Cambridge City Council

Notice of Council

Date: Thursday, 3 March 2022

Time: 6.00 pm

Venue: Council Chamber, The Guildhall, Market Square, Cambridge, CB2 3QJ

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

Dear Councillor,

A meeting of Cambridge City Council will be held in the Council Chamber, The Guildhall, Market Square, Cambridge, CB2 3QJ on Thursday, 3 March 2022 at 6.00 pm and I hereby summon you to attend.

Dated 23 February 2022

Yours faithfully

Robert Pollock

Chief Executive

Agenda

The meeting held on 24 February will adjourn after agenda item 5c and will re-commence starting with agenda item 5d on 3 March 2022.

1	Minutes	(Pages 9 - 74)
2	Mayor's announcements	
3	Public questions time	
4	To consider the recommendations of the Executive for adoption	
4a	Executive Councillor for Housing: HRA Budget-Setting Report (BSR) 2022/23	(Pages 75 - 206)
4b	Executive Councillor for Finance and Resources: Capital Strategy 2022/2023	(Pages 207 - 246)

4c	Executive Councillor for Finance and Resources: Treasury Management Strategy Statement Report 2022/23 to 2024/25	(Pages 247 - 270)
5	To consider Budget Recommendations of the Executive for Adoption	
5a	Budget Setting Report (General Fund) 2022/23 to 2026/27	(Pages 271 - 422)
5b	Liberal Democrat Group Amendment to the Executive Budget Recommendations	(Pages 423 - 466)
5c	Green and Independent Group Budget Statement	(Pages 467 - 472)
5d	Leader and Executive Councillor for Strategy: Corporate Plan 2022-27	(Pages 473 - 498)
6	To consider the recommendations of Committees for adoption	
6a	Licensing Committee: Review of Statement of Gambling Principles	(Pages 499 - 622)
6b	Civic Affairs: Appointing Person: Arrangements for the Appointment of the External Auditor	(Pages 623 - 634)
6c	Civic Affairs: Pay Policy Statement 2022/23	(Pages 635 - 650)
6d	Civic Affairs: Amendment to the Constitution Part 4A Appendix F (A) - Protocol on Media Relations	(Pages 651 - 664)
6e	Civic Affairs: Member Allowances Scheme / Virtual Area Committees	(Pages 665 - 696)
7	To Pass a Resolution of Thanks to Councillor Bird for Mayoral Year February 2019 to May 2020	
8	To deal with oral questions	
9	To consider the following notices of motion, notice of which has been given by:	
9a	Councillor Robertson: Fuel Poverty There is a serious threat of fuel poverty to many residents of Cambridge	

In the last few months international energy costs have risen dramatically. In response the government have announced a scheme to increase the cap on energy bills, and provide some compensation through council tax rebates and pay back loans. However it is apparent there are serious flaws in this scheme.

New analysis from Joseph Rowntree Foundation finds that, even after the new deferral scheme for energy bills and council tax discount are taken into account, once the new energy price cap kicks in:

- *Families on low incomes will spend on average 16% of their incomes after housing costs on energy bills. This compares to 5% for middle-income families*
- *Single adult households on low incomes will spend a shocking 43% on average of their income after housing costs on energy bills*
- *Lone parent families on low incomes will spend 22% on average of their income after housing costs on energy bills*
- *Some families on low incomes will face annual bills as high as £2,326 from April*
- *For low-income families with children, the measures will mitigate just 36% of the increase in their bills on average. This compares to 59% for low-income single-adult households.*
- *Around three-quarters of people eligible for the council tax discount announced are not in poverty*

Cambridge City Council calls on the Government to act now and far more effectively on the national crisis in energy prices and unsustainable supply, to protect thousands of low and middle income Cambridge residents who will get nothing from the council tax rebate plan or payback loan. We call on the government to take the following actions:

1. Increase substantially the Warm Homes Discount for poorer households, and expand the category of households eligible to include all in receipt of either Pension Credit or working age benefits
2. Allow households heated through communal heating schemes to be eligible for the energy cap as they are currently treated as commercial customers and excluded
3. Levy windfall taxes on fossil fuel producing companies
4. Remove from energy bills the burden of paying the debts of failed energy companies since OFGEM failed to require them to

protect themselves against wholesale cost increases

5. Remove environmental levies from energy bills and pay for them from general taxation.
6. Cut VAT on energy bills and insulation at least until energy bills return to more usual levels
7. Set up a National Renewable Energy Fund for long term investment in energy efficiency by homeowners, council and other social landlords, private rental tenants and small to medium sized businesses

We ask our Council leader to write to the Chancellor of the Exchequer, copied to our two MPs, making the case for intervention and pointing out that the proposed scheme to reimburse people via the council tax system, fails to help thousands of families in need or lead to long term investment to cut future bills and end the use of fossil fuels for domestic heating and power in Britain.

9b Councillor Dalzell: North East Cambridge Area Action Plan

Council calls on the Executive Councillor for Planning & Transport to consider with her scrutiny committee options for the on-site achievement of more of the local plan policy standard for sports facilities as soon as these can be developed by officers, and then to reconsider her decision to approve the currently proposed Reg 19 version of the Area Action Plan in the light of this.

9c Councillor Copley: Non-harmful Advertising Policy

Advertising of products and activities that are, or are potentially harmful to mental or physical health, or are incompatible with limiting global heating to 1.5°C and preventing biodiversity loss are very common on our television screens, radios, social media feeds and across a variety of out-of-home advertising media. Advertising is known to promote behaviour which can be damaging to individual and/or planetary health, including overconsumption which is a key driver of climate and ecological breakdown. The consumption of the average UK citizen, if followed by all citizens globally would require 2.6 Earths worth of resources.

There is however a strong precedent for halting harmful forms of advertising. Tobacco advertising and sponsorship on billboards and in printed publications were banned from 2003, and tobacco sponsorship of international sport from 2005. The Greater London Authority (GLA), which controls Transport for London (TFL) property, enacted a

Healthier Food Advertising Policy in 2018 prohibiting High Fat, Sugar or Salt (HFSS) food advertising on TFL property. Liverpool City Council passed a 'Low Carbon Advertising Policy' motion (aimed at excluding advertising of polluting cars, Sport utility vehicles (SUVs), airline flights and fossil fuel companies); Bristol City Council banned advertising of HFSS food, gambling and payday loans on those sites for which it has responsibility; and Norwich City councillors have unanimously supported developing a policy to limit harmful categories of advertising and sponsorship such as gambling, "junk food" and environmentally-damaging products.

Cambridge should be following these examples as a matter of urgency, in line with it's commitment to the health and wellbeing of the city's residents, and it's declarations of climate and biodiversity emergencies, and recent stated commitment to the goal of the Paris Climate Agreement to limit global heating to 1.5°C. The very purpose of advertising is to stimulate demand for goods and services, and that some of those goods and services undermine the council's objectives regarding public health, air pollution and sustainability.

This council resolves to:

1. Given the harmful effects to individual and planetary health that the promotion of harmful activities and products can have, ask officers to explore and report back to the relevant scrutiny committee of the policy, legislative, financial and contractual constraints and implications of the implementation of a non-harmful advertising policy (including products and services that can contribute to poor physical or mental health, high carbon emissions, air pollution and biodiversity loss).
2. To formally submit a policy proposal to the next phase of the emerging Local Plan regarding digital advertising boards, which entails a presumption against granting planning applications for all new digital advertising screens in the City due to the high reported electricity use of these technologies.
3. Write to the Secretary of State for Digital, Culture, Media, and Sport, asking for a ban on advertising that is harmful to mental or physical health, or incompatible with the Paris Climate Agreement to limit global heating to 1.5°C, nationally, noting that in Italy, a 'Dignity Decree' was introduced in 2018 that banned all advertisements for gambling services on television, radio,

print media, the internet, or any other public forum.

9d Councillor Payne: Cambridge's Response to the Spiking Crisis

Council notes:

- Drink spiking can affect anybody, but statistics show that the majority of victims, as well as those most likely to feel unsafe due to the risk of drink spiking are women and those of marginalised genders.
- That the parliamentary Home Affairs Committee opened a new enquiry into drink spiking on 12th January 2022.
- That the worrying trend of injection spiking has received a raised profile in the media recently. This highly dangerous practice has caused increased concern for users of the night-time economy.
- That there were 43 reports of drink spiking made to Cambridgeshire Constabulary between January and October 2021.
- That Anglia Ruskin University Students' Union has raised direct concerns about drink spiking in an open appeal to clubs in Cambridge to ensure there are safety measures in place to prevent drink spiking such as providing drink covers and serving drinks directly into the hands of the customer.
- That Cambridge University Students' Union has issued guidance to university event organisers to improve safety at nighttime events.
- That Cambridgeshire Constabulary have recently received a large grant to improve safety in the nighttime economy and have issued drink testing kits to clubs in Cambridge and Peterborough.

Council believes:

- Spiking is entirely the fault of the perpetrator and never the victim.
- Everyone has the right to feel and be safe at night.
- While preventative measures are required to limit the impact of drink spiking in the short-term, education is required to ensure a

long-term cultural change.

Council will:

- Continue to work with our partners in the nighttime economy, including but not limited to pubs and club owners, the police and CAMBAC, to emphasise the need for urgent action to tackle drink spiking.
- Produce an easily accessible information resource to share with the universities and nighttime economy venues and publicise this through the council's channels, to educate and inform people about what to do if they believe they have been a victim of spiking, including how to take care of themselves or a friend, and where to report the incident to.
- Encourage all venues serving alcohol to provide free drink stop tops and covers to prevent spiking, as well as education for club bouncers and security staff about how to recognize and advise someone who may have been spiked or injected and commit to offering funding for this in the next budget cycle, following an assessment of the demand and options available.
- Bring a report to the next Environment and Communities Committee to outline the activities of other partners across the city to prevent drink spiking, and to make recommendations to the Committee which identify further steps the Council can take to facilitate and support this work.

References

Anglia Ruskin Students' Union Safer Nights Out appeal: https://www.angliastudent.com/news/article/union/Safer-Nights-Out/

Cambridge University Students' Union guidance for party organisers: https://www.cambridgesu.co.uk/news/article/jobs/BEST-Night-Out-Support-for-Event-Organisers/

10 Written questions

No discussion will take place on this item. Members will be asked to note the written questions and answers document as circulated around the Chamber.

11 Officer Urgent Decision

11a Appointment of Council Representatives to the (Pages 697 -

Information for the public

The public may record (e.g. film, audio, tweet, blog) meetings which are open to the public.

For full information about committee meetings, committee reports, councillors and the democratic process:

- Website: http://democracy.cambridge.gov.uk
- Email: democratic.services@cambridge.gov.uk
- Phone: 01223 457000

Public health and well-being for meeting arrangements

Whilst the situation with COVID-19 is on-going, the Council will be following the latest Government guidance in organising and holding its meetings.

We ask you to maintain social distancing at all times and maintain your face covering unless you are exempt or when speaking at the meeting. Hand sanitiser will be available on entry to the meeting.

If members of the public wish to address the committee please contact Democratic Services democratic.services@cambridge.gov.uk by 12 noon two working days before the meeting.

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COUNCIL

21 October 2021
6.00 - 10.30 pm

Present: Councillors D. Baigent, S. Baigent, Bennett, Bick, Bond, Collis, Copley, Cox, Dalzell, Davey, H. Davies, S. Davies, Dryden, Flaubert, Gawthrope Wood, Gehring, Gilderdale, Hauk, Healy, Herbert, Lee, McPherson, Moore, Nethsingha, O'Reilly, Page-Croft, Payne, Porrer, Pounds, Robertson, Sargeant, Scutt, Sheil, Smart, A. Smith, S. Smith, Sweeney, Thornburrow and Todd-Jones

FOR THE INFORMATION OF THE COUNCIL

21/34/CNL Minutes

The minutes of the 22 July 2021 meeting were confirmed as a correct record and signed by the Mayor.

21/35/CNL Mayor's announcements

Apologies

Apologies were received from Councillors Ashton, Bird, McQueen and O'Reilly.

Mayor's Announcements

Remembrance Sunday Civic Service would be taking place on Sunday 14 November at Great St. Mary's Church at 10.55am.

The Chevin Sermon would be taking place on Sunday 30 January 2022 at St Andrews Church Cherry Hinton and invitations would be sent out nearer the time.

The Mayors Reception would be taking place on Friday 19 November.

Councillor Herbert made a brief statement regarding his recent announcement regarding his intention to resign as Leader of the City Council. An extraordinary Council meeting had been scheduled for the 30 November 2021 at 5pm for the appointment of the new leader.

No declarations of interest were made.

21/36/CNL Public questions time

Public Questions

Question 1.
Noisy motorbikes and cars were speeding up and down streets in Cambridge late at night stopping people from getting to sleep, or waking them or their children from their sleep. A bus shelter on Green End Road was demolished by a late night speeder and another speeding car crashed into a house on Highworth Avenue, just off Milton Road. This was an issue all over Cambridge reported on the platform 'Next Door'. Stated that the vehicles must have been modified to make the loud noises. Asked for long-term and short-term solutions to this issue be investigated.

Asked for the City Council to listen to residents and act as a co-ordinator for authorities like the Police and Highway Authorities who were best able to deal with the issues of noisy and dangerous driving. Asked Councillors to support Councillor Hauk's motion.

Executive Councillor response:
Noted that the issue would be debated as part of Councillor Hauk's motion. Summarised information provided by Councillors Bird and McQueen regarding measures which had been undertaken in East Chesterton. Had been working with residents regarding the reduction of anti-social driving in the ward, particularly in the Fen Road area. A Residents' Forum had been set up and was now being led by residents at their request. Cameras had been put up in various points in the ward including Water Lane Boatyard, Fen Road and Green End Road. Recognised that cameras on their own were not the only solution. Was looking at putting a camera on the High Street near Tesco. Asked that incidents were consistently reported to the Police. A Local Highways Improvement Bid had been submitted for chicanes on Water Lane and Fen Road. Confirmed the Police had anti-social driving and road safety as a priority. Partnership working on this issue was on-going.

Question 2.
Question related to the Local Plan and the huge number of documents which had been published in relation to the new Local Plan. Asked if the archived documents the Council deposited with the Cambridgeshire County Archive Collection could be made public. Particularly proposals which had been submitted in previous years. As an example referred to a document called Cambridge Futures 2 which was written in 2003 but had not been digitised but would help residents to be able to scrutinise the process.

Asked if the Council would make the commitment to digitise the documents themselves or give permission to a member of the public to do it for them.

Executive Councillor response:
The question raised an important point about access to historical information. Increasingly information was expected to be made available online. If information wasn't easily available online then people would stop looking for it and settle for what was available.

Would support a move to digitising historical public records, this would assist officers, councillors and members of the public. To do this, three issues would need to be resolved: money, rights and hosting. Scanning to archive quality was not the same as taking a photograph of a document on a phone. Getting the materials, cataloguing and scanning them and then storing them in a suitable way took time, cost money and at the moment there were no funds available. The rights in the materials may not necessarily be free of copyright limitations. They would have been commissioned and written for a number of different circumstances and contracted with different relationships than with the council. The Council could not assume that documents were rights free and could be published online. Public bodies (including the Council) could digitise material for preservation purposes, but this did not mean they could make them available online. This issue would need to be investigated further. There would also need to be somewhere that the materials could be stored long-term. The Internet Archive was an interesting suggestion. Would like to discuss the issue further with the public speaker.

Supplementary Question:
In relation to the concert hall, one of the documents found in the Cambridgeshire collection was a study by a former Chief Planner of the Council which was published in the mid-1960s. He made a case for a new concert hall to be built with a minimum capacity for 2500 people, which would be significantly greater than the Corn Exchange. Also found a press cutting of an announcement made by a former Vice Chancellor of the University of Cambridge which said the University of Cambridge would contribute funds to cover 50% of the costs back in 1962. Encouraged Councillors to take up the former Chancellors offer.

Question 3.
The over-reliance of the City Council on the results of the delayed Gypsy and Traveller Accommodation Needs Assessment (GTANA) was misplaced, particularly in regard to Transit Sites. The evidence of need was before you in plain sight. Last year, during the pandemic, South Cambridgeshire had 10

unauthorised encampments while Cambridge City had five.(1) Despite that, Cambridge City was the only council in the county to evict travellers during the first lockdown, and this punitive response had continued. There was a chequered history of GTANAs, with the 2006 GTANA being the most successful in reaching out to the Traveller communities across Cambridge and its surroundings (2). This was largely because of the County Council's provision of Traveller Education (CREDS) and the existence of the Traveller Health Team. Both these services had been decimated. Cambridge City had little engagement between Councillors and Travellers in their constituencies or travelling through and camping on Council land. The 2011 GTANA was a desktop exercise, which failed in its duty to consult with the Gypsy & Traveller communities resulting in the ludicrous assessment of the need for only 1 pitch between 2011 and 2031 in Cambridge City. Judging by the number of successful Appeals, this GTANA was worse than useless. The 2016 GTANA produced by ORS (3), took place during the changes to the definition of Travellers for planning purposes (PPTS) (4). This resulted in a methodology by ORS wildly underestimating who should be included and with only a few interviews actually conducted, in large part because many families refused to speak to them. Despite this, their figures went into the Local Plan as the basis for housing policy for Travellers. There was little reason to expect the 2020 GTANA by RRR to have much greater success in reaching communities who had little to no trust in officials approaching them for personal information. This was due to the punitive fashion in which their needs had been dealt with and the systemic racism that characterises their experience of living in and around Cambridge. With the imminent threat of passage of the Police, Crime Sentencing and Courts (PCSC) Bill, which would criminalise trespass and eliminate the nomadic way of life, the solution was obvious. Transit sites and negotiated stopping places were needed in Cambridge now.

Would the draft findings of RRR's GTANA be available for public view and when and where will the Council conduct a meaningful period of public consultation?

Executive councillor response:
Reiterated the commitments passed at the July 2021 Council meeting. The commitments remained unchanged. The Council were not going to prejudice the GTANA's findings by second guessing what it would say. The findings were expected in January 2022.

Any decision regarding transit site accommodation like any other form of housing need, needed to be based on evidence. If the GTANA stated that there was a major need for transit sites and negotiated stopping points then

that would be what the council would work towards. Any decision would need to be based on evidence. The Council had a duty to the whole community to allocate resources on the basis of identified need.

The new GTANA currently underway included survey questions for Gypsy Roma Traveller (GRT) communities across the study area about potential need and preferred location for transit stopping place provision. Engagement with stakeholders would be used to identify any potential need and to inform the Council's approach going forward. This would include informing the Greater Cambridge Local Plan and whether transit pitches or further negotiated stopping places should be explored. The Local Plan was subject to public consultation. The first proposal consultation which starts on the 1 November sought views on a range of issues including those related to planning and GRT sites and all communities were encouraged to take part.

Wanted the GTANA to accurately represent need as much as possible and wanted to encourage the GRT community to take part in this process. Was happy to have constructive discussions about how this could be done.

One of the reasons for selecting RRR Consultancy to carry out the work was because they had a good track record of engaging with GRT communities.

Question 4.
At the Full Council Meeting, on 22 July, the Council resolved to: Express strong concerns, Stand in solidarity, Write to the Home Secretary, Continue to work and Identify opportunities in its resolution on the PCSC Bill (1). No actions were listed to immediately support Gypsy and Traveller communities in the face of Section 4 of the Bill. In answer to Public Questions (2), with regard to 'process', the Executive Councillor stated that "encampment is also considered in respect of the welfare needs of those present. We assess the reason for the visit, the intended length of stay, homelessness status, medical need, and access to services such as education and social care."

With regard to the question of 'eviction', the Executive Councillor said "In the last two years we have dealt with 16 unauthorised encampments, involving 6 family groups. This did not include the most recent encampment at Arbury Town Park. All of these have resulted in evictions after having followed due process and after a Court decision."

At the Environment and Community Scrutiny Committee on 7 October, the Council reaffirmed its commitment to promote equality and tackle discrimination in its 'Single Equality Scheme 2021–24'.(3)

Despite these commitments, there had been at least three evictions since these documents were approved by the Council.

The Arbury Town Park unauthorised encampment was a case in point. The families were served with a S.77 Order by an Environment Protection Officer (nailed to a tree) and addressed to 'the occupant/(s)'. One and a half days later, 'Occupants and Persons unknown' were issued with a Summons to appear at Huntingdon Magistrates Court. (4)

It was difficult to imagine at what point in these proceedings a welfare assessment was carried out. If the Council had done so, it would be odd if they hadn't then referred to the family/(s) by name. Note also, that many Travellers of this generation are functionally illiterate and written documents attached to trees is not an effective form of communication. In this instance, reading the Order and Summons aloud and answering any questions would have shown greater respect and understanding for this communities' oral culture. In any event, it was more than likely that the families would have refused to respond, precisely because of their mistrust of officials attending these encampments asking questions as well as the systemic racism this community had experienced over the years in and around Cambridge.

Punitive responses and universally applied evictions were incompatible with a welfare-based approach. The Council would never improve its relationship with this Community or tackle the discrimination they experience without offering real solutions, in this case the urgent provision of transit sites and authorised stopping places.

Would the Council now move urgently to the provision of Transit sites in the face of the imminent passage of the PCSC Bill?

Executive Councillor response:
The first thing the Council would do with an unauthorised encampment would be to carry out a welfare assessment. The Council's process was led by that.

If families had welfare issues that meant they needed to remain in the area, the council would ask for some form of evidence. For example, if someone said they were there as they needed to be near the hospital then the officer would ask for evidence of need. Based on any evidence provided, officers would negotiate with the group around how long they could stay or whether it might be more appropriate for them to move to another more suitable location. This would consider the results of the welfare assessment together with other

issues such as location of the encampment and the potential impact of the encampment on other local residents

It was recognised that there may be some mistrust and a reluctance by some within the Gypsy Roma Traveller (GRT) community to provide personal information to the council, officers would wherever possible, try to avoid carrying out any eviction where evidence was provided that the family needs to remain. Without that evidence then the council may have no choice but to start proceedings.

If eviction was necessary then then papers would be handed directly to a representative of the group, with a verbal explanation of what the papers involved. Not simply nailed to a tree as had been claimed. Displaying a notice at the site was a legal requirement to inform other interested parties, such as other residents in the area.
In the unusual event of not being able to serve notice in person, the papers would be left in a visible place (for example under a vehicle windscreen wiper); but this was very rare.

Every case was dealt with on its merits, and there had been at least one example recently where the welfare assessment had led to allowing a family being able to stay for a period and where it was agreed that eviction would be inappropriate.

The Council continued to stand in solidarity with the GRT community, every councillor in the chamber was concerned about the implications of the Police Crime Sentencing Courts (PCSC) Bill. Anti-traveller racism was taken seriously and would be challenged when it was seen. Councillor Collis had done this recently in relation to the group currently on Arbury Town Park.

It should also be noted that some families on unauthorised encampments may not need transit or emergency stopping place provision but may be in need of permanent site or bricks and mortar accommodation. The group at Arbury Town Park had told the council very clearly that they were looking for a permanent location. This did not appear to indicate a need for a transit site.

Urged communities to agree to be interviewed by the consultants carrying out the GTANA study (RRR Consultancy). This would help the council to get a better picture of what the needs are for both transit/emergency stopping place and/or permanent site provision.

Question 5.

Under its Public Sector Equality Duty, the last Environment and Communities Scrutiny Committee on 7th October [2021] approved an Equality Impact Assessment (EqIA) regarding enhancements to the boundary of Trumpington Meadows. Under Item 11 Action Plan, it was stated 'We have also contacted a Traveller representative, who had expressed concerns about previous project at this site, which was subsequently withdrawn' (sic). Under item 13 Sign Off, there are no Traveller representatives listed amongst people consulted on the new plan. To my certain knowledge, neither myself nor my colleague, who were the Traveller representatives who raised objections to the scheme, were contacted. Our names were known by Trumpington Councillors including Katie Thornburrow and Peter Lord as we attended the meeting of the September 29th 2020 Planning and Transport Scrutiny Committee on Microsoft Teams (as indicated in email communications with Democratic Services) (1). Councillor Lord put forward the S106 funding application on behalf of a resident, which was clearly aimed at the prevention of unauthorised encampments by building ditches, bunds and fencing around the perimeter thinly disguised behind provision of new habitats for wildflowers, flowering shrubs, insects and invertebrates. The posting on Facebook and the recording of the meeting no longer exists.

The Action plan (point 11.) states that impacts will be identified … throughout the planning and implementation stages and 'to stand in solidarity with Traveller and Gypsy communities and continue to build trust and good relations with them' and resolves 'to find solutions where it is found that there is a lack of legal sites' to help mitigate potential impacts of this project. The Council have fallen at the first hurdle by incorrectly inferring that they consulted with any members of the communities impacted or with the Traveller representatives who were easily contactable. This seriously undermines this Equality Impact Assessment. At the risk of sounding like a broken record, the solution to this issue is the urgent and immediate provision of transit sites and negotiated stopping places.

What actions would the Council now take to publicly correct the misrepresentations in the EqIA approved on the 7/10/21 and published 8/10/21 on the Council website, and what plans do they have in place to remedy the failure to consult with the Traveller community and/or its representatives, one of the groups impacted by the current enhancement Project on Trumpington Meadows?

Executive Councillor response:
The works referred to were actually scheduled to take place at Trumpington Recreation Ground on Anstey Way, not on Trumpington Meadows.

The Equality Impact Assessment (EQIA) referred to was compiled in relation to a S106 project that was considered at Environment and Community Scrutiny Committee on 7th October 2021, relating to informal open space biodiversity improvements for the Recreation Ground.

The EQIA explored the likely impact of the proposed improvements.

Believed the Action Plan contained within the EQIA was where the confusion arose. Agreed that this could be corrected to read 'we will also contact'.

Since the project had been allocated funding (following the decision made on 7th October), it would be subject to a full public consultation. This is what would routinely be done with any project like this. During the consultation, there would be a range of opportunities to feedback and discuss the proposals. Encouraged all interested parties to make their voice heard during the consultation period. This included the traveller community either directly or through any of their representatives. Welcomed a conversation with the public speaker as to how this could be done.

Part of the council's job was to listen to the whole community. Would not presume to know what the results of the consultation would be and looked forward to exploring them in due course.

Noted reference to the planning and implementation stages of the project. The consultation was one of those stages. On the basis that those stages have not yet begun, felt it was premature to suggest that the council had 'fallen at the first hurdle'.

Asked the public speakers to meet with the Executive Councillor, the Open Spaces Team, the Housing Team and the Communities Team. They were ready for a positive and constructive conversation on the issues raised.

The following public questions were tabled but owing to the expiry of the period of time permitted, were not covered during the meeting. Written responses will be published on the meeting webpage and sent to the members of the public.

Question 6.
Why has the council closed its waiting lists for the allotment sites at Auckland Road, New Street and Empty Common?

This is bad practice: the National Allotment Society "opposes the closure of waiting lists, irrespective of their length, because waiting lists are an important

measure of the unsatisfied demand for plots, and thus of the need to expand supply if the allotment provider is to fulfill its statutory duty to provide a sufficient number of allotments."[1]

Will you re-open these lists?

You could make it clear that waits are long without denying people the opportunity to register their interest in a particular site, informing demand for allotments in that part of the city.
[1]NAS policy on waiting lists

Question 7.
Over the past few months the world has watched in horror as a crisis has unfolded in Afghanistan, with the Taliban seizing back control of the country and forcing thousands of Afghan citizens to flee their homes. The UN has estimated that, by the end of 2021, this could be as many as half a million people. And this comes on top of 2.2 million Afghan refugees already in neighbouring countries and 3.5 million people forced to flee their homes within the country's borders. Some of those airlifted out of Afghanistan will be here in the UK, where local councils like ours will support them. Can you please update us on what progress the City Council has made in its commitment to resettling any refugees that arrive here?

Question 7 - supplementary question
How is City Council planning to develop the collaborative relationship and connections with the new county joint administration that strengthen the refugee resettlement offer?

Question 8 – First question.
My questions relate to the motions put by Councillors Moore and Bennett. I am unable to come in person as I am speaking at a concurrent meeting. I raise my question as both Cambridge resident, and as Heritage Chair of the Sustainable Traditional Buildings Alliance (STBA) https://stbauk.org , a UK-wide group which brings construction industry, heritage, and sustainability interests. The STBA developed and promoted the "whole-house" approach to retrofit, now promoted by the Government.

Cllr Moore's motion references 51,124 homes needing to be retrofitted, with 6,405 per year to meet the Council's Net Zero carbon vision.

All such targets raise serious issues, including:

- lack of industry skills and capacity, particularly in relation to traditional construction;
- the time required to train a competent workforce; and
- the risks of unintended consequences , wasting both money and carbon.

What consideration has Cllr Moore given to potential complementary approaches? Including

- the need for a risk-based approach
- the potentially reduced need for retrofit as Grid Decarbonisation progresses ; and
- promoting behaviour change. As Dr Tia Kansara said recently to the Environmental Audit Committee "The fastest way to retrofit a building, if I may say so, is behaviour change. In a number of studies we have found that between 20% and 35% of energy can be reduced inside a building primarily with use."

Has Cllr Moore noted that the PAS 2035 standard (cited in the "proposed Policy Direction' of the draft Local Plan Great Places topic paper "GP/CC: Adapting Heritage Assets to Climate Change") costs £190, and that the companion standard BS 7913 (essential for traditional and historic buildings) costs £218?

Has Cllr Moore noted the free guidance prepared by STBA and other bodies, and will the Council join STBA and others in pressing for the key retrofit standards to be made freely available?

Question 8 – Second question.

Cllr Bennett's motion cites the CLC's "National Retrofit Strategy" which ignores the need for a different approach to traditional buildings, which form at least 20% of the stock (up to 35%, according to a study by the Building Research Establishment for the Government). I ask Councillors to recognise that a "one size fits all" approach such as that being promoted by the CLC may not be appropriate for buildings of traditional construction.

I commend to all Councillors the STBA's recently-published "From Retrofit to Regeneration – a blueprint for post-Covid recovery" https://stbauk.org/wp-content/uploads/2021/10/From-Retrofit-to-Regeneration-STBA-2021.pdf: this looks beyond reductions in energy use, to potential co-benefits including health and wellbeing, and protection and enhancement of cultural heritage. These are also among the objectives of the PAS 2035 standard (which STBA helped to draft).

21/37/CNL To consider the recommendations of the Executive for adoption

4a Housing Revenue Account Medium Term Financial Strategy 2021/22 (Executive Councillor for Housing)

Resolved (by 24 votes to 0) to:

i. Approve proposals for changes in existing housing capital budgets, as introduced in Sections 6 and 7 and detailed in Appendix E of the officer's report, with the resulting position summarised in Appendix H, for decision at Council on 21 October 2021.
ii. Approve proposals for new housing capital budgets, as introduced in Sections 6 and 7 and detailed in Appendix E of the officer's report, with the resulting position summarised in Appendix H, for decision at Council on 21 October 2021.
iii. Approve the revised funding mix for the delivery of the Housing Capital Programme, recognising the latest assumptions for the use of Grant, Right to Buy Receipts, HRA Resources, Major Repairs Allowance and HRA borrowing.

4b Treasury Management Half Yearly Update Report 2021/22 (Executive Councillor for Finance and Resources)

Resolved (by 23 votes to 0) to:

i. Approve the Council's estimated Prudential and Treasury Indicators 2021/22 to 2024/25 (Appendix A of the officer's report).
ii. Approve that the counterparty limit for building societies with assets over £100bn be increased by £10m to £30m (Appendix B of the officer's report).
iii. Approve the changes to the Cambridge Investment Partnership loans in the counterparty list, to bring these into line with the approved expenditure per the approved capital plan (Appendix B of the officer's report).

4c General Fund Medium Term Financial Strategy (MTFS) October 2021 (Executive Councillor for Finance and Resources)

Resolved (by 23 votes to 0) to:

i. Agree the budget strategy and timetable as outlined in Section 1 [pages 5 to 7 refer] of the MTFS document.

ii. Agree the incorporation of changed assumptions and specific, identifiable pressures, as presented in Sections 3 and 4 respectively [pages 19 to 30 of the MTFS document refer]. This provides an indication of the net savings requirement, by year for the next five years, and revised projections for General Fund (GF) revenue and funding as shown in Section 6 [page 36 refers] and reserves [Section 7 pages 37 to 41 refer] of the MTFS document.

iii. Agree the revenue budget proposals as set out in Section 4 [pages 19 and 20 of the MTFS document refer].

Description	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
Additional communications posts and digital consultation platform (license fee) - recurring	45	125	125	125	125
Additional costs of redevelopment of commercial units at Colville Road Phase 3		120	120		
Set up costs of a new housing company and Registered Provider	73				
Feasibility study to expand Cambridge City Housing Company	70				
Total	**188**	**245**	**125**	**125**	**125**

iv. Note the changes to the capital plan and funding as set out in Section 5 [pages 31 to 35 refer] and Appendix A [pages 49 to 52] of the MTFS document.

v. Agree changes to the budget for the Meadows Community Hub and Buchan Street retail outlet scheme as set out below.

Ref.	Description / £'000s	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	Total
	Proposals							
SC694	Meadows Community Hub and Buchan Street	(1,224)	2,551	158	-	-	-	1,485

Ref.	Description / £'000s	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	Total
	retail outlet							
	Total proposals	**(1,224)**	**2,551**	**158**	**0**	**0**	**0**	**1,485**

vi. Agree the replacement of third-party contributions of £210k for the community extension to Cherry Hinton library with council funding.

vii. Agree the following in relation to the depot relocation programme, included in Appendix F of the MTFS Version 2.0 (for Council on 21 October 2021):

- Approve capital funding of £10m for the depot relocation
- Remove the Lion Yard shopping centre investment scheme from the capital plan, reallocating the funding from that scheme to the depot relocation programme
- Allocate £1m of funding from the General Fund (GF) Development Reserve to the depot relocation programme
- Allocate an additional £3m of capital receipts or borrowing to fund the balance of the scheme
- That the capital plan and funding as set out in Section 5 [pages 31 to 35 refer] and Appendix A [pages 49 to 52] should be updated to reflect the changes arising from approval of the depot relocation programme

viii. Agree the transfer of £3.1m and £0.8m of GF reserves into earmarked reserves to support the delivery of the Our Cambridge transformation and recovery programme and to provide a contingency fund for the programme [page 41 of the MTFS document refers]. Furthermore, to agree authorisation to draw down funding from these reserves to be as described.

ix. Agree changes to GF reserve levels, the prudent minimum balance being set at £6.64m and the target level at £7.98m as detailed in Section 7 [page 39 of the MTFS document refers] and Appendix B [pages 53 and 54 of the MTFS document refer].

4d Council Appointments to the Conservators of the River Cam (Executive Councillor Open Spaces, Sustainable Food and Community Wellbeing)

Resolved (by 34 votes to 0) to:

i. Approve nominations of three City Councillor appointments (two Labour and one Liberal Democrat appointment) to the Conservators of the River Cam commencing 1 January 2022:
   - Katie Thornburrow
   - Mike Sargeant
   - Alan Cox

21/38/CNL To deal with oral questions

Question number: 1

From Councillor J Gawthrope Wood

To Leader of the Council and Executive Councillor for Strategy and External Partnerships

Question
What does he anticipate will be the Government's proposals for devolution?

Executive Councillor response:
The covid pandemic showed the skills of Local Authorities and their skill to deliver with their communities. Devolution wasn't just about council's having power it was also about communities having power. Did not think devolution was something that the Government showed much interest in. The Council did get some benefit through the City Deal (now known as the Greater Cambridge Partnership) for transport and the Cambridgeshire and Peterborough Combined Authority through the funding to deliver 500 new council homes. Felt when these organisations were set up that Government did not show any great sense of Devolution and felt these organisations made the governance of the area more complicated not better.

Question number: 2

From Councillor H Davies

To Executive Councillor for Open Spaces, Sustainable Food and Community Wellbeing

Question
Can the executive councillor please give an update on the planned herbicide free trial?

Executive Councillor response:
Herbicides had not been applied since the Motion was passed in July 2021. A short delay in the winter allowed time to thoroughly plan the trial including how it would run, what resources were needed and how it would be evaluated.

Officers from both the City and the County Council had met and set out an approach in a draft initiation document and continued to work to set out a plan for consideration at the Environment and Community Scrutiny Committee in January next year. The County Council would make their decision on whether to support the trial in December this year.

The future report would set out recommendations on the trial wards, the communication plan, the stakeholder engagement plan, how volunteer work would be resourced and managed, and also consider a desktop review of the effectiveness of alternatives and agree which alternatives would be used and where.

A Biodiversity Project Lead Officer had been appointed on a fixed term contract to support the Streets and Open Space team to refine and develop the trial for implementation in 2022. This role has also initiated engagement with Pesticide Free Cambridge and Pesticide Action Network.

Question number: 3

From Councillor J Page-Croft

To Executive Councillor for Open Spaces, Sustainable Food and Community Wellbeing

Question
Are there any plans to find transit sites for the Gypsey/Romany/Traveller (GRT) community to stay on for a few weeks, especially close to Addenbrookes?

Executive Councillor response:
For the City Council to consider a request to facilitate any transit sites, it had to have confidence in the evidence on which decisions would be based. The final Gypsy & Traveller Accommodation Needs Assessment (GTANA) report was expected in January 2022.

The contact officers had with visiting groups who used the city's parks and open spaces would often include Addenbrookes. Was aware that many groups would need close access to the hospital.

Felt that there may need to be discussions with Addenbrookes and Papworth about making provision available for the Gypsy Roma Traveller (GRT) community. These discussions would be informed from the results of the Gypsy & Traveller Accommodation Needs Assessment.

Question number: 4

From Councillor H Copley

To Executive Councillor for Open Spaces, Sustainable Food and Community Wellbeing

Question
How many people have requested an allotment in Cambridge in the last two years, and how many of them were provided with an allotment?

Executive Councillor response:
Since January 2020 the council had had 508 applications for an allotment plot managed by the City Council. The council also had allotments managed by societies but unfortunately information was not available on those applications at the time of the meeting.

Council officers had allocated 239 allotments of which 213 were from applications received after 2020. This figure was also influenced by Clay Farm where there were 151 plots and 152 applications since 2020. 25% of applicants since 2020 had rejected or failed to respond to allotment offers. Was happy to commit to an audit of current occupancy and waiting lists.

Question number: 5

From Councillor M Healy

To Executive Councillor for Open Spaces, Sustainable Food and Community Wellbeing

Question
Given public concern at recent high-profile attacks, can the executive councillor outline what is being done locally to ensure women's safety?

Executive Councillor response:
Expressed shock and dismay at the recent attacks which had taken place in the Market Square. At a CLP meeting, Councillor Scutt, the Lead Councillor for Women, read out a list of the 81 women who had lost their lives through acts of violence since the murder of Sarah Everard. There was a long list of measures the council was doing and she would be happy to prepare a briefing note and circulate to members. Examples included that the Council marked the celebration of United Nations International Day for the Elimination of Violence against Women on the 25 November. An online conference was planned and would be delivered and led by survivors and local groups working in the field, Councillors Collis, A.Smith and Scutt would be attending. Paid tribute to the Community Safety Partnership. The 25 November was also White Ribbon day. Noted that Councillor Moore would speak to measures planned to make the market square safer. Noted concerns had been expressed regarding the level of street lighting.

Question number: 6

From Councillor C Payne

To Executive Councillor for Climate Change, Environment & City Centre

Question
I hope the Executive Councillor join me in expressing her horror at the report of the sexual assault which took place in the market square on Tuesday 13th October, along with her support to the alleged victim. Will she offer the Council reassurance that actions are being investigated to improve the safety of the market square?

Executive Councillor response:
Was upset and disturbed that a woman was sexually assaulted in the market square last week and hoped that the victim made a good recovery after such a traumatic incident.

City Council officers, including from Market Management, Licensing and CCTV services, were working closely with the Police, CAMBAC, both Universities and other partners with an interest in the city centre night-time economy (NTE), to review and agree continuing improvements in the way our night-time economy across the city centre was managed.

In terms of the market square there was a project to renovate and update the market. This included new lighting and new market stalls which would improve the safety of the square at night, however it would be a while until that project was completed.

In the meantime, the council was actively reviewing with the Police and other night-time economy partners what further action could collectively be taken to improve the market square and the wider city centre from a community safety and visitor welcome perspective. This could include new lighting and reducing the amount of clutter in the market square to make it more visible.

Question number: 7

From Councillor M Bond

To Executive Councillor for Planning Policy and Transport

Question
A significant number of representations were made in last year's consultation, calling for the North East Cambridge Area Action Plan to provide for more open space at the heart of this major new development and a closer matching of the standard for open space within our current local plan. Can you tell us whether this view has been received and understood and will be reflected in the final version of the plan when it is published shortly?

Executive Councillor response:
All feedback to planning consultations were important and were considered. A full response would be provided when the proposed submission of the North East Cambridge (NEC) Area Action Plan was published on the 22 November 2021 at the start of the committee process. A summary of the approach was included in the Greater Cambridge Local Plan First Proposal which had now been agreed by both Cambridge City and South Cambridgeshire District Council. The consultation would start on 1 November. The First Proposals included the NEC site and a summary of some of the changes that had been recommended to members including reducing the amount of jobs and enhancing the provision of on-site informal open space and children play areas.

Question number: 8

From Councillor O Hauk

To Executive Councillor for Open Spaces, Sustainable Food and Community Wellbeing

Question
Considering the obvious benefits of productive allotments to the community with respect to healthy and sustainable living, well-being, biodiversity and community spirit: Can the Executive Councillor push for a variation in planning permission for the Trumpington Meadows and Clay Farm allotment sites to allow buildings and structures of normal shed height on the land, or explain what constraints and possibly developer-led conditions prevent her from doing so?

Executive Councillor response:
Access to food growing spaces was important for wellbeing. Had recently visited allotments around the city including at Clay Farm.

Any application to vary a planning permission for Trumpington Meadows or Clay Farm would now have to be led by the City Council as the leasehold owner of the site. As these sites were now built and transferred a change to allow sheds on sites would require a new planning application.

A change of position to allow sheds would be contrary to the design principles negotiated and set out at the outline planning application stage, which had influenced and delivered two new purpose-built allotment buildings intended to support the use and function of the new allotments.

If the Council was to support a change in permission for sheds, officers would have to review the planning strategy documents, the outline and potentially the various reserved matters applications and the deed of land transfers to determine whether this could be permitted.

The Trumpington Meadows building was operating as intended and the Clay Farm offer was almost complete. Until the Clay Farm building had been finished and handed over, it was not possible to determine whether there was a need, support, or a purpose for sheds on Green Belt land.

Question number: 9

From Councillor M Davey

To Executive Councillor for Communities

Question
Can we have an update on the progress towards achieving the resolutions in the council's Black Lives Matters motion

Councillor Healy responded:
This motion was passed last year and was in solidarity with the Black Lives Matter movement. Recognised racism both structural and individual used to be a serious problem including in Cambridge and noted recent reports of racism reported in the local newspaper.

There were several actions arising out of the motion. In terms of progress which had been made, the covid-19 pandemic had a big impact on BAME communities in Cambridge. Requested and received a report from the Director of Public Health. Worked with community leaders supporting communities to help share public health messages and encourage vaccination uptake. Also organised a meeting with four voluntary and community sector groups supporting BAME communities and how the public sector could help promote race equality locally.

Another action was around producing a toolkit for businesses to increase understanding of race and equality in the workplace and Cambridge Ethnic Community Forum had been commissioned to produce this, making it locally relevant and adapted for the Cambridge context. This would be launched next month during the living wage week.

Another action was ensuring food provided through the food hubs met appropriate religious and cultural requirements which was also implemented in conjunction with Cambridge Sustainable Food and other organisations.

There were a couple of actions around recruitment, increasing a percentage of BAME employees and making recruitment processes better.

For Councillors it was also mandatory for all councillors to attend an equality and diversity briefing in their first term of office. Felt significant progress had been made against all the actions arising from the motion.

The following oral questions were tabled but owing to the expiry of the period of time permitted, were not covered during the meeting. Written responses which were received have been included in the minutes for information.

Question number: 10

From Councillor T Bick

To Executive Councillor for Climate Change, Environment & City Centre

Question
Do neighbourhood recycling centres feature in your view of the future of the waste service?

Question number: 11

From Councillor J Dalzell

To Executive Councillor for Finance and Resources

Question
What lessons has the Executive Councillor taken from the collapse of Visit Cambridge and Beyond and the losses subsequently incurred by this Council?

Executive Councillor response:

Context

Despite having an approved business plan (which went through the Council's due scrutiny/ decision making process) and associated financial support package from the Council, VCB was unable to generate sufficient income from its traded activities to achieve financial sustainability

In January 2020, an already financially vulnerable VCB business was hit by the dramatic loss of the international visitor market and associated income, arising from the global COVID-19 pandemic. In response, VCB undertook a strategic options review with the support of the Council, which culminated in the VCB Board approving the strategic restructure of the service to a core tourism business development function (1 FTE), but this quickly proved unsustainable; and in June 2020, the VCB Board approved the formal closure of the VCB business and company liquidation.

Lessons

Taking the learning from VCB and its associated unsustainable business model, any successor tourism development business needs to operate as a lean and agile organisation with minimal overheads, ie. office, staff, etc. This

is the model which Visit Cambridge, the new successor service, which the Council recently approved the establishment of as a Community Interest Company, is committed to following.

The new Visit Cambridge business will not directly employ staff; and instead, will use available capacity of its constituent partners, supplemented by external consultants, to deliver discrete externally funded project activity as required. Any future decision to invest in directly employed staff will be informed by a detailed business plan, covering business need and benefit and ability to cover associated revenue costs.

Using external funding secured by the Council via the Combined Authority, Visit Cambridge is investing in a fully digital dynamic web platform and app, with bookable product functionality, using funding secured through the Combined Authority. Rather than investing in the development and running of a 'bricks and mortar' VIC, Visit Cambridge is also working with the Council to procure a mobile unit with 'pop up' functionality, once again using Combined Authority funding.

Visit Cambridge aims to use its digital and mobile assets to generate a modest sustainable revenue stream that will be used to manage an equally modest overhead cost. Any surplus generated from Visit Cambridge's business operations will be invested back in projects and activities to support sustainable tourism development in the city.

In addition, Visit Cambridge will target 'soft' funding sources, including public grants and donations locally and, through its DMO status, Visit Britain and Visit England nationally, to fund the delivery of sustainable tourism development projects and activities.

Losses

Following the closure of VCB, the financial loss subsequently incurred by the council is £54K. This relates to the write-off of rent and utilities billed to VCB.

Question number: 12

From Councillor A Cox

To Executive Councillor for Planning Policy and Transport

Question

As the number 25 bus is expected to cease running on the completion of the Trumpington development, can the Executive Councillor say what discussions she has had with Stagecoach about continuing the service and what the outcome is?

Question number: 13

From Councillor K Porrer

To Executive Councillor for Climate Change, Environment & City Centre

Question
Can the Executive Councillor confirm that the council will use its influence with the new Visit Cambridge organisation to ensure that the new website will have up to date and wide ranging information about our valued local market traders, in our vibrant market square, and also for those around the city centre, including at the Arts and Craft market and the stalls on Fitzroy Street.?

Executive Councillor response:

At the recent Environment and Community Scrutiny Committee, the Council approved the establishment of Visit Cambridge as a Community Interest Company (CIC); and for a nominated Council officer to have a seat on the company's board.

As a Company Director, the nominated Council officer will be legally required to represent and act in the best interests of the company, not their employer, the Council. As an independent company, it is down to the Board of Visit Cambridge to agree how the business is managed, including the activities it pursues and how it uses its assets, in accordance with its legal duties and governance framework. The Council needs to respect Visit Cambridge's independence.

That said, to ensure the associated CIC 'community interest' test is met, Visit Cambridge has committed to establishing a community stakeholder advisory group. Legally, this group will not be able to have any formal decision-making powers in relation to Visit Cambridge but would instead be able to support the Board with any required strategy or policy development advice. As a key community stakeholder, the Council will be invited to be represented on the group and so, via the group, have the opportunity to influence Visit Cambridge plans and activities.

As the tourism development and destination management organisation for the city, Visit Cambridge, once incorporated, will play a key role in supporting the successful recovery and development of our city's visitor economy post pandemic, including city centre visitor attractions, such as the market square and our diverse, vibrant and independent local market and street trader businesses.

Question number: 14

From Councillor A Gilderdale

To Executive Councillor for Housing

Question
Can the executive councillor give a report on the progress towards net zero carbon new council homes?

Question number: 15

From Councillor A Smith

To Executive Councillor for Open Spaces Sustainable Food and Community Wellbeing

Question
Can the executive councillor give an update on progress towards increasing the city's tree canopy cover?

Executive Councillor response:
The Cambridge Canopy Project aims to increase tree canopy cover across the city by 2%, by the 2050's.

In order to achieve this, 16,000 additional trees across the whole urban forest are required – across all land ownership types.

Cambridge City Council are planting 2,000 of these new trees on public land and giving away 1,500 to residents through engagement schemes, for planting in residential gardens.

The remaining 12,500 trees required to achieve the target of 2% canopy cover increase will need to be planted by private landowners across the city. The communication, engagement and outreach work conducted by the Cambridge Canopy Project is directed at influencing and incentivising tree planting on private land in order to achieve this target. Whilst there is no way to definitively quantify the number of new trees being planted, every effort is being made to encourage and support it. For example, next month a discount voucher scheme for Cambridge city residents will be launched with an online tree nursery.

In terms of planting on public land, during the 2019/20 planting season, 500 new trees were planted, and during the 2020/21 planting season, 800 new trees were planted. Another 400 new trees are scheduled for planting during this upcoming planting season. The remaining 300 will be planted during the 2022/23 planting season.

Through our partnership with Trees for Streets, additional trees are also being sponsored for planting across the city's streets and parks. So far these total approximately 60. Twenty-six of these will be planted in Arbury and King's hedges from grant money provided as part of the partnership agreement with Trees for Streets.

Through the Free Trees for Babies scheme, funding for which has been bolstered through the Cambridge Canopy Project, the following numbers have been given away so far:

- 2019: 350
- 2020: 207
- 2021: c. 260 (currently being finalised for delivery in January)
    - *Sub-total: 817*

The first Neighbourhood Canopy Campaign was launched in January for the Whitehill Road estate in Abbey. Through this scheme which seeks to increase canopy cover in areas of the city with low existing cover and high deprivation, 81 trees were given to residents that applied to the scheme.

At the same time as the Whitehill Road Neighbourhood Canopy Campaign, approximately 100 fruit trees, mostly comprising heritage varieties of apple, were donated to the Cambridge CoFarm to help with establishing their community orchard.

The second Neighbourhood Canopy Campaign is currently open for applications. This is targeting the Verulam Way area of Arbury. There have been 93 applications to date, and the scheme is open to applications until 14th November.

In addition to the above, a community-led planting scheme for Logan's meadow will be completed in December. This will introduce an additional 250 new trees on top of the 2,000 trees planned under the Cambridge Canopy Project. And a consultation to establish the city's first 'Tiny forest' at Five trees in East Chesterton is currently live. If this proceeds, up to 600 new trees will be established as part of the proposal.

Question number: 16

From Councillor I Flaubert

To Executive Councillor for Planning Policy and Transport

Question
Although it is fashionable to talk about biodiversity gain and new planted trees, the truth is that it is not clear how loss is monitored and the real wildlife gain.

Could the Exec Cllr explain whether the city council and its shared planning service has a mechanism to record tree loss on city land, including those recently planted that do not survive, as well as the loss of trees in conservation areas?

Question number: 17

From Councillor D Baigent

To Executive Councillor for Planning Policy and Transport

Question
What commitments are there to reduce the amount of traffic in the city?

Question number: 18

From Councillor G Bird

To Executive Councillor for Communities

Question
Following the decision not to hold the bonfire night event, what other, smaller, events are planned for the winter months?

Executive Councillor response:

This winter, two creative projects would brighten the frosty nights with colour and warmth: Winter Brights and Window Wanderland.

Starting in December, Winter Brights will see two winning LED-light displays designed by schoolchildren from Queen Emma and Queen Edith primary schools installed in local shops, complementing the Christmas tree and other displays around Queen Edith's ward. By highlighting the creativity of local children, this project will inspire young imaginations and show how self-expression can have an impact.

With further aspects of the project set to be announced, including additional lights displays around Cambridge neighbourhoods and in the city centre, Winter Brights will make Christmas this year even more festive than usual.

In January, Cambridge looks forward to the return of a project that got its start a year ago: Window Wanderland, a communal art project where households are encouraged to decorate their front windows with colourful displays of lights and paper. With an online map showing the locations of all households taking part, Window Wanderland will become a participatory art trail with neighbours in the same street inspiring each other to new heights of creative expression.

The winners of the Winter Brights competition will be announced in mid-November, with their designs set to be unveiled in December.
Window Wanderland will return from the week commencing 17 Jan 2022. For more information, and to learn how you can participate and spread the word in your neighbourhood, please send an email to lewis.anderson@cambridge.gov.uk

Winter Brights and Window Wanderland are provided by Cambridge City Council, with generous support from sponsors Arm and Vodafone.

Question number: 19

From Councillor M Gehring

To Executive Councillor for Open Spaces, Sustainable Food and Community Wellbeing

Question
Reports of a rising number of cycle thefts at the station and in the Cambridge City Centre are very worrying, could the Executive Councillor update us on the efforts to improve cycle security?

Question number: 20

From Councillor D Lee

To Executive Councillor for Planning Policy and Transport

Question
The much loved Flying Pig will shut its doors for the last time at the end of this month, barring a deus ex machina. At a time when the pandemic has demonstrated to us all the importance of community assets and cultural venues including pubs and music venues, it's very disappointing that in losing The Flying Pig we lose a pub, a place to enjoy live music and a place for up and coming musicians to hone their craft. Without venues like the Flying Pig, the world have been deprived of Pink Floyd, and Katrina and the Waves may not have won the Eurovision song contest. Can the Exec Cllr confirm what the council is doing to protect Cambridge's cultural heritage from wealthy developers taking community cultural assets from the city to give to themselves in the form of soulless office space?

Question number: 21

From Councillor R Robertson

To Executive Councillor for Housing

Question

Can the executive councillor report give an update on Cambridge Street Aid week?

Second Questions

Question number: 22

From Councillor H Copley

To Executive Councillor for Planning Policy and Transport

Question

The Local Plan is being prepared at a time of great uncertainty in national planning policy. The sweeping reforms proposed in the Planning White Paper seem likely to be shelved as the new Secretary of State implements a new set of priorities – possibly including a refocusing of housebuilding towards the North of England. Meanwhile, the Government continues to push forward their plans for the Ox-Cam Arc, which would reportedly see 1 million new houses built between Oxford and Cambridge, and would interact with Local Plans in ways which are yet to be explained.

These uncertain external drivers threaten to take away the Greater Cambridge Shared Planning body's autonomy and ability to determine for itself what level of housebuilding is desirable and sustainable in our region. Council acknowledges that we are experiencing serious and worsening water shortages, that the City is in essence facing a traffic congestion crisis, and that we have insufficient public green space and protected nature areas, but has thus far treated the housing allocation as a minimum. In the Greater Cambridge Local Plan first proposals, it is suggested that Greater Cambridge takes an 'employment-led approach' to quantifying housing need. This would *increase* the number of homes to be built beyond the original allocation, based on a projection that job creation will continue to grow (without any assessment of whether the latter is desirable in our overheated regional economy).

Cambridge Water and others are working on solutions to the water supply problem currently facing the region, while attempting to allow for a wide range of possible future growth scenarios. Water consumption has increased

significantly during and since the pandemic to 151 litres/person/day, well above the national target of 110 litres/person/day, and even further from the Greater Cambridge target of 80 litres/person/day in new dwellings.

Question:

What attempt has been made to calculate the amount of development our area can support, taking into account that: water is already being over-abstracted and attempts to reduce per capita consumption have so far not succeeded; solutions to the current traffic congestion have yet to be found; suitable sites for building are limited; there is desperate need for more green space; and we have committed to 'doubling nature'? What is the justification for taking an 'employment-led' approach to housing allocation (which increases the number of houses to be accommodated in the Local Plan), given the known environmental constraints to further growth in this region?

Executive Councillor response:

Local Plans were required to identify and plan for development unless any adverse impacts of doing so would significantly and demonstrably outweigh the benefits. The Local Plan First Proposals has been informed by a wide ranging and detailed set of evidence studies, which consider environmental social and economic impacts. Each of the topics referenced in the question have been explored. The proposals we are seeking views on would respond to the identified needs of the area, as well as environmental, social and economic issues. We have been very clear on the need for water to be available, and that the issues need to be addressed at the regional level. The strategy approach has been guided by considerations related to climate change and carbon, as well as green infrastructure opportunities, and proposes robust policies on these issues. We now want to hear from our communities on these proposals, and we hope people take part over the coming weeks.

Question number: 23

From Councillor J Gawthrope Wood

To Executive Councillor for Planning Policy and Transport

Question
What plans are there for new allotments within planning policy?

21/39/CNL To consider the following notices of motion, notice of which has been given by:

6a Councillor Porrer: Single use plastic-free events at the City Council

Councillor Porrer proposed and Councillor Payne seconded the following motion. Councillor Porrer amended the motion with Council's consent under Council Procedure Rule 26, deleted text ~~struckthrough~~ and additional text underlined.

Council notes:

The acceptance in May 2018 at council of a Plastics motion, which asked that caterers for City commissioned events approach these in as sustainable way as possible;

That this motion did not commit the Council to removal of single use plastics by a specific date;

The increasing urgency of the climate emergency, and the documented and evidenced detrimental effects of single use plastics on our oceans, waterways and beaches;

That the government consultation on the introduction of a ban on single use plastics is unlikely to be become law until at least 2023;

That events put on by the city council, and those on City Council land, are not yet required to be single use plastic-free, or to provide clearly marked on site recycling facilities, or to offer incentives for members of the public to bring their own cups and glasses (as is common in most cafes now).

Council requests the Executive Councillor commits to:

Introducing new standard contractual terms to ensure that organisers for any future events sponsored or supported by the City Council, or taking place on City Council land, must now:

-Cease the use of any single use plastic on site and provide evidence of this when planning or applying for the event, as well as displaying signage at events to inform the public of this;

-Encourage the use of compostable materials and if used, ensure that separate recycling is provided for these with clear signage;

-Ensure that any events using litter pickers and collections either separate rubbish on site using clearly marked bins, or have arrangements in place that can be provided as part of the application for the event to ensure that this is done off site;

-Install appropriate signage at the event to ensure that members of the public are aware of the different bins and to assist them in putting the correct rubbish in the right bins;

-Ensure that all stalls at least encourage but preferably incentivise the use of ~~recyclable~~ reusable cups for beverages and other cutlery and crockery, for example by advertising discounts for these, as is already very common in cafes across the city;

Council also requests the Executive Councillor commits to:

Promoting the urgent need to remove single use plastic from all day to day use in businesses and events around the city.

Councillor Collis proposed and Councillor S.Smith seconded the following amendment to motion, additional text underlined, deleted text ~~struckthrough~~.

Council notes:

- The acceptance in May 2018 at council of a Plastics motion, which asked that caterers for City commissioned events approach these in as sustainable way as possible;
- That this motion did not commit the Council to removal of single use plastics by a specific date;
- The increasing urgency of the climate emergency, and the documented and evidenced detrimental effects of single use plastics on our oceans, waterways and beaches;
- That the government consultation on the introduction of a ban on single use plastics is unlikely to be become law until at least 2023;
- That events put on by the city council, and those on City Council land, are not yet required to be single use plastic-free, or to provide clearly marked on site recycling facilities, or to offer incentives for members of the public to bring their own cups and glasses (as is common in most cafes now).

Council requests the Executive Councillor commits to:

- Introducing new ~~standard~~ contractual terms to ensure that organisers for any future events ~~sponsored or supported by the City Council, or~~ taking place on City Council land, must now:
- Cease the use of any single use plastic on site and provide evidence of this when planning or applying for the event, as well as displaying signage at events to inform the public of this;
- Encourage the use of compostable materials and if used, ensure that separate recycling is provided for these with clear signage;
- Ensure that any events using litter pickers and collections either separate rubbish on site using clearly marked bins, or have arrangements in place that can be provided as part of the application for the event to ensure that this is done off site;
- Install appropriate signage at the event to ensure that members of the public are aware of the different bins and to assist them in putting the correct rubbish in the right bins;
- Ensure that all stalls at least encourage but preferably incentivise the use of reusable or recyclable (or both) cups for beverages and other cutlery and crockery, for example by advertising discounts for these, as is already very common in cafes across the city;

Council also commits to:

- Promoting the urgent need to remove single use plastic from all day to day use in businesses and events around the city.
- Instruct Officers to monitor and advise on best practice that is currently being developed by the Government, the Local Government Association and representatives from across the festival sector in relation to their commitment for 2023 to have standardised environmental objectives that local authorities must adopt when licensing festivals.

On a show of hands the amendment was carried by 22 votes to 15.

Resolved (unanimously) that:

Council notes:

- The acceptance in May 2018 at council of a Plastics motion, which asked that caterers for City commissioned events approach these in as sustainable way as possible;
- That this motion did not commit the Council to removal of single use plastics by a specific date;

- The increasing urgency of the climate emergency, and the documented and evidenced detrimental effects of single use plastics on our oceans, waterways and beaches;
- That the government consultation on the introduction of a ban on single use plastics is unlikely to be become law until at least 2023;
- That events put on by the city council, and those on City Council land, are not yet required to be single use plastic-free, or to provide clearly marked on site recycling facilities, or to offer incentives for members of the public to bring their own cups and glasses (as is common in most cafes now).

Council requests the Executive Councillor commits to:

- Introducing new contractual terms to ensure that organisers for any future events taking place on City Council land, must now:
- Cease the use of any single use plastic on site and provide evidence of this when planning or applying for the event, as well as displaying signage at events to inform the public of this;
- Encourage the use of compostable materials and if used, ensure that separate recycling is provided for these with clear signage;
- Ensure that any events using litter pickers and collections either separate rubbish on site using clearly marked bins, or have arrangements in place that can be provided as part of the application for the event to ensure that this is done off site;
- Install appropriate signage at the event to ensure that members of the public are aware of the different bins and to assist them in putting the correct rubbish in the right bins;
- Ensure that all stalls at least encourage but preferably incentivise the use of reusable or recyclable (or both) cups for beverages and other cutlery and crockery, for example by advertising discounts for these, as is already very common in cafes across the city;

Council also commits to:

- Promoting the urgent need to remove single use plastic from all day to day use in businesses and events around the city.
- Instruct Officers to monitor and advise on best practice that is currently being developed by the Government, the Local Government Association and representatives from across the festival sector in relation to their commitment for 2023 to have standardised environmental objectives that local authorities must adopt when licensing festivals.

6b Councillor Dalzell: Waste Electronic & Electrical Equipment Recycling For Everyone

Councillor Dalzell proposed and Councillor Nethsingha seconded the following motion:

Cambridge City Council notes:

- Waste electrical and electronic equipment (WEEE) is the fastest growing waste stream on the planet.
- WEEE contains a high volume of critical raw materials (CRMs), which are vital components of many 'green' technologies.
- Research in 2019 showing that:
    - 51% of UK households had at least one unused electronic device;
    - 45% had up to 5 unused devices;
    - 82% of these households had no plans to recycle or sell their devices.
- The City Council currently operates four recycling banks for small electricals, all of which are in Trumpington ward.

Cambridge City Council believes:

- The climate crisis requires that we establish a circular economy and ensure the efficient use of CRMs.
- That all households in Cambridge should be able to easily recycle electronic devices.

Therefore, Cambridge City Council requests that the Executive Councillor:

- Establishes at least one small electrical recycling bank in every ward in the city by April 2022.
- Promotes WEEE recycling in the next appropriate Cambridge Matters and on the City Council website.
- Ensures that the emerging Household Waste and Recycling Policy includes ambitious targets to maximise recycling of CRMs.

Councillor Moore proposed and Councillor Gawthrope Wood seconded the following amendment (additional text <u>underlined</u>, deleted text ~~struckthrough~~).

Cambridge City Council notes:

- Waste electrical and electronic equipment (WEEE) is the fastest growing waste stream on the planet.
- WEEE contains a high volume of critical raw materials (CRMs), which are vital components of many 'green' technologies.

- Research in 2019 showing that:
    - 51% of UK households had at least one unused electronic device;
    - 45% had up to 5 unused devices;
    - 82% of these households had no plans to recycle or sell their devices.
- The City Council currently operates ~~four~~ six recycling banks for small electricals, all of which are at four sites in Trumpington ward.
- The Greater Cambridge Shared Waste Service are seeking additional funding that is now available from an electrical compliance scheme, as part of the producer responsibility regulation, to expand the number of banks within the City and introduce collections in South Cambridgeshire where there are currently no WEEE banks.
- Greater Cambridge Shared waste service has recently drawn up plans to expand the number of WEEE banks it provides from 6 to 14.
- Locations have been chosen so that residents can also use other banks at these sites to recycle textiles, bulbs, and batteries at the same time, ensuring that the best service is available and the environmental impact of travelling to recycle items is kept to a minimum.

Cambridge City Council believes:

- The climate crisis requires that we establish a circular economy and ensure the efficient use of CRMs.
- That all households in Cambridge should be able to easily recycle electronic devices.

Therefore, Cambridge City Council requests that the Executive Councillor:

- ~~Establishes at least one small electrical recycling bank in every ward in the city by April 2022.~~
- Introduce a network of eight additional permanent WEEE banks at existing (and new) recycling points across Cambridge City and South Cambridgeshire in 2022. Using external grant funding to provide the estimated £56,683 cost of the project.
- Promotes WEEE recycling in the next appropriate Cambridge Matters, ~~and~~ on the City Council website, with leaflets, stalls at events and new vehicle livery.
- Ensures that the emerging Household Waste and Recycling Policy includes ambitious targets to maximise recycling of CRMs.

On a show of hands the amendment was carried by 36 votes to 1.

Resolved (unanimously) that:

Cambridge City Council notes:

- Waste electrical and electronic equipment (WEEE) is the fastest growing waste stream on the planet.
- WEEE contains a high volume of critical raw materials (CRMs), which are vital components of many 'green' technologies.
- Research in 2019 showing that:
    - 51% of UK households had at least one unused electronic device;
    - 45% had up to 5 unused devices;
    - 82% of these households had no plans to recycle or sell their devices.
- The City Council currently operates six recycling banks for small electricals, all of which are at four sites in Trumpington ward.
- The Greater Cambridge Shared Waste Service are seeking additional funding that is now available from an electrical compliance scheme, as part of the producer responsibility regulation, to expand the number of banks within the City and introduce collections in South Cambridgeshire where there are currently no WEEE banks.
- Greater Cambridge Shared waste service has recently drawn up plans to expand the number of WEEE banks it provides from 6 to 14.
- Locations have been chosen so that residents can also use other banks at these sites to recycle textiles, bulbs, and batteries at the same time, ensuring that the best service is available and the environmental impact of travelling to recycle items is kept to a minimum.

Cambridge City Council believes:

- The climate crisis requires that we establish a circular economy and ensure the efficient use of CRMs.
- That all households in Cambridge should be able to easily recycle electronic devices.

Therefore, Cambridge City Council requests that the Executive Councillor:

- Introduce a network of eight additional permanent WEEE banks at existing (and new) recycling points across Cambridge City and South Cambridgeshire in 2022. Using external grant funding to provide the estimated £56,683 cost of the project.
- Promotes WEEE recycling in the next appropriate Cambridge Matters, on the City Council website, with leaflets, stalls at events and new vehicle livery.

- Ensures that the emerging Household Waste and Recycling Policy includes ambitious targets to maximise recycling of CRMs.

6c Councillor Hauk: Tackling Anti-Social Driving

Councillor Hauk proposed and Councillor Bick seconded the following motion:

Council notes:

- The number of complaints made by residents about the disturbance and danger caused to neighbourhoods by loud and speeding vehicles using the roads as race tracks.
- That residential areas in Cambridge suffer heavily from the noise caused by some modified cars, motorbikes and scooters.
- That some drivers of all types of motorized vehicles frequently break the speed limit and drive unsafely through residential areas.
- That anti-social driving has a negative impact on the environment, personal safety and people's wellbeing, and discourages active travel.
- That noise detection cameras have recently been installed in central London to detect engines revving at over 80 decibels and use video footage to record the offenders.

Council calls on the Executive Councillor for Open Spaces, Sustainable Food and Community Wellbeing:

- To bring together representatives of the Highways Authority and Police to develop a joint strategy to combat anti-social driving.
- To investigate the noise detection cameras being used in London, with a view to using a similar approach in Cambridge.

Councillor Collis proposed and Councillor Robertson seconded the following amendment to motion (additional text underlined, deleted text ~~struckthrough~~)

Council notes:

- The number of complaints made by residents about the disturbance and danger caused to neighbourhoods by loud and speeding vehicles using the roads as race tracks.
- That residential areas in Cambridge can suffer heavily from the noise caused by some modified cars, motorbikes and scooters.
- That some drivers of all types of motorised vehicles frequently break the speed limit and drive unsafely through residential areas.
- That anti-social driving has a negative impact on the environment, personal safety and people's wellbeing, and potentially discourages active travel.

- That noise detection cameras have recently been installed in central London to detect engines revving at over 80 decibels and use video footage to record the offenders.
- That the issue of dangerous or antisocial driving is police-led, and that we should continue as a council to share any information we have with them.
- The current discussions at Area Committees around antisocial driving that is often taken up as police priorities for those areas.
- That, at a recent Community Safety Partnership meeting, it was reported that the police will make road safety a priority and will take action on anti-social driving, moped use and speeding.
- The establishment of the new road safety partnership, Vision Zero, which incorporates the international Safe System policy approach for Cambridgeshire and Peterborough.

Council calls on the Executive Councillor for Open Spaces, Sustainable Food and Community Wellbeing:

- ~~To bring together representatives of the Highways Authority and Police to develop a joint strategy to combat anti-social driving.~~
- ~~To investigate the noise detection cameras being used in London, with a view to using a similar approach in Cambridge.~~
- Request the Community Safety Partnership to feed the concerns of residents and Councillors over anti-social driving, including interest in the noise detection cameras being used in London, into the Vision Zero Partnership and to work with that partnership to address the issues
- To report back to council on the work of the Vision Zero Partnership.

On a show of hands the amendment was carried by 25 votes to 12.

Resolved (unanimously) that:

Council notes:

- The number of complaints made by residents about the disturbance and danger caused to neighbourhoods by loud and speeding vehicles using the roads as race tracks.
- That residential areas in Cambridge can suffer heavily from the noise caused by some modified cars, motorbikes and scooters.

- That some drivers of all types of motorised vehicles frequently break the speed limit and drive unsafely through residential areas.
- That anti-social driving has a negative impact on the environment, personal safety and people's wellbeing, and potentially discourages active travel.
- That noise detection cameras have recently been installed in central London to detect engines revving at over 80 decibels and use video footage to record the offenders.
- That the issue of dangerous or antisocial driving is police-led, and that we should continue as a council to share any information we have with them.
- The current discussions at Area Committees around antisocial driving that is often taken up as police priorities for those areas.
- That, at a recent Community Safety Partnership meeting, it was reported that the police will make road safety a priority and will take action on anti-social driving, moped use and speeding.
- The establishment of the new road safety partnership, Vision Zero, which incorporates the international Safe System policy approach for Cambridgeshire and Peterborough.

Council calls on the Executive Councillor for Open Spaces, Sustainable Food and Community Wellbeing:

- Request the Community Safety Partnership to feed the concerns of residents and Councillors over anti-social driving, including interest in the noise detection cameras being used in London, into the Vision Zero Partnership and to work with that partnership to address the issues
- To report back to council on the work of the Vision Zero Partnership.

6d Councillor Bennett: Carbon taxes and Joint Local and National Climate Emergency Fund

Councillor Bennett proposed and Councillor Copley seconded the following motion. Consent of council was not granted for Councillor Bennett to alter motion 6d under Council Procedure Rule 26.

This Council declares calls upon Rishi Sunak MP to review the IFS Report "Carbon taxes and the road to net zero " and to enact legislation to ensure that all green taxes (including relevant VAT) are ringfenced and allocated to a new joint Local and National Climate Emergency Fund which would be utilised to support councils in implementing the National Retrofit Strategy.

Councillor Moore proposed and Councillor Herbert seconded the following amendment (additional text underlined, deleted text ~~struckthrough~~).

This Council ~~declares~~ calls upon the Chancellor of the Exchequer Rishi Sunak MP to review the IFS Report "Carbon taxes and the road to net zero " and to enact legislation to ensure that all ~~green~~ taxes (including ~~relevant~~ VAT) are ~~ringfenced~~ progressive and are used to support a just transition to a green economy, including ~~and~~ being allocated to a new joint Local and National Climate Emergency Fund which would be utilised to support councils in implementing ~~the~~ a National Retrofit Strategy. We also ask our Chancellor to ensure that any new carbon pricing is used as a tax on fossil fuels as they are produced and that revenues should also be used to increase the flow of finance to developing countries to help them mitigate greenhouse gas emissions and adapt to climate change impacts, as promised under the United Nations Framework Convention on Climate Change, thereby ensuring a just transition for all.

On a show of hands the amendment was carried by 22 votes to 2.

Resolved (unanimously) that:

This Council calls upon the Chancellor of the Exchequer Rishi Sunak MP to review the IFS Report "Carbon taxes and the road to net zero " and to enact legislation to ensure that all taxes (including VAT) are progressive and are used to support a just transition to a green economy, including being allocated to a new joint Local and National Climate Emergency Fund which would be utilised to support councils in implementing a National Retrofit Strategy. We also ask our Chancellor to ensure that any new carbon pricing is used as a tax on fossil fuels as they are produced and that revenues should also be used to increase the flow of finance to developing countries to help them mitigate greenhouse gas emissions and adapt to climate change impacts, as promised under the United Nations Framework Convention on Climate Change, thereby ensuring a just transition for all.

6e Councillor Bennett: Fuel Poverty and Climate Change

Councillor Bennett proposed and Councillor Copley seconded the following motion. Consent of council was not granted for Councillor Bennett to alter motion 6e under Council Procedure Rule 26.

This council calls upon Michael Gove MP to work to end fuel poverty, create new jobs and achieve the UK's emission targets by adopting the National retrofit strategy set out in the Construction Leadership Council consultative document and in particular to fund the retrofitting of all council homes and housing association homes by 2025.

Background notes on the motions

1 Councillors will be well aware that the UK is legally committed to achieving net zero emissions by 2050 and of our own council's ambitions of achieving that goal by 2030.
2 The Institute for Fiscal Studies ("IFS") have published two reports in October 2021 that address how this plan might be funded.
3 IFS reports that most UK councils will require substantial additional funding to meet current service levels and statutory obligations. https://ifs.org.uk/publications/15673
4 This shows that councils have only the most limited scope to fund this work.
5 This is borne out by Cambridge's own forecasts and accounts.
6 Although the UK does not have a named carbon tax as such, it has had a variety of taxes that have a similar rule for 30 years. The positive impact of these taxes on business and consumer behaviour is well documented and is considered to be one of the principal drivers for the 38% reduction in UK greenhouse emissions between 1990 and 2018.
7 The Office of Budget Responsibility ("OBR") reports that the tax yield from emissions taxes exceeds new government expenditure on reducing emissions and has actually fallen as a percentage of the total tax yield.
8 There is currently no rule of law that requires "green" taxes to be used for "green" purposes such as the establishment of a National Climate Change Fund.
9 IFS have reviewed the UK's complex green tax system and have published an advance report timed to coincide with COP 26.
10 The report calls for review and reform as well as international co-operation on aviation and business taxes.
11 It also states that the 5% VAT rate on domestic gas is effectively a subsidy on emissions and a disincentive to energy efficiency improvements.
12 One in 7 UK households lives in acute fuel poverty (BEIS statistics 2019) and fuel bill fears affect a much broader demographic,
13 While BEIS statistics note the value of insulation incentives in reducing fuel poverty, Green Deal and Green Homes grants were withdrawn in March 2021.

14 Cold homes are responsible for 11,500 of excess deaths every year and treatment for related conditions costs the NHS c £2 billion a year (ONS, CLC).
15 The Construction Leadership Council's report "Greening our Existing Homes" states that homes use 35% of all UK energy and account for 20% of CO2 emissions. It sets out a detailed National Retrofit Strategy without which the UK emission targets cannot be achieved
16 Emissions taxation policy, fuel poverty and retrofitting existing homes remain inextricably linked. It is for this reason that we have chosen to put two linked motions before the council today.

Further reading https://ifs.org.uk/publications/15653, https://www.constructionleadershipcouncil.co.uk/workstream/net-zero-carbon-workstream/

Councillor Moore proposed and Councillor Gilderdale seconded the following amendment to motion: (additional text underlined).

This council believes that a socially just and carbon-neutral recovery from the pandemic is not only possible but imperative if we are to meet the vision set out in our Climate Change Strategy 2021. However, up to now much of national Government's proposed actions are little more than rhetoric. We really need to turn rhetoric into action.

Melting ice caps and forest fires can often seem like someone else's crisis when many are taking effect so far from our homes. But crises closer to home affecting thousands of local families cannot be separated from those further afield.

Across the UK there are more than 24 million homes leaking heat, not just wasting the Earth's precious resources and creating greenhouse gas emissions but also leaving many residents in cold, damp homes and in fuel poverty. There is no route to decarbonising the economy without retrofitting these homes. Doing so would not only help to protect our planet, improve housing and lead to cheaper energy bills but it would also create hundreds of thousands of good quality jobs across the whole country.

This council notes that;

- The highest temperature ever recorded in the UK was here in Cambridge, in July 2019 and we know that we are already facing a serious water shortage.

- Cambridge has approximately 51,240 homes which need to be retrofitted.
- It is estimated that the average investment needed to fully decarbonise each home in the UK is a minimum of £50k.
- Therefore, to decarbonise all homes in Cambridge would cost an estimated £2.562 billion.
- To retrofit all homes in Cambridge by this council's own Net Zero Carbon vision of 2030 would require 6,405 homes being completed each year.
- To retrofit all homes in Cambridge by the government's Net Zero Carbon target of 2050 would require 1,830 homes being completed each year.
- We have commissioned two high-level retrofit studies to identify what energy efficiency and renewable energy measures would need to be installed for different property archetypes in Cambridge to reach net zero carbon emissions and to provide more accurate costings for retrofitting both council and private homes.
- Over the period of the Council's previous climate change strategies, we have invested £4.3 million in energy efficiency improvements to Council homes, focussing on bringing the lowest rated properties up to an EPC rating of C.
- From 2020/21 to 2022/23, we have committed to investing a further £2.5 million to improve the energy efficiency of some of the remaining Council homes with EPC ratings of D to G, with the aim of bringing these up to a C rating or above where feasible.
- In February 2021 the Council was successful in its consortium bid with other Cambridgeshire local authorities to the Government's Green Homes Grant Local Authority Delivery (LAD) scheme and was awarded just over £2m to retrofit social and private housing.
- As part of a Cambridgeshire local authority consortium, the council has recently submitted a further £5.5m bid into the Sustainable Warmth Scheme, which is scheduled to be implemented between January 2022 and March 2023 if successful.
- The latest fuel poverty data for 2019 states 14.9% of Cambridge residents are experiencing fuel poverty. Energy efficiency also helps to reduce the impact of increasing energy prices and volatile energy markets.
- Cambridge City Council is currently working with PECT with the Warm Homes scheme to provide support to those experiencing fuel poverty.
- The Minimum Energy Efficiency Standards (MEES) regulation for the private rented sector restricts poor energy performing properties being available to rent. Cambridge City Council is implementing this regulation to improve the energy efficiency of the Cambridge rental sector.

- We have established a working group to plan how we will retrofit our own council housing stock and how best we can support private homeowners and landlords to retrofit theirs.
- Our project for Building Control to give homeowners energy saving advice using thermal imaging will launch at the end of this year.

The Great Homes Upgrade calls on the government to offer long term support to local authorities so we can help improve our residents' lives and homes, create thousands of high-quality jobs and decarbonise our housing stock in the face of climate change.

This council commits to;

- Join the "Great Homes Upgrade" campaign and for the leader to write to the Chancellor of the Exchequer and Sec of State DLUHC asking for an additional £11.7bn for retrofitting over the next three years as part of the government's spending review in 2021.
- The leader will write to ~~This council calls upon~~ Michael Gove MP asking him to work to end fuel poverty, create new green jobs and achieve the UK's emission targets by adopting the National retrofit strategy set out in the Construction Leadership Council consultative document and in particular to fund the retrofitting of all council homes and housing association homes by 2025.
- Widen the scope of our working group to include working with housing associations, private landlords and owner occupiers to help access investment and to build the skills and expertise necessary to reach our Climate Change Strategy aspirations.
- Work with local partners, including the Cambridgeshire & Peterborough Combined Authority (who lead on skills strategy), the Greater Cambridge Partnership, local councils, businesses and education providers to create the skilled workforce that we need.
- Share best practice and stories of retrofit success with the campaign.
- Write to neighbouring Local Authorities asking them to join the campaign.
- Sign and circulate the Great Homes Upgrade petition.

Background notes on the motions

1. Councillors will be well aware that the UK is legally committed to achieving net zero emissions by 2050 and of our own council's ambitions of achieving that goal by 2030.

2. The Institute for Fiscal Studies ("IFS") have published two reports in October 2021 that address how this plan might be funded.
3. IFS reports that most UK councils will require substantial additional funding to meet current service levels and statutory obligations. https://ifs.org.uk/publications/15673
4. This shows that councils have only the most limited scope to fund this work.
5. This is borne out by Cambridge's own forecasts and accounts.
6. Although the UK does not have a named carbon tax as such, it has had a variety of taxes that have a similar rule for 30 years. The positive impact of these taxes on business and consumer behaviour is well documented and is considered to be one of the principal drivers for the 38% reduction in UK greenhouse emissions between 1990 and 2018.
7. The Office of Budget Responsibility ("OBR") reports that the tax yield from emissions taxes exceeds new government expenditure on reducing emissions and has actually fallen as a percentage of the total tax yield.
8. There is currently no rule of law that requires "green" taxes to be used for "green" purposes such as the establishment of a National Climate Change Fund.
9. IFS have reviewed the UK's complex green tax system and have published an advance report timed to coincide with COP 26.
10. The report calls for review and reform as well as international co-operation on aviation and business taxes.
11. It also states that the 5% VAT rate on domestic gas is effectively a subsidy on emissions and a disincentive to energy efficiency improvements.
12. One in 7 UK households lives in acute fuel poverty (BEIS statistics 2019) and fuel bill fears affect a much broader demographic,
13. While BEIS statistics note the value of insulation incentives in reducing fuel poverty, Green Deal and Green Homes grants were withdrawn in March 2021.
14. Cold homes are responsible for 11,500 of excess deaths every year and treatment for related conditions costs the NHS c £2 billion a year (ONS, CLC)
15. The Construction Leadership Council's report "Greening our Existing Homes" states that homes use 35% of all UK energy and account for 20% of CO2 emissions. It sets out a detailed National Retrofit Strategy without which the UK emission targets cannot be achieved
16. Emissions taxation policy, fuel poverty and retrofitting existing homes remain inextricably linked. It is for this reason that we have chosen to put two linked motions before the council today.

Further reading https://ifs.org.uk/publications/15653, https://www.constructionleadershipcouncil.co.uk/workstream/net-zero-carbon-workstream/

On a show of hands the amendment was carried by 25 votes to 0.

Under Council Procedure Rule 23.4, the Mayor permitted Councillor Dalzell to move his amendment to motion 6g in this debate. Councillor Dalzell proposed and Councillor Gehring seconded the following amendment to motion (additional text underlined).

This council believes that a socially just and carbon-neutral recovery from the pandemic is not only possible but imperative if we are to meet the vision set out in our Climate Change Strategy 2021. However, up to now much of national Government's proposed actions are little more than rhetoric. We really need to turn rhetoric into action.

Melting ice caps and forest fires can often seem like someone else's crisis when many are taking effect so far from our homes. But crises closer to home affecting thousands of local families cannot be separated from those further afield.

Across the UK there are more than 24 million homes leaking heat, not just wasting the Earth's precious resources and creating greenhouse gas emissions but also leaving many residents in cold, damp homes and in fuel poverty. There is no route to decarbonising the economy without retrofitting these homes. Doing so would not only help to protect our planet, improve housing and lead to cheaper energy bills but it would also create hundreds of thousands of good quality jobs across the whole country.

This council notes that;

- The highest temperature ever recorded in the UK was here in Cambridge, in July 2019 and we know that we are already facing a serious water shortage.
- Cambridge has approximately 51,240 homes which need to be retrofitted.
- It is estimated that the average investment needed to fully decarbonise each home in the UK is a minimum of £50k.
- Therefore, to decarbonise all homes in Cambridge would cost an estimated £2.562 billion.

- To retrofit all homes in Cambridge by this council's own Net Zero Carbon vision of 2030 would require 6,405 homes being completed each year.
- To retrofit all homes in Cambridge by the government's Net Zero Carbon target of 2050 would require 1,830 homes being completed each year.
- We have commissioned two high-level retrofit studies to identify what energy efficiency and renewable energy measures would need to be installed for different property archetypes in Cambridge to reach net zero carbon emissions and to provide more accurate costings for retrofitting both council and private homes.
- Over the period of the Council's previous climate change strategies, we have invested £4.3 million in energy efficiency improvements to Council homes, focussing on bringing the lowest rated properties up to an EPC rating of C.
- From 2020/21 to 2022/23, we have committed to investing a further £2.5 million to improve the energy efficiency of some of the remaining Council homes with EPC ratings of D to G, with the aim of bringing these up to a C rating or above where feasible.
- In February 2021 the Council was successful in its consortium bid with other Cambridgeshire local authorities to the Government's Green Homes Grant Local Authority Delivery (LAD) scheme and was awarded just over £2m to retrofit social and private housing.
- The premature closure of the Government's Green Homes Grant programme in March 2021 due to a lack of uptake, which has been subsequently blamed by the Business Minister on "challenging timelines" and a failure to run local pilots.
- The new Government 'Heat and buildings strategy', which seeks to introduce Home Upgrade Grants, but appears to provide insufficient policies and investments to decarbonise the UK in line with the Paris Accord.
- As part of a Cambridgeshire local authority consortium, the council has recently submitted a further £5.5m bid into the Sustainable Warmth Scheme, which is scheduled to be implemented between January 2022 and March 2023 if successful.
- The latest fuel poverty data for 2019 states 14.9% of Cambridge residents are experiencing fuel poverty. Energy efficiency also helps to reduce the impact of increasing energy prices and volatile energy markets.
- Cambridge City Council is currently working with PECT with the Warm Homes scheme to provide support to those experiencing fuel poverty.
- The Minimum Energy Efficiency Standards (MEES) regulation for the private rented sector restricts poor energy performing properties being

available to rent. Cambridge City Council is implementing this regulation to improve the energy efficiency of the Cambridge rental sector.
- We have established a working group to plan how we will retrofit our own council housing stock and how best we can support private homeowners and landlords to retrofit theirs.
- Our project for Building Control to give homeowners energy saving advice using thermal imaging will launch at the end of this year.

