	430.090	445.987	447.068
Internal Borrowing	181.703	142.775	115.503	114.146	115.767	118.030
Authorised Limits						
- External Debt	550.000	600.000	600.000	625.000	625.000	625.000
- Other Long-Term Liabilities	2.000	2.000	2.000	2.000	2.000	2.000
Operational Boundary						
- External Debt	434.867	493.568	509.981	554.236	571.754	575.098
- Other Long-Term Liabilities	1.500	1.500	1.500	1.500	1.500	1.500

6.2 With effect from 1 April 2024, local authorities are required to implement a new accounting standard known as IFRS 16. This standard requires that assets previously recognised as operating leases now, in many cases, need to be accounted for on the balance sheet. Authorities need to recognise an asset corresponding to their 'right to use' assets held under operating leases and a liability corresponding to the payments due under the relevant leases to secure use of the leased assets. The authority does not expect its CFR to be significantly impacted by the implementation of IFRS 16.

6.3 Two additional indicators are reported in Annexe C in accordance with updates to the Prudential Code effective from 1 April 2023. The council is now required to disclose its actual and estimated net income from commercial and service investments as a proportion of its net revenue stream. This indicator is important in the context of understanding the contribution commercial income makes to the council's net budget, recognising that the council has a significant portfolio of investment

properties. The council's Capital Strategy (see Appendix H) defines the activities which the council classifies as being commercial in nature. This includes car parking and bereavement services, as well as income from investment properties.

- 6.4 This indicator needs to be understood with reference to the environment in which these commercial activities operate. The loans made by the council will typically be project-specific and therefore will not return a constant level of income. The performance of services provided in a competitive marketplace will be subject to variation linked to factors particular to that market. By necessity, the budget setting process evaluates the impact of the current economic conditions on the performance of its commercial activities. Consequently, year-on-year changes in relation to an indicator should not, in isolation, be treated as a cause for concern providing the change is consistent with the council's budget estimates and therefore managed appropriately in the context of medium-term financial planning.
- 6.5 The other additional mandatory indicator, which was first reported as part of the mid-year Treasury report in September 2022, is known as the Liability Benchmark. This indicator is presented in graph form with separate graphs being produced for the General Fund and the HRA. The format used shows the relationship between the following key elements over the life of the Council's debt portfolio:
- a) Existing loan debt outstanding: the council's existing loans, including future borrowing for the Park Street project which has been agreed in advance, that are still outstanding in future years.
 - b) CFR: this is calculated in accordance with the loans CFR definition in the Prudential Code and projected into the future based on approved prudential borrowing and forecast MRP.
 - c) Borrowing requirement: this will show separately for the HRA and the General Fund the additional amount which needs to be borrowed to deliver the council's current capital programme. All borrowing is undertaken in the name of the Council but the General Fund and HRA need to account separately for the interest payable associated with borrowing undertaken.
 - d) Liability benchmark: this reflects the total amount of borrowing required after taking account of the council's liquidity needs.
 - e) Investment benchmark: this reflects the amount the council should invest based on projected cash balances after reflecting the current capital programme and borrowing assumptions. An investment benchmark exists where borrowing exceeds balances required to fund the capital programme. The investment benchmark is expressed as a negative amount. The amount the council has available to invest

will reduce as the borrowing agreed is used to fund new schemes identified in future capital plans approved as part of the budget setting process. This will be reflected in updates to the liability benchmark presented in future iterations of this document.

- 6.6 It is important to note that the liability benchmark is based on the projected 10-year capital programme and therefore excludes capital expenditure based on future schemes yet to be identified. The effect of this is to show a peak in the council's General Fund CFR in March 2026 by which time the council is expected to have significant unfinanced expenditure within its CFR. This principally relates to CIP projects and the redevelopment of Park Street. The CFR will continue to reduce as the council repays the Park Street borrowing and when loans from the council to CIP are repaid. There will, however, be other capital schemes which come forward for approval in the coming years.
- 6.7 The liability benchmark is intended to be a live indicator which informs the council's decisions about timing and duration of borrowing, hence it informs the borrowing strategy set out in section 3 above. The current liability benchmark indicates that there may be some capacity for the General Fund to provide short-term borrowing to the HRA to meet its borrowing requirement for finite periods. This will be kept under review.

7 Investment Strategy

- 7.1 MHCLG and CIPFA define 'investments' as including both financial and non-financial investments. This report deals solely with treasury (financial) investments, (as managed by the treasury management team). Non-financial investments, essentially the purchase of income yielding assets and service investments, are covered in the Capital Strategy (see Appendix H).
- 7.2 The council's investment policy has regard to the following: -
- MHCLG's Guidance on Local Government Investments ("the Guidance");
 - CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2021 ("the Code"); and
 - CIPFA Treasury Management Guidance Notes 2021
- 7.3 The council's investment priorities will be security first, portfolio liquidity second and then yield (return). The council will aim to achieve the optimum return (yield) on its investments commensurate with proper levels of security and liquidity and with regard to the council's risk appetite.

- 7.4 In the current economic climate, it is considered appropriate to maintain a degree of liquidity to cover cash flow needs but to also consider “laddering” investments for periods up to 12 months with high credit rated financial institutions, whilst investment rates remain elevated, as well as other pooled funds which may meet the authority’s needs.
- 7.5 The above guidance from the MHCLG and CIPFA places a high priority on the management of risk. This Authority has adopted a prudent approach to managing risk and defines its risk appetite by the following means:-
- a) Minimum acceptable credit criteria are applied in order to generate a list of highly creditworthy counterparties. This also enables diversification and thus avoidance of concentration risk.
 - b) The key ratings used to monitor counterparties are the short-term and long-term ratings.
 - c) Other information: ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To achieve this the council will engage with its advisors to maintain a monitor on market pricing such as “credit default swaps” and overlay that information on top of the credit ratings.
 - d) Other information sources used will include the financial press, share prices and other such information pertaining to the financial sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.
 - e) This council has defined the list of types of investment instruments that the treasury management team are authorised to use. There are two lists in Annexe A under the categories of ‘specified’ and ‘non-specified’ investments.
 - f) Specified investments are those with a high level of credit quality and subject to a maturity limit of less than one year.
 - g) Non-specified investments are those which could have less high credit quality, may be for periods in excess of one year, and/or are more complex instruments which require greater consideration by members and officers before being authorised for use.
 - h) Lending limits (amounts and maturity) for each counterparty will be set through applying the matrix table set out in Annexe A.
 - i) Transaction limits are set for each type of investment in Annexe A.
 - j) This Authority will set a limit for its investments which are invested for

longer than 365 days.

- k) Investments will only be placed with counterparties from countries with a specified minimum sovereign rating.
- l) The council has engaged external consultants (Mitsubishi UFG) to provide expert advice on how to optimise an appropriate balance of security, liquidity and yield, given the risk appetite of the council in the context of the expected level of cash balances and need for liquidity throughout the year.
- m) All investments will be denominated in sterling.

7.6 Information regarding the performance of the council's investments will be provided to the Leadership Team and Executive as part of the quarterly budget monitoring process and to the Strategy and Resources Scrutiny Committee as part of mid-year and outturn reporting. Benchmark information is also collected and used for comparison purposes.

8 Financial Asset Counterparties

- 8.1 The full listing of approved counterparties is presented at Annexe A, showing the category under which each counterparty has been approved, the appropriate deposit limit, and current duration limit.
- 8.2 There is no or very low 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.
- 8.3 The council continually reviews its investment policy. Recently, the economic climate has created considerable uncertainty. This has impacted asset pricing. The council holds investments in commercial property, both directly owned and through the CCLA Local Authorities' Property Fund, and has investments in short-dated bond funds. The pricing of both asset types has been particularly impacted. Further volatility in capital values is anticipated over the economic cycle.
- 8.4 The council will continue to monitor the total return generated by its investment in funds, all of which are actively managed by professional fund managers. In this context, it is important to recognise that the income distributions the council receives will not necessarily be subject to the same volatility as capital values. The council recognises the need for it to be able to continue to justify retaining these assets. This is important as one of the consequences of doing so is to bring forward the date when the council will need to borrow to fund its capital programme.

- 8.5 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. The loan is kept under review and the loan facility is periodically renewed.
- 8.6 The council has continued to make loans available to Cambridge Investment Partnership, a joint venture – see paragraph 4.8 for further details.
- 8.7 The council invests in local business bonds issued by Allia Limited. The bonds are secured on the Allia Future Business Centre. The authorised counterparty limit for such investments as set out at Annexe A is £5 million in respect of long-term (5 year) bonds.
- 8.8 The council recognises that there is continuing debate about how best to capture information about the environmental, social and governance (often known as ‘ESG’) implications of investing decisions taken by the Council.
- 8.9 The council continues to work with MUFG to understand developments within financial markets which offer the opportunity to have regard for ESG criteria when placing investments. The relevant CIPFA guidance asserts the primacy of ‘security, liquidity and yield’ considerations when managing the treasury portfolio and the council is required to adhere to that guidance.
- 8.10 Where the council invests for the longer term, there are opportunities to invest in products or counterparties which align with council objectives. Currently, this is reflected in the substantial fixed-term deposits with other local authorities covering periods up to 13 months, and investments in the CCLA Local Authority Property Fund. The CCLA Property Fund provides investors with regular updates about its work to reduce the carbon footprint of its property portfolio and increase the EPC rating of individual properties it owns.

9 Interest Rates & Interest Received

- 9.1 In support of effective forecasting the council needs to be aware of the potential influence of interest rates on its treasury management activities. The council is provided with regular interest rate forecasts by its treasury advisors, and the latest forecast is presented at Annexe B.
- 9.2 Total interest and dividends of £4.3 million are due or have been received in respect of the council’s deposits for the period from 1 April to 30 November 2024 at an average rate of 4.99%. The equivalent rate for the

eight months to 30 November 2023 was 4.14%. These figures relate solely to the council's traditional treasury management deposits, and exclude interest earned on investments in the CCLA property fund, local bonds, and loans made to the connected entities.

- 9.3 On 7 November, the Bank of England cut Base Rate by 0.25% to 4.75%. The vote was 8-1 in favour of the cut, but the language used by the MPC emphasised "gradual" reductions would be the way ahead with an emphasis on recent inflation and employment data releases, as well as geo-political events. At the 18 December meeting of the Monetary Policy Committee (MPC), another split vote arose. Members voted 6-3 to keep Bank Rate on hold at 4.75%, but dissenters were keen for rates to be cut further as concerns over the slowing down of the UK economy took root, despite near-term inflation fears remaining. The MPC again stated that "a gradual approach" to rate cuts "remains appropriate" and that policy will "remain restrictive for sufficiently long".

Annexe A – Treasury Management Annual Investment Strategy

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.

Current Counterparty List

Link Group Colour	Council's Current Deposit Period	Category	Limit (£)
UK Banks and Building Societies: -			
Yellow	60 months	UK Banks and Building Societies	35m
Magenta	60 months	UK Banks and Building Societies	35m
Pink	60 months	UK Banks and Building Societies	35m
Purple	24 months	UK Banks and Building Societies	30m
Blue	12 months	UK Banks and Building Societies	30m
Orange	12 months	UK Banks and Building Societies	30m
Red	6 months	UK Banks and Building Societies	20m
Green	100 days	UK Banks and Building Societies	10m
No Colour	Not recommended	UK Banks and Building Societies	0m

Name	Council's Current Deposit Period	Category	Limit (£)
Specified Investments: -			
All UK Local Authorities	N/A	Local Authority	20m

Name	Council's Current Deposit Period	Category	Limit (£)
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
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
UK Government Treasury Bills	Up to 6 months	Financial Instrument	15m
Members of a Banking Group	Using MUFG's Credit Criteria	UK Banks and UK Nationalised Banks	40m
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 (CCHC) Working Capital Loan *	Up to 1 year	Loan	200,000
Cherry Hinton Community Benefit Society	Up to 1 year	Loan	50,000

Name	Council's Current Deposit Period	Category	Limit (£)
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
Cambridge Investment Partnership (Orchard Park L2)*	Rolling Balance	Loan (Asset Security)	11,529,000
Cambridge Investment Partnership	Rolling Balance	Loan (Asset Security)	33,940,000
CCLA Local Authorities' Property Fund	Minimum of 5 years	Pooled UK Property Fund	Up to 15m
Certificates of Deposit (with UK Banking Institutions)	Liquid Rolling Balance	Financial Instrument	See limits above
Certificates of Deposit (with UK Building Societies)	Liquid Rolling Balance	Financial Instrument	See limits above
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)

Name	Council's Current Deposit Period	Category	Limit (£)
Municipal Bonds Agency	N/A	Pooled Financial Instrument Facility	50,000
Secured Local Bond – Allia Limited	N/A	Local Business Bond	Up to 5m in total
Supranational Bonds – AAA	Using MUFG'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 £50m.