The Great Homes Upgrade calls on the government to offer long term support to local authorities so we can help improve our residents' lives and homes, create thousands of high-quality jobs and decarbonise our housing stock in the face of climate change.

This council commits to;
- Join the “Great Homes Upgrade” campaign and for the leader to write to the Chancellor of the Exchequer and Sec of State DLUHC asking for an additional £11.7bn for retrofitting over the next three years as part of the government’s spending review in 2021.
- Include in this letter an offer to host pilot schemes in Cambridge to help develop nationwide insulation programmes and to help avoid further failures like the Green House Grant scheme.
- To put forward a clear deadline for getting all Council homes to an EPC standard of C or above in next HRA Budget Setting Report.
- Widen the scope of our working group to include working with housing associations, private landlords and owner occupiers to help access investment and to build the skills and expertise necessary to reach our Climate Change Strategy aspirations.
- Work with local partners, including the Cambridgeshire & Peterborough Combined Authority (who lead on skills strategy), the Greater Cambridge Partnership, local councils, businesses and education providers to create the skilled workforce that we need.
- Actively support homeowners to identify and apply for Home Upgrade Grants, and any other government grants that become available, and promote such grant schemes more widely on our website, social media and in Cambridge Matters.
- Share best practice and stories of retrofit success with the campaign.
- Write to neighbouring Local Authorities asking them to join the campaign.
- Sign and circulate the Great Homes Upgrade petition.

On a show of hands the amendment was lost by 14 votes to 22.

Resolved (by 35 votes to 1) that:

This council believes that a socially just and carbon-neutral recovery from the pandemic is not only possible but imperative if we are to meet the vision set out in our Climate Change Strategy 2021. However, up to now much of national Government's proposed actions are little more than rhetoric. We really need to turn rhetoric into action.

Melting ice caps and forest fires can often seem like someone else's crisis when many are taking effect so far from our homes. But crises closer to home affecting thousands of local families cannot be separated from those further afield.

Across the UK there are more than 24 million homes leaking heat, not just wasting the Earth's precious resources and creating greenhouse gas emissions but also leaving many residents in cold, damp homes and in fuel poverty. There is no route to decarbonising the economy without retrofitting these homes. Doing so would not only help to protect our planet, improve housing and lead to cheaper energy bills but it would also create hundreds of thousands of good quality jobs across the whole country.

This council notes that;

- The highest temperature ever recorded in the UK was here in Cambridge, in July 2019 and we know that we are already facing a serious water shortage.
- Cambridge has approximately 51,240 homes which need to be retrofitted.
- It is estimated that the average investment needed to fully decarbonise each home in the UK is a minimum of £50k.
- Therefore, to decarbonise all homes in Cambridge would cost an estimated £2.562 billion.
- To retrofit all homes in Cambridge by this council's own Net Zero Carbon vision of 2030 would require 6,405 homes being completed each year.
- To retrofit all homes in Cambridge by the government's Net Zero Carbon target of 2050 would require 1,830 homes being completed each year.
- We have commissioned two high-level retrofit studies to identify what energy efficiency and renewable energy measures would need to be installed for different property archetypes in Cambridge to reach net zero carbon emissions and to provide more accurate costings for retrofitting both council and private homes.

- Over the period of the Council's previous climate change strategies, we have invested £4.3 million in energy efficiency improvements to Council homes, focussing on bringing the lowest rated properties up to an EPC rating of C.
- From 2020/21 to 2022/23, we have committed to investing a further £2.5 million to improve the energy efficiency of some of the remaining Council homes with EPC ratings of D to G, with the aim of bringing these up to a C rating or above where feasible.
- In February 2021 the Council was successful in its consortium bid with other Cambridgeshire local authorities to the Government's Green Homes Grant Local Authority Delivery (LAD) scheme and was awarded just over £2m to retrofit social and private housing.
- As part of a Cambridgeshire local authority consortium, the council has recently submitted a further £5.5m bid into the Sustainable Warmth Scheme, which is scheduled to be implemented between January 2022 and March 2023 if successful.
- The latest fuel poverty data for 2019 states 14.9% of Cambridge residents are experiencing fuel poverty. Energy efficiency also helps to reduce the impact of increasing energy prices and volatile energy markets.
- Cambridge City Council is currently working with PECT with the Warm Homes scheme to provide support to those experiencing fuel poverty.
- The Minimum Energy Efficiency Standards (MEES) regulation for the private rented sector restricts poor energy performing properties being available to rent. Cambridge City Council is implementing this regulation to improve the energy efficiency of the Cambridge rental sector.
- We have established a working group to plan how we will retrofit our own council housing stock and how best we can support private homeowners and landlords to retrofit theirs.
- Our project for Building Control to give homeowners energy saving advice using thermal imaging will launch at the end of this year.

The Great Homes Upgrade calls on the government to offer long term support to local authorities so we can help improve our residents' lives and homes, create thousands of high-quality jobs and decarbonise our housing stock in the face of climate change.

This council commits to;

- Join the "Great Homes Upgrade" campaign and for the leader to write to the Chancellor of the Exchequer and Sec of State DLUHC asking for an

additional £11.7bn for retrofitting over the next three years as part of the government's spending review in 2021.

- The leader will write to Michael Gove MP asking him to work to end fuel poverty, create new green jobs and achieve the UK's emission targets by adopting the National retrofit strategy set out in the Construction Leadership Council consultative document and in particular to fund the retrofitting of all council homes and housing association homes by 2025.
- Widen the scope of our working group to include working with housing associations, private landlords and owner occupiers to help access investment and to build the skills and expertise necessary to reach our Climate Change Strategy aspirations.
- Work with local partners, including the Cambridgeshire & Peterborough Combined Authority (who lead on skills strategy), the Greater Cambridge Partnership, local councils, businesses and education providers to create the skilled workforce that we need.
- Share best practice and stories of retrofit success with the campaign.
- Write to neighbouring Local Authorities asking them to join the campaign.
- Sign and circulate the Great Homes Upgrade petition.

Background notes on the motions

1. Councillors will be well aware that the UK is legally committed to achieving net zero emissions by 2050 and of our own council's ambitions of achieving that goal by 2030.
2. The Institute for Fiscal Studies ("IFS") have published two reports in October 2021 that address how this plan might be funded.
3. IFS reports that most UK councils will require substantial additional funding to meet current service levels and statutory obligations. https://ifs.org.uk/publications/15673
4. This shows that councils have only the most limited scope to fund this work.
5. This is borne out by Cambridge's own forecasts and accounts.
6. Although the UK does not have a named carbon tax as such, it has had a variety of taxes that have a similar rule for 30 years. The positive impact of these taxes on business and consumer behaviour is well documented and is considered to be one of the principal drivers for the 38% reduction in UK greenhouse emissions between 1990 and 2018.
7. The Office of Budget Responsibility ("OBR") reports that the tax yield from emissions taxes exceeds new government expenditure on reducing emissions and has actually fallen as a percentage of the total tax yield.

8. There is currently no rule of law that requires “green” taxes to be used for “green” purposes such as the establishment of a National Climate Change Fund.
9. IFS have reviewed the UK’s complex green tax system and have published an advance report timed to coincide with COP 26.
10. The report calls for review and reform as well as international co-operation on aviation and business taxes.
11. It also states that the 5% VAT rate on domestic gas is effectively a subsidy on emissions and a disincentive to energy efficiency improvements.
12. One in 7 UK households lives in acute fuel poverty (BEIS statistics 2019) and fuel bill fears affect a much broader demographic,
13. While BEIS statistics note the value of insulation incentives in reducing fuel poverty, Green Deal and Green Homes grants were withdrawn in March 2021.
14. Cold homes are responsible for 11,500 of excess deaths every year and treatment for related conditions costs the NHS c £2 billion a year (ONS, CLC)
15. The Construction Leadership Council’s report “Greening our Existing Homes” states that homes use 35% of all UK energy and account for 20% of CO2 emissions. It sets out a detailed National Retrofit Strategy without which the UK emission targets cannot be achieved
16. Emissions taxation policy, fuel poverty and retrofitting existing homes remain inextricably linked. It is for this reason that we have chosen to put two linked motions before the council today.

Further reading *https://ifs.org.uk/publications/15653*, *https://www.constructionleadershipcouncil.co.uk/workstream/net-zero-carbon-workstream/*

6f Councillor Lee: Removal of Universal Credit boost

Councillor Lee proposed and Councillor Nethsingha seconded the following motion. Councillor Lee amended the motion with Council’s consent under Council Procedure Rule 26, additional text underlined.

Council notes:

- That in March 2020, the government increased Universal Credit and Working Tax Credit by £20 a week to support families through the economic challenges presented by the Covid-19 pandemic.
- That this scheme officially ended on 6th October 2021.

- That the cut to Universal Credit is the biggest overnight cut to the basic rate of social security since the modern welfare state began.
- Analysis by the Joseph Rowntree Foundation indicates that 21% of all working-age families will experience a £1,040-a-year cut to their incomes due to the removal of the uplift.
- The increase in the number of children receiving Free School Meals nationally, the increase in families relying on help from food banks nationally, and the increase in the number of families claiming Universal Credit in Cambridgeshire following the pandemic.
- That pressures on family incomes are mounting, due to the rise in the cost of living as a direct consequence of this government's actions in leaving the European Union, and inactions in failing to implement policies that could have negated some of its impacts.
- That due to the price of gas rising by 250% this year, energy bills have dramatically increased also, while Winter Fuel Payments, which were already inadequate, have not kept up with this rise.

Council believes:

- It is a national disgrace that anyone should have to rely on help from food banks in one of the largest economies in the world.
- That the withdrawal of the Universal Credit boost at this time will have a significant detrimental impact on the financial security and wellbeing of those affected in Cambridge.
- That the decision to remove the uplift is deplorable, and not the actions of a responsible government.

Council resolves to:

- Write to the Chancellor of the Exchequer and the Secretary of State for Work and Pensions, to express this council's grave concern at the impact that the cut of £20 a week to Universal Credit will have on many families in Cambridge, and request that the cut to the Universal Credit uplift be reversed.
- Continue to offer support to our families who are on Universal Credit through our existing Council services.
- Ensure the council website and social media provides clear signposting to sources of financial support.

Councillor S. Baigent proposed and Councillor Sweeney seconded the following amendment to motion (additional text underlined, deleted text ~~struckthrough~~).

Council notes:

- That in March 2020, the government increased Universal Credit and Working Tax Credit by £20 a week to support families through the economic challenges presented by the Covid-19 pandemic.
- That this scheme officially ended on 6th October 2021.
- That the cut to Universal Credit is the biggest overnight cut to the basic rate of social security since the modern welfare state began.
- Analysis by the Joseph Rowntree Foundation indicates that 21% of all working-age families will experience a £1,040-a-year cut to their incomes due to the removal of the uplift.
- The increase in the number of children receiving Free School Meals nationally, the increase in families relying on help from food banks nationally as well as food hubs locally, and the increase in the number of families claiming Universal Credit in Cambridgeshire following the pandemic.
- That pressures on family incomes are mounting, due to the rise in the cost of living as a direct consequence of this government's actions in leaving the European Union, including rising food prices and fuel costs as well as their failure ~~and inactions in failing~~ to implement sustained, long-term policies that could have negated some of its impact.
- That the Winter Support Payments proposed by the Government are not at a sufficient level to meet the level of need.
- The Welsh Government's bold commitment to trial a Universal Basic Income (UBI) with 5000 residents over 24 months and welcomes its bold vision and clear commitment to tackling inequality.

Council believes;

- That it is a national disgrace that anyone should have to rely on help from food banks in one of the largest economies in the world.
- That the withdrawal of the Universal Credit boost at this time will have a significant detrimental impact on the financial security and wellbeing of those affected in Cambridge.
- That the decision to remove the uplift is deplorable, and not the actions of a responsible government.

Council resolves to;

- Write to the Chancellor of the Exchequer and the Secretary of State for Work and Pensions, to express this council's grave concern at the impact that the cut of £20 a week to Universal Credit will have on many families in Cambridge, and request that the cut to the Universal Credit uplift be reversed.
- Continue to offer support to our families who are on Universal Credit through our existing Council services.
- Ensure the council website and social media ~~provides~~ continues to provide clear signposting to sources of financial support.

On a show of hands the amendment was carried by 24 votes to 0.

Resolved (unanimously) that:

Council notes:

- That in March 2020, the government increased Universal Credit and Working Tax Credit by £20 a week to support families through the economic challenges presented by the Covid-19 pandemic.
- That this scheme officially ended on 6th October 2021.
- That the cut to Universal Credit is the biggest overnight cut to the basic rate of social security since the modern welfare state began.
- Analysis by the Joseph Rowntree Foundation indicates that 21% of all working-age families will experience a £1,040-a-year cut to their incomes due to the removal of the uplift.
- The increase in the number of children receiving Free School Meals nationally, the increase in families relying on help from food banks nationally as well as food hubs locally, and the increase in the number of families claiming Universal Credit in Cambridgeshire following the pandemic.
- That pressures on family incomes are mounting, due to the rise in the cost of living as a direct consequence of this government's actions in leaving the European Union, including rising food prices and fuel costs as well as their

failure to implement sustained, long-term policies that could have negated some of its impact.
- That the Winter Support Payments proposed by the Government are not at a sufficient level to meet the level of need.
- The Welsh Government's bold commitment to trial a Universal Basic Income (UBI) with 5000 residents over 24 months and welcomes its bold vision and clear commitment to tackling inequality.

Council believes;

- That it is a national disgrace that anyone should have to rely on help from food banks in one of the largest economies in the world.
- That the withdrawal of the Universal Credit boost at this time will have a significant detrimental impact on the financial security and wellbeing of those affected in Cambridge.
- That the decision to remove the uplift is deplorable, and not the actions of a responsible government.

Council resolves to;

- Write to the Chancellor of the Exchequer and the Secretary of State for Work and Pensions, to express this council's grave concern at the impact that the cut of £20 a week to Universal Credit will have on many families in Cambridge, and request that the cut to the Universal Credit uplift be reversed.
- Continue to offer support to our families who are on Universal Credit through our existing Council services.
- Ensure the council website and social media continues to provide clear signposting to sources of financial support.

6g Councillor Moore: Great Homes Upgrade
This motion was withdrawn under Council Procedure Rule 27.

6h Councillor Copley: Fossil Fuel Non-Proliferation Treaty
Councillor Copley proposed and Councillor Bennett seconded the following motion:

This Council resolves to:

- Affirm their ongoing commitment to the goal of the Paris Climate Agreement to limit global heating to 1.5°C.
- Endorse the call for a Fossil Fuel Non-Proliferation Treaty, involving the end of new fossil fuel exploration and expansion, equitably phasing out existing production in line with the global commitment to limit warming to 1.5°C, and accelerating just energy transition plans.
- Write to Alok Sharma MP, President for COP26 and the Prime Minister, urging them to endorse the call for a Fossil Fuel Non-Proliferation Treaty.

This Council notes:

- The recent report from the United Nations Intergovernmental Panel on Climate Change (IPCC) reaffirms the vital need for rapid and significant reduction of carbon emissions, and has been described as ‘a code red for humanity’ by the Secretary General of the United Nations, and that “The report must sound a death knell to coal and fossil fuels, before they destroy our planet”.
- Global governments and the fossil fuel industry are currently planning to overshoot the remaining carbon budget (that would avert catastrophic climate disruption by limiting global heating to 1.5°C) by 120% by the year 2030.
- That a recent International Monetary Fund (IMF) report states that the fossil fuel industry is subsidised at the rate of $11 million / minute.
- That the construction of new fossil fuel infrastructure and expanded reliance on fossil fuels exposes communities to untenable risks to public health and safety at the local and global level.
- That the economic opportunities presented by a clean energy transition far outweigh the opportunities presented by an economy supported by expanding fossil fuel use and extraction, and that the UK should be committed, as part of our Climate Emergency response, to a just energy transition and to ambitious investments in green infrastructure and industries that will create jobs and rapidly decarbonize our economy.
- That the global initiative underway calling for a ‘Fossil Fuel Non-Proliferation Treaty’, is deserving of support, and that other leading cities including Barcelona, Toronto, Los Angeles and Sydney have already endorsed the call for a Fossil Fuel Non-Proliferation Treaty.

Resolved (unanimously) to support the motion.

6i Councillor A.Smith: Parental Leave and Family Friendly Policies

Councillor A.Smith proposed and Councillor Smart seconded the following motion:

This council notes the following.

1. The community has a right to be represented by a diversity of councillors and residents should have a diversity of councillors for whom to vote.
2. Analysis, by the Fawcett Society, of the 2019 Local Election results found that only 35% of councillors in England are women, up 1% since 2018. Of the seats up for election in 2018, 38% went to women, up just 3 percentage points on 2014 when these seats were last contested.
3. Only 15% of councillors nationally are under 45 years of age.
4. As of October 2020, 27 councils have passed the LGA Labour Group's Parental Leave policy, and an additional 9 councils have their own parental leave policy.
5. Cambridge does not have a formal parental leave policy for councillors.
6. The role of a councillor should be open to all, regardless of background, and introducing a parental leave policy and other family friendly policies is a step towards encouraging a wider range of people to become councillors, and is also a step to encourage existing councillors who may wish to start a family to remain as councillors;
7. Parental leave must apply to parents regardless of their gender, and should cover adoption leave to support those parents who choose to adopt.
8. Parental leave is only part of the picture and other family friendly policies such as support for carers, remote/hybrid meetings, and becoming a breastfeeding-friendly council would further ensure a greater diversity of councillors. And also that family friendly policies are in themselves only a small part of the wider need for policies which encourage truly diverse representation.

This Council resolves the following.

1. To adapt to suit a Cambridge context the parental leave policy drafted by the LGA Labour Group's Women's Task Force and to bring the recommendations to Civic Affairs as part of the next round of discussions on councillor remuneration. Parental Leave Policy for Councils | Local Government Association
2. To ensure that councillors with children and other caring commitments are supported as appropriate.

3. To acknowledge this is only one part of the picture, and to commit to investigating other inclusive policies and bringing those recommendations forward in the future.
4. To write to the Secretary of State for Levelling Up, Housing and Communities to urge him to introduce legislation to allow councils to adopt remote and hybrid meetings where they deem it appropriate to do so.

Councillor Porrer proposed and Councillor Gehring seconded the following amendment to motion (additional text underlined).

This council notes the following.

1. The community has a right to be represented by a diversity of councillors and residents should have a diversity of councillors for whom to vote.
2. Analysis, by the Fawcett Society, of the 2019 Local Election results found that only 35% of councillors in England are women, up 1% since 2018. Of the seats up for election in 2018, 38% went to women, up just 3 percentage points on 2014 when these seats were last contested.
3. Only 15% of councillors nationally are under 45 years of age.
4. As of October 2020, 27 councils have passed the LGA Labour Group's Parental Leave policy, and an additional 9 councils have their own parental leave policy.
5. Cambridge does not have a formal parental leave policy for councillors.
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7. Parental leave must apply to parents regardless of their gender, and should cover adoption leave to support those parents who choose to adopt.
8. Parental leave is only part of the picture and other family friendly policies such as support for carers, remote/hybrid meetings, and becoming a breastfeeding-friendly council would further ensure a greater diversity of councillors. And also that family friendly policies are in themselves only a small part of the wider need for policies which encourage truly diverse representation.

This Council resolves the following.

5. To adapt to suit a Cambridge context the parental leave policy drafted by the LGA Labour Group's Women's Task Force and to bring the

recommendations to Civic Affairs as part of the next round of discussions on councillor remuneration.

6. To ensure that councillors with children and other caring commitments are supported as appropriate.
7. To acknowledge this is only one part of the picture, and to commit to investigating other inclusive policies and bringing those recommendations forward in the future.
8. To write to the Secretary of State for Levelling Up, Housing and Communities to urge him to introduce legislation to allow councils to adopt remote and hybrid meetings where they deem it appropriate to do so.
9. Further to this council's resolution at Civic Affairs on 9th October 2019 (19/41/Civ), that this council shall continue to apply pressure via the Local Government Association and any other appropriate routes to allow for proxy voting for local government for those on parental leave, which is not currently permissible, despite already being available to MPs in parliament.

   https://local.gov.uk/parental-leave-policy-councils

On a show of hands the amendment was carried unanimously.

Resolved (unanimously) that:

This council notes the following.

1. The community has a right to be represented by a diversity of councillors and residents should have a diversity of councillors for whom to vote.
2. Analysis, by the Fawcett Society, of the 2019 Local Election results found that only 35% of councillors in England are women, up 1% since 2018. Of the seats up for election in 2018, 38% went to women, up just 3 percentage points on 2014 when these seats were last contested.
3. Only 15% of councillors nationally are under 45 years of age.
4. As of October 2020, 27 councils have passed the LGA Labour Group's Parental Leave policy, and an additional 9 councils have their own parental leave policy.
5. Cambridge does not have a formal parental leave policy for councillors.
6. The role of a councillor should be open to all, regardless of background, and introducing a parental leave policy and other family friendly policies

is a step towards encouraging a wider range of people to become councillors, and is also a step to encourage existing councillors who may wish to start a family to remain as councillors;

7. Parental leave must apply to parents regardless of their gender, and should cover adoption leave to support those parents who choose to adopt.
8. Parental leave is only part of the picture and other family friendly policies such as support for carers, remote/hybrid meetings, and becoming a breastfeeding-friendly council would further ensure a greater diversity of councillors. And also that family friendly policies are in themselves only a small part of the wider need for policies which encourage truly diverse representation.

This Council resolves the following.

1. To adapt to suit a Cambridge context the parental leave policy drafted by the LGA Labour Group's Women's Task Force and to bring the recommendations to Civic Affairs as part of the next round of discussions on councillor remuneration.
2. To ensure that councillors with children and other caring commitments are supported as appropriate.
3. To acknowledge this is only one part of the picture, and to commit to investigating other inclusive policies and bringing those recommendations forward in the future.
4. To write to the Secretary of State for Levelling Up, Housing and Communities to urge him to introduce legislation to allow councils to adopt remote and hybrid meetings where they deem it appropriate to do so.
5. Further to this council's resolution at Civic Affairs on 9th October 2019 (19/41/Civ), that this council shall continue to apply pressure via the Local Government Association and any other appropriate routes to allow for proxy voting for local government for those on parental leave, which is not currently permissible, despite already being available to MPs in parliament.

   https://local.gov.uk/parental-leave-policy-councils

21/40/CNL Written questions

Members were asked to note the written questions and answers that had been placed in the information pack and was circulated around the Chamber.

The meeting ended at 10.30 pm

CHAIR

COUNCIL

30 November 2021
5.00 - 5.40 pm

Present: Councillors D. Baigent, Bick, Collis, Dalzell, Davey, Dryden, Gawthrope Wood, Gilderdale, Healy, Herbert, McPherson, Moore, Payne, Porrer, Pounds, Robertson, Sargeant, Scutt, Sheil, Smart, A. Smith, S. Smith, Sweeney, Thornburrow and Todd-Jones

FOR THE INFORMATION OF THE COUNCIL

21/41/CNL Apologies for absence

Apologies for absence were received from Cllrs Ashton, S. Baigent, Bennett, Bird, Bond, Copley, Cox, H. Davies, S. Davies, Flaubert, Gehring, Hauk, Lee, McQueen, Nethsingha, O'Reilly and Page-Croft.

21/42/CNL To elect a Leader of the Council

Cllr Collis proposed and Cllr Healy seconded the nomination of Cllr Anna Smith.

Resolved (by 21 votes to 0)

That Cllr Anna Smith is elected Leader of the City Council.

21/43/CNL Changes to the appointments to the Combined Authority-as appropriate

Cllr Herbert proposed and Cllr Smart seconded the nomination of Cllr A Smith as the substitute member on the Combined Authority Board.

Resolved

That Cllr Anna Smith is appointed the Council's substitute member on the Combined Authority Board.

The meeting ended at 5.40 pm

CHAIR

RECOMMENDATION TO COUNCIL
(Executive Councillor for Housing)

2022/23 Housing Revenue Account Budget Setting Report

As part of the 2022/23 budget process, the range of assumptions upon which the HRA Business Plan and Medium Term Financial Strategy were based, have been reviewed in light of the latest information available, culminating in the preparation of the HRA Budget Setting Report.

The HRA Budget-Setting Report provides an overview of the review of the key assumptions. It sets out the key parameters for the detailed recommendations and final budget proposals and is the basis for the finalisation of the 2022/23 budgets.

There were two amendments approved to the 2022/23 Housing Revenue Budget:

By 9 votes in favour, 1 against and 4 abstentions:

i. A proposal for internal scoping work, including the Independent Living Service and Communities Service, alongside the assessment of external provision, to inform an analysis of the services provided to older residents (not just council tenants) experiencing isolation and to assess community needs. This analysis may include recommending a future revenue bid for a Community Inclusion Officer. They would work across the sheltered housing portfolio and with older tenants in our general needs housing, to support residents, to improve connectivity between sheltered schemes and other residents and to reduce loneliness and social isolation. The new post would supplement the existing Independent Living Service.

By 13 votes in favour, 0 against and 1 abstention:

ii. A proposal to request officers to include in the Transformation Programme some workshops of councillors and stakeholders, such as tenant and leaseholder representatives, to work on a short, focussed overview of the HRA Medium Term Financial Strategy and Budget Setting Reports and the General Fund Medium Term Financial Strategy and Budget Setting Reports,

which could summarise and communicate information more effectively such as by:

- Use of key questions
- Graphical presentation
- Key performance indicators
- Benchmarking

This would facilitate more effective scrutiny by all councillors and clearer communication to city residents.
A cost figure is not provided for this recommendation because the HRA's accounting function already produces a very full range of high quality key performance indicator reports and benchmarking. The proposed new overview report would be an introductory guided tour that assists users to engage with the main report and put it in context.

The Housing Scrutiny Committee considered and approved recommendations m - z by 7 votes to 0 with 2 abstentions.

Accordingly, Council is recommended to:

i. Approve the revised need to borrow over the 30-year life of the business plan, with the first instance of this anticipated to be in 2022/23, to sustain the proposed level of investment, which includes ear-marking funding for delivery of a net 1,000 new homes over a 10-year timeframe.
ii. Recognise that the constitution delegates Treasury Management to the Head of Finance (Part 3, para 5.11), with Part 4F, C16 stating; 'All executive decisions on borrowing, investment or financing shall be delegated to the Head of Finance, who is required to act in accordance with CIPFA's Code of Practice for Treasury Management in Local Authorities.
iii. Recognise that any decision to borrow further will impact the authority's ability to set-aside resource to redeem 25% of the value of the housing debt by the point at which the loan portfolio matures, with the approach to this to be reviewed before further borrowing commences.
iv. Approve capital bids, as detailed in Appendix D (3) and Appendix E of the HRA Budget Setting Report.
v. Approve the latest Decent Homes and Other HRA Stock Investment Programme, to include reduced expenditure for wall structure and fire safety works and re-phasing of other elements of the programme into later years, as detailed in Appendix E of the HRA Budget Setting Report.

vi. Approve the latest budget sums, profiling and associated financing for all new build schemes, including revised scheme budgets for Colville III, Fen Road, Ditton Fields, Aragon Close, Sackville Close and Borrowdale based upon the latest cost information from the Cambridge Investment Partnership (CIP) and a reduction in unit numbers at Aylesborough Close, as detailed in Appendices E and H, and summarised in Appendix K, of the HRA Budget Setting Report.

vii. Approve the allocation of funds from the budget ear-marked for the delivery of 1,000 net new homes to allow buy back of leasehold dwellings and relocation of tenants from Princess and Hanover Court over the next two years, in advance of a final recommendation for the future of the estate which will be presented once the options appraisal and consultation work has been concluded.

viii. Approve the revised Housing Capital Investment Plan as shown in Appendix K of the HRA Budget Setting Report.

ix. Approve the inclusion of Disabled Facilities Grant expenditure and associated grant income from 2022/23 onwards, based upon 2021/22 net grant received, with delegation to the Head of Finance, as Section 151 Officer, to approve an in year increase or decrease in the budget for disabled facilities grants in any year, in direct relation to any increase or decrease in the capital grant funding for this purpose, as received from the County Council through the Better Care Fund.

x. Approve delegation to the Head of Finance, as Section 151 Officer, to determine the most appropriate use of any additional Disabled Facilities Grant funding, for the wider benefit of the Shared Home Improvement Agency.

xi. Approve delegation to the Strategic Director to review and amend the level of fees charged by the Shared Home Improvement Agency for disabled facilities grants and repair assistance grants, in line with any decisions made by the Shared Home Improvement Agency Board.

xii. Approve delegation to the Strategic Director to review, agree and enter into a revised Shared Home Improvement Agency Shared Service Agreement, in line with recommendations made by the Shared Home Improvement Agency Board.

xiii. Approve delegation to the Strategic Director, in consultation with the Head of Finance, as Section 151 Officer, to draw down resource from the ear-marked reserves for potential debt redemption or re-investment, for the purpose of open market land or property acquisition or new build housing development, should the need

arise, in order to meet deadlines for the use of retained right to buy receipts or to facilitate future site redevelopment.

xiv. Approve delegation to the Head of Finance, as Section 151 Officer, to make any necessary technical amendments to detailed budgets in respect of recharges between the General Fund and the HRA, with any change in impact for the HRA to be incorporated as part of the HRA Medium Term Financial Strategy in September 2022.

Item

2022/23 HOUSING REVENUE ACCOUNT BUDGET SETTING REPORT

To:
Councillor Mike Todd-Jones, Executive Councillor for Housing

Report by:
Julia Hovells, Assistant Head of Finance and Business Manager
Tel: 01223 - 457248

Email: julia.hovells@cambridge.gov.uk

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

Key Decision

1. Executive Summary

1.1 As part of the 2022/23 budget process, the range of assumptions upon which the HRA Business Plan and Medium Term Financial Strategy were based, have been reviewed in light of the latest information available, culminating in the preparation of the HRA Budget Setting Report.

1.2 The HRA Budget-Setting Report provides an overview of the review of the key assumptions. It sets out the key parameters for the detailed recommendations and final budget proposals and is the basis for the finalisation of the 2022/23 budgets.

1.3 The resulting recommendations refer to the strategy outlined in the HRA Budget Setting Report.

1.4 The HRA Budget Setting Report is presented to this meeting of the Housing Scrutiny Committee on 20 January 2022, to allow consideration and scrutiny of proposals for both the review of rents and service charges and the revenue bids and savings, which form part of the HRA budget. The Executive Councillor for Housing will approve rents, service charges and the final HRA revenue budget, after consideration of any budget amendments for the Housing Revenue Account.

1.5 The Housing Scrutiny Committee will also consider and scrutinise the Housing Capital Investment Plan, including capital bids and all associated funding proposals, prior to the Executive Council for Housing making final capital recommendations for approval at Council on 24 February 2022.

2. Recommendations

Under Part 1 of the agenda, the Executive Councillor, is recommended, following scrutiny and debate at Housing Scrutiny Committee, to:

Review of Rents and Charges

a) Approve that council dwellings rents for all social rented properties be increased by inflation of 3.1%, measured by the Consumer Price Index (CPI) at September 2021, plus 1%, resulting in rent increases of 4.1%, with effect from 4 April 2022. This equates to an average rent increase of £4.21 per week.

b) Approve that affordable rents (inclusive of service charge) are reviewed in line with rent legislation, to ensure that the rents charged are no more than 80% of market rent, with rents for existing tenants increased by no more than inflation of 3.1%, measured by the Consumer Price Index (CPI) at September 2021, plus 1%, resulting in rent increases of up to 4.1%. Local policy is to cap affordable rents (inclusive of all service charges) at the Local Housing Allowance level, which would usually result in rent variations in line with any changes notified to the authority in this level if these result in a lower than 4.1% increase. As the Local Housing Allowance was increased significantly in late March 2020, affordable rent increases will be capped at 4.1% from April 2022, which is still well below the 2022/23 Local Housing Allowances levels.

c) Approve that rents for shared ownership properties are reviewed and amended from April 2022, in line with the specific requirements within the lease for each property.

d) Approve that garage and parking space charges for 2022/23, are increased by inflation at 2% in line with the level of inflation incorporated into the HRA as part of the Medium-Term Financial Strategy process, and that charges for parking permits are reviewed, with any resulting charges summarised in Section 3 of the HRA Budget Setting Report.

e) Approve the proposed service charges for Housing Revenue Account services and facilities, as shown in Appendix B of the HRA Budget Setting Report.

f) Approve the proposed leasehold administration charges for 2022/23, as detailed in Appendix B of the HRA Budget Setting Report.

g) Approve that caretaking, building cleaning, window cleaning, estate services, grounds maintenance, temporary housing premises and utilities, sheltered scheme premises and utilities, digital television aerial, gas maintenance, door entry systems, lifts, electrical and mechanical maintenance, flat cleaning, third party services, specialist equipment and catering charges continue to be recovered at full cost, as detailed in Appendix B of the HRA Budget Setting Report, recognising that local authorities should endeavour to limit increases to inflation as measured by CPI at September 2021 (3.1%) plus 1%, wherever possible.

h) Approve the updated HRA Rent Setting Policy, included at Appendix M to the HRA Budget Setting Report.

Revenue – HRA

Revised Budget 2021/22:

i) Approve with any amendments, the Revised Budget identified in Section 4 and Appendix D (1) of the HRA Budget Setting Report, which reflects a net reduction in the use of HRA reserves for 2021/22 of £262,870.

Budget 2022/23:

j) Approve with any amendments, any Non-Cash Limit items identified in Section 4 of the HRA Budget Setting Report or shown in Appendix D (2) of the HRA Budget Setting Report.

k) Approve with any amendments, any Savings, Increased Income, Unavoidable Revenue Bids, Reduced Income Proposals and Bids, as shown in Appendix D (2) of the HRA Budget Setting Report.

l) Approve the resulting Housing Revenue Account revenue budget as summarised in the Housing Revenue Account Summary Forecast 2021/22 to 2026/27 shown in Appendix J of the HRA Budget Setting Report.

Under Part 2 of the agenda, the Executive Councillor for Housing is asked to recommend to Council (following scrutiny and debate at Housing Scrutiny Committee):

Treasury Management

m) Approve the revised need to borrow over the 30-year life of the business plan, with the first instance of this anticipated to be in 2022/23, to sustain the proposed level of investment, which includes ear-marking funding for delivery of a net 1,000 new homes over a 10-year timeframe.

n) Recognise that the constitution delegates Treasury Management to the Head of Finance (Part 3, para 5.11), with Part 4F, C16 stating; ‘All executive decisions on borrowing, investment or financing shall be delegated to the Head of Finance, who is required to act in accordance with CIPFA’s Code of Practice for Treasury Management in Local Authorities.

o) Recognise that any decision to borrow further will impact the authority’s ability to set-aside resource to redeem 25% of the value of the housing debt by the point at which the loan portfolio matures, with the approach to this to be reviewed before further borrowing commences.

Housing Capital

p) Approval of capital bids, as detailed in Appendix D (3) and Appendix E of the HRA Budget Setting Report.

q) Approval of the latest Decent Homes and Other HRA Stock Investment Programme, to include reduced expenditure for wall structure and fire safety works and re-phasing of other elements of the programme into later years, as detailed in Appendix E of the HRA Budget Setting Report.

r) Approval of the latest budget sums, profiling and associated financing for all new build schemes, including revised scheme budgets for Colville III, Fen Road, Ditton Fields, Aragon Close, Sackville Close and Borrowdale based upon the latest cost information from the Cambridge Investment Partnership (CIP) and a reduction in unit numbers at Aylesborough Close, as detailed in Appendices E and H, and summarised in Appendix K, of the HRA Budget Setting Report.

s) Approval of allocation of funds from the budget ear-marked for the delivery of 1,000 net new homes to allow buy back of leasehold dwellings and relocation of tenants from Princess and Hanover Court over the next two years, in advance of a final recommendation for the future of the estate which will be presented once the options appraisal and consultation work has been concluded.

t) Approval of the revised Housing Capital Investment Plan as shown in Appendix K of the HRA Budget Setting Report.

General

u) Approval of inclusion of Disabled Facilities Grant expenditure and associated grant income from 2022/23 onwards, based upon 2021/22 net grant received, with approval of delegation to the Head of Finance, as Section 151 Officer, to approve an in year increase or decrease in the budget for disabled facilities grants in any year, in direct relation to any increase or decrease in the capital grant funding for this purpose, as received from the County Council through the Better Care Fund.

v) Approval of delegation to the Head of Finance, as Section 151 Officer, to determine the most appropriate use of any additional Disabled Facilities Grant funding, for the wider benefit of the Shared Home Improvement Agency.

w) Approval of delegation to the Strategic Director to review and amend the level of fees charged by the Shared Home Improvement Agency for

disabled facilities grants and repair assistance grants, in line with any decisions made by the Shared Home Improvement Agency Board.

x) Approval of delegation to the Strategic Director to review, agree and enter into a revised Shared Home Improvement Agency Shared Service Agreement, in line with recommendations made by the Shared Home Improvement Agency Board.

y) Approval of delegation to the Strategic Director, in consultation with the Head of Finance, as Section 151 Officer, to draw down resource from the ear-marked reserves for potential debt redemption or re-investment, for the purpose of open market land or property acquisition or new build housing development, should the need arise, in order to meet deadlines for the use of retained right to buy receipts or to facilitate future site redevelopment.

z) Approval of delegation to the Head of Finance, as Section 151 Officer, to make any necessary technical amendments to detailed budgets in respect of recharges between the General Fund and the HRA, with any change in impact for the HRA to be incorporated as part of the HRA Medium Term Financial Strategy in September 2022.

3. Implications

All budget proposals have a number of implications. A decision not to approve a revenue bid will impact on managers' ability to deliver the service or scheme in question and could have staffing, equal opportunities, environmental and / or community safety implications. A decision not to approve a capital or external bid will impact on managers' ability to deliver the developments desired in the service areas.

(a) Financial Implications

The financial implications associated with decisions are outlined in the HRA Budget Setting Report 2022/23, appended to this report, for consideration by both Housing Scrutiny Committee and Council.

(b) Staffing Implications

Any direct staffing implications are summarised in the HRA Budget Setting Report 2022/23, appended to this report.

(c) Equality and Poverty Implications

An Equalities Impact Assessment has been undertaken in respect of new budget proposals where any impact (positive or negative) is anticipated. The consolidated assessment is presented at Appendix L of the HRA Budget Setting Report.

(d) Environmental Implications

Where relevant, officers have considered the environmental impact of budget proposals, with any impact highlighted in the HRA Budget Setting Report 2022/23, appended to this report.

(e) Procurement Implications

Any procurement implications arising directly from revenue or capital bids will be considered and addressed as part of each individual project.

(f) Consultation and Communication

Consultation with tenant and leaseholder representatives is an integral part of the Housing Scrutiny Committee process.

(g) Community Safety

Any community safety implications are outlined in the HRA Budget Setting Report 2022/23, appended to this report.

4. Background papers

Background papers used in the preparation of this report:

Housing Revenue Account Budget Setting Report 2021/22

Housing Revenue Account Medium Term Financial Strategy 2021/22

5. Appendices

The Housing Revenue Account Budget Setting Report 2022/23 is appended to this report.

6. Inspection of papers

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

Julia Hovells, Assistant Head of Finance and Business Manager
Telephone: 01223 – 457248 or email: julia.hovells@cambridge.gov.uk.

Version 3
Council

Housing Revenue Account Budget Setting Report 2022/23

CAMBRIDGE
CITY COUNCIL

February 2022

Version Control

Version	for:	Anticipated Content
1	Draft	Draft content for consultation
2	Housing Scrutiny Committee 20 January 2022	Member Scrutiny Tenant and Leaseholder Representative Input Amendments to Executive proposals Opposition budget amendment proposals Rents and Service Charges approved Revenue budgets considered and approved
3	**Council Meeting 24 February 2022**	**The Executive Councillor for Housing's recommended final budget proposals** **Capital budgets considered and approved**
4	FINAL	Final version for publication following Council

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Section 1
Introduction

Foreword by the Executive Councillor

As reported in the Housing Revenue Account Medium Term Financial Strategy, the HRA continues to face very significant challenges.

The coronavirus pandemic has resulted in serious social and economic costs since March 2020, and there are indications that further COVID variants will bring additional concerns. The inevitable impact on the HRA income stream and on housing management and maintenance, requiring the unavoidable re-phasing of budgets, is also complicated by Brexit, with labour and materials supply affecting our new build programme.

The path of austerity pursued by government constrains our ability to borrow and invest, with woefully inadequate funding and grant options available to meet the scale of investment necessary to deliver energy efficient homes in the context of the climate and biodiversity emergencies. Without serious government support, our goal of building new homes and retrofitting existing homes to high energy efficiency standards and Net Zero Carbon where possible will be our greatest challenge.

Despite these challenges, Cambridge City Council is committed to delivering new homes at high levels of energy efficiency, to maintaining and improving the number of existing homes at decent homes standards, and to retrofitting existing stock. Rent increases according to the rent standard, with rents at CPI + 1% will enable the HRA to enhance the service to tenants, for example by retrofitting more homes or providing further officer capacity, whilst any tenant not covered by housing benefit or Universal Credit and struggling with their rent will receive additional officer support. Any tenant not covered by housing benefit or Universal Credit may benefit from discretionary housing payments, with a bid as part of the General Fund budget

process to increase the funding for this by £75,000. Those under-occupying may also benefit from financial assistance to downsize under the HRA's under-occupation incentive scheme.

We're committed to supporting those affected by Universal Credit and benefit changes as well as tenants who have fallen into rent arrears, particularly as a result of the coronavirus pandemic. We will also ensure that no tenant struggling with their rent as a result of the pandemic is evicted. We've created a dedicated Assistant Housing Officer post to provide additional support for tenants.

Our housing stock is increasing, with new council homes kick-started by the £70 million devolution grant (the '500 homes' programme) completed or started on site by 2021 - a year early and exceeding expectations. Around 2,000 households are on our Housing Needs Register and, recognising the 'affordability' crisis in Cambridge, new homes will be available at 'affordable' rents at no more than 60% of market rents or, if lower, the current LHA rates.

Social rents will also be part of the new build offer, including the '1,000 homes' programme planned over the next 10 years, with anticipated support from Homes England. This further meets the housing demand and we're creating new posts to support new tenants as our stock increases. We're determined that as many people as possible who would otherwise not be able to afford to live in our city can do so.

Retrofitting existing stock commenced in Arbury and 150 1930s houses will be fitted with external insulation and solar panels by 2022, raising them from an energy rating of 'D' to 'B'. A £5 million pilot in 2022/23 to retrofit 50 homes across 7 different housing types to Net Zero Carbon will help provide an evidence base demonstrating the capacity and cost involved with which to lobby government.

The scale of the retrofit challenge is evident, £365 million (approx. £699 million with borrowing) to 'Retrofit Plus' our total general housing stock or £512 million (approx. £888 million with borrowing) to Net Zero Carbon. The HRA cannot deliver this and remain viable and with only piecemeal grant funding available, the government has to step up and provide a national investment strategy with significant external funding and we're part of the Great Homes Upgrade campaign demanding that government meets the challenge.

However, we are determined to do all we can and will increase capacity to support our energy efficiency programme with a permanent Energy Assessor post and surveyor posts supporting energy improvements, structural and asbestos works, and decent homes work.

Our redevelopment and new build council house programmes have already included gas-free developments, Passivhaus eco-standard schemes agreed or planned in East Chesterton, Abbey, King's Hedges and Arbury - including Passivhaus standard flats planned for Aylesborough Close - and our first Net Zero Carbon schemes planned for St. Thomas's Road (Coleridge) and Paget Road (Trumpington).

Although the coronavirus pandemic has had an impact on investment in our stock, particularly internal work, with planned works and maintenance and the decent homes programme suffering from unavoidable delays and the necessary re-phasing of budgets, the Estate Investment Programme (£1 million a year since 2020) continues and we're planning the purchase of a new, electric, Estate Services van.

The percentage of our stock at decent homes standard continues to improve (to 96%) with external structural works, based on stock condition and structural surveys, fire safety work and estate improvements built into the investment programme. Budget requirements are met by sensible use of reserves and not by cutting services or programmes.

We are also proud of our support for people experiencing homelessness and those sleeping rough. This includes the purchase of properties to house rough sleepers as part of the 'Next Steps' programme.

I'd like to thank officers and our tenant and leaseholder representatives for their continued commitment and support. I particularly appreciate the engagement in consultation events about the options concerning the future of Hanover and Princess Court, and Kingsway Flats.

Councillor Mike Todd-Jones.

Executive Councillor for Housing

Background

The Housing Revenue Account operates in the context of a 30-year business plan and is reviewed twice each year, in September / October when the budget strategy is agreed and again in January / February, when the detailed budget is approved.

As the landlord account for the authority, the HRA accounts for all services to tenants and leaseholders and is the account into which the proceeds of the rent and service charges are credited. The HRA Budget Setting Report considers both HRA revenue and all housing capital spending.

The level of resource available to invest in housing is dependent upon the income streams in the Housing Revenue Account, the most significant of these being the rental income for the housing stock. The HRA can borrow to invest in housing, but the income stream must be able to fully support the borrowing. The authority is currently required to comply with a national approach to rent setting, where rents can be increased annually by up to inflation (as measured by the Consumer Price Index) plus 1%. This applies from April 2022, for a further 3 years.

The Housing Revenue Account continually reviews priorities for investment, considering:

- The level of investment required to maintain decency in the existing housing stock
- The need to spend on landlord services (management and maintenance)
- The need to support, and potentially set-aside for repayment of, housing debt
- The ability to identify resource for investment in new affordable housing
- The commitment to reach net zero carbon in Cambridge by 2050.
- The desire to invest in income generating activities and discretionary services (i.e.; support)
- The ability to respond quickly to changes in both housing and building legislation

The HRA must be able to support a significant level of housing debt whilst also ensuring the ongoing delivery of housing services. At April 2021, the authority supported a net housing debt of £208,654,392.

Purpose, Scope and Key Dates

Purpose and Scope

The HRA Medium Term Financial Strategy, approved in September / October of each year sets the longer-term financial strategy for the HRA. As part of this, internal and external factors impacting the housing service are reviewed, taking account of any emerging changes in national housing policy, health and safety and building safety requirements and the impact of any anticipated change in the economic climate. The review determines the financial strategy for the HRA and the framework for the detailed budget work to develop proposals for the coming budget year.

As part of the Budget Setting Report, the assumptions, business risks and mitigations upon which the HRA Medium Term Financial Strategy was based, are reviewed to determine whether any aspects of the strategy need to be revised. Sensitivity analysis is undertaken to ensure that effective contingency plans are considered and that appropriate reserves are maintained in light of any change in assumptions.

The outcome of the exercise, summarised in this document, provides the basis for setting the HRA budget and rents and charges for 2022/23, culminating in recommendations to both Housing Scrutiny Committee on 20 January 2022, and ultimately Council on 24 February 2022.

The work on the 2022/23 HRA Budget Setting Report adopts the following key parameters:

- A financial model assuming borrowing in order to deliver new homes alongside maintaining and improving the existing housing stock.
- Rent increases in line with the Rent Standard, with rent of CPI plus 1% per annum for a period of 3 further years from April 2022.
- Housing stock maintained at a minimum of the current decency standard, with pilot investment in respect of significant energy efficiency improvements.
- An efficiency savings target of £147,000 per annum included for 5 years, offset by a corresponding Strategic Investment Fund that allows resource to be re-invested in new and emerging priorities.

- Adjustment to responsive repairs expenditure in line with anticipated stock changes.
- Minimum working balance for reserves of £2m, with a target level of £3m.

Key Dates

The key member decision-making dates were / are as follows:

Date	Task
2021	
23 September	The Executive Councillor for Housing considered HRA Medium Term Financial Strategy, incorporated Housing Scrutiny Committee, including Tenant and Leaseholder Representative views, and approved revenue aspects, making recommendations to Council in respect of the capital plan.
21 October	Council approved HRA Medium Term Financial Strategy 2021/22
2022	
20 January	Executive Councillor for Housing considers Housing Scrutiny Committee views, before approving HRA revenue budgets and rent levels, and making recommendations to Council in respect of the capital aspects of the HRA Budget Setting Report
24 February	Council approves HRA Budget Setting Report

Section 2

Review of National and Local Policy Context and External Factors

Review of National Policy Context

National Rent Setting Policy

From April 2020 local authority rents have been regulated by the Regulator of Social Housing, alongside housing associations and other registered providers, with the Regulator's rent standard applicable to local authorities also.

Rent increases are currently limited to an increase of up to CPI plus 1% from April 2022 for a further 3 years (based upon CPI at the preceding September), with properties below target rent levels moved directly to target rent only when they become void. Target rents continue to be set with reference to January 1999 property values.

Affordable rents increases are also limited to a maximum increase of CPI plus 1% from April 2022, but with the ability to re-set the rent at up to 80% of market rent upon re-let.

Following a period of consultation, the Regulator of Social Housing published the Rent Standard April 2020 in February 2020. No update to this Rent Standard had been published at the time of writing this report.

Charter for Social Housing Residents

The charter sets out what every social housing tenant should be able to expect:

- To be safe in your home

- To know how your landlord is performing, including on repairs, complaints and safety, and how it spends its money
- To have your complaints dealt with promptly and fairly, with access to a strong Ombudsman who will give you swift and fair redress
- To be treated with respect, backed by a strong consumer regulator and improved consumer standards for tenants
- To have your voice heard by your landlord
- To have a good quality home and neighbourhood to live in
- To be supported to take your first step to ownership

Much of the responsibility for delivering against the charter sits with the landlord, and the authority is working to ensure delivery against each of the commitments. The Regulator of Social Housing is leading in developing a strengthened consumer regulation regime and is expected to engage with providers in doing this.

The new social housing consumer regulation regime must make a meaningful difference to tenants, be deliverable by landlords, and be effectively regulated.

To implement the changes, the Regulator of Social Housing will focus on consumer standards, consumer regulation, regular inspection, and tenant satisfaction measures, with changes to legislation expected to be required.

On 9 December 2021, the Regulator of Social Housing launched a consultation on the introduction of Tenant Satisfaction Measures, with the consultation running until 3 March 2022, for planned implementation of the resulting changes from 1 April 2023.

The regulator is proposing to set a new consumer standard, set tenant satisfaction measures for both technical requirements and tenant survey requirements and publish guidance about the submission of information to the regulator.

A suite of 22 tenant satisfaction measures are being consulted upon, which include a mix of those measured by tenant perception and management information.

The proposed measures are categorised under keeping properties in good repair, maintaining building safety, effectively handling complaints, employing respectful and helpful engagement, and delivering responsible neighbourhood management.

Officers will be responding to the consultation and will engage tenant and leaseholder representatives in the response process.

Welfare Reforms

Universal Credit

New and existing tenants who have a change in circumstances, continue to need to apply for Universal Credit. To support existing Housing Benefit claimants with the transition to Universal Credit, an additional payment of two weeks Housing Benefit is made.

Tenants in temporary, specified or supported accommodation continue to receive Housing Benefit for their housing costs even if some will receive Universal Credit for their living costs.

Cambridge City Council work with the local Jobcentre Plus and continue to fund a post in the Jobcentre to provide Personal Budgeting Support (PBS). This arrangement has allowed significantly more claimants to receive support in making claims. The DWP also currently provide funding to Citizens Advice through a national partnership to assist people with applying for Universal Credit.

The coronavirus pandemic saw an increase in the number of tenants transitioning to Universal Credit as individual's circumstances changed, and nationally there was a steep rise in the number of claims overall.

The authority had knowledge of 1,732 HRA tenants claiming Universal Credit in October 2021.

The managed migration to Universal Credit pilot in Harrogate, due to restart in 2022 will now not go ahead and DWP instead will rely on natural migration to achieve the move from housing benefit to Universal Credit. DWP hope that this will be complete by 2025 and will start a campaign to encourage tenants to move to Universal Credit from Autumn 2021 onwards.

Other Benefit Changes

The Benefit Cap continues to impact residents, with Cambridge Citizens Advice and Cambridge Housing Society, providing support to help those affected into work. Others receive short term Discretionary Housing Payments (DHPs) to support them until they are able to improve their circumstances.
A steady number of residents are still affected by the removal of the spare room subsidy, with DHPs also used to support this group.

The HRA maintains a budget, currently incorporated at £22,340 for 2022/23 to provide financial support and incentive to assist tenant in downsizing. The scheme was reviewed in 2021/22 and the funding for the year was increased by £10,000 to meet demand, with a commitment to review the position in September 2022 once the revised policy has been in place for a period.

To support more tenants to downsize using this funding, some tenants in receipt of DHP are also eligible to have the removal costs associated with downsizing met through DHP funding, leaving the HRA funding available to support other tenants who wish to downsize.
Limiting the child element in a benefit calculation to two children continues to impact new claimants, or those making a change to their claim in this regard.

The removal of the £20 per week uplift applied to Universal Credit during the covid pandemic, will start to impact tenants from October 2021. Access to budgeting and debt advice will be key to support some households.

Council Tax Reduction continues to be an important resource for low income households and there was a significant increase in the number of applications during 2021/2022.

Right to Buy

Right to Buy Sales

During 2020/21, 65 right to buy applications were received and recorded, resulting in 16 completions. This compares to 64 applications in the previous year, which gave rise to 29

completions, recognising the delay in completions that was caused by the coronavirus pandemic.

In the first 8 months of 2021/22, 67 right to buy applications were received with 20 sales completed. There has been a marked interest in the scheme during 2021/22 to date, but it is difficult to predict whether this is an area of pent-up demand following the coronavirus pandemic or an ongoing trend.

When the HRA Medium Term Financial Strategy was drafted in the summer of 2021, the assumption of 25 sales per annum from 2021/22 onwards was retained. For the HRA Budget Setting Report, 25 sales continue to be assumed in 2021/22 and beyond, as the initial heightened interest in the earlier part of 2021/22 can't be assumed to be ongoing at this stage.

The table below highlights the activity over the last 5 years, detailing the mix of houses, flats and bedsits sold through this process.

Status	Year	Right to Buy (RTB)			Total
		House	Flat	Bedsit	
Actual Sales	2016/17	36	22	0	58
	2017/18	26	20	1	47
	2018/19	13	14	0	27
	2019/20	14	15	0	29
	2020/21	10	6	0	16
Estimated Sales	2021/22	13	12	0	25
	2022/23	13	12	0	25
	2023/24	13	12	0	25
	2024/25	13	12	0	25
	2025/26	13	12	0	25

Right to Buy Receipts

At 31 March 2021, the authority held £7,344,195 of right to buy receipts under the retention agreement with the Department for Levelling Up, Housing and Communities (DLUHC), now to be spent within 5 years of their original receipt date, with a maximum of 40% of any new dwelling now able to be funded via this mechanism. The balance must be funded from Devolution Grant, the Council's own resources, or through borrowing. Retained right to buy receipts can't be used

to fund replacement dwellings or dwellings receiving any other form of public subsidy but can now be utilised in the delivery of shared ownership homes. With the Bank of England base rate currently at 0.1%, any penalty interest payable on receipts not re-invested appropriately will be at the rate of 4.1%.

A cap also applies now in relation to the reinvestment of right to buy receipts in the form of acquisitions from the open market. The cap is being phased in between 2022/23 and 2024/25, with a cap 50% reducing to 30% over this period and the first 20 units of delivery are excluded from the cap altogether.

The quarterly deadlines for reporting expenditure against targets no longer exist and have been replaced with an annual financial return. On a quarterly basis, only performance data in respect of starts on site is required.

Appendix G summarises the latest position in respect of receipts held and appropriately re-invested. With the new 5-year timescales for reinvestment the authority is not currently at risk of breaching any deadlines and therefore expects to avoid payment of any penalty.
Newly arising receipts continue to be retained, with any decision to pay over receipts to DLUHC made by the Head of Finance, in consultation with the Strategic Director, taking into consideration any need to borrow to appropriately re-invest the resource and the implications of this on the business plan. The Executive Councillor for Housing will be informed if the recommendation were to be to pay receipts directly back to Central Government.

Review of Local Policy Context

Housing Stock

The Housing Revenue Account owns and manages the following properties:

Housing Category	Actual Stock Numbers as at 1/4/2021	Estimated Stock Numbers as at 1/4/2022
General Housing – Social Rent	6,055	6,015
General Housing – Affordable Rent	409	474
Sheltered Housing	513	513
Supported Housing	17	17

Temporary Housing (Individual Units)	66	82
Temporary Housing (HMO's / EA)	24	24
Miscellaneous Leased Dwellings	19	19
Sub Total Rented Dwellings	**7,103**	**7,144**
Shared Ownership Dwellings	96	94
Total Dwellings	**7,199**	**7,238**

The number of properties anticipated to be held by 1/4/2022 is higher than the number held at 1/4/2021, with the authority taking hand over of more new homes than those lost through either right to buy or demolition for redevelopment. Delays at the Mill Road site mean that the level of increase is slower than hoped and homes on the Colville III and Aylesborough Close are being vacated for demolition in due course.

A breakdown of the housing stock by property type is demonstrated in the table below:

Property Type	Actual Stock Numbers as at 1/4/2021	Estimated Stock Numbers as at 1/4/2022
Bedsits	95	95
1 Bed	1,719	1,755
2 Bed	2,519	2,524
3 Bed	2,238	2,236
4 Bed	106	106
5 Bed	7	7
6 Bed	2	2
Sheltered Housing	513	513
Total Dwellings	**7,199**	**7,238**

Leasehold Stock

At 1st April 2021, the Council retained the freehold and managed the leases for 1,190 leasehold flats.

Housing Demand

The mix of new housing delivered by the Housing Revenue Account is influenced by a combination of the need as identified by the housing register locally, the housing requirements of those accommodated as homeless and strategic forecasts of future housing need.

Cambridge City Council currently has 2,034 households on the housing register (2,032 'live' and 2 with applications 'pending'). 501 applicants were housed over the last year (to end of September 2021), with the majority (78%) of lettings being to applicants at band A or B.

The greatest demand for housing is still one and two bedroomed properties, with one-bed applicants accounting for 56% of the register, two-bed applicants 24%, three-bed applicants 16% and 4% of applicants waiting for properties with 4 or more bedrooms.

Applicants are banded according to housing need. Band A represents the highest housing need, making up approximately 8% of the register. Band B applicants represent approximately 24%, band C 37% and band D 31% at the end of September 2021.

Support for Vulnerable People

The Housing Service has a Tenancy Support Team, with three full time equivalent staff employed to help and support tenants, with a focus on supporting the more vulnerable tenants in council homes to help them sustain their tenancies and two part-time Housing First Caretakers supporting specific residents in new homes, The HRA also employs two permanent Financial Inclusion Officers and a dedicated Assistant Housing Officer who work with tenants to ensure that they are receiving all the financial support to which they are entitled.

Cambridge City Council currently remains in contract with the County Council for the delivery of tenure neutral support services to older people across the city. The contract is due to expire in April 2022, but the County have confirmed they are beginning the tender process for this contract, but don't expect any new arrangements to be in place before September 2022. The City Council are engaging fully with the process and will seek to continue to deliver these services if the opportunity presents itself. The service has been assumed to continue to be delivered on an ongoing basis until the outcome of the County Council's review process is known.

The contract sum is £183,600 per annum in 2021/22, with a 2% inflationary increase having been applied for the first time since the contract was awarded.

External Factors

Update of the financial forecasts for the HRA also takes into consideration factors outside of the direct control of the authority, but which will also impact strategic decision making.

Inflation Rates

The base rate of inflation used to drive expenditure assumptions in the HRA financial forecasts is the Consumer Price Index (CPI). The last 18 months has been particularly volatile, with rates ranging from 0.2% to 3.2% over this period. Inflation rates fell during the early stages of the coronavirus pandemic, to a low of 0.2% by August 2020, but have increased over recent months, with rates of 3.2% in August 2021 and 3.1% in September 2021.

The Bank of England's Monetary Policy Report of August 2021 forecast a level of CPI in quarter 3 of each year at 2.7% for 2021, 3.3% for 2022, 2.1% for 2023 and 1.9% by 2024. The over-arching view is that inflation will return to the target of 2% and will then fluctuate around the target level in the medium term.

The Office of Budgetary Responsibility (OBR), in their Economic and Fiscal Outlook in October 2021, forecast a further increase in CPI during 2021 and the first part of 2022, before a decline to the target of 2% by mid-2024. They predict an average of 3.7% for 2022/23, 2.3% for 2023/24 before returning to the target of 2% by 2024/25.

The HRA Medium-Term Financial Strategy allowed 2% inflation for 2022/23, compared with the 3.7% now being predicted by the OBR. As a significant proportion of non-employee related expenditure in the HRA is contractual in nature, with annual increase driven by CPI or RPI, it is considered prudent to include an unavoidable revenue pressure to allow for the difference of 1.7% inflation to be held in a central provision in the HRA for 2022/23 onwards, allowing it to be allocated, under delegation to the Head of Finance, where inflationary pressures present themselves. The cost of this is £155,640 per annum.

Taking account of the views of both the Bank of England and the OBR it is considered appropriate to also increase the assumption for inflation for 2023/24 to 2.3%, before returning to the target level of 2% in the HRA business planning assumptions from 2024/25 onwards. This will be reviewed again as part of the HRA Medium Term Financial Strategy in September 2022.

The assumptions surrounding building maintenance expenditure inflation are derived from a mix of forecast using the RICS (Royal Institution of Chartered Surveyors) Building Cost Information Service (BCIS) all in tender price index and CPI. The Fosters contract is a lump sum priced contract, which adopts CPI as the measure of inflation. The TSG contract, which is a target price contract, is due to expire in November 2022, with a procurement underway to identify a suitable contractor. Although the basis for the new contract is not yet finalised, it should be recognised that the contract prices which the authority will initially receive are likely to be driven by anticipated increases in the building cost inflation indices and the industry predictions of what might happen to these over the minimum 5-year contract term. Other specialist contractors will price work on a project basis, also taking account of industry forecasts.
The latest projections for the BCIS Index over the next 5 years currently predict a growth rate of 8.5% by 2022, with forecasts of 3.7%, 4.9%, 4.1% and 4.5% over the following 4 years. Taking an average of these rates of growth for the forecast five years gives rise to an annual increase of 5.1%. This has increased since the last projections, with both materials and labour shortages pushing up contract prices significantly, particularly in the short-term.

On a similar average basis, the assumptions we are adopting for CPI over the same period are 2.4%, a difference of 2.7%.

Recognising that existing contractor's prices will be driven by CPI and any new planned maintenance contractors are likely to set prices based upon the building industry inflation projections, the assumption has been made that 50% of the work programme will be subject to the BCIS indices and 50% by the rate of CPI for the next 5 years. A blended rate of 3.75% (average CPI plus 1.35%) has therefore been incorporated into the business plan forecasts for this period, reverting to standard CPI after this,

The pay award for 2021/22 is yet to be agreed, with 2.5% incorporated into the budget currently. The latest offer from the employer is 1.75%, which if ultimately agreed, would give rise to an

ongoing saving of approximately £48,400 per annum. As unions are balloting members for strike action the outcome of the pay negotiations for 2021/22 are unlikely to be known at the point of publication or consideration of this document, and so will instead be built into the HRA as part of the 2022/23 HRA Medium Term Financial Strategy.

Pay inflation has been retained at 2% per annum from April 2022 onwards, with the allowance for incremental progression at 1% per annum, recognising the latest staff retention figures and the number of staff who are paid at the top of their pay scale.

Interest Rates

The Housing Revenue Account is entitled to claim a proportion of interest earned on cash balances invested by the authority. The rate of interest assumed for 2021/22 in the HRA Budget Setting Report was 0.6%, based upon the HRA clawing back interest from the General Fund on investments with minimal risk, but this was reduced to 0.2% in the HRA Medium Term Financial Strategy for 2021/22 only, as lower rates were being experienced in year.
The Bank of England base rate fell to 0.1% in March 2020 and has remained at that level since. At the time of writing this report, the next review was due on 16 December 2021. The continued low base rate results in corresponding low rates available for the authority for its investments.

The actual average rate of interest earned on investments that benefited the HRA for 2020/21 was 0.63%, Since then the average rate earned on investments has fallen further to around 0.2%, with the business plan assumption for 2021/22 reduced to this level as part of the HRA Medium Term Financial Strategy in September 2021. However, following the budget in late October 2021, there is an expectation that the Bank of England will increase the base rate in the coming months. As a result of this anticipated increase in the base rate, the HRA retains the assumption that 0.6% can be earned on investments from April 2022 onwards. The interest rate assumptions are included in **Appendix A**.

In respect of existing HRA borrowing, the self-financing loan portfolio with the Public Works Loans Board of £213,572,000 remains, with rates of between 3.46% and 3.53%.

With no cap on HRA borrowing, subject to financial viability and the ability to support the borrowing, the authority can borrow to invest in the provision of affordable housing with no external financial constraint.

One of the key risks to the HRA's ability to borrow remains the Local Authority Investment Guidance which states that any authority making an investment that is classified as an 'investment asset primarily for yield', will not be able to access loans from the PWLB in the financial year in which it makes this investment. Local authorities need to submit a 3 year capital investment strategy / plan to be able to borrow, and the Section 151 Officer needs to certify that none of the capital projects are classified as investments primarily for yield. Investment in housing, regeneration, preventative action (ie; buying an asset of community value) and treasury management (ie; re-financing existing debt) are acceptable, but investment for yield, such as investment in land or buildings to be let at market rates is prohibited. There is therefore the potential for any investment decisions made by the General Fund to detriment the HRA's ability to borrow from the PWLB in any given year. This would not stop the HRA borrowing but would mean that an alternative lending source would need to be identified, with rates potentially not being as preferential.

Any transfer of land or financial resource between the General Fund and the HRA to facilitate development continues to impact the HRA Capital Financing Requirement, effectively increasing borrowing. Although there is now no cap on borrowing, such decisions must still be made in the knowledge of the revenue impact of transferring the land or cash asset.

The assumption is made that additional borrowing is externalised, with anticipated PWLB maturity loan rates for loans of a 30-year duration used. Since the last update of the HRA Business Plan in September 2021, where an interest rate of 2.4% was assumed, there has been further fluctuation in PWLB standard lending rates, with the rates at the time of the first draft of the report standing at 2.43% but reducing to 1.87% by the point of final drafting.

Subject to having submitted a 3-Year Capital Spending and Financing Plan, which is now a pre-requisite to be able to borrow from the PWLB, the standard lending rate could be reduced by 20 basis points, with a Certainty Rate of 0.2% lower therefore available to the authority. There is no guarantee that this reduction will remain indefinitely.

To mitigate the daily rate fluctuations in PWLB rates, which has been particularly volatile of late, this iteration of the business plan adopts forecasts made by Link, the Council's treasury advisors, who project that PWLB lending rates will rise to 2.5% over the next 3 years.

Based upon these projections, a revised average rate of 2.5% has been incorporated into any borrowing assumptions from 2022/23 onwards. It should be noted that the PWLB rate is reviewed and can change twice each day.

Section 3
Housing Revenue Account Resources

Rent

Rent Arrears, Bad Debt Provision and Void Levels

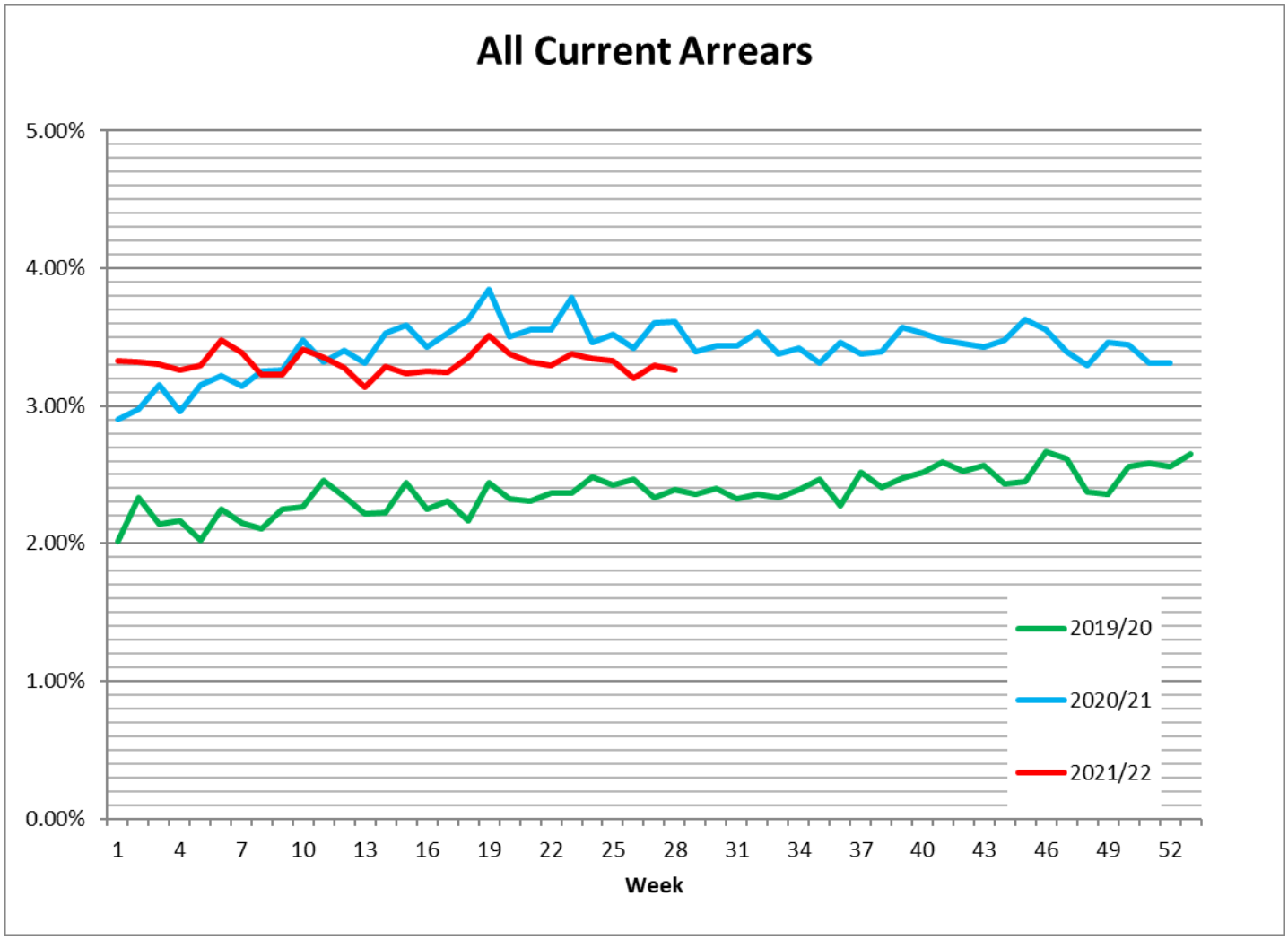
Rent collection performance was maintained during 2020/21, with 98.9% of the value of rent due, collected in the year, compared with 98.8% in the previous year.

As a result of rent not collected however, arrears still increased significantly during 2020/21, with current tenant arrears of just under £1.4 million by 31 March 2021, as detailed in the table below:

Financial Year End	Value of Year End Arrears in Accounts (Current Tenants)	Current Tenant Arrears as a Percentage of Gross Debit Raised in the Year	Value of Year End Arrears in Accounts (Former Tenants)
31/3/2017	£645,398	1.63%	£728,050
31/3/2018	£779,904	1.96%	£871,620
31/3/2019	£776,961	1.93%	£932,156
31/3/2020	£1,091,161	2.70%	£915,585
31/3/2021	£1,374,167	3.3%	£925,982

A combination of the impact of the rollout of Universal Credit and the coronavirus pandemic saw arrears increase during 202/21, but these have been actively managed in 2021/22 to date.

By mid-October 2021, current tenant arrears stood at £1,382,958.87 with former tenant arrears at £997,203.88. This demonstrates that current tenant arrears have been broadly maintained in the year to date, whilst there has been an increase in former tenants' arrears, where the Council has been unable to bring to an end a number of tenancies where arrears existed.



The Income Management Team and the Financial Inclusion Officers continue to work extensively with tenants and financial support providers to mitigate the impact of rent arrears for both the tenants themselves and the authority. The team continue to use the Income Analytics software, which facilitates improved arrears management and will shortly be able to take advantage of the LIFT software, which will combine financial data sets across the authority in an attempt to identify arrears risks and intervene to provide support before rent arrears prove a risk to the tenant's occupation of their home.

The impact for residents of moving to direct payment is being continually managed, with an Increase in the number of claimants transitioning over the past 18 months as a result of changes in circumstances.

Tackling former tenant arrears is also challenging, Resource was incorporated, as part of this Medium-Term Financial Strategy to allow the employment of a 12-month fixed term post dedicated to recovering, or failing that, writing off, former tenant debt. This post is being recruited to currently, with an expectation that progress in reducing former tenant arrears can then be made over the coming months.

Debt that is not realistically collectable is still recommended for write off and provision is currently made in the Housing Revenue Account to write off 89.06% of former tenant debt. Any decision to do this is not taken until all avenues for collection have been exhausted.

At 31 March 2021 the total provision for bad debt stood at £1,890,056.54 representing 82% of the total debt outstanding.

Taking into account the value of the existing bad debt provisions and the fact that current arrears kevels have been maintained in 2021/22 to date, it is recommended to retain the ongoing assumption that the annual contribution into this reserve is set at 1.5% from 2021/22 onwards.

It is difficult to predict what the medium and longer-term impacts may be of both the full transition to Universal Credit and the coronavirus pandemic, and as such the future level of provision will continue to be reviewed twice each year as there is more clarity and the authority has more experience of payment performance locally.

The value of rent not collected as a direct result of void dwellings in 2020/21 was £613,999 representing a void loss of 1.58%, compared with £635,949 in 2019/20, representing a void loss of 1.68%.

Void levels have remained stable in 2021/22 to date, with the void loss between April and mid-October 2021 (6.5 months) being £307,525, representing a 1.46% void loss. A snapshot of the proportion of stock vacant in mid- October 2021 confirms that 1.46% of homes (105 homes) are

unoccupied, but with 0.03% (2) of these being new homes awaiting their first let, 0.04% (3) of these being homes acquired on the open market to accommodate rough sleepers and awaiting works, 0.10% (7) unoccupied at Kingsway due to a fire and 0.14% (10) of these held vacant for demolition. Decisions to redevelop existing homes, requiring them to be vacated prior to demolition, causes a temporary increase in the void performance statistics, until the entire site is vacated, and the homes are formally removed from stock.

With the impact of irregular void transactions removed from the statistics, the void performance in general voids for 2020/21 would have been 1.02%. Although performance has worsened slightly during 2021/22 to date, with an average void loss of 1.16%, when irregular voids are removed, the budget bid to increase the number of multi-skilled operatives and a review of void processes are anticipated to reduce general void activity to the target level of 1% from 2023/24 onwards, As a result of this, it is recommended to amend the voids assumption for 2022/23 to 1.16%, before returning to the longer-term assumption of 1% from 2023/24 in this iteration of the business plan.

Rent Restructuring and Rent Levels

The authority lets wholly rented property on two differing rent levels, social rent and affordable rent, with the latter currently capped locally at the level of the March 2020 Local Housing Allowance, inflated annually by CPI plus 1%.

The Greater Cambridge Housing Strategy and associated Affordable Rents Policy, approved at Housing Scrutiny Committee in June 2021, sets out the objective to ensure that rents do not exceed 60% of market rent or the published Local Housing Allowance level, whichever is the lower. The Council will adhere to this policy when setting rents for homes in schemes in the HRA that secure planning approval after June 2021, unless any exception is relevant.

The average target 'rent restructured' rent at the start of 2021/22 across the general housing stock was £106.13, with the average actual rent charged being £102.60. By April 2021, 31.8% of the social rented housing stock was being charged at target rent levels, compared with 29.5% in April of the previous year. The loss of rental income that arises for the gap between actual and target rent levels in the general housing stock equates to an annual loss of income of approximately £1,232,500.

The authority has the ability to close the gap between target social rent and the actual rent being charged for a dwelling, only when a property becomes void, and actively continues to do this.

There were 465 new build rented and shared ownership properties charged at the higher 'affordable rent' levels, equivalent to the Local Housing Allowance at the end of October 2021.

Rent Policy

The local rent setting policy was last updated and approved in September 2017 and has been reviewed during 2021, with an updated policy presented at **Appendix M**. The updated policy takes into consideration the changes made as part of the Greater Cambridge Housing Strategy and associated Affordable Rents Policy and any impact on rents from changes in national housing legislation.

Rent Setting

Rent levels are set in January of each year, with the Executive Councillor for Housing having authority to make this decision, following pre-scrutiny by Housing Scrutiny Committee.

From April 2022, the authority is required to increase rents by up to a maximum of CPI (at the rate in September 2021 of 3.1%) plus 1%, arriving at an overall increase of up to 4.1%. This is higher than was assumed when the HRA Medium Term Financial Strategy was published during September, where an increase of 3% was assumed. In the previous year, the opposite position was experienced, with a higher rent increase assumed in September 2020 that was ultimately imposed from April 2021.

Over the last 6 years, social rented tenants have received 4 years of 1% rent cuts, followed by increases of 2.7% and 1.5%, resulting in a total increase over 6 years of only 0.13%. In real terms, when you take account of the rate of inflation in September of each year, this represents a real-terms rent cut of 8.64%.

Implementing the rent increase of 4.1% will impact the HRA positively by approximately £430,000 per annum from April 2022. This will allow additional resource to help meets some of the key

objectives for the HRA, of building new homes with an increase in anticipated borrowing rates, whilst also allowing a small amount of additional borrowing to improve the sustainability of existing homes through retrofit. The resource will also help to offset some of the loss of rent income anticipated from April 2022 as a result of both delays in the handover of new build homes and faster than anticipated decant of homes identified for redevelopment.

For those in receipt of full housing benefit or Universal Credit the increase will be met through these routes. There is the potential for tenants who are under-occupying or are impacted by the benefit cap to be adversely affected, with the latter depending upon whether there are any increases in the benefit cap levels. Those impacted by the benefit cap continue to be considered for discretionary housing payments to mitigate the impact on them, and those who are under-occupying can seek support to downsize through the under-occupation scheme. For those who pay their rent themselves, there will be a larger increased rent to find, but the authority will continue to provide financial and budgeting advice to those who require it and will work with tenants to ensure that they are claiming all financial assistance to which they are entitled.

The assumption of an increase of CPI plus 1% is retained for the following two years also, with an assumption of CPI (as measured at the preceding September), plus 0.5% for five years after this period, before moving to an assumption of just CPI increases.

Existing affordable rented homes will be subject to the same inflationary increase, but with the requirement for local authorities to have regard for the Local Housing Allowance. With the steep increase in the Local Housing Allowance from March 2020, annual inflationary increases are not expected to breach these levels in the short to medium-term. At re-let, the authority must ensure that the combined rent and service charges levied do not exceed 80% of the market rent for each dwelling.

As existing affordable rents are well below the current Local Housing Allowance, which is frozen again from April 20022, and is expected to be frozen up to and including April 2024, the combined rent and charges for all existing tenants in affordable rented homes will also increase by 4.1% from April 2022, as the cap on the increase linked to inflation will still be lower than the Local Housing Allowance.

New affordable rented homes, where planning was granted prior to the end of June 2021 will continue to be introduced at the inflated version of the original Local Housing Allowance level for 2020/21. For schemes that achieve planning approval from July 2021, rents will be set at 60% of market rent or the prevailing Local Housing Allowance, whichever is the lower, in line with the new Greater Cambridge Housing Strategy.

The table below includes details of what the inflated January 2020 Local Housing Allowance levels will be from April 2022, which will apply to existing affordable rented tenants.

Property Size	2020/21 LHA rate January 2020	LHA rate March 2020, 2021 and 2022	2020/21 LHA rate inflated by 1.5% Used for 2021/22	2020/21 LHA rate inflated by 1.5% and 4.1% Used for 2022/23
Shared Room	81.89	97.00	83.12	86.53
1 Bed	135.99	178.36	138.03	143.69
2 Bed	156.40	195.62	158.75	165.26
3 Bed	181.75	218.63	184.48	192.04
4 Bed	242.43	299.18	246.07	256.16

Service Charges

Service charges are levied for discretionary services that are provided to some tenants, but not necessarily all, depending upon the type, nature and location of a property. Some of these services are eligible for Housing Benefit or Universal Credit, depending upon the nature of the service provided.

In respect of social housing tenancies, service charges are separately identified on rent accounts, so that tenants can see what they are paying for alongside their core rent. For affordable rented homes, the tenant pays a total sum for rent and charges, which is capped at either the inflated March 2020 Local Housing Allowance level or 60% of market rent depending upon when the scheme received planning approval, making the breakdown less meaningful. We still provide the breakdown for tenants for transparency purposes, but the total rent and

property related service charges will always come back to the all-inclusive inflated Local Housing Allowance or 60% of market rent sum.

On some new build affordable rented sites, where the total payable by the tenant, including all service charges is capped at the inflated Local Housing Allowance level, the balance of income to the HRA after payment for services is not always sufficient to meet both the basic landlord costs and support repayment of the initial investment. This is particularly relevant in mixed tenure flatted accommodation where there are both internal and external communal areas, where open space and roads are not adopted and there is the need for the provision of more ancillary services, often managed by a third-party management company.

Guidance expects registered providers to endeavour to ensure that service charge increases do not exceed CPI plus 1%, and to consult tenants in respect of the introduction of new services or before making any material change to existing services.

The approach to setting service charges for 2021/22 is detailed at **Appendix B.**

Other Sources of Income

Garages

The Housing Revenue Account currently owns 1,475 residential garages and 35 parking spaces and manages a further 16 garages and 6 parking spaces on behalf of the General Fund. A number of HRA garages and parking spaces are on sites being explored for potential demolition and re-development, and so this number may educe in the medium-term.

Of the garages available for letting, approximately 13.3% are currently void (compared to 12.8% at this time last year), but with a level of void loss in the year to date at the end of October 2021 of approximately 16% (compared to 16% at the same point last year). Void loss in 2021/22 to date has remained high, with a number of garage blocks in the process of being vacated for demolition and re-development. A garage block is not removed from the system until all of the garages have been vacated.

The proposed charges for garage and parking spaces for 2022/23, increased by the rate of inflation of 2% as assumed in the HRA Medium Term Financial Strategy, are as follows, with any existing tenants who are being phased up to full rent levels following the charging review conducted in 2017/18 having their rents increased by inflation plus £2.00 per week until the levels below are achieved:

Category	Base Rent £ per rent week	VAT £ per rent week	Total Charge £ per rent week
Parking Spaces in standard area (tenants only)	7.63	0.00	7.63
Parking Spaces in standard area (other city residents)	7.63	1.53	9.16
Garage in standard area (tenants only)	9.82	0.00	9.82
Garage in standard area (tenants storage use)	9.82	1.96	11.78
Garage in standard area (other city residents)	9.82	1.96	11.78
Garage or Parking Space in high value / high demand area (tenants only)	18.73	0.00	18.73
Garage in high value / high demand area (tenants storage use)	18.73	3.75	22.48
Garage or Parking Space in high value / high demand area (other city residents)	18.73	3.75	22.48
Resident's Parking Permit (new schemes)		VAT applies	52.00
Resident's Parking Permit *		VAT applies	20.00
Visitor's Parking Permit		VAT applies	20.00
Replacement Parking Permit		VAT applies	10.00
* 50% discount for vehicles with CO2 emissions under 75g/km (resident parking permits only)			
A £5.00 premium is added to all base rates above when rented for non-city resident, commuter, business or commercial use			
Parking Space - Non-City Resident / Commuter or Business / Commercial use	12.63	2.53	15.16
Garage in standard area - Non-City Resident / Commuter or Business / Commercial use in standard area	14.82	2.96	17.78

Garage in high value / high demand area - Non-City Resident / Commuter or Business / Commercial use in high value / high demand area	23.73	4.75	28.48

Parking spaces or garages in the curtilage of properties are charged at the prevailing base rate for the area. Internal council use to be charged at base garage rate excluding VAT.

Commercial Property

The level of rental income from commercial property is dependent upon the timing of lease renewals for the small portfolio of shops and other business premises that are owned by the HRA. In 2022/23 the income generated by the commercial property portfolio is anticipated to be in the region of £476,000.

General occupation of the HRA commercial property portfolio has historically been good, with vacant shop units usually re-let within reasonable timescales. Rent reviews have proved challenging in recent times due to the coronavirus pandemic, but assumptions are now being made that these can be achieved again.

Interest / Investment Income

The Housing Revenue Account receives interest on general or ear-marked revenue balances, any funds set-aside in the major repairs reserve or the revenue debt repayment reserve and any unapplied capital balances or unspent grants.

Interest rates available to the Council remain very low, but with the prospect of an increase in the Bank of England base rate in the coming months expected to improve this marginally. The HRA benefits only from the lower risk, and therefore lower return areas of Council investment.

The rate that the HRA can earn on investments, recognising the low risk nature of their investments, has been retained at 0.6% from 2022/23 onwards as part of this iteration of the HRA Business Plan.

Other External Funding

In addition to income received directly from service users, the Housing Revenue Account anticipates receiving external funding in the following forms:

- Devolution Grant – The authority received grant as part of the Devolution Agreement with Government and the Combined Authority, totalling £70,000,000 over a 5 year period, with some of this resource still retained and being actively applied to schemes to deliver the 500 homes agreed.
- Support Funding – Funding of £183,600 per annum for tenure neutral support to be provided to older people across the city is contracted up to April 2022, with the potential for an extension to September 2022 whilst the County Council re-procure the service. The service is assumed to be ongoing until the authority is clear on the County Council's long-term position.
- Homes England Grant Funding – The authority is actively bidding through the continuous market engagement process, in an attempt to secure grant funding for the majority of new build schemes.
- European Regional Development Fund (ERDF) Grant through Eastern New Energy - The authority is actively bidding for grant funding to deliver pilot net zero carbon new build homes.
- Section 106 Funding – The HRA can benefit from the ability to invest sums received for affordable housing through Section 106 Agreements on development sites across the city, although these sums often come with both time and investment criteria constraints

Earmarked & Specific Funds

Earmarked Funds – Revenue Reserves

In addition to General Reserves, the Housing Revenue Account maintains earmarked or specific funds. **Appendix C** details the current level of funding in the reserves, including;

Repairs & Renewals – funds for major repairs of HRA-owned administrative premises and periodic replacement of assets such as vehicles, plant, equipment and furniture, particularly in sheltered and supported accommodation.

Major Repairs Reserve - a statutory reserve credited with depreciation in respect of the housing stock each year, with funding then in the Housing Capital Investment Plan, to meet the capital cost of works to HRA assets, or alternatively to repay housing debt.

Tenants Survey - allows the spread of costs for any Tenant and Leaseholder Survey evenly across financial years, despite the survey only being undertaken periodically.

HRA Set-Aside for Potential Debt Repayment or Future Re-Investment - The business plan has historically assumed the authority notionally sets aside 25% of the value of the self-financing housing debt over the life of the plan, to retain flexibility in whether to redeem or re-finance some of the loan portfolio as loans mature. Using an ear-marked reserve, as opposed to making a formal voluntary revenue provision (VRP), allows the HRA to retain flexibility over the use of any resource that is available for set aside in the future. This policy needs to be reviewed now that the authority plans to borrow further.

Earmarked Funds – Capital Receipts

Right to Buy Attributable Debt Ear-Marked Capital Receipt - The HRA retains an element from all right to buy receipts over and above those assumed in the self-financing settlement, in recognition of the debt held in respect of the asset. These sums are held in a separate ear-marked capital balance, allowing them to be utilised to repay debt should the authority so choose, or alternatively reinvest as deemed appropriate.

Right to Buy Retained One-for-One (1-4-1) Ear-Marked Capital Receipt – With the Right to Buy Receipt Retention Agreement still in force, this reserve ensures that resource is separately identified for re-investment, and if necessary, repayment purposes.

Section 4
Housing Revenue Account Budget

Revised Budget 2021/22

The Housing Revenue Account revenue budget for the current year was amended as part of the HRA Medium Term Financial Strategy in September 2021, taking account of any major changes.

As part of this HRA Budget Setting Report, any major unavoidable pressure or material change in income for the year is again recognised, alongside the impact in revenue terms of the need to revisit funding requirements for the Housing Capital Investment Plan in 2021/22 following re-phasing of the programme. Re-phasing of the new build capital programme results in a reduction in rent income and impacts the bad debt provision and interest receipts. Depreciation is anticipated to be lower for 2021/22 on the assumption that a review of remaining asset lives will extend the lives of the housing stock, when investment over the last 5 years is recognised. A net change of £262,870 in the 2020/21 HRA budget is identified, as summarised in the table below.

2021/22 Revised Budget	Original Budget January 2021 £	HRA MTFS September 2021 £	HRA BSR Proposed Changes £	HRA BSR January 2022 £
Net HRA Use of / (Contribution to) Reserves	6,397,400	14,362,290		
Savings / Increased Income			0	
Unavoidable Revenue Bids / Reduced Income			84,810	
Non-Cash Limit Adjustments (net)			(347,680)	
Revised Net HRA Use of / (Contribution to) Reserves				**14,099,420**
Variation on previously reported projection				(262,870)

The above figures include carry forward approvals from 2020/21 in the second column, in addition to changes approved as part of the Medium Term Financial Strategy in September 2021, with any net revenue impact identified in the current year, as part of the January 2022 committee cycle, incorporated in the right-hand column. The net reduction in costs and reduction in income for 2021/22 will result in a reduced call on Housing Revenue Account reserves for the current year, when compared to that anticipated in the HRA Medium Term Financial Strategy. Details are provided in **Appendix D (1).**

Overall Budget Position - 2022/23 onwards

Overall Budget Position

The overall revenue budget position for the Housing Revenue Account is summarised in the table below and at **Appendix J**, with detail for the period to 2026/27 provided in **Appendix D (2):**

Targets Set	**2021/22 £**	**2022/23 £**	**2023/24 £**	**2024/25 £**	**2025/26 £**	**2026/27 £**
Efficiency Savings	0	(147,000)	(147,000)	(147,000)	(147,000)	(147,000)
Strategic Investment Fund	0	147,000	147,000	147,000	147,000	147,000
Net Change Required	**0**	**0**	**0**	**0**	**0**	**0**

Summary of Proposals	**2021/22 £**	**2022/23 £**	**2023/24 £**	**2024/25 £**	**2025/26 £**	**2026/27 £**
Unavoidable Revenue Bids	0	280,140	262,640	262,640	262,640	262,640
Reduced Income Proposals	84,810	10,000	10,000	10,000	10,000	10,000
Unavoidable	**84,810**	**290,140**	**272,640**	**272,640**	**272,640**	**272,640**
Savings Proposals	0	(300,980)	(233,020)	(233,020)	(233,020)	(233,020)
Increased Income Proposals	0	(214,990)	(194,550)	(198,450)	(203,500)	(341,780)
Bids	0	99,780	99,780	99,780	99,780	99,780
Discretionary	**0**	**(416,190)**	**(327,790)**	**(331,690)**	**(336,740)**	**(475,020)**

Non-Cash Limit Adjustments	(347,680)	99,430	144,860	(69,810)	5,510	235,160
Total Revenue Proposals	**(262,870)**	**(26,620)**	**89,710**	**(128,230)**	**(58,5970)**	**32,780**
Under / (Over) Achievement against Target	**(262,870)**	**(26,620)**	**89,710**	**(128,230)**	**(58,590)**	**32,780**
Cumulative Under / (Over) Achievement against Target	**(262,870)**	**(289,490)**	**(199,780)**	**(328,010)**	**(386,600)**	**(353,820)**

Non-Cash Limit Budgets

Non-Cash Limit items are those that do not relate directly to the cost of service provision, including for example direct revenue funding of capital expenditure (DRF), interest and depreciation. These items are treated outside of the 2022/23 cash limit, with the implications built into the financial forecasts for the HRA as part of the budget process, informing future budget strategy, savings targets and investment priorities. For 2022/23 there is a cash limit adjustment to recognise that the funding for a bid for employing two additional multi-skilled operatives is already built into the overall finances for the HRA and so will not affect the bottom line. There are also non-cash limit adjustments in respect of depreciation, interest received based upon the latest balances and rate assumptions, in the required contribution to the bad debt provision and in Direct Revenue Financing of capital expenditure.

Performance against Net Savings Target

An efficiency savings target of £147,000 was included in the HRA forecasts for 2022/23 as part of the HRA Medium Term Financial Strategy approved in September 2021. The efficiency target was set in the context of the ability to deliver a balanced HRA budget, recognising the need to borrow to build new homes from 2022/23 and to maintain delivery of quality housing services whilst also allow resource for strategic reinvestment in new initiatives.

The savings identified in the table above, included for decision as part of the HRA Budget Setting Report, are detailed in **Appendix D (2).**

The savings and increased income that have been identified for 2022/23 are partially offset by the HRA reacting to unavoidable revenue pressures and reductions in income and considering strategic investment fund bids. The net position is an over-achievement against the targets set of £26,620 in 2022/23, moving to an under-achievement in 2023/24 of £89,710, an over-achievement in 2024/25 of £128,230 and in 2025/26 of £58,590, before moving to an ongoing under-achievement of £32,780 form 2026/27. Details of the net savings can be found in **Appendix D (2).**

If approved on this basis, the budget proposals for 2022/23 onwards result in a net ongoing contribution from HRA reserves, at £32,780 per annum from 2026/27, which will ultimately adjust the borrowing requirement on the HRA for the delivery of 1,000 new homes.

Corporate costs and overheads have been reviewed again in line with the new basis agreed from 2021/22, to standardise the basis for apportioning overheads across the authority. The impact of the change in costs recharged between the General Fund and HRA has been quantified, with the financial impact of this incorporated into the Housing Revenue Account budget process. This may be subject to further change as the General Fund finalises its budget proposals, but any resulting changes will be built into the HRA as part of the 2022/23 Medium-Term Financial Strategy process.

Further efficiency targets have been incorporated from 2023/24 for four years, also at the level of £147,000 per annum. This will allow continued strategic re-investment at the same level each year, to be in a position to respond to challenges presented by changes in local and national housing and welfare policy and also in construction regulations.

Strategic Investment Fund

As part of the HRA Medium Term Financial Strategy, approved in September 2021, approval was given to retention of the Strategic Investment Fund at £147,000 per annum, to be directly offset by efficiency savings identified in the HRA each year, for the next 5 years.

Bids against this fund have been identified as part of the 2022/23 budget process, with the proposals detailed in **Appendix D (2)** and incorporated into the table above.

Transformation Fund

An ongoing budget of £120,000 per annum is still retained in the HRA to allow investment in service transformation projects, spend to save initiatives and to allow a quick response to in-year changes in legislation or major change in national housing policy. The fund can be allocated to one-off projects or to meet ongoing commitments, recognising that if committed on an ongoing basis, there will be less capacity in future years to respond to arising issues.

The responsibility for identification and approval of funding for suitable projects, whether one-off, or ongoing in nature, is delegated to the Strategic Director, who is responsible for ensuring that the authority continues to meet statutory obligations and has a housing offer which is fit for purpose.

Section 5
Housing Capital Budget

Stock Condition and Decent Homes

The housing service reported achievement of decency in the housing stock as at 31 March 2021 at 96%, with 279 properties that were considered to be non-decent (in addition to 1,376 refusals).

Following a fundamental review of investment in the existing housing stock, an updated Asset Management Strategy was approved in September / October 2019. The outstanding, or in progress items on the Asset Management Action Plan, subject to funding bids when costs have been quantified in some cases, include:

Initiative / Action	**Current Status**
Implement a new rolling programme of stock condition surveys so properties are inspected every five years	This commenced in 2019/20 but was on hold for much of 2020/21 due to COVID-19. Surveys have resumed in July 2021 and a new programme is under development that takes account of footpath surveys and new build properties
Continue the programme of structural surveys of flats blocks and implement survey programme for older flats and houses with structural concrete elements	In 2021/22 detailed surveys are being carried out at Hanover and Princess Court, flats / maisonettes in the South Arbury area and Fanshawe and Davy Road. These schemes have been delayed and amended as a result of questions surrounding the long-term future of some of these sites. A brief for works at Bermuda Terrace flats is being developed.

Reduce the electrical inspection cycle to five years in line with best practice	This has been implemented from April 2021 and a transition plan is under way
Implementation of "Orchard Asset" asset management software – including development of the compliance and energy modules	Implementation project in progress with target completion by April 2022.
Develop a methodology which identifies high cost investment properties across the stock and calculates net present values – using new software in Orchard Asset	This will follow the implementation of Orchard Asset and the housing stock performance module.
Implement a programme of estate investment projects	Estate Investment Programme in progress over a 5-year period from April 2020
Establish a programme of re-inspection of asbestos containing materials and implement a new asbestos register based within Orchard Asset	A new Risk and Compliance team is now in place to lead in this area, with an interim Risk and Compliance Manager and a fixed term Asbestos Officer in post. The new team are progressing this action
Implement an annual programme to inspect fire doors to flats and communal areas (including the replacement of non-compliant fire doors)	A fire door inspection programme was procured but this has now been cancelled due to poor performance. A new procurement is now underway, with survey work planned to complete by Spring 2022. There are 5,000 doors on the inspection schedule. If new fire door repair / replacement works are required as a result of these surveys, then details will be added to the MTFS report in Autumn 2022.
Review maintenance requirements for flat roofs and sheds replacement and repair	A programme has been identified and implemented from April 2021
Develop a replacement programmes for lifts, door entry systems, communal entrance doors, fire systems, automatic doors, and communal lighting	Programmes of work have been implemented, and began in 2020/21

Following changes to fire risk regulations, dwellings continue to have heat and smoke detection upgrades and the Council expect complete the delivery of these works during 2022/23, following delays caused by the coronavirus pandemic and a level of no access into properties. There are a significant number of "no access" properties. Where there is "no access" then work will be added to future planned work programmes.

Following receipt of structural surveys and fire risk reports in respect of the blocks of flats at Kingsway, Princess and Hanover Court, a decision was taken to remove all gas supplied to these blocks, replacing both heating and cooking sources where gas was previously utilised by a small number of the residents, both tenants and leaseholders. At the time of writing, just two leaseholders have refused to allow access to have gas capped off and the Council is reviewing options including legal action as a last resort. Nineteen residents have gas heating systems that will need to be replaced with electric heating and all properties have been surveyed. New electric cookers have been ordered for all residents who had gas cookers.

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As a result of the issues identified in respect of these specific blocks, and the investment required to future proof these buildings, a review of options has been carried out, and initial consultation with residents has taken place. The review has explored options to either refurbish or demolish and re-develop each of the schemes. The recommendations also inform decisions about short-term investment requirements.

As part of the HRA Medium Term Financial Strategy, £5,000,000 was ear-marked in 2022/23 to undertake fire compartmentalisation, and other fire safety works to these large flat blocks, should the works be required. The requirement for this investment has been reviewed as part of the consultation and options appraisal work being carried out in respect of the future of flats at Princess Court, Hanover Court and Kingsway. Initial recommendations, which are the subject of a separate report in this committee cycle, suggest that the authority should progress the potential redevelopment of Princess and Hanover Court initially, with Kingsway to be retained for the medium term, with recommendations for the future of this estate considered later. As a result of this recommendation, £1,200,000 has been retained in 2022/23 to undertake the required fire compartmentalisation works at Kingsway, with £650,000 re-phased into 2025/26 for further fire safety works there if required. The balance of funding has been removed from the programme at this stage.

We are continuing the programme of structural surveys of flat blocks in order to implement a programme of work for older flats and houses with structural concrete elements. Work programmes are approved at Hazelwood and Molewood Close, and a number of blocks of flats in the South Arbury Area. Structural surveys and investigations are planned at the Bermuda Terrace estate in 2022/23. As well as a programme of actual structural works, we are developing a programme of structural monitoring to check on blocks where structural works have been completed to ensure structural issues have not re-emerged. Procurement of this work is planned in early 2022. Again, as part of the proposal to move forward with the options appraisal work for the redevelopment of Princess and Hanover Court, funding of £780,000 incorporated for structural works to these blocks has been removed from the programme at this stage.

The Council remains fully committed to increasing energy efficiency, reducing the carbon footprint and improving sustainability across the asset portfolio, with the HRA stock representing a proportion of the portfolio.

Work is progressing well in respect of a pilot programme of works to 150 solid wall properties (1935 build type and 'D' rated) to improve them to a 'B' rating by undertaking external wall insulation and solar panels, with approximately 60 completed at the time of writing this report, and the remaining 90 expected to be complete by March 2022. There are in the region of 1,000 further homes that could benefit from this investment, subject to available resources. We continue to work towards the target of homes being at least 'C' rated by 2035 (2030 for fuel-poor homes).

Fielden and Mawson have now concluded their engagement to undertake a high-level analysis of 3 sustainability investment options, across 7 archetypes, for improving energy performance in the housing stock, with the data from their final report now included in the tables below. 521 non-traditional properties and hostels have been excluded as the costs to achieve the desired standards in these are considered unpredictable with a need to explore these separately.

Based upon the final Fielden and Mawson Report, the anticipated investment required, is between £365 million and £512m depending upon the option selected.

Archetype	Description	Retrofit Plus	EnerPHit	Net Zero Carbon
1	2 Bed Maisonette	18,240,040	24,136,840	22,134,840
2	1 Bed Low rise flat	105,516,670	144,801,270	145,242,670
3	1 Bed Medium rise Flat	43,724,710	63,416,810	57,643,210
4	1 Bed Post War Bungalow	11,120,890	15,070,990	16,596,690
5	2 / 3 Bed Semi Pre 1945	103,052,220	146,309,820	151,266,420
6	2 / 3 Bed semi-detached Post 1945	74,481,050	105,088,050	105,329,050
7	2 Bed Terrace Pre 1945	8,988,840	12,006,440	13,367,640
Total		365,124,420	510,830,220	511,580,520

The challenge facing the Housing Revenue Account remains how to finance this required level of expenditure by 2050. The HRA does not have sufficient resource to meet this commitment and either needs to secure external financial support in the form of grants or government funding or to consider borrowing. As highlighted previously, the HRA has a significant amount of borrowing planned to facilitate the delivery of new homes, but with the cost of new build borrowing met from the rental income from the new homes. This would not be expected to be the case in respect of borrowing to finance energy works in the existing housing stock, with the works not impacting the level of rent charged, or therefore the rental income.

Potential cost mitigations include:

- The ability to increase social rents in recognition of this investment, using the 5% flexibility that exists as part of the rent restructuring target rent formula, recognising this would only generate a fraction of the resource required to support the required borrowing, and would only be applicable at tenancy change.
- Exploration of implementing a 'comfort' charge as a service charge alongside the rent, recognising not only the investment being made by the landlord, but also the anticipated reduction in utility bills that will be realised by the tenant. However, to recover the average investment required to retrofit a property to Net Zero Carbon over a 30-year period, the authority would need to levy a weekly service charge of approximately £49.00, which would exceed any anticipated utility saving for the tenant.

- Exploration of the potential to lever in external finance, either from Central Government or through other national and local funding bodies.

Re- modelling the impact of borrowing to deliver each of the 3 options, using the costs in the final report are summarised in the table below. The further option to deliver Net Zero Carbon in only those properties in the above data set that have an assumed EPC 'D' rating has also been re-presented. Note that the excluded non-traditional properties are also likely to be 'D' rated.

Energy Investment Option	Up-Front Investment	Total Increased Borrowing Required	Business Plan Impact
Retrofit Plus	365,124,420	699,156,000	Unable to set an HRA budget from Year 17, with borrowing required to pay interest on borrowing
EnerPHit	510,830,220	887,401,000	Unable to set an HRA budget from Year 8, with borrowing required to pay interest on borrowing
Net Zero Carbon	511,580,520	888,288,000	Unable to set an HRA budget from Year 8, with borrowing required to pay interest on borrowing
Net Zero Carbon – Assumed 'D' Rated Properties in above data only	145,258,390	311,150,000	Additional borrowing requirement over and above the initial investment of £166 million to allow delivery of existing commitments

The authority is not able to finance achieving Net Zero Carbon in all of its traditional build homes, or even to tackle the 'D' rated traditional build homes in the first instance. The HRA is not in a position to borrow to fund this level of investment without a significant negative impact on the future of the HRA.

As part of this HRA Medium Term Financial Strategy a sum of £5,000,000 was approved in 2022/23 to allow a pilot programme of 50 homes to be retrofit to achieve as near to Net Zero Carbon as possible. This programme is being developed currently, with surveys underway. It is anticipated that a number of homes will be retrofit in one archetype to demonstrate whether costs efficiencies can be delivered, and individual homes will be retrofit in some of the other archetypes to demonstrate whether the estimated costs in the Fielden and Mawson report are realistic and achievable.

The programme will also provide a strong evidence base upon which to lobby government and other bodies, in an attempt to secure external investment and will allow further exploration of the potential to use the 5% flexibility in the rent restructuring formula and / or to introduce a 'comfort' charge for tenants. There is also a skills shortage in this industry currently, and the approach should also allow local providers to upskill their workforce.

New Build Affordable Housing

General Approach

The Council's approach to building new homes continues to develop, with both Passivhaus and Net Zero Carbon pilot schemes now approved. A report considered at Housing Scrutiny Committee in January 2021 set out a commitment to delivering sustainable homes, with an updated Sustainable Housing Design Guide. An Estate Regeneration Policy was also approved in September 2021.

New Build Schemes Completed – Devolution 500 Programme Onwards

At the time of writing this report 138 new homes had been completed since the beginning of 2018 as part of the Devolution 500 Programme, with a net gain of 107 council rented homes.

The table below details the new build schemes completed as part of this programme to date:

Scheme	Date Completed	Total Social Housing / SO Units	Gain in Social Housing Units	External Funding Source	Percentage Social Housing on Site
Uphall Road	February 2018	2	2	RTB Receipts & Devolution Grant	100%
Nuns Way/Cameron Road	September 2019	7	7	RTB Receipts & Devolution Grant	100%
Wiles Close	September 2019	3	3	RTB Receipts & Devolution Grant	100%
Ditchburn Place	September 2019	2	2	RTB Receipts & Devolution Grant	100%
Queensmeadow	June 2020	2	2	RTB Receipts & Devolution Grant	100%
Anstey Way	June 2020	56	29	RTB Receipts & Devolution Grant	100%
Colville Road Garages	July 2020	3	3	RTB Receipts & Devolution Grant	100%
Gunhild Way	July 2020	2	2	RTB Receipts & Devolution Grant	100%
Wulfstan Way	September 2020	3	3	RTB Receipts & Devolution Grant	100%
Markham Close	September 2020	5	5	RTB Receipts & Devolution Grant	100%
Mill Road	October 2020	4	4	RTB Receipts & Devolution Grant	50%
Ventress Close	February 2021	15	13	RTB Receipts & Devolution Grant	100%
Mill Road	May 2021	1	1	RTB Receipts & Devolution Grant	50%
Akeman Street	May 2021	14	12	RTB Receipts & Devolution Grant	100%

Scheme	Date Completed	Total Social Housing / SO Units	Gain in Social Housing Units	External Funding Source	Percentage Social Housing on Site
Cromwell Road	October 2021	4	4	RTB Receipts & Devolution Grant	40%
Mill Road	October 2021	15	15	RTB Receipts & Devolution Grant	50%
Total		**138**	**107**		

New Build Schemes On Site – Devolution 500 Programme

Sites where work is in progress in respect of the 500 Programme are summarised in the table below, with details of the latest anticipated costs and number of units that will be delivered on each site once complete:

Scheme	Approved Indicative Social Housing Units	Gain in Affordable Housing Units	Latest Budget Approved / for Approval	RTB Receipt / Sales Receipt Funding	Devolution Grant / S106 Funding	Net Capital Cost to the HRA
Mill Road	98 (20 taken)	98 (20 taken)	24,965,630	(7,489,690)	(17,475,940)	0
Kingsway	4	4	554,000	(166,200)	0	387,800
Cromwell Road	114 (4 taken)	114 (4 taken)	24,865,800	(5,997,920)	(17,141,400)	1,726,470
Colville Road II	67	47	14,467,580	(2,743,430)	(6,343,880)	5,380,270
Meadows and Buchan	106	106	25,929,000	(7,778,700)	(8,626,120)	9,524,180
Campkin Road	75	50	18,063,260	(3,243,930)	(7,949,970)	6,869,360
Total	**464**	**419**				

New Build Schemes On Site – New 1,000 Homes Programme

Sites where work is in progress in respect of the New 1,000 Homes Programme are summarised in the table below, with details of the latest anticipated costs and number of units that will be delivered on each site once complete:

Scheme	Approved Indicative Social Housing Units	Gain in Affordable Housing Units	Latest Budget Approved / for Approval	RTB Receipt / Sales Receipt Funding	Homes England Grant	Net Capital Cost to the HRA
Histon Road	10	10	1,978,000	(224,680)	0	1,753,320
L2	30	30	6,207,000	(620,700)	0	5,586,300
Total	**40**	**40**				

New Build Schemes in the Pipeline- Devolution 500 Programme

There are two small sites in the 500 Programme, which have scheme specific approval, but at the time of writing this report, were not on site. They are both HRA sites where the intention is for the HRA to deliver affordable housing. The site at Clerk Maxwell, where the HRA will acquire the affordable homes from Hill is also delayed, and yet to formally start on site for the affordable housing element. The table below detail the latest budget requirements either approved or for approval as part of the HRA Budget Setting Report and the assumed number of new homes which can be delivered, recognising that this may still be subject to both planning approval and procurement of a contractor or transfer to CIP.

Scheme	Approved Indicative Affordable Housing Units	Gain in Affordable Housing Units	Latest Budget for Approval	RTB Receipt and Sales Receipt Funding	Devolution Grant / Section 106 Funding / Assumed Homes England Grant	Net Capital Cost to the HRA
Tedder Way	1	1	506,000	(151,800)	0	354,200
Kendal Way	1	1	524,000	(157,200)	0	366,800
Clerk Maxwell Road	14	14	3,046,760	(914,030)	(2,132,730)	0
Total	**16**	**16**				

New Build Schemes in the Pipeline- New 1,000 Homes Programme

The table below detail the latest budget requirements either approved or for approval as part of the HRA Budget Setting Report and the assumed number of new homes which can be delivered, recognising that this may still be subject to both planning approval and procurement of a contractor or transfer to CIP. The latest budget approvals for sites identified for transfer to CIP are based upon the most recent cost estimates provided by CIP but will not be finalised until the Affordable Housing Agreement or design and build contract is entered into.

Scheme	Approved / Indicative Affordable Housing Units	Gain in Affordable Housing Units	Latest Budget for Approval	RTB Receipt and Sales Receipt Funding	Assumed Homes England / ERDF Grant	Net Capital Cost to the HRA
Colville Road III	48	32	12,649,000	0	(3,200,000)*	9,449,000
Fen Road	12	12	3,931,000	0	(1,200,000)*	2,731,000
Ditton Fields	6	6	2,061,000	0	(600,000)*	1,461,000
Aragon Close	7	7	1,988,000	0	(700,000)*	1,288,000
Sackville Close	7	7	1,988,000	0	(700,000)*	1,288,000
Borrowdale	3	3	914,000	0	(300,000)*	614,000
Aylesborough Close	70	37	19,030,000	0	(3,700,000)*	15,330,000
St Thomas's Road	8	8	2,105,000	0	(800,000)* (141,000)**	1,164,000
Paget Road	7	7	1,842,000	0	(700,000)* (124,000)**	1,018,000
Total	**168**	**119**				

*Homes England Grant is assumed at £100,000 per unit in line with the 1,000 Homes Programme strategic partnership bid assumptions, assuming CME bids will be submitted instead.

** Assumed European Regional Development Fund (ERDF) Grant through Eastern New Energy to build to Net Zero Carbon, with Passivhaus to be delivered if grant bid is unsuccessful.

Where either the budgets, or the number of units planned for delivery, for specific schemes are being proposed for amendment as part of this Budget Setting Report the original approval level and number of units anticipated is compared to the revised budget and number of units

included as part of this report is summarised in the table below. This incorporates the latest cost estimates for the current number of units being proposed on each site and the latest contract values.

The scheme at Colville III has suffered increased costs due to labour and materials shortages and resulting price increases, the need to pile the site due to ground conditions and an increase in the costs of air source heat pumps. The Passivhaus schemes at Fen Road, Ditton Fields, Aragon Close, Sackville Close and Borrowdale all require additional budget based upon the latest cost estimates, for similar reasons as at Colville III. The number of units anticipated to be deliverable at Aylesborough Close has reduced by 2, but the budget has been retained in full to offset labour and materials price increases.

Scheme	Previous Budget Approval	Original Estimated Units	Latest Budget Approval Request	Revised Estimated Units
Colville III	11,780,000	48	12,649,000	48
Aylesborough Close	19,030,000	72	19,030,000	70
Fen Road	3,658,000	12	3,931,000	12
Ditton Fields	1,918,000	6	2,061,000	6
Aragon Close	1,850,000	7	1,988,000	7
Sackville Close	1,850,000	7	1,988,000	7
Borrowdale	875,000	3	914,000	3

The table below confirms the current status for each pipeline scheme:

Scheme	Site Type	Status	Potential New Build Units
Tedder Way	In-fill	Pre-planning	1
Kendal Way	In-fill	Pre-planning	1
Clerk Maxwell	Section 106	Planning approved	14

Scheme	Site Type	Status	Potential New Build Units
Colville Road III	Existing HRA Housing	Planning submitted	48
Fen Road	Land Acquisition	Planning approved	12
Ditton Fields	Land Acquisition	Planning submitted	6
Aragon Close	Existing HRA Garages	Pre-planning	7
Sackville Close	Existing HRA Garages	Pre-planning	7
Borrowdale	Existing HRA Garages	Planning approved	3
Aylesborough Close	Existing HRA Housing	Feasibility Stage	70
St Thomas's Road	Existing HRA Garages	Feasibility Stage	8
Paget Road	Existing HRA Garages	Feasibility Stage	7
Princess / Hanover Court	Existing HRA Housing	Land Assembly Only	TBC

The Housing Capital Investment Plan, an updated version of which is attached at **Appendix K**, incorporates the funding for new build schemes as identified in the tables above. It recognises the need for gross spend on the housing scheme, land values, devolution grant, other grant and right to buy receipts to be shown separately, arriving at the net cash cost to the Council as per the tables above. For these purposes the use of retained right to buy receipt is treated as an external funding source, recognising that failure to utilise it as statutorily required, would result in the need to pay the receipt over to Central Government.

Tedder Way

This scheme now anticipates delivering a single, very large, mobility adapted dwelling on the site to meet an identified need on the housing register. The ability to proceed is now subject to securing planning approval, which is now anticipated to be submitted in December 2021.

Kendal Way

This scheme now anticipates delivering a single, very large, mobility adapted dwelling on the site to meet an identified need on the housing register. The ability to proceed is now subject to

both resolving a historic boundary dispute and securing planning approval. A planning application is expected to be submitted by January 2022.

Clerk Maxwell

The authority will acquire 14 affordable homes from Hill Residential, on a site where planning approval has been granted. The scheme budget includes resource to improve the specification above that approved through the planning process. Work on the affordable housing will commence as soon as the authority enters into contract which is anticipated by January 2022.

Colville Road III

This site comprises 16 HRA properties, 2 leasehold flats and 4 shops. The proposed development will deliver 48 new or replacement homes alongside the reprovision of the commercial space. At the time of writing this report 15 tenanted households had been relocated and 1 leasehold flat had been re-acquired, leaving 1 tenant and 1 leaseholder still to relocate, with a compulsory purchase order now issued in respect of the leasehold dwelling.

The commercial property that currently exists on the site of the Colville Road III development is held in the Council's General Fund, with the benefit of the rental income also being recorded there. The budget for the commercial aspects of the development is held within the General Fund Capital Plan, with the residential element budgeted for in the HRA, using the latest indicative scheme costs, which have increased since the scheme was given approval.

Fen Road

This site was acquired by the HRA in 2020/21. The scheme will result in the demolition of two derelict existing buildings which previously provided shared accommodation replacing them with an anticipated 12 new homes, two of which will be larger wheelchair accessible homes. The scheme has now been granted planning approval, with start on site anticipated in February 2022.

Ditton Fields

This site was acquired by the HRA in 2020/21 and is a garden in-fill site. The scheme will provide 6 new homes, with planning approval granted in October 2021 and start on site anticipated in February 2022.

Borrowdale

The site at Borrowdale is an existing HRA garage site, where an anticipated 3 new homes can be provided. Planning approval was granted in November 2021, with anticipated tart on site in March 2022.

Aragon Close and Sackville Close

The two sites at Aragon Close and Sackville Close comprise existing HRA garage and parking bay provision, with an anticipated 14 new homes to be provided across both sites. Planning submission is anticipated in December 2021.

Aylesborough Close

This scheme comprises the redevelopment of 33 existing tenanted and 3 leasehold properties, to deliver a provisional 72 new homes, depending upon the final mix decided for the planning submission. This scheme, which is part of a Passivhaus for flats pilot project, will be submitted for planning in March 2022.

St Thomas's Road

This is an existing HRA garage and in-fill site, which involves the demolition of 20 garages, with a view to delivering at least 8 homes and the re-provision of public amenity space on the site, will be part of a net zero carbon pilot project subject to a successful ERDF grant bid, and is anticipated to be submitted for planning in March 2022.

Paget Road

This is an existing HRA garage and in-fill site, which involves the demolition of 34 garages, with a view to delivering at least 7 homes on the site, will be part of a net zero carbon pilot project and is anticipated to be submitted for planning in March 2022.

Princess and Hanover Court

In line with a separate report being presented as part of this committee cycle, and following a process of options appraisal and resident consultation, this iteration of the HRA business plan includes approval for the use of resource to buy back leasehold dwellings and re-locate all tenants in both Princess Court and Hanover Court. Sufficient funding to facilitate this already exists in the HRA Business Plan as part of the assumptions for the delivery of the 1,000 homes programme but the use of it will be brought forward significantly as part of this report. The funding has been incorporated over a two-year period, 2022/23 and 2023/24 so that the site can be vacated in stages. Options for the future redevelopment of the site will be brought back to a future Housing Scrutiny Committee once all of the feasibility work and options appraisals have been concluded. The timing of funding for the vacation of the scheme has been brought forward to coincide with the availability of new homes at both Mill Road and Cromwell Road, to ensure that residents have options to relocate in the surrounding area, should this be their preference. Buy backs and relocation of tenants will commence in advance of the final decision for the future of the estate, by agreement with the residents only.

General Fund Sites

Where any General Fund sites are taken forward for development with the potential for the HRA to acquire the affordable homes, there is the need to consider the impact of the transfer of land between the General Fund and the HRA and any resulting impact of the HRA Capital Financing Requirement. Legislatively, any increase in this results in increased interest costs to the HRA. If General Fund sites are built out by the Cambridge Investment Partnership, with the intention of the Council being to exercise the break clause in a lease in order to acquire the affordable homes, it is considered necessary for this land to be appropriated between the General Fund and the HRA at market value, taking account of the intended use for the site, prior to lease to the Cambridge Investment Partnership.

1,000 Homes New Build Programme

The current key assumptions now made in respect of the 1,000 homes programme are:

- 1,000 net additional council rented homes delivered over 10 years from 2022.

- To deliver 800 initial net new council rented homes, 1,091 gross rented homes will be delivered in the first phase with other tenures where required (current assumption is that we will also build 75 shared ownership homes, 625 rent to buy homes and 450 market homes)
- Rent to buy homes would be purchased by a wholly owned council company, which would need registered provider status.
- Shared ownership homes could be sold to another registered provider with more experience in this market, but alternative options include retention in the HRA or purchase by the wholly owned council company.
- The balance of 200 net new homes would be delivered in a second phase.
- A range of delivery routes may be adopted, Joint Venture, Section 106, land led schemes, existing HRA sites or off the shelf purchases.
- A build cost of £2,950 per square metre, which assumes building to Passivhaus standards, by allowing a £500 uplift per square metre on the standard rate of £2,450, has been assumed for all sites where building to Passivhaus is considered feasible.
- A land acquisition costs for land led schemes of £65,000 per plot.
- Net new homes and 50% of re-provided homes are all let at council affordable rent levels using 60% of market rent (or the Local Housing Allowance if lower) in line with policy approved at Housing Scrutiny Committee in June 2021
- 50% of the number of rented homes demolished on existing HRA sites are all totalled, with this number of new homes assumed to be let at target social rents, allowing an assumed proportion of residents to return after redevelopment.
- Homes England grant of £100,000 per unit across all affordable tenures (except L2).
- Retained right to buy receipts continue to be available for re-investment but can't be appropriately reinvested in addition to Homes England Grant, and instead would be utilised for any site where grant was not awarded.
- Borrowing has been assumed at 2.5%, based upon Link (treasury advisors) projections of the PWLB rate for the medium term, at the time of writing this report.
- Delivery of 800 phase one net council rented homes assumes the need to demolish and re-provide 291 existing properties as part of site regeneration schemes, delivering a to9tal of 1,091 rented homes.
- Investment profile is spread across the 10-year programme based upon indicative schemes incorporated into the strategic partnership grant bid for years 1 to 5.

- Annual servicing and maintenance costs have been increased by £130 per unit, recognising the need to maintain solar pv installations and a mechanical ventilation with heat recovery (MVHR) unit in each dwelling.
- Future replacement costs have been increased by an average of £457 per annum to allow for the replacement of the additional components required to deliver a Passivhaus dwelling.

This currently requires an estimated £347,000,000 of borrowing over the life of the plan.

Sites and schemes are brought forward for formal consideration and approval individually as opportunities arise.

Taking into consideration site constraints and the delivery vehicle adopted for each scheme as it is identified for inclusion in the programme, different recommendations may be made in respect of tenure mix and sustainability standards. The option currently incorporated into the plan assumes new homes will be built to Passivhaus standard wherever possible, but there is a commitment to move towards zero-carbon during the life of the programme, where it is feasible and viable to do so.

The programme, as incorporated currently, is still dependent upon securing Homes England Grant funding for all of the council rented and shared ownership units, and failure to achieve this will mean that the programme will need to be reviewed to identify alternative sources of funding, to increase the amount of market sale or shared ownership housing provided, to reduce build standards or to reduce the number of council rented homes delivered overall. This may mean pulling out of schemes that have already been granted scheme specific approval.

Opportunities to secure additional future funding through the Combined Authority, Homes England or DLUHC are being fully explored, as this will mitigate the amount of resource that the HRA needs to borrow.

The HRA needs to undertake a review of borrowing options in the coming months. Currently, the PWLB is offering reduced rates for lending to local authorities, but this rate may change before the end of the 1,000 programme. The authority will explore other borrowing routes to ensure that borrowing decisions are made with the benefit of comprehensive market information.

The resource ear-marked in the business plan is reviewed and re-profiled as the programme develops, with borrowing options explored and decisions to be made as part of the Medium Term Financial Strategy or budget setting process for any year in which borrowing is deemed necessary. The first year that borrowing is currently anticipated is 2022/23, with the need to consider alternative options such as institutional investment or bond issuance during the coming year.

Updated expenditure and funding sources, on a cashflow basis, for all new build schemes are detailed at **Appendix H.**

Asset Acquisitions & Disposals

Strategic acquisition or disposal of assets is considered, in line with the HRA Acquisition and Disposal Policy. The capital receipt generated by a strategic disposal can still be retained in full by the authority, subject to utilising it to invest in affordable housing or regeneration.

In respect of acquisitions, a delegation to the Strategic Director exists to allow draw down of resource, otherwise set aside for the repayment of debt, to acquire land or homes on the open market if new build housing is not coming forward quickly enough to avoid the loss of right to buy receipts or for the acquisition of homes that are on sites which have been identified for potential future redevelopment, but where the schemes haven't yet been formally approved.

In 2021/22, a number of strategic acquisitions or disposals have been completed or are in progress.

Acquisition / Disposal	Comment	Status
Land at Queensmeadow	Purchase of a small land parcel in the south of the city	Complete
2 Bed Flat	Purchase of a 2 bed flat in Abbey Ward for rough sleepers	Complete
1 Bed Flat	Purchase of a 1 bed flat in the Trumpington Ward for rough sleepers	Complete
2 Bed Flat	Purchase of a 2 bed flat in Cherry Hinton for rough sleepers	Complete
2 Bed Flat	Purchase of a 2 bed flat in Abbey Ward for rough sleepers	Complete

Acquisition / Disposal	Comment	Status
1 Bed Flat	Purchase of a 1 bed flat in the Cherry Hinton Ward for rough sleepers	Complete
2 Bed Flat	Purchase of a 2 bed flat for potential future redevelopment	Complete
1 Bed Flat	Purchase of a 1 bed flat for potential future redevelopment	Complete
3 Bed Maisonette	Purchase of a 3 bed maisonette for potential future redevelopment	In progress
1 Bed Flat	Purchase of a 1 bed flat in the Kings Hedges Ward for rough sleepers	In progress
1 Bed Flat	Purchase of a 1 bed flat in the Arbury Ward for rough sleepers	In progress
1 Bed Flat	Purchase of a 1 bed flat in the Coleridge Ward for rough sleepers	In progress
6 further existing market dwellings *	Purchase of a further six 1 bed homes on the open market to house rough sleepers as part of the DLUHC Next Steps Programme, which now has DLUHC Grant funding approval.	Grant bid approved and acquisitions in progress

Capital Bids, Savings and Re-Phasing

There is only one formal capital bid incorporated as part of the 2022/23 HRA Budget Setting Report, but there are also a number of areas of updated new build costs, budget re-allocation and re-phasing.

Detailed changes are presented in **Appendix E,** with the overall financial and presentational impact of the following items being incorporated into the Housing Capital Investment Plan presented at **Appendix K**:

- Inclusion of a capital bid for £50,000 in 2022/23 to allow the purchase of a new Estate Services van, with the new vehicle anticipated to be an electric vehicle.

- Changes to new build budgets, where scheme specific approval is already in place, with an increase of £869,000 in respect of Colville III in recognition of increased contract (materials and labour) costs at the point of entering into contract, coupled with the need to pile the site.

- Changes to new build budgets, where scheme specific approval is already in place, with an increase of £273,000 in respect of Fen Road, £143,000 in respect of Ditton Fields, £138,000 in respect of both Aragon Close and Sackville Close and £39,000 in respect of Borrowdale in recognition of increased anticipated build costs due to market forces, site constraints, and location and size of each of the sites,

- Allocation of £8,888,000 of resource in 2022/23 and £5,664,000 in 2023/24 to allow the buy back of leasehold dwellings and the relocation of tenants at both Princess Court and Hanover Court.

- Removal of budgets of £780,000 in 2021/22, for structural works at Princess and Hanover Court.

- Reduction and re-allocation of budget for fire safety works in flat blocks, with the £5,000,000 budget in 2022/23, reduced to £1,200,000, with £650,000 re-phased into 2025/26.

- Re-phasing of budgets for decent homes works, and other capital works to the existing HRA stock, as identified in **Appendix E**

- Re-phasing of new build schemes as identified in **Appendix E**.

- Adjustment to the level of inflation held in the capital programme, recognising the anticipated increased in building costs in the medium-term.

- Adjustment to the level of resources held for future works to new build dwellings recognising the increased sustainability build standards and to meet the cost of inflation, as a result of the changes above.

Section 6
HRA Treasury Management

Background

Statutorily, the Housing Revenue Account is required to set a balanced budget, including recognition of the revenue implications that arise from capital financing decisions.

The Housing Capital Investment Plan provides an indication of the borrowing requirement in any year, ensuring that this can be incorporated into the Council's overall borrowing assumptions and Treasury Management Strategy.

There is currently no constraint on the level of borrowing that the HRA can take out, but the authority must ensure that it can demonstrate the resource is being utilised in the provision of social or affordable rented housing, it is able to identify the revenue resource to support the borrowing and must give due regard to the need to repay or re-finance the debt at the end of any initial borrowing term.

A risk to the HRA's ability to borrow remains the Local Authority Investment Guidance which states that any authority making an investment that is classified as an 'investment asset primarily for yield', will not be able to access loans from the PWLB in the financial year in which it makes this investment. Local authorities need to submit a 3-year capital investment strategy to be able to borrow, and the Section 151 Officer needs to certify that none of the capital projects are classified as investments primarily for yield. Investment in housing, regeneration, preventative action (ie; buying an asset of community value) and treasury management (ie; re-financing existing debt) are acceptable, but investment for yield, such as investment in land or buildings to be let at market rates is prohibited. There is therefore the potential for any investment decisions made by the General Fund to detriment the HRA's ability to borrow from the PWLB in any given

year. This would not stop the HRA borrowing but would mean that an alternative lending source would need to be identified, with rates potentially not being as preferential.

HRA Borrowing

As at 1 April 2021, the Housing Revenue Account supported external borrowing of £213,572,000 in 20 maturity loans with the Public Works Loans Board (PWLB), with rates ranging between 3.46% and 3.53% depending upon the term of the loan. The loans have varying maturity dates, with the first £10,678,600 due to be repaid on 28th March 2038, and the last on 28th March 2057.

At April 2021, the external loans attributable to the HRA, were notionally reduced as part of the HRA Capital Financing Requirement by the sum of £4,917,608 in recognition of the balance of the land acquisition costs which the HRA met in respect of the land site at Cromwell Road. In the short term, the General Fund is required to pay the HRA annual interest on this sum, at a reasonable rate, as part of the Item 8 Debit or Credit to the HRA. Once the scheme is complete, and CIP has repaid the loan to the Council for land purchase, this arrangement will no longer exist, and the HRA will return to the previous position where there is a small sum of notional internal borrowing from the General Fund, with interest payable in the same way in return.

If the HRA acquires housing built on General Fund land, the land has to be appropriated (transferred) to the HRA, increasing the HRA Capital Financing Requirement and the resulting interest due to the General Fund. This transfer takes place at market value, but taking into account the intended future use for the site, i.e.; as social of affordable housing.

This iteration of the business plan assumes that the authority will re-invest all revenue resource that has been previously set-aside for potential debt redemption or re-investment, prior to undertaking the additional borrowing, currently estimated at £250,000,000 to deliver the 1,000 homes programme from 2022/23. Borrowing of a further £97,000,000 is required over the life of the plan, to ensure that new homes are maintained at Passivhaus standards and that the small ongoing programme of new homes continues to be delivered at this standard where possible.

The HRA financial forecasts assume that the initial borrowing requirement in 2022/23 is met by borrowing from the Public Works Loan Board (PWLB), assuming the reduced base rates for local

authority planned borrowing. Borrowing is assumed at 2.5% on an ongoing basis, using Link's medium-term projections.

Alternative borrowing routes will be explored during 2022/23 as the authority is required to borrow significantly greater sums, building on the work that has recently been done to secure funding for the Park Street project. Consideration will also be given to internal borrowing, inter-authority borrowing, market borrowing and bond issuance. All of these borrowing routes have been explored previously, but the preferential rates available from the PWLB mean that they have previously been ruled out.

The 2021/22 HRA Budget Setting Report does not review the potential sources of lending, types of borrowing, lengths of loans or alternative rates available for taking out any additional borrowing at this stage, with the current rate of PWLB lending of 2.50% being adopted as a default. Further review will need to be undertaken during 2022/23 before significant borrowing is undertaken.

Debt Repayment / Re-Investment

Set-Aside for Repayment of HRA Debt

The debt repayment strategy to date has been to set-aside resource to redeem 25% of the HRA self-financing debt from the point at which the loan portfolio begins to mature, in 2037/38. To retain flexibility, any surplus generated for future debt repayment, has not formally set-aside, but has instead held in an ear-marked reserve to allow for either repayment of debt or draw down for re-investment.

Any resource set-aside since April 2012 has incorporated for use by 2022/23 to fund the delivery of new homes, before the HRA begins to borrow further, with the assumption that the HRA will set-aside resource to redeem 25% of the HRA self-financing debt deferred until later years in the programme, when the rents from the new homes begin to deliver a surplus into the business plan.

Section 7
Summary and Overview

Equality Impact Assessment, Uncertainties and Risk

Equality Impact Assessment

Local authorities have legal duties to pay 'due regard' to the need to eliminate discrimination and promote equality with regard to race, disability, gender, including gender reassignment, age, sexual orientation, pregnancy / maternity, and religion or belief as well as to promote good race relations, and to demonstrate this in the decision making process. Assessing the potential equality impact of proposed changes in policies, procedures and practices is one of the ways public authorities can show 'due regard'.

As part of this Budget Setting Report, an Equality Impact Assessment has been undertaken in respect of all new 2022/23 HRA budget proposals, where any impact is anticipated. The assessment identifies the impact of a proposal, any mitigation available and includes an action plan detailing how negative impact can be addressed. The Equalities Impact Assessment for the overall HRA budget is included at **Appendix L.**

Risk Assessment

Consideration is given to any changes in the perceived level of internal or external risk that the housing service is subject to, ensuring that the authority can sustain a financially viable Housing Revenue Account.

Update of the key risks and associated mitigating actions is presented at **Appendix F.**

HRA Reserves

Housing Revenue Account General Reserves

General reserves are held to help manage risks inherent in financial forecasting. These risks include changes in legislative, statutory and regulatory requirements, inflation and interest rates, unanticipated service needs and rent and other income shortfalls and emergencies, such as uninsured damage to the housing stock. In addition, reserves may be used to support the Housing Capital Investment Plan and, in the short-term, to support revenue spending, for example to spread the impact of savings requirements over more than one financial year or to invest up front in a project that is anticipated to pay back over a period of time or deliver future savings.

For the Housing Revenue Account, the target level of reserves of £3m, with a minimum level of reserves of £2m, is proposed to be retained, recognising the need to safeguard the Council against the risk and uncertainty in the current financial and operational environment for housing.

Financial Assumptions and Sensitivity

The current financial assumptions, reviewed and used as part of this BSR are detailed in **Appendix A**.

All financial assumptions are subject to change, with a number of alternative values that could have been assumed. To mitigate the risks associated with this, modelling of key sensitivities is undertaken to provide context to the financial impact that a change in an assumption will make.

Appendix I provides details of the key sensitivities modelled in the preparation of the HRA Budget Setting Report 2022/23.

Conclusion

Overview

The budget for 2022/23 seeks to achieve a balance in investment against current priorities:

- Investment required to maintain decency in the existing housing stock
- Spend on landlord services (i.e. housing management, responsive and void repairs)
- The need to support, and potentially set-aside for repayment of, housing debt
- Investment in new affordable housing
- A commitment to reach net zero carbon in Cambridge by 2050.
- Investment in income generating activities and discretionary services (i.e. support)
- The ability to respond quickly to changes in both housing and building legislation

There remains a very strong focus on the challenge to identify resource to allow improvement to the energy efficiency of the existing housing stock, whilst also ensuing that new build homes meet high energy efficiency standards. Progress in both of these areas can be made during 2022/23 with both Passivhaus and Net Zero Carbon pilot projects for new homes and funding identified for a pilot of 50 retrofits of existing stock. A longer-term programme needs to be developed and costed once the pilot activity is concluded.

Currently, the building trade is experiencing both materials and labour shortages, with delays and increased costs being experienced as a direct result.

The authority still awaits details of how the Housing White Paper will impact service delivery, with the Regulator of Social Housing currently developing the framework in which we will need to operate going forward, with a review of the decent home's standard, improved regulation and routine inspection of social housing providers all anticipated. The Fire Safety Act also increases the authority's responsibility in respect of fire safety and fire prevention in any property with two or more sets of domestic premises.

The rollout of Universal Credit continues to contribute to uncertainty for the Housing Service, with the full impact of direct payment on rent collection and rent arrears, still to be realised.

Conclusion Summary

Work undertaken as part of the 2022/23 budget process has resulted in the development of proposals for setting the budget for the Housing Revenue Account.

In January 2022 Housing Scrutiny Committee will consider the budget proposals, prior to the Executive Councillor for Housing making decisions in respect of the revenue aspects of the budget, making recommendation for the housing capital budget for 2021/22 to 2030/31 to Council for consideration and approval.

The HRA Budget Setting Report recommends approval of, where applicable:

- Property rents, garage and parking space rents and service charges
- Revised budget proposals
- Unavoidable revenue pressure proposals
- Reduced income proposals
- Revenue bids
- Savings proposals
- Increased income proposals
- Non-cash limit items
- Capital bids, capital savings, revised scheme costs and timings
- Capital resource re-allocation

The meeting of Council in February 2022 will consider the final proposed Housing Capital Budget as identified in this report for approval.

Savings identified in the HRA from 2022/23 include removal of inflation in non-contractual areas of planned revenue maintenance and general management services, savings in the costs of temporary propping hire for blocks with structural issues as work is completed, savings in waste disposal costs with more efficient collection regimes, savings in pension costs and recharges from the General Fund for corporate and support services and a reduction in the budget for legionella testing to bring the budget in line with the contract value.

Increased income is anticipated from rents due to the level of CPI at September 2021, in service charges due to the number of properties in stock and the higher level of services being provided to new build homes, in commercial rent income as a result of the new units at Akeman Street and in fee income for services provided by HRA staff.

Savings and increased income are partially offset by unavoidable revenue pressures, predominantly due to increased casts of fire protection equipment and macerator servicing, electrical lighting maintenance, garden clearances, national insurance for all employees and ensuring CCTV statutory compliance. The need to identify resource to meet the difference between the level of inflation incorporated at 2% in the HRA Medium-Term Strategy and the latest prediction for 2022/23 of 3.7%, results in an additional revenue pressure item to ensure that contractual commitments can be met.

A reduction in emergency alarm income is anticipated due to declining customer numbers.

Any net saving delivered allows for the creation of a Strategic Investment Fund as approved in the HRA Medium Term Financial Strategy, with bids proposed to increase staffing in the Home Ownership Team and to employ 2 additional Multi-Skilled Operatives, initially to work as part of the Voids Team. The latter does not require new resource as it will be funded from the existing budget in the business plan that recognises an increase in the housing stock and therefore in associated costs.

There are non-cash limit adjustments to reflect the use of existing resource to fund the 2 Multi-Skilled Operatives, and also in respect of interest received, interest paid, the required contribution to the bad debt provision, which is linked to the anticipated rental income, in depreciation and in respect of direct revenue financing of capital expenditure, where this has been increased to mitigate the impact of the lower level of depreciation for 2022/23.

The overall position for the HRA by 2022/23 (including non-cash limit adjustments) is a cumulative over-achievement of £289,490, fluctuating in future years, but arriving at a cumulative over-achievement of £353,820 by 2026/27.

There is currently an assumption that efficiency savings of £147,000 per annum will be sought for a further 4 years, allowing the continuation of a corresponding Strategic Investment Fund for the same period. Effectively, any increase in revenue costs or investment in new revenue areas of priority will need to be funded through the identification of efficiency savings or increased income elsewhere across the service.

The HRA's approach to long-term financial planning has previously incorporated the assumption that surplus resource will be set-aside so that 25% of the self-financing loan portfolio can be redeemed at maturity. Now that the authority has committed to further expansion of its new build programme, with significant additional borrowing planned, there needs to be a fundamental review of the overall approach to future debt redemption.

The HRA is making significant progress in delivering over 500 additional homes using Devolution Grant, with 107 additional homes handed over and a further 419 additional homes on site at the time of writing this report. The authority also has a number of schemes approved as part of the new 1,000 homes programme, with 40 homes on site at the time of writing this report.

The biggest single risk to the business plan currently is the assumption that the authority will be successful in securing Homes England Grant on a scheme by scheme basis, with assumptions that all but one of the 1,000 homes programme sites will have grant funding to allow them to proceed. If the authority is unsuccessful in securing grant, each scheme will need to be revisited before entering into contract to ensure that the HRA can borrow sufficient funds to proceed.

The delegation to the Strategic Director, to allow revenue resource previously transferred into the potential debt redemption / new build reserve to be drawn down to allow the strategic acquisition of land or market housing for use for affordable rented homes is retained and extended. This will continue to mitigate the risk that delay, or lead in, to the delivery of new homes may result in a requirement to pay retained right to buy receipts over to central government, with an interest penalty attached.

Any review of the need to identify savings in future years will need to consider not only sustaining a 30 year business plan, supporting borrowing and taking account of the impact of any emerging

housing legislation, but also considering the authorities commitment to the delivery of new build housing and aspiration to improve the sustainability standards of existing housing.

Business Planning Assumptions (Highlighting Changes)

Key Area	Assumption	Comment	Status
General Inflation (CPI)	**3.7%, 2.3%, then 2% ongoing**	**General inflation on expenditure included at 3.7% for 2022/23, 2.3% for 2023/24, then 2% ongoing, per Office of Budgetary Responsibility Forecasts October 2021.**	**Amended**
Capital and Planned Repairs Inflation	**CPI plus 1.35%**	**Based upon the mix of BCIS and CPI forecasts for next 5 years, using averages over this period. Reverts to CPI after 5 years.**	**Amended**
Debt Repayment	Set-aside 25% to Repay Self-Financing Debt	Assumes surplus is re-invested in income generating assets, with 25% of resource set-aside to repay self-financing debt as loans reach maturity dates, pending review of the set-aside policy in conjunction with any borrowing considered.	Retained
Capital Investment	Partial Investment Standard	Base model assumes a partial investment standard in the housing stock, compared with a basic decent homes standard.	Retained
Pay Inflation	1% Pay Progression & Pay Inflation at 2.5% for 2021/22 then 2% from 2022/23	Assume allowance for increments at 1% and cost of living pay inflation at 2.5% for 2021/22, then 2% on an ongoing basis.	Retained
Employee Turnover	3%	Employee budgets assume a 3% turnover, unless service area is a single employee, or is a shared service, externally recharged service or trading account.	Retained
Social Rent Review Inflation	CPI plus 1% for 3 years from 2022/23, then CPI plus 0.5% for 5 years	Rent increases of up to CPI plus 1% for 3 further years, reverting to inflation plus 0.5% for 5 years after this, then CPI. Assume CPI in preceding September is as above.	Retained
Affordable Rent Review Inflation	CPI plus 1% for 3 years from 2022/23, then CPI from 2025/26	Existing affordable rents to be reviewed annually in line with CPI plus 1%, ensuring they don't breach the Local Housing Allowance, in which case the lower will apply. New affordable rents at 60% of market or Local Housing Allowance, whichever is lower.	Retained

Key Area	Assumption	Comment	Status
Rent Convergence	Voids Only	Ability to move to target rent achieved only through movement of void properties directly to target rent.	Retained
External Lending Interest Rate	0.6%	Interest rates based on latest market projections, recognising that the HRA will benefit from low risk investments only	Retained
Internal Lending Interest Rate	0.6%	Assume the same rate as anticipated can be earned on cash balances held, so as not to detriment either the HRA or the General Fund longer-term.	Retained
External Borrowing Interest Rate	**2.5%**	**Assumes additional borrowing using PWLB rates from October 2021.**	**Amended**
Internal Borrowing Interest Rate	**2.5%**	**Assume the same rate as external borrowing to ensure flexibility in choice of borrowing route.**	**Amended**
HRA Minimum Balances	£2,000,000	Maintain HRA minimum balance at £2,000,000, pending a review once the business plan and asset investment strategy has been fully reviewed.	Retained
HRA Target Balances	£3,000,000	Maintain HRA target balance at £3,000,000, pending a review once the business plan and asset investment strategy has been fully reviewed.	Retained
Right to Buy Sales	25 sales ongoing	Assume 25 sales annually ongoing.	Retained
Right to Buy Receipts	Settlement right to buy and assumed one-for-one receipts included	Debt settlement receipts included, assuming the receipts utilised partly for general fund housing purposes. Anticipated one-for one receipts included, and ear-marked for direct new build spend. Debt repayment proportion assumed to be set-aside.	Retained
Void Rates	**1.32% for 2021/22, 1.16% for 2022/23, then 1% ongoing**	**Assume increased void rate of 1.32% for 2021/22 and 1.16% for 2022/23, then ongoing void rate of 1% from 2023/24, recognising recent standard void performance.**	**Amended**
Bad Debts	1.5% from 2022/23 ongoing	Bad debt 1.5% ongoing reflecting the requirement to collect 100% of rent directly through Universal Credit.	Retained
Savings Target	£147,000 (4% of general and repairs administrative expenditure)	Retain an efficiency target of £147,000 from 2022/23 for 5 years. Allows strategic reinvestment or alternatively a response to pressure from national housing policy change.	Retained

Key Area	Assumption	Comment	Status
Responsive Repairs Expenditure	Adjusted pro rata to stock changes	An assumption is made that direct responsive repair expenditure is adjusted annually in line with any change in stock numbers.	Retained
Strategic Investment Fund	£147,000	Housing Strategic Investment Fund included from 2022/23 for 5 years at the same value as the savings target.	Retained

Service Charges Appendix B

Charge Description	Range of Charges 2021/22	Charge Basis	Charges 2022/23
General Stock			
Caretaking Charge	£3.78 to £4.70	Per Week	A
Building Cleaning	£0.31 to £6.20	Per Week	A
Window Cleaning	£0.01 to £0.55	Per Week	A
Estate Services Champion	£0.16 to £0.47	Per Week	A
Door Entry	£0.04 to £2.37	Per Week	A / B
Passenger Lifts	£0.22 to £0.89	Per Week	A / B
Gas Maintenance / Servicing	£0.48 to £2.14	Per Week	A / B
Digital TV Aerial Charge	£0.09 to £0.30	Per Week	A
Grounds Maintenance	£0.02 to £4.93	Per Week	A / B
Communal Electricity	£0.12 to £3.43	Per Week	A / B
Community Alarm Charge	£3.42	Per Week	C
Third Party Service Charge	£11.76 to £31.20	Per Week	A
Disabled Adaptation Charge	£3.22 to £6.35	Per Week	A
Dropped Kerb Charge	£0.05 to £1.08	Per Week	Frozen
General Sheltered Schemes			
Premises Charge	£0.97 to £31.94	Per Week	A
Communal Heating / Lighting	£2.42 to £6.22	Per Week	A
Individual Heating / Lighting	£3.86 to £14.72	Per Week	A
Water	£2.02 to £3.12	Per Week	A
Grounds Maintenance	£0.27 to £2.62	Per Week	A
Electrical / Mechanical Maintenance	£0.36 to £4.89	Per Week	B
Sheltered Support Charge	£5.63 to £6.94	Per Week	C
Alarm Charge	£0.78	Per Week	A
Landlord Emergency Contact	£0.80	Per Week	A

Sheltered Hall Hire	£10.00 (M - F) £20.00 (Sat/Sun) £5.45 (Reduced)**	Per Hour	£10.00 (M - F) £20.00 (Sat/Sun) £5.45 (Reduced)**
**Reduced hourly rate for events which CCC sheltered residents can attend			
Ditchburn Place			
Premises Charge	£0.87 to £41.68	Per Week	A
Flat Cleaning / Laundry Charge	£31.70	Per Week	A
Communal Heating / Lighting	£0.66 to £4.41	Per Week	A
Individual Heating / Lighting	£6.15 to £11.29	Per Week	A
Water	£2.87	Per Week	A
Catering	£123.54	Per Week	A
Grounds Maintenance	£2.02	Per Week	A
Electrical / Mechanical Maintenance	£2.80	Per Week	B
Sheltered Support Charge	£6.94	Per Week	C
Alarm Charge	£0.78	Per Week	A
Landlord Emergency Contact	£0.80	Per Week	A
Launderette – Wash / Dry / Iron	£9.00	Per Load	£9.00
Cleaning	£9.00	Per 30 Mins	£9.00
Temporary Accommodation			
Premises Charge	£25.65 to £52.43	Per Week	A
Individual Heating / Lighting	£13.89 to £29.52	Per Week	A
Water	£7.96 to £11.94	Per Week	A
Grounds Maintenance	£0.19 to £1.97	Per Week	A
Electrical / Mechanical Maintenance	£0.27 to £6.64	Per Week	B
Independent Living Services			
Private Lifelines - In City	£3.42	Per Week	£3.42
Keysafe / Keyholding Charge	£3.34	Per Quarter	£3.34
Monitoring Charge	£0.40	Per Week	£0.40
Leasehold Charges for Services			

Solicitors' pre-sale enquiries	£150.00	Per Request	£150.00
Copy of lease / Document provision	£30.00	Per Request	£30.00
Re-mortgage Enquiry/Copy of Insurance schedule	£30.00	Per Request	£30.00
Notice of Assignment / Notice of Charge	£100.00	Per Request	£100.00
Deed of Variations Administration plus CCC Solicitor Fee and Own Solicitor Fee	£50.00 £550.00+	Per Request	£50.00 £550.00+
Home Improvement Administration Home Improvement Survey	£30.00 £125.00	Per Request	£30.00 £125.00
Retrospective consent for improvements	Above +£25.00	Per Request	Above +£25.00
Registering sub-let details	£75.00	Per Request	£75.00
Advice Interview for Prospective Purchasers	£50.00	Per Request	£50.00
Right of First Refusal – s156a Certificate	£150.00	Per Request	£150.00
Deed of postponement	£140.00	Per Request	£140.00
Other Charges for Services			
Land Acquisition Enquiry / Administration Fee	£0.00	Per Request	£50.00

Key	
A	Proposal to continue to recover the full estimated cost of providing these services in 2022/23, recognising the authority should endeavour to limit increases to inflation at 3.1% (CPI at September 2021 plus 1%). Exception to this will be in respect of affordable homes, where rents and service charges are capped in totality, and therefore full cost recovery will not always be possible. Where possible service charges will be amended, with the rent element acting as the balancing figure.
B	Charges were separated out from rent in 2004/05. Charges can be increased to recover full cost, recognising that the authority should endeavour to limit increases to inflation at 3.1% (CPI in September 2021 plus 1%)
C	Charges levied for support activities will be reviewed in line with services being provided following renegotiation of the support service for older people with the County Council
	Charges for the optional household contents insurance scheme will continue to be determined by the insurer but notified to tenants by the Council.

HRA Earmarked & Specific Funds Appendix C

HRA Earmarked & Specific Revenue Funds (£'000)

Repairs & Renewals

	Opening Balance	Contributions	Expenditure to October	Current Balance
General Management	(751.1)	(69.7)	0.0	(820.8)
Special Services	(1,245.4)	(147.4)	33.3	(1,359.5)
Repairs and Maintenance	(537.8)	(48.4)	0.0	(586.2)
Total	**(2,534.3)**	**(265.5)**	**33.3**	**(2,766.5)**

Tenants Survey

	Opening Balance	Contributions	Expenditure to October	Current Balance
Tenants Survey	(28.3)	(6.4)	0.0	(34.7)

Debt Set-Aside (Revenue)

	Opening Balance	Contributions	Expenditure to October	Current Balance
Debt Set-Aside	(14,704.5)	0.0	0.0	(14,704.5)

HRA Earmarked & Specific Capital Funds (£'000)

Debt Set-Aside (Capital)

	Opening Balance	Contributions	Expenditure to October	Current Balance
Debt Set-Aside	(10,121.3)	0.0)	0.0	(10,121.3)

Major Repairs Reserve

	Opening Balance	Contributions	Expenditure to October	Current Balance
MRR	(13,646.9)	0.0	0.0	(13,646.9)

Appendix D(1)

2021/22 HRA Mid-Year Revenue Budget Adjustments

Area of Income / Expenditure	Description	Budget Amendment in 2021/22 Budget (£)	Budget Amendment in 2022/23 Budget (£)	Comment
Budgeted use of / (contribution to) HRA Reserves pre BSR		**14,362,290**		
HRA General and Special Management				
No Changes	Not applicable	0	0	
Total HRA General and Special Management		**0**		
HRA Repairs				
No Changes	Not applicable	0	0	
Total HRA Repairs		**0**		
HRA Summary Account				
Rent Income	Reduced rent income due to delays in new build handovers	84,810		Built into base for future years
Bad Debt Provision	Increased contribution to fund based upon latest assumptions	810		Built into base for future years
Depreciation	Reduce depreciations assuming revised asset lives	(345,980)		Built into base for future years
Interest earned on HRA Balances	The level of balances held by the HRA result in an estimated increase in the level of interest that will be earned.	(2,510)		Built into base for future years
Total HRA Summary		**(262,870)**		
Revised use of / (contribution to) HRA Reserves post HRA BSR		**14,099,240**		

2022/23 Budget – HRA Proposals – by Type — Appendix D (2)

Reference	Item Description	2022/23 Budget £	2023/24 Budget £	2024/25 Budget £	2025/26 Budget £	2026/27 Budget £	Climate Rating	Poverty Ratings & Contact
Unavoidable Revenue Pressure								
URP4846	**RTB Valuer Bid**	5,600	5,600	5,600	5,600	5,600	Nil	No Impact
It is proposed to recruit to a 0.5 FTE post to undertake RTB valuations, with the costs shared jointly with South Cambridge shire District Council. This will result in the need for an increased budget as the number of applications has recently increased. The additional cost will be experienced irrespective of whether we continue to externalise this work or recruit to deliver the function in-house. .								Anna Hill
Housing (HRA) Portfolio								
URP4852	**Fire Protection Equipment Servicing**	20,000	20,000	20,000	20,000	20,000	Nil	No Impact
The cost of servicing fire protection equipment in HRA assets has increased over recent years as new installations have taken place. Additional resource is required to met this statutory responsibility.								Gareth Basterfield
Housing (HRA) Portfolio								
URP4853	**Emergency Lighting Maintenance**	5,000	5,000	5,000	5,000	5,000	Nil	No Impact
The cost of servicing emergency lighting has increased as installations have increased in HRA assets. Additional resource is required to meet this statutory requirement.								Gareth Basterfield
Housing (HRA) Portfolio								
URP4854	**Ventress Close Pumping Station**	2,000	2,000	2,000	2,000	2,000	Nil	No Impact
As part of the delivery of new homes at Ventress Close a sewage pumping station has been introduced which is causing operational issues. Assuming that a macerator can be installed in 2021/22, this funding will be required to monitor, service and maintain the solution.								John Conroy
Housing (HRA) Portfolio								
URP4866	**Sheltered CCTV Compliance**	17,500	0	0	0	0	Nil	Low Positive Impact
To ensure compliance with legislation the authority needs to connect all CCTV in sheltered housing to the CCTV control centre. There will be ongoing monitoring costs, but these will be met by tenant service charges.								Laura Adcock
Housing (HRA) Portfolio								

2022/23 Budget – HRA Proposals – by Type — Appendix D (2)

Reference	Item Description	2022/23 Budget £	2023/24 Budget £	2024/25 Budget £	2025/26 Budget £	2026/27 Budget £	Climate Rating	Poverty Ratings & Contact
URP4872	**Increased Garden Clearance Costs**	22,000	22,000	22,000	22,000	22,000	Nil	No Impact
Based upon the condition in which gardens in void properties are being returned to us in, and the costs incurred in 2021/22 to date, it is anticipated that an increased ongoing budget will be required								Paul Connolly
Housing (HRA) Portfolio								
URP4886	**Increase in Employer's National Insurance**	52,400	52,400	52,400	52,400	52,400	Nil	No Impact
An increase of 1.25% in employer's national insurance is anticipated from April 2022 as part of national changes to close the gap caused by the pandemic and help fund social care. To be replaced by the Social Care Levy from April 2023.								Julia Hovells
Housing (HRA) Portfolio								
URP4980	**Inclusion of additional 1.7% inflation**	155,640	155,640	155,640	155,640	155,640	Nil	No Impact
CPI is now forecast to increase by 3.7% for 2022/23, compared to the 2% allowed for in the HRA MTFS. This provision for the additional 1.7% will allow allocation of resource to meet any inflationary increases realised by the HRA, particularly in contractual costs.								Julia Hovells
Housing (HRA) Portfolio								
Total Unavoidable Revenue Pressure		280,140	262,640	262,640	262,640	262,640		

2022/23 Budget – HRA Proposals – by Type Appendix D (2)

Reference	Item Description	2022/23 Budget £	2023/24 Budget £	2024/25 Budget £	2025/26 Budget £	2026/27 Budget £	Climate Rating	Poverty Ratings & Contact
Reduced Income								
RI4879	**Reduction in Emergency Alarm income**	10,000	10,000	10,000	10,000	10,000	Nil	No Impact
A reduction in customer numbers results in an inability to achieve the budgeted level of income. This service will be reviewed in light of digitalisation and the County Council now making a similar offer.								Laura Adcock
Housing (HRA) Portfolio								
Total Reduced Income		10,000	10,000	10,000	10,000	10,000		

2022/23 Budget – HRA Proposals – by Type — Appendix D (2)

Reference	Item Description	2022/23 Budget £	2023/24 Budget £	2024/25 Budget £	2025/26 Budget £	2026/27 Budget £	Climate Rating	Poverty Ratings & Contact
Revenue Bids								
B4856	**Home Ownership Team Staffing Increase**	15,170	15,170	15,170	15,170	15,170	Nil	No Impact
An increase in both RTB applications and lease extension requests has resulted in an increased workload for the team. This bid would increase staffing resource by 0.35 FTE and would be partly funded by increased fee income.								Anna Hill
Housing (HRA) Portfolio								
B4875	**Recruitment of 2 additional Multi Skilled Operatives**	84,610	84,610	84,610	84,610	84,610	Negative/Low Impact	No Impact
It is proposed to utilise resource already incorporated into the HRA Business Plan to employ 2 additional Multi Skilled Operatives recognising both increased stock holding and increased void activity.								Paul Connolly
Housing (HRA) Portfolio								
Total Revenue Bids		99,780	99,780	99,780	99,780	99,780		
Pressures & Bids Total:		**389,920**	**372,420**	**372,420**	**372,420**	**372,420**		

2022/23 Budget – HRA Proposals – by Type Appendix D (2)

Reference	Item Description	2022/23 Budget £	2023/24 Budget £	2024/25 Budget £	2025/26 Budget £	2026/27 Budget £	Climate Rating	Poverty Ratings & Contact
Savings								
S4868	**Removal of inflation in planned revenue repairs**	(32,260)	(32,260)	(32,260)	(32,260)	(32,260)	Nil	No Impact
It s proposed to remove inflation from non-contractual budgets to deliver savings for strategic reinvestment								Martin Donnelly
Housing (HRA) Portfolio								
S4869	**Savings in temporary propping costs**	(19,890)	(19,890)	(19,890)	(19,890)	(19,890)	Nil	No Impact
The authority has purchased some temporary propping, which can now be relocated as required, reducing the need to hire in external structural supports.								Martin Donnelly
Housing (HRA) Portfolio								
S4877	**Reduction in costs of waste disposal at Cowley Road**	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	Positive/Low Impact	No Impact
The move from Mill Road to Cowley Road resulted in changes in waste disposal processes, which have delivered a saving to the HRA.								Paul Connolly
Housing (HRA) Portfolio								
S4883	**Saving in HRA Salary Costs**	(24,030)	(24,030)	(24,030)	(24,030)	(24,030)	Nil	No Impact
Savings are anticipated in salary costs as a result of retention of staff, who are at top of their pay scales and will not receive incremental pay progression.								Anna Hill
Housing (HRA) Portfolio								
S4888	**Reduction in budget for Legionella Testing**	(12,810)	(12,810)	(12,810)	(12,810)	(12,810)	Nil	No Impact
It is proposed to reduce this budget in line with current contracted legionella testing prices. The programme of testing will not be impacted in any way by taking this saving.								Gareth Basterfield
Housing (HRA) Portfolio								
S4889	**Remove additional inflation in General HRA Services**	(30,620)	(30,620)	(30,620)	(30,620)	(30,620)	Nil	No Impact
A reduction has been made in respect of the inflation allowed for in General HRA Services for 2022/23 onwards								Anna Hill

2022/23 Budget – HRA Proposals – by Type Appendix D (2)

Reference	Item Description	2022/23 Budget £	2023/24 Budget £	2024/25 Budget £	2025/26 Budget £	2026/27 Budget £	Climate Rating	Poverty Ratings & Contact
Housing (HRA) Portfolio								
S4977	**Reduction in unfunded pension costs**	(17,710)	(17,710)	(17,710)	(17,710)	(17,710)	Nil	No Impact
Resource required to meet the cost of unfunded pensions reduces as those in receipt of the top up are no longer claiming a pension.								Julia Hovells
Housing (HRA) Portfolio								
S4978	**Reduction in pension deficit costs**	(67,960)	0	0	0	0	Nil	No Impact
Agreeing a multi-year arrangement in respect of meeting pension deficit costs resulted in an overspend in 2020/21, but will mean that a lower sum is due in 2022/23. n								Julia Hovells
Housing (HRA) Portfolio								
S4979	**Reduction in Recharges to the HRA**	(75,700)	(75,700)	(75,700)	(75,700)	(75,700)	Nil	No Impact
A review of recharges based upon the latest costs available result in an anticipated reduction in recharges to the HRA								Anna Hill
Housing (HRA) Portfolio								
Total Savings		(300,980)	(233,020)	(233,020)	(233,020)	(233,020)		

2022/23 Budget – HRA Proposals – by Type Appendix D (2)

Reference	Item Description	2022/23 Budget £	2023/24 Budget £	2024/25 Budget £	2025/26 Budget £	2026/27 Budget £	Climate Rating	Poverty Ratings & Contact
Increased Income								
II4855	**Leasehold Fee Income**	(7,760)	(7,760)	(7,760)	(7,760)	(7,760)	Nil	No Impact
Income for RTB lease extensions and freeholder covenants is increasing as leases age. This recognises an anticipated increase in fee income based upon 2021/22 activity to date.								Anna Hill
Housing (HRA) Portfolio								
II4871	**Recharge to General Fund for Staff Management Services**	(11,920)	(11,920)	(11,920)	(11,920)	(11,920)	Nil	No Impact
Management of General Fund policy and performance and housing support is now being delivered by staff in the HRA, resulting in an increase in income. The cost to the General Fund is being met within existing staffing budgets.								Laura Adcock
Housing (HRA) Portfolio								
II4881	**Increased Commercial Property Rental Income**	(49,920)	(49,920)	(49,920)	(49,920)	(49,920)	Nil	Low Positive Impact
An increase in commercial property rental income is anticipated due to letting new commercial units at Akeman Street and expected rent review outcomes for existing units.								Julia Hovells
Housing (HRA) Portfolio								
II4882	**Increased Service Charge Income**	(14,060)	(14,060)	(14,060)	(14,060)	(14,060)	Nil	Low Positive Impact
A net increase in service charge income is anticipated based upon current stock numbers and service charge costs								Julia Hovells
Housing (HRA) Portfolio								
II4973	**Increased dwelling rent income**	(131,330)	(110,890)	(114,790)	(119,840)	(258,120)	Nil	Negative Impact
The level of CPI for September 2021 was higher than estimated, with rent increases of 4.1% proposed. This increased rent is partially offset by delays in handover for new homes on a number of sites, coupled with earlier than anticipated decant of homes that have been ear-marked for potential re-development..								Julia Hovells
Housing (HRA) Portfolio								
Total Increased Income		(214,990)	(194,550)	(198,450)	(203,500)	(341,780)		
Savings Total:		**(515,970)**	**(427,570)**	**(431,470)**	**(436,520)**	**(574,800)**		

2022/23 Budget – HRA Proposals – by Type Appendix D (2)

Reference	Item Description	2022/23 Budget £	2023/24 Budget £	2024/25 Budget £	2025/26 Budget £	2026/27 Budget £	Climate Rating	Poverty Ratings & Contact

Non-Cash Limit Items

NCL4876	**Resource for the recruitment of 2 additional Multi Skilled Operatives**	(84,610)	(84,610)	(84,610)	(84,610)	(84,610)	Nil	No Impact
This adjustment reallocates resource already built into the business plan to allow the recruitment of 2 new posts								Lynn Thomas
Housing (HRA) Portfolio								
NCL4974	**Increase in Bad Debt Provision**	1,260	1,260	1,260	1,260	1,260	Nil	Low Positive Impact
The level of contribution to the bad debt provision is based upon a proportion of rental income, with any change in this impacting the annual contribution.								Julia Hovells
Housing (HRA) Portfolio								
NCL4975	**Reduction in depreciation**	(136,760)	(136,760)	(136,760)	(136,760)	(136,760)	Nil	No Impact
The level of depreciation from 2022/23 is less than anticipated based upon an assumption of revised remaining asset lives, combined with the latest stock holding projections.								Julia Hovells
Housing (HRA) Portfolio								
NCL4976	**Increase in Direct Revenue Financing of Capital Expenditure (DRF)**	136,760	136,760	136,760	136,760	136,760	Nil	No Impact
The level of DRF is proposed to be adjusted to offset the impact of depreciation changes, to ensure funding for the capital programme is unaltered.								Julia Hovells
Housing (HRA) Portfolio								
NCL4981	**Increase in Interest Paid**	206,270	240,890	25,400	88,860	318,510	Nil	No Impact
Based upon assumed additional borrowing in 2022/23, and an increased borrowing rate, the level of interest payable will increase.								Julia Hovells
Housing (HRA) Portfolio								
NCL4982	**Increase in Interest Received**	(23,490)	(12,680)	(11,230)	0	0	Nil	No Impact

2022/23 Budget – HRA Proposals – by Type Appendix D (2)

Reference	Item Description	2022/23 Budget £	2023/24 Budget £	2024/25 Budget £	2025/26 Budget £	2026/27 Budget £	Climate Rating	Poverty Ratings & Contact
	Investment income for the HRA is anticipated to be marginally higher as a result of forecast cash balances that will be held.							Julia Hovells
	Housing (HRA) Portfolio							
	Total Non-Cash Limit Items	99,430	144,860	(69,180)	5,510	235,160		
	Non - Cash Limit Items Total:	**99,430**	**144,860**	**(69,180)**	**5,510**	**235,160**		

2022/23 Budget – HRA Proposals – by Type Appendix D (3)

Reference	Item Description	2022/23 Budget £	2023/24 Budget £	2024/25 Budget £	2025/26 Budget £	2026/27 Budget £	Climate Effect	Poverty Ratings & Contact
Capital Bids								
HRACAP1	**Estate Services Van**	50,000	0	0	0	0	Low	No Impact
It is proposed to purchase a new electric vehicle to replace the previous Estate Services van, which was unfortunately stolen in November 2021.Any funds recovered via the insurance for the vehicle stolen will be used to help meet the cost of the replacement vehicle.								Anna Hill
Housing (HRA) Portfolio								
Total Capital Bids		50,000	0	0	0	0		

Appendix E

2021/22 Capital Budget Amendments Summary

Area of Expenditure and Change	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000
Total Housing Capital Plan Expenditure per HRA MTFS	**68,656**	**87,204**	**77,185**	**150,757**	**195,580**
General Fund Housing					
Adjustment to DFG budget from 2022/23 in line with current net DFG Grant	0	(2)	(2)	(2)	(2)
Decent Homes and Other HRA Stock Investment					
Re-phase structural works in line with planned delivery timescales	(218)	218	0	0	0
Remove budget for structural works at Princess and Hanover Court	(780)	0	0	0	0
Re-phase boiler works recognising 'no access' issues	(400)	0	0	400	0
Re-phase and reduce decent homes contractor overheads in line with planned delivery timescales	(184)	89	0	44	0
Remove budget for fire safety works in flat blocks, particularly at Princess and Hanover Court	0	(3,800)	0	0	650
Re-phase external painting works to 2028/29	(350)	0	0	0	0
Re-phase communal electrical work in line with planned delivery timescales	(200)	200	0	0	0
Re-phase and reduce other works contractor overheads in line with planned delivery timescales	(22)	(43)	0	0	0
Adjustment to the Decent Homes New Build Allocation	0	(110)	(101)	5	6
New Build					
Re-phase budget for Mill Road	(826)	826	0	0	0
Rephase budget for Colville Road II	(1,826)	1,710	116	0	0
Re-phase budget for Clerk Maxwell	(426)	426	0	0	0
Re-phase budget for Campkin Road	(1,424)	1,355	69	0	0
Re-phase budget for Histon Road	(18)	18	0	0	0
Rephase budget for L2	(833)	(33)	866	0	0
Rephase and increase budget for Colville Road III	119	394	339	17	0
Re-phase and increase budget for Fen Road	(406)	36	643	0	0

Area of Expenditure and Change	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000
Re-phase and increase budget for Ditton Fields	(85)	(92)	320	0	0
Re-phase and increase budget for Aragon Close	(326)	(178)	642	0	0
Re-phase and increase budget for Sackville Close	(326)	(177)	641	0	0
Re-phase and increase budget for Borrowdale	(123)	(160)	322	0	0
Re-phase budget for Aylesborough Close	(492)	988	1,521	(2,017)	0
Include resource for buy backs and decant at Princess and Hanover Court	0	8,888	5,664	0	0
Re-allocation of land acquisition and 1,000 homes budget in line with changes to scheme specific approvals	2,472	(778)	(19,846)	2,000	0
Sheltered Housing					
No changes	0	0	0	0	0
Other HRA Capital Spend					
Bid to purchase an Estate Van	0	50	0	0	0
Inflation Allowance					
Adjustment in inflation allowed as spend changes	0	75	119	413	548
Total Housing Capital Plan Expenditure per HRA BSR	**61,982**	**97,104**	**68,498**	**151,617**	**196,782**

Key Risk Analysis Appendix F

Risk Area & Issue arising	Controls / Mitigation Action
Effects of Legislation / Regulation	
Implications of new legislation / regulation or changes to existing are not identified	• Effective, formal, regular review processes are in place for the HRA to ensure that implications are identified, quantified and highlighted. Housing Cafe review any publications.
Delays in announcement of detail surrounding housing policy change negatively impacts decisions taken at a local level	• Decisions taken in the context of a business plan which recognises the uncertainty. Savings taken have impacts exemplified to ensure impact is mitigated.
Funding is not identified to meet the costs associated with changes in statutory requirements	• Additional / specific funding requirements for new services can be identified through the budget process, to allow effective prioritisation of resources. Minimum reserves are held to allow immediate investment if required. • Representation made to Department for Levelling Up, Housing and Communities and other national bodies where statutory requirements carry excessive cost. • The Council has processes in place ensuring early engagement in any consultation and collective representation through national housing bodies.
Changes in national housing or rent policy impact the ability to support the housing debt or deliver against planned investment programmes	• Impact of any proposed changes to national rent policy is incorporated into financial planning as early as possible with scenario impact quantified.
Housing Portfolio & Spending Plans	
The Council approves plans which are not sustainable into the future, leading to increasing problems in balancing budgets	• Council has adopted medium and long-term modelling (up to 30 years) for HRA, ensuring decisions are made in context of long-term impact. • The Business Plan includes long-term trend and scenario analysis on key cost drivers. • Target levels of reserves are set for the HRA to enable uneven pressures to be effectively dealt with, and to provide cover against unforeseen events / pressures.