Annexe B – MUFG’s Opinion on Forecast UK Interest Rates

Introduction

The paragraphs that follow reflect the views of the council’s treasury management advisors (MUFG) on UK interest rates as currently predicted:

- The latest forecast, updated on 11th November, sets out a view that both short and long-dated interest rates will start to fall once it is evident that the Bank of England has been successful in squeezing excess inflation out of the economy, despite a backdrop of stubborn inflationary factors and a tight labour market.
- Following the 30th October Budget, the outcome of the US Presidential election on 6th November, and the 25bps Bank Rate cut undertaken by the Monetary Policy Committee (MPC) on 7th November, we significantly revised our central forecasts for the first time since May. In summary, our Bank Rate forecast is now 50bps – 75bps higher than was previously the case, whilst our PWLB forecasts have been materially lifted to not only reflect our increased concerns around the future path of inflation, but also the increased level of government borrowing over the term of the current Parliament.
- If we reflect on the 30th October Budget, our central case is that those policy announcements will be inflationary, at least in the near-term. The Office for Budgetary Responsibility and the Bank of England concur with that view. The latter have the CPI measure of inflation hitting 2.5% y/y by the end of 2024 and staying sticky until at least 2026. The Bank forecasts CPI to be 2.7% y/y (Q4 2025) and 2.2% (Q4 2026) before dropping back in 2027 to 1.8% y/y.
- The anticipated major investment in the public sector, according to the Bank, is expected to lift UK real GDP to 1.7% in 2025 before growth moderates in 2026 and 2027. The debate around whether the government’s policies lead to a material uptick in growth primarily focus on the logistics of fast-tracking planning permissions, identifying sufficient skilled labour to undertake a resurgence in building, and an increase in the employee participation rate within the economy.
- There are inherent risks to all the above. The worst-case scenario would see systemic blockages of planning permissions and the inability to identify and resource the additional workforce required to deliver large-scale IT, housing and infrastructure projects. This would lead to upside risks to inflation, an increased prospect of further government borrowing & tax rises, and a tepid GDP performance.
- Our central view is that monetary policy is sufficiently tight at present to cater for some further moderate loosening, the extent of which, however, will continue to be data dependent. We forecast the next reduction in Bank Rate to be made in February and for a pattern to evolve whereby rate cuts are made quarterly and in keeping with the release of the Bank’s Quarterly Monetary Policy Reports (February, May, August and November). Any movement below a 4% Bank Rate

will, nonetheless, be very much dependent on inflation data in the second half of 2025.

- Regarding our PWLB forecast, the short to medium part of the curve is forecast to remain elevated over the course of 2025, and the degree to which rates moderate will be tied to the arguments for further Bank Rate loosening or otherwise. The longer part of the curve will also be impacted by inflation factors, but there is also the additional concern that with other major developed economies such as the US and France looking to run large budget deficits there could be a glut of government debt issuance that investors will only agree to digest if the interest rates paid provide sufficient reward for that scenario.
- Moreover, Donald Trump's victory in the US President election paves the way for the introduction/extension of tariffs that could prove inflationary whilst the same could be said of any further tax cuts and an expansion of the current US budget deficit.
- Invariably the direction of US Treasury yields in reaction to his core policies will, in all probability, impact UK gilt yields. So, there are domestic and international factors that could impact PWLB rates whilst, as a general comment, geo-political risks abound.
- In summary, regarding PWLB rates, movement in the short-end of the curve is expected to reflect MUFG's Bank Rate expectations to a large degree, whilst medium to longer-dated PWLB rates will remain influenced not only by the outlook for inflation, domestically and globally, but also by the market's appetite for significant gilt issuance (£200bn+ for each of the next few years). As noted at the MUFG November Strategic Issues webinars, there is upside risk to that part of our forecast despite the Debt Management Office skewing its issuance to the shorter part of the curve.

Link Group Interest Rate View 11.11.24													
	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27	Jun-27	Sep-27	Dec-27
BANK RATE	4.75	4.50	4.25	4.00	4.00	3.75	3.75	3.75	3.50	3.50	3.50	3.50	3.50
3 month ave earnings	4.70	4.50	4.30	4.00	4.00	4.00	3.80	3.80	3.80	3.50	3.50	3.50	3.50
6 month ave earnings	4.70	4.40	4.20	3.90	3.90	3.90	3.80	3.80	3.80	3.50	3.50	3.50	3.50
12 month ave earnings	4.70	4.40	4.20	3.90	3.90	3.90	3.80	3.80	3.80	3.50	3.50	3.50	3.50
5 yr PWLB	5.00	4.90	4.80	4.60	4.50	4.50	4.40	4.30	4.20	4.10	4.00	4.00	3.90
10 yr PWLB	5.30	5.10	5.00	4.80	4.80	4.70	4.50	4.50	4.40	4.30	4.20	4.20	4.10
25 yr PWLB	5.60	5.50	5.40	5.30	5.20	5.10	5.00	4.90	4.80	4.70	4.60	4.50	4.50
50 yr PWLB	5.40	5.30	5.20	5.10	5.00	4.90	4.80	4.70	4.60	4.50	4.40	4.30	4.30

* The PWLB rates quoted above are the discounted 'certainty rates' which are available to the Council as a qualifying local authority.

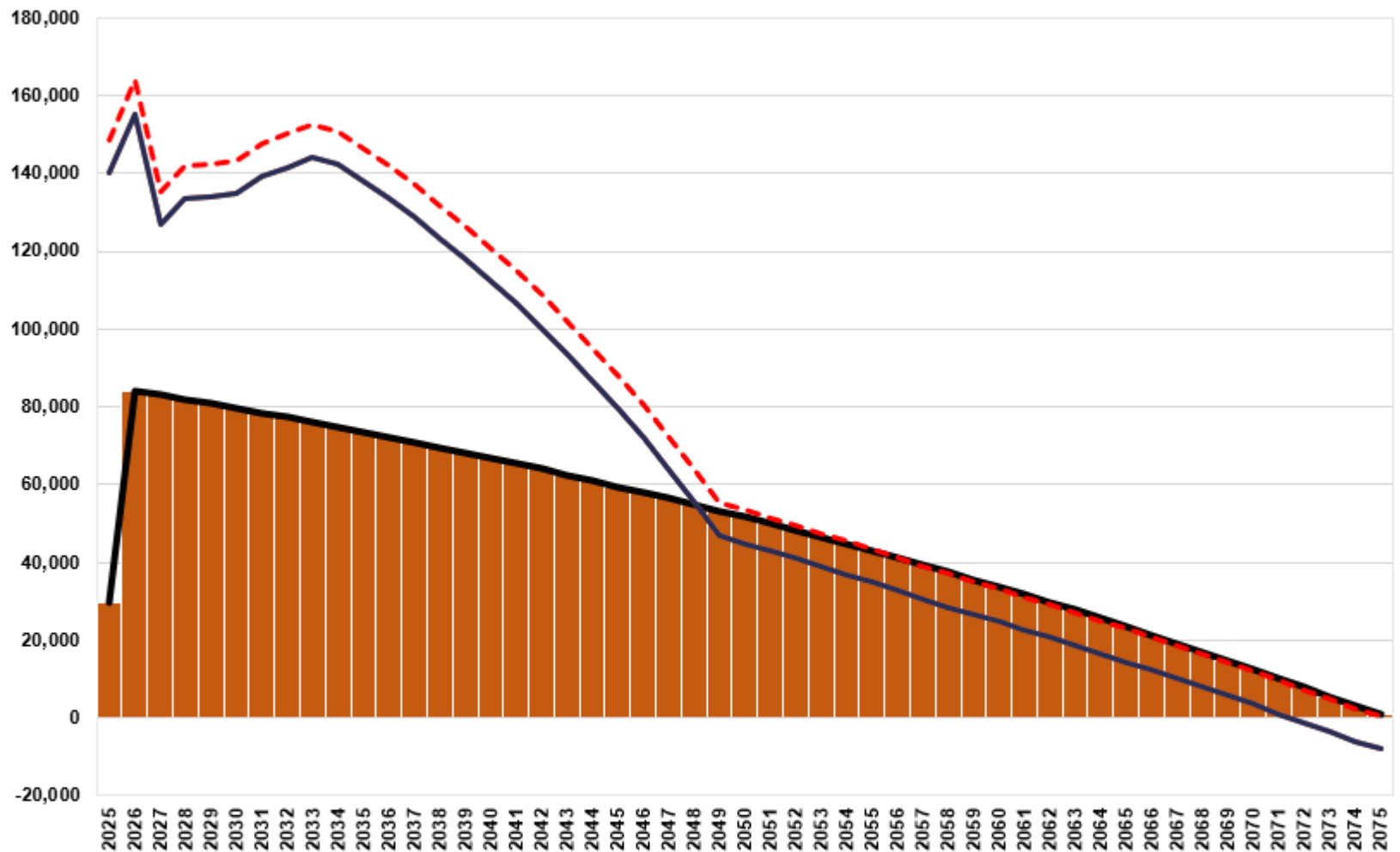
Annexe C – Prudential and Treasury Management Indicators

Prudential Indicator Estimates (£m)	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
Capital expenditure						
- GF	111.539	21.783	14.675	57.112	5.495	6.308
- HRA	107.748	81.980	120.189	137.235	112.592	45.742
Total	219.287	103.763	134.864	194.347	118.087	52.050
Capital Financing Requirement (CFR) as at 31 March						
- GF	139.987	155.366	126.974	133.346	133.810	134.896
- HRA	284.880	328.202	373.007	410.890	427.944	430.202
Total	424.867	483.568	499.981	544.236	561.754	565.098
Movement in CFR	142.572	58.701	16.413	44.255	17.518	3.344
Deposits (average annualised balance)						
	75.000	90.000	70.000	50.000	40.000	40.000
External gross debt as at 31 March						
	243.572	340.793	384.478	430.090	445.987	447.068
Ratio of net financing costs to revenue stream						
- GF %	(5.67)	1.87	6.65	10.51	13.20	13.70
- HRA %	14.68	15.30	21.30	22.52	22.93	22.29
Net income from commercial and service investments						
- GF	14.725	16.176	16.226	16.178	16.136	16.089
- HRA	0.471	0.472	0.471	0.471	0.471	0.471
Ratio of net income from commercial and service investments to net revenue stream						
- GF %	40.81	42.33	56.29	53.85	51.49	49.17
- HRA %	0.84	0.79	0.76	0.70	0.65	0.62

Treasury Indicator Estimates (£m)	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
Authorised limit						
- Borrowing	550.000	600.000	600.000	625.000	625.000	625.000
- Other long-term liabilities	2.000	2.000	2.000	2.000	2.000	2.000
Operational boundary						
- Borrowing	434.867	493.568	509.981	554.236	571.754	575.098
- Other long-term liabilities	1.500	1.500	1.500	1.500	1.500	1.500
Upper limit for total principal sums deposited for over 364 days and up to 5 years	50.000	50.000	50.000	50.000	50.000	50.000
Analysis of exposure to fixed and variable interest rates						
- Net interest on fixed rate borrowing/deposits	9.679	11.290	16.064	19.048	21.105	21.841
- Net interest on variable rate borrowing/deposits	(2.810)	(1.675)	(1.211)	(1.211)	(1.127)	(1.061)
Maturity structure of new fixed rate borrowing – 5 years and above						
- Upper limit	100%	100%	100%	100%	100%	100%
- Lower limit	100%	100%	100%	100%	100%	100%