Risk Area & Issue arising	Controls / Mitigation Action
Financial planning lacks appropriate levels of prudency	
Business Planning assumptions are wildly inaccurate Financial policies, in general, are not sufficiently robust Funding to support the approved Capital Plan is not available The financial impact of the coronavirus pandemic is far greater, and longer lasting, than anticipated	Council has adopted key prudency principles, reflected in: • Use of external expert opinion and detailed trend data to inform assumptions • Ongoing revenue funding for capital is reviewed for affordability as part of the 30-year modelling process • Adoption of strict medium / long-term planning • Policy on applying general capital receipts for strategic disposals only at point of receipt • Ongoing review of position with grant applications and ability to halt schemes prior to contract if required.
Use of resources is not effectively managed	
There is ineffective use of the resources available to the HRA Failure to deliver Major Housing / Development Projects, i.e. return on capital investment, project on time etc. Value for money in terms of investment in new build homes is challenged	• Council employs robust business planning processes for the HRA • Council has adopted a standard project management framework • A business decision is required for all strategic acquisitions, disposals and one-off areas of significant investment • Performance and contractor management procedures are robust and contracts are enforceable • The Council's accounts are audited on an annual basis, with assurance given that the authority is delivering economy, efficiency and effectiveness in its use of resources • Council adopts a mix of delivery vehicles • Council employs cost consultants to demonstrate price comparability with the local market • Council has completed an independent review of new build delivery
External income / funding streams	
Undue reliance may be placed on external income streams, leading to approval of unsustainable expenditure	• Modelling over the medium and long-term is conducted for key income sources, including sensitivity analysis of potential changes • Council seeks to influence national settlements and legislative changes through response to formal consultation

Risk Area & Issue arising	Controls / Mitigation Action
Rent and service charge arrears increase, and bad debt rises, as a direct result of the Welfare Benefit Reforms or the Coronavirus pandemic	• Increased resources identified for income management. Performance closely monitored to allow further positive action if required. • Income Analytics and LIFT software procured to aid arrears recovery.
Rent income is under-achieved due to a major incident in the housing stock	• Asset Management Plan in place to identify and address key issues in the housing stock to minimise likelihood of widespread incidents
Changes in the economic environment cause a significant reduction in the number of right to buy sales, reducing the resource available to finance the capital investment programme	• Sensitivities modelled so potential impacts are understood • Business plan is regularly reviewed allowing reallocation of resource or consideration of borrowing if required
Changes to the right to buy rules result in an increase in the level of sales, with the associated commitment to deliver replacement units or pay over receipts with interest	• Sensitivities modelled so potential impacts are understood • Retained resources are monitored to ensure delivery of required units or return of resource at earliest opportunity • Delivery timeframe extended to 5 years, with ability to invest up to 40% of receipt into the replacement dwelling
Volatility and competition in the property market impacts the ability to fund planned capital investment from the sale of assets	• Policy on applying general capital receipts for strategic disposals only at point of receipt • Regular review of mix of new build delivered to ensure that assumptions around shared ownership and market sale are realistic

Appendix G

Retained 1-4-1 Right to Buy Receipts

Quarter date for Receipt	Retained 1-4-1 Receipt Value (Per Quarter)	Retained 1-4-1 Receipt Value (Cumulative)	Amount of New Build Expenditure Required (Cumulative)	Deadline for Receipt to be spent on New Dwelling	Qualifying Spend by Deadline (Cumulative)	Retained 1-4-1 Receipt Spent (Cumulative)	Balance of Retained 1-4-1 Receipts to be Spent or Paid to CLG (Cumulative)	Further New Build Spend Required by Deadline (Cumulative)
30/06/2017	2,045,445.56	21,953,879.91	73,179,599.73	30/06/2020	78,551,735.69	23,565,520.73	-	-
30/09/2017	1,779,600.43	23,733,480.34	79,111,601.16	30/09/2020	83,708,423.31	25,112,527.01	-	-
31/12/2017	2,229,968.03	25,963,448.37	86,544,827.93	31/12/2020	88,544,393.61	26,563,318.10		
31/03/2018	646,869.52	26,610,317.89	88,701,059.66	31/03/2021	95,348,564.59	28,604,569.40		
30/06/2018	1,556,719.56	28,167,037.45	93,890,124.86	30/06/2023	97,516,275.08	29,254,882.54		
30/09/2018	557,803.20	28,724,840.65	95,749,468.86	30/09/2023			-	-
31/12/2018	1,210,892.84	29,935,733.49	99,785,778.33	31/12/2023			680,850.95	2,269,503.16
31/03/2019	209,910.09	30,145,643.58	100,485,478.63	31/03/2024			890,761.04	2,969,203.46
30/06/2019	1,408,403.81	31,554,047.39	105,180,158.00	30/06/2024			2,299,164.85	7,663,882.82
30/09/2019	711,247.45	32,265,294.84	107,550,982.83	30/09/2024			3,010,412.30	10,034,707.66
31/12/2019	317,598.07	32,582,892.91	108,609,643.06	31/12/2024			3,328,010.37	11,093,367.89
31/03/2020	908,642.82	33,491,535.73	111,638,452.46	31/03/2025			4,236,653.19	14,122,177.29
30/06/2020	544,986.29	34,036,522.02	113,455,073.43	30/06/2025			4,781,639.48	15,938,798.26
30/09/2020	-	34,036,522.02	113,455,073.43	30/09/2025			4,781,639.48	15,938,798.26
31/12/2020	1,492,681.41	35,529,203.43	118,430,678.13	31/12/2025			6,274,320.89	20,914,402.96
31/03/2021	419,561.12	35,948,764.55	119,829,215.20	31/03/2026			6,693,882.01	22,312,940.02

New Build Investment Cashflow

Appendix H

New Build / Re-Development Scheme	2021/22 £'0000	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000	2030/31 £'000
New Build / Acquisition / Re-Development Cash Expenditure										
Anstey Way	93	0	0	0	0	0	0	0	0	0
Tedder Way	50	400	41	0	0	0	0	0	0	0
Kendal Way	50	400	41	0	0	0	0	0	0	0
Queensmeadow	1	0	0	0	0	0	0	0	0	0
Wulfstan Way	1	0	0	0	0	0	0	0	0	0
Akeman Street	95	0	0	0	0	0	0	0	0	0
Ventress Close	50	0	0	0	0	0	0	0	0	0
Colville Road (Garage Site)	1	0	0	0	0	0	0	0	0	0
Mill Road (Phase I and II)	1,957	826	0	0	0	0	0	0	0	0
Gunhild Way	1	0	0	0	0	0	0	0	0	0
Cromwell Road	3,684	3,247	378	0	0	0	0	0	0	0
Kingsway Clinic Conversion	368	0	0	0	0	0	0	0	0	0
Colville Road II	5,331	5,734	116	0	0	0	0	0	0	0
Meadows and Buchan Street	3,589	9,075	8,893	3,025	0	0	0	0	0	0
Clerk Maxwell Road	1,391	1,638	0	0	0	0	0	0	0	0
Campkin Road	6,066	7,337	1,001	0	0	0	0	0	0	0
L2	1,897	3,194	1,114	0	0	0	0	0	0	0
Colville Road III	1,724	5,709	4,911	245	0	0	0	0	0	0
Histon Road	212	1,632	0	0	0	0	0	0	0	0
Fen Road	394	2,436	993	0	0	0	0	0	0	0
Ditton Walk	265	1,108	648	0	0	0	0	0	0	0
Aragon Close	24	1,022	940	0	0	0	0	0	0	0
Sackville Close	24	1,023	940	0	0	0	0	0	0	0
Borrowdale	127	440	345	0	0	0	0	0	0	0

New Build / Re-Development Scheme	2021/22 £'0000	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000	2030/31 £'000
Aylesborough Close	653	4,283	10,724	3,370	0	0	0	0	0	0
St Thomas's Road	82	690	1,333	0	0	0	0	0	0	0
Paget Road	72	604	1,166	0	0	0	0	0	0	0
Rough Sleeper Acquisitions	3,631	0	0	0	0	0	0	0	0	0
POD Homes	10	0	0	0	0	0	0	0	0	0
Acquisition or New Build (Unallocated)	3,148	8,888	5,664	0	0	0	0	0	0	0
1,000 New Build Programme	3,677	10,631	12,107	122,886	166,327	200,169	90,954	22,641	16,250	16,250
Total New Build/ Re-Development Expenditure	**38,668**	**70,317**	**51,355**	**129,526**	**166,327**	**200,169**	**90,954**	**22,641**	**16,250**	**16,250**
New Build Devolution Grant Funding / DLUHC Rough Sleeper Next Steps Grant Funding / Assumed Homes England Grant / Assumed ERDF Grant										
Anstey Way	(33)	0	0	0	0	0	0	0	0	0
Tedder Way	10	0	0	0	0	0	0	0	0	0
Kendal Way	22	0	0	0	0	0	0	0	0	0
Queensmeadow	(1)	0	0	0	0	0	0	0	0	0
Wulfstan Way	(1)	0	0	0	0	0	0	0	0	0
Akeman Street	(23)	0	0	0	0	0	0	0	0	0
Ventress Close	(30)	0	0	0	0	0	0	0	0	0
Colville Road (Garage Site)	(1)	0	0	0	0	0	0	0	0	0
Mill Road (Phase I and II)	(1,370)	(578)	0	0	0	0	0	0	0	0
Gunhild Way	(1)	0	0	0	0	0	0	0	0	0
Cromwell Road	(2,579)	(2,273)	0	0	0	0	0	0	0	0
Kingsway Clinic Conversion	130	0	0	0	0	0	0	0	0	0
Colville Road II	(2,618)	(2,816)	0	0	0	0	0	0	0	0
Meadows and Buchan Street	(2,511)	(5,145)	0	0	0	0	0	0	0	0
Clerk Maxwell Road	(974)	(1,147)	0	0	0	0	0	0	0	0
Campkin Road	(2,776)	(3,424)	0	0	0	0	0	0	0	0
Colville Road III	0	(1,600)	(1,600)	0	0	0	0	0	0	0
Fen Road	0	(600)	(600)	0	0	0	0	0	0	0

New Build / Re-Development Scheme	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	£'0000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Ditton Walk	0	(300)	(300)	0	0	0	0	0	0	0
Aragon Close	0	(350)	(350)	0	0	0	0	0	0	0
Sackville Close	0	(350)	(350)	0	0	0	0	0	0	0
Borrowdale	0	(150)	(150)	0	0	0	0	0	0	0
Aylesborough Close	0	(1,850)	0	(1,850)	0	0	0	0	0	0
St Thomas's Road	0	(447)	(494)	0	0	0	0	0	0	0
Paget Road	0	(391)	(433)	0	0	0	0	0	0	0
Rough Sleeper Acquisitions	(1,730)	0	0	0	0	0	0	0	0	0
1,000 New Build Programme	0	0	(25,667)	(53,821)	(55,612)	0	0	0	0	0
Total New Build / Re-Development Funding	**(14,487)**	**(21,421)**	**(29,944)**	**(55,671)**	**(55,612)**	**0**	**0**	**0**	**0**	**0**
Use of Retained Right to Buy Funding										
Anstey Way	(15)	0	0	0	0	0	0	0	0	0
Tedder Way	(15)	(120)	(12)	0	0	0	0	0	0	0
Kendal Way	(15)	(120)	(12)	0	0	0	0	0	0	0
Queensmeadow	0	0	0	0	0	0	0	0	0	0
Wulfstan Way	0	0	0	0	0	0	0	0	0	0
Akeman Street	(10)	0	0	0	0	0	0	0	0	0
Ventress Close	(13)	0	0	0	0	0	0	0	0	0
Colville Road (Garage Site)	0	0	0	0	0	0	0	0	0	0
Mill Road (Phase I and II)	(587)	(248)	0	0	0	0	0	0	0	0
Gunhild Way	0	0	0	0	0	0	0	0	0	0
Cromwell Road	(368)	(325)	(38)	0	0	0	0	0	0	0
Kingsway Clinic Conversion	(110)	0	0	0	0	0	0	0	0	0
Colville Road II	(1,122)	(1,207)	(25)	0	0	0	0	0	0	0
Meadows and Buchan Street	(1,077)	(2,723)	(2,669)	(908)	0	0	0	0	0	0
Clerk Maxwell Road	(417)	(491)	0	0	0	0	0	0	0	0
Campkin Road	(1,191)	(1,467)	(200)	0	0	0	0	0	0	0

L2	(190)	(319)	(111)	0	0	0	0	0	0	0
Histon Road	(21)	(163)	0	0	0	0	0	0	0	0
Acquisition or New Build (Unallocated)	0	0	0	0	0	0	0	0	0	0
1,000 New Build Programme	0	0	0	0	0	0	0	(4,875)	(4,875)	(4,875)
Total Use of Retained Right to Buy Funding	**(5,151)**	**(7,183)**	**(3,066)**	**(908)**	**0**	**0**	**0**	**(4,875)**	**(4,875)**	**(4,875)**
Total to be funded from HRA Resources (DRF & MRR) and Sales Receipts	**19,030**	**22,577**	**18,345**	**30,009**	**27,826**	**26,955**	**90,954**	**17,766**	**11,375**	**2,493**
Total HRA Borrowing	**(0)**	**19,137**	**0**	**42,938**	**82,888**	**173,214**	**0**	**0**	**0**	**8,882**

Key Sensitivity Analysis

Appendix I

Topic	Business Plan Assumption	Key Sensitivity Modelled	Financial Impact
Rents Inflation	CPI plus 1% for 3 further years from 2022/23, followed by CPI plus 0.5% for 5 years, then CPI	Although confirmed by government, for the next 3 years, there is no guarantee that there will be the ability to return to previously assumed rent increases if rents are set legislatively after 2024/25, so assume CPI only from 2025/26.	Borrowing increases by £37 million during the life of the plan and the resource available for debt redemption at the end of the business plan is reduced with the need to re-finance earlier loans in the portfolio.
Direct Payments (Universal Credit)	Bad Debts at 1.5%	Evidence from the pilot authorities for direct payment indicated that collection rates may fall from 99% to 95%. Assume bad debts at 5% from 2022/23.	Borrowing increases by £74 million during the life of the plan and the resource available for debt redemption at the end of the business plan is reduced with the need to re-finance earlier loans in the portfolio.
Cost of HRA New Build 1,000 Programme	Homes England Grant assumed at £100,000 per unit for all affordable tenures	Assume that the authority fails to secure Homes England Grant to support the delivery of 1,000 homes programme	Borrowing increases by £211 million during the life of the plan and there is no resource available for debt redemption at the end of the business plan with the need to re-finance all loans in the portfolio.

HRA Summary 2021/22 to 2026/27

Appendix J

Description	2021/22 £0	2022/23 £0	2023/24 £0	2024/25 £0	2025/26 £0	2026/27 £0
Income						
Rental Income (Dwellings)	(38,832,330)	(41,313,920)	(44,128,540)	(47,021,450)	(49,374,760)	(51,735,200)
Rental Income (Other)	(1,271,080)	(1,346,410)	(1,377,380)	(1,404,920)	(1,433,020)	(1,461,680)
Service Charges	(3,135,570)	(3,368,420)	(3,441,560)	(3,506,620)	(3,572,990)	(3,640,680)
Contribution towards Expenditure	(575,730)	(570,020)	(583,130)	(594,790)	(606,680)	(618,820)
Other Income	(458,110)	(464,010)	(473,040)	(482,500)	(492,150)	(501,990)
Total Income	**(44,272,820)**	**(47,062,780)**	**(50,003,650)**	**(53,010,280)**	**(55,479,600)**	**(57,958,370)**
Expenditure						
Supervision & Management - General	4,106,690	4,159,310	4,388,080	4,572,080	4,740,420	4,909,770
Supervision & Management - Special	3,191,720	3,392,300	3,459,310	3,538,640	3,619,860	3,703,020
Repairs & Maintenance	9,435,180	8,115,740	8,467,760	8,879,250	9,285,660	9,734,050
Depreciation - t/f to Major Repairs Res.	10,574,480	11,143,730	11,928,850	12,698,120	13,242,150	13,667,700
Debt Management Expenditure	0	0	0	0	0	0
Other Expenditure	4,062,010	4,103,170	4,250,340	4,400,850	4,546,420	4,695,420
Total Expenditure	**31,370,080**	**30,914,250**	**32,494,340**	**34,088,940**	**35,434,510**	**36,709,960**
Net Cost of HRA Services	**(12,902,740)**	**(16,148,530)**	**(17,509,310)**	**(18,921,340)**	**(20,045,090)**	**(21,248,410)**
HRA Share of operating income and expenditure included in Whole Authority I&E Account						
Interest Receivable	(146,310)	(218,120)	(124,930)	(133,920)	(142,260)	(167,380)
HRA (Surplus) / Deficit for the Year	**(13,028,700)**	**(16,356,570)**	**(17,634,240)**	**(19,055,260)**	**(20,187,350)**	**(21,415,790)**
Items not in the HRA Income and Expenditure Account but in the movement on HRA balance						
Loan Interest	7,494,240	7,727,100	7,993,670	8,523,560	10,094,790	13,263,010
Housing Set Aside	(9,763,000)	(4,941,510)	0	0	0	0

Appropriation from Ear-Marked Reserve	0	0	0	0	0	0
Direct Revenue Financing of Capital	29,417,230	14,610,590	5,858,710	14,090,550	9,587,080	6,997,180
(Surplus) / Deficit for Year	**14,099,420**	**1,029,530**	**(3,781,860)**	**3,558,850**	**(505,480)**	**(1,155,600)**
Balance b/f	(18,419,720)	(4,320,300)	(3,290,770)	(7,072,630)	(3,513,780)	(4,019,260)
Total Balance c/f	**(4,320,300)**	**(3,290,770)**	**(7,072,630)**	**(3,513,780)**	**(4,019,260)**	**(5,174,860)**

Housing Capital Investment Plan

Appendix K

Description	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
General Fund Housing Capital Spend										
Disabled Facilities Grants	707	705	705	705	705	705	705	705	705	705
Private Sector Housing Grants and Loans	195	195	195	195	195	195	195	195	195	195
Total General Fund Housing Capital Spend	**902**	**900**	**900**	**900**	**900**	**900**	**900**	**900**	**900**	**900**
HRA Capital Spend										
Decent Homes										
Kitchens	1,011	265	429	539	722	1,383	688	1,328	1,226	1,581
Bathrooms	967	176	50	160	612	609	149	54	391	1,007
Central Heating / Boilers	1,616	2,912	1,678	1,842	2,179	2,712	1,477	1,121	1,937	3,394
Insulation / Energy Efficiency / Wall Finishes	1,933	900	687	655	568	424	960	179	1,176	792
Energy Efficiency Pilot / Retrofit	1,500	6,000	0	0	0	0	0	0	0	0
External Doors	1,252	21	10	22	96	76	48	17	63	247
PVCU Windows	949	482	237	768	538	949	377	324	1,099	772
Wall Structure	2,760	224	6	19	3	270	92	541	682	1,126
External Painting	80	357	357	357	357	357	357	707	357	357
Roof Structure	500	300	300	300	300	300	300	300	300	300
Roof Covering (including chimneys)	1,160	1,079	200	682	1,987	1,645	1,000	1,061	898	416
Electrical / Wiring	355	255	308	334	395	160	262	4	19	403
Sulphate Attacks	102	102	102	102	102	102	102	102	102	102
HHSRS Contingency	296	150	500	300	100	100	100	100	100	100
Other Health and Safety Works	103	50	50	0	0	3	0	0	0	0

Description	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Capitalised Officer Fees - Decent Homes	403	505	505	505	505	505	505	505	505	505
Decent Homes Backlog	0	4,424	4,424	4,424	4,424	4,424	3,875	3,875	3,875	3,875
Decent Homes Planned Maintenance Contractor Overheads	1,311	1,525	540	669	876	1,000	650	643	918	1,166
Decent Homes New Build Allocation	0	679	1,227	1,809	2,250	2,708	3,183	3,677	3,871	4,071
Total Decent Homes	**16,298**	**20,406**	**11,610**	**13,487**	**16,014**	**17,727**	**14,125**	**14,538**	**17,519**	**20,214**
Other Spend on HRA Stock										
Garage Improvements	100	100	100	100	100	100	100	100	100	100
Asbestos Removal	54	23	50	50	50	50	50	50	50	50
Disabled Adaptations	1,008	808	808	808	808	808	808	808	808	808
Communal Areas Uplift	182	100	100	100	100	100	100	100	100	100
Communal Electrical Installations / Fire Systems / Communal Lighting	96	350	150	150	150	150	150	150	150	150
Communal Entrance / Enclosure Doors + Glazing	400	121	121	121	121	145	121	121	121	121
Fire Prevention / Fire Safety Works	929	1,250	50	50	700	50	50	50	50	50
Hard surfacing on HRA Land - Health and Safety Works	282	225	225	225	225	225	225	225	225	225
Communal Areas Floor Coverings	100	100	100	100	100	100	100	100	100	100
Lifts and Door Entry Systems	124	9	0	38	28	75	0	0	40	40
Estate Investment Scheme	1,753	1,000	806	0	0	0	0	0	0	0
Capitalised Officer Fees - Other HRA Stock Spend	141	141	114	114	114	114	114	114	114	114
Other Spend on HRA Stock Planned Maintenance Contractor Overheads	377	253	276	192	191	198	187	187	192	192
Total Other Spend on HRA stock	**5,546**	**4,480**	**2,900**	**2,048**	**2,687**	**2,115**	**2,005**	**2,005**	**2,050**	**2,050**

Description	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
HRA New Build / Re-Development										
Anstey Way	93	0	0	0	0	0	0	0	0	0
Tedder Way	50	400	41	0	0	0	0	0	0	0
Kendal Way	50	400	41	0	0	0	0	0	0	0
Queensmeadow	1	0	0	0	0	0	0	0	0	0
Wulfstan Way	1	0	0	0	0	0	0	0	0	0
Akeman Street	95	0	0	0	0	0	0	0	0	0
Ventress Close	50	0	0	0	0	0	0	0	0	0
Colville Road (Garage Site)	1	0	0	0	0	0	0	0	0	0
Mill Road (Phase I and II)	1,957	826	0	0	0	0	0	0	0	0
Gunhild Way	1	0	0	0	0	0	0	0	0	0
Cromwell Road	3,684	3,247	378	0	0	0	0	0	0	0
Kingsway Clinic Conversion	368	0	0	0	0	0	0	0	0	0
Colville Road Phase II	5,331	5,734	116	0	0	0	0	0	0	0
Meadows and Buchan Street	3,589	9,075	8,893	3,025	0	0	0	0	0	0
Clerk Maxwell Road	1,391	1,638	0	0	0	0	0	0	0	0
Campkin Road	6,066	7,337	1,001	0	0	0	0	0	0	0
Histon Road	212	1,632	0	0	0	0	0	0	0	0
L2	1,897	3,194	1,114	0	0	0	0	0	0	0
Colville Road Phase III	1,724	5,709	4,911	245	0	0	0	0	0	0
Fen Road	394	2,436	993	0	0	0	0	0	0	0
Ditton Fields	265	1,108	648	0	0	0	0	0	0	0
Aragon Close	24	1,022	940	0	0	0	0	0	0	0
Sackville Close	24	1,023	940	0	0	0	0	0	0	0

Description	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Borrowdale	127	440	345	0	0	0	0	0	0	0
Aylesborough Close	653	4,283	10,724	3,370	0	0	0	0	0	0
St Thomas's Road	82	690	1,333	0	0	0	0	0	0	0
Paget Road	72	604	1,166	0	0	0	0	0	0	0
Acquisition (Incl. for New Build)	3,148	8,888	5,664	0	0	0	0	0	0	0
1,000 New Build Programme (Unallocated)	3,677	10,631	12,107	122,886	166,327	200,169	90,954	22,641	16,250	16,250
Hill POD Homes	10	0	0	0	0	0	0	0	0	0
Rough Sleeper Acquisitions	3,631	0	0	0	0	0	0	0	0	0
Total HRA New Build	**38,668**	**70,317**	**51,355**	**129,526**	**166,327**	**200,169**	**90,954**	**22,641**	**16,250**	**16,250**
Sheltered Housing Capital Investment										
No current schemes	0	0	0	0	0	0	0	0	0	0
Total Sheltered Housing Capital Investment	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Other HRA Capital Spend										
Orchard Replacement / Mobile Working	238	0	0	0	0	0	0	0	0	0
Shared Ownership Repurchase	300	300	300	300	300	300	300	300	300	300
Commercial and Administrative Property	30	50	30	30	30	30	30	30	30	30
Estate Service Van	0	50	0	0	0	0	0	0	0	0
Total Other HRA Capital Spend	**568**	**400**	**330**	**330**	**330**	**330**	**330**	**330**	**330**	**330**
Total HRA Capital Spend	**61,080**	**95,603**	**66,195**	**145,391**	**185,358**	**220,341**	**107,414**	**39,514**	**36,149**	**38,844**
Total Housing Capital Spend at Base Year Prices	**61,982**	**96,503**	**67,095**	**146,291**	**186,258**	**221,241**	**108,314**	**40,414**	**37,049**	**39,744**

Description	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Inflation Allowance and Stock Reduction Adjustment for Future Years	0	601	1,403	5,326	10,524	17,156	10,849	5,147	5,530	6,711
Total Inflated Housing Capital Spend	**61,982**	**97,104**	**68,498**	**151,617**	**196,782**	**238,397**	**119,163**	**45,561**	**42,579**	**46,455**
Housing Capital Resources										
Right to Buy Receipts	(483)	(488)	(493)	(498)	(503)	(508)	(513)	(518)	(523)	(529)
Other Capital Receipts (Land & Dwellings, incl. Market, Rent to Buy and SO Sales)	(1,838)	(88)	(16,379)	(23,808)	(33,945)	(43,004)	(150,352)	(58,878)	0	0
Major Repairs Reserve	(5,133)	(30,233)	(11,929)	(12,698)	(13,242)	(13,669)	(12,119)	(16,706)	(15,244)	(15,590)
Direct Revenue Financing of Capital	(29,417)	(14,611)	(5,859)	(14,091)	(9,587)	(6,997)	0	(9,317)	(20,932)	(15,574)
Devolution Grant / Homes England Grant (assumed)	(14,487)	(21,331)	(29,767)	(55,671)	(55,612)	0	0	0	0	0
Disabled Facilities Grant	(707)	(705)	(705)	(705)	(705)	(705)	(705)	(705)	(705)	(705)
Other Capital Resources (Grants / Shared Ownership Re-Sale / R&R Funding)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)
Retained Right to Buy Receipts	(5,151)	(7,183)	(3,066)	(908)	0	0	0	(4,875)	(4,875)	(4,875)
Prudential Borrowing	0	(19,137)	0	(42,938)	(82,888)	(173,214)	44,826	45,738	0	(8,882)
Total Housing Capital Resources	**(57,516)**	**(94,076)**	**(68,498)**	**(151,617)**	**(196,782)**	**(238,397)**	**(119,163)**	**(45,561)**	**(42,579)**	**(46,455)**
Net (Surplus) / Deficit of Resources	4,466	3,028	0	0	0	0	0	0	0	0
Capital Balances b/f	**(8,577)**	**(4,111)**	**(1,083)**	**(1,083)**	**(1,083)**	**(1,083)**	**(1,083)**	**(1,083)**	**(1,083)**	**(1,083)**
Use of / (Contribution to) Balances in Year	4,466	3,028	0	0	0	0	0	0	0	0
Capital Balances c/f	**(4,111)**	**(1,083)**	**(1,083)**	**(1,083)**	**(1,083)**	**(1,083)**	**(1,083)**	**(1,083)**	**(1,083)**	**(1,083)**

Description	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Other Capital Balances (Opening Balance 1/4/2021)										
Major Repairs Reserve	(13,647)	Utilised in future years to fund investment in the housing stock								
Retained 1-4-1 Right to Buy Receipts	(7,333)	Utilised in 2021/22 and 2022/23 above								
Right to Buy Receipts for Debt Redemption	(10,121)	Retained for future debt repayment								
Devolution Grant	(28,140)	Utilised between 2021/22 and 2023/24 above								
Total Other Capital Balances	**(59,241)**									

Equalities Impact Assessment Appendix L

Cambridge City Council Equality Impact Assessment (EqIA)

Cambridge City Council Equality Impact Assessment (EqIA)
This tool helps the Council ensure that we fulfil legal obligations of the Public Sector Equality Duty to have due regard to the need to –
(a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
(b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
(c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
Guidance on how to complete this tool can be found on the Cambridge City Council intranet. For specific questions on the tool email Helen Crowther, Equality and Anti-Poverty Officer at equalities@cambridge.gov.uk or phone 01223 457046.
Once you have drafted the EqIA please send this to equalities@cambridge.gov.uk for checking. For advice on consulting on equality impacts, please contact Graham Saint, Strategy Officer, (graham.saint@cambridge.gov.uk or 01223 457044).

1. Title of strategy, policy, plan, project, contract or major change to your service
Housing Revenue Account Budget Setting Report – HRA Bids and Savings 2022/23

2. Webpage link to full details of the strategy, policy, plan, project, contract or major change to your service (if available)
Documents will be published here: https://democracy.cambridge.gov.uk/ieListDocuments.aspx?CId=414&MId=3978&Ver=4

3. What is the objective or purpose of your strategy, policy, plan, project, contract or major change to your service?
This EqIA considers equality impacts of budget proposals for the HRA at the point that they go to Housing Scrutiny Committee. An EqIA is undertaken on the proposals in order to enable the City Council to set a balanced Housing Revenue Account budget for 2022/23 that reflects the Council's vision and takes into account councillors' priorities in its proposals for achieving the efficiency savings required to allow the strategic reinvestment of resource into new areas. This EqIA assesses the equality impacts of the Housing Revenue Account element of the City Council's budget.

4. Responsible service
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): This EqIA specifically considers any equalities impact for City Council tenants and leaseholders, or for staff associated in delivery of services to this client group.	

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

7. Are other departments or partners involved in delivering this strategy, policy, plan, project, contract or major change to your service? (Please tick)	☒ Yes ☐ No
If 'Yes' please provide details below: This is an assessment of the Council's Housing Revenue Account budget proposals and therefore covers all of our landlord related services, and as such will involve multiple council departments.	

8. Has the report on your strategy, policy, plan, project, contract or major change to your service gone to Committee? If so, which one?
All revenue budget bid proposals included in this EqIA are being presented to Housing Scrutiny Committee on 20th January 2022 and capital bids to Council on 24th February 2022.

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 bid proposals and any EqIA's they may have produced.

10. Potential impacts

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

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

Sheltered CCTV Compliance
Connection of CCTV equipment in sheltered housing to the CCTV Control Centre will not only ensure statutory compliance but will also allow more proactive monitoring of any anti-social behaviour activity in the vicinity of our sheltered housing that will be of benefit in safeguarding children and adults at risk.

Reduction in Emergency Alarm Income
A reduction in emergency alarm income is being recognised due to reducing customer numbers. Although the City Council is not changing the service provided, there is a concern that there may be older people in their own homes who are not now being supported as they once were. The County Council now offer a similar service and so some residents may be receiving support through an alternative route.

(b) Disability

Increase in maintenance costs for fire protection equipment and emergency lighting
Increased installations of both fire protection equipment and emergency lighting, which in turn require servicing and result in increased costs, benefit all residents, but have the potential to particularly benefit disabled residents who may have visual impairments or mobility issues that can make them at greater risk of trips and falls or that may hinder them from exiting the building quickly in the event of a fire.

Sheltered CCTV Compliance
Connection of CCTV equipment in sheltered housing to the CCTV Control Centre will not only ensure statutory compliance but will also allow more proactive monitoring of any anti-social behaviour activity in the vicinity of our sheltered housing, where there may be a number of disabled residents. Anti-social behaviour can include hate crime motivated by hostility or prejudice towards someone's disability.

Reduction in Emergency Alarm Income
A reduction in emergency alarm income is being recognised due to reducing customer numbers. Although the City Council is not changing the service provided, there is a concern that there may be disabled people in their own homes who are not now being supported as they once were. The County Council now offer a similar service and so some residents may be receiving support through an alternative route.

(c) Gender reassignment
Sheltered CCTV Compliance Connection of CCTV equipment in sheltered housing to the CCTV Control Centre will not only ensure statutory compliance but will also allow more proactive monitoring of any incidents of anti-social behaviour and hate crime, including that motivated by hostility or prejudice towards someone's transgender identity.

(d) Marriage and civil partnership
There are no equality impacts identified specific to this protected characteristic

(e) Pregnancy and maternity
There are no equality impacts identified specific to this protected characteristic

(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.
Sheltered CCTV Compliance Connection of CCTV equipment in sheltered housing to the CCTV Control Centre will not only ensure statutory compliance but will also allow more proactive monitoring of any anti-social behaviour activity in the vicinity of our sheltered housing, which may be of particular benefit to any experiencing hate crimes or racial abuse.

(g) Religion or belief
There are no equality impacts identified specific to this protected characteristic

(h) Sex
There are no equality impacts identified specific to this protected characteristic

(i) Sexual orientation

Sheltered CCTV Compliance
Connection of CCTV equipment in sheltered housing to the CCTV Control Centre will not only ensure statutory compliance but will also allow more proactive monitoring of any anti-social behaviour activity in the vicinity of our sheltered housing, which may be include hate crime motivated by prejudice and hostility towards someone's sexual orientation.

(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

Groups who have more than on 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_l59kt25q).

Impacts relating to intersectionality:
Increase in maintenance costs for fire protection equipment and emergency lighting
Increased installations of both fire protection equipment and emergency lighting, which in turn require servicing and result in increased costs, benefit all residents, but have the potential to particularly benefit older residents who may be more likely to have visual impairments or mobility issues that can make them at greater risk of trips and falls or that may hinder them from exiting the building quickly in the event of a fire.
Reduction in Emergency Alarm Income
A reduction in emergency alarm income is being recognised due to reducing customer numbers. Although the City Council is not changing the service provided, there is a concern that there may be older people in their own homes who are not now being supported as they once were, including older people with disabilities or long-term health conditions. The County Council now offer a similar service and so some residents may be receiving support through an alternative route.
Impacts relating to poverty or low income:
Recruitment of 2 additional Multi-Skilled Operatives
Increasing the number of operatives is anticipated to improve the turnaround time for void properties, thus providing homes for rent for vulnerable residents on low incomes more quickly.

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.)

Reduction in Emergency Alarm Income
Although the City Council has no control over customers choosing to leave the emergency alarm service, and many accounts may be terminated due to the customer passing away,

there is a risk that clients have cancelled for financial reasons and may now not be receiving support in their own home. New customers are not coming forward as the population ages, which may be due to the County Council offering a similar service. An action will be taken forward to liaise with Social Care officers to avoid vulnerable residents falling through the cracks.

12. Do you have any additional comments?

This EqIA provides an overall assessment of the equality impacts of budget proposals included in the Housing Revenue Account budget proposed for 2022/23, which are going to SLT / Exec. Services shall update budget bid proposals that are agreed by SLT / Exec and their respective EqIAs. Any proposals not approved shall be deleted from this EqIA, with those remaining informing councillors' decisions at Committee.

13. Sign off

Name and job title of lead officer for this equality impact assessment:
Julia Hovells, Assistant Head of Finance and Business Manager
Names and job titles of other assessment team members and people consulted:
- Helen Crowther, Equality and Anti-Poverty Officer
- Catherine Buckle, Business Development Manager
- Lynn Thomas, Head of Housing Maintenance and Assets
- David Greening, Head of Housing
- Claire Flowers, Head of Housing Development Agency

Date of EqIA sign off: 22/10/2021
Date of next review of the equalities impact assessment: After 24/02/2022
Date to be published on Cambridge City Council website: Published for proposals to be considered by Housing Scrutiny Committee on 20th January 2022 and Council on 24th February 2022 as part of the HRA Budget Setting Report.

Housing Revenue Account Appendix M

Rent Setting Policy

1 Introduction

The purpose of this policy is to explain how Cambridge City Council will set rent levels for its properties.

2 Policy Statement

Cambridge City Council's Rent Setting Policy focuses around the following statements of principle:

The Council will set rents following consideration of the Regulator of Social Housing's 'Rent Standard', in the context of both local housing demand and Cambridge's pressured housing market.

Rents are set at a level that ensures that the Council can meet its landlord obligations to tenants and maintain stock to a minimum of the Decent Homes Standard, considering sustainability whilst also delivering a financially viable Housing Revenue Account over the longer term, facilitating investment in the delivery of new homes.

Under this policy, the majority of existing rented properties in the social sector will continue to be let at social rent; and we expect the majority of new properties will continue to be let at affordable rent.

3 Policy Objectives

The objectives of the rent setting policy are:

- To consider, and respond locally, to Government guidance and Regulator of Social Housing requirements on setting rents for social housing
- To identify how Cambridge City Council will set rents for general, sheltered and supported housing properties, both social rented ad affordable rented
- To identify how Cambridge City Council will set rents for shared ownership properties

- To identify how Cambridge City Council will set rents for new build properties

- To identify how Cambridge City Council will set rents for garages and parking spaces

- To identify the process for providing statutory notice to tenants of proposed changes in rent levels

4 Background

Rent restructuring was introduced with effect from April 2002, with the aim of introducing consistency in the calculation of social rent across local authorities and other Registered Providers (RP's), ensuring that social rents were more affordable, fairer and less confusing for all tenants.

The Government rent restructuring policy requires rents to be set based upon formula driven by a combination of relative county earnings and relative property values, weighted for the number of bedrooms that a property has.

Alternatively, registered providers can deliver affordable rented homes, with rents set at up to 80% of market rent, but with the need to 'pay due regard' to the Local Housing Allowance.

The Government 'Policy statement on rents for social housing' document and the Regulator of Social Housing's 'Rent Standard' set outs the approach to calculating both social and affordable rent.

5 Detailed Implementation

Social Rent

In line with the rent restructuring policy, Cambridge City Council calculates a 'target' rent for all existing, and any new socially rented properties, based on the Government's 'target' rent formula as set out below:

- 70% based on the average county-level manual earnings compared with the national average manual earnings;

- 30% based on the January 1999 property valuation of an individual property, compared with the national average value of a social housing property;

- An additional ‘weighting’ based on the number bedrooms in the property.

- A weekly rent cap based upon the number of bedrooms in the property.

Historic low rents will be moved to target rent restructured rents only when a property becomes void.

Consideration will be given to properties set at affordable rent levels that remain void over a period of time to be reduced to social rents where any funding conditions allow this.

Affordable Rent

Government guidelines requires Cambridge City Council to consider rent levels of up to a maximum of 80% of market rent (inclusive of service charges) for any new affordable rented properties.

The Greater Cambridge Housing Strategy and associated Affordable Rents Policy requires affordable rents, inclusive of eligible property related service charges, in Cambridge to be set at 60% of market rent or the prevailing Local Housing Allowance rate, whichever is the lower. Exceptions to this exist in specific circumstances, ie; where the up-front investment in the dwelling is higher due to sustainable build standards, but where for the tenant 'the overall affordability of the home, in terms of issues such as fuel costs and repair & maintenance of heating systems will be sufficiently reduced so that it is cost neutral to tenants. '

The Council will comply with the Greater Cambridge Housing Strategy Affordable Rent Setting Policy when setting rents in the Housing Revenue Account stock unless such an exception can clearly be demonstrated.

6 Annual Rent Review and Re-Let

In line with the Council’s tenancy conditions, tenants / residents will be given 4 weeks written notice of any change in rent, which will usually be effective from the annual date for rent changes, currently being the first Monday in April of each calendar year.

Annual rent increases (or decreases) will comprise, in line with the Rent Standard, an adjustment to reflect the change in prices between one year and the next, with up to inflation plus 1.0% applied across all properties (based on the consumer price index

(CPI) inflation rate for the preceding September). This is applicable from April 2020, for at least 5 years.
Where the rent charged for a property is below the target rent for the dwelling, no additional increase will be applied to move towards rent convergence whilst the property is occupied by the existing tenant unless national guidelines allow this.

Rent will be due on each Monday during the rent year, raised on rent accounts across 52 or 53 weeks depending upon the number of Mondays in the rent year.

Where homes are re-let during the year, social rented homes will routinely be re-let at target rent restructured rent plus service charges. Affordable rented homes are required to be re-let at no more than 80% of market rent (60% to ensure continued compliance with the local rent setting policy), with the need to demonstrate this either through separate 'red book' valuation or by using a desktop review of market rent levels where sufficient market comparables are held by the authority.

7 General Needs, Sheltered and Supported Housing

Cambridge City Council does not currently apply the 5% flexibility in formula rents (10% for sheltered / supported housing), but will review this practice on an annual basis, with any change proposed only after full consideration of the impact on rent levels.

Rents in respect of all void properties will be set at target rent levels before the property is re-let. This will not apply in the case of mutual exchanges, where there is no formal void period and therefore rents will remain as they do in respect of existing tenants.

8 Shared Ownership Housing

Rents for shared ownership properties will be amended in line with the requirements of each lease.

Social Rented Shared Ownership

For social rented shared ownership properties, target rents will be discounted by 20%, in line with the terms of the shared ownership lease, to reflect the tenant's liability for repairs to the property.

Rents will be increased (or decreased) in line with the Rent Standard as far as possible within the terms of the lease, with a maximum increase of inflation (CPI at the preceding September) plus 1.0% for a minimum of 5 years from April 2020.

In the event that the authority re-acquires the whole shared ownership dwelling, rents in respect of void properties will be set at target rent levels before the property is re-sold or let as rented accommodation.

Affordable Rent Shared Ownership

Shared ownership properties built since 2012 have been sold using a Homes England Shared Ownership Model Lease, where the 20% discount for the repair liability does not apply.

The initial rent charge will not exceed 3% of the capital value of the unsold equity, with providers encouraged to set rents at no more than 2.75% on average. The resident will have purchased a proportion of the property, and pays rent based upon the percentage of the property still owned by the Council.

Rents will be increased (or decreased) in line with the terms of the lease, with a maximum increase of inflation (RPI for a month specified in the lease) plus 0.5%

Rents in respect of properties that change ownership will remain at the rent level of the property prior to the acquisition transaction and will still be subject to any rent review that may fall due.

In the event that the authority re-acquires the whole shared ownership dwelling, rents in respect of void properties will be set to not exceed 3% of the capital value of the unsold equity, with providers encouraged to set rents at no more than 2.75%. If converted to rented accommodation, rents will be set at 60% of market rent or the Local Housing Allowance, whichever is lower.

Any shared ownership homes built using grant funding from the 2021-26 Homes England Grant Programme will be sold using the new Homes England Shared Ownership Model Lease, which includes, amongst other things, the repair liability falling to the lessor for the first 10 years of ownership.

9 New Build Affordable Housing

In respect of new build housing, consideration will be given to rent levels in the context of the financial viability of the initial investment, with both social rents and affordable rents considered, where applicable.

Where new homes are delivered at social rents, the authority will obtain a market value for the property, discounted back to January 1999 levels, to allow the calculation of a social rent using the rent restructuring formula. The rent restructured target rent will be applied, with any service charges then added to this. The 5% flexibility may be applied if considered appropriate, and if approved for the scheme in question.

Where homes are delivered at affordable rents, with funding through either Homes England Grant or Retained Right to Buy Receipts currently making this possible, a market rental valuation will be sought. Rents will then be set at 60% of market rent, or the prevailing Local Housing Allowance level if this is lower. This rent is inclusive of service charges.

This policy allows for new build homes to be routinely delivered with rents of up to 60% of market rent levels, but recognises that there may be exceptions, dependent upon scheme cost, sustainability levels of the build and scheme viability, where there may eb a case to set rents higher, and at up to 80% of market rent inclusive of service charge. Any exceptions will be clearly articulated throughout the scheme approval process.

10 Garages and Parking Spaces

Rent levels for garages and parking spaces will be in line with each year's Garage Charging Structure which will be reviewed annually as part of the budget process and set according to demand.

A variable charging structure will apply, with higher rents payable for garages or parking spaces located within a high demand or high value area. Any new garages or parking spaces will be assessed by the Strategic Director who has delegated authority to designate a standard or high demand / value area.

An additional premium for non-city residents / commuters and business / commercial lets may be added in line with the charging structure approved.

VAT will be applied to all private garages, ie; garages or parking spaces let to those who are either not housing tenants of Cambridge City Council or are tenants where the garage is being used for storage under a previous charging structure.

11 Monitoring

The setting of all rents will be monitored and reviewed annually by Housing Scrutiny Committee, with decisions in respect of rent setting being made by the Executive Councillor for Housing.

12 Review of the Rent Setting Policy

The Rent Setting Policy will be reviewed by officers every 3 to 5 years, or as otherwise required to allow for changes to national or other local policy, with any changes being presented to Housing Scrutiny Committee for debate, and then approval by the Executive Councillor for Housing.

Policy Date	January 2022
Review Date	January 2025

STRATEGY & RESOURCES SCRUTINY COMMITTEE
7 February 2022
5.00 – 7.28pm

Present: Robertson (Chair), Bick, Dalzell, H.Davies, Healy, S.Smith

RECOMMENDATION TO COUNCIL (EXECUTIVE COUNCILLOR FOR FINANCE AND RESOURCES COUNCILLOR DAVEY)

CAPITAL STRATEGY 2022/23

This report presents the capital strategy of the council together with a summary capital programme for the General Fund (GF) and Housing Revenue Account (HRA). The previous capital strategy was approved by Council on 25 February 2021. The strategy is focused on providing a framework for delivery of capital expenditure plans over a 10-30 year period. These plans cover spending on operational assets to support service delivery and on investments which provide an income for the council alongside meeting the council's objectives in relation to economic development and place-making, regeneration and climate change mitigation. Governance arrangements are also outlined in order to ensure the capital programme continues to deliver value for money.

The council has a substantial capital programme which is mainly guided by and supports the strategic aims of the council as outlined in the O*ne Cambridge – Fair for All* vision and defined in the *Annual Statement* as published on the council website.

The strategy has been updated to reflect:

- Changes to the CIPFA Prudential Code (throughout, but particularly the definitions set out in paras 3.2 and 3.7 and the prudential indicators referred to in paras 5.14, 5.15 and 6.2)
- The Our Cambridge programme (paras 4.3 and 4.13)
- the ongoing development of a programme to build 1,000 new council homes in the 10 years from 2022 (para 4.12) and the study to improve the energy performance of council homes (para 4.15)

The council's Section 151 officer is required to report explicitly on the affordability and risk associated with the capital strategy.

As highlighted in the strategy the council ensures that capital projects and schemes are accompanied by detailed funding proposals. Where projects are to be funded from borrowing, either internally from cash balances or externally, a prudent Minimum Revenue Provision charge is made. The council has not borrowed externally to fund capital expenditure in the recent past, the current external borrowing representing debt incurred on the transition from the old housing subsidy system to HRA self-financing.

Where the council has expanded its commercial activities by purchasing additional commercial properties or by making loans to subsidiaries and joint ventures to facilitate the provision of intermediate housing or the development of sites for market and affordable housing, it ensures that the risks taken are proportionate to the size and scale of the authority. Legal advice is taken alongside the completion of appropriate due diligence and any loans are secured where appropriate. On projects undertaken by joint ventures the council monitors the expected repayment of loans and expected future surpluses carefully. The council has not borrowed externally to fund the increase in commercial activity.

External debt will be used to fund the redevelopment of the Park Street multi-storey car park and future housing developments within the HRA. The council is aware of the risks associated with borrowing for these purposes and will seek appropriate external advice.

External borrowing may also be used to fund the remainder of the capital programme where capital receipts and cash balances are insufficient. The level of capital spending will be reviewed annually for affordability in the Medium Term Finance Strategy (MTFS), before proposals are brought forward through the budget setting process.

The Strategy and Resources Committee considered and approved the recommendations.

Accordingly, Council is recommended to:

Agree the capital strategy as set out in the report and note the summary capital programme

Item

Strategy & Resources 7 February 2022 - Finance and Resources Portfolio: Capital Strategy 2022/23

To:
Councillor Mike Davey, Executive Councillor for Finance and Resources Portfolio

Report by:
Caroline Ryba, Head of Finance
Tel: 01223 - 458134 Email: caroline.ryba@cambridge.gov.uk

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

Key Decision

1. Executive Summary

1.1 The council continues to develop and expand well-established, long term capital planning.

1.2 This report presents the capital strategy of the council together with a summary capital programme for the General Fund (GF) and Housing Revenue Account (HRA). The previous capital strategy was approved by Council on 25 February 2021. The strategy is focused on providing a framework for delivery of capital expenditure plans over a 10-30 year period. These plans cover spending on operational assets to support service delivery and on investments which provide an income for the council alongside meeting the council's objectives in relation to economic development and place-making, regeneration and climate change mitigation. Governance arrangements are also outlined in order to ensure the capital programme continues to deliver value for money.

1.3 The council has a substantial capital programme which is mainly guided by and supports the strategic aims of the council as outlined in the O*ne Cambridge – Fair for All* vision and defined in the *Annual Statement* as published on the council website.

1.4 The strategy has been updated to reflect:

- Changes to the CIPFA Prudential Code (throughout, but particularly the definitions set out in paras 3.2 and 3.7 and the prudential indicators referred to in paras 5.14, 5.15 and 6.2)
- The Our Cambridge programme (paras 4.3 and 4.13)
- the ongoing development of a programme to build 1,000 new council homes in the 10 years from 2022 (para 4.12) and the study to improve the energy performance of council homes (para 4.15)

2 Section 151 officer report

2.1 The council's Section 151 officer is required to report explicitly on the affordability and risk associated with the capital strategy.

2.2 As highlighted in the strategy the council ensures that capital projects and schemes are accompanied by detailed funding proposals. Where projects are to be funded from borrowing, either internally from cash balances or externally, a prudent Minimum Revenue Provision charge is made. The council has not borrowed externally to fund capital expenditure in the recent past, the current external borrowing representing debt incurred on the transition from the old housing subsidy system to HRA self-financing.

2.3 Where the council has expanded its commercial activities by purchasing additional commercial properties or by making loans to subsidiaries and joint ventures to facilitate the provision of intermediate housing or the development of sites for market and affordable housing, it ensures that the risks taken are proportionate to the size and scale of the authority. Legal advice is taken alongside the completion of appropriate due diligence and any loans are secured where

appropriate. On projects undertaken by joint ventures the council monitors the expected repayment of loans and expected future surpluses carefully. The council has not borrowed externally to fund the increase in commercial activity.

2.4 External debt will be used to fund the redevelopment of the Park Street multi-storey car park and future housing developments within the HRA. The council is aware of the risks associated with borrowing for these purposes and will seek appropriate external advice.

2.5 External borrowing may also be used to fund the remainder of the capital programme where capital receipts and cash balances are insufficient. The level of capital spending will be reviewed annually for affordability in the Medium Term Finance Strategy (MTFS), before proposals are brought forward through the budget setting process.

3 Recommendations

3.1 The Executive Councillor is asked to:

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

4. Implications

(a) Financial Implications

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

(b) Staffing Implications

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

(c) Equality and Poverty Implications

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

(d) Net Zero Carbon, Climate Change and Environmental Implications

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

(e) Procurement Implications

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

(f) Community Safety Implications

None.

5. Consultation and communication considerations

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

6. Background papers

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

- GF and HRA Budget Setting Reports 2022/23

- Treasury Management Strategy Statement 2022/23

7. Appendices

The following item is included in this report:

- Capital Strategy 2022/23

8. Inspection of papers

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

Author's Name: Caroline Ryba, Head of Finance
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Cambridge City Council
Capital Strategy 2022/23

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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 service objectives and properly takes account of stewardship, value for money, prudence, sustainability and affordability. The strategy should set out the long-term context in which capital expenditure and investment decisions are made and give due consideration to both risk and reward and the impact on outcomes.

1.2 As local authorities become increasingly complex and diverse it is important that those charged with governance understand the long- term context in which investment decisions are made and the financial risks to which the council is exposed.

1.3 The strategy maintains a strong and current link to the council's priorities and to other key strategy documents including the Treasury Management Strategy, General Fund and Housing Revenue Account Medium Term Financial Strategies and the Council's Vision and Annual Statement.

2 Objectives

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

3 Scope

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

- Capital expenditure
  - 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.

<u>Capital Expenditure</u>

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 in order to generate net financial return or profit.*

3.3 The council runs a majority of services in house and has a significant operational asset base to run and sustain those services - including administrative offices, operation depots, council houses, community centres, car parks, a crematorium and vehicle fleet. This asset base must be maintained and assets replaced or upgraded as they age. This often reflects an enhancement, e.g. providing better energy efficiency.

3.4 The council may purchase or develop new assets, for example community centres in new areas of the city, or purchase or enhance existing investment properties to address building/functional/economic obsolescence, support regeneration of the local area and which in addition may generate additional income to support Council services.

3.5 There has been an emerging commercialisation agenda in local government in the last few years as councils look to become more financially self-sufficient. The City Council has focused on loans to council joint ventures and companies wholly owned by the council. It completed a programme of acquisition of investment properties in 2019 in accordance with its asset management plan to improve diversity of the portfolio or as strategically important to future portfolio performance. The council is considering investment in renewable energy generation and associated areas as part of its response to the Climate Emergency.

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

Debt, Borrowing and Treasury Management

3.7 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 in the course of business. Treasury investments may include an allowance for a reasonable level of short-term investments to provide access to liquidity.*

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

3.9 The council has committed to borrowing from a financial institution to fund the redevelopment of the Park Street multi-storey car park. The loan will be drawn down between April 2024 and December 2025 in line with expected expenditure on the project.

4 Council priorities and external Influences

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

4.2 The revised Corporate Plan 2022-27 sets out four key priorities and how they will be delivered.

- Tackling poverty & inequality and helping people in the greatest need

- Leading Cambridge's response to the climate change and biodiversity emergencies
- Building a new generation of council homes and reducing homelessness
- Transformation and Recovery
  - Leading a sustainable and inclusive recovery
  - Transforming the council, to continue delivering our priorities and providing quality services within financial constraints

The Corporate Plan can be accessed at https://www.cambridge.gov.uk/corporate-plan.

4.3 As part of the Transformation priority, the council is developing the 'Our Cambridge' transformation programme. Whilst strongly focused on the delivery of revenue savings and efficiencies and collaborative working with partners, it will seek to 'right-size' the council's administrative and operational estate in line with the needs of transformed services, as well as to procure and implement ICT systems to support the digitalisation of services.

4.4 A review of the existing capital plan will be undertaken in 2022/23 to identify and remove schemes that are no longer in line with current priorities, releasing capital funding and other resources.

Local Plan and North East Cambridge (NEC)

4.5 The Cambridge Local Plan was adopted in October 2018. The council will now use the local plan to guide development in the city in the coming years, with 14,000 additional homes and 22,000 additional jobs set to be created by 2031. The process to develop a new local plan with South Cambridgeshire District Council, to be known as the Greater Cambridge Local Plan, has begun. This included an initial consultation held in January and February 2020, and publication of an initial evidence base and strategic options assessments in November 2020. A full public consultation on the first proposals for the plan was held in November and December

2021. A full draft plan will be developed during 2022. Further information can be found at https://www.greatercambridgeplanning.org/emerging-plans-and-guidance/greater-cambridge-local-plan/.

4.6 Among the areas designated in the emerging local plan for potential future development is the NEC area around Cambridge North Station. The North East Cambridge Area action plan suggests the future potential for around 8350 homes and an additional 15000 jobs in the area, close to key employment sites and sustainable transport modes. The council, working with partners, has secured £227m in national funding to support the relocation of Anglian Water's Cambridge Water Recycling Centre to enable the sustainable development of the area. Subject to the relocation being achieved, development proposals emerging for the Core Site (48ha at the centre of the NEC AAP area, jointly owned by the Council and Anglian Water) may include around 5200 homes as part of a mixed use scheme, creating over 4000 jobs. This scale of development would make a significant contribution to the additional homes and jobs likely to be required by the new Local Plan.

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

Delivery of new council homes

4.8 The council secured £70m of devolution grant towards the provision of 500 new council houses in Cambridge. This funding is being used alongside right to buy receipts and other HRA resources. At December 2021, 138 new council homes have been delivered with a net gain of 107. A further 464 homes are on site, with a net gain of 419 homes being delivered.

4.9 The council has formed a number of 50:50 joint venture partnerships with Hill Residential under the umbrella of the Cambridge Investment Partnership (CIP). CIP is undertaking the redevelopment of the council's former depot at Mill Road which is providing an equal number of market and council homes. A number of both the market and affordable homes are now occupied.

4.10 The council purchased a site at Cromwell Road which it is currently redeveloping with CIP to provide 295 units, 40% of which will be new council homes. CIP has also purchased a further site, L2 on Orchard Park for development for homes, 40% of which will be new council homes.

4.11 The council is currently undertaking redevelopment of the Meadows and Buchan Street community centre sites to deliver over 100 new council homes, a community hub and to re-provide local retail / commercial premises.

4.12 The council is also working on a new programme to deliver 1,000 new council homes over the course of the decade from 2022 to follow on from the end of the current 500 housebuilding programme. New homes will be built to a Passivhaus standard where possible, with an intention to move to zero carbon during the life of the programme where possible and feasible to do so. Current assumptions indicate that the council will need to borrow at least £347m, alongside Homes England Grant funding and the use of Right to Buy receipts, in order to deliver this programme.

Other capital priorities

4.13 In addition to the major developments above for the delivery of new homes and businesses in Cambridge, the council is also planning and implementing a number of significant enabling investments to drive digital delivery and service improvement. This includes investment in new IT equipment to promote flexible and collaborative working under the umbrellas of 'Council

Anywhere' and 'Our Cambridge' and the replacement of a number of key systems including the housing management system.

4.14 The council uses condition surveys and asset management planning for both the Housing Revenue Account (HRA), covering the council's 7,000 council houses, and the General Fund (GF) to inform priorities for capital expenditure.

4.15 The council remains fully committed to increasing energy efficiency, reducing the carbon footprint and improving sustainability across the asset portfolio. The council undertakes energy efficiency and carbon reduction work on council buildings with funding allocated from the Climate Change Fund, grants and other resources, as available. The council also undertakes energy efficiency work on its commercial property portfolio to ensure compliance with the statutory requirements of the MEES legislation.

4.16 The council has commissioned a study for improving the energy performance of council homes across seven archetypes. 521 non-traditional properties and hostels have been excluded as the costs for these properties are considered to be unpredictable and need to be explored separately. The anticipated investment required is between £365m and £512m depending upon the option selected. The funding for this level of investment is not currently available and borrowing to this level is not financially viable. The council is exploring options and will apply for any external funding that is made available in this area.

4.17 The council will continue to bring forward projects, including those targeted on energy saving and generation, within the council's property estate and in other locations where an environmental, social or financial benefit may be derived.

<u>Working with external partners</u>

4.18 The council works closely with external partners and this extends to decisions around capital.

4.19 The council has worked closely with the Cambridgeshire and Peterborough Combined Authority on the project to develop NEC, which was prioritised by the Combined Authority as its only submission in the round of funding bids for the Housing Infrastructure Fund.

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

5 Capital expenditure

Governance

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

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

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

are approved for inclusion on the capital plan. Review of capital proposals also ensures that the sensitivity of costs to both internal and external risks is considered.

5.3 Under the process one of the programme boards will review and make recommendations for the political approval that is required and funding approval in the BSR or MTFS. The CPO and a virtual Quality Assurance Group (QAG) reviews projects prior to presentation to the relevant board.

5.4 Boards have responsibility for monitoring the delivery of projects and ensure 'lessons learned' reviews take place to identify both good practice and areas for improvement. These reviews are shared to inform decision making on future projects.

5.5 The council's accounting policies have a de minimis of £15,000 (£2,000 for vehicles) for capital assets which are reflected in the processes above.

5.6 Where projects are to be funded by S106 contributions they are allocated S106 funding via the S106 priority-setting process by the Executive Councillor in the appropriate scrutiny committee.

5.7 The HRA capital programme is scrutinised by the Housing Leaders (Senior Management) Team and Housing Scrutiny Committee prior to decisions being taken as part of the Housing BSR and MTFS.

Financing of capital expenditure

5.8 Consideration of the financing of capital projects is integral to the governance procedures outlined above.

5.9 For 2021/22 and later years, the council will normally no longer finance GF capital expenditure from in-year revenue funding. Where specific funding, such as grants or capital contributions are available, these will be used. Other capital expenditure will be

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

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

- Statutory requirements e.g. Health and Safety;
- Maintenance of service delivery capacity and capability;
- 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.

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

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

5.13 Where the council identifies that GF capital expenditure is to be supported by borrowing, either externally or internally from cash, a

prudent Minimum Revenue Provision (MRP) charge will be made to revenue to fund the expenditure. This will ensure that the council makes appropriate provision to fund the repayment of external debt or 'repay' cash balances internally borrowed. There will be circumstances in which MRP is not judged to be required. If so, the reasons will be specifically outlined in the MRP Policy. The MRP policy is published each year as part of the Treasury Management Strategy.

5.14 The Prudential Code requires that the council set and publish prudential indicators for capital expenditure as follows. These can be found in the annual treasury management strategy.

- Estimate of total capital expenditure to be incurred in years 1, 2 and 3
- Actual capital expenditure for 20xx/20xx
- Estimate of capital financing requirement as at the end of years 1, 2 and 3.
- Actual capital financing requirement as at xx/xx/xx

5.15 Further prudential indicators are required relating to the affordability of capital expenditure.

- Estimates of financing costs to net revenue stream for years 1, 2 and 3
- Actual financing costs to actual net revenue stream
- Estimates of net income from commercial and service investments to net revenue stream for years 1, 2 and 3
- Actual net income from commercial and service investments to net revenue stream

<u>Asset management planning</u>

5.16 The council's GF asset management plan was approved in July 2019, following an independent review of the council's property portfolio covering both operational and commercial properties. It will be reviewed every five years.

5.17 The asset management plan outlines how the council will manage its property. The plan sets out:

- The guiding principles of efficient management and the components and tools available to deliver results
- How the council's objectives are supported, both in respect of property and its wider corporate objectives
- The objectives of the commercial property portfolio and the regular reviews to be undertaken to assess how the portfolio meets these objectives
- Property management including KPIs, the objectives, principles and process of acquisition, property reviews, asset management, development and disposals
- Portfolio-wide matters such as repair and maintenance, health and safety, carbon management and sustainability and property data management.

5.18 The GF asset management plan is being reviewed and updated to enable a revised corporate asset management plan to be produced which will include a 30-year maintenance plan for all the buildings, including a full assessment of the work required to ensure that the council meets its ambitious 2030 target to reach net zero carbon. The first stage of the review will focus on buildings emitting high levels of carbon dioxide and those which use gas boilers.

5.19 The HRA asset management plan for housing stock was also reviewed and updated in 2019. The plan aims to return to a partial investment standard model rather than the basic decent homes standard, ensuring that the council invests in the current housing stock at the appropriate time and in the long term to reduce the level of spend in revenue repairs and maintenance.

5.20 The updated HRA asset management plan increases focus on improving the energy efficiency of the stock and compliance with relevant regulations, including fire safety. As this is a developing area following the Grenfell fire, the plan will be reviewed and

updated once changes in regulations and other compliance requirements are published.

5.21 Initial work has been undertaken to understand the level of investment that will be required to move existing homes towards Passivhaus or net zero carbon standards through retrofit, so that this can be balanced against the aspiration to also deliver new build homes to the highest sustainability standards possible, within resource constraints (see also para 4.15).

5.22 The council will review the condition of its existing assets on a regular basis, using specialist advisors where appropriate. This includes reviews of the maintenance requirements of operational property, investment properties and council housing stock.

5.23 Maintenance costs of existing assets will be considered carefully alongside replacement or upgrade decisions. For example, the council has its own fleet garage located in Waterbeach which is responsible for the maintenance of vehicles and keeps detailed records against each asset. Annual budgets will include provision for the maintenance of assets and service managers have the opportunity to make bids and offer savings in maintenance funding as part of the annual budget-setting round.

5.24 With the exception of the £214m loans taken out on the inception of self-financing of the HRA at the end of the previous subsidy system, the council currently has no external debt. It therefore does not need to consider the impact of past borrowing on asset management plans.

Forecasts

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

Disposals

5.26 Disposal of assets will be subject to scrutiny by relevant committees and Executive Councillor approval. Detailed cases will be prepared for any asset disposals and where appropriate, independent advice taken, to ensure that best value is achieved on disposals, taking into account any strategic objectives. The council is also obliged to sell council properties to qualifying tenants under the Right to Buy legislation.

Use of capital receipts

5.27 Capital receipts may only be used for capital purposes. The council will also ensure that it observes the ring-fence between GF and HRA resources.

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

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

5.30 Currently, 1-4-1 receipts must be spent within a five-year timeframe to fund the delivery of new social housing. A maximum of 30% of the cost can be met from this funding stream with the balance funded from the council's own resources or borrowing.

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

5.32 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. Following changes introduced in the pooling regime, there will be a cap on the number of homes that can be acquired on the open market using these resources each year, to be phased in from April 2022. All efforts will be made to ensure that no receipts are paid back to central government.

Capital receipt flexibilities

5.33 Under a direction issued by central government in February 2018 authorities can choose to use capital receipts received in the 6 years commencing from 1 April 2016 to fund the revenue costs of transformation projects. Qualifying expenditure must 'generate ongoing revenue savings in the delivery of public services and/or transform service delivery to reduce costs and/or transform service delivery in a way that will reduce costs or demand for services in future years for any of the public sector delivery partners.'

5.34 The council has no plans to use this flexibility.

6 Debt, borrowing and treasury management

Summary

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

6.2 The Prudential Code requires that the council set and publish the following prudential indicators for external debt. These can be found in the annual treasury management strategy.

- Authorised limit for external debt for years 1, 2 and 3
- Operational boundary for external debt for years 1, 2 and 3
- Actual external debt as at xx/xx/xx
- Comparison of gross debt and the capital financing requirement

External debt

6.3 At present the only external debt held by the authority relates to the twenty loans from the PWLB for self-financing the HRA taken out in 2012 totalling £213,572,000.

6.4 These loans have maturities from 2038 to 2057 and interest rates between 3.46% and 3.53%.

6.5 Although the council is not required to make MRP payments on this debt, the HRA has a 30-year business plan which demonstrates its ability to meet the on-going financing costs of this debt and considers the options for repayment or refinancing.

6.6 The council will borrow to support capital expenditure where prudent and affordable to do so. The council will identify the best source of borrowing to meet its requirements at the time.

6.7 The change to capital financing outlined in 5.9 will give rise to additional external borrowing. This will be dependent on the timing and level of capital receipts achieved, the level of cash balances held and the timing of delivery of capital schemes. Estimates of external debt are included in the treasury management strategy.

Internal borrowing

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

Funding and borrowing restrictions

6.9 There are a number of restrictions around borrowing and funding of capital expenditure and these will be taken into account in the development and monitoring of the capital plan.

6.10 Under the Prudential Code the council has discretion to undertake borrowing which is prudent, affordable and sustainable. However, the Code specifies that it is not prudent for an authority to borrow to invest primarily for financial return. The council will therefore only undertake borrowing that is directly and primarily related to the functions of the council and any financial returns will be either be related to the financial viability of the project or incidental to the primary purpose.

6.11 The PWLB's current lending terms require councils to confirm that they have no plans for capital schemes that can be classified primarily as 'debt for yield' investments before any loans are agreed.

6.12 Guidance indicates that the purchase of assets primarily for yield would usually have one or more of the following characteristics:

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

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

6.14 With the removal of the HRA debt 'cap' in October 2018, the HRA is able to borrow to fund its capital plans, subject to the normal provision that any borrowing is affordable.

Treasury management

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

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

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

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

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

- Credit watches and credit outlooks from credit rating agencies;

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

6.19 The council will not place an investment contrary to Link's credit methodology criteria which includes a maximum duration period (except for 'smaller' building societies).

6.20 In addition to considering the creditworthiness of counterparties the council will also consider the duration of deposits to ensure the appropriate liquidity of funds.

6.21 Treasury management activity will be delegated to officers in the council's finance team in line with the defined treasury management practices.

6.22 The current investment position will be reported to the Senior Management Team as part of the council's quarterly budget monitoring process. Investment performance will be formally reported to Strategy and Resources Scrutiny Committee and Council at the mid-year and outturn.

7 Commercial activity

7.1 Where the council invests in non-financial assets, it will consider security, liquidity and yield, as it does for financial assets.

7.2 Specifically, in relation to non-financial assets:

- **Security** – the council recognises that it will normally have an asset that can be used to recoup capital invested. Therefore, it will ensure through regular valuations at fair value, that there is

sufficient value in assets and the portfolio as a whole to protect the funds invested.

- **Liquidity** – the council has a large diversified portfolio of non-financial assets and will therefore be able to look at potential disposals across it to access funds, without having to rely on the disposal of a key asset for liquidity. The council will also maintain significant financial investments to meet its liquidity needs.

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

7.3 The council considers commercial activity to include:

- The provision of income-generating services, such as car parking and bereavement services, which utilise significant assets. 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*.

<u>Investment in commercial properties</u>

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

- Securing a financial return from the net rental income
- Diversification (geographic, property type, tenure) to mitigate stock specific risk
- Meeting wider corporate objectives such as improving environmental performance and sustainability by providing high performing property
- Delivery of services to the citizens in accordance with objectives
- Opportunity to influence through wider land ownership
- Providing opportunities for entrepreneurs and small businesses which may not always be available through the private sector
- Ensuring appropriate standards of property management are maintained including but not limited to environmental and health and safety standards and legislation
- Improving the quality of the public realm.

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

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

- Location: investment in Cambridge but a good quality investment relatively close can be considered.
- Rate of return: at least 5% p.a. on capital value
- Risk: certainty of income, as reflected by tenant and lease structure and the credit ratings of tenants

- Management: net income close to gross income, property management requirements not intensive.
- Condition: in good condition, not requiring significant capital investment
- Accessibility: good
- Environmental performance: EPC rating of C or above.

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

7.8 The council will follow the approved process and governance arrangements for investment property acquisitions when funding is available for investment. These recognise that the local commercial property market is competitive, and that success depends upon timely decisions in relation to investments. The council has previously therefore delegated authority for acquisition programmes to the Head of Property Services to approve acquisitions after consultation with the relevant Executive Councillor, Committee Chair, Opposition Spokesperson and Head of Finance. Subsequently, acquisitions will be reported to the relevant committee.

7.9 In order to achieve some geographical diversity, the council has invested in properties which fall outside the city boundary. The council took appropriate legal advice from counsel that these out of area purchases do not contravene the relevant legislation and the powers given to the council under the Local Government Act 2003. The council also achieves some wider geographic diversification through its investments in pooled property funds managed as part of its treasury activity, although this represents a relatively small percentage of its property investments.

7.10 The council is redeveloping an operational asset, the multi-storey car park it owns on Park Street in Cambridge. The car park will be replaced by a smaller underground car park, with an aparthotel above, achieving significant regeneration, environmental and

public realm improvement in the area. Once complete, the aparthotel will form 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. A programme of nine projects has been identified to produce new or extended commercial property which is in short supply in the city. Some projects will be mixed use schemes, including residential accommodation some of which may be sold to partially fund the developments. The programme is expected to span 10 years, cost c£30m, generate capital receipts of £24m and increase annual rent income by £900,000. Further feasibility and development work will be required before individual projects within the programme can come forward for consideration and approval.

Monitoring portfolio performance

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

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

Measure	Target / Baseline	Comment	Frequency
Gross external debt to net service expenditure	N/A	Not currently relevant due to the revised PWLB lending terms – see para 5.25	Annually
Commercial property income to net service expenditure	<50%		Annually

Measure	Target / Baseline	Comment	Frequency
Ratio of investments to the resources of the council	<30%	Fair value of investment property as a % of the council's net assets.	Annually
Ratio of external borrowing to portfolio value	N/A	Not currently relevant due to the revised PWLB lending terms – see para 5.25	Annually
% outside jurisdiction	<25%	To maintain Cambridge focus with economic benefits too but also diversity from local economy and achieve stronger yield	Annually
Net income return	>5% on current capital value	To maintain income levels	Annually
Average unexpired lease term	>5 years	Target is income security	Annually
% investment grade property	>80%	Generally lower expenditure	Annually
% void	<£100,000 income	To maintain income levels	Quarterly
Largest lot size	<10% of portfolio	Excluding Lion Yard. To reduce specific stock risk	Annually
Cashflow target (if set)	Meet target within 20%	To achieve the net investment level	Annually
Sector	No more than 50% in any sector, retail to trend downwards towards 30%	To diversify sector risk	Annually

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

7.15 The total value of investment properties at 31 March 2021 was £159m. 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:

	2020/21	2019/20	2018/19	2017/18	2016/17
Rental income net of direct costs (£'000)	9,315	9,603	9,984	9,418	8,448
Fair Value at year end (£'000)	158,594	162,722	170,782	175,281	148,345
Yield	5.9%	5.9%	5.9%	5.4%	5.5%
Gain / (loss) in fair value in year (£'000)	(4,128)	(8,060)	(4,499)	21,575	9,432

7.17 The loss in fair value from 2019/20 reflects exposure to retail through its 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 a number of 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 7.6 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 DLUHC and CIPFA about the size of some property

holdings. Particular concern has been raised about those councils which are externally borrowing to invest in property. Cambridge City has not used external borrowing to fund purchases but has instead used reserves or internal borrowing.

7.20 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 authority's corporate and financial strategies and if they expose the authority to unacceptable levels of risk.

7.21 The council is aware of the range of risks associated with investment in commercial property and works to ensure appropriate due diligence and prudence. These risks include the reliance on income from commercial properties to fund council services. 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 use of investment property income to support the council's activities has been established over many years and over a number of economic cycles. Reflecting this experience, the council considers 50% to be the prudent maximum level of this indicator.

7.23 The financial statements at 31 March 2021 show that the net cost of services (net of service-related income) chargeable to the GF was £33.4m (2020 £23.3m). Net income from investment properties was 26.6% (2020 39.4%) of this figure. The significant decrease in this indicator is the result of the significant increase in net cost of services due to the Covid-19 pandemic.

7.24 The HRA holds a small number of investment properties, mainly retail units linked to council housing, for example shops with flats above. These properties are valued at £5.9 million at 31 March 2021 and earn rental income of around £440k per annum.

Other income generating assets

7.25 The council is developing housing through the Cambridge Investment Partnership (CIP) – a joint venture and deadlock partnership in which the council has a 50% stake. Affordable housing on these sites will be owned and managed by the council's HRA, contributing towards the council's target of 500 new council homes. Market housing will be sold to generate surpluses, 50% of which will return to the council to support further capital expenditure. The council will continue to work with the CIP to identify and bring forward appropriate development projects.

7.26 The council has a wholly-owned subsidiary company, the Cambridge City Housing Company (CCHC), which owns residential properties in Cambridge. These are let on affordable rents to those who cannot afford local market rents but are unlikely to be allocated council housing. The company has two objectives, the provision of affordable rented housing and a financial return to the council.

7.27 The company currently owns 23 properties and leases 4 properties from the HRA, specifically to house homeless individuals with support needs. Subject to viability considerations and the availability of suitable properties, the council will consider providing the company with further funding to purchase residential properties.

7.28 The council is investigating options for investment in renewable energy schemes. Appropriate independent advice will be sought to support the council is assessing potential investments, particularly with regard to risks and their mitigation.

Loans to group undertakings

7.29 The council has made and plans to make further loans to a number of group undertakings. These loans include:

- A loan of £7.5m to CCHC: this loan is secured on the properties owned by CCHC and pays an interest rate of 2.02% per annum. It is due for refinancing in April 2022.
- A £5.2 m loan note to CIP: to facilitate the redevelopment of the council's former depot site at Mill Road. No interest is payable on this loan.
- An interest-bearing loan note of £27m to CIP: to enable housing development on the Cromwell Road site
- Interest-bearing capital contributions and loans to the CIP to fund development on these two sites and L2. The payments are appropriately covered by assets in CIP and there are detailed plans to demonstrate that all investment in the CIP will be recovered in less than five years with a surplus paid to the council.

8 Other long-term liabilities

8.1 The council will take on liabilities in the course of the provision of operational services. Examples include financial guarantees, including those given in respect of subsidiaries or joint ventures. Where decisions are made for service purposes, these may be outside of normal commercial terms, including liquidity, security and/or yield.

8.2 Where such liabilities are taken on the council will ensure that financial risks are clearly identified and quantified along with any implied subsidy as part of the decision-making process.

9 Knowledge and skills

S151 Officer

9.1 The council's S151 officer is required to report explicitly on the affordability and risk associated with the capital strategy. The S151 officer is an experienced CCAB qualified accountant with statutory responsibilities for the proper administration of the council's

financial affairs and for advising the council on budgetary matters. As such the S151 officer oversees the council's capital expenditure and investment activities and ensures that professional advice is obtained where the council does not have the necessary skills in house.

Treasury management

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

9.3 The team has many years of treasury management experience and has demonstrated that it has the skills to opt-up to professional status under the MiFID II reforms.

9.4 The CIPFA Code requires the responsible officer to ensure that members and officers are adequately trained in treasury management. Training is arranged as required and is regularly reviewed.

Property assets

9.5 The council's investment property is managed by its property services team, an experienced team of 8 staff. The team includes 6 chartered surveyors each with over 25 years of property experience in both the private and public sector. This extensive experience includes dealing with a mix of property types and professional work including professional services, landlord and tenant, statutory valuations, acquisitions and disposals, commercial and residential property management. They have extensive knowledge of the Cambridge property market with most of the team having worked in and around Cambridge for the past 10 years or so, some much longer.

9.6 Property services also works with external agents where specialist expertise is required to deal with particular properties or resource

is not available to deal with matters in a timely way. Examples of where external advice is used include agency, valuation, building surveying and planning work. The council also has internal building surveying resource in its estates and facilities team to advise on construction, repair and maintenance, and statutory compliance matters across its investment properties. Estates and facilities commission and manage repairs and maintenance as well as capital investment programmes, either directly or through framework contracts.

9.7 The council's asset valuations for its financial statements are prepared by external agents with an agreed rolling programme of valuations for the whole council property portfolio. All material investment properties are valued on an annual basis. has recently appointed new external agents for its asset valuations which should bring fresh objectivity and challenge to its valuations.

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

External advice

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

Appendix 1

Estimated Capital Programme, Capital Financing Requirement and Reserves - 2021 to 2031

£'000	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
General Fund Capital Expenditure	100,954	36,734	49,554	15,190	19,411	19,100	3,721	4,328	3,823	4,433
Housing Revenue Account Capital Expenditure	61,080	96,204	67,598	150,717	195,882	237,497	118,263	44,661	41,679	45,555
Capital Financing Requirement	330,771	336,744	347,231	398,370	493,563	679,336	633,358	589,969	590,073	600,418
General Fund Projected Year End Reserves	20,048	24,073	24,896	25,974	27,379	28,784	30,189	31,594	32,999	34,404
HRA Projected Year End Reserves	4,320	3,291	7,073	3,514	4,019	5,175	13,347	14,737	6,190	3,553
Total Reserves	**24,368**	**27,364**	**31,969**	**29,488**	**31,398**	**33,959**	**43,536**	**46,331**	**39,189**	**37,957**

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

STRATEGY & RESOURCES SCRUTINY COMMITTEE
7 February 2022
5.00 – 7.28pm

Present: Robertson (Chair), Bick, Dalzell, H.Davies, Healy, S.Smith

RECOMMENDATION TO COUNCIL (EXECUTIVE COUNCILLOR FOR FINANCE AND RESOURCES COUNCILLOR DAVEY)

ANNUAL TREASURY MANAGEMENT STRATEGY STATEMENT REPORT 2022/23 TO 2025/26

The Council is required to receive and approve, as a minimum, three main treasury management reports each year.

The first and most important is the Treasury Management Strategy (this report), which covers:

- capital plans (including prudential indicators);
- a Minimum Revenue Provision policy which explains how unfinanced capital expenditure will be charged to revenue over time;
- the Treasury Management Strategy (how investments and borrowings are to be organised) including treasury indicators; and
- a Treasury Management Investment Strategy (the parameters on how investments are to be managed).

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 Department for Levelling Up, Housing and Communities (DLUHC) (effective 1 April 2018); and
- the Statutory Guidance on Minimum Revenue Provision prepared by DLUHC (effective 1 April 2019).

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.

Treasury Management Reports are required to be adequately scrutinised before being recommended to the Council. This role is undertaken by the Strategy and Resources Scrutiny Committee.

The Strategy and Resources Committee considered the report and approved the recommendations.

Accordingly, Council is recommended to:

i) Approve the attached report, including the estimated Prudential and Treasury Indicators for 2022/23 to 2025/26 (inclusive) as set out in Appendix C.

ii) Approve the renewal of the £7.5 million loan to Cambridge City Housing Company Ltd (CCHC) for a further term of 5 years from 1 April 2022, at an interest rate of 2.02% per annum.

iii) Introduce an authorised limit for other long-term liabilities of £2 million, in response to technical accounting changes brought about by the adoption of IFRS 16 (see 7.3 of the report).

Item

ANNUAL TREASURY MANAGEMENT STRATEGY STATEMENT REPORT 2022/23 TO 2025/26

To:
The Executive Councillor for Finance & Resources: Councillor Mike Davey

Strategy & Resources Scrutiny Committee 7th February 2022

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

Wards affected:
All Wards

Key Decision

1 Executive Summary

1.1 The Council is required to receive and approve, as a minimum, three main treasury management reports each year.

1.2 The first and most important is the Treasury Management Strategy (this report), which covers:

- capital plans (including prudential indicators);
- a Minimum Revenue Provision policy which explains how unfinanced capital expenditure will be charged to revenue over time;
- the Treasury Management Strategy (how investments and borrowings are to be organised) including treasury indicators; and
- a Treasury Management Investment Strategy (the parameters on how investments are to be managed).

1.3 A mid-year treasury management report is produced to update Members on the progress of the capital position, amending prudential indicators as necessary, and advising if any policies require revision.

1.4 The Outturn or Annual Report compares actual performance to the estimates in the Strategy.

1.5 The statutory framework for the prudential system under which local government operates is set out in the Local Government Act 2003 and Capital Financing and Accounting Statutory Instruments. The framework incorporates four statutory codes. These are:

- the Prudential Code (2021 edition) prepared by CIPFA;
- the Treasury Management Code (2021 edition) prepared by CIPFA;
- the Statutory Guidance on Local Government Investments prepared by the Department for Levelling Up, Housing and Communities (DLUHC) (effective 1 April 2018); and
- the Statutory Guidance on Minimum Revenue Provision prepared by DLUHC (effective 1 April 2019).

1.6 At the time of writing this report, we are awaiting publication of the accompanying Guidance Notes for the 2021 Prudential Code and Treasury Management Code. We may therefore review and reissue this Treasury Management Strategy once these notes have been published, if required. It should also be noted that DLUHC are currently consulting on changes to the Statutory Guidance on Minimum Revenue Provision, and any changes to this guidance may need to be reflected within this Strategy in due course.

1.7 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.

1.8 Treasury Management Reports are required to be adequately scrutinised before being recommended to the Council. This role is undertaken by the Strategy and Resources Scrutiny Committee.

2 Recommendations

The Executive Councillor is asked to recommend to Council:-

2.1 That this report, including the estimated Prudential and Treasury Indicators for 2022/23 to 2025/26 (inclusive) as set out in Appendix C, be approved.

2.2 That approval be given for the renewal of the £7.5 million loan to Cambridge City Housing Company Ltd (CCHC) for a further term of 5 years from 1 April 2022, at an interest rate of 2.02% per annum.

2.3 That approval be given to introduce an authorised limit for other long-term liabilities of £2 million, in response to technical accounting changes brought about by the adoption of IFRS 16.

3 Treasury Management Activities

3.1 The Council is required to have regard to the relevant CIPFA and DLUHC Guidance when carrying out its treasury management activities (see paragraph 1.5). The Council is required to set prudential and treasury indicators, including an authorised limit for borrowing, for a three-year period and should ensure that its capital plans are affordable, prudent and sustainable.

3.2 The Prudential Code states that, where appropriate, the S151 Officer should have access to specialised advice to enable them to reach their conclusions in respect of affordability and risk. As such, the Council has retained Link Asset Services (LAS) as its specialist treasury management advisors.

3.3 LAS's specialist services include the provision of advice to the Council on developments and best practice in treasury management, the creditworthiness of potential counterparties, deposit and borrowing interest rates, and the performance and outlook of the wider economy.

4 Borrowing Policy Statement

4.1 The Council is permitted to borrow under the Prudential Framework, introduced with effect from 1 April 2004.

4.2 At present the only debt held by the authority relates to twenty loans from the Public Works Loan Board (PWLB) for self-financing of the Housing

Revenue Account (HRA). These loans were taken out in 2012 and total £213,572,000.

4.3 The Council has agreed further external borrowing of £85 million to fund the Park Street redevelopment project. This is in the form of an annuity loan and will be received in three tranches with the first being drawn down in 2024. Where funds are needed before this point, short term borrowing will be undertaken with other lenders including other local authorities.

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

5 Minimum Revenue Provision (MRP) Policy Statement

5.1 Minimum Revenue Provision (MRP) is the revenue charge that the Council is required to make for the repayment of debt, as measured by the underlying need to borrow, rather than actual debt. The underlying debt is needed to finance capital expenditure which has not been fully financed by revenue or capital resources. As capital expenditure is generally expenditure on assets which have a life expectancy of over one year it is prudent to charge an amount for the repayment of debt over the life of the asset or some similar proxy figure.

5.2 The Local Authorities (Capital Finance and Accounting) regulations require local authorities to calculate for the financial year an amount of MRP which is considered to be ‘prudent’.

5.3 There is no requirement to charge MRP where the Capital Financing Requirement (CFR) is nil or negative at the end of the preceding financial year.

5.4 The Housing Revenue Account share of the CFR is not subject to an MRP charge.

5.5 There is no requirement to make an MRP charge on an asset until the financial year after that asset becomes operational.

5.6 The Government 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.

5.7 However, the guidance is clear that differing approaches can be considered as long as the resulting provision is prudent.

5.8 In general, the council will make a minimum revenue provision based on the equal installment method, amortising expenditure equally over the estimated useful life of the asset for which the borrowing is required. However, no provision will be made in respect of expenditure on specific projects where the Head of Finance determines that capital receipts will be generated by the project to repay the debt. Specifically, in respect of the current capital programme:

- The Council has made a loan to a company (which is classed as capital expenditure) to enable it to let intermediate rent properties. This will be financed from internal borrowing. As this loan is to a wholly owned subsidiary company and is secured on assets no MRP will be set aside. However, to ensure that this policy is prudent, the Council will review this loan annually and if the loan is renegotiated. Where there is evidence which suggests that the full amount of the loan may not be repaid or is not secured on assets of appropriate value, it will be necessary to reassess the need to commence MRP to recover the impaired amounts from revenue.