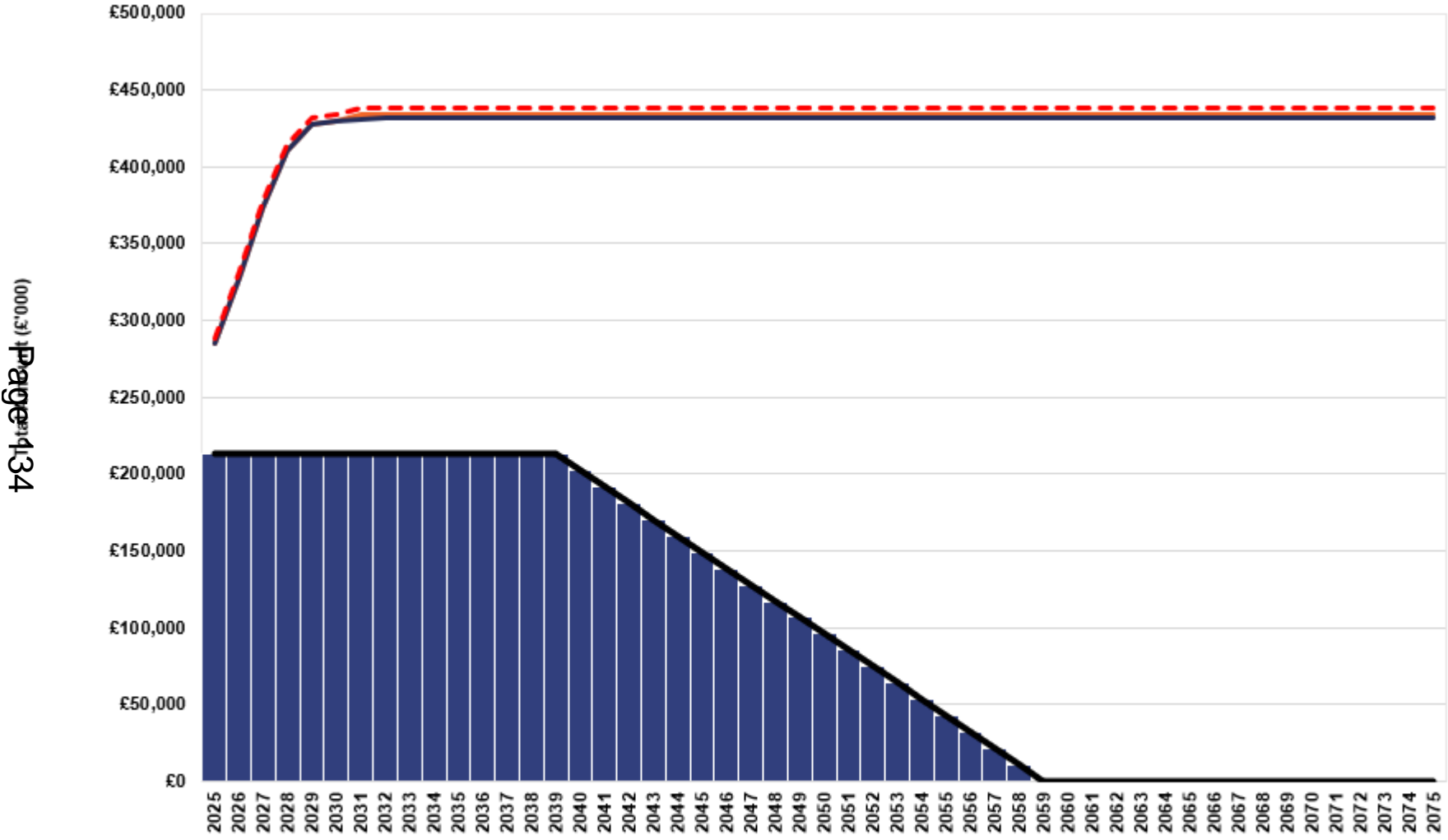
Liability Benchmark - General Fund

Page 133



- Market Loans
- Short Term inc LA Temporary Borrowing (<1 year)
- Existing Loan Debt Outstanding - GF
- Net Loans Requirement - GF
- Loans CFR - GF
- Liability Benchmark - GF

Liability Benchmark - HRA



■ PWLB Loans
 — Existing Loan Debt Outstanding - HRA
 — Net Loans Requirement - HRA
 — Loans CFR - HRA
 - - - Liability Benchmark - HRA

Annexe D – Glossary of Terms and Abbreviations

Term	Definition
Authorised Limit for External Borrowing	Represents a control on the maximum level of borrowing
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 ringfenced 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
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)
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
Non Ring Fenced Bank (NRFB)	Government and Bank of England rules apply to all UK Banks which have 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
Ring Fenced Bank (RFB)	Government and Bank of England rules apply to all UK Banks which have to split their business into 'core' retail and investment units known as Ring and Non Ring Fenced Banks
Sterling Over Night Index Average (SONIA)	SONIA is a widely used benchmark based on actual transactions and reflects the average of the interest rates that banks pay to borrow sterling overnight from other financial institutions and other institutional investors.
Security	A measure of the creditworthiness of a counter-party

Term	Definition
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	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
Weighted Average Maturity (WAM)	Weighted average amount of time to maturity
Yield	Interest, or rate of return, on an investment

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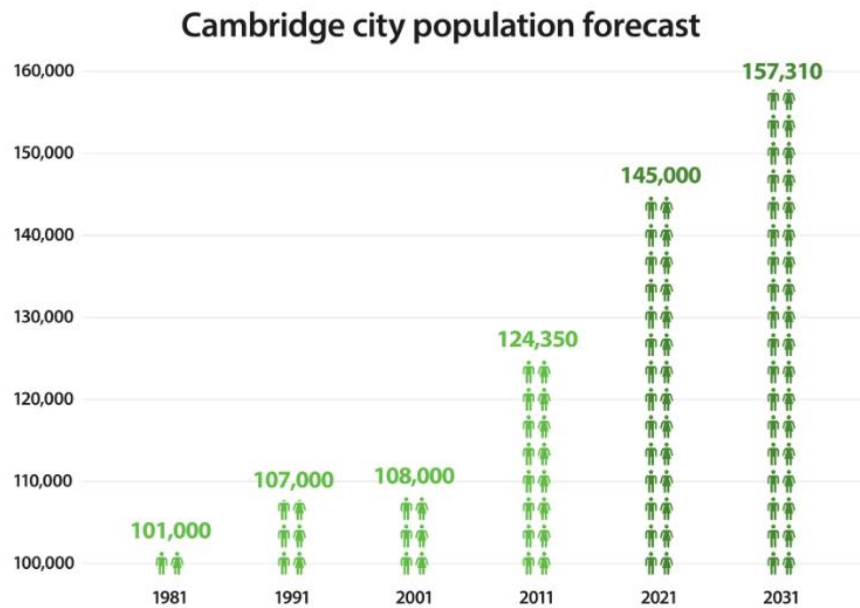
Appendix H

Cambridge City Council

Capital Strategy 2025/26

1. 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 organisational priorities and 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 (Appendix G), General Fund (GF) and Housing Revenue Account (HRA) Medium Term Financial Strategies ('MTFS') and the Council's Vision and Annual Statement.
- 1.4 By its very definition the Capital Strategy is a document developed in the context of a long-term planning horizon. The population grew by 17% over 10 years between 2011 and 2021 and is soon expected to exceed 150,000. The success of our universities means that we welcome 15,000 new residents each year with a similar number moving out of the city.



- 1.5 In our city centre and on its outskirts, substantial inward investment has contributed to a dynamic and vibrant local economy with specialisms in technology and biological sciences. Working with its partners across the private and public sectors, the council is well-placed to continue benefit from this investment through local taxation and the provision of income generating services. However, we are conscious of the expectations that accompany such investment, and the effort needed to maintain economic competitiveness.

- 1.6 Despite the city’s economic success, the benefits of economic growth and private sector investment have not been evenly distributed. Addressing inequality and poverty through investment in high-quality affordable housing and as part of initiatives such as community wealth building are key corporate priorities.

- 1.7 Ongoing transformational change is enabling the council to respond to regeneration opportunities in the city in a more agile and streamlined manner. In particular, the scope of the Housing Development Agency has been expanded to assume a broader role as a Development Agency which enables housing and wider property issues to be considered together as part of the potential redevelopment of existing sites.

- 1.8 More broadly, the council continues to engage with central government on future growth of the city, which has been identified as a vital contributor to the economic growth of the UK, particularly through investment in the technology and science sectors. In order to unlock this growth, there will need to be significant provision of new housing, including affordable housing, within the city and on its fringes.
- 1.9 The local economic context in which the council operates continues to evolve. Over the medium term the council will invest its own resources to redevelop assets it already owns and increase the provision of housing through its Housing Revenue Account. The council will also continue to work to facilitate investment in the city by the public and private sectors. Whatever form these investments take they will ultimately impact service provision. The council will need to understand and forecast that impact whilst at the same time reviewing its approach to service delivery to achieve the savings required to close the budget gap identified in the Medium-Term Financial Strategy.

2 Objective

- 2.1 The objective of the Capital Strategy is to provide a framework for understanding the governance procedures and organisational structure relevant to understanding how the council makes decisions relating to capital expenditure and capital resources. The strategy outlines how stewardship, value for money, prudence, sustainability and affordability will be secured. The strategy also articulates how the current arrangements have been developed to enable the organisation to achieve its corporate objectives.

3 Scope

- 3.1 The Capital Strategy specifically focusses on the key areas of:
- Capital expenditure
 - Investments for service purposes
 - Investments for commercial purposes
 - Debt, borrowing and treasury management
 - Investments for treasury management purposes

It also considers:

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

Capital Expenditure

3.2 Capital expenditure (or investments) may be for service or commercial purposes. The CIPFA Prudential Code defines these as follows:

***Investments for service purposes** (or service investments) are taken or held primarily and directly for the delivery of public services (including housing, regeneration and local infrastructure) or in support of joint working with others to deliver such services. Service investments may or may not involve financial returns; however, obtaining those returns will not be the primary purpose of the investment.*

***Investments for commercial purposes** (or commercial investments) are taken or held primarily for financial return and are not linked to treasury management activity or directly part of delivering services. This includes non-financial assets such as commercial property, where they are held primarily for financial return. Commercial in this context refers to the purpose of the investment. Commercial investments are not taken to meet treasury management cash flow needs, and do not result from treasury risk management activity to prudently manage the risks, costs or income from existing or forecast debt or treasury investments. They are additional investments voluntarily taken primarily to generate net financial return or profit.*

3.3 Decisions regarding all types of capital investment are informed by an understanding of how the proposed investment will support the council to achieve its corporate objectives.

3.4 Service delivery within the council is split across a range of models including services provided exclusively by partners, shared services and services delivered in-house. The council has a specific priority requiring it to focus its activities on 'modernising the council to lead a greener city that is fair for all'. The nature of each service and the model applied determines the dependency on and extent of capital investment required to provide the service. Changes in the needs and expectations of our residents and technological developments can alter the dependency on

capital investment. Consequently, assumptions regarding the need and extent of future investment to sustain and enhance service delivery are subject to regular challenge and revision.

- 3.5 The council embraces its 'place-making' responsibilities. The most specific articulation of this responsibility is reflected in its priorities of 'building a new generation of council and affordable homes and reducing homelessness' and 'tackling poverty and inequality and helping people in the greatest need'. Taken together these objectives will often necessitate capital investment which involves acquiring, improving or creating assets. The financial and non-financial impact of such investments are appraised through the General Fund and HRA budget setting process based on the type of proposal under consideration. There is an expectation that future investment in existing property assets to modernise, develop and, in some cases, repurpose those assets could be significant over the medium-term.
- 3.6 The council acknowledges that local authorities are no longer permitted to make new investments in commercial property primarily for yield although investment in an existing portfolio is permitted. The council retains a significant portfolio of investment properties which were funded from council resources without the need for specific external borrowing. Existing capital plans acknowledge the need for specific and periodic investment in these assets to retain tenants and deliver against the council's priority to achieve net zero by 2030 and its vision to support a thriving local economy in which businesses can develop and provide local employment and training opportunities for the city's residents. The sale of individual properties would generate one-off capital receipts that postpone the need to borrow externally to fund the council's overall capital programme. However, disinvestment of this nature may inhibit the achievement of the council's long-term vision and associated priorities.
- 3.7 Local authorities are permitted to treat as capital various types of expenditure which do not create or enhance council-owned assets provided that spending creates an asset which would be classified as capital expenditure in another entity's accounts. The Council has used these powers to deliver against its priorities by establishing joint

ventures, making loans available to enable other entities to undertake capital investment and providing capital grants to individuals and third parties. In the case of shared services such flexibility can involve the council contributing to the cost of assets being constructed by third parties, which the council will benefit from. Examples include the Waterbeach Renewable Energy Network facility which South Cambridgeshire District Council is constructing using contributions from its own resources, the city council and Cambridgeshire and Peterborough Combined Authority.

- 3.8 The establishment of entities such as the Cambridge Investment Partnership, a joint venture with Hill Residential, has combined private sector expertise and commercial acumen with public sector ambition and resources. This has successfully facilitated investment in housing in the city which might not otherwise have been possible. Likewise, the Cambridge City Housing Company, a wholly owned subsidiary, has enabled the provision of housing to meet the needs of those who would be unable to access housing provided by the private sector.

Debt, Borrowing and Treasury Management

- 3.9 The CIPFA Prudential Code includes the following definition:

Investments for treasury management purposes are those investments that arise from the organisation's cash flows or treasury risk management activity and ultimately represent balances that need to be invested until the cash is required for use during business. Treasury investments may include an allowance for a reasonable level of short-term investments to provide access to liquidity.

- 3.10 The council has both external borrowing from the Public Works Loan Board (PWLB) and commercial loans, and 'internal' borrowing from cash balances. This borrowing is managed alongside the investment of cash balances (currently c. £75 million) as part of the council's treasury management function.
- 3.11 The council has a cautious approach to the management of cash balances. Mitsubishi UFG (MUFG) is the council's appointed treasury

management advisor. The arrangement with MUFG ensures that the creditworthiness of potential counterparties is closely monitored using a sophisticated modelling approach, utilising credit ratings from the three main credit rating agencies – Fitch, Moody’s and Standard & Poor’s, and relevant market data including Credit Default Swaps (CDS) and Credit Watches. More details can be found in the council’s Treasury Management Strategy Statement (Appendix G) which is reviewed and approved annually.

- 3.12 Investments include an investment for treasury management purposes in a pooled property fund. This investment was originally undertaken to provide diversity within the portfolio, mitigating interest rate risk without exposing the council to undue risks relating to the liquidity and security of the amounts invested. In accordance with CIPFA guidance, the composition of the portfolio and the rationale supporting the use of pooled property funds is subject to regular review and scrutiny to ensure it is justified in the context of the council’s medium-term and long-term financial strategy.
- 3.13 The council has borrowed £30 million to date from a financial institution to fund the redevelopment of the Park Street multi-storey car park, with commitments to draw down another £55 million during 2025/26. The option to use similar types of financing will continue to be examined as an avenue which might be available to the council. The learning gathered from securing funding for Park Street will assist the council in exploring non-PWLB sources of finance for other projects.
- 3.14 Decisions regarding external borrowing are undertaken with reference to the Prudential Code published by CIPFA which requires that capital expenditure be ‘affordable, prudent and sustainable’. In practice, the council recognises that this means that without other sources of finance it may not be possible to achieve its corporate priorities. The impact of expected future borrowing is built into the Medium-Term Financial Strategy for both the General Fund and HRA and reflected in the savings targets which need to be achieved.

3.15 The council recognises, however, that in the current economic environment delivering capital schemes is increasingly challenging. The council will continue to work with its partners and other local authorities to highlight the need for access to finance, including grant funding, that will enhance the financial viability of potential future investments, particularly those linked to the net zero agenda and the construction of new affordable housing. The council recognises also that some types of investments which deliver social value might deliver a lower financial return than other forms of capital expenditure.

4 Decision making frameworks

4.1 The council has established arrangements for taking decisions which impact on the organisation's capital plan. The council's constitution specifies the rules relating to council decision making. This section summarises the key stages in decision making according to whether the decision relates to General Fund service expenditure, the HRA, or other non-service capital expenditure.

4.2 Before any decision is taken, internal governance procedures ensure the proposed spend is thoroughly evaluated and prioritised according to the following hierarchy of objectives:

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

4.3 General Fund projects deemed to be of higher risk are subject to review by the Change Assurance Team (known as 'CAT'). This group comprises professionals drawn from across the organisation who can consider the broader impact, risks and opportunities associated with proposals developed by Group Leads. Approval for a project can be withheld until such time that members of the CAT are satisfied that the project can realistically deliver its stated objectives within the proposed budget.

- 4.4 Decisions relating to the HRA are taken with reference to the HRA's budget-setting process which runs in parallel to the General Fund as defined in the council's constitution. Legislation prevents General Fund resources from being used to fund HRA activities and vice versa. Recognising the impact of HRA on the council's overall capital strategy forms an essential part of understanding how the council works with its partners to deliver council priorities benefiting the city as a whole and not just current council tenants.
- 4.5 The council has sought to embrace opportunities to engage in activities outside day-to-day provision of statutory and non-statutory council services which benefit the local area. These have included the establishment of joint ventures with the Hill Group, funded by a combination of council-backed loans and equity, to bring forward housing developments across the city using a combination of purchased land and sites owned by the council. Such approaches are supported by central government which acknowledges that public-private partnerships can provide appropriate vehicles to deliver new homes. Guidance issued by HM Treasury specifically states that schemes which deliver housing are not restricted by the prohibition that would normally prevent 'debt for yield' schemes from being included in authority's capital programmes. Similarly, whilst the government no longer permits PWLB borrowing to support the acquisition of new commercial properties where those properties are bought primarily for yield, HM Treasury explicitly permits PWLB borrowing to fund expenditure to maintain and enhance commercial properties acquired before the current guidance changed. The council has an active pipeline of projects of this nature. More details can be found in the 'Commercial activity' section of this Strategy.
- 4.6 The council will continue to explore the use of innovative approaches to deliver capital investment recognising that its track record of working with the private sector can help leverage interest from companies interested in establishing new partnerships to the benefit the city and its residents.

5 Asset management planning

5.1 Decisions about capital investment are not solely focussed on the acquisition or creation of new assets. A significant element of the council's capital plan reflects the need for assets and their component parts to be renewed and updated to ensure they continue to provide economic benefits and service potential to the organisation.

5.2 The council's General Fund asset management plan was last reviewed and updated in March 2023. The following actions were identified which would be taken forward over the five-year period covered by the asset management plan:

- Refurbishment and remodelling of office accommodation to ensure that it is made to be and remains attractive and meets modern requirements and expectations of tenants, the public and staff.
- A planned maintenance programme based on whole building lifecycle, achieving economies by replacing components just before they would otherwise require responsive repairs, anticipating changes in minimum acceptable standards, and reducing future requirements for cyclical maintenance.
- Planned cyclical maintenance to prevent deterioration in the physical condition of the properties.
- A responsive maintenance service so that building occupiers, stakeholders and members of the public are satisfied with the condition and function of buildings.
- An efficient and effective approach to empty properties to maintain property occupancy level to protect the council's revenue.
- Diary and case management of lease expiries, rent reviews and other property management issues.
- Disposal of selected property, redevelopment and reinvestment to maintain a balanced portfolio that meets the needs of the council, reflects changing requirements and represent a sounder economic and social investment.

- 5.3 The council is delivering its Office Accommodation Strategy through a work programme that includes the Civic Quarter Project, which includes refurbishing and retaining the Guildhall as its main administrative base, and refurbishing the Corn Exchange, Market Square, and the surrounding public realm. Members approved a budget in November 2024 to developed detailed designs for the three Civic Quarter areas which would be reported on in Autumn 2025. The report will also cover the future use of Mandela House and the option to dispose of this to help fund the refurbishment of the Guildhall.
- 5.4 The HRA has a 5-Year Asset Management Strategy, which was last approved in autumn 2019. It is anticipated that it will be reviewed and presented for re-approval in the spring of 2025. The 30-year capital forecasts are based on the status of the asset management database, which includes significant provision for backlog expenditure which has been allocated over the next 5 years.
- 5.5 Stock condition data, along with lifecycle costing, has been analysed to identify the level of investment required to deal with any backlog repairs and planned maintenance, and to ensure the council continues to achieve and maintain the decent homes standard.
- 5.6 In accordance with its HRA Asset Management Strategy, the council has been working to improve the energy efficiency of its housing stock recognising the impact of higher fuel bills on its tenants as well as the council's commitments to achieve net zero.
- 5.7 For non-property assets the ongoing maintenance costs of retaining and/or replacing assets will be considered carefully as part of the re-modelling of service delivery across the council. 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 are able to make bids and offer savings in maintenance funding as part of the annual budget-setting round.

6 Financing Capital Expenditure

- 6.1 Until recently the strength of the council's General Fund balance sheet meant that it was able to fund capital expenditure from existing balances without needing to undertake external or internal borrowing. Compared to many other authorities the council has a low General Fund Capital Financing Requirement (a measure of the extent to which historic capital financing has been financed through borrowing), and the charge to the revenue account to finance capital expenditure in prior years, known as the Minimum Revenue Provision (MRP), is low and therefore does not present a significant source of pressure on the General Fund budget.
- 6.2 During 2024/25 the council drew down the first tranche (£30 million) of a total of £85 million of commercial borrowing arranged to fund the redevelopment of the Park Street car park. The associated borrowing costs and MRP charges will be more than covered by the returns generated by the project.
- 6.3 The General Fund Medium Term Financial Strategy acknowledges that future capital investment will need to be financed through borrowing, including external debt, and that the cost of financing will have a progressively more significant impact on revenue budgets over time. This is based upon the approved five-year capital programme, along with other capital pressures which are forecast to arise over the coming ten years, for example the replacement and renewal of existing assets as they approach the end of their life.
- 6.4 Forecasts of capital expenditure are set out in Annexe 1, which also sets out the underlying need to borrow based on forecast capital expenditure.
- 6.5 Regulations state that the council must set limits on the amount of external borrowing it undertakes. The council must confirm that it has complied with these limits on an annual basis. Further details can be found in the Treasury Management Strategy (see Appendix G) and the annual Treasury Management Report. The council's constitution requires that both these documents be approved by Full Council and subject to

scrutiny by the Council's Strategy and Resources Committee prior to their approval.

Disposals

- 6.6 Proceeds from the sale of assets can provide an important source of funding for the capital programme. Guidance produced by CIPFA states that where assets are not held for service delivery local authorities should regularly review the rationale for holding such assets, recognising that retaining such assets can implicitly bring forward the point when the council needs to borrow externally. Disposal of assets is subject to scrutiny by relevant committees and Executive Councillor approval in line with the council's constitution, depending upon the type and value of the asset. Detailed cases will be prepared for significant asset disposals and where appropriate, independent advice taken, to ensure that best value is achieved on disposals, considering any strategic objectives. The council is also obliged to sell council properties to qualifying tenants under the Right to Buy legislation.

Use of capital receipts

- 6.7 Capital receipts may only be used for capital purposes. The council will also ensure that it observes the ring-fence between General Fund and HRA resources.
- 6.8 RTB Receipts: Tenants in HRA dwellings have the "Right to Buy" their home if eligibility criteria are met. The purchase price is discounted but generates a capital receipt for the HRA. This receipt must be used to fund the delivery of a replacement affordable home under the terms of the 1-4-1 agreement held with the Ministry of Housing, Communities and Local Government (MHCLG). The rules require receipts to be applied within five years (with unspent receipts returned to HM Treasury with interest). Local authorities are now able to keep 100% of receipts from sales of council homes purchased under Right to Buy. Previously, local authorities had to give a proportion of the receipt from any sale to HM Treasury. This change means that the council will retain more money to reinvest directly back into our housing stock and into new supply. Over

time, changes to RTB discounts and eligibility criteria may also result in reduced Right to Buy purchases, which would mean that our stock levels would be better retained going forwards.

- 6.9 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 five-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.

Capital receipt flexibilities

- 6.10 Under a direction issued by central government in February 2018 and subsequently extended, authorities can choose to use capital receipts received 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.'

- 6.11 The council has no plans to use this flexibility.

7 Commercial activity

- 7.1 The council has invested in assets where its principal rationale for acquiring the asset was the expectation of generating a stable financial return, typically, but not exclusively, via securing an annual rental income. Such acquisitions are referred to as non-financial assets in the council's Treasury Management Strategy (Appendix G). The council undertakes a review of its non-financial assets considering security, liquidity and yield, as it does for investment in 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 the capital invested. Therefore, it will ensure through regular valuations at fair value, that there is sufficient value in assets and the portfolio 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 definition of commercial activity in the context of the council is broader than the non-financial assets the council owns. The council recognises that it is well-placed to benefit from the provision of services on a commercial basis. This opportunity arises from, amongst other factors, Cambridge's strength economically and its popularity as a tourist destination. The council has retained assets which enable non-discretionary services to be provided in a competitive market. The council considers commercial activity to include:

- The provision of income-generating services, such as car parking, markets, garage facilities and bereavement services, which utilise significant assets. These assets are classified as *service investments* under the Prudential Code and 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. These assets are classified as *commercial investments* under the Prudential Code.

- Investment in other income-generating assets that support council objectives, such as housing and renewable energy generation facilities. These are classified as *service investments* under the Prudential Code.
- Loans to group undertakings, classified as *service investments*.

7.4 Where services are income-generating the need for capital investment will be appraised as part of the service-planning process. Capital investment in income-generating services is expected to be self-financing to the extent that planned investment will either be funded from historic surpluses returned by the service or be funded from future surpluses generated from the initial investment. The council recognises the risk that expected surpluses may not materialise over the life of the asset so investments which cannot be funded from service reserves currently held are subject to a detailed sensitivity analysis to highlight the extent of the uncertainty and the cost which the General Fund may find itself having to finance.

7.5 The council's transformation programme recognises that the Council has the resources to enter new markets and provide additional services on a commercial footing. In accordance with relevant legislation, this may require setting up arms-length corporate entities as local authorities elsewhere have done successfully. In some cases, additional capital investment may be required to enable the council to enter those markets. Such investments will be appraised as part of the General Fund capital decision-making cycle explained above. Where decisions are taken to access new markets the rationale behind entering that market and the extent to which it complements and/or facilitates the achievement of council priorities will form part of the council's business case. The established mechanism for involving the Change Assurance Team to examine business cases deemed to be of material significance to the organisation will ensure that where necessary appropriate legal and taxation advice is obtained.

7.6 Reporting against key indicators relating to commercial activity is included in the quarterly financial management reports produced by the finance team. These indicators provide an early warning of any risk that

the council's commercial activities might not provide the expected contribution to the General Fund budget. The council's risk management processes are also structured to look at risks relating to individual services that might result in lower profitability of commercial services.

Investment in commercial properties

7.7 The council has historically owned a significant investment property portfolio, including retail, office and industrial properties. The following objectives exist 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.

7.8 The General Fund Asset Management Plan sets out criteria and procedures for property acquisitions, where required for effective portfolio management. Where new acquisitions are to be made, agents will be appointed to advise on and acquire suitable commercial property investments.

7.9 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.

7.10 The council has redeveloped an operational asset, the multi-storey car park it owns on Park Street in Cambridge. The car park has been replaced by a smaller underground car park, with plans for an aparthotel above, achieving significant regeneration, environmental and public realm improvements in the area. Once complete, the aparthotel will form part of the council's investment portfolio in an under-represented property type, with rentals for the hotel servicing the borrowing required to undertake the development.