- The Council continues to make capital contributions and loans to the Cambridge Investment Partnership (CIP) – a joint venture and deadlock partnership in which the Council has a 50% stake – to facilitate the development of new housing within the city. These payments are classed as capital expenditure. As the payments are appropriately covered by assets in the CIP and as there are detailed plans to demonstrate that all investment in the CIP will be recovered in less than five years with a significant surplus, no MRP will be set aside. However, to ensure that this policy is prudent, the Council will review the position regularly. Where there is evidence which suggests that the finance provided may not be repaid, it will be necessary to reassess the need to commence MRP to recover the impaired amounts from revenue.

- No MRP will be required on bond investments which are treated as capital expenditure under regulation where those bonds are appropriately secured. This security will be reviewed at least annually.

5.9 The Council has agreed to finance an element of the capital cost of a new community centre at Clay Farm from internal borrowing. Using the asset life method MRP would normally be made over an asset life of 40 years. However, the element of capital cost being funded from internal borrowing will effectively be repaid over a shorter period from receipts of rental income from the tenant and subsidy from the site developer. The current estimate is that this repayment will take approximately 15 years. The Council has decided to make MRP on this accelerated basis in respect of this asset.

6 The Council's Capital Expenditure and Financing 2021/22 to 2025/26

6.1 The Council undertakes capital expenditure on long-term assets. These activities may either be:

- financed immediately through the application of capital or revenue resources (capital receipts, capital grants, developer contributions, revenue contributions, reserves etc.), which has no resultant impact on the Council's borrowing need; or
- if insufficient financing is available, or a decision is taken not to apply other resources, the funding of capital expenditure will give rise to a borrowing need.

6.2 Estimates of capital expenditure forms one of the required prudential indicators. The table below shows the proposed capital expenditure and how it will be financed.

	2021/22 Estimate £'000	**2022/23 Estimate £'000**	**2023/24 Estimate £'000**	**2024/25 Estimate £'000**	**2025/26 Estimate £'000**
General Fund Capital Expenditure	100,954	36,734	49,554	15,190	19,411
HRA Capital Expenditure	61,080	96,204	67,598	150,717	195,882
Total Capital Expenditure	**162,034**	**132,938**	**117,152**	**165,907**	**215,293**
Resourced by:					
• Capital receipts	-28,346	-10,339	-15,867	-6,447	-1,203

	2021/22 Estimate £'000	2022/23 Estimate £'000	2023/24 Estimate £'000	2024/25 Estimate £'000	2025/26 Estimate £'000
• Other contributions	-67,246	-76,402	-67,642	-107,909	-118,451
Total available resources for financing capital expenditure	**-95,592**	**-86,741**	**-83,509**	**-114,356**	**-119,654**
Financed from internal and external borrowing	**66,442**	**46,197**	**33,643**	**51,551**	**95,639**

7 The Council's Prudential and Treasury Management Indicators

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

Capital Financing Requirement & Cumulative External Borrowing	2021/22 Estimate £'000	2022/23 Estimate £'000	2023/24 Estimate £'000	2024/25 Estimate £'000	2025/26 Estimate £'000
General Fund Capital Financing Requirement	116,450	103,286	113,773	121,974	134,279
HRA Capital Financing Requirement	214,321	233,458	233,458	276,396	359,284
Total Capital Financing Requirement	**330,771**	**336,744**	**347,231**	**398,370**	**493,563**
Movement in the Capital Financing Requirement	**44,320**	**5,973**	**10,487**	**51,139**	**95,193**
Estimated External Gross Debt/Borrowing (Including HRA Reform)	213,572	232,709	232,709	278,345	373,538
Authorised Limit for External Debt	400,000	450,000	550,000	550,000	550,000
Authorised Limit for other long term liabilities	2,000	2,000	2,000	2,000	2,000
Operational Boundary for External Debt	335,771	341,744	352,231	403,370	498,563
Operational Boundary for other long term liabilities	1,500	1,500	1,500	1,500	1,500

7.2 During the above financial years the Council will operate within the 'authorised' and 'operational' borrowing limits contained within the Prudential Indicators set out Appendix C.

7.3 With effect from 1 April 2022, there will be a change to the way in which the Council is required to account for leased assets, under a newly adopted International Financial Reporting Standard (IFRS 16). This will require certain future lease commitments to be taken on to the Council's Balance Sheet as long term liabilities for the first time. Work is ongoing

to quantify the impact of this, but preliminary estimates place the total liability in the region of £1 million. As such, an initial authorised limit for long term liabilities of £2 million is proposed, to allow some headroom for future changes. Once the more detailed work has been completed, this limit will be revised if necessary. It is important to note that this is purely a technical accounting change. There is no new liability being taken on by the Council in practice, the Council is effectively required to recognise a liability now for lease payments it has already made a commitment to pay in future years.

8 Investment Strategy

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

9 Financial Asset Counterparties

9.1 The full listing of approved counterparties is presented at Appendix A, showing the category under which each counterparty has been approved, the appropriate deposit limit, and current duration limit.

9.2 There is no 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.

9.3 The Council continually reviews its investment policy and has identified concerns in relation to property holdings within the retail sector. As the Council has a £15 million stake in the CCLA Local Authorities' Property Fund, it has taken steps to be in constant dialogue with our Relationship Manager to assess any changes in their retail sector holdings. The fund currently holds a small high quality retail investment portfolio (shops) equating to around 1.9% of its total investments.

9.4 The Council has made a loan of £7.5 million to Cambridge City Council Housing Company, a wholly owned subsidiary. This loan earns 2.02% and is secured on the properties owned by the company. This is due to mature in April 2022 and requires renewing for the company to continue to trade. It is proposed that this loan should be renewed for a further five years at the same interest rate of 2.02%. However, it is proposed that the terms of the loan allow for review and possible termination if:

- the Subsidy Control Regime adversely impacts the legality and viability of the loan;
- MRP is found to apply to the provision of the loan, such that the support provided to the company by the council is no longer viable and/or value for money in relation to the achievement of the council's objectives;
- the Council becomes a net borrowing authority, with the resulting interest charges required to support the CCHC loan further impacting the viability and/or value for money of the council's support for the company.

9.5 The Council has also been making loans to Cambridge Investment Partnership, a joint venture – see paragraph 5.8 for further details.

9.6 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 Appendix A is £5 million, and this limit was reached during the year in respect of long-term (5 year) bonds. In addition, during the year the Council has provided a short-term (6 month) bridging loan of £1.2 million, also secured on the business centre, which will be repaid on or before 30 May 2022. Prior to making this additional loan, appropriate due diligence checks were undertaken by the S151 Officer.

10 Interest Rates & Interest Received

10.1 In support of effective forecasting the Council needs to be aware of the potential influence of interest rates on its treasury management. The Council is provided with regular interest rate forecasts by its treasury advisors, and the latest forecast is presented at Appendix B.

10.2 Total interest and dividends of £692,000 (on our traditional treasury investments) has been received on the Council's deposits up to 31 December 2021 (for this financial year) at an average rate of 0.61% (1.09% in 2020/21).

11 Implications

(a) Financial Implications

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

(b) Staffing Implications
None.

(c) Equality and Poverty Implications
No negative impacts identified.

(d) Net Zero Carbon, Climate Change and Environmental Implications
None.

(e) Procurement Implications
None.

(f) Community Safety Implications
No community safety implications.

12 Consultation and communication considerations

None required.

13 Background papers

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

14 Appendices

Appendix A – The Council's current Counterparty list
Appendix B – Link's opinion on UK Forecast Interest Rates
Appendix C – Prudential and Treasury Management Indicators
Appendix D – Glossary of Terms and Abbreviations

15 Inspection of papers

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

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Appendix A

Treasury Management Annual Investment Strategy

Current Counterparty List

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

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

Name	Council's Current Deposit Period	Category	Limit (£)
Members of a Banking Group	Using Link's Credit Criteria	UK Banks and UK Nationalised Banks	30m
Svenska Handelsbanken UK	Using Link's Credit Criteria	UK Bank	5m
Enhanced Cash Funds (Standard & Poor's: AAAf/S1, Fitch: AAA/S1)	Over 3 months and up to 1 year	Financial Instrument	10m (per single counterparty)
Enhanced Money Market Funds (not below AAf) – VNAV	Over 3 months and up to 1 year	Financial Instrument	5m (per fund)
Money Market Funds (AAAf) – CNAV, VNAV & LVNAV	Liquid Rolling Balance	Financial Instrument	15m (per fund) with no maximum limit overall
Custodian of Funds	Requirement for Undertaking Financial Instruments	Fund Managers	Up to 15m (per single counterparty)
UK Government Treasury Bills	Up to 6 months	Financial Instrument	15m
Other Specified Investments - UK Building Societies:-			
Nationwide Building Society	1 month or in line with Link's Credit Criteria, if longer	Asset Value: £251,920m	Assets greater than £100,000m - £30m Assets between £50,000m and £99,999m - £5m Assets between £5,000m and £49,999m - £2m
Yorkshire Building Society		Asset Value: £57,786m	
Coventry Building Society		Asset Value: £50,781m	
Skipton Building Society		Asset Value: £26,658m	
Leeds Building Society		Asset Value: £20,725m	
Principality Building Society		Asset Value: £10,912m	
West Bromwich Building Society		Asset Value: £5,708m	
Non-Specified Investments:-			
All UK Local Authorities – longer term limit	Over 1 year and up to 5 years	Local Authority	Up to 35m (in total)
Cambridge City Council Housing Working Capital Loan Facility*	Up to 1 year	Loan	200,000

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
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	15m (per single counterparty)
Certificates of Deposit (with UK Building Societies)	Liquid Rolling Balance	Financial Instrument	2m (per single counterparty)
Certificates of Deposit (with Foreign Banking Institutions)	Liquid Rolling Balance	Financial Instrument	2m (per single counterparty)
Enhanced Cash Funds (Standard & Poor's: AAAf/S1, Fitch: AAA/S1)	Over 1 year and up to 5 years	Financial Instrument	10m (per single counterparty)
Enhanced Money Market Funds (not below AAf) - VNAV	Over 1 year and up to 5 years	Financial Instrument	5m (per fund)
Commercial Property Investments funded from cash balances	Over 1 year	Commercial Property	25m (in total)
Municipal Bonds Agency	N/A	Pooled Financial Instrument Facility	50,000
Secured Local Bond – Using Allia Limited	N/A	Local Business Bond	Up to £5m in total
Supranational Bonds – AAA	Using Link's Credit Criteria	Multi-lateral Development Bank Bond	15m
UK Government Gilts	Over 1 year & up to 30 years	Financial Instrument	15m

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

Appendix B

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

Introduction

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

Interest rates

The Bank of England voted in a majority of 8-1 to increase interest rates from 0.1% to 0.25%. The vote took place on 16 December 2021. Link Asset Services has provided the following interest rate forecast, issued in November 2021:-

	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24
Bank of England base rate	0.25%	0.50%	0.50%	0.50%	0.75%	0.75%	0.75%	0.75%	1.00%	1.00%	1.00%
Investments – forecast average rates for local authority investments of varying durations											
3 months	0.40%	0.50%	0.50%	0.50%	0.60%	0.80%	0.90%	1.00%	1.00%	1.00%	1.00%
6 months	0.50%	0.60%	0.60%	0.70%	0.80%	0.90%	1.00%	1.10%	1.10%	1.10%	1.10%
12 months	0.60%	0.70%	0.70%	0.80%	0.90%	1.00%	1.10%	1.20%	1.20%	1.20%	1.20%
Borrowing – forecast rates for Public Works Loan Board (PWLB) loans of varying durations*											
5 years	1.50%	1.60%	1.60%	1.70%	1.70%	1.70%	1.80%	1.80%	1.80%	1.90%	1.90%
10 years	1.90%	1.90%	2.00%	2.00%	2.10%	2.10%	2.20%	2.20%	2.20%	2.30%	2.30%
25 years	2.20%	2.30%	2.40%	2.40%	2.40%	2.50%	2.50%	2.60%	2.60%	2.60%	2.60%
50 years	2.00%	2.10%	2.20%	2.20%	2.20%	2.30%	2.30%	2.40%	2.40%	2.40%	2.40%

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

Appendix C

PRUDENTIAL & TREASURY MANAGEMENT INDICATORS

	Estimate 2021/22 £’000	Estimate 2022/23 £’000	Estimate 2023/24 £’000	Estimate 2024/25 £’000	Estimate 2025/26 £’000
PRUDENTIAL INDICATORS					
Capital expenditure					
- General Fund	100,954	36,734	49,554	15,190	19,411
- HRA	61,080	96,204	67,598	150,717	195,882
Total	**162,034**	**132,938**	**117,152**	**165,907**	**215,293**
Capital Financing Requirement (CFR) as at 31 March					

	Estimate 2021/22 £'000	Estimate 2022/23 £'000	Estimate 2023/24 £'000	Estimate 2024/25 £'000	Estimate 2025/26 £'000
- General Fund	116,450	103,286	113,773	121,974	134,279
- HRA	214,321	233,458	233,458	276,396	359,284
Total	**330,771**	**336,744**	**347,231**	**398,370**	**493,563**
Change in the CFR	**44,320**	**5,973**	**10,487**	**51,139**	**95,193**
Deposits at 31 March	185,240	145,780	76,500	106,420	106,420
External Gross Debt	213,572	232,709	232,709	278,345	373,538
Ratio of financing costs to net revenue stream					
-General Fund	-59	1,560	2,040	2,117	8,390
-HRA	7,368	7,509	7,869	8,390	12,322
Total	**7,309**	**9,069**	**9,909**	**10,507**	**20,712**
% of net revenue expenditure					
-General Fund	-0.21%	7.10%	13.73%	13.66%	52.17%
-HRA	16.64%	15.96%	15.74%	15.12%	21.26%

PRUDENTIAL & TREASURY MANAGEMENT INDICATORS

	Estimate 2021/22 £'000	Estimate 2022/23 £'000	Estimate 2023/24 £'000	Estimate 2024/25 £'000	Estimate 2025/26 £'000
TREASURY INDICATORS					
Authorised limit					
for borrowing	400,000	450,000	550,000	550,000	550,000
for other long term liabilities	2,000	2,000	2,000	2,000	2,000
Total	**402,000**	**452,000**	**552,000**	**552,000**	**552,000**
Operational boundary					
for borrowing	335,771	341,744	352,231	403,370	498,563

for other long term liabilities	1,500	1,500	1,500	1,500	1,500
Total	**337,271**	**343,244**	**353,731**	**404,870**	**500,063**
Upper limit for total principal sums deposited for over 364 days	50,000	50,000	50,000	50,000	50,000
Upper limit for fixed & variable interest rate exposure					
Net interest on fixed rate borrowing/deposits	7,309	9,069	9,908	10,507	2,117
Net interest on variable rate borrowing/deposits	-15	-15	-17	-17	-17
Maturity structure of new fixed rate borrowing		Upper Limit	Lower Limit		
10 years and above (PWLB borrowing for HRA Reform)		100%	100%		

Appendix D

Treasury Management – Glossary of Terms and Abbreviations

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

Term	Definition
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
DLUHC	Department for Levelling Up, Housing and Communities (formerly the Ministry for Housing, Communities and Local Government)
Enhanced Cash Funds	Higher yielding funds typically for investments exceeding 3 months
Eurocurrency	Currency deposited by national governments or corporations in banks outside of their home market
External Gross Debt	Long-term liabilities including Private Finance Initiatives and Finance Leases
Government CNAV	Highly liquid sovereign stock based on a Constant Net Asset Value (CNAV)
HRA	Housing Revenue Account - a 'ring-fenced' account for local authority housing where a council acts as landlord
HRA Self-Financing	A new funding regime for the HRA introduced in place of the previous annual subsidy system
London Interbank Offered Rate (LIBOR)	A benchmark rate that some of the leading banks charge each other for short-term loans
London Interbank Bid Rate (LIBID)	The average interest rate which major London banks borrow Eurocurrency deposits from other banks

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
NHBC	National House Building Council
Non Ring-Fenced Bank (NRFB)	Government & Bank of England rules apply to all UK Banks from 1 January 2019, requiring them to split their business into 'core' retail and investment units known as Ring and Non Ring Fenced Banks
Non-Specified Investments	These are investments that do not meet the conditions laid down for Specified Investments and potentially carry additional risk, e.g. lending for periods beyond 1 year
Operational Boundary	Limit which external borrowing is not normally expected to exceed
PWLB	Public Works Loans Board – an Executive Government Agency of HM Treasury from which local authorities and other prescribed bodies may borrow at favourable interest rates
Quantitative Easing (QE)	A financial mechanism whereby the Central Bank creates money to buy bonds from financial institutions, which reduces interest rates, leaving businesses and individuals to borrow more. This is intended to lead to an increase in spending, creating more jobs and boosting the economy
Ring Fenced Bank (RFB)	Government & Bank of England rules apply to all UK Banks from 1 January 2019, requiring them to split their business into 'core' retail and investment units known as Ring and Non Ring Fenced Banks
Security	A measure of the creditworthiness of a counterparty

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	Multilateral Development Bank Bond
UK Government Gilts	Longer-term Government securities with maturities over 6 months and up to 30 years
UK Government Treasury Bills	Short-term securities with a maximum maturity of 6 months issued by HM Treasury
Variable Net Asset Value (VNAV)	MMF values based on daily market fluctuations to 2 decimal places known as mark-to-market prices
Weighted Average Life (WAL)	Weighted average length of time of unpaid principal
Weighted Average Maturity (WAM)	Weighted average amount of time to maturity
Yield	Interest, or rate of return, on an investment

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RECOMMENDATION TO COUNCIL
(The Executive)

Budget-Setting Report (BSR) 2022/23

Recommendations of the Executive, which met on 7 February 2022, are set out in the Budget Setting Report and Executive Amendment which went to Strategy & Resources Scrutiny Committee on 7 February 2022 (agenda item 11).

Unless otherwise specified, all references in the recommendations to Appendices, pages and sections relate to the Budget-Setting Report found via the Council agenda page:

Agenda for Council on Thursday, 24th February, 2022, 6.00 pm - Cambridge Council

Accordingly, Council is recommended to:

General Fund Revenue Budgets: [Section 5, page 26 refers]

a) Approve

- Revenue Pressures and Bids shown in Appendix B(b) and Savings shown in Appendix B(c).
- Non-Cash Limit items as shown in Appendix B(d).
- Bids to be funded from External Funding sources as shown in Appendix B(e).

b) Delegate to the Chief Financial Officer (Head of Finance) of the calculation and determination of the Council Tax taxbase (including submission of the National Non-Domestic Rates Forecast Form, NNDR1, for each financial year) which is set out in Appendix A(a).

c) Approve the level of Council Tax for 2022/23 as set out in Appendix A (b) and Section 4 [page 17 refers].

Other Revenue:

d) Delegate to the Head of Finance authority to finalise changes relating to any further 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).

Capital: [Section 6, page 29 refers]

Capital Plan:

e) Agree the proposals outlined in Appendix C(a) for inclusion in the Capital Plan.

f) Delete from the Capital Plan of the Cambridge Junction capital scheme, as set out in Section 6 [page 29 refers]

g) Subject to (e) above, approve the revised Capital Plan for the General Fund as set out in Appendix C(c) and the Funding as set out in Section 6, page 29.

General Fund Reserves:

h) Note the impact of revenue budget approvals and the resulting contribution from reserves to support service delivery [Section 8, page 44 refers].

i) Approve the allocation of funding on a contingency basis to the collaborative 'Changing Futures' programme project [Section 8, page 44 refers].

j) Note the resulting level of reserves [Section 8, page 44 refers].

Section 25 Report:

k) Note the Chief Finance Officer's Section 25 Report included in Section 10 of the BSR [page 65 refers].

Review of Charges

l) Note the schedule of proposed fees and charges for 2022/23 in Appendix F.

Version 2.0
Council
24 February 2022

Budget-Setting Report 2022/23

CAMBRIDGE
CITY COUNCIL

February 2022

2022/23

Cambridge City Council

Version Control

Current

Version No.	Revised version / updates for:	Content / Items for Consideration
1	Strategy & Resources Scrutiny Committee (7 February 2022) The Executive (7 February 2022)	– Budget overview and budget proposals – Opposition budget amendment proposals – Proposals of the Executive
2	Council (24 February 2022)	Final Proposals to Council incorporating updates relating to: - Final Local Government Finance Settlement 2022/23 - Appendix A(b) Council Tax Setting following receipt of County Council, Police, Fire and Combined Authority precepts
3	Council (Final)	Approved Budget-Setting Report incorporating - Decisions of Council - Any other final amendments

Precept Setting Dates

Cambridgeshire Police & Crime Commissioner	Cambridgeshire & Peterborough Fire Authority	Cambridgeshire County Council	Cambridgeshire & Peterborough Combined Authority
2 February 2022	10 February 2022	8 February 2022	-

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Foreword by the Leader of the Council and the Executive Councillor for Finance and Resources

Last year we introduced the Budget Setting Report by stating that "2020 has been a year like no other year in living memory and 2021 follows in its wake". Unfortunately, 2021 has proved to be an equally difficult year and sadly far too like 2020 for comfort. The uncertainty caused by the Coronavirus pandemic remains, and we end the year with a new and highly transmissible variant, Omicron, taking hold at speed. This continues to make financial planning over both the short and the long term very difficult, and this exacerbates the problems caused by Brexit, by inadequate central government funding and by reduced council income. However, despite this, and with a huge debt of gratitude to the finance team in the Council, we have prepared a Budget Setting Report for 2022-23 which will focus on the priorities of the Council, and at the same time enable continued effective and prudent management of our Council finances.

Protecting our City through the Covid-19 pandemic and beyond

The pandemic has had a profound impact on the daily life of the people of Cambridge, both socially and economically, as well as on the delivery of services by Councils, including our own. The ongoing uncertainty caused by the pandemic has resulted in substantially reduced economic activity in the city. Like all other sectors of the economy, this has created a significant challenge to planning the Council's finances.

This uncertainty has been compounded by a significant loss of income to the Council. The cost (or net impact) of the pandemic to the City Council in 2020/21 was £18.5m. The Government gave us funding through a range of grants to a total of £11.3m. Despite promises from central Government in March 2020, that we would not lose out financially, we were still left £7.2m short. We've taken various measures to address this funding gap but have used reserves to cover the final shortfall and we will need to do the same in the current and future years. We are left with no other choice.

This drain on our resources, and particularly our income streams from car parks, commercial property and culture means we will have more savings to find in the next five years. Our core budget

received through the annual spending settlement remains at £18m for next year, which is very close to the figure we have received for the previous two. Thankfully there has been a limited impact of inflation but that is fairly likely to change next year. We have however, made a deliberate decision not to include an inflation allowance in setting our budget and that any extra costs incurred will be managed within service. This was a difficult decision to make and will be reviewed throughout the year. However, it's one that we felt was right given the scale of the financial challenge ahead.

We will continue to work with the business sector to support them through these difficult times. There are two main ways we will do this. Firstly, we must ensure we administer any Government grants swiftly and efficiently. We have already dealt with over, 9,000 individual claims, distributing around £52m. Secondly, we will work with businesses in genuine partnership. We have already started the work needed to build a cooperative vision for the future of our city.

We continue to work closely with our statutory partners. The change in administration at both the County Council and the Combined Authority in May are already enabling closer, more collaborative working which will not only improve services to residents of the city, but may well lead to cost savings for all partners in the medium term.

Our Corporate Plan

Our Corporate Plan, after a recent review, now sets out four key themes:

- Leading Cambridge's response to the climate and biodiversity emergencies and creating a net zero council by 2030
- Tackling poverty & 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

1. Leading Cambridge's response to the climate and biodiversity emergencies and creating a net zero council by 2030

Since declaring a climate and biodiversity emergency in 2019, we have worked hard to address the impact of climate change on our environment.

Our Climate Change Strategy (2021 – 2026), published earlier this year, shares our vision for a net zero Cambridge. We have set an ambitious target in our Carbon Management Plan to deliver

objective 1 of that strategy namely reducing direct carbon emissions from city council corporate buildings, fleet vehicles and business travel, to net zero by 2030. As COP-26 this autumn reminded us all, the time to act is now. We need a bold vision. Cambridge City Council will, in partnership with others, continue to provide the community leadership needed to help get our city to net zero. In December we convened a Cambridge climate leaders' summit, bringing together 50 representatives from major businesses, institutions, and organisations in the city, to discuss how we can work together to reduce carbon emissions in Cambridge and manage climate impacts in the city.

The scale of change needed is great, but we are committed to facing that challenge head on and are already introducing the measures that will make the difference Cambridge needs. We will continue to invest in energy efficiency and regeneration projects, as set out in our Carbon Management Plan.

We also recognise the role that housing has to play here and will continue to propose passivhaus schemes where possible, and to ensure that all homes we build are energy efficient and sustainable, employing a Home Retrofit Coordinator. Work is ongoing to establish the costs of retrofit, but the scale of the task is not something that a local authority can fund alone, and so and we will continue to press for financial support from Central Government. We will also take every opportunity to update our fleet and make it as energy efficient as possible, replacing with electric vehicles where we can. We recently announced plans to invest in electric vehicle charging points in our own car parks too and will work with the county council in developing on-street charging.

We recognise the vital role that biodiversity and nature has to play in our city's future and in residents' wellbeing. 2022 sees the introduction of our new five-year biodiversity strategy, which will ensure that environmental protection and the enhancement of nature is at the heart of every decision that we take. There are some visionary and exciting projects already in train for next year, including the rewilding of Logan's Meadow and trialling herbicide-free areas of the city in a bid to reduce our use of harmful chemicals working in partnership with local residents and organisations. We will continue to increase the number of wildflower meadows and tree canopy cover across the city, to mow grassed areas only where needed, and will look after wildlife across our open spaces.

2. Tackling poverty & inequality and helping people in the greatest need.

Despite our continued focus on tackling poverty, Cambridge continues to be one of the most unequal cities in the country. The pandemic appears to have widened the gaps in household income across the city as more and more people are being moved onto Universal Credit. The loss of the £20 uplift has hit many hard. We will therefore again maintain a full Council Tax Reduction Scheme for

those on the lowest incomes and fund both extra staff and voluntary agencies to help residents maximise income from housing and council tax benefits. The inclusion in this BSR of Discretionary Payments funding shortfall being a good example of this. The City Council's financial commitment to supporting those in most need will be maintained and over £1.7m in grants will be distributed, working closely with the relevant local community organisations.

The pandemic has continued to have a massive impact upon the cultural life of our city. We had to take the hard decisions to cancel the Big Weekend, the Folk Festival and November's firework display for a second year running. We know how disappointing this was to so many people, but our main priority must be the health of our residents and our decisions will continue to be driven by the science rather than a desire to be popular. When we took Cambridge Live back 'in house' the signs were incredibly positive. The team have worked very hard during the pandemic to mitigate the effects by successful grant applications and careful planning, and we welcomed the return of live shows to the Corn Exchange in the autumn and the announcement that the Folk Festival 2022 is planned to go ahead. The impact of the pandemic on the venue, as for so much cultural life in the city and around the country, has been significant, but we will continue to plan for this much-loved venue to thrive.

Despite the financial challenges , we have maintained our commitment to our work with children and young people and their families across Cambridge, building on the Mutual Aid networks and organising activities in local neighbourhoods in response to need, including an extensive programme of free activities and meals in school holidays. Even before the pandemic, we had allocated funding for a central food distribution hub, and the network of community hubs that have developed in partnership with community, faith and voluntary groups, mutual aids and businesses, have quickly become a key part of our work with our communities to tackle poverty and inequality and to promote food justice. We will build upon the outstanding contribution that these hubs have made, working cooperatively with our whole community as we seek to ensure that every voice is heard, and no-one is left behind.

3. Building a new Generation of Council Homes and reducing Homelessness

The City Council has been rightly recognised as a national leader in tackling poverty and inequality by investing in building new council homes. The Cambridge Investment Partnership joint venture with Hill Building Group, has a £230m programme of building over 900 houses. Over 500 of these

will add to our stock of council homes for letting to those in priority need, with the remaining 350 plus being sold to home buyers. With almost 2000 families on our current housing needs register, our work on building new council homes is essential in tackling inequality.

In addition, we will deliver more new affordable homes to address Cambridge's housing crisis, where homes in the home ownership and private rental sectors are unaffordable for many and demand for good quality homes outstrips availability. Council land and resources will be key in the development of new proposals for 1000 additional council homes beyond 2022 – as they have been in the current five-year programme of over 500 new council homes. Of particular significance will be our commitment to build "passivhaus" compliant homes from 2024, thereby addressing our climate change targets.

The Council and its partners led the way in 2020 by completing its first two new modular home sites in the city providing supported independent housing for homeless people, and more sites were completed in 2021. We are grateful for the support of It Takes a City in helping us offer enhanced winter support this year, and the number of people sleeping on the streets remains lower than at this time last year.

4. Modernising the council to lead a greener city that is fair for all

The City Council is facing unprecedented challenges over the next five years. Local government, particularly district councils such as Cambridge, have been starved of resources for the past ten years and announcements from central Government indicate that this is unlikely to change. On current assumptions, our net service budgets will fall from £31.3m in 2020/21 to £20.2 m in 2025/26. Although the figure was artificially inflated last year due to the pandemic, that still amounts to a significant reduction. To make matters worse, this position is subject to considerable uncertainty, with unavoidable revenue pressures potentially higher than forecast and a long economic downturn likely to sustain or accelerate the reductions in income.

A financial challenge like this calls for long-term planning. By taking this approach, we have been able to maintain and enhance levels of service delivery – and achieve our priorities as part of a sustainable financial plan. The Council's approval of the Medium Term Financial Strategy in the summer, with the significant funding commitment to the "Our Cambridge" programme was therefore very welcome. This includes our shared services and it is worth noting the considerable investment we are making into the Planning Service in this BSR.

In order for us to make this transformation work it needs to be cooperative, listening to the wisdom of all our staff and putting our communities front and centre. We have already been working hard to ensure that staff have the chance to contribute fully and will begin community consultation in early 2022. The challenges we face as a city are significant, but we are confident that we can work together to meet those challenges.

Responding to Brexit

As if the above doesn't offer sufficient challenge, the ongoing impact of leaving the EU must be taken into account. Although a level of agreement was reached on Christmas Eve 2020, the implications of the post-Brexit trade relationship between the EU and the British Government remain uncertain. We started to see some negative impacts during the summer and autumn of this year, when staff shortages in the hospitality sector appeared to hamper recovery from COVID. Supply chain problems then compounded these issues, particularly in the building sector which has seen delays caused by a lack of materials. This has had a direct impact on the Council through the CIP projects. The completion of the Mill Road development has been delayed, and although the company introduced effective mitigations, there have still been additional costs as a result. We also need to consider, and respond to, the impacts of Brexit on community cohesion. And whilst Cambridge is likely to be in a stronger position than most to manage the impact, it would be foolhardy not to continue to be wary of the future, particularly at both universities. The Council, like all institutions will be affected by further uncertainty.

Investment for the future and reserves

Since Labour was elected to run the Council in 2014, we have invested over £50m of our funding into a variety of programmes with significant yield. The core principle in using reserves has been to invest them wisely to bring long-term economic benefit to the Council. We will maintain this commitment to use our reserves to invest. Over the last 6 years and recognition of the sound financial planning and prudent management, we have been able to bring a degree of security to the Council's finances. This will enable us to weather the storm created by Covid-19 and Brexit. The current level of reserves remains relatively healthy, however we would add a note of caution. This is dependent on the 'Our Cambridge' transformation programme meeting its ambitious targets, and we believe it would be wise to ensure there is enough held back to manage the programme effectively. There is also the ongoing matter of dealing with COVID and the uncertainty that is created by Brexit. It is wise to be cautious.

We plan to develop our investments in various ways, although the Government's new rules on "invest for yield" do restrict the potential options. We are keen not only to generate income for the Council but also to help Cambridge's economy. The Park Street plans are a good example of this. But we want to go further and to target investment where we can cut emissions and tackle climate change. The development of a new Council depot will be a litmus test of these commitments. As promised last year, we also commit to using a percentage of our reserves over the next two years in further innovative "green" investments.

Conclusion

Finally, we want to thank our staff for all their work over the last twelve months. Yet again they have demonstrated the very best in public sector working, focusing on the needs of our communities at the most difficult and trying of times, and working tirelessly to help those who need us most. Despite the ongoing uncertainties we face, we will continue to apply sound and prudent financial management so that we can invest in our Council and our city. This administration will continue to tackle poverty and inequality and build more affordable housing, whilst addressing the climate and biodiversity emergencies. We will seek to do this in a cooperative and collaborative way, working with our whole community, and not just those who shout the loudest. We will continue to meet our responsibility to deliver a fairer and more equal city … "One Cambridge, Fair for All."

Councillor Anna Smith*, Leader of the Council*
Councillor Mike Davey, *Executive Councillor for Finance & 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. On 21 October 2021 the council approved the Medium Term Financial Strategy (MTFS). The MTFS set out the financial strategy for the council in light of local and national policy priorities, external economic factors, ongoing impacts of the Covid-19 pandemic and the outlook for public sector funding. The MTFS also reviewed key assumptions and risks, thereby confirming the framework for detailed budget work for 2022/23 and beyond. The BSR reviews the impacts of developments since the MTFS, setting the financial context for consideration of detailed recommendations and budget finalisation to be made at council on 24 February 2022. The document proposes a detailed 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 £7.5m for the 5-year period, after taking into account changes to base assumptions. Two alternative scenarios were modelled, with Scenario 1 – Return to lockdown conditions, giving rise to a five-year savings requirement of £9.7m and Scenario 2 – Economic shock, leading to an increase of £1.4m, to £8.9m. These savings requirements stem from reductions in government funding, the additional net cost of services for every new home in the City and unavoidable cost increases and income pressures, including those expected to arise from the on-going Covid-19 crisis.

£000	2022/23	2023/24	2024/25	2025/26	2026/27	Total
Net savings requirement	3,103	2,390	510	873	623	7,499

Key member decision-making dates

Date	Task
7 February 2022	Strategy and Resources Scrutiny Committee considers BSR (all GF portfolios)
7 February 2022	The Executive recommends BSR to Council
24 February 2022	Council approves the budget and sets the council tax for 2022/23

Section 2
National and local policy context

National policy framework

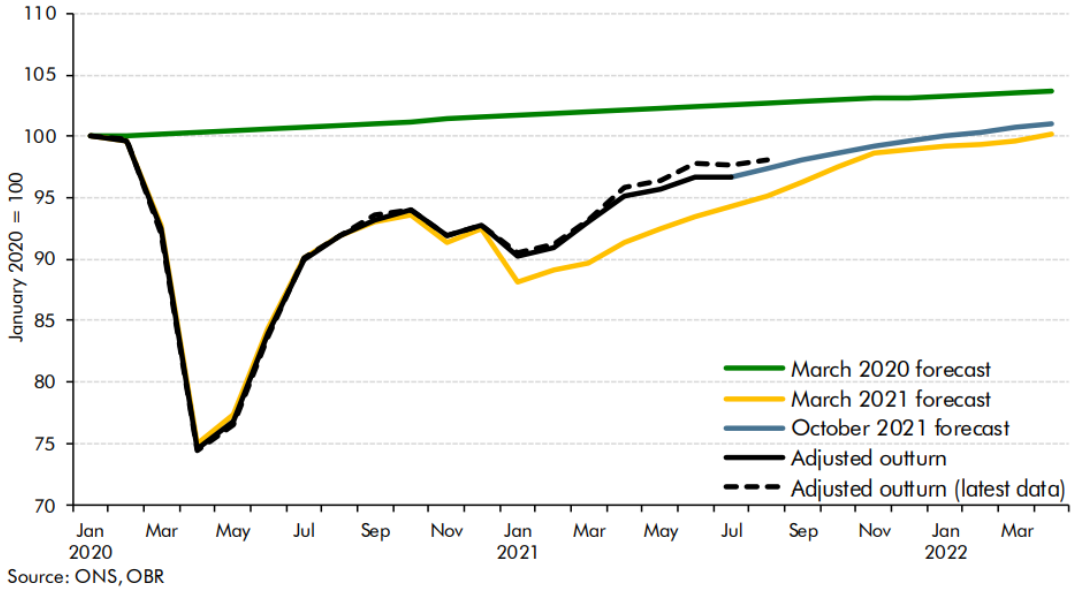
Economic factors

The Office of Budget Responsibility (OBR) published its latest economic and fiscal outlook report in October 2021, alongside the Autumn Budget and Spending Review. The key headlines are as follows:

Economic recovery from the Covid-19 pandemic has been faster than expected

The OBR is now forecasting real GDP growth of 6.5% in 2021, an increase from the 4.1% it had forecast in March 2021. This increased growth has been credited to a successful vaccine rollout, alongside a high degree of adaptability on the part of consumers and business to public health restrictions. Real GDP is now expected to return to its pre-pandemic levels around the turn of the year.

Chart 1.2: Monthly real GDP outturns and near-term forecast



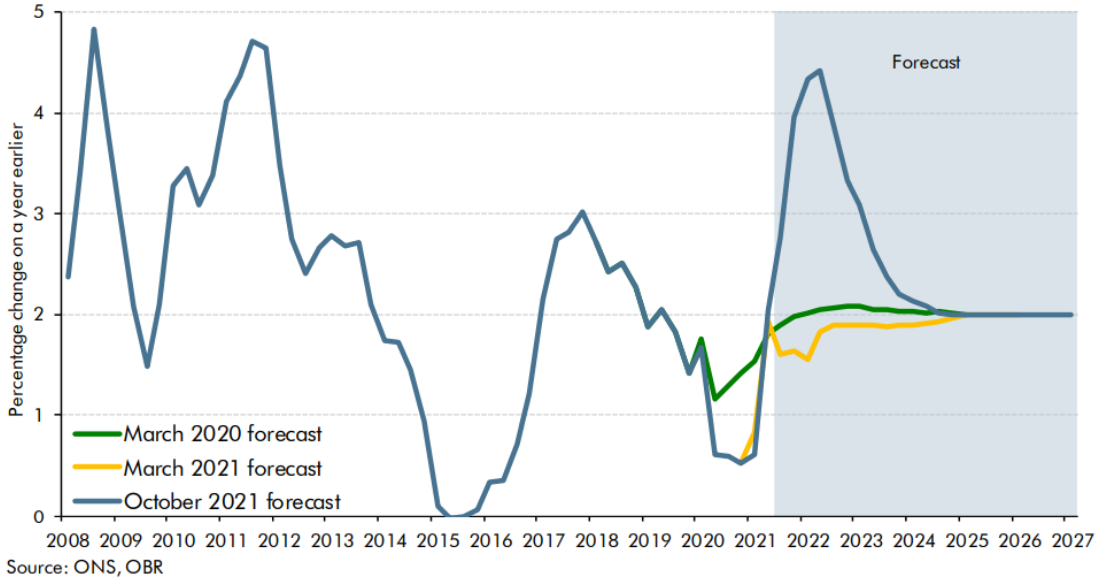
Source: ONS, OBR

Despite this strong recovery, the pandemic will have caused some permanent economic scarring, estimated to be around 2% of GDP.

Inflation has risen sharply and is predicted to increase further

CPI inflation reached 3.1% in September 2021 and is formally forecast to peak at 4.4% in the second quarter of 2022, not returning to its target rate of 2.0% until 2025 (OBR Economic and Fiscal Outlook; October 2021). However, the OBR noted that developments since the forecast was closed indicated a risk that the peak during 2022 could be even higher, perhaps around 5%. There are a number of factors driving this increase, including increased energy prices, labour shortages, and supply chain blockages in a number of markets. Some of these factors have been exacerbated by changes to migration and trading regimes following the UK's exit from the EU.

Chart 1.3: CPI inflation



Source: ONS, OBR

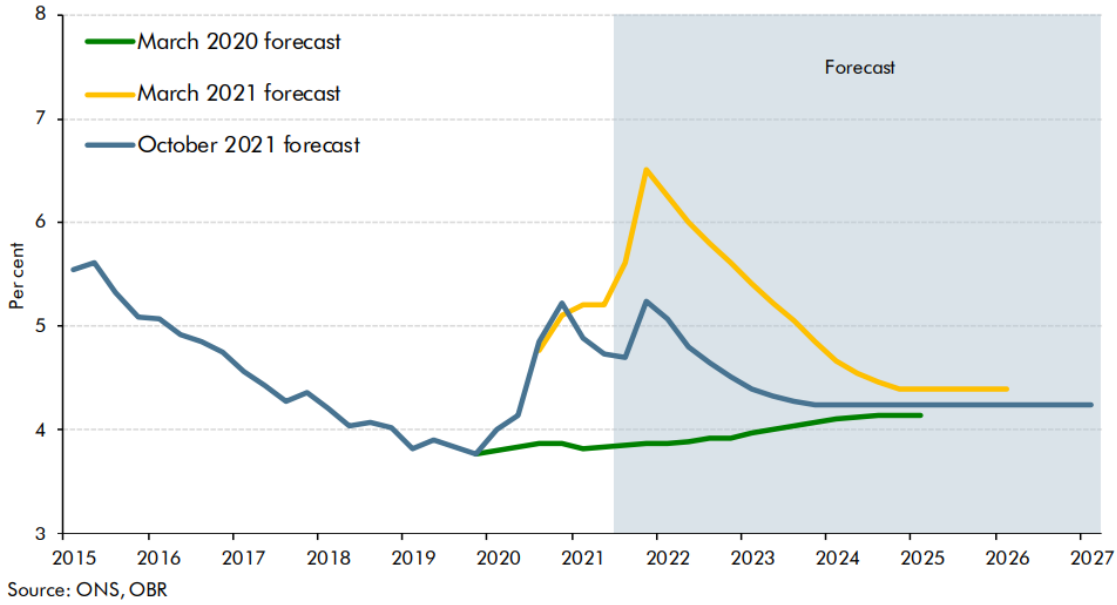
Since the OBR report was written, the November CPI inflation figure of 5.1% has been published. High levels of inflation present a significant short-term challenge to the council, not least due to the decision to apply a 0% general inflation rate to budgets for 2022/23 to put downward pressure on the council's high level of recurring savings requirements. It is understood that the council has a limited capacity to control some of the costs most affected (for example utility costs), which may result in services having to find alternative savings in order to remain within their approved budgets next year. However, with the local government finance settlement holding the council's core spending power at £18m for the second year running, there is an urgent need to match spending with our overall funding levels. Budget monitoring will continue to take place on a monthly basis throughout the year in order to ensure that any potential overspends are identified early, and mitigating actions taken.

The labour market remains resilient

The unemployment rate for the 3 months to August 2021 has fallen to 4.5%, from a peak of 5.2% in late 2020. The OBR forecasted a second peak of 5.2% towards the end of 2021, although this is

significantly lower than it was predicting earlier in the year. Meanwhile, the total number of on payroll employees in the UK reached a record level of 29m in September 2021. Average year-on-year earnings growth was 7.2% for the 3 months to August 2021, and although a large part of this increase can be put down to unusually low earnings in 2020, there are signs that labour shortages in a number of sectors are putting pressure on wages.

Chart 2.22: Unemployment rate



Source: ONS, OBR

The impact of the above on the council is likely to be increased pressure on pay, and difficulties recruiting into key roles (which in turn may increase reliance upon costly agency staff). The MTFS assumes pay inflation of 2.5% for 2020/21 (pay award still under negotiation), and 2.0% per annum thereafter – should this be insufficient then a further budgetary pressure will arise.

Interest rates

Interest rates are set by the Bank of England's Monetary Policy Committee, which has a remit to maintain inflation at a rate of 2%. The latest Monetary Policy Report, published in November 2021, reported that:



The UK economy continues to recover from Covid



Higher energy and goods prices have pushed inflation above our 2% target



We expect inflation to rise to around 5% in the spring, but then fall back



We expect interest rates will need to rise modestly to return inflation to our 2% target

In March 2020, at the start of the pandemic, the Bank of England base rate was reduced to 0.1%. This has had a significant impact on the council's investment income, with the average rate earned on treasury management investments reducing from 1.0% in 2019/20 to a forecast 0.2% in 2021/22. However, with the economy now recovering and inflation rising, the base rate was increased to 0.25% in December 2021, and is expected to rise further to around 1.0% by the end of 2022. The impact of this is already being seen in slightly higher interest rates on longer term deposits, although this will also impact on the cost of future borrowing which will be required to fund the council's capital strategy.

The council receives interest rate forecasts from its treasury management advisors, Link Group. The latest forecasts, received in November 2021, are as follows:

	2021	2022				2023				2024				2025
	Dec	Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar
Bank of England base rate	0.25	0.25	0.50	0.50	0.50	0.75	0.75	0.75	0.75	1.00	1.00	1.00	1.00	1.25
Investments – forecast average rates for local authority investments of varying durations														
3 months	0.30	0.40	0.50	0.50	0.50	0.60	0.80	0.90	1.00	1.00	1.00	1.00	1.00	1.00
6 months	0.40	0.50	0.60	0.60	0.70	0.80	0.90	1.00	1.10	1.10	1.10	1.10	1.10	1.10
12 months	0.50	0.60	0.70	0.70	0.80	0.90	1.00	1.10	1.20	1.20	1.20	1.20	1.20	1.20
Borrowing – forecast rates for Public Works Loan Board (PWLB) loans of varying durations*														
5 years	1.50	1.50	1.60	1.60	1.70	1.70	1.70	1.80	1.80	1.80	1.90	1.90	2.00	2.00
10 years	1.80	1.90	1.90	2.00	2.00	2.10	2.10	2.20	2.20	2.20	2.30	2.30	2.30	2.40
25 years	2.10	2.20	2.30	2.40	2.40	2.40	2.50	2.50	2.60	2.60	2.60	2.60	2.70	2.70
50 years	1.90	2.00	2.10	2.20	2.20	2.20	2.30	2.30	2.40	2.40	2.40	2.40	2.50	2.50

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

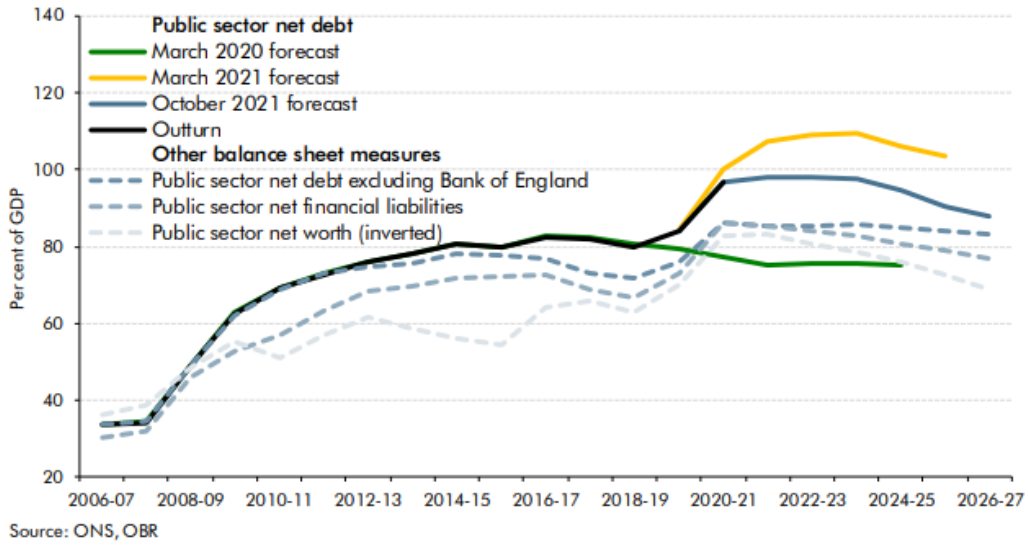
2021 Spending review

HM Treasury published the Autumn Budget and Spending Review 2021 on 27 October. This sets out departmental spending for the three-year period from 2022/23 to 2024/25, following on from a single-year review in 2020 in response to the Covid-19 pandemic.

The stated aim of the Spending Review is to 'build back better', through investing in strong public services, driving economic growth, leading the transition to net zero, and supporting people and businesses. The OBR has commented on the significant discretionary increase in both the tax burden (a net tax rise of £16.7 billion per year by 2026/27), and public spending (an increase of £22.9 billion per year by 2026/27).

The Chancellor has also set a new fiscal mandate to have public sector net debt (excluding the Bank of England) as a share of GDP falling by the third year of the rolling forecast period. The OBR have concluded that the Spending Review meets this mandate by a margin of 0.6% of GDP, with annual borrowing expected to stabilise at around £44 billion (1.5% of GDP) by 2026/27.

Chart 1.8: Public sector net debt and other balance sheet measures



Source: ONS, OBR

The key headlines for local government arising from the Spending Review are as follows:

- Core spending power for local authorities will increase by an average of 3% per year in real terms, although this includes specific investment in adult social care reform. If this is excluded, then the real terms increase is around 1% per year.

- In calculating core spending power, it is assumed that council tax income across all authorities will increase by an average of 3% in real terms (including the effects of taxbase growth).
- The business rates multiplier will be frozen for the second year running in 2022/23, which will save businesses approximately £900m per year. In addition, there will be a 50% rates discount for businesses in the retail, hospitality and leisure sectors (up to a maximum of £110,000 per business). Local authorities will be compensated for these measures through specific government grants.
- Local authorities will receive an additional £1.6bn per year in grant funding. The finance settlement confirms that for 2022/23, just over half of this will be allocated to all authorities through a 2022/23 Services Grant, with most of the remainder being earmarked for authorities with social care responsibilities. No detail has been given in respect of allocations for future years.
- There have been no further announcements on other key areas of funding uncertainty for the sector, such as the Fair Funding Review and business rates baseline reset, or the future of the New Homes Bonus beyond 2022/23 (see Section 4 for further details).

All of the above means that significant uncertainty remains around the level of central government funding which the council can expect to receive in future years.

Changes to statutory guidance

In recent years, concerns have been expressed in some quarters in relation to a minority of local authorities accessing external borrowing in order to pursue risky commercial investment strategies. As a result, a number of actions have been taken to tighten the control framework around investment and borrowing activities, including:

- Changes to the Public Works Loan Board (PWLB) lending criteria, to exclude authorities which have any expenditure on investment assets primarily for yield within their forward capital plan, which came into effect in 2020.
- Changes to the CIPFA Prudential Code and Treasury Management Code, which authorities must have regard to when setting their treasury management and capital investment strategies.
- An ongoing review by DLUHC into the local authority capital finance framework, including statutory guidance on minimum revenue provision (MRP).

Some of this work is still ongoing and uncertainty remains around the final outputs. However, based on the changes proposed at consultation stage it is possible to carry out an early assessment of the likely impact on the council should these changes be implemented.

It should be noted that the council has never pursued a strategy of borrowing to invest, nor is there currently any external borrowing supporting General Fund expenditure. However, it is anticipated that external borrowing will be required to support the council's ambitious capital plan in the future, which means that the Code changes are likely to result in some additional restrictions for the council at the point that this borrowing occurs. The most significant risks arising are as follows:

- The council is effectively unable to undertake any capital expenditure on new investment assets primarily for yield. This would include, for example, the addition of new investment properties to the council's portfolio but could also capture other redevelopment or mixed-use schemes where these are considered to be 'primarily' (>50%) for yield. It should be noted, however, that expenditure on the repair, renewal or updating of existing investment properties remains permissible.
- The council may need to revisit the current policy of not charging MRP on asset-backed loans to subsidiaries and joint ventures. If this is no longer permitted under the new guidance, this will create an immediate budgetary pressure, and may impact upon the financial viability of any future schemes delivered under joint arrangements.
- The council may need to consider liquidating some of its long-term investments as an alternative to undertaking new external borrowing to fund capital expenditure. This would have budgetary implications, since the returns generated from some of these investments exceed current interest rates for borrowing from the Public Works Loan Board (PWLB).

Due to the uncertainty which remains around the exact nature and timing of any changes, the above impacts have not yet been incorporated into the council's budget. However, the situation will be continuously monitored and proposals brought forward as and when the details are confirmed.

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 and updated alongside this BSR, sets out the key themes and strategic objectives for Cambridge City Council for the five years 2022-27. It contains the council's vision and describes how the council is working to support both the recovery of the city from the impacts of Covid-19 and the transformation of 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 & 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

City and council recovery from Covid-19

Since the beginning of the Covid-19 pandemic in March 2020, the council has worked with communities and partners to mitigate its impact on the city, its businesses and its residents. This has included supporting those who are clinically vulnerable with practical assistance through the lockdowns, paying grants to businesses that have been forced to close during periods of Covid restrictions, and working with the council's commercial tenants to support them through the crisis.

The pandemic has had major financial consequences for all local authorities arising from reduced income, service pressures, and additional responsibilities. The cost to the council's GF in 2020/21 was £18.5m. The council received additional government funding of £11.3m, leaving a budget gap of £7.2m to be met from the council's own resources.

Whilst some additional government support has been provided in 2021/22, this is significantly reduced. The scheme to compensate councils for losses of sales, fees and charges income ended in June 2021, and the furlough scheme in September 2021. The expectation is that no further specific Covid related support will be received from government in 2022/23 onwards.

Meanwhile, despite the lifting of most Covid restrictions in July 2021, many of the financial effects of the pandemic on the council continue to be felt. For example, several events which would usually generate an income from the council have had to be cancelled. It is also anticipated that some of the behavioural changes seen throughout the pandemic will have a more lasting impact, for example there

is an expectation of a permanent reduction in car parking income as a result of increased home working and online shopping.

As a result, there remains considerable financial uncertainty for the council during the recovery phase of the pandemic and beyond.

Review of demographic factors

Demographic factors impact on the council's financial strategies in terms of their effect on the level of demand for services, the specific types and nature of services, and the income available to the council through council tax.

The direct budgetary impact of increased population could be as simple as a proportional uplift of service costs. However, in some cases a review of the current model of service delivery will be required, factoring in not only growth in population and dwellings, but also changes in demand, the nature of that demand, and the available funding envelope.

With the ongoing implementation of the planned housing and economic growth of Cambridge, the city's population is set to increase by more than 20% between 2011 and 2031. The council is already focussed 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 and the Combined Authority) in order to lever in funding for infrastructure improvements.

Services use projections and estimates of population growth and the number of new dwellings to plan for the impacts of growth. The expected location of these changes can also be significant. The forecast growth in dwellings between 2011 and 2026 can be seen in two major areas – Trumpington to the South and in Castle ward to the North West. Over 50% of new housing growth over the period is forecast in these areas. This rapid growth brings associated demand on core services and will be reinforced with the development of Cambridge North (on the site of the Cambridge Water Treatment Works) to the North and the Marleigh development to the East.

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 as set out above.

The council will continue to explore ways to make better use of resources (say, 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).

Our Cambridge Transformation Programme

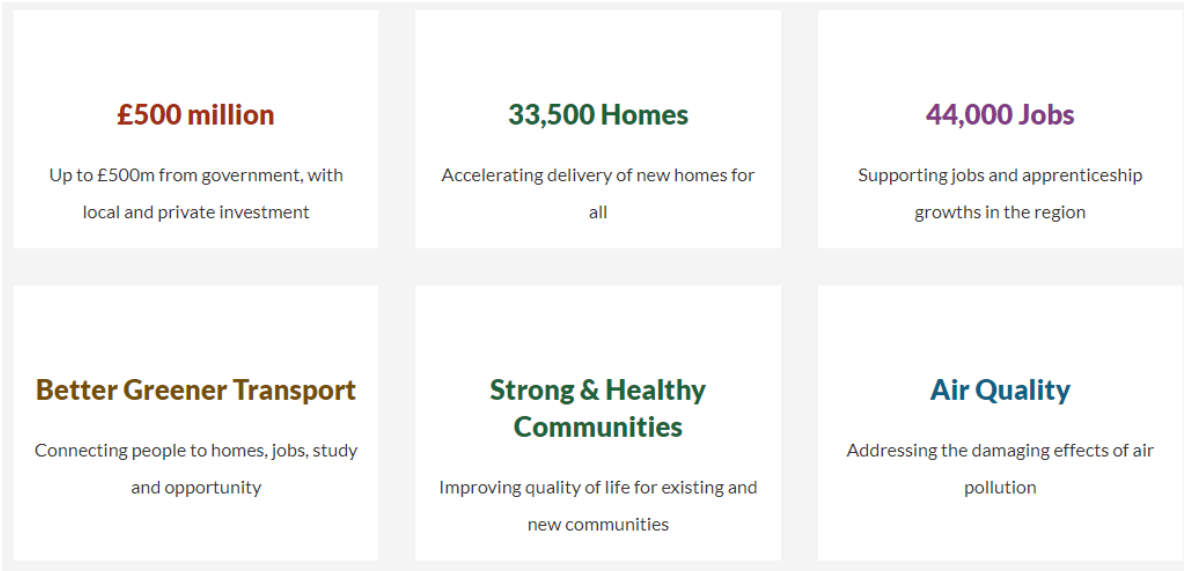
In recognition of the financial challenges it is currently facing, the council has embarked on an ambitious transformation programme known as "Our Cambridge". This will transform the way the council works, and the way in which it collaborates with partner organisations and communities, whilst supporting financial sustainability and helping the council to meet the savings requirements identified within the MTFS. General Fund reserves totalling £3.1m have already been earmarked within the MTFS to fund the revenue costs of delivering this programme, alongside a contingency reserve of £800,000. Early indications are that the programme is forecast to deliver recurring net income growth and revenue savings of £4.7m by 2025/26, of which £4.2m will be attributable to the General Fund and £0.5m to the HRA. However, these financial benefits are indicative at this stage, and therefore are not yet taken into account within the council's budget.

Further details on the Our Cambridge programme are set out at section 9 of this report.

The Greater Cambridge Partnership (GCP)

The City Council is working with Cambridgeshire County Council, South Cambridgeshire District Council, the University of Cambridge and the business community to deliver infrastructure, housing and skills targets as agreed with government in the Greater Cambridge City Deal. The deal consists of a grant of up to £500m, released over a 15 to 20-year period, expected to be matched by up to another £500m from local sources, including through the proceeds of growth.

The GCP's vision is 'working together to create wider prosperity and improve quality of life now and into the future', as follows:



The GCP is currently developing proposals for transport improvements to enable people, goods and ideas to move more quickly, reliably and sustainably between centres of research, innovation and enterprise, and between places of residence, work and study. Ways will need to be found to manage congestion and generate revenue to support improved public transport services – these may have impacts on council services and finances. The service and financial impact of such measures will be factored into the council's financial planning as the impacts become clearer.

The council, with the other local authority partners, have agreed to create an investment and delivery fund from a proportion of New Homes Bonus (NHB). As a result of this, the budget considers the application of funds from NHB, earmarking part of future uncommitted funding in line with the expected levels of contribution to the fund.

Cambridgeshire and Peterborough Combined Authority (CPCA)

The CPCA is a Mayoral Combined Authority made up of a directly elected mayor and seven local authorities, including the council. It works with the Cambridgeshire and Peterborough Business Board, other local public services, government departments and agencies, universities and businesses to grow the local and national economy. Councillor Lewis Herbert represents the council on the CPCA. The key ambitions for the combined authority include:

- doubling the size of the local economy
- accelerating house building rates to meet local and UK need
- delivering outstanding and much needed connectivity in terms of transport and digital links
- providing the UK's most technically skilled workforce

- transforming public service delivery to be much more seamless and responsive to local need
- growing international recognition for our knowledge-based economy
- improving the quality of life by tackling areas suffering from deprivation

The CPCA receives funding and powers from central government in a number of areas including housing, transport and skills. At present, the CPCA's operating costs are grant funded, with no contributions required from the council or council taxpayers, although the Mayor has the power to raise a precept if required. The CPCA can levy constituent councils to make a contribution towards its functions, but this would need to be unanimously agreed by those authorities through the budget making process for the CPCA.

Cambridgeshire County Council

Following the change in political control at Cambridgeshire County Council, progress is being made towards a closer working relationship with that council, where the two councils' interests are complementary and particularly with a view to transforming service provision.

Cambridge Investment Partnership (CIP)

CIP is a partnership between the council and Hill Investment Partnerships Ltd, consisting of a number of 50:50 jointly owned Limited Liability Partnerships (LLPs).

The agreed objectives of CIP as set out in the Members Agreement are:

- Investment in the development of land to create successful new places that meet both the financial and social objectives of Cambridge City Council, provided always that individual sites may be developed to meet either financial or social objectives
- Improve the use of council assets and those of other public sector bodies in the Cambridge or Cambridge-wide area
- Maximise the financial return through enhanced asset value
- Provide a return to the investment partners commensurate to their investment and the level of risk in respect to such investment

The investment partnership model provides an opportunity for the council to benefit from the experience and additional resource that a development partner can bring. Each partner shares the

financial outputs in proportion to the value of its input, and therefore the model allows the partners to share the development risk and the development uplift arising from a scheme.

Shared services

The council continues to share a number of services with neighbouring councils, with benefits including improvements in service delivery, efficiencies through economies of scale, and greater resilience. The following services are delivered in partnership with South Cambridgeshire District Council (SCDC) and/or Huntingdonshire District Council (HDC):

With SCDC and HDC	With SCDC	With HDC
3C Building Control*	Greater Cambridge Shared Waste Service	CCTV
3C ICT	Greater Cambridge Shared Internal Audit*	
3C Legal*	Greater Cambridge Shared Planning Service	
Home Improvement Agency*	Payroll*	

* Services hosted by Cambridge City Council

Section 3
Budget consultation

Context and approach

The council has carried out a budget consultation exercise annually since 2002, using a variety of quantitative and qualitative methods. This year the Leader of the Council, Cllr Lewis Herbert, hosted two virtual events in November 2021 to discuss the council's finances, priorities and challenges facing the city with local business and community representatives. The events provided the opportunity to listen to the Leader's view, participate in discussion and make comments about the path the council is looking to follow.

During October and November 2021, a short online questionnaire was circulated to business representatives to hear their views about what they felt should be the priorities of the council relating to businesses and recovery, their satisfaction with council services relating to business and the approaches the council might take in balancing the budget. The broad themes from the responses have been used to help inform members' consideration of the council's developing budget. The findings from the survey showed that local business respondents felt that housing services, managing parks and public spaces, delivering environmental improvements and planning for future development were the most important council services for them. The most pressing local priorities for respondents relating to business recovery in the city in the context of coronavirus included skills, transport and tackling inequality.

The events were recorded with the consent of participants and the slides and videos are available to view via the council's website. During 2021 the council recruited an Economic Development Manager, and this post will help develop further engagement with the business community in the coming years as the council develops and delivers its recovery strategy in partnership with businesses and others.

Section 4
General Fund resources

Local government finance settlement 2022/23

In December 2015, a four-year funding guarantee confirmed revenue support grant (RSG) and baseline levels of business rates for 2016/17 to 2019/20. A single year funding settlement was announced for 2020/21, with a commitment to a three-year spending review and financial settlement in autumn 2020. However, the outbreak of Covid-19 in early 2020 created unprecedented financial pressures and uncertainties, and as a result the government undertook a second single-year spending review and financial settlement for 2021/22.

In October 2021, HM Treasury published the 2021 Spending Review covering the 3 years from 2022/23 to 2024/25. Further details of the impact on the local government sector are set out in section 2.

The provisional local government finance settlement was published on 16 December 2021, and once again provides funding figures for the following year (2022/23) only. This means that, for the third consecutive year, this budget has been produced amidst significant uncertainty over future funding levels, which makes medium term planning extremely challenging. The final settlement was published on 7 February 2022.

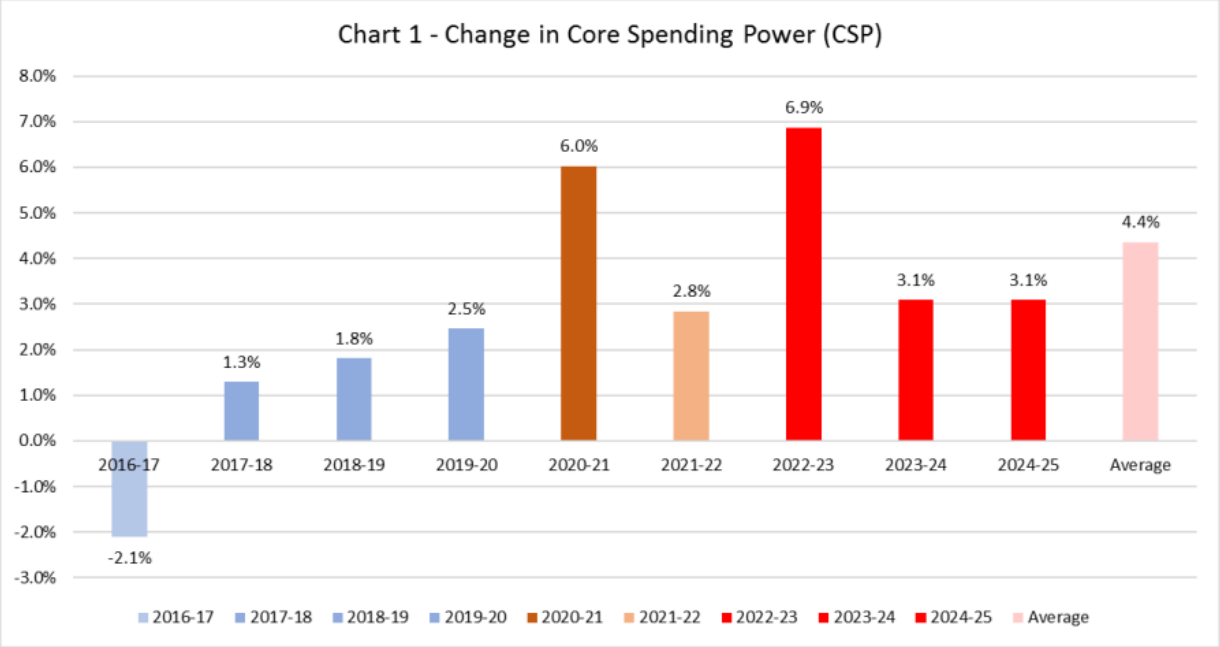
Funding reforms

The government has committed, over the coming months, to revisit funding allocations for local authorities and ensure that these are based upon an up to date assessment of their relative needs and resources. This 'fair funding review' was originally due to take effect from 2020/21, but has been delayed multiple times, and will not now apply until 2023/24 at the earliest. Alongside this, HM Treasury published its Business Rates Review report in October 2021, setting out a number of changes to the business rates system including more frequent valuations and changes to the appeals process.

The full impact of these changes on the council, and the wider local government sector, is as yet unknown. It is hoped that the 2023/24 local government settlement will bring more certainty and medium term stability to the system. In the meantime, the council makes use of external modelling experts to assist with forecasting future levels of central government funding and business rates retention.

Core spending power

The headline increase in core spending power for 2022/23 from the local government finance settlement is 6.9% (in cash terms). Based upon the Spending Review 2021, it is anticipated that this will be followed by further cash terms increases of 3.1% in 2023/24 and 2024/25:



However, it is important to note that these increases are not evenly distributed across the sector. For example, a large proportion of the increase will go directly to local authorities with social care responsibilities. In addition, the above increases assume that all local authorities increase council tax by the maximum amount allowed without triggering a referendum.

For this council, there is no cash increase in core spending power for the second year running, even after increasing council tax by the maximum amount of £5 per band D property. This is in effect a real terms cut in funding, and comes about as a result in reductions to New Homes Bonus funding (as explained further below).

The council's core spending power as set out in the local government finance settlement can be summarised as follows:

Element of core spending power (£000)	2021/22 Final	2022/23 Provisional	2022/23 Final	Change 2021/22 to 2022/23
Settlement Funding Assessment (SFA):				
- Revenue Support Grant (RSG)	-	-	-	-
- Business rates baseline	4,272	4,272	4,272	0.0%
	4,272	**4,272**	**4,272**	**0.0%**
Compensation for under-indexation of business rate multiplier[1]	223	351	437	95.6%
New Homes Bonus (NHB) grant[1] including returned funding	3,458	1,957	1,957	(43.4%)
Lower Tier Services Grant	988	1,765	1,679	69.9%
2022/23 Services Grant	-	294	294	-
Council tax income[1]	9,033	9,335	9,335	3.3%
Core spending power	**17,974**	**17,974**	**17,974**	**0.0%**

[1] – Figures based on government projections

The core spending power measure for Cambridge City Council shows a decline of 8.7% in cash terms between 2016/17 and 2021/22, compared with an average increase for England of 23.2%.

Future prospects

As explained above, there is considerable uncertainty relating to the SFA for 2023/24 onwards. The government has committed to work with the sector to address issues within the funding system, which is likely to result in a near total rebasing of the funding system for local government. The council has modelled the possible trajectory of the SFA but is aware that considerable risk remains around these projections.

	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000
SFA / business rates baseline	**4,272**	**4,118**	**4,118**	**4,118**	**4,118**
Growth element	4,387	883	1,138	1,405	1,405
Business rates income	**8,659**	**5,001**	**5,256**	**5,523**	**5,523**

Local retention of business rates

The SFA approach enables local authorities to benefit directly from supporting local business growth. The assessment includes a baseline level of business rates receivable (indexed linked from an initial assessment in 2013/14) with the level of rates receivable above that being taken by government as a 'tariff' – which will be used to 'top up' local authorities who would receive less than their funding level.

In addition, the council can retain 50% of any business rates collected above the assumed baseline level, paying the remainder to central government as a 'levy'. If business rates income falls to less than 92.5% of the baseline, the council receives a 'safety net' payment so that any loss of income below the baseline is capped at 7.5%.

The fair funding review which was originally planned for 2020/21 would have included a reset of the business rates baseline, meaning that the council would have lost the benefit of the additional business rates growth accumulated since 2013/14. The delay of this reset has meant that the council has benefitted from retaining this growth for an additional 2 years, which has generated £3.4m in 2020/21, and a forecast £2.9m for 2021/22.

Nevertheless, a reset will still be required at some point, and the exact timing of this (alongside the wider fair funding review) is yet to be announced. To mitigate the risk to the council's budget from the future loss of this income, the forecast growth element of business rates income is used to increase the council's GF reserves, rather than to support the council's net spending requirement in future years.

Another challenge faced by all authorities is effectively predicting the level of movement in the business rate tax base. This is dependent on accurately forecasting the timing and incidences of new properties, demolitions and significant refurbishments – together with the consequent effect on valuations. This is further complicated by the need to assess the level of appeals that will be lodged.

It remains difficult to forecast the appeals position accurately. The last business rates revaluation was at 1 April 2017, and alongside this there was a change to the process for valuation appeals, which now follows a 'check, challenge, appeal' approach. This led to increased uncertainty around the level of appeals to be expected, and their impact on the council's business rates income. Whilst the system has now had a few years to bed in, it is fair to say that forecasting the appeals position on the 2017

list remains challenging. The council engages an external expert to assist with its evaluation of the appeals provision on an ongoing basis, but this remains an area of significant uncertainty within the council's financial position.

Additional uncertainties remain around the ongoing impact of the Covid-19 pandemic and the government's response to it. Despite initial concerns, 2020/21 saw no irrecoverable losses of business rates income arising from the crisis, due primarily to significant additional reliefs granted by government to the most vulnerable sectors such as retail and nurseries. Local authorities were compensated for these reliefs through specific government grants, which significantly lowered the risk of reduced collection rates. However, it is possible that collection rates could fall over the next couple of years as these reliefs are phased out and the liability falls back on to individual businesses. It is also not clear the extent to which other effects of the pandemic, such as an increase in claims for empty property relief, may persist into the longer term.

The current forecast is that the council's share of the deficit on the collection fund in respect of business rates will be £5.6m at 31 March 2022. This includes a £6.3m deficit brought forward from 2020/21, which is required to be repaid in 2022/23 and 2023/24 under statutory arrangements introduced in response to the Covid-19 pandemic. The council has already set aside funds in an earmarked reserve to meet these payments, so there will be no future impact on the GF. The small residual surplus of £0.7m will be credited to the General Fund in 2022/23.

New Homes Bonus

New Homes Bonus (NHB) is a government grant scheme designed to incentivise housing growth, based upon increases in the council's council tax base each year. Initially, amounts awarded for growth in any one year were paid over six years, reducing to four years from 2017/18. Amounts relating to growth in previous years are known as legacy payments.

From 2020/21, NHB amounts for new growth have been paid for one year only, i.e. no legacy payments will arise. However, legacy payments relating to growth in previous years will continue to be honoured until four years' payments have been made.

This change in policy has already seen NHB, which is an important source of unringfenced income for the council, reduce from £4.9m in 2020/21 to £3.5m in 2021/22, with a further reduction to £2.0m in 2022/23 (which will also be the final year of legacy payments).

The government carried out a consultation on the future of NHB in early 2021, although the conclusions of this are yet to be published. The future of the scheme beyond 2022/23 is therefore uncertain and is likely to be linked to the wider local government funding reforms discussed above. It is anticipated, however, that the government will wish to continue incentivising housing growth in some form.

Historically the council has chosen to use NHB to fund both revenue and capital spending related principally to growth and place. 10% of NHB is set aside each year as a contribution to the GCP investment and delivery fund.

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 it is estimated will be collected. This calculation is governed by regulation and the formal setting of the tax base is delegated to the Head of Finance 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 2022/23 has been calculated as 44,099.6 (2021/22: 43,530.5) and details of its calculation are given in Appendix A(a). This will form the basis of the final approved level for tax setting and precepting purposes. This represents a 1.3% increase in the tax base compared with 2021/22, reflecting year-on-year growth in the total number of dwellings in the city, together with increases driven by the ongoing recovery from Covid-19 (e.g. increased collection rates and reduced volumes of local council tax support scheme claims).

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 collection fund for council tax is projected to have a deficit at the end of the current year of £1.2m, including a deficit balance of £2.2m which has been carried forward from 2020/21. This will be repaid in 2022/23 and 2023/24 under statutory arrangements introduced in response to the Covid-19 pandemic. The residual surplus of £1.0m has arisen largely due to the fact that Covid-19 has not had as much of an impact on council tax receipts as originally anticipated when budgets were set, although collection rates do remain below pre-Covid levels. The council's share of the overall deficit balance is forecast to be £131,000 at 31 March 2022. This figure includes a deficit of £220,000 relating to 2020/21 which was required by statute to be spread over 3 years – the council has already set aside funds in an earmarked reserve to repay this amount. The residual forecast surplus of £89,000 relating to 2021/22 will be credited to the General Fund in 2022/23.

Council tax thresholds

Under the Localism Act, 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. In 2022/23 the limit is a maximum increase of 2% for a Band D property, with some districts, including the council, permitted to increase their element of council tax by up to £5, where this is higher than 2%.

Council tax level

Financial projections of the council tax level made for the October 2021 MTFS included the assumption of an increase of £5 per year for a Band D property from 2022/23 until 2030/31, then 1.99% per year thereafter. This BSR incorporates the same assumptions. This will increase the City Council element of council tax in 2022/23 from £207.50 to £212.50, with proportionate increases applied to other valuation bands as set out in the table below:

	City Council tax		
Band	**2021/22 £**	**2022/23 £**	**Difference £**
A	138.33	141.67	**3.34**
B	161.39	165.28	**3.89**
C	184.44	188.89	**4.45**
D	**207.50**	**212.50**	**5.00**
E	253.61	259.72	**6.11**
F	299.72	306.94	**7.22**
G	345.83	354.17	**8.34**
H	415.00	425.00	**10.00**

Earmarked and specific funds

In addition to general reserves, the council maintains earmarked and specific funds held to meet major expenditure of a non-recurring nature or where the income has been received for a specific purpose but not yet spent. Details of opening and closing balances of principal and specific funds, with approved/anticipated use over the budget period are set out in Appendix D.

Existing funds

Climate change fund

The Climate Change Fund (CCF) is available to finance projects that will contribute to the reduction of carbon emissions from the council's estate and operations. The fund supports projects focussing on:

- Energy and fuel efficiency;
- Sustainable transport; and
- Management of climate change risks.

Activities that can be supported include infrastructure, equipment, feasibility studies and awareness activities to change the behaviour of staff. Since inception the CCF has funded £1.4m of investment in improving the energy efficiency of council buildings and the generation of renewable electricity.

An annual report on activities funded from the CCF is taken to the Environment and Community Scrutiny Committee in October each year. In the current year, this has been included within a wider report on the council's Climate Change Strategy.

https://democracy.cambridge.gov.uk/documents/s56999/Final%20Climate%20Change%20Strategy%20Update%20Committee%20Report%20October%202021.pdf

Greater Cambridge Partnership (GCP) investment and delivery fund

The council has committed to pooling a proportion of gross NHB receipts with its local authority partners to provide funding to enable delivery of GCP objectives which will support and address the impacts of growth. The current contribution by individual authorities is 10%. Consultation for reform of the NHB has taken place and the outcome awaited. The anticipated contribution to the earmarked reserve shown in Appendix D is based on receipts that have been confirmed.

A14 mitigation fund

An earmarked fund has been set up to accumulate NHB contributions to meet the requirement for funding of projects to mitigate the impacts in Cambridge of the A14 upgrade. As the work on the upgrade is completed and its impact on the city can be assessed, consideration will be given to how these funds might best be used.

General Fund (GF) development fund

The council is providing loans to Cambridge Investment Partnership (CIP), of which it is a member, to support the development of GF and HRA land. Interest income arising from the development of former council depot on Mill Road, land purchased at Cromwell Road and other CIP developments is being retained in an earmarked reserve reflecting uncertainty in both timings and quantum, and to provide a contingency fund reflecting the potential risks in this scheme and future schemes under development.

Our Cambridge Transformation and Contingency Funds

These funds were set up in MTFS 2021 to support a significant programme of service reviews and transformation projects. A one-off contribution from reserves of £3.1m was approved to allocate to the 'Our Cambridge' Transformation fund and a separate £800k for the 'Our Cambridge' contingency fund.

Section 5
General Fund revenue budgets

Budget proposals

The GF revenue projections for 2022/23 to 2026/27 as presented in the MTFS have been reviewed and changes proposed. Proposals have arisen from policy initiatives, further understanding of the on-going financial impacts of Covid-19, additional income opportunities balanced by additional staffing costs where appropriate, unavoidable increases in costs and savings opportunities. The impact of these proposals is shown below in aggregate, by portfolio in Section 7 and in detail by type of proposal in Appendices B (b) – (e).

Performance against savings target

For the purposes of the table below, it has been assumed that where there are savings to be found they will be achieved in the year as recurring savings and will not therefore roll forward to later years. The exception to this is the first year, 2022/23, for which a balanced budget is a statutory requirement and therefore any remaining savings requirement will be met from reserves for that year only and will be added to the recurring requirement in 2023/24. It should be noted that the council has embarked on a long-term programme of transformation, incorporating savings and income generation, which will require an on-going focus on delivery. Based on initial estimates of the potential net savings achievable from the transformation work, it will be essential to identify more projects to contribute to savings requirements going forward.

The table below shows that the overall effect of the measures recommended in the BSR has resulted in a total requirement for net recurring savings of £6.9m across the period from 2022/23 to 2026/27. The saving requirement varies year by year, driven principally by the assumption that the business rates baseline will be reset in 2023/24 and that NHB will no longer be receivable from that year. £196k of reserves will be needed to balance the 2022/23 budget.

Savings requirements	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	Total £000
MTFS 2021 Current Savings Target (new savings each year)	**3,103**	**2,390**	**510**	**873**	**623**	**7,499**
Adjust savings requirement for indicative items now coming forward as proposals:						
Remove indicative pressures per MTFS	(1,565)	(2,813)	(3,426)	(3,960)	(4,513)	
Remove technical adjustment for NI increase (now a proposal)	(220)	(220)	(220)	(220)	(220)	
Add back indicative pressures in later years where no budget proposal has come forward:						
Car parking income		1,695	2,208	2,717	3,220	
Commercial and administrative property income		460	460	460	460	
Waste service cost pressures			100	100	200	
MTFS 2021 adjusted savings requirement in year	**1,318**	**3,297**	**510**	**848**	**673**	
Unavoidable revenue pressures	568	568	568	568	568	
Reduced income	1,118	855	817	555	505	
Bids	1,106	578	421	354	354	
Savings	(975)	(936)	(938)	(886)	(888)	
Increased income	(523)	(228)	(230)	(195)	(159)	
Net bids and savings	**1,294**	**837**	**638**	**396**	**380**	
Revised council tax base - impact on council tax income	(24)	7	(75)	(77)	(79)	
Changes to business rates assumptions	85					
Collection Fund surplus	(89)					
Uncommitted NHB used to fund in-year spend	(415)					
Lower Tier Services Grant	(1,679)					
2022/23 Services Grant	(294)					
Use of reserves to support revenue spending on services	(196)					
Total funding changes	**(2,612)**	**7**	**(75)**	**(77)**	**(79)**	
Total changes to savings requirements	**(1,318)**	**844**	**563**	**319**	**301**	
Revised savings target / savings (new savings each year)	**0**	**5,459**	**229**	**604**	**655**	**6,947**

Whilst some allowance has been made for indicative income losses and cost pressures in 2023/24 (£2.2m) and later years (increasing to £3.9m in 2026/27), these are current best estimates which may or may not be sufficient, given the uncertainty relating to the future path of the pandemic and the impacts of work being done to reduce car usage and promote public transport use in the city. Moreover, no allowance has been made for more general future unavoidable pressures, which have averaged £800k per year, adding £4.0m of pressure to the five-year net savings requirement. Taken together with the two additional scenarios presented in the MTFS, this suggests that the total five-

year net savings requirement could range from £6.9m (no additional pressures over the base scenario) to £13.1m. This represents 38-71% of 2020/21 budgeted net expenditure (pre-Covid) or approximately 10-25% of gross expenditure excluding Housing Benefit payments.

Section 6
General Fund capital budgets

Introduction

The council's asset portfolio is shown below.

Category	31 March 2021 £000	%	31 March 2020 £000	%
Operational assets:				
Council dwellings	639,804	63.4%	608,549	62.7%
Other land and buildings	145,870	14.5%	145,283	15.0%
Vehicles, plant and equipment	9,400	0.9%	10,775	1.1%
Infrastructure assets	6,587	0.7%	6,082	0.6%
Community assets	1,351	0.1%	1,339	0.1%
Total operational assets	**803,012**	**79.6%**	**772,028**	**79.5%**
Non-operational assets				
Investment properties	158,594	15.7%	162,722	16.8%
Surplus properties	10	0.0%	0	0.0%
Assets under construction	47,070	4.7%	36,296	3.7%
Total non-operational assets	**205,674**	**20.4%**	**199,018**	**20.5%**
Total assets	**1,008,686**	**100.0%**	**971,046**	**100.0%**

The portfolio includes council housing, assets for direct service provision such as swimming pools, community centres, car parks, vehicles and equipment, as well as substantial areas of common land. In addition to the assets used for service provision, the council has a portfolio of commercial property. Each asset needs to provide an appropriate return on the investment made by the council and also to be maintained to be fit for the purpose for which it is used.

Capital strategy

In line with guidance, the council has prepared a capital strategy which is presented to the Strategy and Resources Scrutiny Committee and Council alongside this BSR and the treasury management and investment strategies. The capital strategy has been informed by asset management reviews.

The capital strategy sets out a ten-year forward indication of capital expenditure and outlines how it will be financed. As agreed in BSR 2021/22 revenue resources will no longer be used to support capital expenditure. Capital expenditure, where not funded from specific grants and contributions, will be funded firstly from capital receipts and then from internal and external borrowing. The mix of internal and external borrowing will be determined by the council's cash flows and treasury management considerations. This financing strategy, whilst creating a revenue saving in the year of the expenditure, will create revenue pressures over the long term, which will eat into the savings made. Therefore, the capital financing strategy will be reviewed annually for affordability, with a longer-term objective of replacing borrowing with income as a source of financing for capital.

The Our Cambridge transformation programme will consider the current use of the council's GF assets and future requirements for the transformed council. As the programme develops, the capital strategy will reflect the asset requirements of the council based on the most appropriate service delivery models and working practices for the future, alongside consideration of post-Covid recovery.

In this ten-year period, further investments will be made to support the council's objectives. These investments will be funded as follows:

- Capital receipts from the proposed regeneration programme for commercial sites to be used to substantially fund that programme.
- Prudential use of internal and external borrowing where the investment supports the council's wider objectives, and the risks and rewards of investment are considered appropriate.

Capital plan

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

Capital proposals

The majority of capital bids address the ongoing renewal, updating and major repairs of the council's buildings and operational assets. As such they support income generation (Market Square, Building Control, garage), and the delivery of services (ICT, vehicles, building repairs, etc). All capital proposals are shown in Appendix C(a). Approvals since the MTFS October 2021 are shown in Appendix C(b).

In addition to the new capital schemes proposed in the appendix, it is recommended that the scheme to redevelop the Cambridge Junction (SC646) is deleted, freeing up capital funding of £249k for other uses. The RIBA stage 1 feasibility work for an ambitious redevelopment of the Cambridge Junction (CJ) had been due to commence just prior to the pandemic in March 2020. Work on the proposal originally began in partnership with Cambridge Junction CDC in 2017, and had progressed to completing a tender process for a design team to develop a scheme for additional venue spaces and that would assess the wider commercial potential of the CJ site. One key driver behind the scheme had been to look at whether a combined venue and commercial scheme could provide new revenue streams to increase CJ's organisational resilience and financial sustainability. Post COVID, the commercial environment and need for city centre office accommodation now looks very different in Cambridge, and it may be sometime before it is possible to fully assess the long-term impact of this. One key opportunity the partnership had been hoping to be able to access was the next Arts Council England capital funding round that had been due to launch in April 2020. With all venues required to shut their doors from March 2020 for many months, and many still not seeing audience numbers back to pre-COVID levels, Arts Council England has had to refocus all financial support to supporting venues to survive. Although the need for additional arts and cultural venue space remains a priority for Cambridge, the council will need to look for opportunities and new funding streams to help to provide this, working with Cambridge Junction CDC who will remain a key partner, and as part of a wider city centre recovery plan. The council is currently completing a cultural infrastructure strategy to help inform where there might be opportunities that should now be considered.