7.11 The council will develop commercial land and property it already owns together with evaluating the most appropriate future use of the operational and administrative buildings. The scope of the council's Housing Development Agency, which worked alongside Cambridge Investment Partnership (CIP) to deliver new residential property, has been expanded to incorporate commercial and residential schemes. Under the leadership of an Assistant Director, a development programme is being prepared, and specific proposals are expected to be prepared for discussion with members in 2025-26. This work will run alongside the implementation of the Office Accommodation Strategy.

Monitoring portfolio performance

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

7.13 The following portfolio KPIs continue to be used:

Measure	Target / Baseline	Comment	Frequency
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
% 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
Average unexpired lease term	>5 years	Target is income security	Annually
% investment grade property	>80%	Generally lower expenditure	Annually
Voids	<£100,000 income	To maintain income levels	Quarterly
Largest lot size (excluding Lion Yard)	<10% of portfolio	To reduce specific stock risk	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 locations close to HRA housing which provide important local services for their communities.

7.15 The total value of investment properties as of 31 March 2024 was £164.6 million. 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 has been as follows:

	2023/24	2022/23	2021/22	2020/21	2019/20
Rental income net of direct costs (£'000)	9,261	8,133	8,739	9,315	9,603
Fair value at year end (£'000)	164,578	161,708	160,682	158,594	162,722
Rental yield	5.6%	5%	5.4%	5.9%	5.9%
Gain / (loss) in fair value in year (£'000)	2,870	1,026	2,088	(4,128)	(8,060)

7.17 The loss in fair value in 2019/20 and 2020/21 reflects exposure to retail through significant shopping centre investments as well as market uncertainty in relation to both the Brexit process and the Covid-19 pandemic. As such, some reductions are likely to be temporary but may take some time to reverse while others represent more of a structural change as markets adjust.

7.18 The investment property portfolio is managed as a whole, including those properties which the council has held for many years. The more recent acquisitions are considered to have stabilised the rate of return as their acquisition was aligned with the criteria set out in 7.7 above compared to the historic portfolio.

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. Concern has been raised about those councils which are externally borrowing to invest in property. Cambridge City has used reserves and internal borrowing to fund purchases, with the exception of the Park Street redevelopment whose primary purpose was re-provision of an end of life operational asset (the car park) and wider regeneration.

- 7.20 CIPFA released guidance on prudential property investment in 2019. This considers the concept of 'proportionality' when considering the size and scale of new property investments, whether they are consistent with the council's corporate and financial strategies and if they expose the council 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. It has also sought to provide greater diversification of risk through its more recent portfolio acquisitions in terms of property type, location, management costs and covenant strength.
- 7.22 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 £6.5 million as of 1 April 2024 and have an estimated rental income of around £528,000 per annum.

8 Other long-term liabilities

- 8.1 The council will take on liabilities associated with 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. Consideration will also be given to the impact of IFRS 16 (the new accounting standard for all leases

effective from 2024/25) in respect of new lease agreements which the Council may enter.

9 Knowledge and skills

Section 151 Officer

- 9.1 The council's Section 151 Officer is required to report explicitly on the affordability and risk associated with the Capital Strategy. The Section 151 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 Section 151 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 within the council's Technical and Financial Accounting team, under the supervision of 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 officer responsible 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 5 staff. The team includes 4 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, and 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 work with external agents where specialist expertise is required to deal with properties or resources are 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 resources 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 valuers with an agreed rolling programme of valuations for the whole council property portfolio. All material investment properties are valued on an annual basis.

External advice

- 9.8 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.

Annexe A

Estimated Capital Programme, Capital Financing Requirement and Reserves - 2024-25 to 2033-34

£'000	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
General Fund Capital Expenditure	111.539	21.783	14.675	57.112	5.495	6.308	8.021	6.632	6.678	1.868
Housing Revenue Account Capital Expenditure	107.748	81.980	120.189	137.235	112.592	45.742	42.121	36.707	37.707	38.735
Capital Financing Requirement	424.867	483.568	499.981	544.236	561.754	565.098	569.278	571.656	573.857	572.276
General Fund Projected Year End Reserves (without Business Rates Growth)	16.318	10.727	9.879	9.202	8.669	8.669	8.669	8.669	8.669	8.669
HRA Projected Year End Reserves	7.396	8.409	8.601	8.521	8.208	8.041	8.241	9.391	16.457	20.921
Total Reserves	23.714	19.136	18.480	17.723	16.877	16.710	16.910	18.060	25.126	29.590

The Capital Financing Requirement shows the Council's underlying need to borrow including £213.752 million for Council Dwellings under self-financing.

The General Fund Capital Programme shown above reflects estimates including schemes not yet formally approved as part of the budget-setting process.

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Budget-Setting Report (BSR) 2025/26 - Review of Charges

In the Medium-Term Financial Strategy (MTFS) October 2024 the general inflation assumption (target) for income and charges was 2.5% for 2025/6 and 2.3% 2026/27. All areas are required to review fees and charges (including property rental income based on detailed projections and rent reviews) and, if any specific review results in material additional or reduced income, then these are identified and included in the Budget- Setting Report (BSR) February 2025 as budget proposals.

Group	Charges	Contacts
Communities	Environmental Services HMOs, Enforcement	Yvonne O'Donnell
City Services	Parking Taxi Testing Control of Dogs Markets Moorings Open Spaces Sports and Recreation	Daniel Morgan Peter Birch Wendy Johnson Tim Jones Alistair Wilson Alistair Wilson Ian Ross
Corporate	Guildhall Lettings	Dan Kalley
Shared Waste Service	Shared Waste	Bode Esan
Shared Planning	Land Charges	Charlene Harper
All Licensing	Business Licensing Taxi Licensing Licensing & Gambling Act Animal Licensing Scrap Metal Dealers Street Trading	Yvonne O'Donnell Tim Jones

Communities

Charge Type and description	Discretionary or Statutory	Charges 2024/25 £	Proposed Charges 2025/26 £	% Increase 2025/26
Environmental Services				
Pest Control Treatments for Residential, (rats, mice & cockroaches) - initial visit and up to 2 re-visits. (Charge applicable to those not in receipt of benefits). Please Note - Inclusion of this line is subject to approval.	Discretionary	N/A	96.00	0.0%
Pest Control Treatments for Businesses / Commercial per hour (minimum half hour)	Discretionary	114.33	117.19	2.5%
House / Car Alarms (fee includes administration costs)	Discretionary	Actual Costs	Actual Costs	0.0%
Food Surrender and Disposal	Discretionary	Actual Costs	Actual Costs	0.0%
Food Register - entire register printed	Discretionary	1,043.00	1,069.00	2.5%
Online Highfield Courses	Discretionary	32.00	33.00	3.1%
Examination following on-line courses	Discretionary	Actual Costs	Actual Costs	0.0%
Tailored Training	Discretionary	Actual Costs	Actual Costs	0.0%
Mentoring Training per hour	Discretionary	87.50	90.00	2.9%
Primary Authority Partnership Scheme per hour	Discretionary	87.50	90.00	2.9%
Contaminated Land (per Enquiry/Polygon)	Discretionary	253.38	259.71	2.5%
Food Hygiene Ratings (FHRS) Rescore	Discretionary	222.48	228.00	2.5%
Smoke Control Areas CPN	Statutory	Case by case basis using agreed matrix, maximum of £300	Case by case basis using agreed matrix, maximum of £300	0.0%

Communities - Housing General Fund

Charge Type and description	Discretionary or Statutory	Charges 2024/25 £	Proposed Charges 2025/26 £	% Increase 2025/26
Licences:				
HMO Licences - New Applications	Discretionary	1,068.11	1,094.81	2.5%
HMO Licence - Renewals	Discretionary	1,068.11	1,094.81	2.5%
HMO Licence - Renewals - if submitted at least 8 weeks prior to expiry of current licence	Discretionary	960.99	985.01	2.5%
Assisted application	Discretionary	Cost	Cost	0.0%
Enforcement Activity				
Financial penalty for non compliance (not belonging to one of the approved Property Redress schemes).	Statutory	Monthly Local Housing Allowance Rate for the property, up to a maximum of £5,000	Double the monthly Local Housing Allowance Rate for the property, up to a maximum of £5,000	0.0%
Subsequent offences	Statutory	5,000.00	5,000.00	0.0%
Financial penalty for non compliance with the Smoke and Carbon Monoxide Regulations.	Statutory	Monthly Local Housing Allowance Rate for the property, up to a maximum of £5,000	Double the monthly Local Housing Allowance Rate for the property, up to a maximum of £5,000	0.0%
Fixed penalty for failure to produce an Energy Performance Certificate, EPC, as per the requirements of the Energy Act 2016	Statutory	200.00	200.00	0.0%
Financial Penalty for failure to comply with The Energy Efficiency (Private Rented Property) (England & Wales) Regulations 2015, MEES	Statutory	Maximum financial penalty of up to £5,000 taking into account the fine criteria and individual maximum penalties specified under Regulation 40 on a case by case basis.	Maximum financial penalty of up to £5,000 taking into account the fine criteria and individual maximum penalties specified under Regulation 40 on a case by case basis.	0.0%
Financial Penalties for: "relevant housing offences" Housing Act 2004 as amended by the Housing and Planning Act 2016. Breaches of Regulation 3 of The Electrical Safety Standards in the Private Rented Sector (England) Regulations 2020 sections (4), (5a), (6).	Statutory	Case by case basis using agreed matrix, maximum of £30,000 per offence	Case by case basis using reviewed Civil Penalties Matrix, maximum of £30,000 per offence, (inc's 15% discount in original calculated penalty if paid in 28 days).	0.0%
Charge for the service of an Improvement Notice under the Housing Act 2004	Statutory	394.49	404.35	2.5%
Charge for the service of a Prohibition Order under the Housing Act 2004	Statutory	357.41	366.35	2.5%
Charge for the service of an Emergency Remedial Action Notice under the Housing Act 2004	Statutory	334.75	343.12	2.5%
Charge for the review of Suspended notices or orders served under the Housing Act 2004	Statutory	119.48	122.47	2.5%
Training and other services				
Delivering training and other discretionary services for landlords and agents (Includes development, promotion, overheads and associated costs)	Discretionary	At Cost	At Cost	0.0%
Landlord training (per delegate)	Discretionary	At Cost	At Cost	0.0%

Note - Awaiting the enactment of the Renters Rights Bill during 2025/26 which will include further provisions that we as a council can issue Financial / Civil Penalties to those responsible for private rented sector housing in the city as an alternative to prosecution.

City Services - Parking

All fees are Discretionary

Daytime tariff applies between the following hours:

8am to 6pm Monday to Saturday
10am to 6pm on Sundays

Evenings and Overnight tariff applies from 6pm to 8am (10am on Sundays)

MULTISTOREY CAR PARKS (Pay on foot)	2024/25		2025/26		2025/26 from 2024/25	
	Monday to Sunday OFF PEAK	Monday to Sunday PEAK	Monday to Friday	Saturday & Sunday	Comparisons % Change	
Grand Arcade	Entries at all other times	For entries between 8am to 10am Mon - Fri 11am to 1pm Sat & Sun	Weekdays	Weekends	Weekdays	Weekends
1hr	£3.10	£3.60	£3.60	£4.60	16.1%	27.8%
2hrs	£6.10	£7.20	£7.20	£9.20	18.0%	27.8%
3hrs	£9.10	£10.80	£10.80	£13.80	18.7%	27.8%
4hrs	£13.50	£15.70	£15.70	£18.90	16.3%	20.4%
5hrs	£23.70	£26.40	£26.40	£29.40	11.4%	11.4%
over 5 hrs	£30.00	£33.10	£33.10	£36.10	10.3%	9.1%
evenings & overnight (per hour)	£0.00	£0.00	£1.50	£1.50		
Queen Anne Terrace	Entries at all other times	For entries between 8am to 10am Mon - Fri 11am to 1pm Sat & Sun	Weekdays	Weekends	Weekdays	Weekends
1hr	£1.70	£2.30	£2.30	£3.00	35.3%	30.4%
2hrs	£3.40	£4.60	£4.60	£6.00	35.3%	30.4%
3hrs	£5.00	£6.90	£6.90	£9.00	38.0%	30.4%
4hrs	£6.60	£9.00	£9.20	£11.30	39.4%	25.6%
5hrs	£8.20	£11.30	£11.50	£13.60	40.2%	20.4%
6hrs	£13.20	£15.60	£15.60	£18.00	18.2%	15.4%
over 6 hrs	£17.50	£20.00	£21.00	£24.00	20.0%	20.0%
evenings & overnight (per hour)	£0.00	£0.00	£0.00	£0.00	0.0%	0.0%
Park Street	Entries at all other times	For entries between 8am to 10am Mon - Fri 11am to 1pm Sat & Sun	Weekdays	Weekends	Weekdays	Weekends
1hr	£3.10	£3.60	£3.60	£4.60	16.1%	27.8%
2hrs	£6.10	£7.20	£7.20	£9.20	18.0%	27.8%
3hrs	£9.10	£10.80	£10.80	£13.80	18.7%	27.8%
4hrs	£13.50	£15.70	£15.70	£18.90	16.3%	20.4%
5hrs	£23.70	£26.40	£26.40	£29.40	11.4%	11.4%
over 5 hrs	£30.00	£33.10	£33.10	£36.10	10.3%	9.1%
evenings & overnight (per hour)	£0.00	£0.00	£1.50	£1.50		
Grafton East	Entries at all other times	For entries between 8am to 10am Mon - Fri 11am to 1pm Sat & Sun	Weekdays	Weekends	Weekdays	Weekends
1hr	£2.60	£3.20	£3.00	£3.90	15.4%	21.9%
2hrs	£5.00	£6.20	£6.00	£7.80	20.0%	25.8%
3hrs	£7.40	£9.20	£9.00	£11.70	21.6%	27.2%
4hrs	£12.00	£14.20	£14.00	£16.60	16.7%	16.9%
5hrs	£20.70	£23.40	£23.00	£26.00	11.1%	11.1%
over 5 hrs	£27.60	£30.80	£30.00	£33.00	8.7%	7.1%
evenings & overnight (per hour)	£0.00	£0.00	£1.20	£1.20		
Grafton West	Entries at all other times	For entries between 8am to 10am Mon - Fri 11am to 1pm Sat & Sun	Weekdays	Weekends	Weekdays	Weekends
1hr	£2.60	£3.20	£3.00	£3.90	15.4%	21.9%
2hrs	£5.00	£6.20	£6.00	£7.80	20.0%	25.8%
3hrs	£7.40	£9.20	£9.00	£11.70	21.6%	27.2%
4hrs	£12.00	£14.20	£14.00	£16.60	16.7%	16.9%
5hrs	£20.70	£23.40	£23.00	£26.00	11.1%	11.1%
over 5 hrs	£27.60	£30.80	£30.00	£33.00	8.7%	7.1%
evenings & overnight (per hour)	£0.00	£0.00	£1.20	£1.20		

SURFACE CAR PARKS				
ADAM AND EVE STREET	Monday to Saturday 8am to 6pm			
Pay & Display	Sunday 10am to 6pm			
Maximum stay 2 hours	2024/25	2025/26	Evenings and overnight	% change
Charges	80p for 20 mins (£2.40/hr)	£1.40 for 30 mins (£2.80/hr)	Free	16.7%

CASTLE HILL CAR PARK	Monday to Saturday 8am to 6pm			
Pay & Display	Sunday 10am to 6pm			
Charges	2024/25	2025/26	Evenings and overnight	% change
Up to 2 hours	£2.80	£2.80	Free	0.0%
2-4 hours	£5.30	£5.60		5.7%
over 4 hours	£8.90	£8.90		0.0%
Sunday - all day charge	£4.50	£4.50		0.0%
Weekly ticket (7 days)	£42.00	£42.00		0.0%

GWYDIR STREET CAR PARK	Monday to Saturday 8am to 6pm			
Pay & Display				
Maximum stay 2 hours	2024/25	2025/26	Evenings and overnight	% change
Charges	90p for 30 mins (£1.80/hr)	£1.20 for 30 mins (£2.40/hr)	Free	33.3%

RIVERSIDE CAR PARK	Monday to Saturday 8am to 6pm			
Pay & Display				
Maximum stay 8 hours	2024/25	2025/26	Evenings and overnight	% change
Charges	80p for 30 mins (£1.60/hr)	£1 for 30 mins (£2/hr)	Free	25.0%

SEASON TICKET CHARGES - Business Permits				
	Quarterly Fee 2024/25 inc VAT	Quarterly Fee 2025/26 inc VAT	% change	
Queen Anne Terrace & Grafton Centre car parks				
24/7 Premium (Grafton East, Grafton West & Queen Anne Terrace car parks)	£1,030.00	£1,250.00	21.4%	
Monday-Friday 8am -6pm (one car park*)	£625.00	£825.00	32.0%	
Monday-Friday 24/5 (one car park*)	N/A	£1,000.00		
Night owl 6pm to 8am, 7 nights a week (one car park*)	N/A	£530.00		

Note * excluding Grand Arcade & Park Street car parks

DISABLED BADGE HOLDERS

Multi Storey car parks: First three hours parking free, on production of a valid Blue Badge to the City Council at the Grand Arcade, Grafton East, Grafton West, Queen Anne Terrace and Park Street car parks.

Where durations of stay are in excess of three hours the normal car park charges will apply as if from the first hour, i.e. the fourth will be charged as if it were the first hour, the fifth as if it were the second hour, etc.

Adam & Eve, Castle Hill Gwydir Street and Riverside pay & Display car parks: Three hours free parking during charging hours when a valid Blue Badge and time clock is displayed

City Services

Charge Type and description	Discretionary or Statutory	Charges 2024/25 £	Proposed Charges 2025/26 £	% Increase 2025/26
Taxi Vehicle Testing by the Garage				
Mechanical Fitness Test (Twice Yearly)	Discretionary	73.00	74.83	2.5%
Re-test if works carried out at a separate garage and returned within 10 days	Discretionary	37.00	37.93	2.5%
Re-test if works carried out at a separate garage and returned after 10 days	Discretionary	78.00	79.95	2.5%
Dogs				
Statutory Fee for all stray dogs**	Statutory	25.00	25.00	0.0%
Collection and transportation cost of stray dogs in normal office hours	Discretionary	82.00	84.05	2.5%
Kennels registration and vet checking fee	Discretionary	64.00	65.60	2.5%
Daily kennel charges	Discretionary	20.00	20.50	2.5%
Markets				
Cambridge Retail Market				
Monday - Tuesday rents				
General Market Weekday Premium	Discretionary	21.70	22.25	2.5%
General Market Weekday Standard	Discretionary	10.00	12.50	25.0%
Wednesday - Friday rents				
General Market Weekday Premium	Discretionary	21.70	22.25	2.5%
General Market Weekday Standard	Discretionary	18.00	18.50	2.8%
General Market Weekend Premium				
General Market Weekend Premium	Discretionary	43.50	45.00	3.4%
General Market Weekend Standard	Discretionary	36.00	38.00	5.6%
Hot Food Premium				
Hot Food Premium	Discretionary	8.00	8.50	6.3%
Casual Trading Premium				
Casual Trading Premium	Discretionary	7.50	7.50	0.0%
*Storage Units				
*Storage Units	Discretionary	18.40	18.40	0.0%
All Saints Craft Fair				
Monday - Friday rents	Discretionary	16.65	20.00	20.1%
Saturday rent	Discretionary	37.00	38.00	2.7%
All Markets - Administration Fees				
Variations Fee - applicable for any changes that result in the production of a new licence.	Discretionary	35.00	35.00	0.0%
Mooring Fees*				
Tariff Class 30 - vessel up to 5 metres	Discretionary	1,057.00	1,093.00	3.4%
Tariff Class 32 - vessel under 3 metres	Discretionary	1,057.00	1,093.00	3.4%
Tariff Class 33 - Vessel 3 to 5 metres	Discretionary	1,057.00	1,093.00	3.4%
Tariff Class 34 - Vessel 5 to 7.5 metres	Discretionary	1,128.00	1,166.00	3.4%
Tariff Class 35 - Vessel 7.5 to 10 metres	Discretionary	1,198.00	1,239.00	3.4%
Tariff Class 36 - Vessel 10 to 12.5 metres	Discretionary	1,269.00	1,312.00	3.4%
Tariff Class 37 - Vessel 12.5 to 15 metres	Discretionary	1,339.00	1,385.00	3.4%
Tariff Class 38 - Vessel 15 to 20 metres	Discretionary	1,410.00	1,458.00	3.4%
Tariff Class 39 - Vessel over 20 metres	Discretionary	1,552.00	1,605.00	3.4%
Tariff Class 51 - Any other vessel	Discretionary	1,552.00	1,605.00	3.4%
<i>* All charges are subject to VAT.</i>				
<i>** The agreed fee increase for the 2022/23 financial year is as per the Review of Moorings Policy (March 2017) - RPIX for September 2021 - 5%</i>				
<i>* These charges are shown net of VAT</i>				
<i>** Externally set fees and charges</i>				

City Services - Open Spaces

Charge Type and description	Discretionary or Statutory	Charges 2024/25 £	Proposed Charges 2025/26 £	% Increase 2025/26
Allotments				
Standard size is 10 rods (300 m2)				
Allotment Full size	Discretionary	68.00	78.00	14.7%
Allotment Half size	Discretionary	34.00	39.00	14.7%
Allotment starter plot	Discretionary	24.00	28.00	16.7%
Parks, Commons & Open Spaces				
Grazing				
Cows	Discretionary	75.00	75.00	0.0%
Cows - 10 or more (per beast)	Discretionary	48.00	45.00	(6.3%)
Parks & Open Spaces Lettings				
Application Fee - all applicants (may be returnable for local events if criteria met) (Plus VAT)	Discretionary	145.00	150.00	3.4%
Filming on parks and open spaces (Non Commercial)	Discretionary	Free	Free	0.0%
Filming on parks and open spaces (Commercial)	Discretionary	Negotiable	Negotiable	0.0%
Daily Hire - Fairs #	Discretionary	590.00	600.00	1.7%
Daily Hire - Circuses #	Discretionary	500.00	500.00	0.0%
Setting up/Pulling down days (For events where hire fee is more)	Discretionary	280.00	280.00	0.0%
Ongoing business use e.g. fitness classes (per quarter)	Discretionary	430.00	440.00	2.3%
Non Commercial Public Events ‡	Discretionary	340.00	350.00	2.9%
National Charities ‡	Discretionary	260.00	265.00	1.9%
Local events / demos ‡	Discretionary	Free	Free	0.0%
Fun Runs and Charity Walks (Local Charity Run/100% beneficiary)(under 500 participants)	Discretionary	Free	Free	0.0%
Commercial Public Events on City Centre Parks: †	Discretionary	Negotiable	Negotiable	0.0%
- minimum charge for lettings up to and over 1,000 sq. metres	Discretionary	1,100.00	1,125.00	2.3%
- additional charge per square metre for lettings over 1,000 sq. metres	Discretionary	2.50	2.50	0.0%
Commercial Public Events on Other Parks & Open Spaces: †	Discretionary	Negotiable	Negotiable	0.0%
- minimum charge for lettings up to and over 1,000 sq. metres	Discretionary	580.00	590.00	1.7%
- additional charge per square metre for lettings over 1,000 sq. metres	Discretionary	2.50	2.50	0.0%
Use of a Premises Licence for external event providers	Discretionary	At Pro rata cost per day of total licence fee	At Pro rata cost per day of total licence fee	0.0%
Provision of Wi-Fi facility for commercial events	Discretionary	Free Where Existing	Free Where Existing	0.0%
Internal Event/Cambridge Live - No Fees	Discretionary	160.00	160.00	0.0%
Internal Event/Cambridge Live - Fee Paying	Discretionary	215.00	215.00	0.0%
Bill Posting				
A4 size poster	Discretionary	7.00	7.20	2.9%
A3 size poster	Discretionary	8.00	8.20	2.5%
A2 size poster	Discretionary	11.00	11.20	1.8%
A1 size poster	Discretionary	15.00	15.40	2.7%
A0 size poster	Discretionary	48.00	49.20	2.5%
Lammas Land Car Park				
Monday to Friday				
Up to 2 Hours	Discretionary	2.30	2.80	21.7%
Up to 4 Hours	Discretionary	5.50	6.50	18.2%
Up to 5 Hours	Discretionary	11.00	13.00	18.2%
Up to 8 Hours (Maximum allowed)	Discretionary	22.50	25.00	11.1%
Saturday and Sunday				
Up to 2 Hours	Discretionary	2.30	2.80	21.7%
Up to 4 Hours	Discretionary	5.50	6.50	18.2%
Up to 5 Hours (Maximum allowed)	Discretionary	10.00	12.00	20.0%
Cherry Hinton Hall Car Park				
Monday to Friday				
Up to 1 Hour	Discretionary	N/A	1.00	N/A
Up to 2 Hours	Discretionary	N/A	2.80	N/A
Up to 4 Hours	Discretionary	N/A	6.50	N/A
Up to 8 Hours	Discretionary	N/A	13.00	N/A
Saturday and Sunday				
Up to 1 Hour	Discretionary	N/A	1.00	N/A
Up to 2 Hours	Discretionary	N/A	2.80	N/A
Up to 4 Hours	Discretionary	N/A	6.50	N/A
Up to 8 Hours	Discretionary	N/A	12.00	N/A
Trolley Collection				
Trolleys-Council collection and delivery of trolley back to store immediately	Discretionary	74.00	75.85	2.5%
Council collection and storage of trolleys collected 1st Week	Discretionary	80.00	82.00	2.5%
Council collection and storage of trolleys collected 2nd Week	Discretionary	102.00	104.55	2.5%
Council collection and storage of trolleys collected 3rd Week	Discretionary	124.00	127.10	2.5%
Council collection and storage of trolleys collected 4th Week	Discretionary	145.00	148.63	2.5%
Council collection and storage of trolleys collected 5th Week	Discretionary	170.00	174.25	2.5%
Council collection and storage of trolleys collected 6th Week	Discretionary	188.00	192.70	2.5%
Council collection and storage of trolleys disposed of after 6 weeks	Discretionary	190.00	194.75	2.5%