The projections in the remainder of the BSR assume that all capital proposals are approved.

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:

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

External:

- Developer and other contributions
- Grants, National Lottery etc.

The table below sets out how the capital plan, including the capital proposals listed in Appendix C(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.

Prudential borrowing and Minimum Revenue Provision (MRP)

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. The MRP policy is presented to Council for approval annually in the Treasury Management Strategy Statement.

Capital receipts are used as the first option to replace revenue funding for schemes in the current plan from 2021/22 as well as for proposals brought forward in this BSR. The following table shows the availability of this source of funding going forward to meet the indicative ten-year capital expenditure set out in the capital strategy. 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	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000
Brought forward at 1 April	**14,182**	**224**	**4,254**	**7,689**	**6,458**	**5,758**
Forecast capital receipts and development surpluses	8,754	7,139	8,486	0	0	2,000
Used for financing of in-year capital plan expenditure	(22,712)	(2,668)	(939)	(1,231)	(700)	(700)
Used for financing of historic capital plan expenditure (to reduce internal or external borrowing)	0	(441)	(4,112)	0	0	0
Carried forward at 31 March	**224**	**4,254**	**7,689**	**6,458**	**5,758**	**7,058**

The current capital plan, updated for schemes approved since the MTFS 2021 (Appendix C(b)) and proposals for new schemes, is shown in detail in Appendix C(c). The tables below summarise the changes since the MTFS Oct 2021, the latest capital plan and how it is funded.

Capital plan spending	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	Total £000
Spend MTFS October 2021	**94,473**	**28,082**	**30,345**	**8,362**	**710**	**700**	**162,672**
Approved since MTFS October 2021	5,828	0	0	60	0	0	5,888
Capital plan before new proposals	**100,301**	**28,082**	**30,345**	**8,422**	**710**	**700**	**168,560**
New proposals see Appendix C(a) and narrative above for 2021/22	(249)	7,752	0	0	0	0	7,503
Revised capital plan	**100,052**	**35,834**	**30,345**	**8,422**	**710**	**700**	**176,063**

Capital plan funding	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000
External support						
Developer contributions	(2,511)	(41)	(10)	(18)	(10)	0
Other sources	(3,299)	(5,945)	0	0	0	0
Total – External support	**(5,810)**	**(5,986)**	**(10)**	**(18)**	**(10)**	**0**
City Council						
Direct Revenue Financing (DRF) – GF services	(8)	0	0	0	0	0
Direct Revenue Financing (DRF) – in-year allocation of revenue funding	(2,082)	0	0	0	0	0
Earmarked Reserve – Repairs and renewals fund - vehicles	(1,221)	0	0	0	0	0
Earmarked Reserves – Other	(1,777)	(120)	0	0	0	0
Capital receipts and development surpluses	(22,712)	(2,668)	(939)	(1,231)	(700)	(700)
External borrowing - Park Street redevelopment	(35,700)	(18,534)	(29,396)	(7,173)	0	0
Internal and external borrowing - on-lending for capital purposes	(29,015)	(5,700)	0	0	0	0
Internal and external borrowing - other schemes	(1,727)	(2,826)	0	0	0	0
Total – City Council	**(94,242)**	**(29,848)**	**(30,335)**	**(8,404)**	**(700)**	**(700)**
Total Funding	**(100,052)**	**(35,834)**	**(30,345)**	**(8,422)**	**(710)**	**(700)**
Capital Plan	**100,052**	**35,834**	**30,345**	**8,422**	**710**	**700**

Section 7

General Fund: Expenditure and funding 2021/22 to 2031/32

The following base case projection of GF expenditure and funding results from applying the recommendations included in this report.

Description / £'000s	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
Expenditure											
Strategy and External Partnerships	6,918	6,545	6,463	6,842	6,891	6,903	7,252	7,614	7,984	8,364	8,754
Finance and Resources	(4,945)	(5,153)	(4,305)	(4,801)	(4,800)	(4,765)	(4,704)	(4,642)	(4,577)	(4,511)	(4,442)
General Fund Housing	4,556	3,542	3,674	3,764	3,857	3,933	4,028	4,126	4,226	4,329	4,435
Climate Change, Environment and City Centre	5,280	5,241	5,232	5,351	5,508	5,597	5,717	5,840	5,966	6,096	6,229
Communities	8,446	7,429	7,401	7,466	7,551	7,640	7,780	7,923	8,072	8,225	8,383
Open Spaces, Sustainable Food and Community Wellbeing	2,814	2,607	2,553	2,529	2,564	2,617	2,691	2,764	2,839	2,916	2,996
Planning policy and transport	3,438	4,031	4,235	4,579	4,879	5,346	5,362	5,382	5,404	5,431	5,460
Revised net savings requirement	0	0	(5,459)	(5,688)	(6,292)	(6,947)	(7,597)	(8,248)	(8,940)	(9,652)	(10,409)
Net service budgets	**26,507**	**24,242**	**19,794**	**20,042**	**20,158**	**20,324**	**20,529**	**20,759**	**20,974**	**21,198**	**21,406**
Capital accounting adjustments	(6,336)	(6,336)	(6,336)	(6,336)	(6,336)	(6,336)	(6,336)	(6,336)	(6,336)	(6,336)	(6,336)
Capital expenditure financed from revenue	1,458	0	0	0	0	0	0	0	0	0	0
Cost of revised capital financing strategy	0	40	180	320	460	600	740	880	1,020	1,160	1,300
Collection fund deficit	25,335	2,481	3,247	0	0	0	0	0	0	0	0
Contributions to earmarked funds	5,522	627	395	395	395	395	395	395	395	395	395
Net spending requirement	**52,486**	**21,054**	**17,280**	**14,421**	**14,677**	**14,983**	**15,328**	**15,698**	**16,053**	**16,417**	**16,765**

Description / £'000s	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
Funded by:											
Settlement Funding Assessment (SFA)	(4,272)	(4,272)	(4,118)	(4,118)	(4,118)	(4,118)	(4,118)	(4,118)	(4,118)	(4,118)	(4,118)
Locally Retained Business Rates – Growth Element/additional income	(9,747)	(4,387)	(883)	(1,138)	(1,405)	(1,405)	(1,405)	(1,405)	(1,405)	(1,405)	(1,405)
Core Funding Grants	(988)	(1,973)	0	0	0	0	0	0	0	0	0
New Homes Bonus (NHB)	(3,458)	(1,957)	0	0	0	0	0	0	0	0	0
Covid grant and furloughing income	(652)	0	0	0	0	0	0	0	0	0	0
Appropriations from earmarked funds	(27,790)	(3,225)	(3,247)	0	0	0	0	0	0	0	0
Council Tax	(9,033)	(9,371)	(9,855)	(10,243)	(10,559)	(10,865)	(11,210)	(11,580)	(11,935)	(12,299)	(12,647)
Contributions to / (from) reserves	3,454	4,131	823	1,078	1,405	1,405	1,405	1,405	1,405	1,405	1,405
Total funding	**(52,486)**	**(21,054)**	**(17,280)**	**(14,421)**	**(14,677)**	**(14,983)**	**(15,328)**	**(15,698)**	**(16,053)**	**(16,417)**	**(16,765)**

The following pages provide information on the budgets available for each portfolio and the changes proposed in this BSR

Strategy and external partnerships

(£000)	Expenditure	Income	Net
Current Portfolio budget 2021/22[2]	10,175	(3,257)	6,918

Budget proposals for the portfolio £		2022/23	2023/24	2024/25	2025/26	2026/27
Unavoidable Revenue Pressure						
URP4954	Increase in Employers National Insurance Contributions	207,100	0	0	0	0
URP4955	Social Care Levy	0	207,100	207,100	207,100	207,100
Revenue Bids						
B4932	Strategic Corridor Partnership fees	13,500	13,500	0	0	0
Savings						
S4967	Pension deficit funding reduction	(128,400)	0	0	0	0
Increased Income						
II4841	Income for Emergency planning consultation work with South Cambridgeshire District Council	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
Non-Cash Limit						
NCL4996	Additional Contribution to the Greater Cambridge Partnership investment and delivery fund	46,100	0	0	0	0

(£000)	Expenditure	Income	Net
Portfolio budget[1] 2022/23	9,625	(3,080)	6,545

[1] Due to technical adjustments, such as inflation, the 2022/23 budget will not equal the 2021/22 plus budget proposals.

Finance and resources

(£000)	Expenditure	Income	Net
Current Portfolio budget 2021/22	53,736	(58,681)	(4,945)

Budget proposals for the portfolio £		2022/23	2023/24	2024/25	2025/26	2026/27
Reduced Income						
RI4849	Lion Yard Ground Rent Income	80,000	300,000	300,000	300,000	300,000
RI4850	Commercial Property Income	150,000	150,000	100,000	50,000	0
RI4970	Reduction of Clay Farm income	160,000	160,000	160,000	160,000	160,000
RI4986	Museum of Cambridge Reduced Income	25,000	25,000	0	0	0
Revenue Bids						
B4836	Security Team and Compliance Officer	97,000	97,000	97,000	97,000	97,000
B4878	Discretionary Housing Payments funding shortfall	75,000	0	0	0	0
B4897	Council Tax Compliance and Counter Fraud Initiative	36,500	36,500	36,500	0	0
B4957	Alignment of budgets - Council Tax discounts for boat dwellers	68,320	68,320	68,320	68,320	68,320
Savings						
S4900	Centralised and Business Support Budget Savings	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
S4971	Reduction in Minimum Revenue Provision	(255,000)	(255,000)	(255,000)	(255,000)	(255,000)
S4972	Reduction in Unfunded Pension Payments	(68,500)	(68,500)	(68,500)	(68,500)	(68,500)
S4984	Deletion of vacant Business Support Officer post	(24,130)	(24,130)	(24,130)	(24,130)	(24,130)
Increased Income						
II4958	Increased Interest Income - Loans to CIP	(350,000)	0	0	0	0
II4963	Council Tax Compliance and Counter Fraud Initiative	(36,000)	(72,000)	(72,000)	(36,000)	0
II4985	Increased Rental Income - Mandela House	(25,000)	(23,000)	(23,000)	(23,000)	(23,000)
Capital Bids						
CAP4903	Office Accommodation	75,000	0	0	0	0
CAP4904	ICT & Digital Capabilities	300,000	0	0	0	0

(£000)	Expenditure	Income	Net
Portfolio budget[1] 2022/23	52,714	(57,867)	(5,153)

[1] Due to technical adjustments, such as inflation, the 2022/23 budget will not equal the 2021/22 plus budget proposals.

General Fund Housing

(£000)	Expenditure	Income	Net
Current Portfolio budget 2021/22	8,802	(4,246)	4,556

Budget proposals for the portfolio £		2022/23	2023/24	2024/25	2025/26	2026/27
Reduced Income						
RI4867	Reduced B&B Income	23,110	23,110	23,110	23,110	23,110
Revenue Bids						
B4898	Increase in hours of HDA Project Manager	14,800	14,800	14,800	14,800	14,800
Savings						
S4896	Reduced costs for Emergency Accommodation	(2,800)	(2,800)	(2,800)	(2,800)	(2,800)
Increased Income						
II4893	Increased fee income in Housing Strategy	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)
II4899	Increased HDA new build fee income	(14,800)	(14,800)	(14,800)	(14,800)	(14,800)
Capital Bids						
CAP4929	ANPR at the Meadows Community Centre Car Park	37,000	0	0	0	0
CAP4988	Sustainable Warmth Home Upgrade Grant Phase 1	4,625,000	0	0	0	0
CAP 4989	Sustainable Warmth Local Authority Delivery Phase 3	1,840,000	0	0	0	0

(£000)	Expenditure	Income	Net
Portfolio budget[1] 2022/23	6,402	(2,860)	3,542

[1] Due to technical adjustments, such as inflation, the 2022/23 budget will not equal the 2021/22 plus budget proposals.

Planning policy and transport

(£000)	Expenditure	Income	Net
Current Portfolio budget 2021/22	16,072	(12,634)	3,438

Budget proposals for the portfolio £		2022/23	2023/24	2024/25	2025/26	2026/27
External Bid						
X4825	Building Control New Delivery Model	80,000	0	0	0	0
X4826	Building Control Advice and Consultancy	15,000	0	0	0	0
Unavoidable Revenue Pressure						
URP4937	City Contribution - Development Management	340,000	340,000	340,000	340,000	340,000
URP4938	City Contribution - Land Charges	16,500	16,500	16,500	16,500	16,500
Reduced Income						
RI4908	Park Street Budget review	138,620	175,510	212,670	0	0
RI4930	Reduced Parking and Season Ticket Income	520,000	0	0	0	0
Revenue Bids						
B4934	Funding for Special Projects Manager Post for Infrastructure Schemes - Development Management	26,000	26,000	0	0	0
B4935	Legal Fees for Infrastructure Schemes - Development Management	30,000	30,000	0	0	0
B4939	Additional Core Staffing Funding - Development Management	26,900	26,900	26,900	26,900	26,900
B4940	Retention of Core Admin (2FTE@G3) - Operations	15,000	15,000	15,000	15,000	15,000
B4946	Ensuring a sustainable workforce for Shared Planning Service - Operations	20,000	20,000	20,000	20,000	20,000
B4947	Planning Apprentices Salary Cost 2FTE - Delivery Management & TSO	20,000	20,000	20,000	20,000	20,000
B4962	Planning Service Application backlog clearing team	175,000	0	0	0	0
Savings						
S4964	Planning Transformation Programme Savings	(175,000)	(258,000)	(258,000)	(258,000)	(258,000)
S4998	Bus Subsidy Review	(31,000)	(31,000)	(31,000)	(31,000)	(31,000)
Increased Income						
II4943	Increasing Commercial Revenue – Built and Natural Environment (BNE)	(35,500)	(35,500)	(35,500)	(35,500)	(35,500)
Capital Bids						
CAP4824	Building Control Software	120,000	0	0	0	0

(£000)	Expenditure	Income	Net
Portfolio budget[1] 2022/23	16,993	(12,962)	4,031

[1] Due to technical adjustments, such as inflation, the 2022/23 budget will not equal the 2021/22 plus budget proposals.

Climate change, environment and city centre

(£000)	Expenditure	Income	Net
Current Portfolio budget 2021/22	12,923	(7,643)	5,280

Budget proposals for the portfolio £		2022/23	2023/24	2024/25	2025/26	2026/27
Reduced Income						
RI4870	Reduction in Toilet Admission Income	21,660	21,660	21,660	21,660	21,660
Revenue Bids						
B4891	Home Retrofit Project Coordinator	60,000	60,000	60,000	60,000	60,000
B4913	Change of fixed term post to permanent- Business Support	11,500	11,500	11,500	11,500	11,500
B4916	Refuse Vehicle Driver Retention	55,000	55,000	0	0	0
B4917	Refuse Collection Vehicle and bin washing service, additional new commercial service, additional FTE	12,500	12,500	12,500	12,500	12,500
B4931	Increased contribution to RECAP	12,000	12,000	0	0	0
B4987	Driver retention payment	11,000	11,000	0	0	0
Savings						
S4910	Transport Fuel Saving	(1,350)	(1,350)	(1,350)	(1,350)	(1,350)
S4919	Bringing contracted vehicle cleaning work in-house	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
S4961	Reduction in vehicle revenue budgets relating to growth vehicles	(49,000)	(54,000)	(54,000)	0	0
S4997	Proactive and Planned Out of Hours Service	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)
Increased Income						
II4918	Fleet vehicle washing & bin washing new service offering	(7,500)	(12,500)	(15,000)	(15,000)	(15,000)
II4920	Increased use of the Bulky Waste Service and related income	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)
II4921	Additional green bin income	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)
II4922	Recycling credit income	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
II4923	Additional income from increasing profitable business for the Commercial Waste Service.	(12,500)	(12,500)	(12,500)	(12,500)	(12,500)
Capital Bids						
CAP4843	Waste - Electric Replacement Vehicles	970,000	0	0	0	0
CAP4844	New Refuse Collection vehicle as a result of growth	45,000	0	0	0	0
CAP4864	Replacement Vehicle Lift	40,000	0	0	0	0
CAP4865	Replacement Roller Brake Test rollers	45,000	0	0	0	0
CAP4895	Market Square Electrics Upgrade	60,000	0	0	0	0

(£000)	Expenditure	Income	Net
Portfolio budget[1] 2022/23	12,596	(7,355)	5,241

[1] Due to technical adjustments, such as inflation, the 2022/23 budget will not equal the 2021/22 plus budget proposals.

Communities

(£000)	Expenditure	Income	Net
Current Portfolio budget 2021/22	16,459	(8,013)	8,446

Budget proposals for the portfolio £		2022/23	2023/24	2024/25	2025/26	2026/27
Revenue Bids						
B4885	Anti-Poverty Responsive Budget	30,000	0	0	0	0
B4960	Meadows Car Park maintenance costs	0	8,300	8,300	8,300	8,300
Increased Income						
II4956	Income from car Parking at the Meadows Community Centre	0	(15,700)	(15,700)	(15,700)	(15,700)

(£000)	Expenditure	Income	Net
Portfolio budget[1] 2022/23	15,283	(7,854)	7,429

[1] Due to technical adjustments, such as inflation, the 2022/23 budget will not equal the 2021/22 plus budget proposals.

Open Spaces, Sustainable Food & Community Wellbeing

(£000)	Expenditure	Income	Net
Current Portfolio budget 2021/22	6,025	(3,211)	2,814

Budget proposals for the portfolio £		2022/23	2023/24	2024/25	2025/26	2026/27
External Bid						
X4925	Arboricultural Planning Lead Post	46,420	46,420	46,420	46,420	46,420
X4926	Asset Development Officer (Public Realm) Post	50,750	50,750	50,750	50,750	50,750
X4927	Skilled Operative (Public Realm) Post	36,830	36,830	36,830	36,830	36,830
X4928	Technical Officer - Systems Post	41,780	41,780	0	0	0
Unavoidable Revenue Pressure						
URP4901	Increased Street Lighting costs	4,500	4,500	4,500	4,500	4,500
Revenue Bids						
B4858	Biodiversity Officer	9,750	39,190	29,950	0	0
B4861	Herbicide Use Reduction Plan	35,000	0	0	0	0
Savings						
S4873	CCTV Shared Service Contribution - Savings	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)
Capital Bids						
CAP4857	Closed Churchyard wall repairs	70,000	0	0	0	0
CAP4863	New vehicle to support S&OS Assets multi skilled operatives	45,000	0	0	0	0

(£000)	Expenditure	Income	Net
Portfolio budget[1] 2022/23	5,814	(3,207)	2,607

[1] Due to technical adjustments, such as inflation, the 2022/23 budget will not equal the 2021/22 plus budget proposals..

Section 8
Risks and reserves

Risks and their mitigation

Risks

During the year, the council undertook a financial resilience assessment, including a detailed review of risks to that resilience based on consideration of financial risks arising from income, expenditure, funding, third parties, assets, people and projects. This review was presented in MTFS 2021 and is being used to inform financial risk management across council services. Whilst the council is exposed to risks and uncertainties which could affect its financial position and the delivery of its budget, the assessment showed that is has governance and processes in place to ensure that symptoms of financial stress are recognised and managed. 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
The combined effects of economic recovery from the Covid pandemic and Brexit may give rise to inflationary pressures, recruitment difficulties, supply issues and other issues that will impact on the demand for and delivery of services	H	H	**H**	Management overview and actions targeted to address significant impacts
The economic impact of the Covid-19 pandemic (with a second spike or long, slow recovery) may continue to impact some of the council's costs and income streams in future years. This could include the costs of homelessness, car parking income, commercial rents and planning fee income, with the degree of impact difficult to predict	H	H	**H**	Management overview and financial planning, further government funding
The economic impact of the United Kingdom leaving the European Union (Brexit) may impact some of the council's income streams such as car parking income, commercial rents and planning fee income, with the timing and degree of impact difficult to predict	H	H	**H**	Management overview and financial planning

Risk	Probability (H, M, L)	Impact (H, M, L)	Overall assessment (H, M, L)	Mitigation
The implementation of proposals to tackle congestion in Cambridge may adversely impact car parking income and the delivery of services that rely on officers travelling around the city. The council may also become subject to a workplace parking levy	H	H	**H**	Engagement with partners, strategic planning to mitigate service delivery and financial pressures
Funding from central government (Settlement Funding Assessment, including the outcome of the Fair Funding Review and other grants) may fall below projections. The reset of the business rates baselines could impact the council, but impacts could be dampened.	H	H	**H**	Monitor developments, plan delivery of savings and additional income, consider limited use of reserves
Savings plans may not deliver projected savings to expected timescales	H	H	**H**	Our Cambridge programme, management overview and monitoring
Unforeseen levels of expenditure, such as major repairs to offices and commercial properties, including the commitment to net zero carbon, may be required	M	H	**H**	Property condition surveys, review of property use, asset management planning
Business rates appeals, which may be backdated to 2010, may significantly exceed the provision put aside for this purpose.	L	H	**M**	Review provision regularly
The impact of 75% business rates retention, coupled with any additional responsibilities handed down to the council at that time, may create a net pressure on resources. This risk now considered Low probability following comments by the Secretary of State for Levelling Up, Housing and Communities	L	H	**M**	Monitor developments, plan delivery of savings and additional income, consider limited use of reserves
The actual impact and timing of local growth on the demand for some services may not reflect projections used.	M	M	**M**	Management overview and use of up-to-date data and intelligence
The council may not be able to replace time-limited funding for commitments to maintain open spaces associated with growth sites, or implement alternative arrangements for their maintenance;	M	M	**M**	Review of savings delivery and co-design of services
Assumptions and estimates, such as inflation, pay increases and interest rates, may prove incorrect	L	M	**M**	Management overview and monitoring
Increases in council tax and business rates receipts due to local growth may not meet expectations	M	L	**L**	Management overview and monitoring

Risk	Probability (H, M, L)	Impact (H, M, L)	Overall assessment (H, M, L)	Mitigation
New legislation or changes to existing legislation may have budgetary impacts	L	M	**L**	Management overview and monitoring
The council may be impacted by spending cuts implemented by other agencies	H	L	**L**	Engagement with partners

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 and is presented below. If the outcome in any of these areas is different from the assumptions presented, either pressures or savings could result, giving rise to over or under-spends against budget.

Topic	Quantum	BSR Assumption	Commentary / Risk
Bereavement services income	c. £2.3m	Income has been inflated by 2% for 22/23 and future years, but due to increased number of crematoriums in the area plus the effects of the pandemic budgets will be continually monitored	Greater local competition from Cam Valley which opened in 2018 and Huntingdon Crematorium which opens in spring 2022 results in a crowded marketplace (negative). Success of 5-year business plan to include the development of a café, additional car parking and delivering in-house low-cost funerals (positive). The completion of the new access road and the A14 widening project delivering easier and swifter access to the crematorium site (positive). Post pandemic may see death rates drop below the average with a potential impact (negative).
Building control fee income	c. £1m for City Council share	Based on break-even full cost recovery position for the Building Control Shared Service fee earning statutory duties	Housing development levels in the sub region are not as great as anticipated or are delayed due to developers' unwillingness to build. Competition from approved inspectors has decreased slightly however the threat exists leading to a potentially smaller market share. Implication of draft Building Safety Bill when implemented and Building Safety Regulator on service, fees may be set on national basis.

Topic	Quantum	BSR Assumption	Commentary / Risk
Car parking income	c. £10.3m	Based on officer projections of usage	Income stream is contingent on decisions made by the GCP board to manage congestion and pollution in the city. As visitors, residents, tourists, commuters and businesspeople choose to use other less polluting modes of transport to access the city this income stream will feel negative downward pressure. Home/hybrid working is becoming the norm following the first year of the pandemic and this continues to see downward pressure on usage.
Commercial property income	c. £9.4m	Officer assessment of current market conditions and future trends, including growth of the current property portfolio	Economic conditions lead to increase in voids, increased level of unrecoverable debts and less significant rent increases. Increase in officer time spent managing void properties and rent collection. Higher yields are sought on new investments (positive).
Council tax base	44,099.6 Band D equivalent properties @£212.50 (2022/23)	Projections are based on the housing trajectory indicated in the Annual Monitoring Report (AMR)	Any significant growth or deceleration in building will affect the number of houses on which council tax can be charged with the associated impact on the council tax income stream which in turn informs our savings requirement
Council tax income	c£9.4m p.a.	Greater of £5.00 or 1.99% in each year (previously 1.99%)	Criteria for triggering referendums for proposed excessive increases are published each year. The requirement for rebilling and associated costs, together with the loss of council tax income, effectively provides a strong disincentive for high increase proposals.
Developer contributions	c. £5.0m (not yet allocated)	All contributions are used in compliance with the terms of Section 106 agreements	Failure to use S106 funds in line with intended purposes or comply with official regulations could lead to particular S106 contributions becoming liable for repayment. This is mitigated by careful S106 funding management and regular S106 funding rounds to identify further appropriate projects.
Employer's pension contributions	£3.9m (GF only)	BSR includes provision for employer's percentage and capital payments, and for one-off contributions as necessary, based upon historic experience	Employer contribution rates are set every 3 years following an actuarial valuation. The next triennial review will take place with effect from 1 April 2023. Changes to actuarial assumptions may result in an increase to ongoing contribution rates and/or a requirement to make additional one-off contributions towards the pension deficit.

Topic	Quantum	BSR Assumption	Commentary / Risk
Energy costs (all)	£0.8m (GF only) (Electricity, Gas & Heating Oil)	Based on general inflation rate increases.	Volatility of world market prices. The council has contracts for electricity and gas which run from October each year and takes specialist consultant advice in determining the most advantageous terms to contract for.
Future capital receipts	Variable	Occasional disposal of assets as outlined in the disposal programme. Income is not taken into account until received.	The council's stock of land available for sale is reducing. Receipts will reduce significantly over the life of this budget plan.
Garage Income	£1.4m	Based on officer projections of revenue	Increased electrification of commercial fleet (future negative). Income is reliant on clients' future business plans that the Council is not privy to (future negative).
Housing benefits	£30.9m	Officer assessment of current conditions and trends	With anticipated reduction in central government grant, the Council funded element of provision of the service will increase External Audit of subsidy may lead to qualification resulting in significant financial loss. Uncertainties around growth of supported and exempt and temporary accommodation is having an increased impact on subsidy loss. Ongoing impact of universal credit implementation is not fully known and may exceed (or under achieve) modelling, having an impact on staffing and council tax and rent arrears. If the Council exceeds the thresholds (upper and/or lower) set by the DWP for local authority error overpayment subsidy, then this could materially affect the level of subsidy receivable on such amounts down from 100% to either 40% or 0%.
Interest receipts from the housing company	c. £152k	Based on agreed interest rate and loan amount	The viability of the company may be impacted as interest rates rise and rents stabilise or reduce.
Investment income	c. £0.9m	These are based on a mid-range level provided by market analysts	Rates remain lower for a longer period than anticipated (negative). A faster increase in bank base rates would result in increase in investment income (positive). Delays to capital programme mean higher cash balances are available to invest (positive).

Topic	Quantum	BSR Assumption	Commentary / Risk
Land charges income	c. £0.23m (City only)	Officer assessment of current market conditions and future trends	Increased proportion of personal searches and reduced number of overall searches due to market conditions. A new fee schedule has been created for use by the shared service. This has meant assessing budgetary costs and service demand levels alongside time and motion study data to establish the new fees. Assumptions regarding service impact of the merging have had to be made, and the only available search demand data was of a limited period of time, therefore there may be some variation in income levels which may need to be corrected by the adjustment of fees in the future.
Local retention of business rates	c. £4m	BSR includes projections based on latest figures and guidance	Business rates are subject to the level of appeals against valuations lodged with the Valuation Office Agency (VOA) and the effects of redevelopment and growth in the city. Future changes in government policy (e.g. business rates reform, Fair Funding Review) and technical updates (e.g. baseline reset) are likely to impact on future income, but the timing and nature of these remains uncertain.
Market income	c. £0.99m	Officer assessment of current market conditions and future trends	Level of voids as a result of a changing economic climate. Any reductions could be mitigated by new traders coming to the market as the team seek to widen the range of services on the market. Pre-pandemic occupancy stood at 94%, this dropped to as low as 53% but is now back up to 88%. Historically a number of traders leave in Jan/Feb/March, plus many of the new traders have already given notice. It might be sometime before the occupancy stabilises.
Non-pay inflation	Net impact +/- 1% for GF ~ £280k for 2022/23	General inflation: 2022/23 – 0% *(last year BSR 2.0%)* 2023/24 and ongoing – 2.0% *(last year BSR 2.0% - no change)*	General Inflation rises more quickly than anticipated placing greater pressure on cash limited budgets or on general reserves to fund those pressures.

Topic	Quantum	BSR Assumption	Commentary / Risk
Pay settlement	£27.8m (GF current Basic Pay, NI and Pension 21/22 budgets)	Pay progression cost estimate 1.0% (previously 1.5%) plus: 2022/23 and ongoing – 2.0% (previously 2.0% - no change)	Negotiation of 2021/22 pay awards are still being progressed and the outcome is unlikely to be known before the Council meeting on 24 February.
Planning fee income	c. £1.9m	Income projections for 2022/23 have been amended to reflect current market expectations	The level of development activity and progression of major planning applications declines due to loss of confidence – leading to reduced in year pre-application and planning fee income. The level of planning activity in the city is likely to decline over time as available land is built out which will impact on the level of fee income which is achievable.
Support costs charged to the HRA	c. £4.3m (all recharge codes within the HRA for 22/23)	Support costs ("Recharges") are charged based on updated apportionment bases	As the Council undergoes the Transformation programme the allocation of overheads will be reviewed which will affect both the total charge as well as the split of allocation between HRA and GF services. Fixed costs such as administrative buildings, management structure, costs of democracy and long-term contracts cannot be reduced immediately.
VAT partial exemption	c. £500k if breached	No breach of partial exemption limit is anticipated for 2021/22	Potential liability if limit is breached over a seven-year moving average.
Trade Waste	c. £0.9m trade waste surplus for the City	Figures in line with shared service forecast	There is always the risk of trade waste contracts being cancelled and not renewed at short notice particularly with the ongoing effects of Covid-19 on businesses.

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 2020/21 proposals. This is included in this report at Appendix E. 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.

Section 25 Report

Section 25 (s. 25) of the Local Government Act 2003 requires that the Chief Financial Officer (CFO) reports to the authority, 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 includes reporting and taking into account:

- the key assumptions in the proposed budget and to give a view on the robustness of those assumptions
- the key risk areas in the budget and to assess the adequacy of the council's reserves when reviewing the potential financial impact of these risk areas on the finances of the council; and
- it should be accompanied by a reserves strategy

This report has to be considered and approved by full council as part of the budget approval and council tax setting process.

Most of the material required to meet the requirements of the Act has been built into the key reports prepared throughout the corporate budget cycle, in particular:

- The MTFS 2021
- The corporate plan and the budget reports to the January cycle of meetings.

This reflects the fact that the requirements of the Act incorporate issues that the council has, for many years, adopted as key principles in its financial strategy and planning; and which have therefore been incorporated in the key elements of the corporate decision-making cycle.

This also reflects the work in terms of risk assessment and management that is built into all aspects of the council's work.

Reserves

The council holds two types of general fund reserves:

- The GF is a working balance to cushion the impact of uneven cash flows. The reserve also acts as a contingency that can be used in year if there are 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.

As such, the level of the GF reserve required is dependent 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**
October 2021 MTFS / February 2022 BSR – Recommended levels	
- Target level	7.98
- Minimum level	6.64

The projected levels of reserves for the budget setting period, based on the proposals included in this report, and if all net savings requirements identified for 2023/24 and later years are delivered, are as set out in the table below. It should be noted that the business rate surpluses shown are projections and, except for the 2021/22 figure, cannot be relied upon. Excluding these surpluses from 2022/23 onwards would reduce the projected reserves balance at the end of 2026/27 by just over £9m.

£000	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Balance as at 1 April b/fwd	**(16,594)**	**(20,048)**	**(24,179)**	**(25,002)**	**(26,080)**	**(27,485)**
Contribution from reserves to support delivery of services	1,534	196				
Carry forwards	659					
Projected business rates surplus	(9,747)	(4,387)	(883)	(1,138)	(1,405)	(1,405)
Contribution to the Climate Change Fund (NCL4667 and NCL 4722)	200					
Funding and contingency for Our Cambridge transformation programme	3,900					
Contingency funding for adults with 'multiple disadvantage' programme		60	60	60		
Balance as at 31 March (c/fwd)	**(20,048)**	**(24,179)**	**(25,002)**	**(26,080)**	**(27,485)**	**(28,890)**

Contingency funding is requested at £60k per year for three years commencing in 2022/23 for the council's contributions towards a 'Changing Futures' programme to be delivered collaboratively with partners across Cambridgeshire and Peterborough. The programme will work with 150-200 adults experiencing a combination of three of more of the following issues: mental ill health; homelessness, substance misuse, repeat offending and domestic abuse. It will use an evidenced-based approach with a robust cost-benefit analysis that indicates that, if delivered successfully, there are benefits in terms of social and economic outcomes for the cohort and a reduction in demand for public services. Each Cambridgeshire and Peterborough Local Authority, the CPCA, Police/PCC, Probation and Health has been asked to consider making a multi-year funding contribution to expand Changing Futures locally.

A decision to draw-down funding would be subject to Executive decision based on a viable proposal emerging with credible delivery plans and funding commitments from partners. The City Council would need assurance that the proposal can achieve benefits for adults with multiple disadvantage in and around Cambridge, improves the wider Cambridgeshire and Peterborough partnership and that it acts as an enabler for public service reform.

As noted above, the levels of risk to the financial sustainability of the council are considerable. Many risks are external and substantially beyond the council's control, which is reflected in the PMB. However, failure to deliver the required savings and/or increased income through the Our Cambridge programme and other initiatives will give rise to use of general reserves to meet budget gaps year on year. This is not sustainable in the long term, as illustrated in Section 9. As a result, it is suggested

that no alternative use of reserves is considered until the delivery of substantially all net savings requirements is assured.

Section 9
Future strategy and recommendations

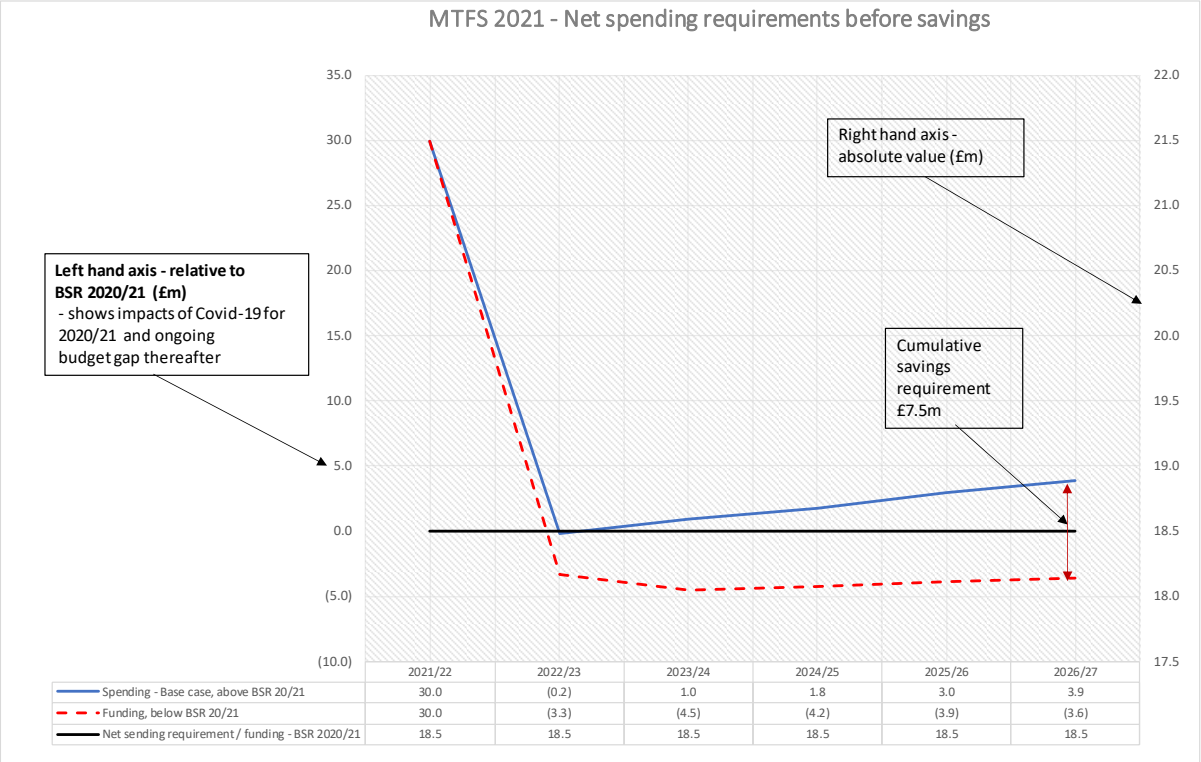
Whilst the outcomes of many of the risks and uncertainties outlined in the previous section may become clearer during 2022/23, the council must set out a strategy in this report to ensure on-going financial sustainability.

The MTFS savings challenge

As a council, we are facing unprecedented challenges over the next five years. The MTFS predicts that on the assumptions in our current base scenario, our budgeted net spend (pre-Covid) will fall from £18.5m in 2020/21 to £15.0m in 2026/27, a reduction of 19%. This position is subject to considerable uncertainty, with unavoidable revenue pressures potentially higher than forecast and inflationary pressures and supply chain issues adding to the council's costs. Whilst an economic recovery is expected, it is unclear how long it will take to return to previous levels of economic activity. Income reductions are likely to continue for some time, and in the case of car parking, may never recover to re-Covid levels. The MTFS presents a cumulative savings requirement rising from **£5.5m** in 2023/24 to **£7.5m** in 2026/27 for the base scenario. The chart on the following page shows the difference between our projected spend and our forecast funding demonstrating the size of the savings gap and how it increases over the next five years.

Since the MTFS was agreed, the 2021 Spending Review has delayed many of the changes in central government funding. This has pushed back the most significant increase in the savings requirement by a year. Moreover, we do not yet know the full scale of the social, economic and environmental change that may emerge as the country recovers and the impact this could have on the city, the Council as a whole, and individual services. In the next two to three years we will need to support Cambridge's recovery from Covid-19, enhancing the way the council works, in order to successfully

deliver the vision for Cambridge – while transforming the way we operate to ensure we remain a financially sustainable organisation.



	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Spending - Base case, above BSR 20/21	30.0	(0.2)	1.0	1.8	3.0	3.9
Funding, below BSR 20/21	30.0	(3.3)	(4.5)	(4.2)	(3.9)	(3.6)
Net sending requirement / funding - BSR 2020/21	18.5	18.5	18.5	18.5	18.5	18.5

We have already invested and delivered transformation, including capital investment in ICT and digital technology. Since MTFS 2020, we have funded specialist resources, creating internal transformation capacity to design and launch the Our Cambridge transformation programme as well as to support services leading and delivering change. This approach has delivered some savings; however, the MTFS shows that transformation will need to progress at a much greater scale and pace over the next two years to deliver the change required to make the council financially sustainable. Moreover, the Covid-19 pandemic has significantly slowed progress on ongoing improvement work and there is an continuing risk that service resource will not have the capacity to deliver transformation as the council continues to respond to the pandemic and/or support the city's recovery.

Achieving financial sustainability and resilience

Despite continuing pressures and uncertainties, the council's finances are currently healthy. In particular, it has good levels of general reserves. However, there is no foreseeable end to scarce funding for local authorities and economic conditions remain challenging, particularly with no real end in sight to the Covid-19 pandemic or its economic effects. It is important, therefore, to ensure that the council is prepared to manage financial challenges as they arise. To ensure financial resilience the council must work hard to: -

- Maintain healthy levels of reserves
- Plan and deliver savings in a controlled and sustainable way
- Ensure savings and income plans are firm and robust and that gaps / savings still to be found are minimised, particularly in the next two or three financial years
- Minimise unplanned overspends and/or carrying forward undelivered savings into the following year.

Our Cambridge - Transformation and recovery programme

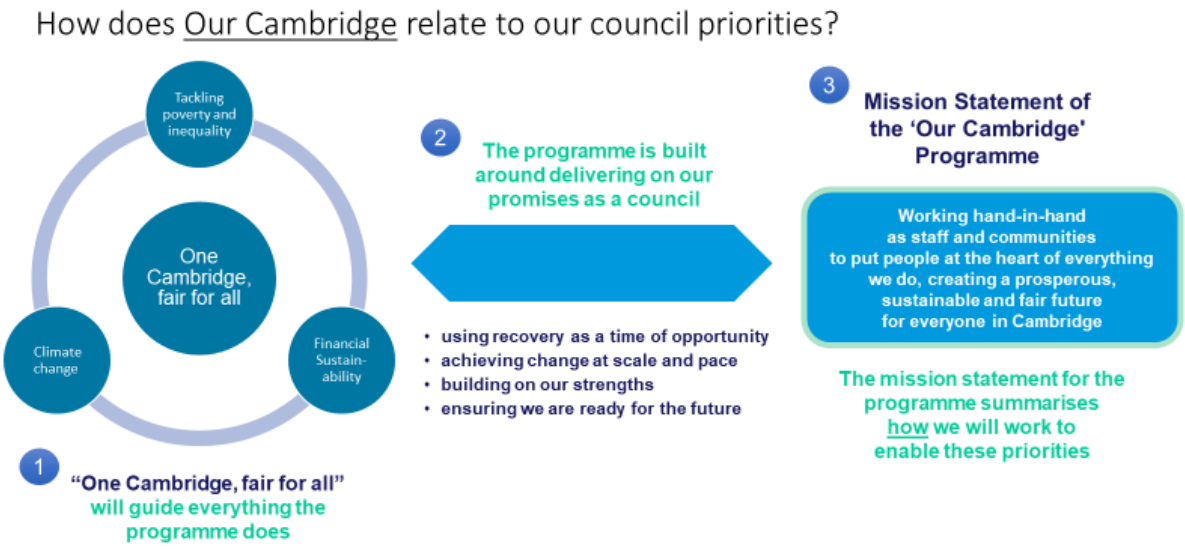
BSR 2021/22 set out the need for a transformation and recovery programme to support the council to respond to the financial challenges of the future and the challenges and opportunities of the pandemic and recovery, while continuing to deliver the council's corporate priorities of:

- tackling poverty and inequality and ensuring everyone shares in Cambridge's success
- tackling the climate and biodiversity emergencies
- helping everyone to have a home they can afford and enjoy
- planning for the future so that everyone participates in and benefits from Cambridge's success

Substantial work has taken place to develop proposals for how this will be achieved through a programme titled 'Our Cambridge'. MTFS 2021 allocated a total of £3.9m from GF reserves to deliver the programme.

The Our Cambridge programme will make "One Cambridge – Fair For All" the reality that underpins all of the council's work, by building on the assets that exist and what already works well; but also ensuring that, as the council adapts to the severe challenges that face us, we consistently put people at the heart of what we do. The council's ambition is to create a prosperous and sustainable future where people are able to get the help and support they need, when they need it; where our teams feel valued and part of a council that is investing in that future; and where our financial position enables our ambitions as a council and does not hold them back.

To do this, the programme will apply the learning we have achieved from the past 18 months, engage staff and communities in transforming the way we work and enhance how we collaborate with our partners, in order to improve outcomes for local people and develop a clear and shared vision for the future of Cambridge.



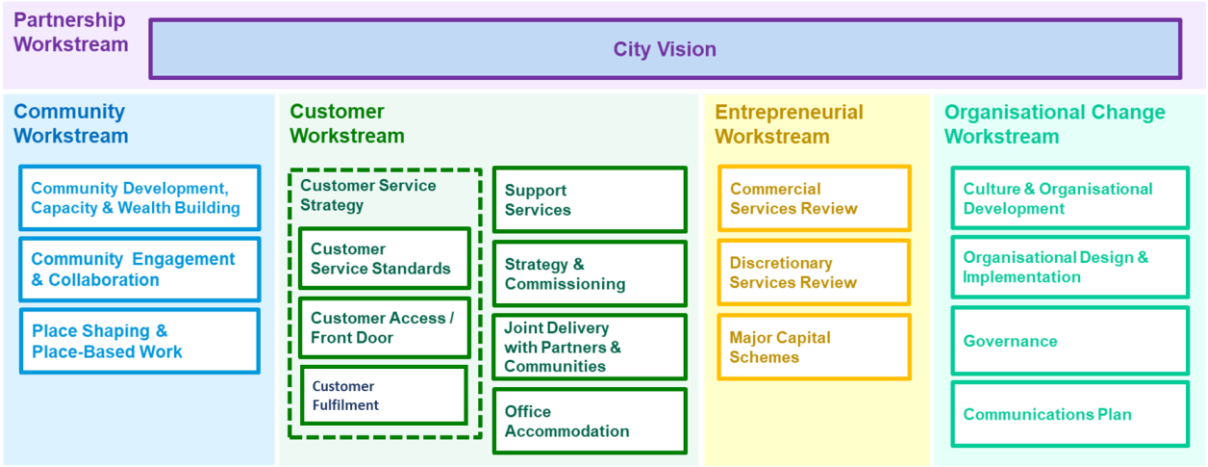
The outcomes of the programme will be a council which is customer first, community focused, and empowers its people:

- **Customer first** – with a customer service model that puts residents at the heart of what we do and deliver the best service we can - in the most effective, innovative and efficient way

- **Community focused** – helping all communities to thrive by working with them to build community connections and strong partnerships, supporting sustainable economic development and the city's recovery from Covid
- **Empowered people** – creating an environment in which staff are supported and encouraged to be innovative and entrepreneurial, and developing an agile culture to help drive change and improvement.

Staff engagement and participation will be vital to making Our Cambridge a success, and to support this, as well as involving as many staff as possible in shaping and delivering the programme, a key workstream will focus on organisational development and on the support staff need to adopt new ways of working.

Extensive staff engagement was carried out in autumn of 2021 to gather ideas and feedback to shape the programme. The outcomes of this feedback have shaped a list of projects grouped under five delivery workstreams and work on these is being progressed.



In its initial phase Our Cambridge will focus on delivery of the customer service strategy projects and on review of key services in the Entrepreneurial workstream while beginning engagement with communities and partners to lay the long-term foundations for new ways of working with them and for the city vision. The programme will also take forward work on culture and organisational development.

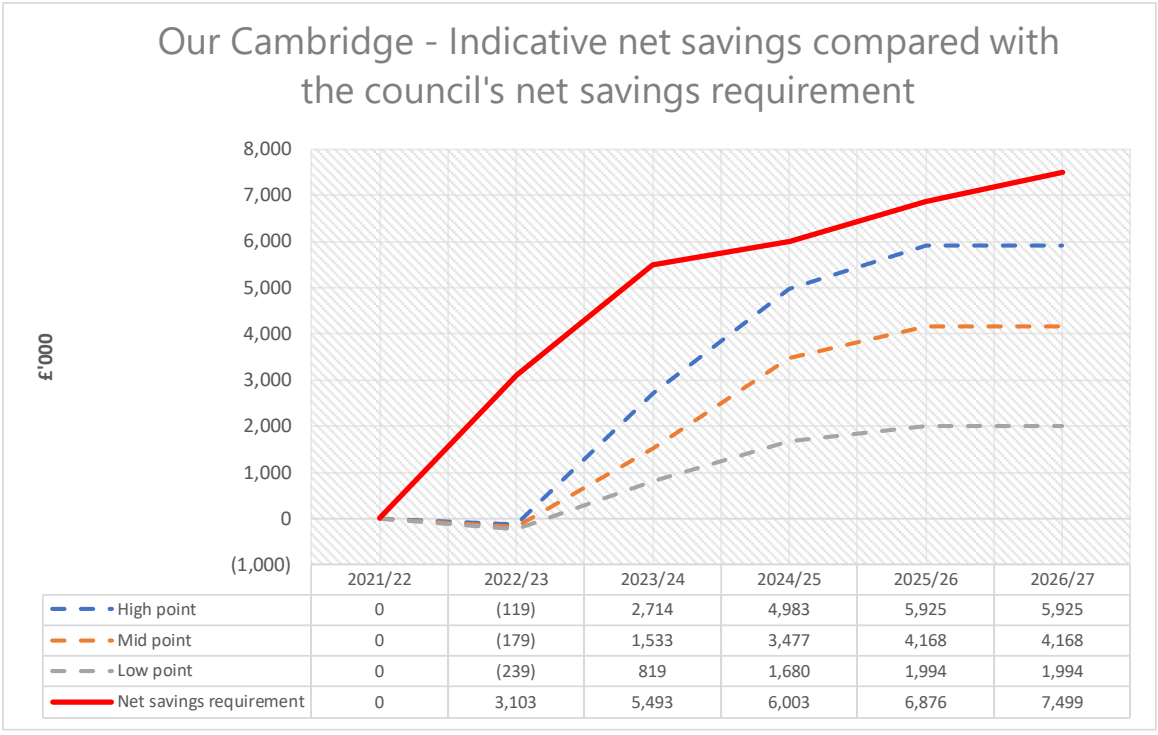
Further information about the structure, benefits and resourcing of the programme is set out in Appendix E to MTFS 2021.

https://democracy.cambridge.gov.uk/documents/s57132/GF%20MTFS%202021%20-%20Council%2021%2010%2021.pdf

Financial implications

The programme is forecast to begin delivering financial benefits from 2023/24 onwards and will aim to achieve recurrent income growth and revenue savings of £4.7m (net) by 2025/26 with £4.2m of this attributable to the GF and £0.5m to the HRA. These financial benefits are indicative at this stage and will go through further validation as the Our Cambridge programme develops, as well as being subject to policy decisions as specific proposals come forward.

The net savings profile of the programme has been forecast at three levels; low, mid and high points, to give an indication of the range of possible outcomes. These are shown in the graph below, alongside the council's net savings requirement as presented in MTFS 2021.



	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
High point	0	(119)	2,714	4,983	5,925	5,925
Mid point	0	(179)	1,533	3,477	4,168	4,168
Low point	0	(239)	819	1,680	1,994	1,994
Net savings requirement	0	3,103	5,493	6,003	6,876	7,499

To achieve these benefits within the timescales needed to meet the MTFS challenge, additional resource will be needed in addition to the existing transformation team to accelerate the scale and pace of change and ensure we can deliver transformation alongside existing work and the ongoing response to the pandemic. These roles will include:

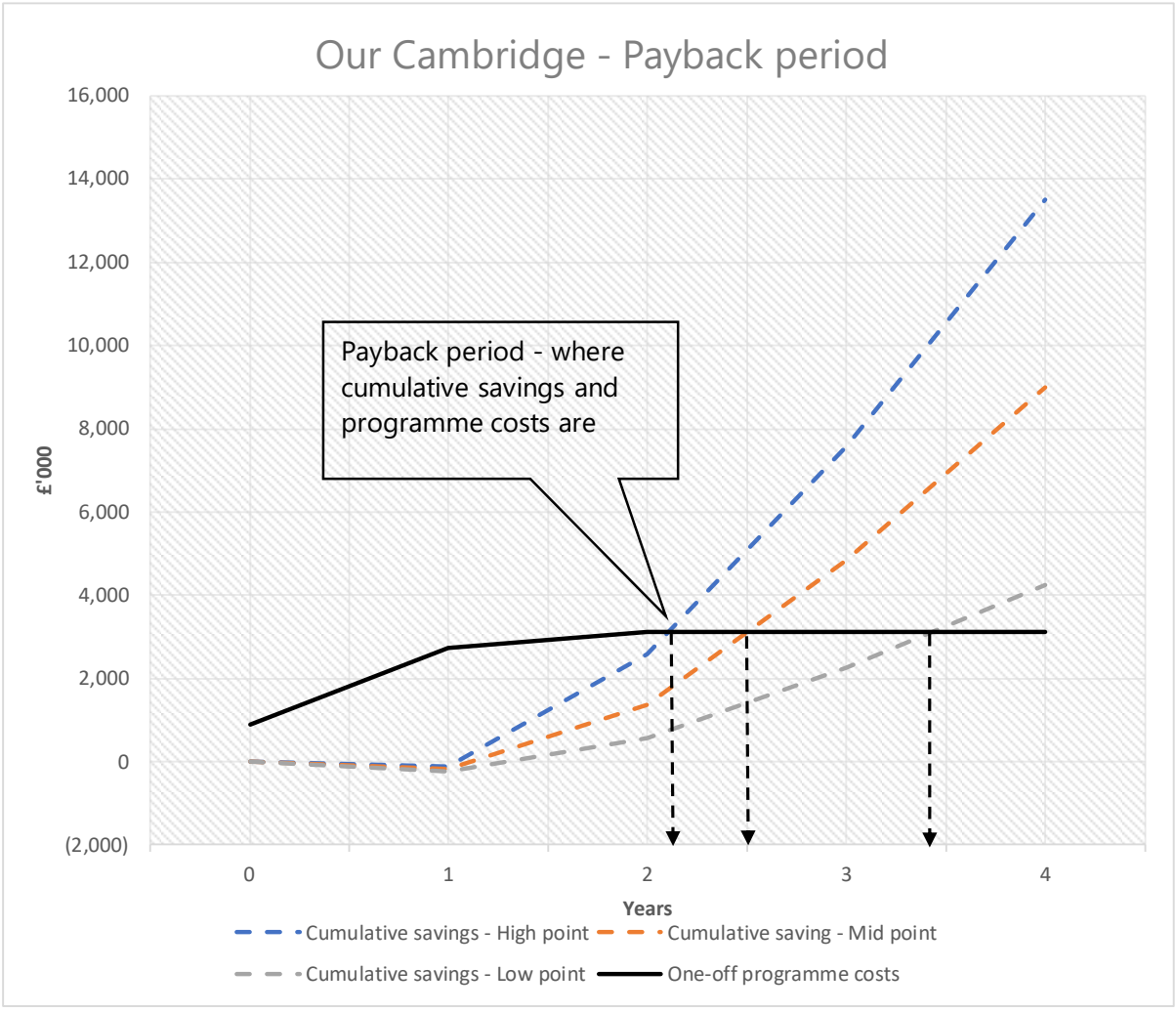
- A core team covering programme management, data analysis, communications and engagement, HR and finance capacity
- Project managers and business analysts

It is expected that these resources will include a mixture of fixed term contracts, internal secondments and backfilled roles with a small amount of support from external specialists.

The cost of this delivery team is forecast to be £3.1m over the lifespan of the programme with additional contingency of £800k to cover potential dual running or transition costs. The capital requirements of the programme relate to additional ICT and configuring our office accommodation to support new ways of working. These are being finalised but are not expected to exceed £400k.

In addition, some projects will give rise to recurrent revenue costs to support new ways of working. These are estimated at £498k in total with some costs starting to be incurred from April 2022. They will come forward through the budget setting process for the relevant year. The savings figure of £4.2m for the GF is net of these costs.

Based on the above costs and the three indicative levels of net savings, the payback period to cover the initial investment is shown below.



Unmet savings requirement

Based on current estimates, the Our Cambridge programme will not deliver all the savings required by the council in the next five years. In 2026/27 the unmet savings requirement will be £2.8m at the mid-point level (high point, £1.0m; low point £5.0m). Furthermore, the expected profile of savings delivery from the programme does not match the profile of net savings requirements. In particular, this BSR identifies a total of £5.5m of savings requirement for 2022/23 and 2023/24 against potential savings of £0.8m to £2.7m from the programme. The council will therefore have to:

- Accelerate projects within Our Cambridge that are most likely to result in efficiencies, savings and increased income
- Review service standards for statutory services to ensure value for money is achieved
- Robustly challenge the costs and benefits of discretionary services
- Identify additional savings and income; and
- Use GF reserves to support services on a temporary basis.

The impact of using reserves to support service spending while the programme delivers the mid-point level of savings, with no reliance on business rates growth, is shown in the table below. In this illustration, the PMB level of reserves is breached in 2027/28 and all reserves are used by 2029/30. On average, an additional £556k of new net savings must be delivered per year to meet the five-year savings requirement.

£'000s	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
Balance at 1 April (b/fwd)	**(16,594)**	**(20,048)**	**(19,673)**	**(15,747)**	**(13,536)**	**(11,412)**	**(8,633)**	**(5,204)**	**(1,124)**
Contributions and carry forwards	2,393	196							
Business rates growth – indicative increase in growth element	(9,747)								
Funding for Our Cambridge transformation and recovery programme	3,900								
	(20,048)	**(19,852)**	**(19,673)**	**(15,747)**	**(13,536)**	**(11,412)**	**(8,633)**	**(5,204)**	**(1,124)**
Savings requirement - cumulative		0	5,459	5,688	6,292	6,947	7,597	8,248	8,940
Indicative net savings delivered by Our Cambridge Programme - cumulative		179	(1,533)	(3,477)	(4,168)	(4,168)	(4,168)	(4,168)	(4,168)
Call on reserves to balance budget		**179**	**3,926**	**2,211**	**2,124**	**2,779**	**3,429**	**4,080**	**4,772**
Balance at 31 March (c/fwd)	**(20,048)**	**(19,673)**	**(15,747)**	**(13,536)**	**(11,412)**	**(8,633)**	**(5,204)**	**(1,124)**	**3,648**

Capital and investment strategy

The council's capital and investment strategy will be reported to Strategy and Resources Scrutiny Committee alongside this BSR. As agreed last year in BSR 2021/22, it confirms that the council will finance the capital programme from capital receipts and borrowing, rather from revenue resources. This has achieved a saving of about £2.2m per year but commits the council to increasing debt servicing costs. This strategic change will require regular review to ensure that financial pressures are managed through limiting capital expenditure through the prioritisation of proposals and careful management of capital receipts and cash flows.

Overall, the capital and investment strategy will:

- Ensure that the council's operational asset portfolio aligns with the requirement of services as they transform and reduces the council's energy use and carbon emissions

- Ensures that the service potential of these assets is maintained in line with the demands placed on them
- Focuses the development of the commercial property portfolio on local investments with additional benefits such as regeneration and provision of commercial property types in short supply
- Considers broadening investments to include renewable energy and housing, addressing council objectives on climate change and support for those in most need
- Maintains a prudent approach to financing capital
- Prioritises the use of existing resources to finance investments as far as practical, borrowing wisely where necessary to achieve outcomes
- Aims to develop income to support the council's objectives in providing services without government funding, which is being cut.

Conclusion

This report presents a balanced budget for 2022/23, albeit supported by the use of reserves. However, the council requires a continuing savings strategy to maintain a firm financial footing in the medium term despite ongoing economic and financial uncertainties which present challenges in both financial and service delivery terms.

This section presents an evolving transformation and recovery programme which seeks to address the financial challenges, alongside significant cultural, organisational and service delivery change. This is an ambitious programme at a time when resources are under significant pressure.

The overall budget and MTFS therefore rely on the successful delivery of a challenging programme of transformational projects, some of which rely on collaborative working with partners and local communities. Furthermore, difficult decisions will have to be made to ensure that objectives are achieved. The council actively manages the level of its reserves to give some protection against these risks.

Increasingly the financial health of the council, and hence its ability to deliver services to local residents and visitors to the city will be for the council to manage. The key will be to balance policy-driven spending and prudent management with well-considered risk taking for reward.

Section 10
Section 25 report

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. 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 2022/23 estimates and reserves up to 31 March 2023.

Robustness of estimates

The council has well established and robust budget processes. These have been followed when compiling the 2022/23 budget and medium-term projections. Estimates and assumptions were reviewed during the preparation of the MTFS in October 2021 and confirmed during the development of this BSR. Section 8 of the BSR reviews these estimates and assumptions and indicates the sensitivity of each in financial terms.

Covid-19 pandemic

The council has monitored the financial impact of the pandemic closely through 2020/21 and 2021/22. We saw significant shortfalls in income and additional cost pressures through 2020/21 and some continuance of these into 2021/22. The rise of the Omicron variant in late 2021 brings with it further potential financial pressures, both as a result of increased service demands and unavoidable income reductions. As a result, outturn forecasts are likely to be less reliable than in a normal year. The outlook for 2022/23 will still be dependent on the course of the pandemic, the effectiveness of vaccines against future dominant variants and government policy on restrictions and financial support.

Future funding of local government

This is the fourth year that a single year financial settlement for local government has been announced. There is, therefore, significant uncertainty as to the quantum and form of local government funding underlying future year budget numbers presented. This hinders financial planning and makes it more difficult for the council to achieve financial sustainability. We understand that more fundamental changes in the distribution of funding could be implemented as early as 2023/24, with work to start "in the coming months" to work out "with the sector" how to update funding distribution and "challenges and opportunities facing the sector". These changes in funding could be significant and make forecasting for 2023/24 and beyond very difficult.

The provisional local government finance settlement confirms that funding via NHB will end, but not what might replace it or the possible amount of any replacement. No potential replacement for NHB or future business rates growth has been modelled due to the high level of uncertainty in amounts and timing. Therefore, the outlook on funding presented is considered to present a prudent view and could be more negative than the eventual outcome.

Scenario planning and unavoidable revenue pressures

Prior to the pandemic, we saw new unavoidable revenue pressures of the order of £800k arising in each year and included these in evaluating 'best' and 'worst' case levels of savings requirement. However, instead of using these indicative levels of general unavoidable pressures, MTFS 2021 follows best practice and identifies specific indicative pressures and presents two alternative scenarios; Return to lockdown conditions, and Economic shock. This builds on an improved understanding of the council's financial vulnerabilities identified during the pandemic. For the purposes of 2022/23 in this BSR, indicative amounts have been replaced with actual identified pressures, giving a recurring net savings requirement of 38% of the council's pre-pandemic net expenditure.

Given the high levels of focus on transformation and savings, it is expected that levels of emerging pressures will reduce. However, if unavoidable pressures emerge in line with past trends this could mean that savings targets are understated by at least £800k each year in future years, totalling £4.0m or more over five years. The scale of savings to be achieved by the council over the next five years is therefore considerable and represents an ongoing risk and challenge.

Estimation and delivery of savings

Savings proposals included in this BSR are considered to be deliverable, but future savings will require a fundamental change in the way that the council operates and services are delivered. The council has

developed a recovery and transformation programme, Our Cambridge, to deliver a significant portion of these savings. The Our Cambridge programme is now moving from the outline design phase toward the development and delivery stage, but it is not yet possible to assess whether estimated savings will be delivered. Risks to the delivery of savings include:

- the significant level of cultural, organisational and service delivery change to be delivered
- complex and time-consuming decision-making mechanisms that are not well equipped to manage complex and cross-cutting financial and organisational issues
- demanding timescales
- significant pressures on officer capacity to deliver business-as-usual, pandemic response and transformational change.

There are, therefore, significant levels of risk around the estimation and delivery of potential income and savings required to ensure the financial sustainability of the council in the medium term.

Adequacy of reserves

The requirement for financial reserves is acknowledged in statute. 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 estimate of a prudent level of reserves. A risk assessment was undertaken in MTFS 2021 to determine the level of non-earmarked general reserves required by the council. Section 8 of this report recommends no changes to the assessment at this time. In making the recommendation for the level of reserves, the Section 151 officer has followed guidance in the CIPFA LAAP Bulletin 99 – Guidance notes on Local Authorities Reserves and Balances. The risk analysis shows that a prudent minimum level of reserves for 2022/23 will be of the order of £6.6m.

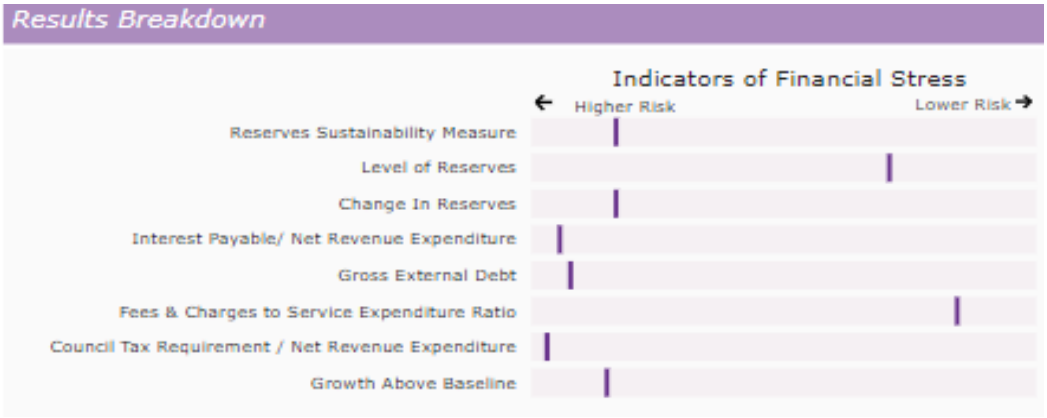
The final table in Section 8 shows that the anticipated level of the general fund reserves will remain above the prudent minimum level for the duration of the medium-term planning period. However, Section 9 presents an alternative view, in which Our Cambridge successfully delivers its mid-point savings estimates, but no other net savings are achieved with shortfalls being met from reserves. This

shows that the council will breach its prudent minimum balance of reserves in 2027/28.

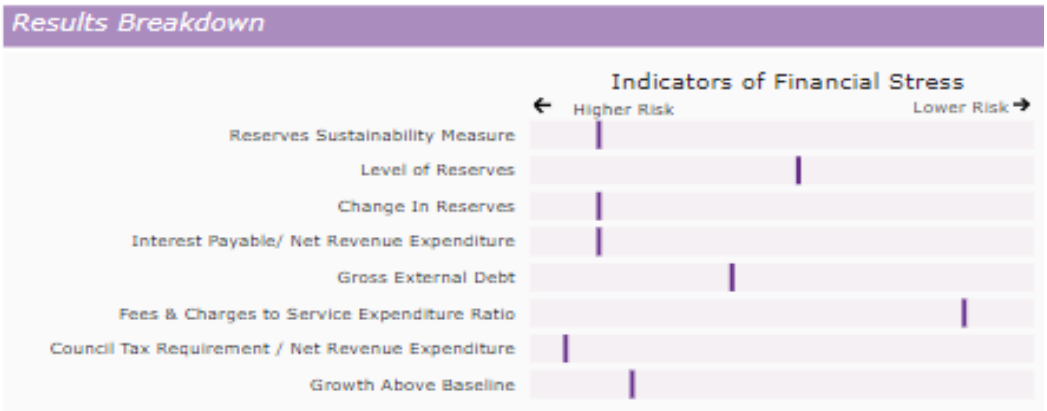
Financial sustainability

The Chartered Institute of Public Finance and Accountancy (CIPFA) produces a Financial Sustainability Index for councils, comprising a range of indicators and allows comparison with all district councils or 'nearest neighbours'. It currently uses 2019/20 data.

All district councils



Nearest neighbours



Interest payable /Net revenue expenditure, Gross external debt: These indicators record the council's HRA debt and the interest payable on it, which is fully supported by rents and other revenue within the HRA as shown within the HRA's 30-year business plan and is therefore not considered to be a risk to the council's financial sustainability. The council currently holds no other debt.

Council tax requirement / Net revenue expenditure, Fees and charges to service expenditure

ratio: These indicators show the reliance that the council has on income other than council tax to support the provision of services and are designed such that high levels of other income are considered to reduce the financial risk to the council. However, the pandemic has shown that the reverse is the case with income from commercial property and car parking income subject to external influences outside the council's control. These income flows are kept under close review through the year. If and when shortfalls are predicted, corrective action is taken.

Business rates, growth above baseline: The council currently benefits from the retention of some of its business rates growth which will be lost when business rate baselines are reset. In setting its budget, the council does not rely on business growth to fund core services, so this is not considered to be a risk to the council's financial sustainability.

Reserves sustainability measure: This is the ratio between the current level of reserves and the average of the previous three years decrease in reserves. Although shown as a high risk, this reflects years in which the council reviewed reserves and invested balances that were no longer needed, i.e. this is prudent management rather than the unplanned use of reserves to support service delivery.

Conclusion

I therefore consider that the estimates for the financial year 2022/23 to be sufficiently robust and the financial reserves up to 31 March 2023 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

- **the plans currently under development are unlikely to meet the savings requirement in full**
- **the delivery of these plans will be challenging**
- **difficult decisions will be necessary to achieve the required level of transformation and savings delivery**

Caroline Ryba, Head of Finance

Appendix A(a)- Calculation of council tax base 2022/23

	Council Tax Bands									
	A entitled to disabled relief reduction	**A**	**B**	**C**	**D**	**E**	**F**	**G**	**H**	**Total**
Dwellings on the valuation list	0	4,324	10,761	20,137	10,245	5,940	3,836	3,252	498	58,993
Dwellings treated as exempt	0	(533)	(553)	(843)	(629)	(437)	(254)	(395)	(170)	(3,814)
Adjustments for disabled relief (i.e. reduced by one band)	0	(2)	(16)	(41)	(36)	(20)	(15)	(13)	(1)	(144)
	2	16	41	36	20	15	13	1	0	144
Total chargeable dwellings	**2**	**3,805**	**10,233**	**19,289**	**9,600**	**5,498**	**3,580**	**2,845**	**327**	**55,179**
Where there is a liability to pay 100% council tax	1	1,935	4,533	12,940	6,983	4,122	2,830	2,358	286	35,988
That are assumed to be subject to a discount or premium	1	1,870	5,700	6,349	2,617	1,376	750	487	41	19,191
Dwelling Equivalents:										
Number of dwelling equivalents after applying discounts and premiums to calculate tax base	**1.8**	**3,321.8**	**8,787.5**	**17,667.0**	**8,914.3**	**5,150.8**	**3,394.5**	**2,719.0**	**313.8**	**50,270.3**
Ratio to Band D	5/9	6/9	7/9	8/9	1	11/9	13/9	15/9	18/9	
Band D equivalents	**1.0**	**2,214.5**	**6,834.7**	**15,704.0**	**8,914.3**	**6,295.4**	**4,903.2**	**4,531.7**	**627.5**	**50,026.3**
Band D equivalent contributions for Government properties										1.0
Allowance for Council Tax Support										(4,255.6)
Tax base after allowance for Council Tax Support										**45,771.7**
	Add		Estimated net growth in tax base							644.2
	Less		Adjustment for student exemptions							(1,045.9)
	Less		Assumed loss on collection at 2.8%							(1,270.4)
Total Band D Equivalents – Tax base for Council Tax and Precept Setting Purposes										**44,099.6**

Appendix A (b)

Council Tax Setting 2022/23

1. *The Council calculated its Council Tax Base 2022/23 for the whole Council area as* ***44,099.6*** *[Item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended (the "Act")]*

2. *The Council calculates that the Council Tax requirement for the Council's own purposes for 2022/23 is* ***£9,371,170****.*

3. *That the following amounts be calculated for the year 2022/23 in accordance with Sections 31 to 36 of the Act:*

(a)	***£189,481,020***	*being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act*
(b)	***£180,109,850***	*being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act*
(c)	***£9,371,170***	*being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year. [Item R in the formula in Section 31B of the Act]*
(d)	***£212.50***	*being the amount at 3(c) above (Item R), all divided by the amount at 1 above (Item T), calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year.*

4. *To note that Cambridgeshire County Council, the Cambridgeshire Police & Crime Commissioner, and Cambridgeshire & Peterborough Fire Authority have issued precepts to the Council (and nil for the Cambridgeshire & Peterborough Combined Authority) in accordance with Section 40 of the Local Government Finance Act 1992 for each of the categories of dwellings in the Council's area as indicated in the table below.*

5. *That the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in the table below as the amounts of Council Tax for 2022/23 for each of the categories of dwellings in the Council's area.*

Dwelling Band	***City Council £***	***County Council £***	***Police & Crime Commissioner £***	***Fire Authority £***	***Cambridgeshire & Peterborough Combined Authority £***	***Aggregate Council Tax £***
A	141.67	979.74	171.72	49.98	-	1,343.11
B	165.28	1,143.03	200.34	58.31	-	1,566.96
C	188.89	1,306.32	228.96	66.64	-	1,790.81
D	**212.50**	**1,469.61**	**257.58**	**74.97**	-	**2,014.66**
E	259.72	1,796.19	314.82	91.63	-	2,462.36
F	306.94	2,122.77	372.06	108.29	-	2,910.06
G	354.17	2,449.35	429.30	124.95	-	3,357.77
H	425.00	2,939.22	515.16	149.94	-	4,029.32

6. *The Council determines that, in accordance with Section 52ZB of the Local Government Finance Act 1992, the basic amount of its council tax for 2022/23 is not excessive.*

Appendix B(a) - Assessing budget proposals

1. Local Poverty Rating Index

To assist members in assessing the impacts of budget proposals on low income groups of people in the City a local poverty rating composite index ("the Index") has been developed and has been applied for this year's budget proposals for 2021/22 (as in previous years). The impact classifications are shown in the table below:

Impact classification	**Assessment**
High Positive	The bid is a good fit with the areas of focus in the council's Anti-Poverty Strategy and targets people on low incomes that are experiencing pressing and urgent problems that will affect their ability to meet their basic needs, such as housing, food, warmth and security in the short-term.
Medium Positive	The bid touches on or is outside the areas of focus in the council's Anti-Poverty Strategy but will deliver improvements to people and families living on low incomes in the short to medium-term.
Low Positive	The bid is outside the areas of focus in the council's Anti-Poverty Strategy but will deliver improvements to people and families, including those living on a low income.
None	The level of service to low income people and families will not change.
Negative	The bid is likely to reduce or restrict access to services by people or families living on a low income.

The council's full Anti-Poverty Strategy shows the objectives and areas of focus for the Cambridge Anti-Poverty Strategy.

2. Climate Change Rating Tool

Apendix B(a)

1. IMPACT ON CARBON EMISSIONS (MITIGATION OF CLIMATE CHANGE)								
HOW WILL THIS PROJECT/PROPOSAL AFFECT THE FOLLOWING KEY AREAS:		**WHAT IS THE IMPACT CONSIDERED TO BE?** *See guidance in the purple box, below, to help you assess the degree of the negative and positive impacts e.g. High, Medium or Low*		**CLIMATE CHANGE RATING:** *Use drop down list*	**WILL THE PROJECT MOVE CAMBRIDGE CITY COUNCIL CLOSER TO THE OBJECTIVE OF BEING NET ZERO CARBON BY 2030? Use drop down list**	**WILL THE PROJECT MOVE THE CITY CLOSER TO THE OBJECTIVE OF A NET ZERO CARBON CAMBRIDGE BY 2030? Use drop down list**	**PLEASE DETAIL HERE THE ACTION THAT WILL BE TAKEN TO AVOID, MITIGATE OR COMPENSATE FOR THE NEGATIVE IMPACTS AND MAXIMISE POSITIVE IMPACTS?**	**HAS A NET ZERO CARBON OPTION BEEN CONSIDERED? PLEASE PROVIDE DETAILS.**
1	**ENERGY USE**	Positive Impact:	Energy use will be reduced or renewable energy will be used				**Consider:** ▫ Reducing demand for energy ▫ Specifying energy efficiency measures	
		Nil Impact:	No extra energy use is involved					
		Negative Impact:	More energy (gas and/ or electricity) will be consumed (by CCC or others)					
2	**WASTE GENERATION**	Positive Impact:	Less waste will be generated OR amount of waste that is reused/ recycled will be increased				**Consider**: ▫ Will resources be reduced or reused? ▫ Will you use recycled goods?	
		Nil Impact:	No waste will be generated					
		Negative Impact:	More waste will be generated (by CCC or others)					
3	**USE OF TRANSPORT**	Positive Impact:	The use of transport and/or of fossil fuel-based transport will be reduced				**Consider:** ▫ Will you purchase an electric vehicle? ▫ Will you specifiy the use of public	
		Nil Impact:	No extra transport will be necessary					
		Negative Impact:	CCC or others will need to travel more OR transport goods more often/ further					
4	**SUSTAINABLE FOOD**	Positive Impact:	Food will be locally grown and/ or meat-free				**Consider:** ▫ Use of locally grown/ produced food ▫ Reducing use of imported food	
		Nil Impact:	No change in supply of food					
		Negative Impact:	Food will travel long distances and include meat					
2. IMPACT ON RESILIENCE (ADAPTATION) TO THE EFFECTS OF CLIMATE CHANGE								
HOW WILL THIS PROJECT/PROPOSAL AFFECT THE FOLLOWING KEY AREAS :		**WHAT IS THE IMPACT CONSIDERED TO BE?** *See guidance in the purple box, below, to help you assess the degree of the negative and positive impacts e.g. High, Medium or Low*		**CLIMATE CHANGE RATING:** *Use drop down list*	**WILL THE PROJECT HELP CAMBRIDGE CITY COUNCIL TO BE MORE RESILIENT TO THE IMPACTS OF CLIMATE CHANGE?**	**WILL THE PROJECT HELP CAMBRIDGE TO BE MORE RESILIENT TO THE IMPACTS OF CLIMATE CHANGE? Use drop down list**	**PLEASE DETAIL HERE THE ACTION THAT WILL BE TAKEN TO AVOID, MITIGATE OR COMPENSATE FOR THE NEGATIVE IMPACTS AND MAXIMISE POSITIVE IMPACTS?**	**HAS A NET ZERO CARBON OPTION BEEN CONSIDERED? PLEASE PROVIDE DETAILS.**
5	**HEATWAVES**	Positive Impact:	Increased/ improved shade & natural ventilation				Consider: Building orientation and installing measures such as Brise Soleil to reduce heat gain and	
		Nil Impact:	No impact on existing levels of shade & ventilation					
		Negative Impact:	Lack of or reduced shade (e.g. from trees or buildings) & natural ventilation					
6	**WATER AVAILABILITY**	Positive Impact:	Provision made for an enhancement of water efficiency measures to minimise the impact on water resource availability				Consider: Managing water use efficiently, installing measures to use less water such as low water use taps, planting drought	
		Nil Impact:	Levels of water use will not be changed					
		Negative Impact:	Water use will increase and/or no provision made for water management = Negative Impact					
7	**FLOODING**	Positive Impact:	Sustainable drainage measures incorporated, positive steps to reduce & manage flood risk				Consider: The installation of measures to reduce the speed and increase the	
		Nil Impact:	Levels of surface water run-off & flood risk are not affected					
		Negative Impact:	Levels of surface water run-off will increase, no management of flood risk					
8	**HIGH WINDS / STORMS**	Positive Impact:	Exposure to higher wind speeds is being actively managed & reduced				Consider: the need to install stabilisation measures and ensure robust structures resilient to high winds	
		Nil Impact:	No change to existing level of exposure to higher wind speeds					
		Negative Impact:	Exposure to higher wind speeds is increased or is not managed = Negative Impact					

2. IMPACT ON RESILIENCE (ADAPTATION) TO THE EFFECTS OF CLIMATE CHANGE									
HOW WILL THIS PROJECT/PROPOSAL AFFECT THE FOLLOWING KEY AREAS :		WHAT IS THE IMPACT CONSIDERED TO BE? *See guidance in the purple box, below, to help you assess the degree of the negative and positive impacts e.g. High, Medium or Low*		CLIMATE CHANGE RATING: *Use drop down list*	WILL THE PROJECT HELP CAMBRIDGE CITY COUNCIL TO BE MORE RESILIENT TO THE IMPACTS OF CLIMATE CHANGE?	WILL THE PROJECT HELP CAMBRIDGE TO BE MORE RESILIENT TO THE IMPACTS OF CLIMATE CHANGE? *Use drop down list*	PLEASE DETAIL HERE THE ACTION THAT WILL BE TAKEN TO AVOID, MITIGATE OR COMPENSATE FOR THE NEGATIVE IMPACTS AND MAXIMISE POSITIVE IMPACTS?		HAS A NET ZERO CARBON OPTION BEEN CONSIDERED? PLEASE PROVIDE DETAILS.
9	FOOD SECURITY	Positive Impact:	Opportunities & resources for local food production are increased/ enhanced				Source food locally, and provide meat-free catering to reduce vulnerability to food shortages and reduce emissions from		
		Nil Impact:	No change to opportunities & resources for local food production						
		Negative Impact:	Opportunities & resources for local food production are reduced						
10	BIODIVERSITY	Positive Impact:	Biodiversity will be protected/ enhanced				Provide net gain mitigation if required and seek enhancement in projects of all types		
		Nil Impact:	Level of biodiversity will not change						
		Negative Impact:	Biodiversity will not decrease						
Weighing up the negative and positive impacts of your project, what is the overall rating you are assigning to your project?:					*This overall rating is what you need to include in your report/ budget proposal, together with your explanation to be included in the red box below*				

Guidance on Assessing the Degree of Negative and Positive Impacts:	
Note: Not all of the considerations/ criteria listed below will necessarily be relevant to your project	
Low Impact (L)	* No publicity
	* Relevant risks to the Council or community are Low or none
	* No impact on service or corporate performance
	* No capital assets; or capital assets with lifetime of less than 3 years
Medium Impact (M)	* Local publicity (good or bad)
	* Relevant risks to the Council or community are Medium
	* Affects delivery of corporate commitments
	10%
	* Capital assets with a lifetime of more than 3 years
High Impact (H)	* National publicity (good or bad)
	* Relevant risks to the Council or community are Significant or High
	* Affects delivery of regulatory commitments
	* Affects corporate performance by more than 10%
	* Capital assets with a lifetime of more than 6 years

In the box below please summarise the projects impacts (the reasons for the ratings given in column E above) to explain how the overall rating for the project/ proposal has been derived (Cell E37). Please also highlight any negative impacts your project may have and how you plan to avoid, mitigate

Nil		0
High Positive		1
Medium Positive		9
Low Positive		73
Low Negative		585
Medium Negative		4681
High Negative		37449

		Net High Positive
		Net Medium Positive
		Net Low Positive
		Net Low Negative
		Net Medium Negative
		Net High Negative
		Net Nil

2022/23 Budget – GF Proposals – Pressures & Bids

Reference	Item Description	2022/23 Budget £	2023/24 Budget £	2024/25 Budget £	2025/26 Budget £	2026/27 Budget £	Climate Rating	Poverty Ratings & Contact

Unavoidable Revenue Pressure

URP4901	**Increased Street Lighting costs**	4,500	4,500	4,500	4,500	4,500	Negative/Low Impact	No Impact
The increased level of street lighting agreed with County is subject to negotiated energy costs which increase each year								Lynda Kilkelly
Open Spaces, Sustainable Food & Community Wellbeing								
URP4937	**City Contribution - Development Management**	340,000	340,000	340,000	340,000	340,000	Nil	No Impact
Financial adjustment for (n) years in response to reduced income from planning applications and related fees due to the diminishing number of 'major' applications within the City boundary								Stephen Kelly
Planning Policy & Transport Portfolio								
URP4938	**City Contribution - Land Charges**	16,500	16,500	16,500	16,500	16,500	Nil	No Impact
Contingency to address the anticipated drop in Land Charge income as the housing market/sales slow following end of Government stimulus.								Stephen Kelly
Planning Policy & Transport Portfolio								
URP4954	**Increase in Employers National Insurance Contributions**	207,100	0	0	0	0	Nil	No Impact
Increase in National Insurance contributions from 13.8 to 15.05 to fund health and social care costs. [Linked to URP 4955 as will be called Social Care Levy from 2023/24]								Karen Whyatt
Strategy and External Partnerships Portfolio								
URP4955	**Social Care Levy**	0	207,100	207,100	207,100	207,100	Nil	No Impact
The new Social care levy to fund UK health and social care bodies. [Linked to URP4954 as this Levy is a renaming of the increase in NI contribution to fund health and social care costs].								Karen Whyatt
Strategy and External Partnerships Portfolio								
Total Unavoidable Revenue Pressure		568,100	568,100	568,100	568,100	568,100		

2022/23 Budget – GF Proposals – Pressures & Bids

Reference	Item Description	2022/23 Budget £	2023/24 Budget £	2024/25 Budget £	2025/26 Budget £	2026/27 Budget £	Climate Rating	Poverty Ratings & Contact

Reduced Income

RI4849	**Lion Yard Ground Rent Income**	80,000	300,000	300,000	300,000	300,000	Nil	No Impact

A development scheme for a new hotel and food & beverage outlets was proposed by the Lion Yard Shopping Centre's long leaseholder operator. The Council asked if it could contribute to funding and this was provisionally agreed. Due to Covid and changing market conditions have meant that the long leaseholder no longer wants the Council to invest in the scheme which it intends to progress on its own. The budgeted increase in income related to the capital investment in the re-development of the Centre is therefore no longer achievable. The lease does not provide that the Council can invest, this is by agreement with the long leaseholder. — Philip Doggett

Finance & Resources Portfolio

RI4850	**Commercial Property Income**	150,000	150,000	100,000	50,000	0	Nil	No Impact

A detailed review of the commercial property portfolio expected voids, lease renewals and rent reviews following the Covid-19 pandemic indicates a forecast reduction in income. There will be significant voids of some larger properties and also smaller offices together with lower than previously expected rent in some property types and locations. — Philip Doggett

Finance & Resources Portfolio

RI4867	**Reduced B&B Income**	23,110	23,110	23,110	23,110	23,110	Nil	No Impact

Housing Benefit payable in respect bed and breakfast accommodation for homeless households is capped at a level that means the authority is not able to recover as much as has previously been anticipated. — James McWilliams

Housing (GF) Portfolio

RI4870	**Reduction in Toilet Admission Income**	21,660	21,660	21,660	21,660	21,660	Nil	No Impact

Toilet admission income budgets have been underachieving for a few years before Covid. In 2019 Park Street and Arbury Court toilets closed but we still have an income target for them. A review has been done of what income admission is now achievable and a bid is required as we are unable to reach the income targets that are currently set. — Anthony French

Climate Change, Environment and City Centre Portfolio

RI4908	**Park Street Budget review**	138,620	175,510	212,670	0	0	Nil	No Impact

Park Street multi-storey car park will close in January 2022 for redevelopment. It is anticipated that there will be some migration of customers from Park Street to other car parks. However, others will find alternative transport means during this period resulting in a net loss of income. — Sean Cleary

Planning Policy & Transport Portfolio

2022/23 Budget – GF Proposals – Pressures & Bids

Reference	Item Description	2022/23 Budget £	2023/24 Budget £	2024/25 Budget £	2025/26 Budget £	2026/27 Budget £	Climate Rating	Poverty Ratings & Contact
RI4930	**Reduced Parking and Season Ticket Income**	520,000	0	0	0	0	Positive/Low Impact	No Impact
A shortfall of parking and season ticket income across all car parks in 22/23. Usage will be reviewed annually however it must be noted that car parking income is on a declining profile and this is very unlikely to improve without a strategy to move to a sustainable model for income from these sites.								Sean Cleary
Planning Policy & Transport Portfolio								
RI4970	**Reduction of Clay Farm income**	160,000	160,000	160,000	160,000	160,000	Nil	No Impact
As part of the s106 agreements put in place when Clay Farm was developed, the developer agreed to contribute towards the rent payable to the council by the medical centre for use of space within the new community centre. These contributions were linked to the profitability of the Clay Farm development as a whole and are now in dispute. The council will continue to pursue the developer for these contributions, but as their recoverability is in doubt it is prudent to remove the related income budget								Philip Taylor
Finance & Resources Portfolio								
RI4986	**Museum of Cambridge Reduced Income**	25,000	25,000	0	0	0	Nil	No Impact
Following a request from the Museum of Cambridge for further financial support, this proposal provides a cost for a two year rent free period for the museum. Covid 19 affected their previous business plan, has impacted visitors to the Museum and delayed some proposed changes. A revised business plan has been prepared and officers continue to work with the Museum to scrutinise, review and monitor this to ensure it is deliverable. This should allow key staff to be employed in accordance with the business plan so that the Museum is sustainable in the future.								Philip Doggett
Finance & Resources Portfolio								
Total Reduced Income		1,118,390	855,280	817,440	554,770	504,770		

2022/23 Budget – GF Proposals – Pressures & Bids

Reference	Item Description	2022/23 Budget £	2023/24 Budget £	2024/25 Budget £	2025/26 Budget £	2026/27 Budget £	Climate Rating	Poverty Ratings & Contact

Revenue Bids

B4836	**Security Team and Compliance Officer**	97,000	97,000	97,000	97,000	97,000	Nil	No Impact

Bid on behalf of 3C ICT (Lead Officer - Alex Young) - ICT have identified the requirement for increased resource to manage information security and compliance. The proposal is to recruit to an ICT security manager post shared across the three councils, who will develop a security strategy and plan, and to provide budget for implementation of the strategy and plan (equivalent to three posts). Cambridge City Council are asked to fund 49% of the costs with HDC and SCDC covering 32% and 19% respectively. The reason for this bid is that there is currently no dedicated resource for information security within 3C ICT. Over the last few years the amount of cyber security incidents have increased with 2020/2021 seeing a significant year for cybercrime and security can no longer be maintained within existing resources.