‡ to include fun runs, cycle rides and charity walks, up to 500 participants

† to include fun runs, cycle rides and charity walks, over 500 participants

A sealed bid process may be applicable where more than one application is made for dates

City Services - Sport & Recreation

Charge Type and description	Discretionary or Statutory	Charges 2024/25 £	Proposed Charges 2025/26 £	% Increase 2025/26
Sports & Recreation Charges (including VAT)				
Sports Facilities				
Cricket				
Adult Per pitch	Discretionary	51.50	52.75	2.4%
Including Pavilion	Discretionary	67.00	68.75	2.6%
Junior per pitch (Under 16's)	Discretionary	32.50	33.25	2.3%
Including Pavilion	Discretionary	40.00	41.00	2.5%
Football/Rugby/Hockey				
Per pitch including Pavilion	Discretionary	66.00	67.75	2.7%
Junior per pitch including Pavilion (Under 16's)	Discretionary	36.00	37.00	2.8%
8-a-side pitch	Discretionary	26.75	27.50	2.8%
American Football				
Per pitch (including 4 changing rooms)	Discretionary	115.50	118.50	2.6%
Junior (Under 16's) per pitch (including 4 changing rooms)	Discretionary	57.50	59.00	2.6%
Rounders				
Per Pitch	Discretionary	28.00	28.75	2.7%
Per Pitch - Junior (Under 16's)	Discretionary	14.50	14.75	1.7%
Tennis				
Court hire for 45 minutes per court				
Peak Time - Mon-Sun 12:00-14:30 & 18:00 - 20:00				
Jesus Green & Christs Pieces - Hire per court - Peak	Discretionary	FREE	5.00	NEW
Jesus Green & Christs Pieces - Hire per court - Off Peak	Discretionary	FREE	2.00	NEW
Nightingale, Lammas Land, Coleridge, Cherry Hinton, Trumpington	Discretionary	FREE	FREE	0.0%
Abbey Artificial Pitch (including Floodlights)				
Peak Time				
Mon-Fri 17.00-22.00/Sat 11.00-19.00/Sun 12.00-16.00				
Whole Pitch	Discretionary	69.50	71.25	2.5%
Whole Pitch - Junior	Discretionary	37.00	38.00	2.7%
Half Pitch	Discretionary	45.00	46.00	2.2%
Half Pitch - Junior	Discretionary	25.00	25.75	3.0%
Off-Peak Time				
Whole Pitch	Discretionary	54.50	55.75	2.3%
Whole Pitch - Junior	Discretionary	35.50	36.50	2.8%
Half Pitch	Discretionary	37.00	38.00	2.7%
Half Pitch - Junior	Discretionary	22.00	22.50	2.3%
Lighting Charges per hour				
Whole Pitch max lux	Discretionary	23.00	24.00	4.3%
Half Pitch max lux	Discretionary	13.50	14.00	3.7%
Swimming Services*				
Changing Room Hire - Per Game				
Additional Changing Room (per room)	Discretionary	15.50	16.00	3.2%
The charges relating to the swimming services are the HEADLINE prices These charges are the MOST the Leisure Contractor can charge for an activity The Leisure Contractor can REDUCE any or all of the activity prices BELOW the headline price if they wish.				
Juniors are 17 years and under; Under 3's are FREE				
Parkside Pools				
Adult	Discretionary	6.20	7.50	21.0%
Junior	Discretionary	3.10	3.75	21.0%
Main Pool Hire - per hour (Non Commercial)	Discretionary	156.50	160.50	2.6%
Main Pool Hire - per hour (Commercial)	Discretionary	412.00	430.00	4.4%
Lane Hire	Discretionary	29.00	29.75	2.6%
Diving Pool - per hour (Non Commercial)	Discretionary	90.00	92.50	2.8%
Diving Pool - per hour (Commercial)	Discretionary	128.75	134.00	4.1%
Children's Pool Hire - per hour (Non Commercial)	Discretionary	58.50	60.00	2.6%
Children's Pool Hire - per hour (Commercial)	Discretionary	72.00	75.00	4.2%
Flumes	Discretionary	70.00	72.00	2.9%
Non-City LEA School Swim	Discretionary	2.25	2.30	2.2%
Abbey Pool				
Adult	Discretionary	6.20	7.50	21.0%
Junior	Discretionary	3.10	3.75	21.0%
Pool Hire - per hour (Non Commercial)	Discretionary	103.00	106.00	2.9%
Pool Hire - per hour (Commercial)	Discretionary	129.00	134.50	4.3%
Learner Pool Hire - per hour (Non Commercial)	Discretionary	51.50	53.00	2.9%
Learner Pool Hire - per hour (Commercial)	Discretionary	72.00	75.00	4.2%
Gala Hire - per hour (City Clubs)	Discretionary	190.50	195.50	2.6%
Gala Hire - per hour (Commercial)	Discretionary	283.00	295.00	4.2%
Non-City LEA School Swim	Discretionary	2.25	2.30	2.2%
Kings Hedges Pool				
Pool Hire - per hour - Non Commercial	Discretionary	48.00	49.50	3.1%
Pool Hire - per hour - (Commercial)	Discretionary	72.00	75.00	4.2%

Charge Type and description	Discretionary or Statutory	Charges 2024/25 £	Proposed Charges 2025/26 £	% Increase 2025/26
Jesus Green Outdoor Pool				
Adult	Discretionary	6.20	7.50	21.0%
Junior	Discretionary	3.10	3.75	21.0%
Pool hire per Hour - Non Commercial	Discretionary	134.00	137.50	2.6%
Pool hire per Hour - (Commercial)	Discretionary	360.50	376.00	4.3%
Health Suites				
Abbey Pool				
Sauna & Swim	Discretionary	9.00	9.25	2.8%
GP Referral				
Swimming Session - Abbey, Parkside, Kings Hedges				
Induction	Discretionary	11.00	11.25	2.3%
Session	Discretionary	4.25	4.40	3.5%
Annual Membership Cards				
Adult Residents (up to 30% discount)	Discretionary	15.50	15.50	0.0%
Adult Students & 60+ (up to 35% Discount)	Discretionary	10.50	10.50	0.0%
Adult Concessions (up to 50% Discount)	Discretionary	6.00	6.00	0.0%
Junior Residents (up to 30% discount)	Discretionary	6.00	6.00	0.0%
Junior Concessions (up to 50% Discount)	Discretionary	3.00	3.00	0.0%
Non City Residents - Adults (upto 30% Discount)	Discretionary	40.00	50.00	25.0%
Non City Residents - Juniors (Upto 30% Discount)	Discretionary	20.00	25.00	25.0%
Cherry Hinton Village Centre				
Activity				
Main Hall per Hour - Adult	Discretionary	55.00	56.50	2.7%
Main Hall per Hour - Junior (17yr & Under)	Discretionary	32.00	32.75	2.3%
Large Meeting Room per hour - (Community)	Discretionary	24.75	25.50	3.0%
Large Meeting Room per hour - (Commercial)	Discretionary	35.50	37.00	4.2%
Small Meeting Room per hour - (Community)	Discretionary	13.00	13.50	3.8%
Small Meeting Room per hour - (Commercial)	Discretionary	21.50	22.50	4.7%
Admission on Sports Bookings per person	Discretionary	0.30	0.30	0.0%
Badminton Court per hour - Adult	Discretionary	15.50	16.00	3.2%
Badminton Court per hour - Junior (17yr & Under)	Discretionary	9.00	9.25	2.8%

Corporate

Charge Type and description	Discretionary or Statutory	Charges 2023/24 £	Proposed Charges 2024/25 £	% Increase 2024/25
Guildhall Meeting Rooms, Committee Rooms Council Chamber and Members Lounge				
Guildhall Meeting Rooms (per hour)	Discretionary	16.48	17.00	3.2%
Committee Room (s)	Discretionary	33.99	35.00	3.0%
Council Chamber	Discretionary	112.27	115.00	2.4%
Members Lounge	Discretionary	16.48	17.00	3.2%
Exhibition area	Discretionary	11.33	12.00	5.9%
Internal City Council Hirer - Office hours	Discretionary	No charge	No charge	0.0%
Internal City Council Hirer - Out of office Hours, bank holiday and weekends	Discretionary	Actual Cost of staffing	Actual Cost of staffing	0.0%
Shared Services/Greater Cambridge Partnership - Office hours up to half a day	Discretionary	No charge	No charge	0.0%
Shared Services/Greater Cambridge Partnership - Other times - per hour*	Discretionary	Hourly Rate as above	Hourly Rate as above	0.0%
Public Sector Partner - Office hours up to half a day **	Discretionary	No charge	No charge	0.0%
Public Sector Partner - Other times - per hour **	Discretionary	Hourly Rate as above	Hourly Rate as above	0.0%
Community & Voluntary Sector - Office hours up to half a day **	Discretionary	No charge	No charge	0.0%
Community & Voluntary Sector - Other times - per hour **	Discretionary	Hourly Rate as above	Hourly Rate as above	0.0%
Commercial Hires - per hour **	Discretionary	Hourly Rate as above	Hourly Rate as above	0.0%
**Includes Staffing charge				
All customers will pay for additional costs of refreshments plus the cost of external Audio Visual use support				

Shared Waste

Charge Type and description	Discretionary or Statutory	Charges 2024/25 £	Proposed Charges 2025/26 £	% Increase 2025/26
Shared Waste Service				
Hazardous domestic collections				
Per Item (Fridge / Freeze / CRT Monitor / TV / Microwaves etc.)	Discretionary	27.00	31.00	14.8%
Domestic collections - Bulky Collections				
One to three items (excluding hazardous items)	Discretionary	34.00	38.00	11.8%
More than three items (per item and maximum 9 items)	Discretionary	6.00	6.20	3.3%
Charge to empty contaminated bin / additional empty (per bin)	Discretionary	33.00	37.00	12.1%
Clearance of rubbish from bin stores	Discretionary	By quote	By quote	0.0%
Bins				
Delivery of bin(s) for new property	Discretionary	90.00	90.00	0.0%
Additional approved black bin - for large families etc.	Discretionary	56.00	30.00	(46.4%)
Replacement of any damaged bin	Discretionary	FREE	FREE	0.0%
Replacement of any lost bin	Discretionary	FREE	30.00	0.0%
Additional Blue Bin (2nd/3rd/4th)	Discretionary	FREE	30.00	0.0%
Additional green bin charge - per additional bin (October to October)	Discretionary	45.00	50.00	11.1%
Additional garden waste capacity for flats (per 1100l bin)	Discretionary	85.00	91.00	7.1%
Recycling Kitchen Caddy Sacks (in packs of 50). Includes VAT.	Discretionary	4.20	7.50	78.6%

Shared Planning

Charge Type and description	Discretionary or Statutory	Charges 2024/25 £	Proposed Charges 2025/26 £	% Increase 2025/26
Land Charges				
LLC1 Official Search in respect of one parcel of land	Discretionary	45.00	46.00	2.2%
Residential Search *				
CON29R	Discretionary	151.00	154.00	2.0%
LLC1 and CON29R (Full Residential Search)	Discretionary	196.00	200.00	2.0%
Additional Parcels of Land	Discretionary	18.00	19.00	5.6%
Additional Parcels of Land LLC1	Discretionary	1.00	1.00	0.0%
Commercial Search				
CON29R**	Discretionary	273.00	280.00	2.6%
LLC1 and CON29R (Full Commercial Search)	Discretionary	318.00	326.00	2.5%
Additional Parcels of Land	Discretionary	30.00	31.00	3.3%
Additional Parcels of Land LLC1	Discretionary	1.00	1.00	0.0%
Additions				
Additional Enquiries *	Discretionary	28.00	29.00	3.6%
Historic File Request (per address)	Discretionary	50.00	50.00	0.0%
Invalid planning applications**	Discretionary	10% of application fee for closed or withdrawn applications	10% of application fee for closed or withdrawn applications	0.0%
Hard copy planning applications handling fee - Major applications (per application)**	Discretionary	103.00	105.58	2.5%
Hard copy planning applications handling fee - General & Other applications (per application)**	Discretionary	51.50	52.79	2.5%
CON290 (Optional Enquiries) *				
Q4 - Road Proposals	Discretionary	18.00	19.00	5.6%
Q5 - Advertisements	Discretionary	18.00	19.00	5.6%
Q6 - Completion Notices	Discretionary	18.00	19.00	5.6%
Q7- Parks & Countryside	Discretionary	18.00	19.00	5.6%
Q8 - Pipelines	Discretionary	0.00	0.00	0.0%
Q9 - House in Multiple Occupation	Discretionary	18.00	19.00	5.6%
Q10- Noise Abatement and other Nuisances	Discretionary	18.00	19.00	5.6%
Q11 - Urban Development Areas	Discretionary	18.00	19.00	5.6%
Q12 - Enterprise Zones	Discretionary	18.00	19.00	5.6%
Q13 - Inner Urban Development Areas	Discretionary	18.00	19.00	5.6%
Q14 - Simplified Planning Zones	Discretionary	18.00	19.00	5.6%
Q15 - Land Maintenance Notices	Discretionary	18.00	19.00	5.6%
Q16 - Mineral Consultation Areas	Discretionary but set by County Council	15.30	15.68	2.5%
Q17 - Hazardous Substance Consents	Discretionary	18.00	19.00	5.6%
Q18 - Environmental & Pollution Notices	Discretionary	18.00	19.00	5.6%
Q19 - Food Safety Notices	Discretionary	18.00	19.00	5.6%
Q20 - Hedgerow Notices	Discretionary	18.00	19.00	5.6%
Q21 - Flood Defence and Land Drainage Consents	Discretionary but set by County Council	15.30	15.68	2.5%
Q22 - Common Land, Town and Village Greens	Discretionary but set by County Council	30.60	31.37	2.5%
Discretionary services (including Pre-application work and Planning and Performance Agreements (PPAs)) will be charged for on a case by case basis. This charge will be based on full recovery of the cost of delivering the agreed work. Officer time will be charged at the following rate according to the officer band:				
Executive Director	Discretionary	340.00	340.00	0.0%
Grade 10 Assistant Director	Discretionary	217.00	217.00	0.0%
Grade 9	Discretionary	192.00	192.00	0.0%
Grade 8	Discretionary	181.00	181.00	0.0%
Grade 7	Discretionary	170.00	170.00	0.0%
Grade 6	Discretionary	142.00	142.00	0.0%
Grade 5	Discretionary	131.00	131.00	0.0%
Grade 4	Discretionary	118.00	118.00	0.0%
Grade 3	Discretionary	98.00	98.00	0.0%
Grade 2	Discretionary	90.00	90.00	0.0%
The full direct cost of any external consultants, contractors or agency staff incurred by the Planning Service in the delivery of the discretionary service will also be included in any fees charged for the work done. Agency hourly rates charged at agency rates plus £28/hour overhead.				

Notes

* Includes VAT

**These are existing fees plus 2.5% inflation. Awaiting legal agreement to confirm the new fees

Licensing

Charge Type and description	Discretionary or Statutory	Charges 2024/25 £	Proposed Charges 2025/26 £	% Increase 2025/26
Skin Piercing				
Skin Piercing – Premises	Discretionary	171.00	175.00	2.3%
Skin Piercing - Practitioners	Discretionary	62.00	63.50	2.4%
Sex Establishments				
Sexual Entertainment Venues (new & variation)	Discretionary	3,528.00	3,616.00	2.5%
Sexual Entertainment Venues (renewal)	Discretionary	1,044.00	1,070.00	2.5%
Sexual Entertainment Venues (transfer)	Discretionary	1,044.00	1,070.00	2.5%
Sex Shop / Sex Cinema (new & variation)	Discretionary	3,268.00	3,350.00	2.5%
Sex Shop / Sex Cinema (renewal)	Discretionary	1,044.00	1,070.00	2.5%
Sex Shop / Sex Cinema (transfer)	Discretionary	1,044.00	1,070.00	2.5%
Drivers				
Disclosure & Barring Service Check (DBS) *	Discretionary	38.00	49.50	30.3%
Knowledge Test	Discretionary	120.00	100.00	(16.7%)
New Licence Fee	Discretionary	300.00	310.00	3.3%
Annual Renewal Fee	Discretionary	150.00	200.00	33.3%
3 Yearly Renewal Fee	Discretionary	290.00	305.00	5.2%
Replacement Badges	Discretionary	26.00	28.00	7.7%
DVLA Data Check * (New service provider)	Discretionary	5.52	6.75	22.3%
DVLA Data Check * (New service provider) 3 year licence	Discretionary	16.52	20.25	22.6%
Change of Details	Discretionary	25.00	25.00	0.0%
Replacement Licence	Discretionary	25.00	28.00	12.0%
Knowledge Test Retest	Discretionary	80.00	80.00	0.0%
Vehicles				
Hackney Carriage Licence (new)	Discretionary	340.00	310.00	(8.8%)
Private Hire Licence (new)	Discretionary	300.00	260.00	(13.3%)
Hackney Carriage Ultra Low Emission Vehicle (new)	Discretionary	170.00	155.00	(8.8%)
Private Hire Ultra Low Emission Vehicle (new)	Discretionary	150.00	130.00	(13.3%)
Hackney Carriage Zero Emission Vehicle (new)	Discretionary	0.00	0.00	0.0%
Private Hire Zero Emission Vehicle (new)	Discretionary	0.00	0.00	0.0%
Hackney Carriage Licence Renewal	Discretionary	225.00	235.00	4.4%
Private Hire Licence Renewal	Discretionary	210.00	220.00	4.8%
Hackney Carriage Ultra Low Emission Vehicle (renewal)	Discretionary	112.50	117.50	4.4%
Private Hire Ultra Low Emission Vehicle (renewal)	Discretionary	105.00	110.00	4.8%
Hackney Carriage Zero Emission Vehicle (renewal)	Discretionary	0.00	0.00	0.0%
Private Hire Zero Emission Vehicle (renewal)	Discretionary	0.00	0.00	0.0%
Plate Deposit	Discretionary	50.00	45.00	(10.0%)
Replacement Plate	Discretionary	45.00	50.00	11.1%
Change of Ownership	Discretionary	100.00	100.00	0.0%
Crest - self adhesive	Discretionary	15.00	18.00	20.0%
Crest - magnetic	Discretionary	20.00	20.00	0.0%
Replacement Licence	Discretionary	25.00	28.00	12.0%
Change of Details	Discretionary	25.00	25.00	0.0%
Non - Driver Proprietor	Discretionary	20.00	30.00	50.0%
Change of Vehicle registration PHV	Discretionary	50.00	50.00	0.0%
Change of Vehicle registration HCV	Discretionary	45.00	45.00	0.0%
Operators Licence				
Private Hire Operators Licence (New)	Discretionary	360.00	315.00	(12.5%)
Private Hire Operators Licence (Renewal - 1 Year)	Discretionary	290.00	300.00	3.4%
Private Hire Operators Licence (renewal - 5 Year)	Discretionary	1,095.00	1,165.00	6.4%
Replacement Licence	Discretionary	25.00	28.00	12.0%
Change of Details	Discretionary	25.00	25.00	0.0%
Training				
BIAB Level 1 Award in Responsible Alcohol Retailing	Discretionary	103.00	105.50	2.4%
BIAB Level 2 Award for Personal Licence Holders	Discretionary	127.00	130.00	2.4%
Licensing Act 2003 (**Statutory Set)				
Personal Licence	Statutory	37.00	37.00	0.0%
New Premises Licence (or full variation)	Statutory	Various	Various	0.0%
Annual Fee	Statutory	Various	Various	0.0%
Minor Variation	Statutory	89.00	89.00	0.0%
Temporary Event Notice	Statutory	21.00	21.00	0.0%
Change of Designated Premises Supervisor	Statutory	23.00	23.00	0.0%
Pavement Licensing				
Pavement Licence - New	Statutory	360.00	370.00	2.8%
Pavement Licence - Renewal	Statutory	150.00	155.00	
Gambling Act 2005 (**Statutory Set)				
Bingo Club (New)	Statutory	2,625.00	2,625.00	0.0%
Bingo Club (Annual Fee)	Statutory	900.00	900.00	0.0%
Small Society Lottery (New)	Statutory	40.00	40.00	0.0%
Small Society Lottery (Annual)	Statutory	20.00	20.00	0.0%
Betting Premises (New)	Statutory	2,250.00	2,250.00	0.0%
Betting Premises (Annual Fee)	Statutory	540.00	540.00	0.0%
Family Entertainment Centre (Annual Fee)	Statutory	500.00	500.00	0.0%
Adult Gaming Centre (New)	Statutory	1,500.00	1,500.00	0.0%
Adult Gaming Centre (Annual Fee)	Statutory	900.00	900.00	0.0%
Animal Licensing				
Zoo	Discretionary	680.00	700.00	2.9%
Dangerous Wild Animals (Plus Vet fees)	Discretionary	336.00	345.00	2.7%
Variation of a licence requiring a re-inspection (Plus Vet fees)	Discretionary	60.00	61.50	2.5%

Charge Type and description	Discretionary or Statutory	Charges 2024/25 £	Proposed Charges 2025/26 £	% Increase 2025/26
Exhibiting animals:				
Fees on application	Discretionary	89.00	91.00	2.2%
Initial rating or re-rating fee	Discretionary	152.00	155.50	2.3%
Maintenance fee (3 years)	Discretionary	440.00	451.00	2.5%
Variation of a licence requiring a re-inspection	Discretionary	152.00	156.00	2.6%
Copy of licence or change of details not requiring an inspection	Discretionary	13.00	13.50	3.8%
Selling animals as pets:				
Fees on application	Discretionary	89.00	91.00	2.2%
Initial rating or re-rating fee	Discretionary	251.00	257.00	2.4%
Maintenance fee: one year	Discretionary	146.00	150.00	2.7%
two years	Discretionary	293.00	300.00	2.4%
three years	Discretionary	440.00	451.00	2.5%
Variation of a licence requiring a re-inspection	Discretionary	251.00	257.00	2.4%
Copy of licence or change of details not requiring an inspection	Discretionary	13.00	13.50	3.8%
Riding Establishment:				
Fees on application	Discretionary	89.00	91.00	2.2%
Initial rating or re-rating fee (plus additional vets fee not included)	Discretionary	50.00	51.00	2.0%
Maintenance fee: one year	Discretionary	146.00	150.00	2.7%
two years	Discretionary	293.00	300.00	2.4%
three years	Discretionary	440.00	451.00	2.5%
Variation of a licence requiring a re-inspection (plus vets fee not included)	Discretionary	50.00	51.00	2.0%
Copy of licence or change of details not requiring an inspection	Discretionary	13.00	13.50	3.8%
Dog Breeding:				
Fees on application	Discretionary	89.00	91.00	2.2%
Initial rating or re-rating fee (plus additional vets fee not included)	Discretionary	50.00	51.00	2.0%
Maintenance fee: one year	Discretionary	146.00	150.00	2.7%
two years	Discretionary	293.00	300.00	2.4%
three years	Discretionary	440.00	451.00	2.5%
Variation of a licence requiring a re-inspection (plus vets fee not included)	Discretionary	50.00	51.00	2.0%
Copy of licence or change of details not requiring an inspection	Discretionary	13.00	13.50	3.8%
Animal Boarding:				
Fees on application: up to 10 animals	Discretionary	89.00	91.00	2.2%
Initial rating or re-rating fee	Discretionary	152.00	156.00	2.6%
Variation of a licence requiring a re-inspection	Discretionary	152.00	156.00	2.6%
Fees on application: 11- 30 animals	Discretionary	202.00	207.00	2.5%
Variation of a licence requiring a re-inspection	Discretionary	202.00	207.00	2.5%
Fees on application: 31-60 animals	Discretionary	251.00	257.00	2.4%
Variation of a licence requiring a re-inspection	Discretionary	251.00	257.00	2.4%
Fees on application: 61-99 animals	Discretionary	302.00	310.00	2.6%
Variation of a licence requiring a re-inspection	Discretionary	302.00	310.00	2.6%
Fees on application: 100 or more animals	Discretionary	352.00	360.00	2.3%
Variation of a licence requiring a re-inspection	Discretionary	352.00	360.00	2.3%
Maintenance fee: one year	Discretionary	146.00	150.00	2.7%
two years	Discretionary	293.00	300.00	2.4%
three years	Discretionary	440.00	451.00	2.5%
Copy of licence or change of details not requiring an inspection	Discretionary	13.00	13.50	3.8%
Scrap Metal Dealers				
Site Licence	Discretionary	527.00	540.00	2.5%
Conversion to collector's licence	Discretionary	64.00	65.50	2.3%
Change of licensee name	Discretionary	64.00	65.50	2.3%
Addition of site	Discretionary	527.00	540.00	2.5%
Removal of site	Discretionary	64.00	65.50	2.3%
Change of Site Manager	Discretionary	155.00	159.00	2.6%
Replacement of lost or damaged licence	Discretionary	58.00	59.50	2.6%
Collector's licence	Discretionary	226.00	232.00	2.7%
Conversion to site licence	Discretionary	456.00	467.00	2.4%
Change of name (e.g. status)	Discretionary	64.00	65.60	2.5%
Replacement of lost or damaged licence	Discretionary	58.00	59.50	2.6%
Street Trading				
12 month food licence pitch	Discretionary	2,886.00	2,958.15	2.5%
12 month retail licence pitch	Discretionary	2,727.00	2,795.18	2.5%
8 month food licence pitch	Discretionary	2,165.00	2,219.13	2.5%
8 month retail licence pitch	Discretionary	2,045.00	2,096.13	2.5%
4 month food licence pitch	Discretionary	722.00	740.05	2.5%
4 month retail licence pitch	Discretionary	682.00	699.05	2.5%
* These charges are shown net of VAT				
** Externally set fees and charges				
*** These 20-21 fees have been updated following consultation and differ from those included in the 2020 BSR				
Please note that all licensing fees not set by statute were approved at Licensing Committee on 20th January 2025				

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

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