Elissa Rospigliosi

Finance & Resources Portfolio

B4858	**Biodiversity Officer**	9,750	39,190	29,950	0	0	Positive/Medium Impact	No Impact

Funding for the current post will end in December 2022. The Council will no longer be able to deliver an urban forest approach to managing its tree population. This represents a risk in terms of the integrity of the urban forest and a reputational risk to the Council. This bid will provide a further two years of funding for the post.

Alistair Wilson

Open Spaces, Sustainable Food & Community Wellbeing

B4861	**Herbicide Use Reduction Plan**	35,000	0	0	0	0	Positive/Low Impact	No Impact

This bid supports a revenue resource to help achieve the Herbicide Motion (July 2021) commitment to continue our assessment of the full range of alternative weed control options available (including but not limited to brush cleaning equipment) to use in the herbicide free wards (and others where possible). The bid supports the assessment of alternative options with active involvement of Pesticide Free Cambridge representatives and frontline council staff to select the product, prior to the next planned round of treatments in 2022; The Trial will report back to the Environment and Community Scrutiny Committee on the differences between the herbicide-free wards and those wards that are not pesticide-free in any identified trial, and on the use of identified alternatives before the start of the 2022 cycle of treatments. This will include information about operative time and savings, or costs made, feedback from residents and operatives, and the level of any complaints or compliments. This information may be used for future budget savings or bidsSpecifically the bid will support • Identifying the most effective methods of communicating with residents;• Officer time to work with community groups who may wish to volunteer to clear their street spaces to avoid herbicide use.• The completion of a comprehensive assessment of the resources needed to ensure we can make Cambridge City Council herbicide free by the end of 2022.

Alistair Wilson

Open Spaces, Sustainable Food & Community Wellbeing

2022/23 Budget – GF Proposals – Pressures & Bids

Reference	Item Description	2022/23 Budget £	2023/24 Budget £	2024/25 Budget £	2025/26 Budget £	2026/27 Budget £	Climate Rating	Poverty Ratings & Contact
B4878	**Discretionary Housing Payments funding shortfall**	75,000	0	0	0	0	Nil	High Positive Impact
Discretionary Housing Payments are a crucial tool to support households who experience a shortfall between housing benefit or Universal Credit and their eligible rent. Funding levels from government have reduced for financial year 2021/22 and levels are not announced until close to the start of each financial year, Cambridge City Council has always spent all of its government allocation, supporting claimants impacted by welfare reforms and has previously relied on additional homelessness prevention funding set up several years ago to top up awards, but this funding is likely to be spent during the 2021/22 financial year. Funding for Discretionary Housing Payments will be reviewed again in future year.								Naomi Armstrong
Finance & Resources Portfolio								
B4885	**Anti-Poverty Responsive Budget**	30,000	0	0	0	0	Nil	High Positive Impact
Transfer the existing Anti Poverty Responsive budget from corporate strategy to the management of the community services grants team. This will be used for grants to the voluntary sector in response to identified need.								Jackie Hanson
Communities Portfolio								
B4891	**Home Retrofit Project Coordinator**	60,000	60,000	60,000	60,000	60,000	Positive/High Impact	Medium Positive Impact
This post will be a cross Council resource co-ordinating and submitting external funding bids for retrofit activity across all housing tenures. It will be based in Environmental Health given the very significant issues around poor energy efficiency standards in private sector housing, the role EH has in enforcing the new Minimum Energy Efficiency Standards in the PS rental sector, and the prior experience in this team of managing large scale external funds of this kind (ie Green Deal). The intention where possible is to include revenue costs within funding bids, however the scale and complexity of the process means that pump priming is essential.								Yvonne O'Donnell
Climate Change, Environment and City Centre Portfolio								
B4897	**Council Tax Compliance and Counter Fraud Initiative**	36,500	36,500	36,500	0	0	Nil	No Impact
The bid is in respect of the resources required for the setting up of a Cambridgeshire County wide fraud initiative, involving the County Council, Police and Fire (the preceptors) and all District Councils. The project aim is to maximise Council Tax income through detection of fraudulent claims for Council Tax discounts and exemptions. The savings generated will be shared in the same proportions as per the current Precept shares. In addition, the City Council will receive 25% of the additional Council Tax collected on behalf of Cambridgeshire County Council and this will be re-distributed to the City Council on an annual basis. The agreement will provide for the majority of the costs being met by preceptors, with each District Council providing resources to investigate, remove and report on the removals of discounts and exemptions over the period leaving an estimated net additional revenue to the City Council of								Kevin Jay

2022/23 Budget – GF Proposals – Pressures & Bids

Reference	Item Description	2022/23 Budget £	2023/24 Budget £	2024/25 Budget £	2025/26 Budget £	2026/27 Budget £	Climate Rating	Poverty Ratings & Contact
	approximately £160k taking into account direct receipts [linked bid II4963] and increased Council Tax receipts of £54k accruing to the Council in the Collection Fund							
	Finance & Resources Portfolio							
B4898	**Increase in hours of HDA Project Manager**	14,800	14,800	14,800	14,800	14,800	Nil	No Impact
	It is proposed to increase Project Manager resource by 10 hours per week in recognition of an increased number of new build schemes. This bid will be fully funded through fee income charged to the HRA new build schemes. [Linked to II4899]							Claire Flowers
	Housing (GF) Portfolio							
B4913	**Change of fixed term post to permanent- Business Support**	11,500	11,500	11,500	11,500	11,500	Nil	No Impact
	The existing Business Support Officer for Waste and Environment (at Waterbeach) is currently a fixed term post until March 2022. This post helps ensure high levels of customer service and meet the increased demands on the service. It now covers domestic and commercial waste enquiries (inc Collect & Return & bin reports), by phone, webform and email. (Total cost £23,000; Shared 50:50 with City & South Cambs - already accounted for in 2021/22 base budget.)							Fiona Bryant
	Climate Change, Environment and City Centre Portfolio							
B4916	**Refuse Vehicle Driver Retention**	55,000	55,000	0	0	0	Nil	No Impact
	To pay all HGV drivers a market supplement of 6% of their current salary which would mean approximately an additional £900 per employee per year. This is to aid retention during the driver shortage that the country is currently experiencing and this will be reviewed annually. This proposal represents the City Councils 50% share.							Fiona Bryant
	Climate Change, Environment and City Centre Portfolio							
B4917	**Refuse Collection Vehicle and bin washing service, additional new commercial service, additional FTE**	12,500	12,500	12,500	12,500	12,500	Nil	No Impact
	Proposed new service offer which is expected to earn circa £25k in first year 2022/23. Offering scheduled and on demand binstore & bin-washing service operating 3+ days a week commercially & 2 days a week in depot cleaning RCVs and available for in-service use (eg annual recycling point cleansing). (Total cost £25,000 pa shared 50:50 across both City & South Cambridgeshire councils.) A further green initiative the service benefit to contracted commercial waste customers. New income stream, requires 1x FTE to operate. [Linked with II4918 &S4919]							Fiona Bryant
	Climate Change, Environment and City Centre Portfolio							

2022/23 Budget – GF Proposals – Pressures & Bids

Reference	Item Description	2022/23 Budget £	2023/24 Budget £	2024/25 Budget £	2025/26 Budget £	2026/27 Budget £	Climate Rating	Poverty Ratings & Contact
B4931	**Increased contribution to RECAP**	12,000	12,000	0	0	0	Positive/Medium Impact	No Impact
The RECAP partnership has agreed to increase the contribution that the Partners currently make to the Partnership by 100% for 2 years which will provide resources collectively to deliver on the changes required. In order to develop an overarching project to implementation a food waste collection service from all households. There is a full Partnership agreement that sits behind the current split of contributions which recognises the size and responsibility of the Authority's role. (Total increase for the shared waste service is £24,000; Shared 50:50 across both City & South Cambridgeshire). With the outcome to deliver efficiencies and develop a Strategic approach to deal with the significant changes coming out of Central Government, working with our partners(County Council, East Cambridgeshire, Fenland, Huntingdon, South Cambs).							Fiona Bryant
Climate Change, Environment and City Centre Portfolio								
B4932	**Strategic Corridor Partnership fees**	13,500	13,500	0	0	0	Nil	No Impact
Membership fees for OxCam Arc organisations, to be added to corporate budgets, for review in two years time								Andrew Limb
Strategy and External Partnerships Portfolio								
B4934	**Funding for Special Projects Manager Post for Infrastructure Schemes - Development Management**	26,000	26,000	0	0	0	Nil	No Impact
Two years funding for a shared role required to coordinate Councils' input into planned infrastructure schemes, including A428, Cambridge South station, SW travel hub, EW Rail, Ely Area Capacity Study.								Stephen Kelly
Planning Policy & Transport Portfolio								
B4935	**Legal Fees for Infrastructure Schemes - Development Management**	30,000	30,000	0	0	0	Nil	No Impact
Two years funding for costs associated with Councils' input into planned infrastructure schemes, including A428,Cambridge South station, SW travel hub, EW Rail, Ely Area Capacity Study.								Stephen Kelly
Planning Policy & Transport Portfolio								

2022/23 Budget – GF Proposals – Pressures & Bids

Reference	Item Description	2022/23 Budget £	2023/24 Budget £	2024/25 Budget £	2025/26 Budget £	2026/27 Budget £	Climate Rating	Poverty Ratings & Contact
B4939	**Additional Core Staffing Funding - Development Management**	26,900	26,900	26,900	26,900	26,900	Nil	No Impact
Adjustment arising from higher workloads (and staffing requirements) in Development Management Team than previously forecast . Recurrent item.								Stephen Kelly
Planning Policy & Transport Portfolio								
B4940	**Retention of Core Admin (2FTE@G3) - Operations**	15,000	15,000	15,000	15,000	15,000	Nil	No Impact
Resource required to maintain adequate levels of support, including around financial administration and control, administration of recruitment and staff development, performance and other monitoring and reporting.								Stephen Kelly
Planning Policy & Transport Portfolio								
B4946	**Ensuring a sustainable workforce for Shared Planning Service - Operations**	20,000	20,000	20,000	20,000	20,000	Nil	No Impact
Improving retention through investing in the training and development of the workforce in order to support “grow our own” strategy for planning and related staff in the service and reduce staff turnover and associated agency costs, recruitment costs, disruption etc.								Stephen Kelly
Planning Policy & Transport Portfolio								
B4947	**Planning Apprentices Salary Cost 2FTE - Delivery Management & TSO**	20,000	20,000	20,000	20,000	20,000	Nil	No Impact
Start of programme to 'grow our own' planning resource by developing apprentices through the planning function. Initial postings in the Technical Support team								Stephen Kelly
Planning Policy & Transport Portfolio								
B4957	**Alignment of budgets - Council Tax discounts for boat dwellers**	68,320	68,320	68,320	68,320	68,320	Nil	No Impact
A number of years ago, the Council agreed to give Council Tax discounts to boat-dwellers. However, the existing budget of £13,520 is no longer sufficient. An increase of £68,320 is required to align the budgets for Council Tax boat-dweller discounts to the expected cost, based on the experience of recent years.								Jody Etherington
Finance & Resources Portfolio								

2022/23 Budget – GF Proposals – Pressures & Bids

Reference	Item Description	2022/23 Budget £	2023/24 Budget £	2024/25 Budget £	2025/26 Budget £	2026/27 Budget £	Climate Rating	Poverty Ratings & Contact
B4959	**Transfer to Earmarked Reserve – interest from loans to CIP**	252,000	0	0	0	0	Nil	No Impact
The council provides loans to its joint venture partnership at rates above those it could achieve by investing cash in short term deposits or money market funds. Interest from these loans to the Cambridge Investment Partnership (CIP) in excess of expected returns on short term deposits are uncertain, as they depend on the delivery of housing developments and the related cashflows of CIP. They are therefore are transferred to an earmarked reserve for use once their receipt is certain. This proposal increases the transfer to the earmarked reserve reflecting increased interest receipts as a result of the latest cash flow forecasts from CIP [Linked to II4958].								Karen Whyatt
Central Portfolio								
B4960	**Meadows Car Park maintenance costs**	0	8,300	8,300	8,300	8,300	Nil	No Impact
Annual maintenance costs associated with the new car parking system at the Meadows [Linked with CAP 4929 & II4956]								Jackie Hanson
Communities Portfolio								
B4962	**Planning Service Application backlog clearing team**	175,000	0	0	0	0	Nil	No Impact
A one-off joint SCDC and CCC funded project to clear an accumulated backlog of planning and related applications built up through 2020/21 within the shared planning service and enable existing development management officers to focus on current proposals and the service transformation programme whilst meeting customer expectations on delayed applications. Total cost £400k, with Cambridge City Council's share being £175k.								Stephen Kelly
Planning Policy & Transport Portfolio								
B4987	**Driver retention payment**	11,000	11,000	0	0	0	Nil	No Impact
To pay all HGV drivers at the garage a market supplement to aid retention during the driver shortage that the country is currently experiencing and this will be reviewed annually.								David Cox
Climate Change, Environment and City Centre Portfolio								
Total Revenue Bids		1,106,770	577,510	420,770	354,320	354,320		
Pressures & Bids Total:		**2,793,260**	**2,000,890**	**1,806,310**	**1,477,190**	**1,427,190**		

2022/23 Budget – GF Proposals – Savings

Reference	Item Description	2022/23 Budget £	2023/24 Budget £	2024/25 Budget £	2025/26 Budget £	2026/27 Budget £	Climate Rating	Poverty Ratings & Contact
Savings								
S4873	**CCTV Shared Service Contribution - Savings**	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	Nil	Nil
Saving identified through business efficiency. CCTV Shared Service is consistently performing better than expected and bringing positive impact to Cambridge City Council's budgeted contribution. As a result of efficient service delivery CCTV Shared Service is forecasting a £50k ongoing saving to City's CCTV Shared Service annual budgeted contribution.								Joel Carre
Open Spaces, Sustainable Food & Community Wellbeing								
S4896	**Reduced costs for Emergency Accommodation**	(2,800)	(2,800)	(2,800)	(2,800)	(2,800)	Nil	No Impact
The recharge from the HRA for the provision of emergency accommodation is anticipated to be marginally lower from 2022/23 than the budgeted sum								James McWilliams
Housing (GF) Portfolio								
S4900	**Centralised and Business Support Budget Savings**	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	Nil	No Impact
Savings identified from a range of budget codes within the Centralised and Business Support cost centres (to include stationery and printing).								Sharon Line
Finance & Resources Portfolio								
S4910	**Transport Fuel Saving**	(1,350)	(1,350)	(1,350)	(1,350)	(1,350)	Positive/Low Impact	No Impact
Vehicles are now fully electric so no fuel required.								Claire Adelizzi
Climate Change, Environment and City Centre Portfolio								
S4919	**Bringing contracted vehicle cleaning work in-house**	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	Nil	No Impact
Bringing contracted vehicle cleaning work in-house. [Linked with B4917 & II4918]								Fiona Bryant
Climate Change, Environment and City Centre Portfolio								

2022/23 Budget – GF Proposals – Savings

Reference	Item Description	2022/23 Budget £	2023/24 Budget £	2024/25 Budget £	2025/26 Budget £	2026/27 Budget £	Climate Rating	Poverty Ratings & Contact
S4961	**Reduction in vehicle revenue budgets relating to growth vehicles**	(49,000)	(54,000)	(54,000)	0	0	Nil	No Impact
The Greater Cambridge Shared Waste Service has reviewed its requirement for additional vehicles to support the growth of households in the district. As a result, the purchase of growth vehicles has been delayed and the associated revenue costs already in budgets are no longer needed. [Linked with CAP4844]								Fiona Bryant
Climate Change, Environment and City Centre Portfolio								
S4964	**Planning Transformation Programme Savings**	(175,000)	(258,000)	(258,000)	(258,000)	(258,000)	Nil	No Impact
Estimated savings from the SCDC Transformation led review of the Planning Service.								Stephen Kelly
Planning Policy & Transport Portfolio								
S4967	**Pension deficit funding reduction**	(128,400)	0	0	0	0	Nil	No Impact
Pension deficit funding is determined at the Pension Fund triennial valuation. This proposal reduces the budget for the final year before the next valuation to match the expected cost in the year, reflecting reducing charges to the revenue account over the three years as required by accounting standards.								Karen Whyatt
Strategy and External Partnerships Portfolio								
S4968	**Deletion of Feasibility Budget**	(94,630)	(96,530)	(98,470)	(100,450)	(102,460)	Nil	No Impact
The feasibility budget was created to provide a source of funding for early work to develop capital schemes. Requests for funding of up to 5% of the expected cost of the capital scheme may be made but the budget is not fully utilised. It is therefore proposed to delete this budget, with services now required to fund feasibility work from within service budgets or to make specific budget bids for feasibility funding where the size of the proposed scheme justifies this.								Karen Whyatt
Central Portfolio								
S4971	**Reduction in Minimum Revenue Provision**	(255,000)	(255,000)	(255,000)	(255,000)	(255,000)	Nil	No Impact
Reduction in the budget for Minimum Revenue Provision (MRP) to reflect reductions in the level of MRP required, including as a result of the removal of the Lion Yard investment scheme, as agreed in the Medium-Term Financial Strategy.								Jody Etherington
Finance & Resources Portfolio								

2022/23 Budget – GF Proposals – Savings

Reference	Item Description	2022/23 Budget £	2023/24 Budget £	2024/25 Budget £	2025/26 Budget £	2026/27 Budget £	Climate Rating	Poverty Ratings & Contact
S4972	**Reduction in Unfunded Pension Payments**	(68,500)	(68,500)	(68,500)	(68,500)	(68,500)	Nil	
The council is billed annually by the Pension Fund for unfunded pension payments. These relate to employee changes in past years and are a reducing cost to the council. This savings proposal reduces the budget for these payments to the current cost level.								Karen Whyatt
Finance & Resources Portfolio								
S4984	**Deletion of vacant Business Support Officer post**	(24,130)	(24,130)	(24,130)	(24,130)	(24,130)	Nil	No Impact
Deletion of post held vacant pending further review of Business Support. Following changes to the use of office accommodation and in service delivery throughout Covid and now embedded within the service, it is proposed that this post can now be deleted.								Deborah Simpson
Finance & Resources Portfolio								
S4997	**Proactive and Planned Out of Hours Service**	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	Nil	No Impact
A trial to review the existing out of hours service has been successful and a proactive and planned service approach has been approved at the Environment and Community Scrutiny Committee on 27th January 2022.								Claire Adelizzi
Climate Change, Environment and City Centre Portfolio								
S4998	**Bus Subsidy Review**	(31,000)	(31,000)	(31,000)	(31,000)	(31,000)	Nil	No Impact
A recommendation to stop the provision of the City Council's subsidy for the Citi 1 Night Bus Service from 1 April 2022 was approved at the Planning and Transport Scrutiny Committee on 11th January 2022.								Sharon Line
Planning Policy & Transport Portfolio								
Total Savings		(974,810)	(936,310)	(938,250)	(886,230)	(888,240)		

2022/23 Budget – GF Proposals – Savings

Reference	Item Description	2022/23 Budget £	2023/24 Budget £	2024/25 Budget £	2025/26 Budget £	2026/27 Budget £	Climate Rating	Poverty Ratings & Contact
Increased Income								
II4841	**Income for Emergency planning consultation work with South Cambridgeshire District Council**	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	Nil	No Impact
The corporate Health & Safety manager provides consultancy for Emergency Planning for SCDC. There is an SLA in place and income received but no budget has been set up.								Paul Parry
Strategy and External Partnerships Portfolio								
II4893	**Increased fee income in Housing Strategy**	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	Nil	No Impact
The authority is anticipating fee income for the provision of housing related pre-application advice to developers								Helen Reed
Housing (GF) Portfolio								
II4899	**Increased HDA new build fee income**	(14,800)	(14,800)	(14,800)	(14,800)	(14,800)	Nil	No Impact
The level of fee income anticipated from 2022/23 will increase as a direct result of increased staff costs, subject to approval of a bid for additional Project Manager resource. [Linked with B4898]								Claire Flowers
Housing (GF) Portfolio								
II4918	**Fleet vehicle washing & bin washing new service offering**	(7,500)	(12,500)	(15,000)	(15,000)	(15,000)	Nil	No Impact
Full time operative to work on service, operating 3 days a week commercially & 2 days a week on RCV washing & Depot jobs. Will become a self-financing position once established. (Total increased income £15,000 in first year, split 50:50 between South & City Councils) New service offering to enhance the existing service to both new and current customer base = new income stream, requires 1x FTE to operate. [Linked with B4917 & S4919]								Fiona Bryant
Climate Change, Environment and City Centre Portfolio								

2022/23 Budget – GF Proposals – Savings

Reference	Item Description	2022/23 Budget £	2023/24 Budget £	2024/25 Budget £	2025/26 Budget £	2026/27 Budget £	Climate Rating	Poverty Ratings & Contact
II4920	**Increased use of the Bulky Waste Service and related income**	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	Nil	No Impact
There have been increased requests for collections and therefore income is higher than expected. This is partly due to the change in the way we run the booking service and increased availabilty. We are able to offer up some of this additional income as a saving. This is a one off as we are are unsure how changes by the County council at the Household recycling centres has impacted on use of our service. (Total increased income is £30,000 pa, shared 50:50 across City & South Cambs) The new database system results in a smoother, quicker processing of requests from residents - and therefore collect more each day. Climate Change, Environment and City Centre Portfolio								Fiona Bryant
II4921	**Additional green bin income**	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)	Positive/Low Impact	No Impact
There has been an increase in the number of subscriptions for the service that we hope will be maintained for 22-23. This is a one off as changes in the management at the County Household Recycling centres may impact use of the scheme. (Total increased income £8,000; Shared 50:50 across both City & South Cambridgeshire) Climate Change, Environment and City Centre Portfolio								Fiona Bryant
II4922	**Recycling credit income**	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	Positive/Low Impact	No Impact
This year has seen an increase in the amount of recycling collected via the blue bin service and therefore a corresponding increase in the amount of income from recycling credits paid by the County Council. It is anticipated that this will continue in to next year, so some income can be offered, (please note this is not certainty). This income, totalling £20,000, is across both areas, and will be shared 50:50 between South Cambridgeshire & Cambridge City councils. Climate Change, Environment and City Centre Portfolio								Fiona Bryant
II4923	**Additional income from increasing profitable business for the Commercial Waste Service.**	(12,500)	(12,500)	(12,500)	(12,500)	(12,500)	Positive/Medium Impact	No Impact
As per our business plan & service objectives we expect to improve profitable customer base to a value of at least £25,000 pa focusing particularly on the SME & R&D business sectors. (Shared 50:50 across both City & South Cambridgeshire councils.) Climate Change, Environment and City Centre Portfolio								Fiona Bryant

2022/23 Budget – GF Proposals – Savings

Reference	Item Description	2022/23 Budget £	2023/24 Budget £	2024/25 Budget £	2025/26 Budget £	2026/27 Budget £	Climate Rating	Poverty Ratings & Contact
II4943	**Increasing Commercial Revenue – Built and Natural Environment (BNE)**	(35,500)	(35,500)	(35,500)	(35,500)	(35,500)	Nil	No Impact
Built and Natural Environment business plan focusses on moving BNE staff time away from applications work to revenue generating work on PPAs, Pre-Applications and other discretionary fee earning work.								Stephen Kelly
Planning Policy & Transport Portfolio								
II4956	**Income from car Parking at the Meadows Community Centre**	0	(15,700)	(15,700)	(15,700)	(15,700)	Nil	No Impact
Income as a result of the upgrade of the parking management system at the Meadows Community Centre [Linked to CAP4929 & B4960]								Jackie Hanson
Communities Portfolio								
II4958	**Increased InterestIncome - Loans to CIP**	(350,000)	0	0	0	0	Nil	No Impact
The council provides loans to its joint venture partnership, Cambridge Investment Partnership (CIP) to enable housing development. The amount of interest received depends on the outstanding loan balances which are determined by the delivery of housing developments and the related cashflows of CIP. This increase in expected interest income from the loans to CIP reflects the latest cash flow forecasts from the partnership. [Linked to B4959]								Jody Etherington
Finance & Resources Portfolio								
II4963	**Council Tax Compliance and Counter Fraud Initiative**	(36,000)	(72,000)	(72,000)	(36,000)	0	Nil	No Impact
Additional income in respect of the Cambridgeshire County wide fraud initiative. The project aims is to maximise Council Tax income through detection of fraudulent claims for Council Tax discounts and exemptions. The savings generated will be shared in the same proportions as per the current Precept shares. In addition, the City Council will receive 25% of the additional Council Tax collected on behalf of Cambridgeshire County Council and this will be re-distributed to the City Council on an annual basis. The agreement will provide for the majority of the costs being met by preceptors [linked to B4897]								Kevin Jay
Finance & Resources Portfolio								

2022/23 Budget – GF Proposals – Savings

Reference	Item Description	2022/23 Budget £	2023/24 Budget £	2024/25 Budget £	2025/26 Budget £	2026/27 Budget £	Climate Rating	Poverty Ratings & Contact
II4985	**Increased Rental Income - Mandela House**	(25,000)	(23,000)	(23,000)	(23,000)	(23,000)	Nil	No Impact
Rental income arising from the letting of office space within Mandela House to a partner organisation, net of rental income lost from the closure of the cashpoint (ATM).								Will Barfield
Finance & Resources Portfolio								
Total Increased Income		(523,300)	(228,000)	(230,500)	(194,500)	(158,500)		
Savings Total:		**(1,498,110)**	**(1,164,310)**	**(1,168,750)**	**(1,080,730)**	**(1,046,740)**		

2022/23 Budget – GF Proposals – Non-Cash Limit

Reference	Item Description	2022/23 Budget £	2023/24 Budget £	2024/25 Budget £	2025/26 Budget £	2026/27 Budget £	Climate Rating	Poverty Ratings & Contact

Non-Cash Limit Items

NCL4966	**Return balance of Sharing Prosperity Fund**	(85,000)	0	0	0	0	Nil	No Impact

This is the release of the unspent balance of the Sharing Prosperity Fund into general reserves, reflecting alternative funding arrangement now in place for anti-poverty work. Karen Whyatt

Central Portfolio

NCL4990	**Changes to business rate assumptions**	(186,000)	(32,000)	(32,000)	(32,000)	(32,000)	Not Applicable	No Impact

Changes to the baseline funding level of business rates within the Settlement Funding Assessment (SFA) Jody Etherington

Central Portfolio

NCL4991	**Council Tax Collection Fund surplus**	(89,000)	0	0	0	0	Nil	No Impact

Council Tax Collection Fund surplus for 2021/22 released to the General Fund in 2022/23 Jody Etherington

Central Portfolio

NCL4992	**Change to Council Tax assumptions**	9,000	(123,000)	(172,000)	(137,000)	(137,000)	Not Applicable	No Impact

Changes in council tax income as a result of changes in the forecast Council Tax base Jody Etherington

Central Portfolio

NCL4993	**Additional New Homes Bonus (NHB) allocation**	(461,000)	0	0	0	0	Not Applicable	No Impact

Additional New Homes Bonus (NHB) Allocation for 2022/23 Jody Etherington

Central Portfolio

2022/23 Budget – GF Proposals – Non-Cash Limit

Reference	Item Description	2022/23 Budget £	2023/24 Budget £	2024/25 Budget £	2025/26 Budget £	2026/27 Budget £	Climate Rating	Poverty Ratings & Contact
NCL4994	**Lower Tier services Grant**	(1,679,000)	0	0	0	0	Not Applicable	No Impact
Lower Tier Services Grant allocation as announced in the provisional local government finance settlement								Jody Etherington
Central Portfolio								
NCL4995	**22/23 Services Grant**	(294,000)	0	0	0	0	Not Applicable	No Impact
Services Grant allocation as announced in the provisional local government finance settlement								Jody Etherington
Central Portfolio								
NCL4996	**Additional Contribution to the Greater Cambridge Partnership investment and delivery fund**	46,100	0	0	0	0	Not Applicable	No Impact
Additional 10% contribution from the New Homes Bonus to the Greater Cambridge Partnership Investment and delivery fund								Karen Whyatt
Strategy and External Partnerships Portfolio								
Total Non-Cash Limit Items		(2,738,900)	(155,000)	(204,000)	(169,000)	(169,000)		
Non - Cash Limit Items Total:		**(2,738,900)**	**(155,000)**	**(204,000)**	**(169,000)**	**(169,000)**		

2022/23 Budget – GF Proposals – External Bids

Reference	Item Description	2022/23 Budget £	2023/24 Budget £	2024/25 Budget £	2025/26 Budget £	2026/27 Budget £	Climate Rating	Poverty Ratings & Contact

External Bid

X4825	**Building Control New Delivery Model**	80,000	0	0	0	0	Nil	No Impact

Funding to develop and establish a new model for the delivery of 3C Building Control, to ensure the service remains fit for purpose and meets the needs of the Councils, particularly around sustainability targets. No impact on general fund. Heather Jones

Planning Policy & Transport Portfolio

X4826	**Building Control Advice and Consultancy**	15,000	0	0	0	0	Nil	No Impact

Professionalise our offer of advice and consultancy to other councils by developing case studies, toolkits and comms material. This will increase income and the bid is for the one-off costs to develop. No impact on general fund. Heather Jones

Planning Policy & Transport Portfolio

X4925	**Arboricultural Planning Lead Post**	46,420	46,420	46,420	46,420	46,420	Not Applicable	No Impact

To be funded from the existing Arboriculture Agency Costs Budget Alistair Wilson

Open Spaces, Sustainable Food & Community Wellbeing

X4926	**Asset Development Officer (Public Realm) Post**	50,750	50,750	50,750	50,750	50,750	Not Applicable	No Impact

S&OS review business case implementation [Funded from S106 receipts] subject to consultation Alistair Wilson

Open Spaces, Sustainable Food & Community Wellbeing

X4927	**Skilled Operative (Public Realm) Post**	36,830	36,830	36,830	36,830	36,830	Not Applicable	No Impact

S&OS review business case implementation [Funded from S106 receipts] subject to consultation Alistair Wilson

Open Spaces, Sustainable Food & Community Wellbeing

2022/23 Budget – GF Proposals – External Bids

Reference	Item Description	2022/23 Budget £	2023/24 Budget £	2024/25 Budget £	2025/26 Budget £	2026/27 Budget £	Climate Rating	Poverty Ratings & Contact
X4928	**Technical Officer - Systems Post**	41,780	41,780	0	0	0	Not Applicable	No Impact
Resource for ongoing support to, and funded from, the Yotta Capital Project (100220) - fixed term for 2 years. Currently being filled by agency staff.								Alistair Wilson
Open Spaces, Sustainable Food & Community Wellbeing								
Total External Bid		270,780	175,780	134,000	134,000	134,000		
Total:		**270,780**	**175,780**	**134,000**	**134,000**	**134,000**		

2022/23 Budget – GF Proposals – Capital Proposals

Reference	Item Description	2022/23 Budget £	2023/24 Budget £	2024/25 Budget £	2025/26 Budget £	2026/27 Budget £	Climate Rating	Poverty Ratings & Contact

Capital Bids

CAP4824	**Building Control Software**	120,000	0	0	0	0	Nil	No Impact

Existing internal software is out of date and unable to meet our ongoing needs. We plan to move to a new system for all three councils with additional functionality including mobile access. The total cost will be £120K part funded from the shared Building Control reserve held by Cambridge City Council.

Heather Jones

Planning Policy & Transport Portfolio

CAP4843	**Waste - Electric Replacement Vehicles**	970,000	0	0	0	0	Positive/Medium Impact	No Impact

A decision was made to reduce CO2 emissions to the whole fleet by using electric Refuse Collection Vehicles where possible. At the time of costing this initiative, the price obtained from our supplier was £380,000 per vehicle. Technology and increased cost of steel has pushed the current price up to £420,000 so an increase of £40,000. It is hoped that over time as more Authorities engage in this new technology and supply and demand increases, that the costs of these vehicles may fall but at the current time there is no guarantee of this. All costs will be shared with our South Cambs partners in line with the number of vehicles that each Authority owns. The figures represented are the costs relevant to Cambridge City. for 22-23 only

Fiona Bryant

Climate Change, Environment and City Centre Portfolio

CAP4844	**New Refuse Collection vehicle as a result of growth**	45,000	0	0	0	0	Negative/Low Impact	No Impact

The capital cost of a new collection vehicle is £420k. £375k is already in the capital plan for 21-22. This will be rephased to 22-23. This proposal represents the additional capital costs and is in line with the growth of the partner districts.

Fiona Bryant

Climate Change, Environment and City Centre Portfolio

CAP4857	**Closed Churchyard wall repairs**	70,000	0	0	0	0	Nil	No Impact

There have been reported concerns regarding boundary walls failing/in poor state of repair at two closed churchyards. Structural engineering reports have been commissioned for both and the estimates for Abbey Churchyard is £40k and St Giles Churchyard £30k. The council has a statutory responsibility to ensure the upkeep of these churchyards.

Anthony French

Open Spaces, Sustainable Food & Community Wellbeing

2022/23 Budget – GF Proposals – Capital Proposals

Reference	Item Description	2022/23 Budget £	2023/24 Budget £	2024/25 Budget £	2025/26 Budget £	2026/27 Budget £	Climate Rating	Poverty Ratings & Contact
CAP4863	**New vehicle to support S&OS Assets multi skilled operatives**	45,000	0	0	0	0	Negative/Low Impact	No Impact
New vehicle to support S&OS Assets multi skilled operatives and the increase in work volumes arising from open space asset adoptions								Alistair Wilson
Open Spaces, Sustainable Food & Community Wellbeing								
CAP4864	**Replacement Vehicle Lift**	40,000	0	0	0	0	Nil	No Impact
The workshop vehicle lift is 36 years old and was inherited by Fleet Services when they relocated to the Waterbeach premises in 2016. The heavy goods vehicle workshop has only four bays and these are in constant use almost 12 hours each day. The lift that requires replacement only has a lifting capacity of 14 tonnes, the other three workshop bays have lifting capabilities of between 28 to 45 tonnes. Most of the vehicles we maintain across our four major customers have unladen weights in excess of 14 tonnes and therefore the vehicle lift is fast becoming redundant due to its safe working load. It is imperative that we are able to use each bay due to our workload so this lift requires replacement with a modern equivalent with a vastly improved lifting capacity. In addition we can no longer source parts for this lift due to its age so any parts identified in its twice yearly service and LOLER certification (lifting operations and lifting equipment regs) have to be manufactured. This is very costly and can put the lift out of action for weeks at a time.								David Cox
Climate Change, Environment and City Centre Portfolio								
CAP4865	**Replacement Roller Brake Test rollers**	45,000	0	0	0	0	Nil	No Impact
The roller brake testing equipment is worn and is not supplying accurate brake efficiency readings despite its calibration status. This can lead to MOT test failures on customer's heavy goods vehicles as the brake efficiencies would show higher readings on our equipment than on official MOT testing equipment. Customer's vehicles failing MOT tests leads to loss of confidence in Fleet Services and could put their Operator Licences in jeopardy. Loss of confidence in Fleet could lead to loss of contracts so hence loss of revenue								David Cox
Climate Change, Environment and City Centre Portfolio								
CAP4895	**Market Square Electrics Upgrade**	60,000	0	0	0	0	Nil	No Impact
Replacement of Market Square electrics as the Market Square project is working to a different timeline. There is a Health & Safety requirement for investment within the next year. These will be in keeping with the emerging Market Square Project plan to ensure investment is future proofed.								Tim Jones
Climate Change, Environment and City Centre Portfolio								

2022/23 Budget – GF Proposals – Capital Proposals

Reference	Item Description	2022/23 Budget £	2023/24 Budget £	2024/25 Budget £	2025/26 Budget £	2026/27 Budget £	Climate Rating	Poverty Ratings & Contact
CAP4903	**Office Accommodation**	75,000	0	0	0	0	Positive/Low Impact	No Impact
This bid is part of the Our Cambridge Business Case approved by Members in October 2021 and has been developed with the council's Property Services team. It will fund changes to our administrative buildings, delivering income and cashable savings which contribute to the £5.2m net savings identified in the Our Cambridge business case as well as capital receipts, by allowing the council to release buildings and by freeing up space for commercial use. It will also improve staff morale by maintaining a high quality working environment that meets all employees' needs. These changes will be required in advance of any major decisions in relation to property, but will enable those decisions to be taken in a timely way, and will deliver the transition to new ways of working described in Our Cambridge.These will include –• Works to offices which release space or buildings• Equipment to let staff collaborate between office and remote workers – including AV equipment – promoting efficient working and better communication between teams and sites• Works to adapt our offices to respond to the ongoing working issues caused by the pandemic and enabling our staff to work more effectively during this time.The schemes have not yet been finalised but will be confirmed by the Our Cambridge programme and will be accompanied by business cases signed off by the Our Cambridge Transformation Board. If the business cases are not agreed the funds will not be spent. If these schemes are not taken forward, the council will risk delivering the savings identified in the Our Cambridge Business Case, and may delay the realisation of significant capital receipts. The council will also lose opportunities for staff across the whole council to work more efficiently and feel supported to deliver change.							Paul Boucher
Finance & Resources Portfolio								
CAP4904	**ICT & Digital Capabilities**	300,000	0	0	0	0	Nil	No Impact
This bid, part of the Our Cambridge Business Case approved by Members in October 2021, will fund digital transformation of the council's services, to ensure these meet customers' needs and will enable the delivery of the £3.4m in recurring savings identified in the Our Cambridge customer theme. The schemes will include:• software to integrate systems ('APIs') – systems to be confirmed but likely to include development to major business systems (details of which can be confirmed on request), as well as a number of smaller systems e.g. schedulers, booking systems• providing greater access to data and evidence, by creating a 'data warehouse' which pools data for analysis through business intelligence software• software to streamline and automate business processes. The schemes have not yet been finalised but will be identified by the Our Cambridge programme and will be accompanied by business cases approved through the Transformation Board and the Member reference working group. If the business cases are not agreed the funds will not be spent. These system enhancements are business-led and will fit the specific needs of the City Council. They are not part of the core ICT service offer though we will work in partnership with 3C ICT to deliver them							Paul Boucher
Finance & Resources Portfolio								
CAP4929	**ANPR at the Meadows Community Centre Car Park**	37,000	0	0	0	0	Nil	No Impact
This proposal is to upgrade the parking management system for the Meadows redevelopment. Officers have reviewed the options available and are proposing an ANPR with barrier. This will provide a revenue generation opportunity as well as a seamless customer experience for regular users of the centre and allow better car park enforcement. This has been approved by the Meadows project board. It is proposed that revenue will initially be set at 15,700 per annum for 5 years. [Linked with II4956 & B4960]								Claire Flowers
Housing (GF) Portfolio								

2022/23 Budget – GF Proposals – Capital Proposals

Reference	Item Description	2022/23 Budget £	2023/24 Budget £	2024/25 Budget £	2025/26 Budget £	2026/27 Budget £	Climate Rating	Poverty Ratings & Contact
CAP4988	**Sustainable Warmth Home Upgrade Grant Phase 1**	4,255,000	0	0	0	0	Positive/High Impact	High Positive Impact
The Sustainable Warmth award has been received to upgrade energy efficient homes of low income households in England. This part is for the Home Upgrade Grant Phase 1 (HUG1) to support low income households off the gas grid [Linked with CAP4989]								Justin Smith
Housing (GF) Portfolio								
CAP4989	**Sustainable Warmth Local Authority Delivery Phase 3**	1,690,000	0	0	0	0	Positive/High Impact	High Positive Impact
The Sustainable Warmth award has been received to upgrade energy efficient homes of low income households in England. This part is for the Local Authority Delivery Phase 3 (LAD3) to support low-income households heated by mains gas [Linked with CAP4988]								Justin Smith
Housing (GF) Portfolio								
Total Capital Bids		7,752,000	0	0	0	0		
Capital Total:		**7,752,000**	**0**	**0**	**0**	**0**		

Appendix C(b): Approvals since MTFS October 2021

Ref.	Description	Lead Officer	2021/22 (£000's)	2022/23 (£000's)	2023/24 (£000's)	2024/25 (£000's)	2025/26 (£000's)
Capital-GF Projects							
SC783	S106 tree planting at Coleridge Rd rec and Lichfield Rd play areas	M Magrath	13	0	0	0	0
SC786	S106 grant for improvements at Notts Own Scout Hut, Romsey	I Ross	40	0	0	0	0
SC787	S106 Thorpe Way Rec Ground: new footpath	J Parrott	15	0	0	0	0
SC785	S106 The Art of Play	N Black	99	0	0	0	0
SC788	S106 bee banks	G Belcher	5	0	0	0	0
SC789	S106 Jubilee Gardens open space improvements	J Ogle	45	0	0	0	0
SC790	S106 Chesterton wheelcair project	P Mullord	80	0	0	0	0
SC791	S106 Coldhams common BMX track	D O'Halloran	85	0	0	0	0
SC792	S106 public art grant for Abbey's People creative canopy	N Black	20	0	0	0	0
SC692	Cromwell Road Redevelopment (GF)	C Flowers	966	0	0	0	0
SC693	Lion Yard shopping centre investment	D Prinsep	(6,000)	0	0	0	0
PR055	Depot relocation programme (Operational Hub)	J Elms	10,000	0	0	0	0
PV192	Development Land North of Kings Hedges	P Doggett	(60)	0	0	60	0
SC793	Sustainable Warmth - Local Authority Delivery Phase 3	J Smith	150	0	0	0	0
SC794	Sustainable Warmth - Home Upgrade Grant	J Smith	370	0	0	0	0
Capital-GF Projects financed from Developer Contributions			402	0	0	0	0
Capital-GF Projects - budget update and rephasing			4,906	0	0	60	0
Capital-GF Projects - central government grant			520	0	0	0	0
Total approved since MTFS October 2021			**5,828**	**0**	**0**	**60**	**0**

Appendix C(c): Capital Plan 2021/22 to 2025/26

Ref.	Description	Lead Officer	2021/22 (£000's)	2022/23 (£000's)	2023/24 (£000's)	2024/25 (£000's)	2025/26 (£000's)
Capital-GF Projects							
PR031r	S106 Chesterton Rec Ground skate and scooter park	J Richards	47	0	0	0	0
PR032w	S106 Accordia open space improvements	A Wilson	5	0	0	0	0
PR040z	S106 Public art: Historyworks: Michael Rosen Walking Trail 2	N Black	10	0	0	0	0
PR042d	S106 Romsey Mill community facility grant	I Ross	21	0	0	0	0
PR042g	S106 To the River - artist in residence	N Black	49	0	0	0	0
PR042l	S106 Public art grant - Faith and Hope	N Black	6	0	0	0	0
PR042m	S106 Public art grant - Chesterton village sign	N Black	10	0	0	0	0
PR050d	Mobile working (OAS)	D Prinsep	15	0	0	0	0
PR050g	Office optimisation (OAS)	D Prinsep	50	0	0	0	0
SC745	S106 Chestnut Grove play area: benches and bins	J Parrott	4	0	0	0	0
SC747	S106 Nightingale Avenue rec ground: new all-weather footpath	J Parrott	15	0	0	0	0
SC778	S106 Jesus Green ditch biodiversity improvements	A Wilson	53	0	0	0	0
SC548	S106 Southern Connections Public Art Commission	N Black	13	0	0	0	0
SC571	Procurement of IT System to Manage Community Infrastructure Levy	N Black	20	0	0	0	0
SC590	Structural Holding Repairs & Lift Refurbishment - Car Parks	S Cleary	199	0	0	0	0
SC627	Guildhall Large Hall Windows refurbishment	W Barfield	101	0	0	0	0
SC644	Acquisition of land adjacent to Huntingdon Road Crematorium	G Theobald	37	0	0	0	0
SC645	Electric vehicle charging points - taxis	J Dicks	356	0	0	0	0
SC601	Replacement Telecommunications & Local Area Network	E Rospigliosi	14	0	0	0	0
SC646	Redevelopment of Cambridge Junction	F Alderton	0	0	0	0	0
SC651	Shared ICT waste management software - Alloy/Yotta	J Ogle	173	0	0	0	0
SC654	Redevelopment of Silver Street Toilets	D O'Halloran	465	0	0	0	0
SC659	My Cambridge City online customer portal	E Rospigliosi	22	0	0	0	0
SC662	Shared Planning Service software implementation	S Kelly	32	0	0	0	0
SC672	Mill Road Redevelopment - Development Loan to CIP	C Ryba	5,300	0	0	0	0

Ref.	Description	Lead Officer	2021/22 (£000's)	2022/23 (£000's)	2023/24 (£000's)	2024/25 (£000's)	2025/26 (£000's)
SC674	Mill Road Redevelopment - Equity Loan to CIP	C Ryba	4,265	0	0	0	0
SC678	Crematorium - additional car park	G Theobald	339	0	0	0	0
SC679	Crematorium - cafe facilities	G Theobald	304	0	0	0	0
SC684	Property Management software	P Doggett	88	0	0	0	0
SC688	Environmental Health software	Y O'Donnell	23	0	0	0	0
SC689	Income management software	C Norman	78	0	0	0	0
SC690	Secure phone payments	C Norman	24	0	0	0	0
SC692	Cromwell Road Redevelopment (GF)	C Flowers	6,482	0	0	0	0
SC692	CHUB - community extension to Cherry Hinton library	A Conder	764	0	0	0	0
SC694	Meadows Community Hub and Buchan St retail outlet	C Flowers	3,128	2,551	158	0	0
SC695	Cromwell Road Redevelopment - equity loan to CIP	C Ryba	5,350	0	0	0	0
SC696	Cromwell Road Redevelopment - development loan to CIP	C Ryba	6,600	0	0	0	0
SC708	Replacement plantroom at Jesus Green outdoor pool	I Ross	140	0	0	0	0
SC710	Guildhall Small Hall wooden floor	F Alderton	45	0	0	0	0
SC711	Guildhall PA system	F Alderton	25	0	0	0	0
SC712	Automation of Bishops Mill sluice gate	A Wilson	90	0	0	0	0
SC713	Replacement air quality monitoring equipment	J Smith	200	0	0	0	0
SC714	Changing Places toilets at Quayside	A Wilson	100	0	0	0	0
SC715	Additional refuse vehicle for property growth shared with SCDC	M Parsons	375	0	0	0	0
SC716	Replacement telephony system with call centre	E Rospigliosi	150	0	0	0	0
SC721	Call management for 3C ICT service desk	E Rospigliosi	7	0	0	0	0
SC724	Residential electric charging points	J Dicks	100	0	0	0	0
SC727	Logan's Meadow vehicular access	A Wilson	32	0	0	0	0
SC731	Cambridge Food Hub	V Haywood	100	0	0	0	0
SC732	Park Street car park development	D Prinsep	35,700	18,534	29,396	7,173	0
SC736	S106 Grant for St George's Church improvements	I Ross	13	0	0	0	0

Ref.	Description	Lead Officer	2021/22 (£000's)	2022/23 (£000's)	2023/24 (£000's)	2024/25 (£000's)	2025/26 (£000's)
SC738	S106 Wilberforce Road artificial pitches	I Ross	250	0	0	0	0
SC739	S106 Abbey Pool improvements	I Ross	144	0	0	0	0
SC740	S106 Chesterton Rec pavilion	I Ross	167	0	0	0	0
SC741	S106 Nightingale Rec Ground pavilion	I Ross	503	0	0	0	0
SC742	L2 development loan to CIP	C Ryba	3,400	5,200	0	0	0
SC743	L2 equity loan to CIP	C Ryba	1,300	500	0	0	0
SC749	S106 Holbrook Road play area improvements	J Parrott	44	0	0	0	0
SC750	S106 Arbury Court play area improvements	J Parrott	30	0	0	0	0
SC751	S106 Robert May Close play area improvements	J Parrott	40	0	0	0	0
SC752	S106 Byron's Pool ecological mitigations	G Belcher	229	26	10	13	0
SC753	S106 Nine Wells ecological mitigations	G Belcher	80	15	0	5	10
SC754	Cambridge Corn Exchange - infrastructure improvements and upgrades	I Ross	1,000	0	0	0	0
SC755	Carbon saving investments within the Leisure portfolio	I Ross	325	0	0	0	0
SC756	EV infrastructure at the Cambridge City Council depot	S Cleary	57	0	0	0	0
SC757	Software upgrade for parking services	S Cleary	100	0	0	0	0
SC758	Charging infrastructure for electric vehicles - Cambridge City council only	M Parsons	50	0	0	0	0
SC759	Creation of a new boat pumping station at Stourbridge Common	A Wilson	0	60	0	0	0
SC760	Investment programme for public toilet re-purposed property asset	A French	50	275	300	0	0
SC761	Installation of cattle ramp on Midsummer Common	A Wilson	45	0	0	0	0
SC762	Digital signage at Mandela House	J McWilliams	6	0	0	0	0
SC763	Refurbishment of 125 Newmarket Road and refurbishment and alterations of 451 Newmarket Road	J McWilliams	60	0	0	0	0
SC764	Environmental Improvements Programme (EIP) options	A Wilson	264	264	0	0	0
SC765	Introduction of car parking charges at Cherry Hinton Hall	A French	20	0	0	0	0
SC766	Geographical Information System (GIS) test environment	E Rospigliosi	24	0	0	0	0
SC767	Mobile phone replacement	E Rospigliosi	117	0	0	0	0
SC768	Extend data capacity in shared data centre	E Rospigliosi	60	0	0	0	0

Ref.	Description	Lead Officer	2021/22 (£000's)	2022/23 (£000's)	2023/24 (£000's)	2024/25 (£000's)	2025/26 (£000's)
SC769	Network equipment refresh	E Rospigliosi	140	0	0	0	0
SC770	ICT project delivery: project management, technical resource , business analysis and change management	E Rospigliosi	40	0	0	0	0
SC771	Data and analytics - putting building blocks in place for future use of data and information management	E Rospigliosi	70	0	0	0	0
SC772	Market Square project	S French	319	0	0	0	0
SC773	Colville Rd Phase 3 - replacement of commercial units	D Prinsep	441	147	0	0	0
SC774	Information at work consolidation	E Rospigliosi	29	0	0	0	0
SC775	City centre recovery - Combined Authority grant funding	J Richards	690	0	0	0	0
SC776	BEIS grant for Parkside pools decarbonisation works	I Ross	989	0	0	0	0
SC777	BEIS grant for Abbey pool decarbonisation works	I Ross	718	0	0	0	0
SC779	Parker's Piece tree planting	M Magrath	18	0	0	0	0
SC780	S106 Darwin Green community centre equipment and furnishings	V Haywood	25	0	0	0	0
SC781	[Completed] S106 Coleridge Recreational Grounds improvements	D O'Halloran	1	0	0	0	0
SC782	Livestream/hybrid meetings at Council Chamber and Committee Rooms	G Clift	85	0	0	0	0
SC783	S106 tree planting at Coleridge Rd rec and Lichfield Rd play areas	M Magrath	13	0	0	0	0
SC785	S106 The Art of Play	N Black	99	0	0	0	0
SC786	S106 grant for improvements at Notts Own Scout Hut, Romsey	I Ross	40	0	0	0	0
SC787	S106 Thorpe Way Rec Ground: new footpath	J Parrott	15	0	0	0	0
SC788	S106 bee banks	G Belcher	5	0	0	0	0
SC789	S106 Jubilee Gardens open space improvements	J Ogle	45	0	0	0	0
SC790	S106 Chesterton wheelcair project	P Mullord	80	0	0	0	0
SC791	S106 Coldhams common BMX track	D O'Halloran	85	0	0	0	0
SC792	S106 public art grant for Abbey's People creative canopy	N Black	20	0	0	0	0
SC793	Sustainable Warmth - Local Authority Delivery Phase 3	J Smith	150	1,690	0	0	0
SC794	Sustainable Warmth - Home Upgrade Grant	J Smith	370	4,255	0	0	0
SC788	Building Control Solution	H Jones	0	120	0	0	0
SC789	Waste - Electric Replacement Vehicles	F Bryant	0	970	0	0	0

Ref.	Description	Lead Officer	2021/22 (£000's)	2022/23 (£000's)	2023/24 (£000's)	2024/25 (£000's)	2025/26 (£000's)
SC790	New Refuse Collection vehicle as a result of growth	F Bryant	0	45	0	0	0
SC791	Closed Churchyard wall repairs	A French	0	70	0	0	0
SC792	New vehicle to support S&OS Assets multi skilled operatives	A Wilson	0	45	0	0	0
SC793	Replacement Vehicle Lift	D Cox	0	40	0	0	0
SC794	Replacement Roller Brake Test rollers	D Cox	0	45	0	0	0
SC795	Market Square Electrics Upgrade	T Jones	0	60	0	0	0
SC796	ICT & Digital Capabilities	P Boucher	0	300	0	0	0
SC797	ANPR at the Meadows Community Centre Car Park	C Flowers	0	37	0	0	0
Capital-GF Projects			**84,390**	**35,249**	**29,864**	**7,191**	**10**
Capital-Programmes							
PR010a	Environmental Improvements Programme - North Area	J Richards	4	0	0	0	0
PR010b	Environmental Improvements Programme - South Area	J Richards	56	0	0	0	0
PR010c	Environmental Improvements Programme - West/Central Area	J Richards	61	0	0	0	0
PR010d	Environmental Improvements Programme - East Area	J Richards	47	0	0	0	0
PR035	Waste & Recycling Bins - New Developments (S106)	M Parsons	143	0	0	0	0
PR039	Minor Highway Improvement Programme	J Richards	64	30	0	0	0
PR050	Office Accommodation Strategy Phase 2 (OAS)	D Prinsep	12	75	0	0	0
PR051	Building works at the Guildhall to reduce carbon emissions and improve energy efficiency	W Barfield	15	0	0	0	0
PR017	Vehicle Replacement Programme	D Cox	1,009	0	0	0	0
PR010	Environmental Improvements Programme	J Richards	137	0	0	0	0
PR053	Commercial property repair and maintenance	W Barfield	372	300	300	300	300
PR054	Administrative buildings maintenance	W Barfield	285	166	166	166	400
PR055	Depot relocation programme (Operational Hub)	J Elms	10,000	0	0	0	0
Capital-Programmes			**12,205**	**571**	**466**	**466**	**700**
Capital-GF Provisions							
PV554	Development Of land at Clay Farm	P Doggett	275	14	15	705	0
PV007	Cycleways	J Richards	382	0	0	0	0

Ref.	Description	Lead Officer	2021/22 (£000's)	2022/23 (£000's)	2023/24 (£000's)	2024/25 (£000's)	2025/26 (£000's)
PV192	Development Land on the North Side of Kings Hedges Road	P Doggett	0	0	0	60	0
PV682	Local investment bond	C Ryba	2,800	0	0	0	0
Capital-GF Provisions			**3,457**	**14**	**15**	**765**	**0**

Total GF Capital Plan	**100,052**	**35,834**	**30,345**	**8,422**	**710**

Appendix D – Principal earmarked and specific funds

Fund	Balance at 1 April 2021 £000	Anticipated contributions £000	Forecast expenditure £000	Forecast balance 31 March 2032 £000
Greater Cambridge Partnership (formerly City Deal) Investment and Delivery Fund	(5,142)	(957)	6,099	0
Sharing Prosperity Fund ***	(85)	0	85	0
Climate Change Fund	(179)	(200)	379	0
Asset Replacement Fund (R&R)	(1,221)	0	1,221	0
Bereavement Services Trading Account	(923)	(1,760)	2,683	0
Local Plan Development Fund *	(602)	(1,650)	2,252	0
A14 Mitigation Fund	(1,500)	0	1,500	0
Cambridge Live Development Plan	(213)	0	213	0
Covid Grants	(1,352)	0	1352	0
NNDR Additional Income	(31,809)	0	31,809	0
Our Cambridge Transformation Fund **	0	(3,100)	3,100	0
Our Cambridge Contingency Fund **	0	(800)	800	0
Total	**(43,026)**	**(8,467)**	**51,0**	**0**

The majority of these funds are subject to future contributions and expenditure which cannot be exactly stated. This table reflects our best estimates.

*The Local Plan Development Fund is used to fund work with South Cambridgeshire District Council on the joint Local Plan.

**New Transformation Funds set up MTFS October 2021

*** Sharing Prosperity Fund balance removed – NCL4966

Appendix E

Cambridge City Council Equality Impact Assessment (EqIA)

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

(a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;

(b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;

(c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

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

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

1. Title of strategy, policy, plan, project, contract or major change to your service
General Fund Budget 2022/23 proposals

2. Webpage link to full details of the strategy, policy, plan, project, contract or major change to your service (if available)
Documents will be published here on 4th January 2022: https://democracy.cambridge.gov.uk/ieListDocuments.aspx?CId=159&MId=3982&Ver=4

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 to enable the City Council to set a balanced budget for 2022/23 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. 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 2022/23 budget proposals that are considered as part of this impact assessment are:

Revenue bids:

- B4858 Biodiversity Officer
- B4861 Herbicide Use Reduction Plan
- B4878 Discretionary Housing Payments funding shortfall
- B4885 Anti-Poverty Responsive Budget
- B4916 Refuse Vehicle Driver Retention
- B4987 Driver retention payment
- S4997 Proactive and Planned Out of Hours Service
- S4998 Bus Subsidy Review

Capital bids:

- CAP4857 Closed Churchyard wall repairs
- CAP4903 Office Accommodation
- CAP4904 ICT & Digital Capabilities
- CAP4929 ANPR at the Meadows Community Centre Car Park

4. Responsible service

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.

7. Are other departments or partners involved in delivering this strategy, policy, plan, project, contract or major change to your service? (Please tick)	☒ Yes ☐ No
If 'Yes' please provide details below: 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 7 February 2022: https://democracy.cambridge.gov.uk/ieListDocuments.aspx?CId=159&MId=3982&Ver=4

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 EqIAs they have produced.

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

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

B4861 Herbicide Use Reduction Plan

Cambridge City Council unanimously voted in favour of declaring a Biodiversity Emergency on 18th July 2019. This proposal supports the aim as part of this to reduce and remove the need to use herbicides on Cambridge City Council owned highway footpaths and verges, and to find viable and effective alternatives. There might be a potential negative impact for older people who are more likely to have mobility impairments - as if footpaths and rights of way are not maintained to reduce weed growth, regrowth can cause obstacles increasing trips and falls.

S4998 Bus Subsidy Review

The Council has previously subsidised the Citi 1 Nightbus Service, which operated on Fridays and Saturdays from 0040 hrs – 0247hrs. The route of the bus was from Arbury to Fulbourn, via the city centre, railway station and Addenbrookes.

During the pandemic, the Citi 1 Nightbus ceased to operate and it has not recommenced as Covid restrictions have been reduced. Overall, bus usage is still suppressed at 70% of pre-Covid levels and the industry is suffering from driver shortages, leading to current bus service levels being only 90% of previous levels. In this operating environment the Nightbus is not seen as a priority to provide.

Following discussions with Cambridgeshire and Peterborough Combined Authority (CPCA) and Greater Cambridge Partnership (GCP), it was proposed that the Council would cease subsidising the Citi 1 (Nightbus) from 1 April 2022. This proposal was approved at Planning and Transport Scrutiny Committee on 11 January 2022.

No specific impact has been identified specific to this protected characteristic group. The usage data for Citi 1 bus services is a passenger count figure and is not collected or broken down by protected characteristic groups. There do not appear to have been requests for the service to be reinstated.

CAP4903 Office Accommodation

This budget proposal is to support the Our Cambridge programme and ensure that the Council's office accommodation facilitates the shift to a hybrid working model, in response to the changes in our ways of working initiated as a response to the Covid-19 pandemic. It will provide employees with better working environments that foster a positive, high performing, agile and collaborative culture.

In the council the highest percentage of staff are in the 45 to 54 age group, and the average length of service is high for staff as 44.1% of staff have been with the council over 10 years (according to latest data from March 2021). It is possible that staff who have worked in a particular way for a longer period may find it more difficult to adjust to changes in work practices so they may need more support from managers. Younger workers might be more likely to live in houses of multiple occupancy, which means that hybrid working may not be of benefit to them. For office workers who cannot undertake hybrid working there will always be the option to work in an office full-time.

In relation to impacts of staff relating to Covid-19, older people are considered at a higher risk should they contract Covid-19, and the risks increase with age. Where people are concerned about

risks relating to Covid-19 or returning to the office, they are encouraged to discuss this with their line manager or HR to see what reasonable adjustments could be made.

CAP4904 ICT & Digital Capabilities

This budget bid will enable the council to make greater use of digital technology to improve accessibility to services for customers. This would benefit customers from a range of equality groups and ensure there are streamlined and accessible processes for staff to support customers.

Although we are increasingly digitising services, the council recognises that older people are more likely to be digitally excluded. Support for digitally excluded people (assisted digital arrangements) is explored in the council's EqIA on the Customer Services Operating model.

(b) Disability

B4858 Biodiversity Officer

This bid is for funding for the continuation of this post past December 2022. The post is needed to help deliver the council's Biodiversity Strategy. A thriving biodiverse environment is critical for our well-being with a growing evidence base to suggest that we lead healthier lives, both mentally and physically, if we have more opportunities to interact with nature. For instance, the Mental Health Foundation's Mental Health Awareness Week theme this year was nature (see: https://www.mentalhealth.org.uk/campaigns/mental-health-awareness-week.) Therefore, work undertaken in this post has the potential to positively impact all groups through preventing disability or long-term illness.

B4861 Herbicide Use Reduction Plan

There might be a potential negative impact for disabled people with mobility or sight impairments relating to reducing the use of herbicides. If rights of way are not maintained to reduce weed growth, regrowth can cause obstacles that reduces accessibility and increases risk of trips and falls. On the other hand, reducing the use of herbicides reduces the use of chemicals in the environment, which might have a positive impact on people's health.

B4878 Discretionary Housing Payments funding shortfall

Discretionary Housing Payments (DHPs) support households who experience a shortfall between Housing Benefit (HB) or Universal Credit (UC) and their eligible rent. This bid is to increase the amount of funding for the council to provide DHPs in 2022/23. The proposed amount in the bid is calculated based on:

- anticipating government allocation for DHPs that will be announced close to the start of 2022/23
- and likely spend of the homelessness prevention funding that the council has used previously to top up DHP awards.

DHP assessment considers increased costs that many disabled individuals or households face. For instance, national research by Scope (2019) indicates that disabled people face extra costs of £583 a month. Disability incomes are therefore offset against these increased costs.

Disabled households are sometimes affected by Local Housing Allowance and Spare Room Subsidy restrictions as there is a lack of available accommodation to suit disability needs. Disabled households often need larger properties to accommodate wheelchairs or additional rooms for medical supplies or treatments. The easement that allows for an additional bedroom for an overnight carer does not help in these situations. DHPs often support these claimants for long periods of time.

S4997 Proactive and Planned Out of Hours Service

Ensuring quiet enjoyment of someone's home can help prevent disability or long-term health issues. It is proposed that the Council will seek to adopt a proactive, planned Out of Hours Noise Service approach, supported by use of adopted evidence gathering technologies and equipment. Residents making a noise complaint to the Council will be provided with support as necessary, which could include: an appointment to meet with a case officer who can provide support face to face or over the telephone; BSL interpretation; Braille translation; and provision of documents in accessible or easy read formats. Residents who are not able to access the noise app can be provided with diary sheets to record noise incidents.

S4998 Bus Subsidy Review

No specific impact has been identified specific to this protected characteristic group. The usage data for Citi 1 bus services is a passenger count figure and is not collected or broken down by protected characteristic groups. There do not appear to have been requests for the service to be reinstated

CAP4857 Closed Churchyard wall repairs

Abbey Churchyard and St Giles Churchyard have reported concerns regarding boundary walls failing or being in poor state of repair. Addressing this is in the interest of public safety and could prevent any long-term injuries, leading to disability, that might be caused were the repairs not to be made.

CAP4903 Office Accommodation

7.11% of staff declare themselves as having a disability, according to latest available data from March 2021.

If this proposed budget bid is passed, then consideration will be given to accessibility of design of building refurbishments, offices and lay-outs, furniture specifications, and space allocations. Individual workplace assessments will identify what reasonable adjustments to the working environment are required to enable members of staff with disabilities to perform their role via hybrid working or in relation to developing new plans for office accommodation.

The review of our use of office accommodation may lead to opportunities to maximise physical accessibility of existing buildings or, if staff are to move from working at current offices there is opportunity to find modern premises which are likely to be more accessible. Currently buildings are

accessible to disabled people using wheelchairs and mobility scooters where they have individual access plans – for instance, doors are not automated, and the entrance to Mandela House is only available during hours when reception is open. There will be some disabled people who cannot move to hybrid working too – for instance, due to not having working space adjusted to their needs at home or not being able to hot desk in workplaces due to requirements of specific equipment adjusted to meet their needs.

Moreover, changes related to hybrid working and office accommodation might lead to increased stress and anxiety for staff members used to working a certain way, which could exacerbate exiting mental health problems or have the potential to cause poor mental health. In the longer-term, it is hoped that opportunities to work more flexibly will have a positive impact on mental health due to a greater work/life balance.

If the council was to move to new office premises, reprovision of disabled parking and staff cycle parking, first aid rooms (with a fridge to store medication where needed, like insulin) and disabled toilets will need to be considered.

In relation to impacts of staff relating to Covid-19, people with some respiratory conditions are at greater risk if they contract covid and those who are considered clinically vulnerable or extremely clinically vulnerable to covid. Where people are concerned about risks relating to Covid-19 or returning to the office, they are encouraged to discuss this with their line manager or HR to see what reasonable adjustments could be made.

CAP4904 ICT & Digital Capabilities

Funding for this budget bid will be used to improve access to digitised services for customers and ensure access to digitised services are streamlined and accessible for staff to support customers. The council recognises disabled people are more likely to have barriers from accessing digital support. This can be tackled in part by ensuring that, in the procurement process, accessibility of new software relating to needs of disabled users is a key requirement. On the other hand, increased digitised services benefit people with some disabilities, like mobility impairments, where this means they do not need to travel to the customer service contact centre for the council to help them.

Moreover, digital software that would be funded by the bid will also enable customers contacting different services to receive more holistic support, which may benefit many disabled people with complex needs and vulnerabilities relating to their disability. The data warehouse would give us the ability to bring together data on residents with different types of need.

Note that there will be some disabled people who will still not be able to access digitised services at all, including some people with complex needs and vulnerabilities relating to their disability. The council will still be providing face-to-face appointments for them. This is addressed in more detail in the council's EqIA on the Customer Services Operating model.

(c) Gender reassignment

CAP4903 Office Accommodation

Extent of provision of gender-neutral toilets will be considered as part of this programme of work. In particular there are some floors of The Guildhall where gender-neutral toilet provision has not been an option due to its status as a listed building and space constraints. If this work leads to identification of new office accommodation as the best option, there is greater opportunity to ensure there is sufficient gender-neutral toilet provision from the outset for staff, visitors and customers.

S4998 Bus Subsidy Review

No specific impact has been identified specific to this protected characteristic group. The usage data for Citi 1 bus services is a passenger count figure and is not collected or broken down by protected characteristic groups. There do not appear to have been requests for the service to be reinstated.

(d) Marriage and civil partnership

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

(e) Pregnancy and maternity

B4861 Herbicide Use Reduction Plan

There might be a potential negative impacts to reducing the use of herbicides if rights of way are not maintained to reduce weed growth. This might impact on people using pushchairs and buggies if regrowth causes obstacles that reduces their accessibility in these spaces.

B4878 Discretionary Housing Payments funding shortfall

Pregnancy and maternity are financially difficult times and although generally additional personal allowances in HB and UC are not given during pregnancy, they might be if the mother is unable to work during pregnancy. Expectant families are also sometimes affected by Local Housing Allowance and Spare Room Subsidy restrictions until the child/ren are born. DHPs can support these households during this time.

S4998 Bus Subsidy Review

No specific impact has been identified specific to this protected characteristic group. The usage data for Citi 1 bus services is a passenger count figure and is not collected or broken down by protected characteristic groups. There do not appear to have been requests for the service to be reinstated

CAP4903 Office Accommodation

The council's Single Equality Scheme 2021 to 2024 includes an action to make sure all its premises are breastfeeding friendly, which would be a key part of the programme of work relating to this budget proposal. For customers and staff this means ensuring there is a comfortable place to sit and breastfeed and space people can breastfeed in private if they wish to do so. For staff, good practice is to ensure that space people might breastfeed in privately also has a fridge to store milk.

CAP4904 ICT & Digital Capabilities

A main aim of the budget bid is to improve access to digitised services for customers. Greater availability and accessibility of digitised services means people can address queries through the council at any time, which is of particular benefit to people with caring responsibilities including people with young children.

(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.

B4878 Discretionary Housing Payments funding shortfall

There are proportionally higher numbers of claims from some ethnic minority groups than others when compared to the proportion in the population. Poverty rates are higher among all ethnic minority groups compared with those among the majority White British. UK statistics find that Bangladeshi and Pakistani families have experienced much greater rates of poverty than all other ethnic groups and this has been the case for 20 years.

S4998 Bus Subsidy Review

No specific impact has been identified specific to this protected characteristic group. The usage data for Citi 1 bus services is a passenger count figure and is not collected or broken down by protected characteristic groups. There do not appear to have been requests for the service to be reinstated

CAP4903 Office Accommodation

The council has a staff group for Black, Asian and Minority Ethnic people who can be consulted on any proposals to identify impacts relating to race.

National data identifies that Black and Asian people are more likely to contract Covid-19 and have higher risk should they contract it. Local research on Cambridge city identified that people of Bangladeshi/Indian/Pakistani ethnicities were more likely to contract Covid-19. Where people are concerned about risks relating to Covid-19 or returning to the office, they are encouraged to discuss this with their line manager or HR to see what reasonable adjustments could be made.

CAP4904 ICT & Digital Capabilities

A main aim of the budget bid is to improve access to digitised services for customers. Language barriers can mean that people are excluded from using digital services where English is not their first language. In procuring new software funded through this budget bid, the council would consider

how these barriers can be minimised. The council also has an interpretation and translation contract to support people to access its services.

(g) Religion or belief

S4998 Bus Subsidy Review

No specific impact has been identified specific to this protected characteristic group. The usage data for Citi 1 bus services is a passenger count figure and is not collected or broken down by protected characteristic groups. There do not appear to have been requests for the service to be reinstated

CAP4857 Closed Churchyard wall repairs

Abbey Churchyard and St Giles Churchyard have reported concerns regarding boundary walls failing or being in poor state of repair. The council needs to address these repairs as soon as is practicable in the interests of safety of the sites which are open to the public, and to fulfil its statutory responsibility to ensure upkeep of these churchyards.

CAP4903 Office Accommodation

Reviewing use of office accommodation will also involve identifying provision of prayer room facilities.

(h) Sex

B4878 Discretionary Housing Payments funding shortfall

Single parents are more likely to experience poverty, which means they have a greater need of DHPs. Women are generally more likely to be single parents in the first place (90%) according to ONS 2019. Moreover, locally, of the 1,551 single parent Council Tax Reduction claims, 1,463 are from women (94%).

B4916 Refuse Vehicle Driver Retention and B4987 Driver retention payment

The workforce of the Refuse Service is predominantly male and there are approximately 62 Grade 3 HGV driver posts and it is a shared service for Cambridge City and South Cambridgeshire that is managed by South Cambridgeshire District Council (SCDC). The proposal B4916 Refuse Vehicle Driver Retention is to pay all drivers at Grade 3 a market supplement of 6% of their current salary which would mean approximately an additional £1,200 per employee per year.

The proposal B4987 Driver retention payment is also to pay a market supplement of the current salary of drivers. This bid will impact on approximately 25 employees working at Cambridge City Council – staff with HGV licences working in the Fleet Service and in Streets and Open Spaces.

Both proposals (B4916 and B4987) are to aid retention during the driver shortage that the whole country is currently experiencing.

The change for Refuse Vehicle drivers (B4916) is likely to have a slight impact on the gender pay gap of SCDC, as it will be mainly men receiving the bonus payment due to the demographics of the service.

Similarly, B4987 Driver retention payment might have a slight impact on the gender pay gap at Cambridge City Council, as the approx. 25 employees receiving the bonus payment are men due to the demographics of the service.

S4998 Bus Subsidy Review

No specific impact has been identified specific to this protected characteristic group. The usage data for Citi 1 bus services is a passenger count figure and is not collected or broken down by protected characteristic groups. There do not appear to have been requests for the service to be reinstated

CAP4903 Office Accommodation

Reviewing use of office accommodation will also ensure that adequate toilet, shower and changing facilities are available at each location to accommodate men and women. Moreover, there are 271 part time employees, of which 65.31% are female and 34.69% are male (according to latest data for March 2021). The ability to work flexibly through hybrid working can especially benefit part-time employees who may have other commitments outside of work, like caring commitments.

(i) Sexual orientation

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

(j) Other factors that may lead to inequality – in particular, please consider the impact of any changes on:

- **Low-income groups or those experiencing the impacts of poverty**
- **Groups who have more than on 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_l59kt25q).**

B4858 Biodiversity Officer

Low-income groups or those experiencing the impacts of poverty:

This bid is funding for continuation of this post past December 2022, which is needed to help deliver the council's Biodiversity Strategy. The Biodiversity Officer explores different ways of promoting the Local Nature Reserves, Commons and public open spaces and volunteer events to ensure broad

engagement. This includes working with existing community groups supporting people on low incomes, such as Abbey People, to help promote initiatives.

B4885 Anti-Poverty Responsive Budget

Low-income groups or those experiencing the impacts of poverty:

This proposal is to make a budget available to fund projects that align with the objectives of the City Council's Anti-Poverty Strategy that emerge in 2022/23 outside of the budget-setting and community grants bidding rounds. Although it is not aimed at supporting particular protected characteristics, it is important to note that disabled people, many ethnic minority groups and women are more likely to experience poverty (so people from these groups may especially benefit).

B4878 Discretionary Housing Payments funding shortfall

Discretionary Housing Payments (DHPs) support households who experience a shortfall between Housing Benefit (HB) or Universal Credit (UC) and their eligible rent. This bid is to increase the amount of funding for the council to provide DHPs.

Low-income groups or those experiencing the impacts of poverty:

It important that families on a low income who are often less able to budget are clear about the support they will receive. Low-income households often do not have sufficient savings to allow them to choose good quality accommodation as large deposits and rent in advance are often required.

Groups who have more than one protected characteristic that taken together create overlapping and interdependent systems of discrimination or disadvantage:

According to Scope, families with disabled children on average, face extra costs of £581 a month. For 24% of families with disabled children, extra costs amount to over £1,000 a month. Also, older people are more likely to have long-term health conditions or disabilities so face extra living costs relating to having a disability.

S4997 Proactive and Planned Out of Hours Service

There should be no impact regarding the procedural and investigative changes being recommended to be adopted long term in relation to complaints of noise. Anybody from a low-income group or experiencing poverty who is unable to access 'The Noise App' can be provided with diary sheets to record details of noise incidents.

S4998 Bus Subsidy Review

The usage data for the Citi 1 Nightbus service is a passenger count figure and is not collected or broken down by protected characteristic groups. It is therefore not possible to consider intersectionality.

The passenger count data does not identify where the journey started or ended and it is therefore difficult to link it to specific locations which may indicate low-income groups might be more likely to

be affected. The service is a late-night bus service and there are other Citi 1 buses running up until 0108hrs. There do not appear to have been requests for the service to be reinstated.

CAP4929 ANPR at the Meadows Community Centre Car Park

Low-income groups or those experiencing the impacts of poverty:

This proposal is to upgrade the parking management system for the Meadows redevelopment. It is for an ANPR with barrier, which will also provide a revenue generation opportunity. There will be free parking for all priority use activities at the community centre (activity that supports the council's wider corporate objectives) and charges will apply to non-priority-use and commercial bookings. The costs have been benchmarked in line with other non-city centre carparks (£2.60 for 2 hours parking, £4.90 for 4 hours and £8.20 for 8 hours and above). Charges are unlikely to impact on low-income households, as activities at the centre relating to tackling poverty would be considered as meeting a wider corporate objective. Moreover, there is currently free on-street parking on St Catharine's Road and neighbouring residential streets.

CAP4903 Office Accommodation

Low-income groups or those experiencing the impacts of poverty:

Hybrid working may have impacts for staff on lower incomes, as in working from home staff will need to be able to fund broadband, energy and heating costs and have an adequate space they can work from. On the other hand, transport costs may be high for staff that cannot afford to live in the city so working from home may be more beneficial to them.

Groups who have more than one protected characteristic that taken together create overlapping and interdependent systems of discrimination or disadvantage (intersectionality):

In order to identify equality impacts relating to intersectionality, it will be important to consult staff with different protected characteristics about proposed changes as part of the Office Accommodation programme at a stage when there are clear options being considered. In relation to plans for office accommodation and the response to coronavirus, people with some protected characteristics (older people, people with respiratory problems and people from some ethnic groups) are more susceptible to and especially at risk if they were to get coronavirus. If people have more than one of these characteristics (such as an older person with respiratory issues) then they may be especially impacted. Where people are concerned about risks relating to Covid-19 or returning to the office, they are encouraged to discuss this with their line manager or HR to see what reasonable adjustments could be made.

CAP4904 ICT & Digital Capabilities

Low-income groups or those experiencing the impacts of poverty:

Funding from this budget bid would in part be used to procure a data warehouse, which would enable the council to bring together data on residents with different types of need, including relating to low-income or poverty. This information would be used by the council to develop a more holistic support offer to address needs relating to poverty and low income.

People on low incomes are more likely to be digitally excluded where they cannot afford broadband or IT equipment. Outside of the work identified in this budget bid proposal, the council continues to work with partners like the Cambridgeshire Digital Partnership to identify means we can help low-income households access this.

Groups who have more than on protected characteristic that taken together create overlapping and interdependent systems of discrimination or disadvantage (intersectionality):

The data warehouse that would be funded through the bid may help develop findings relating to needs of groups with multiple protected characteristics that overlap to create distinct needs.

Moreover, the council recognises that people may have distinct vulnerabilities due to how different elements of their identity (including protected characteristics) overlap. For instance, older people may have additional vulnerabilities relating to disability and poor health. These vulnerabilities of individuals might mean that they require face-to-face support and although the council is digitising services face-to-face appoints can still be made for vulnerable people. Staff are receiving training to better identify people who need this more tailored support and to consider broad range of circumstances and aspects of individuals' identities that may make them vulnerable.

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.)

Some BSR proposals might have equality impacts, which cannot be identified based on current information held. This means that further equality impact assessments on these might need to be undertaken at a later stage.

12. Do you have any additional comments?

CAP4904 ICT & Digital Capabilities

This budget bid will enable the council to make greater use of digital technology to improve accessibility to services for customers. Note that this will benefit customers generally from all equality groups and our staff by ensuring that there is a streamlined and accessible processes for staff to support customers. People with complex needs are likely to benefit from funding of this bid to procure of a data warehouse to pool data and obtain better insight and information on support needed by residents and customers. Digital software that would be funded by the bid will also enable customers contacting different services receive more holistic support.

13. Sign off
Name and job title of lead officer for this equality impact assessment: Helen Crowther, Equality and Anti-Poverty Officer (Corporate Strategy) Names and job titles of other assessment team members and people consulted: Alistair Wilson (development Manager for Streets and Open Spaces), Allison Conder (Strategic Project Manager for Community Services), Anthony French (Senior Asset Development Officer for Environmental Services), Chloe Whitehead (HR Adviser for South Cambridgeshire District Council), David Cox (Fleet Manager for Environmental Services), Dave Prinsep (Head of Property Services), David Kidston (Strategy and Partnerships Manager for Corporate Strategy), Don Blair (Senior Operations Manager for Streets and Open Spaces), Elissa Rospigliosi (Head of Transformation), Jackie Hanson (Community Funding and Development Manager for Community Services), Linda Thompson (Accountant for the Business Transformation Service), Michael Parsons (Waste Operations Manager at South Cambridgeshire District Council), Naomi Armstrong (Benefit Manager for Customer and Community Services), Paul Boucher (Transformation Project Manager for Business Transformation) Date of EqIA sign off: 1st December 2021 Date of next review of the equalities impact assessment: An EqIA is undertaken on budget proposals annually Date to be published on Cambridge City Council website: 4th January 2022

All EqIAs need to be sent to Helen Crowther, Equality and Anti-Poverty Officer at helen.crowther@cambridge.gov.uk.

Appendix F

Budget-Setting Report (BSR) 2022/23 - Review of Charges

In the Medium-Term Financial Strategy (MTFS) October 2021 the general inflation assumption (target) for income and charges was 2.0% ongoing. 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 2022 as budget proposals.

Contents:

Portfolio	Charges	Contacts
Climate Change, Environment and City Centre	Environmental Services Taxi Testing Shared Waste Control of Dogs Markets	Yvonne O'Donnell David Cox Bode Esan Wendy Johnston Tim Jones
Communities	Sports and Recreation Bereavement Services	Ian Ross Glyn Theobald
Housing – General Fund	HMOs, Enforcement	Yvonne O'Donnell
Open Spaces, Sustainable Food and Community Wellbeing	Open Spaces	Joel Carre
Planning Policy and Transport	Parking	Sean Cleary
Finance & Resources	Moorings Guildhall Lettings Land Charges	Ashley Read Gary Clift Laura Prideaux-Brune
Licensing	Business Licensing Taxi Licensing Licensing & Gambling Act Animal Licensing Street Trading	Yvonne O'Donnell Tim Jones

Climate Change, Environment and City Centre

Charge Type and description	Charges 2021/22 £	Proposed Charges 2022/23 £	% Increase 2022/23
Environmental Services			
Pest Control Treatments for Businesses / Commercial per hour (minimum half hour)	99.00	101.00	2.0%
House / Car Alarms (fee includes administration costs)	Actual Costs	Actual Costs	0.0%
Lecture Fees - per hour	87.00	89.00	2.3%
Food Surrender and Disposal	Actual Costs	Actual Costs	0.0%
Food Register - entire register printed	908.00	926.00	2.0%
Taught CIEH courses	73.00	74.50	2.1%
Online CIEH Courses	27.50	28.00	1.8%
Examination following on-line courses	22.50	23.00	2.2%
Tailored Training	Actual Costs	Actual Costs	0.0%
Mentoring Training at £85 hour	Actual Costs	Actual Costs	0.0%
Primary Authority Partnership Scheme at £85 hour	Actual Costs	Actual Costs	0.0%
Contaminated Land (per Enquiry/Polygon)	220.00	225.00	2.3%
Food Hygiene Ratings (FHRS) Rescore	194.00	198.00	2.1%
Scrap Metal Dealers			
Site Licence	459.00	468.00	2.0%
Conversion to collector's licence	56.00	57.00	1.8%
Change of licensee name	56.00	57.00	1.8%
Addition of site	459.00	468.00	2.0%
Removal of site	56.00	57.00	1.8%
Change of Site Manager	135.00	137.00	1.5%
Replacement of lost or damaged licence	50.00	51.00	2.0%
Collector's licence	196.00	200.00	2.0%
Conversion to site licence	398.00	405.00	1.8%
Change of name (e.g. status)	56.00	57.00	1.8%
Replacement of lost or damaged licence	50.00	51.00	2.0%
Taxi Vehicle Testing by the Garage			
Mechanical Fitness Test (Twice Yearly)	63.00	65.00	3.2%
Re-test if works carried out at a separate garage and returned within 10 days	31.00	33.00	6.5%
Re-test if works carried out at a separate garage and returned after 10 days	64.00	70.00	9.4%
Shared Waste Service			
Hazardous domestic collections			
Per Item (Fridge / Freeze / CRT Monitor / TV / Microwaves etc.)	25.00	25.00	0.0%
Domestic collections - Bulky Collections			
One to three items (excluding hazardous items)	30.00	31.00	3.3%
More than three items (per item and maximum 9 items)	5.00	5.00	0.0%
Charge to empty contaminated bin / additional empty (per bin)	30.00	31.00	3.3%
Clearance of rubbish from bin stores	By quote	By quote	0.0%
Annual 2nd green bin charge - per additional bin (October to October)	40.00	40.00	0.0%
Additional garden waste capacity for flats (per 1100l bin)	80.00	80.00	0.0%
Bins			
Delivery of bin(s) for new property	80.00	82.00	2.5%
Additional approved black bin - for large families etc.	50.00	50.00	0.0%
Delivery of a replacement black bin 240 litre - (damaged/stolen)	50.00	50.00	0.0%
Delivery of a replacement green/blue bin (damaged/stolen)	FREE	FREE	0.0%
Additional blue bin charge	FREE	FREE	0.0%
Recycling Kitchen Caddy Sacks (in packs of 50). Includes VAT.	3.00	3.00	0.0%
Dogs			
Statutory Fee for all stray dogs**	25.00	25.00	0.0%
Collection and transportation cost of stray dogs in normal office hours	69.18	70.00	1.2%
Kennels registration and vet checking fee	53.32	55.00	3.2%
Daily kennel charges	17.01	17.50	2.9%
Markets			
Cambridge Retail Market			
Monday - Tuesday rents			
General Market Weekday Premium	20.63	21.15	2.5%
General Market Weekday Standard	10.00	10.00	0.0%
Wednesday - Friday rents			
General Market Weekday Premium	20.63	21.15	2.5%
General Market Weekday Standard	17.07	17.50	2.5%
General Market Weekend Premium	39.62	40.61	2.5%
General Market Weekend Standard	32.55	33.36	2.5%

Charge Type and description	Charges 2021/22 £	Proposed Charges 2022/23 £	% Increase 2022/23
Hot Food Premium	7.33	7.51	2.5%
Casual Trading Premium	5.00	5.00	0.0%
*Storage Units	18.03	18.03	0.0%
All Saints Craft Fair			
Monday - Friday rents	15.86	16.26	2.5%
Saturday rent	33.56	34.40	2.5%
All Markets - Administration Fees			
Variations Fee - applicable for any changes that result in the production of a new licence.	30.00	30.00	0.0%
Direct Debit rebate	0.04	0.04	0.0%
For 21-22 Market fees were kept at the 20-21 level as agreed with the Exec Cllr due to the pandemic. For the period April to July 21 these were further discounted by 25%			
* These charges are shown net of VAT			
** Externally set fees and charges			

Communities - Sport & Recreation

Charge Type and description	Charges 2021/22 £	Proposed Charges 2022/23 £	% Increase 2022/23
Sports & Recreation Charges (including VAT)			
Sports Facilities			
Cricket			
Adult Per pitch	44.00	45.00	2.3%
Including Pavilion	60.00	61.00	1.7%
Junior per pitch (Under 16's)	28.50	29.00	1.8%
Including Pavilion	35.00	35.50	1.4%
Football/Rugby/Hockey			
Per pitch including Pavilion	57.50	58.50	1.7%
Junior per pitch including Pavilion (Under 16's)	31.50	32.00	1.6%
8-a-side pitch	23.50	24.00	2.1%
American Football			
Per pitch (including 4 changing rooms)	100.00	102.00	2.0%
Junior (Under 16's) per pitch (including 4 changing rooms)	50.00	51.00	2.0%
Rounders			
Per Pitch	24.50	25.00	2.0%
Per Pitch - Junior (Under 16's)	12.75	13.00	2.0%
Tennis			
Jesus Green - Per hour	FREE	FREE	0.0%
Nightingale Avenue, Lammas Land, Coleridge, Barnwell, Christs	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	60.00	61.50	2.5%
Whole Pitch - Junior	32.50	33.00	1.5%
Half Pitch	39.50	40.00	1.3%
Half Pitch - Junior	22.00	22.50	2.3%
Off-Peak Time			
Whole Pitch	47.50	48.50	2.1%
Whole Pitch - Junior	31.00	31.50	1.6%
Half Pitch	32.50	33.00	1.5%
Half Pitch - Junior	19.00	19.50	2.6%
Lighting Charges per hour			
Whole Pitch max lux	18.00	20.00	11.1%
Half Pitch max lux	10.00	12.00	20.0%
Changing Room Hire - Per Game			
Additional Changing Room (per room)	12.75	13.00	2.0%
Swimming Services			
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	FREE	FREE	0.0%
Parkside Pools			
Adult	5.00	5.10	2.0%
Junior	2.60	2.65	1.9%
Main Pool Hire - per hour (Non Commercial)	136.00	139.00	2.2%
Main Pool Hire - per hour **(Commercial)**	352.00	360.00	2.3%
Lane Hire	25.00	25.50	2.0%
Diving Pool - per hour (Non Commercial)	78.00	79.50	1.9%
Diving Pool - per hour **(Commercial)**	110.00	112.50	2.3%
Children's Pool Hire - per hour (Non Commercial)	51.00	52.00	2.0%
Children's Pool Hire - per hour **(Commercial)**	61.50	63.00	2.4%
Flumes	60.00	61.50	2.5%
Non-City LEA School Swim	2.00	2.00	0.0%
Abbey Pool			
Adult	5.00	5.10	2.0%
Junior	2.60	2.65	1.9%
Pool Hire - per hour (Non Commercial)	87.50	90.00	2.9%
Pool Hire - per hour **(Commercial)**	110.00	112.50	2.3%
Learner Pool Hire - per hour (Non Commercial)	45.00	46.00	2.2%
Learner Pool Hire - per hour **(Commercial)**	61.00	62.50	2.5%
Gala Hire - per hour (City Clubs)	166.50	170.00	2.1%

Charge Type and description	Charges 2021/22 £	Proposed Charges 2022/23 £	% Increase 2022/23
Gala Hire - per hour **(Commercial)**	225.00	230.00	2.2%
Non-City LEA School Swim	2.00	2.00	0.0%
Kings Hedges Pool			
Pool Hire - per hour - Non Commercial	41.75	42.50	1.8%
Pool Hire - per hour - **(Commercial)**	61.50	63.00	2.4%
Jesus Green Outdoor Pool			
Adult	5.00	5.10	2.0%
Adult - Season Ticket	115.00	N/A	N/A
Adult - Season Ticket with Sauna	172.00	N/A	N/A
Junior	2.60	2.65	1.9%
Junior - Season Ticket	40.00	N/A	N/A
Pool hire per Hour - Non Commercial	115.00	118.00	2.6%
Pool hire per Hour - **(Commercial)**	183.00	300.00	63.9%
Health Suites			
Abbey Pool			
Sauna & Swim	7.80	8.00	2.6%
GP Referral			
Swimming Session - Abbey, Parkside, Kings Hedges			
Induction	9.00	9.50	5.6%
Session	3.00	3.50	16.7%
Membership Cards			
Adult Residents (up to 30% discount)	10.00	10.00	0.0%
Adult Students & 60+ (up to 35% Discount)	7.50	7.50	0.0%
Adult Concessions (up to 50% Discount)	5.00	5.00	0.0%
Junior Residents (up to 30% discount)	5.00	5.00	0.0%
Junior Concessions (up to 50% Discount)	2.50	2.50	0.0%
Cherry Hinton Village Centre			
Activity			
Main Hall per Hour - Adult	48.00	49.00	2.1%
Main Hall per Hour - Junior (17yr & Under)	28.00	28.50	1.8%
Large Meeting Room per hour - (Community)	22.00	22.50	2.3%
Large Meeting Room per hour - (**Commercial)**	31.00	31.50	1.6%
Small Meeting Room per hour - (Community)	11.25	11.50	2.2%
Small Meeting Room per hour - (**Commercial)**	19.00	19.50	2.6%
Admission on Sports Bookings per person	0.30	0.30	0.0%
Badminton Court per hour - Adult	13.75	14.00	1.8%
Badminton Court per hour - Junior (17yr & Under)	7.75	8.00	3.2%

Communities - Bereavement Services

Charge Type and description	Charges 2021/22 £	Proposed Charges 2022/23 £	% Increase 2022/23
CAMBRIDGE CITY CREMATORIUM			
Adult Direct Cremation	475.00	475.00	0.0%
Collection of deceased no cremation (within 25 miles)	620.00	635.00	2.4%
Adult - Band 1 (before 9:30am and after 4pm)	620.00	635.00	2.4%
Adult - Band 2	850.00	880.00	3.5%
Extended Service	310.00	320.00	3.2%
Over running allotted service time by more than 5 minutes	75.00	75.00	0.0%
Adult - Saturday service by request	1,542.00	1,542.00	0.0%
ADDITIONAL CHARGES (IF APPLICABLE)			
Memorial Service (includes VAT)	392.00	405.00	3.3%
Audio (CD) Recording (includes VAT)	58.00	60.00	3.4%
Visual (DVD) Recording (includes VAT)	58.00	60.00	3.4%
USB Recording (includes VAT)	58.00	60.00	3.4%
Web Cast (includes VAT)	58.00	60.00	3.4%
Visual Tribute (West Chapel only) - price on application (includes VAT) (minimum charge shown)	30.00	35.00	16.7%
Visual tribute price per picture (includes VAT)	1.96	2.00	2.1%
Visual tribute price per minute of video (includes VAT)	5.50	5.50	0.0%
Additional copy of recording (includes VAT)	22.00	25.00	13.6%
Copy of VT (includes VAT)	28.00	30.00	7.1%
Include VT on recording (includes VAT)	28.00	30.00	7.1%
Duplicate Cremation Certificate (includes VAT)	21.00	21.00	0.0%
Postage & Packing (at cost)	At Cost	At Cost	0.0%
Customs Certificate (includes VAT)	21.00	21.00	0.0%
Cancelling service within 4 working days of the allotted time	180.00	180.00	0.0%
Exhumation of Ashes (includes VAT)	181.00	185.00	2.2%
NEWMARKET ROAD & HUNTINGDON ROAD CEMETERY			
Exclusive Right of Burial – Adult			
Exclusive Right of Burial – Adult - 50 years	995.00	1,025.00	3.0%
Exclusive Right of Burial – Adult - 75 years	1,500.00	1,550.00	3.3%
Exclusive Right of Burial – Adult - 99 years	2,030.00	2,100.00	3.4%
5 year top up extension to reinstate Exclusive right to 50 years	100.00	105.00	5.0%
Exclusive Right of Burial – 2 years and under	170.00	170.00	0.0%
All Interments - Traditional and Green burials			
Adult interment Resident	892.00	920.00	3.1%
Adult - Saturday	1,100.00	1,250.00	13.6%
Ashes	202.00	210.00	4.0%
Ashes - Saturday	305.00	315.00	3.3%
Permanent (Wooden) Shoring (single depth grave)	316.00	330.00	4.4%
Permanent (Wooden) Shoring (double depth, closed boarding) (For use with oversized coffin)	1,105.00	1,150.00	4.1%
Topsoil (single depth grave)	385.00	395.00	2.6%
Headstone (up to 18"x18") plus memorial inspection fee *	106.00	106.00	0.0%
Infant Kerbset including headstone (36"l x 24"w x 24"h) plus memorial inspection fee *	140.00	140.00	0.0%
Adult Headstone (up to 36"h) plus memorial inspection fee *	205.00	210.00	2.4%
Adult Half Kerb including headstone (36"l x 36"w x 48"h) plus memorial inspection fee *	205.00	210.00	2.4%
Adult Full Kerbset including headstone (84"l x 36"w x 48"h) plus memorial inspection fee *	307.00	315.00	2.6%
Adult Full Kerbset including headstone (up to 84"l x 36"w x 54"h) plus memorial inspection fee *	463.00	475.00	2.6%
Adult Full Kerbset including headstone (up to 84"l x 36"w x 60"h) plus memorial inspection fee *	692.00	705.00	1.9%
Adult Full Kerbset including headstone (up to 84"l x 36"w x 66"h) plus memorial inspection fee *	1,035.00	1,050.00	1.4%
Memorial inspection fee (includes VAT)*	78.00	80.00	2.6%
ADDITIONAL CHARGES (IF APPLICABLE)			
Use of chapel - Funeral service	405.00	405.00	0.0%
Memorial service - Monday to Saturday (subject to VAT)	405.00	405.00	0.0%
Grave Plot prepurchase - Huntingdon Road (Single) 50years	2,600.00	2,655.00	2.1%
Grave Plot prepurchase - Huntingdon Road (Single) 75years	3,162.00	3,250.00	2.8%
Grave Plot prepurchase - Huntingdon Road (Single) 99years	3,774.00	3,850.00	2.0%
Assignment of grave ownership	57.00	60.00	5.3%
Transfer of Ownership	57.00	60.00	5.3%
Duplicate Deed of Grant	21.00	21.00	0.0%
Permit for cleaning and renovation only (includes VAT)	32.00	33.00	3.1%
Cancelling service after the grave has been dug	250.00	280.00	12.0%
Exhumation (subject to VAT)	Price on Application	Price on Application	0.0%
Exhumation (non-viable foetus) (includes VAT)	295.00	295.00	0.0%
Additional Inscriptions (Includes VAT)	205.00	210.00	2.4%

Housing - General Fund

Charge Type and description	Charges 2021/22 £	Proposed Charges 2022/23 £	% Increase 2022/23
Licences:			
HMO Licences - New Applications	969.00	988.00	2.0%
HMO Licence - Renewals	969.00	988.00	2.0%
HMO Licence - Renewals - if submitted at least 8 weeks prior to expiry of current licence	872.00	890.00	2.1%
Assisted application	Cost	Cost	0.0%
Enforcement Activity			
Penalty for non compliance (not belonging to one of the approved Property Redress schemes) £5,000 maximum charge	Monthly Local Housing Allowance Rate for the property, up to a maximum of £5,000	Monthly Local Housing Allowance Rate for the property, up to a maximum of £5,000	0.0%
Subsequent offences	5,000.00	5,000.00	0.0%
Penalty for non compliance with the Smoke and Carbon Monoxide Regulations	Monthly Local Housing Allowance Rate for the property, up to a maximum of £5,000	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	200.00	200.00	0.0%
Civil Penalty for failure to comply with The Energy Efficiency (Private Rented Property) (England & Wales) Regulations 2015, MEES	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%
Civil Penalty for non-compliance under the Housing and Planning Act 2016	Case by case basis using agreed matrix, maximum of £30,000 per offence	Case by case basis using agreed matrix, maximum of £30,000 per offence	0.0%
Charge for the service of an Improvement Notice under the Housing Act 2004	344.00	351.00	2.0%
Charge for the service of a Prohibition Order under the Housing Act 2004	312.00	318.00	1.9%
Charge for the service of an Emergency Remedial Action Notice under the Housing Act 2004	292.00	298.00	2.1%
Charge for the review of Suspended notices or orders served under the Housing Act 2004	104.00	106.00	1.9%
Financial Penalty for breach of The Electrical Safety Standards in the Private Rented Sector Regs 2020	Case by case as determined up to maximum £30,000	Case by case as determined up to maximum £30,000	0.0%
Training and other services			
Delivering training and other discretionary services for landlords and agents (Includes development, promotion, overheads and associated costs)	At Cost	At Cost	0.0%
Landlord training (per delegate)	105.00	107.00	1.9%
Immigration inspections	146.00	N/A	N/A

Open Spaces, Sustainable Food and Community Wellbeing - Open Spaces

Charge Type and description	Charges 2021/22 £	Proposed Charges 2022/23 £	% Increase 2022/23
Allotments			
Standard size is 10 rods (300 m2)			
Allotment Full size	65.00	67.00	3.1%
Allotment Half size	32.50	33.50	3.1%
Allotment starter plot	22.00	23.50	6.8%
Parks, Commons & Open Spaces			
Grazing			
Cows	67.00	68.50	2.2%
Cows - 10 or more (per beast)	43.00	44.00	2.3%
Parks & Open Spaces Lettings			
Application Fee - all applicants (may be returnable for local events if criteria met) (Plus VAT)	125.00	125.00	0.0%
Filming on parks and open spaces (Non Commercial)	Free	Free	0.0%
Filming on parks and open spaces (Commercial)	Negotiable	Negotiable	0.0%
Daily Hire - Fairs #	495.00	505.00	2.0%
Daily Hire - Circuses #	420.00	430.00	2.4%
Setting up/Pulling down days (For events where hire fee is more)	235.00	240.00	2.1%
Ongoing business use e.g. fitness classes (per quarter)	362.00	370.00	2.2%
Non Commercial Public Events ‡	285.00	290.00	1.8%
National Charities ‡	220.00	225.00	2.3%
Local events / demos ‡	Free	Free	0.0%
Fun Runs and Charity Walks (Local Charity Run/100% beneficiary)(under 500 participants)	Free	Free	0.0%
Commercial Public Events on City Centre Parks: †	Negotiable	Negotiable	0.0%
- minimum charge for lettings up to and over 1,000 sq. metres	920.00	940.00	2.2%
- additional charge per square metre for lettings over 1,000 sq. metres	2.10	2.15	2.4%
Commercial Public Events on Other Parks & Open Spaces: †	Negotiable	Negotiable	0.0%
- minimum charge for lettings up to and over 1,000 sq. metres	490.00	500.00	2.0%
- additional charge per square metre for lettings over 1,000 sq. metres	2.10	2.15	2.4%
Use of a Premises Licence for external event providers	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	Free Where Existing	Free Where Existing	0.0%
Internal Event/Cambridge Live - No Fees	133.00	136.00	2.3%
Internal Event/Cambridge Live - Fee Paying	180.00	184.00	2.2%

‡ 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

MULTISTOREY CAR PARKS (Pay on foot)	2021/22				2022/23				2022/23 from 2021/22 Comparisons % Change			
	Mondays to Fridays	Mondays to Fridays PEAK TIME	Saturdays and Sundays	Saturdays and Sundays PEAK TIME	Mondays to Fridays	Mondays to Fridays PEAK TIME	Saturdays and Sundays	Saturdays and Sundays PEAK TIME				
Grand Arcade	Mon-Fri 10am to 7pm	If a vehicle parks between Mon to Fri 8am to 10am the following rates are payable for the duration of the stay (8am-7pm)	Sat 9am to 7pm Sun 10am to 5pm	If a vehicle parks between 11am to 1pm the following rates are payable for the duration of the stay (Sat 11am-7pm and Sun 11am to 5pm)	Mon-Fri 10am to 7pm	If a vehicle parks between Mon to Fri 8am to 10am the following rates are payable for the duration of the stay (8am-7pm)	Sat 9am to 7pm Sun 10am to 5pm	If a vehicle parks between 11am to 1pm the following rates are payable for the duration of the stay (Sat 11am-7pm and Sun 11am to 5pm)	Mon-Fri NON PEAK	Mon-Fri PEAK	Sat-Sun NON PEAK	Sat-Sun PEAK
1hr	£2.60	£3.10	£2.90	£3.40	£2.60	£3.10	£2.90	£3.40	0.0%	0.0%	0.0%	0.0%
2hrs	£5.00	£6.00	£5.50	£6.50	£5.00	£6.00	£5.50	£6.50	0.0%	0.0%	0.0%	0.0%
3hrs	£7.50	£8.90	£8.10	£9.70	£7.50	£8.90	£8.10	£9.70	0.0%	0.0%	0.0%	0.0%
4hrs	£10.80	£13.00	£12.60	£14.60	£10.80	£13.00	£12.60	£14.60	0.0%	0.0%	0.0%	0.0%
5hrs	£20.70	£23.40	£22.10	£24.60	£20.70	£23.40	£22.10	£24.60	0.0%	0.0%	0.0%	0.0%
over 5 hrs	£26.70	£29.90	£27.90	£30.90	£26.70	£29.90	£27.90	£30.90	0.0%	0.0%	0.0%	0.0%
evenings & overnight	£1.20	£1.20	£1.20	£1.20	£1.20	£1.20	£1.20	£1.20	0.0%	0.0%	0.0%	0.0%
Queen Anne Terrace	Mon-Fri 10am to 7pm	If a vehicle parks between Mon to Fri 8am to 10am the following rates are payable for the duration of the stay (8am-7pm)	Sat 9am to 7pm Sun 10am to 5pm	If a vehicle parks between 11am to 1pm the following rates are payable for the duration of the stay (Sat 11am-7pm and Sun 11am to 5pm)	Mon-Fri 10am to 7pm	If a vehicle parks between Mon to Fri 8am to 10am the following rates are payable for the duration of the stay (8am-7pm)	Sat 9am to 7pm Sun 10am to 5pm	If a vehicle parks between 11am to 1pm the following rates are payable for the duration of the stay (Sat 11am-7pm and Sun 11am to 5pm)	Mon-Fri NON PEAK	Mon-Fri PEAK	Sat-Sun NON PEAK	Sat-Sun PEAK
1hr	£1.70	£2.20	£1.70	£2.10	£1.70	£2.20	£1.70	£2.10	0.0%	0.0%	0.0%	0.0%
2hrs	£3.30	£4.30	£3.30	£4.30	£3.30	£4.30	£3.30	£4.30	0.0%	0.0%	0.0%	0.0%
3hrs	£4.50	£6.00	£4.50	£6.00	£4.50	£6.00	£4.50	£6.00	0.0%	0.0%	0.0%	0.0%
4hrs	£5.30	£7.30	£5.30	£7.30	£5.30	£7.30	£5.30	£7.30	0.0%	0.0%	0.0%	0.0%
5hrs	£7.00	£9.60	£7.00	£9.50	£7.00	£9.60	£7.00	£9.50	0.0%	0.0%	0.0%	0.0%
6hrs	£10.70	£13.70	£10.60	£13.70	£10.70	£13.70	£10.60	£13.70	0.0%	0.0%	0.0%	0.0%
over 6 hrs	£14.10	£17.80	£14.20	£17.80	£14.10	£17.80	£14.20	£17.80	0.0%	0.0%	0.0%	0.0%
evenings & overnight	£0.80	£0.80	£0.80	£0.80	£0.80	£0.80	£0.80	£0.80	0.0%	0.0%	0.0%	0.0%
Park Street	Mon-Fri 10am to 7pm	If a vehicle parks between Mon to Fri 8am to 10am the following rates are payable for the duration of the stay (8am-7pm)	Sat 9am to 7pm Sun 10am to 5pm	If a vehicle parks between 11am to 1pm the following rates are payable for the duration of the stay (Sat 11am-7pm and Sun 11am to 5pm)	Mon-Fri 10am to 7pm	If a vehicle parks between Mon to Fri 8am to 10am the following rates are payable for the duration of the stay (8am-7pm)	Sat 9am to 7pm Sun 10am to 5pm	If a vehicle parks between 11am to 1pm the following rates are payable for the duration of the stay (Sat 11am-7pm and Sun 11am to 5pm)	Mon-Fri NON PEAK	Mon-Fri PEAK	Sat-Sun NON PEAK	Sat-Sun PEAK
1hr	£2.40	£2.90	£2.60	£3.10	£2.40	£2.90	£2.60	£3.10	0.0%	0.0%	0.0%	0.0%
2hrs	£4.10	£5.10	£5.00	£6.00	£4.10	£5.10	£5.00	£6.00	0.0%	0.0%	0.0%	0.0%
3hrs	£6.10	£7.60	£6.90	£8.50	£6.10	£7.60	£6.90	£8.50	0.0%	0.0%	0.0%	0.0%
4hrs	£10.30	£12.30	£11.20	£13.20	£10.30	£12.30	£11.20	£13.20	0.0%	0.0%	0.0%	0.0%
5hrs	£18.10	£20.70	£19.20	£21.80	£18.10	£20.70	£19.20	£21.80	0.0%	0.0%	0.0%	0.0%
over 5 hrs	£25.50	£28.80	£25.70	£28.80	£25.50	£28.80	£25.70	£28.80	0.0%	0.0%	0.0%	0.0%
evenings & overnight	£0.80	£0.80	£0.80	£0.80	£0.80	£0.80	£0.80	£0.80	0.0%	0.0%	0.0%	0.0%
Grafton East	Mon-Fri 10am to 7pm	If a vehicle parks between Mon to Fri 8am to 10am the following rates are payable for the duration of the stay (8am-7pm)	Sat 9am to 7pm Sun 10am to 5pm	If a vehicle parks between 11am to 1pm the following rates are payable for the duration of the stay (Sat 11am-7pm and Sun 11am to 5pm)	Mon-Fri 10am to 7pm	If a vehicle parks between Mon to Fri 8am to 10am the following rates are payable for the duration of the stay (8am-7pm)	Sat 9am to 7pm Sun 10am to 5pm	If a vehicle parks between 11am to 1pm the following rates are payable for the duration of the stay (Sat 11am-7pm and Sun 11am to 5pm)	Mon-Fri NON PEAK	Mon-Fri PEAK	Sat-Sun NON PEAK	Sat-Sun PEAK
1hr	£2.40	£2.90	£2.60	£3.10	£2.40	£2.90	£2.60	£3.10	0.0%	0.0%	0.0%	0.0%
2hrs	£3.90	£4.90	£4.70	£5.70	£3.90	£4.90	£4.70	£5.70	0.0%	0.0%	0.0%	0.0%
3hrs	£6.00	£7.50	£6.60	£8.20	£6.00	£7.50	£6.60	£8.20	0.0%	0.0%	0.0%	0.0%
4hrs	£9.80	£11.90	£11.20	£13.20	£9.80	£11.90	£11.20	£13.20	0.0%	0.0%	0.0%	0.0%
5hrs	£18.10	£20.70	£19.30	£21.80	£18.10	£20.70	£19.30	£21.80	0.0%	0.0%	0.0%	0.0%
over 5 hrs	£25.70	£28.70	£25.70	£28.70	£25.70	£28.70	£25.70	£28.70	0.0%	0.0%	0.0%	0.0%
evenings & overnight	£0.80	£0.80	£0.80	£0.80	£0.80	£0.80	£0.80	£0.80	0.0%	0.0%	0.0%	0.0%
Grafton West	Mon-Fri 10am to 7pm	If a vehicle parks between Mon to Fri 8am to 10am the following rates are payable for the duration of the stay (8am-7pm)	Sat 9am to 7pm Sun 10am to 5pm	If a vehicle parks between 11am to 1pm the following rates are payable for the duration of the stay (Sat 11am-7pm and Sun 11am to 5pm)	Mon-Fri 10am to 7pm	If a vehicle parks between Mon to Fri 8am to 10am the following rates are payable for the duration of the stay (8am-7pm)	Sat 9am to 7pm Sun 10am to 5pm	If a vehicle parks between 11am to 1pm the following rates are payable for the duration of the stay (Sat 11am-7pm and Sun 11am to 5pm)	Mon-Fri NON PEAK	Mon-Fri PEAK	Sat-Sun NON PEAK	Sat-Sun PEAK
1hr	£2.40	£2.90	£2.60	£3.10	£2.40	£2.90	£2.60	£3.10	0.0%	0.0%	0.0%	0.0%
2hrs	£3.90	£4.90	£4.70	£5.70	£3.90	£4.90	£4.70	£5.70	0.0%	0.0%	0.0%	0.0%
3hrs	£6.00	£7.50	£6.60	£8.20	£6.00	£7.50	£6.60	£8.20	0.0%	0.0%	0.0%	0.0%
4hrs	£9.80	£11.90	£11.20	£13.20	£9.80	£11.90	£11.20	£13.20	0.0%	0.0%	0.0%	0.0%
5hrs	£18.20	£20.70	£19.30	£21.80	£18.20	£20.70	£19.30	£21.80	0.0%	0.0%	0.0%	0.0%
over 5 hrs	£25.70	£28.70	£25.70	£28.70	£25.70	£28.70	£25.70	£28.70	0.0%	0.0%	0.0%	0.0%
evenings & overnight	£0.80	£0.80	£0.80	£0.80	£0.80	£0.80	£0.80	£0.80	0.0%	0.0%	0.0%	0.0%

SURFACE CAR PARKS				
ADAM AND EVE STREET Monday to Friday 8am to 7pm Saturday 9am to 7pm Sunday 10am to 5pm	**Pay and display**			
Maximum stay 2 hours	**2021/22**	**2022/23**	% change	Evenings and overnight
Charges	80p for 20 mins (£2.40/hr)	80p for 20 mins (£2.40/hr)	0.0%	Free

CASTLE HILL CAR PARK Monday to Friday 8am to 7pm Saturday 9am to 7pm Sunday 10am to 5pm	**Pay and display**			
Charges	**2021/22**	**2022/23**	% change	Evenings and overnight
Up to 2 hours	£2.60	£2.60	0.0%	Free
2-4 hours	£5.00	£5.00	0.0%	
over 4 hours	£8.30	£8.30	0.0%	
Sunday - all day charge	£4.20	£4.20	0.0%	
Weekly ticket (7 days)	£36.40	£36.40	0.0%	

GWYDIR STREET CAR PARK Monday to Friday 8am to 7pm Saturday 9am to 7pm	**Pay and display**			
Maximum stay 2 hours	**2021/22**	**2022/23**	% change	Evenings and overnight
Charges	90p for 30 mins (£1.80/hr)	90p for 30 mins (£1.80/hr)	0.0%	Free
RIVERSIDE CAR PARK Monday to Friday 8am to 7pm Saturday 9am to 7pm	**Pay and display**			
Maximum stay 8 hours	**2021/22**	**2022/23**	% change	Evenings and overnight
Charges	60p for 30 mins (£1.20/hr)	60p for 30 mins (£1.20/hr)	0.0%	Free

SEASON TICKET CHARGES - Business Permits					
Park Street, Queen Anne and Grafton Centre car parks	**Quarterly fee inclusive of VAT (21/22)**	**Quarterly fee inclusive of VAT (22/23)**	% change	**20% Discount for low emission [Group A] vehicles 22/23**	**Discounted fee (22/23)**
'Night Owl' 7 days 5pm-8am (one car park*)	**£236.00**	**£236.00**	**0.0%**	**£47.20**	**£188.80**
24/7 Premium (Grafton car parks, Park St, Queen Anne)	**£911.00**	**£911.00**	**0.0%**	**£182.20**	**£728.80**
Monday-Friday 24 hour access (one car park*)	**£696.00**	**£696.00**	**0.0%**	**£139.20**	**£556.80**
Monday-Friday 8am -6pm (one car park*)	**£553.00**	**£553.00**	**0.0%**	**£110.60**	**£442.40**

Note *** excluding Grand Arcade car park**

DISABLED BADGE HOLDERS

First three hours parking free, on production of a valid Blue Badge to the City Council at the **Grand Arcade, Park Street, Grafton East, Grafton West and Queen Anne Terrace car parks.**
At multi storey car parks durations of stay 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
Two hours free parking during charging hours when a valid Blue Badge and time clock is displayed at **Adam and Eve and Gwydir Street car parks**.
Three hours free parking when a valid Blue Badge and time clock is displayed at **Castle Hill and Riverside car parks**.

Finance & Resources

Mooring Fees

Charge Type and description	Charges 2021/22 £	Proposed Charges 2022/23 £	% Increase 2022/23
Mooring Fees*			
Tariff Class 30 - vessel up to 5 metres	854.00	897.00	5.0%
Tariff Class 32 - vessel under 3 metres	854.00	897.00	5.0%
Tariff Class 33 - Vessel 3 to 5 metres	854.00	897.00	5.0%
Tariff Class 34 - Vessel 5 to 7.5 metres	911.00	957.00	5.0%
Tariff Class 35 - Vessel 7.5 to 10 metres	968.00	1,016.00	5.0%
Tariff Class 36 - Vessel 10 to 12.5 metres	1,026.00	1,077.00	5.0%
Tariff Class 37 - Vessel 12.5 to 15 metres	1,082.00	1,136.00	5.0%
Tariff Class 38 - Vessel 15 to 20 metres	1,139.00	1,196.00	5.0%
Tariff Class 39 - Vessel over 20 metres	1,253.00	1,316.00	5.0%
Tariff Class 51 - Any other vessel	1,253.00	1,316.00	5.0%
** All charges are subject to VAT.*			
*** 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%			

Guildhall Lettings

Charge Type and description	Charges 2021/22 £	Proposed Charges 2022/23 £	% Increase 2022/23
Guildhall Meeting Rooms, Committee Rooms Council Chamber and Members Lounge			
Guildhall Meeting Rooms (per hour)	NEW	15.00	0.0%
Committee Room (s)	NEW	30.00	0.0%
Council Chamber	NEW	100.00	0.0%
Members Lounge	NEW	15.00	0.0%
Exhibition area	NEW	10.00	0.0%
Internal City Council Hirer - Office hours	NEW	No charge	0.0%
Internal City Council Hirer - Out of office Hours, bank holiday and weekends	NEW	Actual Cost of staffing	0.0%
Shared Services/Greater Cambridge Partnership - Office hours up to half a day	NEW	No charge	0.0%
Shared Services/Greater Cambridge Partnership - Other times - per hour*	NEW	Hourly Rate as above	0.0%
Public Sector Partner - Office hours up to half a day **	NEW	No charge	0.0%
Public Sector Partner - Other times - per hour **	NEW	Hourly Rate as above	0.0%
Community & Voluntary Sector - Office hours up to half a day **	NEW	No charge	0.0%
Community & Voluntary Sector - Other times - per hour **	NEW	Hourly Rate as above	0.0%
Commercial Hires - per hour **	NEW	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			

Finance & Resources

Land Charges

Charge Type and description	Charges 2021/22 £	Proposed Charges 2022/23 £	% Increase 2022/23
Land Charges			
LLC1 Official Search in respect of one parcel of land	25.00	39.00	56.0%
Residential Search *			
CON29R **	126.00	137.00	8.7%
LLC1 and CON29R (Full Residential Search)**	151.00	176.00	16.6%
Additional Parcels of Land	17.00	17.00	0.0%
Additional Parcels of Land LLC1	N/A	0.70	0.0%
Commercial Search			
CON29R**	185.00	241.00	30.3%
LLC1 and CON29R (Full Commercial Search)**	210.00	280.00	33.3%
Additional Parcels of Land	28.00	28.00	0.0%
Additional Parcels of Land LLC1	N/A	0.70	0.0%
Additions			
Additional Enquiries *	12.00	23.15	92.9%
Historic File Request (per address)	NEW	45.00	0.0%
Invalid planning applications	NEW	10% of application fee for closed or withdrawn applications	0.0%
Hard copy planning applications handling fee - Major applications (per application)	NEW	100.00	0.0%
Hard copy planning applications handling fee - General & Other applications (per application)	NEW	50.00	0.0%
CON29O (Optional Enquiries) *			
Q4 - Road Proposals	5.00	15.00	200.0%
Q5 - Advertisements	9.50	15.00	57.9%
Q6 - Completion Notices	6.00	15.00	150.0%
Q7- Parks & Countryside	6.00	15.00	150.0%
Q8 - Pipelines	0.00	0.00	0.0%
Q9 - House in Multiple Occupation	6.00	15.00	150.0%
Q10- Noise Abatement and other Nuisances	6.00	15.00	150.0%
Q11 - Urban Development Areas	6.00	15.00	150.0%
Q12 - Enterprise Zones	6.00	15.00	150.0%
Q13 - Inner Urban Development Areas	6.50	15.00	130.8%
Q14 - Simplified Planning Zones	6.00	15.00	150.0%
Q15 - Land Maintenance Notices	6.00	15.00	150.0%
Q16 - Mineral Consultation Areas	10.00	10.38	3.8%
Q17 - Hazardous Substance Consents	4.50	15.00	233.3%
Q18 - Environmental & Pollution Notices	6.00	15.00	150.0%
Q19 - Food Safety Notices	6.00	15.00	150.0%
Q20 - Hedgerow Notices	6.00	15.00	150.0%
Q21 - Flood Defence and Land Drainage Consents	10.00	10.38	3.8%
Q22 - Common Land, Town and Village Greens	19.60	19.98	1.9%
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:	**Hourly Charge (£)**	**Hourly Charge (£)**	
City Band 2	42.00	55.00	31.0%
City Band 3	51.00	60.00	17.6%
City Band 4	58.00	66.00	13.8%
City Band 5	64.00	72.00	12.5%
City Band 6	73.00	81.00	11.0%
City Band 7	86.00	108.00	25.6%
City Band 8	91.00	124.00	36.3%
City Band 9	N/A	146.00	0.0%
City Band 10	119.00	189.00	58.8%
Executive Director	N/A	257.00	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.			

Notes

* Includes VAT

** The table includes updates on the 21-22 charges that were received following the publication of the 2021 BSR

Licensing

Charge Type and description	Charges 2021/22 £	Proposed Charges 2022/23 £	% Increase 2022/23
Skin Piercing			
Skin Piercing – Premises	146.00	149.00	2.1%
Skin Piercing - Practitioners	56.00	57.00	1.8%
Sex Establishments			
Sexual Entertainment Venues (new & variation)	3,070.00	3,131.00	2.0%
Sexual Entertainment Venues (renewal)	909.00	927.00	2.0%
Sexual Entertainment Venues (transfer)	909.00	927.00	2.0%
Sex Shop / Sex Cinema (new & variation)	2,843.00	2,900.00	2.0%
Sex Shop / Sex Cinema (renewal)	909.00	927.00	2.0%
Sex Shop / Sex Cinema (transfer)	909.00	927.00	2.0%
Drivers			
Disclosure & Barring Service Check (DBS) *	40.00	40.00	0.0%
Knowledge Test	68.00	68.00	0.0%
New Licence Fee	250.00	250.00	0.0%
Annual Renewal Fee	84.00	84.00	0.0%
3 Yearly Renewal Fee	230.00	230.00	0.0%
Replacement Badges	21.00	21.00	0.0%
DVLA Data Check * (New service provider)	5.52	5.52	0.0%
DVLA Data Check * (New service provider) 3 year licence	16.52	16.52	0.0%
Change of Details	15.00	15.00	0.0%
Replacement Licence	10.00	10.00	0.0%
Vehicles			
Hackney Carriage Licence (new)	281.00	281.00	0.0%
Private Hire Licence (new)	281.00	281.00	0.0%
Hackney Carriage Ultra Low Emission Vehicle (new)	140.00	140.00	0.0%
Private Hire Ultra Low Emission Vehicle (new)	140.00	140.00	0.0%
Hackney Carriage Zero Emission Vehicle (new)	0.00	0.00	0.0%
Private Hire Zero Emission Vehicle (new)	0.00	0.00	0.0%
Hackney Carriage Licence Renewal	245.00	245.00	0.0%
Private Hire Licence Renewal	230.00	230.00	0.0%
Hackney Carriage Ultra Low Emission Vehicle (renewal)	122.00	122.00	0.0%
Private Hire Ultra Low Emission Vehicle (renewal)	115.00	115.00	0.0%
Hackney Carriage Zero Emission Vehicle (renewal)	0.00	0.00	0.0%
Private Hire Zero Emission Vehicle (renewal)	0.00	0.00	0.0%
Plate Deposit	50.00	50.00	0.0%
Replacement Plate	26.00	26.00	0.0%
Change of Ownership	74.00	74.00	0.0%
Crest - self adhesive	6.00	6.00	0.0%
Crest - magnetic	8.00	8.00	0.0%
Replacement Licence	10.00	10.00	0.0%
Change of Details	15.00	15.00	0.0%
Operators Licence			
Private Hire Operators Licence (New)	292.00	292.00	0.0%
Private Hire Operators Licence (Renewal - 1 Year)	218.00	218.00	0.0%
Private Hire Operators Licence (renewal - 5 Year)	895.00	895.00	0.0%
Replacement Licence	10.00	10.00	0.0%
Change of Details	15.00	15.00	0.0%
Training			
Fee for Customer Awareness: Safeguarding, Equality & Protection Training	53.00	53.00	0.0%
BIIAB Level 1 Award in Responsible Alcohol Retailing	68.00	69.00	1.5%
BIIAB Level 2 Award for Personal Licence Holders	110.00	112.00	1.8%
Licensing Act 2003 (Statutory Set)**			
Personal Licence	37.00	37.00	0.0%
New Premises Licence (or full variation)	Various	Various	0.0%
Annual Fee	Various	Various	0.0%
Minor Variation	89.00	89.00	0.0%
Temporary Event Notice	21.00	21.00	0.0%
Change of Designated Premises Supervisor	23.00	23.00	0.0%
Gambling Act 2005 (Statutory Set)**			
Bingo Club (New)	2,625.00	2,625.00	0.0%
Bingo Club (Annual Fee)	900.00	900.00	0.0%
Small Society Lottery (New)	40.00	40.00	0.0%
Small Society Lottery (Annual)	20.00	20.00	0.0%
Betting Premises (New)	2,250.00	2,250.00	0.0%
Betting Premises (Annual Fee)	540.00	540.00	0.0%
Family Entertainment Centre (Annual Fee)	500.00	500.00	0.0%
Adult Gaming Centre (New)	1,500.00	1,500.00	0.0%
Adult Gaming Centre (Annual Fee)	900.00	900.00	0.0%

Charge Type and description	Charges 2021/22 £	Proposed Charges 2022/23 £	% Increase 2022/23
Animal Licensing			
Zoo	592.00	603.00	1.9%
Dangerous Wild Animals (Plus Vet fees)	248.50	253.50	2.0%
Variation of a licence requiring a re-inspection (Plus Vet fees)	44.00	45.00	2.3%
Exhibiting animals:			
Fees on application	77.50	79.00	1.9%
Initial rating or re-rating fee	132.00	135.00	2.3%
Maintenance fee (3 years)	382.50	390.00	2.0%
Variation of a licence requiring a re-inspection	132.00	135.00	2.3%
Copy of licence or change of details not requiring an inspection	11.00	11.50	4.5%
Selling animals as pets:			
Fees on application	77.50	79.00	1.9%
Initial rating or re-rating fee	219.00	223.00	1.8%
Maintenance fee: one year	127.50	130.00	2.0%
two years	255.00	260.00	2.0%
three years	382.50	390.00	2.0%
Variation of a licence requiring a re-inspection	219.00	223.00	1.8%
Copy of licence or change of details not requiring an inspection	11.00	11.50	4.5%
Riding Establishment:			
Fees on application	77.50	79.00	1.9%
Initial rating or re-rating fee (plus additional vets fee not included)	44.00	45.00	2.3%
Maintenance fee: one year	127.50	130.00	2.0%
two years	255.00	260.00	2.0%
three years	382.50	390.00	2.0%
Variation of a licence requiring a re-inspection (plus vets fee not included)	44.00	45.00	2.3%
Copy of licence or change of details not requiring an inspection	11.00	11.50	4.5%
Dog Breeding:			
Fees on application	77.50	79.00	1.9%
Initial rating or re-rating fee (plus additional vets fee not included)	44.00	45.00	2.3%
Maintenance fee: one year	127.50	130.00	2.0%
two years	255.00	260.00	2.0%
three years	382.50	390.00	2.0%
Variation of a licence requiring a re-inspection (plus vets fee not included)	44.00	45.00	2.3%
Copy of licence or change of details not requiring an inspection	11.00	11.50	4.5%
Animal Boarding:			
Fees on application: up to 10 animals	77.50	79.00	1.9%
Initial rating or re-rating fee	132.00	135.00	2.3%
Variation of a licence requiring a re-inspection	132.00	135.00	2.3%
Fees on application: 11- 30 animals	175.00	179.00	2.3%
Variation of a licence requiring a re-inspection	175.00	179.00	2.3%
Fees on application: 31-60 animals	219.00	223.00	1.8%
Variation of a licence requiring a re-inspection	219.00	223.00	1.8%
Fees on application: 61-99 animals	263.00	268.00	1.9%
Variation of a licence requiring a re-inspection	263.00	268.00	1.9%
Fees on application: 100 or more animals	307.00	313.00	2.0%
Variation of a licence requiring a re-inspection	307.00	313.00	2.0%
Maintenance fee: one year	127.50	130.00	2.0%
two years	255.00	260.00	2.0%
three years	382.50	390.00	2.0%
Copy of licence or change of details not requiring an inspection	11.00	11.50	4.5%
Street Trading			
12 month food licence pitch	2,886.00	2,886.00	0.0%
12 month retail licence pitch	2,727.00	2,727.00	0.0%
8 month food licence pitch	2,165.00	2,165.00	0.0%
8 month retail licence pitch	2,045.00	2,045.00	0.0%
4 month food licence pitch	722.00	722.00	0.0%
4 month retail licence pitch	682.00	682.00	0.0%
* 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 will be approved at Licensing Committee on 31st January 2022			

Contacts

Subject / Name	Email	Extension
Budget process guidance – your Service Accountant		
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Equalities Impact Advice		
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Poverty Implications Advice		
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Climate Change and environmental implications advice		
Janet Fogg	janet.fogg@cambridge.gov.uk	7176
Growth Agenda advice		
Julian Adams	julian.adams@cambridge.gov.uk	7617
Developer Contributions and CIL		
Tim Wetherfield	tim.wetherfield@cambridge.gov.uk	7313
Procurement advice		
Jane Whiteman-Turl	jane.whiteman-turl@cambridge.gov.uk	8051

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Item 12

Strategy & Resources 7 February 2022 - Finance and Resources Portfolio: Liberal Democrat Group Amendment to Budget-Setting Report (BSR) 2022/23

To:
Councillor Mike Davey, Executive Councillor for Finance and Resources Portfolio

Report by:
Caroline Ryba, Head of Finance
Tel: 01223 - 458134 Email: caroline.ryba@cambridge.gov.uk

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

Key Decision

Foreword to the Liberal Democrat Group Amendment

The city council budget does need to respond to the realities of declining government funding and uncertainty of other income sources. But its finances are not so problematic as to prevent it at the same time from playing a confident and outward-looking role to enrich and support our city as we move through the pandemic and towards the challenges of post-covid recovery. Our proposals seek to bring together strategies to ensure this happens: strategies that at present are missing.

Climate Change

Liberal Democrats originally initiated climate change strategies at the council and much of the continuing work is bipartisan. However, recent experience shows it clearly benefits from debate and challenge to ensure both urgency and ambition. We have identified three critical areas where, despite other achievements and the potential for influence and partnership, Cambridge is sadly in danger of falling behind:

- EV Charging
  Enabling the charging of electrical vehicles for residents with no private off-road space has barely moved forward at all, and the woeful charging infrastructure in

Cambridge is a major obstacle to the switch to electric vehicles. The city council has built up commercial expertise in this through its car parks and should use this knowledge in partnership with the GCP (which is looking at parking implications) and the County Council (the highways authority which is keen to collaborate on a district by district basis) and galvanise action.

- Recycling
  A zero-waste strategy also seems lacking. Nowhere is this more important than in food waste. Unlike many other City Councils and despite pilots in the city, we still do not have a citywide segregated food waste collection. Experience shows that food-waste collection reduces waste, landfill and carbon emissions. A major drive on home composting could also help move us towards being a zero-waste city.

- Insulation
  Insulation of privately-owned homes remains a major national challenge, though vital in reducing carbon emissions. In addition to channelling selective central government grant funding support, the council could have a trusted and authoritative role in promoting owner investment, increasing awareness of payback potential and helping owners assess opportunities, navigate the market for suppliers, and access third party funding. Developing such a strategy is badly needed.

City Centre Car Parks

If the city council is to play a positive role in the Greater Cambridge Partnership for a less polluted, low-traffic city, it must reduce its city centre car parking provision. It needs a long-term strategy to re-purpose the car park sites to meet other needs of the city, whilst securing replacement income to support council services. Leaving this any longer risks frustrating wider transport plans whilst failing to ensure the long-term financial security of the Council.

Key Worker Housing

We also continue to argue for expansion of key worker housing, targeted towards those who fall between the housing needs register and market housing such as our valued carers, NHS staff and teachers. Cambridge housing costs have sky-rocketed and we must recognize that it is not only those who qualify for social housing that struggle to afford to live here. We need an ambitious strategy to address this urgent issue.

Recovery from the Pandemic

The pandemic has deprived older and younger people alike of opportunities. Younger people have missed out on the opportunity to make friends and socialize, whereas our older residents have been isolated from the 'lifeline' that comes from the company of others. It is important this does not permanently scar the generations. We are proposing to boost funding to help both groups.

We are also offering a hand of support to Cambridge's market traders. These independent businesses faced 2 years of restrictions and uncertainty, with closures imposed by both the national government and then separately by the Council. Even now, they are largely without the boost which comes from tourism. We will hold back from the proposed increase in their fees, in order to help speed-up their recovery. We will also provide an electricity supply to Hobson's Square in Trumpington to support stallholders and local events which will help to make it a more vibrant centre to the new community there.

Planning Enforcement

The city's continuing success as a place to live and work makes for ongoing development pressure which the council is responsible for regulating. It is important that respect for approvals and conditions is maintained; yet the hard-working planning enforcement team is clearly stretched and operates entirely reactively. We therefore propose an additional Planning Enforcement officer to ensure developers obey the rules and that public trust in the planning authority is maintained.

Acoustic Monitoring Cameras

Last October, we were pleased that the council supported our case to throw its weight behind an effort to reduce the nuisance and danger of noisy vehicles racing around the city. There has subsequently been much national interest in new acoustic monitoring cameras which several authorities are adopting. Recognising the challenges faced by the police in tackling this problem and the opportunity for partnership, we propose to fund two such cameras for deployment in the city.

Public Scrutiny of decisionmaking

The council's leadership has embarked on a lengthy and expensive corporate transformation programme, which remains a 'black box', destination unknown, to both the public and to opposition councillors, but smothered in meaningless branding. When something emerges we will press for full discussion before decisions are made on cutbacks; we will fight negative impacts on those already suffering disadvantage, on services necessary to civilized city life or on the quality of the democratic forum which the council provides to the city community.

In the meantime, as a result of the length of the transformation process, the current budget resorts to a large stealth cut – the largest cutback in the whole package - by failing to recognise the current high level of inflation. This completely removes from public sight and accountability the decisions that officers will now need to take to make their budgets balance. We are proposing that elected members monitor this process as the year progresses, allowing them to ensure consistency with the council's values, including equalities impacts.

Councillor Tim Bick, Leader of the Liberal Democrat Group

Councillor Jamie Dalzell, Liberal Democrat Group Spokesperson on Finance and Resources

1. Executive Summary

The Liberal Democrat proposals will:

- bring forward strategies on key areas related to climate change, including electric vehicle charging, progression towards a zero waste city, and the provision of support for insulation of private homes;
- consider opportunities to reduce car park spaces in the city centre, and to re-purpose existing car park sites;
- explore options for expanding the provision of key worker housing through the Cambridge City Housing Company;

- deepen post pandemic initiatives supporting some of the most affected, including children in poverty and older and vulnerable individuals;
- defer the annual increase in fees for market traders by 3 months, in order to support their post-Covid recovery;
- fund the installation of an electricity supply at Hobson Square, enabling markets and other events to increase vibrancy in the new community;
- fund the installation of two acoustic monitoring cameras to tackle anti-social driving and noisy vehicles;
- strengthen planning enforcement in the city through a new Senior Planning Enforcement Officer post, funded through a reduction in the Corporate Communications team; and
- require regular scrutiny by Members, in public, of the impact of the Council's approach to inflation in 2022/23 (namely that general inflation is required to be absorbed by Council services).

2. Recommendations

Changes to recommendations highlighted in italics refer to the recommendations contained within the Budget-Setting Report (BSR) 2022/23, as presented to the meeting of the Strategy & Resources Scrutiny Committee held on 7 February 2022, subject to any other amendment agreed by the Executive Councillor at this committee meeting.

The Executive Councillor is recommended to:

General Fund Revenue Budgets: [Section 5, page 26 refers]

2.1 Under recommendation 2(a), add:

- ***Together with the changes in Appendix 2 to the Liberal Democrat Group Amendment to Budget-Setting Report (BSR) 2022/23.***

2.2 Incorporate and replace the table shown in Appendix 5 into the Budget-Setting Report (BSR) 2022/23 at the page so annotated.

Capital: [Section 6, page 29 refers]

2.3 At recommendation 2(e), after "Capital Plan", add "***together with the changes in Appendix 3 to the Liberal Democrat Group Amendment to Budget-Setting Report (BSR) 2022/23***".

2.4 At recommendation 2(g), after "Appendix C(c)", add "***(as amended by the changes in Appendix 3 to the Liberal Democrat Group Amendment to Budget-Setting Report (BSR) 2022/23)***".

2.5 Incorporate and replace the tables shown in Appendix 5 into the Budget-Setting Report (BSR) 2022/23 at the pages so annotated.

General Fund: Expenditure and Funding 2021/22 to 2031/32: [Section 7, page 35 refers]

2.6 Incorporate and replace the tables shown in Appendix 5 into the Budget-Setting Report (BSR) 2022/23 at the pages so annotated.

General Fund Reserves: [Section 8, page 44 refers]

2.7 Incorporate and replace the table shown in Appendix 5 into the Budget-Setting Report (BSR) 2022/23 at the page so annotated.

General Fund Future Strategy: [Section 9, page 63 refers]

2.8 Incorporate and replace the table shown in Appendix 5 into the Budget-Setting Report (BSR) 2022/23 at the page so annotated.

Section 25 Report: [Section 10, page 65 refers]

2.9 Note the Section 151 Officer's assessment, at Appendix 6, of the impact of these proposed amendments on the Section 25 report presented at Section 10 of the Budget-Setting Report (BSR) 2022/23.

Equality Impact Assessment: [Appendix E, page 106 refers]

2.10 Append Appendix 4 to the existing Equality Impact Assessment at Appendix E to the Budget-Setting Report (BSR) 2022/23.

Other Recommendations:

2.11 Accept the non-financial proposals set out at Appendix 1.

2.12 Recommend to Council formally confirming delegation to the Chief Financial Officer (Head of Finance) of authority to make any other consequential changes to the Budget-Setting Report (BSR) 2022/23 as a result of these amendments.

3. Council Tax

No changes to council tax are being proposed by the Liberal Democrat Group.

4. Implications

All budget proposals have a number of implications. 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. A decision not to approve a capital or external bid will impact on managers' ability to deliver the developments desired in the service areas.

(a) Financial Implications

Financial implications of budget proposals are summarised in the Budget-Setting Report (BSR) 2022/23, as amended by the recommendations above.

(b) Staffing Implications

Staffing implications of budget proposals are also summarised in the Budget-Setting Report (BSR) 2022/23, as amended by the recommendations above.

(c) Equality and Poverty Implications

A consolidated Equality Impact Assessment for the budget proposals is included at Appendix E to the Budget-Setting Report (BSR) 2022/23, as amended by Appendix 4. Individual Equality Impact Assessments have been conducted to support this.

A local poverty rating (using the classifications outlined at Appendix B(a) to the Budget-Setting Report (BSR) 2022/23) has been included for each budget proposal to assist with assessment.

(d) Net Zero Carbon, Climate Change and Environmental Implications

Where relevant, officers have considered the climate change impact of budget proposals which are annotated as follows and as detailed in the Climate Change Rating Tool in Appendix B(a) to the Budget-Setting Report (BSR) 2022/23:

- 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.
- Negative High / Negative Medium / Negative Low: to indicate that the proposal has a high, medium or low negative impact on climate change.

(e) Procurement Implications

Any procurement implications are outlined in the Budget-Setting Report (BSR) 2022/23, as amended by the recommendations above.

(f) Community Safety Implications

Any community safety implications are outlined in the Budget-Setting Report (BSR) 2022/23, as amended by the recommendations above.

7. Background papers

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

- Budget-Setting Report (BSR) 2022/23
- Medium-Term Financial Strategy (MTFS) October 2021
- Individual Equality Impact Assessments

8. Appendices

Appendix 1: Liberal Democrat Group Budget Amendment – Non-Financial Proposals
Appendix 2: Liberal Democrat Group Budget Amendment – Revenue Budget Proposals
Appendix 3: Liberal Democrat Group Budget Amendment – Capital Budget Proposals
Appendix 4: Liberal Democrat Group Budget Amendment – Equality Impact Assessment
Appendix 5: Liberal Democrat Group Budget Amendment – Revised Tables for BSR
Appendix 6: Liberal Democrat Group Budget Amendment – Section 25 Report

9. Inspection of papers

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

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Liberal Democrat Group Budget Amendment – Non-Financial Proposals

Appendix 1

1) Failure to provide for inflation

To request a quarterly in-year, service-by-service commentary for scrutiny by councillors of the impact of requesting 2022/23 inflation to be absorbed, which at current levels amounts to a cutback of £1.5m. The report to note of actual experience of inflation and to identify management decisions taken to meet budget targets through changes to the extent of service provision, standard of provision, timing of delivery or gains in efficiency, including equalities impact assessments.

2) City Centre Car Parks

Request a report to the Leader, to be discussed at the July meeting of Strategy & Resources Scrutiny Committee, proposing a strategic plan to reduce car park spaces in the city centre to make for a less car-based, carbon-rich transport system in line with the GCP's recent 'Making Connections' initiative; to further re-purpose existing car park sites to fulfil other key needs of the city including housing; and to secure replacement financial return to the council, with necessary budgetary impact to be reflected through in-year revisions to the current budget and the next MTFS.

3) Housing Opportunities in Cambridge

Request a report to the Executive Councillor for Finance & Resources, to be discussed at the July meeting of Strategy & Resources Scrutiny Committee, recommending financial and site options for the expansion of the Cambridge City Housing Company, in order to supply more sub-market rental housing for key workers in Cambridge whose circumstances leave them unable to access other housing via the housing needs register or via the market, with necessary budgetary impact to be reflected through in-year revisions to the current budget and the next MTFS.

4) Climate Change

Request a report to the Executive Councillor for Climate Change, to be discussed at the July meeting of Environment & Community Scrutiny Committee, recommending strategies to speed up important council initiatives, where the council has a role of influence, in particular:

(i) Advancing a long-awaited, co-ordinated approach to on-street Electrical Vehicle charging in collaboration with the highways authority and GCP;

(ii) Progression towards a zero waste city, including moving from localized pilot food waste collection schemes to a citywide service, bringing us up to many other urban areas; and stronger promotion of home composting;

(iii) Provision of co-ordinated support and encouragement for insulation of existing private homes in the city;

With necessary budgetary impact to be reflected through in-year revisions to the current budget and the next MTFS.

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Liberal Democrat Group Budget Amendment – Revenue Budget Proposals

Appendix 2

Proposal Type	2022/23 Budget £	2023/24 Budget £	2024/25 Budget £	2025/26 Budget £	2026/27 Budget £	Total
Total Impact of Liberal Democrat Group budget proposals						
Reduced Income	5,000	-	-	-	-	5,000
Bids	110,000	60,000	50,000	50,000	50,000	320,000
Savings	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(250,000)
Change to use of General Fund reserves	**65,000**	**-**	**-**	**-**	**-**	**65,000**
Change to net savings requirement	**-**	**10,000**	**(10,000)**	**-**	**-**	**-**

Liberal Democrat Group Budget Amendment – Revenue Budget Proposals Appendix 2

Amendments to Appendices B(b) and B(c)

2022/23 Budget – GF Revenue Bids and Savings

Reference	Item Description	2022/23 Budget £	2023/24 Budget £	2024/25 Budget £	2025/26 Budget £	2026/27 Budget £	Climate Rating	Poverty Ratings & Contact

Appendix B(b) [2022/23 Budget – GF Proposals – Pressures & Bids]

Reduced Income

RI0003	**Postpone 2022-23 increase in market stall trader fees**	5,000	0	0	0	0	Nil	No Impact

Deferral by 3 months of the implementation of the annual increase in fees charged in 2022 to market traders for their stalls to support their recovery from the pandemic. Tim Jones

Climate Change, Environment and City Centre Portfolio

Amendment to Total Reduced Income	5,000	0	0	0	0

Revenue Bids

B0001	**Strengthen planning enforcement within the city**	50,000	50,000	50,000	50,000	50,000	Nil	No Impact

Addition of a Senior Planning Enforcement Officer within the Shared Planning Service to supplement planning enforcement within the city. To recognise the development pressures in Cambridge and put the planning authority in a better position to ensure conformance with its approvals and conditions and protect the city's character and amenity. The position will initially enable the backlog of a year's worth of cases to be actioned and thereafter a proactive programme to be established, not reliant solely on complaints. Stephen Kelly

Executive Councillor for Planning Policy & Transport

B0004	**Contribution to County Council Children's Pandemic Education Catch-up Fund**	50,000	0	0	0	0	Nil	High Positive Impact

Contribution to the County Council's fund for access to out-of-school activities for children qualifying for free school meals or from families receiving Universal Credit in order to remove bars and encourage full participation, addressing the impoverishment of learning and growth opportunities during the pandemic. Jane Wilson

Communities Portfolio

Liberal Democrat Group Budget Amendment – Revenue Budget Proposals Appendix 2

Amendments to Appendices B(b) and B(c)

2022/23 Budget – GF Revenue Bids and Savings

Reference	Item Description	2022/23 Budget £	2023/24 Budget £	2024/25 Budget £	2025/26 Budget £	2026/27 Budget £	Climate Rating	Poverty Ratings & Contact
B0005	**Post-Covid community inclusion initiative for older and vulnerable people**	10,000	10,000	0	0	0	Nil	No Impact

Increase the community grant to the Care Network to enhance their project under development to support the wellbeing of older and vulnerable people in Cambridge through the Covid recovery as they become able to re-integrate into the wider community. Debbie Kaye

Communities Portfolio

Amendment to Total Revenue Bids	110,000	60,000	50,000	50,000	50,000	
Amendment to Pressures & Bids Total:	**115,000**	**60,000**	**50,000**	**50,000**	**50,000**	

Appendix B(c) [2022/23 Budget – GF Proposals – Savings]

Savings

S0002	**Reduction of Communications team expansion**	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	Nil	No Impact

A reduction of the additional £125,000 annual budgetary provision made in the MTFS in order to expand the work of the Corporate Communications team "to the level of other councils". Remaining provision will confine expansion to one additional Communications Officer, the licensing of a new online digital community engagement and consultation platform and a slightly reduced extra provision for visual/graphic products and campaigns in support of major projects and policy initiatives. Andrew Limb

Strategy and External Partnerships Portfolio

Amendment to Total Savings	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)
Amendment to Savings Total:	**(50,000)**	**(50,000)**	**(50,000)**	**(50,000)**	**(50,000)**
All portfolios – Net Impact of Lib Dem Amendments Total	**65,000**	**10,000**	**0**	**0**	**0**

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Liberal Democrat Group Budget Amendment – Capital Budget Proposals

Appendix 3

Amendments to Appendix C(a)

2022/23 Budget – GF Proposals – Capital Proposals

Reference	Item Description	2022/23 Budget £	2023/24 Budget £	2024/25 Budget £	2025/26 Budget £	2026/27 Budget £	Climate Rating	Poverty Ratings & Contact
Capital Bids								
CAP0006	**Capital grant for acquisition of acoustic monitoring cameras**	49,000	0	0	0	0	Nil	No Impact
Funding of two acoustic monitoring cameras to enable joint working with the Police, Highways Authority and the Vision Zero partnership to deter and penalise those breaching the peace on Cambridge roads with anti-social driving and noisy vehicles. This takes forward the motion passed by the city council in November to take further action with partners on the nuisance which is widely experienced in the city. It is anticipated that the equipment would be operated by the Highways Authority and that penalty income would cover the cost of data management and penalty administration.								Lynda Kilkelly
Executive Councillor for Planning Policy & Transport								
CAP0007	**Electricity supply for Hobsons Square**	20,000	0	0	0	0	Negative/ Low Impact	No Impact
Installation of an electricity supply to Hobson's Square, Trumpington, enabling markets and other events to increase vibrancy in the heart of the new community.								Alistair Wilson
Open Spaces, Sustainable Food & Community Wellbeing								
Amendment to Total Capital Bids		69,000	0	0	0	0		
Amendment to Capital Total:		**69,000**	**0**	**0**	**0**	**0**		
All portfolios – Net Impact of Lib Dem Amendments Total		**69,000**	**0**	**0**	**0**	**0**		

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Liberal Democrat Group Budget Amendment – Appendix 4 Equality Impact Assessment

Cambridge City Council Equality Impact Assessment (EqIA)

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

(a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;

(b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;

(c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

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

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

1. Title of strategy, policy, plan, project, contract or major change to your service
Liberal Democrat budget proposals 2022/23

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

3. What is the objective or purpose of your strategy, policy, plan, project, contract or major change to your service?
The Liberal Democrat's budget amendment makes a number of alternative budget proposals to those set out by the ruling group in the Budget Setting Report. This EqIA has been carried out by Council officers to provide Councillors with an assessment of the potential equality impacts of the Liberal Democrat budget proposals at the point when they are being asked to make a decision, as required by the Public Sector Equality Duty under the Equality Act 2010.

Some proposals in the Liberal Democrat budget amendment will have very small or neutral impacts on equality and therefore have not been included in this EqIA. For other proposals there is not enough information at this stage on the proposal to be able to assess equality impacts.

The proposals that could have more significant impacts related to equality include:

- Contribution to County Council Children's Pandemic Education Catch-up Fund
- Post-Covid Community Inclusion Initiative for older and vulnerable people

4. Responsible service
The Finance service manages the budget process and the two bids in this EqIA sit within the Council's communities portfolio

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): Click here to enter text.	

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

7. Are other departments or partners involved in delivering this strategy, policy, plan, project, contract or major change to your service? (Please tick)	☐ Yes ☐ No
If 'Yes' please provide details below: The budget bids in this EqIA relate to the Council's partnership working with the third sector and Cambridgeshire County Council.	

8. Has the report on your strategy, policy, plan, project, contract or major change to your service gone to Committee? If so, which one?
The Liberal Democrat budget proposals will go to Council on 24th February 2022

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?

Sources of data used to inform this EqIA include:

- https://cambridgeshireinsight.org.uk/
- https://www.campaigntoendloneliness.org/
- https://www.gov.uk/government/publications/the-report-of-the-commission-on-race-and-ethnic-disparities/education-and-training
- Strand, S, (2021), 'Effects of Ethnicity and Socio-economic Status on Attainment', University of Oxford. Available at: https://www.gov.uk/government/publications/the-report-of-the-commission-on-race-and-ethnic-disparities-supporting-research/ethnic-socio-economic-and-sex-inequalities-in-educational-achievement-at-age-16-by-professor-steve-strand
- https://www.jrf.org.uk/data
- Disability and education, UK - Office for National Statistics (ons.gov.uk)

10. Potential impacts

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

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

Contribution to County Council Children's Pandemic Education Catch-up Fund

According to the latest data before the pandemic, in 2019 only 43% of pupils receiving Free School Meals achieved the Key Stage 4 benchmark (Grades 9 to 4 in GCSE English and Maths), compared to three quarters (75.3%) of children not eligible for free school meals in the city. As a result of the Covid-19 pandemic, the government closed schools for most pupils for several months. Concerns have been raised that during this time the educational attainment gap would increase. The proposal would have a positive impact on children's educational attainment by contributing funding to the County Council's fund for access to out-of-school activities for children qualifying for free school meals or from families receiving Universal Credit.

Post-Covid Community Inclusion Initiative for older and vulnerable people

Before Covid 19, older people were more likely to experience loneliness and older people are more

likely to live alone. Older people are at greater risk if they get coronavirus, so many have avoided contact with other people and continue to do so, which can exacerbate loneliness.

This proposal could have a positive impact on older people in preventing isolation and loneliness by increasing the Community Grant to the Care Network for their project, which will support older and vulnerable people re-integrating into the wider community. At the same time, as older people are at greater risk if they get coronavirus, the programme of support would need to be carefully planned to protect their safety from the virus and take into account data on transmission rates/vaccination.

(b) Disability

Post-Covid Community Inclusion Initiative for older and vulnerable people

Loneliness is considered to be a public health issue as it is associated with a range of health risks – for instance, loneliness and social isolation put individuals at greater risk of cognitive decline and dementia. Before Covid19, older people were more likely to experience loneliness and older people are more likely to live alone. Older people are at greater risk if they get coronavirus so many have especially avoided contact with other people and continue to do so, which can exacerbate loneliness. Many people with pre-existing health conditions were required to 'shield' during the pandemic, which may also have led them to experience loneliness and isolation.

As noted above, this proposal could have a positive impact on older and vulnerable people in preventing isolation and loneliness and reduce associated health risks. The project will increase the Community Grant to the Care Network for their project, which will help older and vulnerable people re-integrating into the wider community. At the same time, as older and vulnerable people are at greater risk where they get coronavirus, the programme of support would need to be carefully planned to protect their safety from the virus and take into account data on transmission rates/vaccination.

Contribution to County Council Children's Pandemic Education Catch-up Fund

Households with disabled individuals (adults or children) are more likely to experience poverty and therefore qualify for free school meals or be claiming Universal Credit, meaning this proposal could have a positive impact on them. Moreover, there is a disparity in educational attainment between disabled and non-disabled people.

(c) Gender reassignment

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

(d) Marriage and civil partnership
No impacts have been identified specific to this protected characteristic group.

(e) Pregnancy and maternity
No impacts have been identified specific to this protected characteristic group.

(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.
Contribution to County Council Children's Pandemic Education Catch-up Fund This proposal would have a positive impact for children in low-income households or experiencing poverty as it is aimed at improving educational outcomes of children on qualifying for free school meals or from families receiving Universal Credit. Some minority ethnic groups are more likely to experience poverty than others, but all ethnic minority groups are more likely than White British people to experience poverty. 2021 research indicates that educational attainment of different ethnic groups is closely related to socio-economic status. People from low-income backgrounds or who experience poverty perform less well. Once this is controlled for, all major ethnic groups perform better than White British pupils except for Black Caribbean pupils (with the Pakistani ethnic group at about the same level).

(g) Religion or belief
No impacts have been identified specific to this protected characteristic group.

(h) Sex
No impacts have been identified specific to this protected characteristic group.

(i) Sexual orientation
No impacts have been identified specific to this protected characteristic group.

(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**
- **Groups who have more than on 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_l59kt25q).**

Contribution to County Council Children's Pandemic Education Catch-up Fund

This proposal would have a positive impact for children in low-income households or experiencing poverty as it is aimed at improving educational outcomes of children on qualifying for free school meals or from families receiving Universal Credit.

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.)

No actions have been identified

12. Do you have any additional comments?

None

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: David Kidston, Strategy and Partnerships Manager

Date of EqIA sign off: 28th January 2022

Date of next review of the equalities impact assessment: Click here to enter text.

Date to be published on Cambridge City Council website: Click here to enter text.

Liberal Democrat Group Budget Amendment – Revised Tables for BSR

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Section 5 – General Fund revenue budgets

Savings requirements (BSR, page 27)

Savings requirements	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	Total £000
MTFS 2021 Current Savings Target (new savings each year)	**3,103**	**2,390**	**510**	**873**	**623**	**7,499**
Adjust savings requirement for indicative items now coming forward as proposals:						
Remove indicative pressures per MTFS	(1,565)	(2,813)	(3,426)	(3,960)	(4,513)	
Remove technical adjustment for NI increase (now a proposal)	(220)	(220)	(220)	(220)	(220)	
Add back indicative pressures in later years where no budget proposal has come forward:						
Car parking income		1,695	2,208	2,717	3,220	
Commercial and administrative property income		460	460	460	460	
Waste service cost pressures			100	100	200	
MTFS 2021 adjusted savings requirement in year	**1,318**	**3,297**	**510**	**848**	**673**	
Unavoidable revenue pressures	568	568	568	568	568	
Reduced income	1,118	855	817	555	505	
Bids	1,106	578	421	354	354	
Savings	(869)	(830)	(832)	(780)	(782)	
Increased income	(523)	(228)	(230)	(195)	(159)	
Impact of Liberal Democrat Group budget proposals	**65**	**10**				
Net bids and savings	**1,465**	**953**	**744**	**502**	**486**	
Revised council tax base - impact on council tax income	(24)	7	(75)	(77)	(79)	
Changes to business rates assumptions	85					
Collection Fund surplus	(89)					
Uncommitted NHB used to fund in-year spend	(415)					
Lower Tier Services Grant	(1,765)					
2022/23 Services Grant	(294)					
Use of reserves to support revenue spending on services	(216)					
Impact of Liberal Democrat Group budget proposals – increased use of reserves to support revenue spending	**(65)**					
Total funding changes	**(2,783)**	**7**	**(75)**	**(77)**	**(79)**	
Total changes to savings requirements	**(1,318)**	**960**	**669**	**425**	**407**	
Revised savings target / savings (new savings each year)	**0**	**5,575**	**219**	**604**	**655**	**7,053**

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Section 6 – General Fund capital budgets

Capital receipts and development surpluses available (BSR, page 33)

Capital receipts and development surpluses available	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000
Brought forward at 1 April	**14,182**	**224**	**4,185**	**7,620**	**6,389**	**5,689**
Forecast capital receipts and development surpluses	8,754	7,139	8,486	0	0	2,000
Used for financing of in-year capital plan expenditure	(22,712)	(2,668)	(939)	(1,231)	(700)	(700)
Used for financing of historic capital plan expenditure (to reduce internal or external borrowing)	0	(441)	(4,112)	0	0	0
Impact of Liberal Democrat Group budget proposals	**0**	**(69)**	**0**	**0**	**0**	**0**
Carried forward at 31 March	**224**	**4,185**	**7,620**	**6,389**	**5,689**	**6,989**

Capital plan spending (BSR, page 33)

Capital plan spending	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	Total £000
Spend MTFS October 2021	**94,473**	**28,082**	**30,345**	**8,362**	**710**	**700**	**162,672**
Approved since MTFS October 2021	5,828	0	0	60	0	0	5,888
Capital plan before new proposals	**100,301**	**28,082**	**30,345**	**8,422**	**710**	**700**	**168,560**
New proposals see Appendix C(a) and narrative above for 2021/22	(249)	7,752	0	0	0	0	7,503
Impact of Liberal Democrat Group budget proposals	**0**	**69**	**0**	**0**	**0**	**0**	**69**
Revised capital plan	**100,052**	**35,903**	**30,345**	**8,422**	**710**	**700**	**176,132**

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Capital plan funding (BSR, page 34)

Capital plan funding	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000
External support						
Developer contributions	(2,511)	(41)	(10)	(18)	(10)	0
Other sources	(3,299)	(5,945)	0	0	0	0
Total – External support	**(5,810)**	**(5,986)**	**(10)**	**(18)**	**(10)**	**0**
City Council						
Direct Revenue Financing (DRF) – GF services	(8)	0	0	0	0	0
Direct Revenue Financing (DRF) – in-year allocation of revenue funding	(2,082)	0	0	0	0	0
Earmarked Reserve – Repairs and renewals fund - vehicles	(1,221)	0	0	0	0	0
Earmarked Reserves – Other	(1,777)	(120)	0	0	0	0
Capital receipts and development surpluses	(22,712)	(2,668)	(939)	(1,231)	(700)	(700)
External borrowing - Park Street redevelopment	(35,700)	(18,534)	(29,396)	(7,173)	0	0
Internal and external borrowing - on-lending for capital purposes	(29,015)	(5,700)	0	0	0	0
Internal and external borrowing - other schemes	(1,727)	(2,826)	0	0	0	0
Impact of Liberal Democrat Group budget proposals – Capital receipts and development surpluses	**0**	**(69)**	**0**	**0**	**0**	**0**
Total – City Council	**(94,242)**	**(29,917)**	**(30,335)**	**(8,404)**	**(700)**	**(700)**
Total Funding	**(100,052)**	**(35,903)**	**(30,345)**	**(8,422)**	**(710)**	**(700)**
Capital Plan	**100,052**	**35,903**	**30,345**	**8,422**	**710**	**700**

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Section 7 – General Fund: Expenditure and funding 2021/22 to 2031/32 (BSR, pages 35-36)

Description / £'000s	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
Expenditure											
Strategy and External Partnerships	6,918	6,530	6,450	6,841	6,891	6,905	7,252	7,614	7,984	8,364	8,755
Finance and Resources	(4,945)	(5,153)	(4,305)	(4,801)	(4,800)	(4,765)	(4,704)	(4,642)	(4,577)	(4,511)	(4,442)
General Fund Housing	4,556	3,542	3,674	3,764	3,857	3,933	4,028	4,126	4,226	4,329	4,435
Climate Change, Environment and City Centre	5,280	5,316	5,307	5,426	5,583	5,673	5,792	5,915	6,041	6,171	6,304
Communities	8,446	7,443	7,414	7,466	7,551	7,640	7,780	7,923	8,072	8,225	8,383
Open Spaces, Sustainable Food and Community Wellbeing	2,814	2,607	2,553	2,529	2,564	2,617	2,691	2,764	2,839	2,916	2,996
Planning policy and transport	3,438	4,063	4,267	4,611	4,910	5,374	5,393	5,413	5,436	5,462	5,490
Impact of Liberal Democrat Group budget proposals (before allocation to portfolios)	**0**	**65**	**10**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Revised net savings requirement	0	0	(5,575)	(5,794)	(6,398)	(7,053)	(7,703)	(8,354)	(9,047)	(9,758)	(10,515)
Net service budgets	**26,507**	**24,413**	**19,795**	**20,042**	**20,158**	**20,324**	**20,529**	**20,759**	**20,974**	**21,198**	**21,406**
Capital accounting adjustments	(6,336)	(6,336)	(6,337)	(6,336)	(6,336)	(6,336)	(6,336)	(6,336)	(6,336)	(6,336)	(6,336)
Capital expenditure financed from revenue	1,458	0	0	0	0	0	0	0	0	0	0
Cost of revised capital financing strategy	0	40	180	320	460	600	740	880	1,020	1,160	1,300
Collection fund deficit	25,335	2,481	3,247	0	0	0	0	0	0	0	0
Contributions to earmarked funds	5,522	627	395	395	395	395	395	395	395	395	395
Net spending requirement	**52,486**	**21,225**	**17,280**	**14,421**	**14,677**	**14,983**	**15,328**	**15,698**	**16,053**	**16,417**	**16,765**

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Description / £'000s	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
Funded by:											
Settlement Funding Assessment (SFA)	(4,272)	(4,272)	(4,118)	(4,118)	(4,118)	(4,118)	(4,118)	(4,118)	(4,118)	(4,118)	(4,118)
Locally Retained Business Rates – Growth Element/additional income	(9,747)	(4,301)	(883)	(1,138)	(1,405)	(1,405)	(1,405)	(1,405)	(1,405)	(1,405)	(1,405)
Core Funding Grants	(988)	(2,059)	0	0	0	0	0	0	0	0	0
New Homes Bonus (NHB)	(3,458)	(1,957)	0	0	0	0	0	0	0	0	0
Covid grant and furloughing income	(652)	0	0	0	0	0	0	0	0	0	0
Appropriations from earmarked funds	(27,790)	(3,225)	(3,247)	0	0	0	0	0	0	0	0
Council Tax	(9,033)	(9,371)	(9,855)	(10,243)	(10,559)	(10,865)	(11,210)	(11,580)	(11,935)	(12,299)	(12,647)
Contributions to / (from) reserves	3,454	4,025	823	1,078	1,405	1,405	1,405	1,405	1,405	1,405	1,405
Impact of Liberal Democrat Group budget proposals – increased use of reserves to support revenue spending	**0**	**(65)**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total funding	**(52,486)**	**(21,225)**	**(17,280)**	**(14,421)**	**(14,677)**	**(14,983)**	**(15,328)**	**(15,698)**	**(16,053)**	**(16,417)**	**(16,765)**

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Section 8 – Risks and reserves

General Fund Reserves (BSR, page 53)

£000	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Balance as at 1 April b/fwd	**(16,594)**	**(20,048)**	**(24,008)**	**(24,831)**	**(25,909)**	**(27,314)**
Contribution from reserves to support delivery of services	1,534	216				
Carry forwards	659					
Projected business rates surplus	(9,747)	(4,301)	(883)	(1,138)	(1,405)	(1,405)
Contribution to the Climate Change Fund (NCL4667 and NCL 4722)	200					
Funding and contingency for Our Cambridge transformation programme	3,900					
Contingency funding for adults with 'multiple disadvantage' programme		60	60	60		
Impact of Liberal Democrat Group budget proposals – increased use of reserves to support revenue spending		**65**				
Balance as at 31 March (c/fwd)	**(20,048)**	**(24,008)**	**(24,831)**	**(25,909)**	**(27,314)**	**(28,719)**

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Section 9 – Future strategy and recommendations

Unmet savings requirement (BSR, page 63)

£'000s	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
Balance at 1 April (b/fwd)	**(16,594)**	**(20,048)**	**(19,588)**	**(15,546)**	**(13,229)**	**(10,999)**	**(8,114)**	**(5,229)**	**(2,344)**
Contributions and carry forwards	2,393	216							
Business rates growth – indicative increase in growth element	(9,747)								
Funding for Our Cambridge transformation and recovery programme	3,900								
Impact of Liberal Democrat Group budget proposals – increased use of reserves to support revenue spending		**65**							
	(20,048)	**(19,767)**	**(19,588)**	**(15,546)**	**(13,229)**	**(10,999)**	**(8,114)**	**(5,229)**	**(2,344)**
Savings requirement - cumulative		0	5,575	5,794	6,398	7,053	7,053	7,053	7,053
Indicative net savings delivered by Our Cambridge Programme - cumulative		179	(1,533)	(3,477)	(4,168)	(4,168)	(4,168)	(4,168)	(4,168)
Call on reserves to balance budget		**179**	**4,042**	**2,317**	**2,230**	**2,885**	**2,885**	**2,885**	**2,885**
Balance at 31 March (c/fwd)	**(20,048)**	**(19,588)**	**(15,546)**	**(13,229)**	**(10,999)**	**(8,114)**	**(5,229)**	**(2,344)**	**541**

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These budget amendments would not require any substantive changes to the existing Section 10 – Section 25 Report. **[Section 10, Page 65 refers]**

There are two types of amendment:

- General Fund (GF) revenue amendments – spending proposals or reductions in savings and income are matched by a reduction in spending and a small (£65k) use of reserves. There is no impact on the five-year net savings requirement.

- Capital bids – an increase in capital expenditure of £69k is proposed, funded from capitals receipts and development surpluses. Once capital receipts and surpluses are fully used, additional borrowing of £69k will be needed to finance future capital bids, giving rise to an indicative annual revenue cost of approximately £5k p.a. based on average rates used to calculate the indicative revenue cost of capital expenditure within the BSR.

I therefore consider, in relation to the budget resulting from the application of these amendments, the estimates for the financial year 2022/23 to be sufficiently robust and the financial reserves up to 31 March 2023 to be adequate.

Caroline Ryba
Head of Finance and S151 Officer

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BSR-additional information required by the Liberal Democrat Group

RI 4870 p75 - Reduction in Toilet Admission Income

Please supply annual income targets for each set of public toilets across the city before and after this review. Why was lost income apparently not taken account of as a factor in last year's decision to close the Park Street and Arbury toilets?

Response:

Please see below table which details the budget position before and after budget proposal/revision.

Budget figures and actuals as at September 2021 (for the 2021/2022 setting). Proposed Budget as revised for 2022/2023

The budget targets for coin collection toilets have been long standing and not reviewed. Officers have noted a steady decline in usage pre pandemic which has resulted in budget targets not being met with regularity.

During the COVID 19 pandemic there was a revaluation of the toilet portfolio which resulted in approval to close toilets at Park Street, Arbury Court, Barnwell Road and Kings Hedges. This decision was made after budgets for 2021/22 had been set, hence could not account for income not being achieved in the budget year 2021/2022. The latter 3 toilets based on low usage, Park Street because of significant vandalism and funds required to repair when the project for the car park was imminent. This was therefore not deemed a good use of funds for short term use.

The proposed budget income for remaining coin box operating blocks are seen as realistic going forward and officers have considered income pre pandemic and accounted for the very low footfall in the lockdown period. In making the budget proposal figures to September 2021, point of review, have also been used to inform and account for factors such as less office workers, shoppers, tourists and less people carrying cash to access the facilities.

Toilet Location	2020/21 Budget	2020/21 Actuals	2021/22 Original Budget *	2021/22 Actuals *	Proposed Budget 2022/23
Mill Road/Gwydir Street	(1,930)	(224)	(1,966)	(191)	1000
Park Street	(5,240)	(81)	(5,348)	(29)	0
Gonville Place/Parkers Piece	(4,640)	(2,074)	(4,734)	(1,279)	3000
Victoria Avenue	(1,010)	(721)	(1,030)	(468)	600
Arbury Court	(610)		(624)		0
Cherry Hinton Rec **	(580)		(593)		0
Chesterton Road	(2,500)	(362)	(2,549)	(247)	1400
Drummer Street	(15,250)	(4,350)	(15,554)	(2,188)	8000
Total Income Budget	**(31,760)**	**(7,812)**	**(32,398)**	**(4,402)**	**14000**

***figures to September 2021 only**
**** removed owing to toilet not having coin operation**

RI 4849 p75 - Lion Yard Ground Rent Income

Beyond “Covid and changing market conditions”, what feedback has been obtained from the long leaseholder on their refusal to share this investment with the council and what understanding has the council formed about the reasons?

Response:

The long lease of Lion Yard was entered into in 1976. The lease does not give the right for the Council to contribute to future capital works. However, by agreement with the long leaseholder (Barclays), the Council has previously contributed 25% of the cost of past capital investment in the centre by Barclays in exchange for maintaining its 25% net rent gearing. The Council had agreed to invest £6m in the centre as its 25% contribution to the capital cost of the proposed new development to maintain geared ground rent parity. However, Barclays subsequently advised that they wish to fund 100% themselves and the Council not contributing financially to the scheme as has happened previously as

they wish to see a higher return on their investment. The corresponding 2021/22 Lion Yard Capital budget of £6 million has therefore been released.

RI 4870 p76 - Reduction of Clay Farm Income

What was originally agreed about these developer contributions and what is the nature of the current dispute? What steps does the council now envisage to obtain the contributions? What impact is it having on the low utilisation of units in the Clay Farm Centre?

Response:

Nb:The S106 developer contributions being disputed relate the Trumpington Health Centre and not the vacant Clay Farm retail units.

Background

The Council entered into a S106 Agreement in 2010 which set out a "Health Centre Subsidy" contribution to be paid by the developer Countryside towards health service provision required, for a sum of up to £1.126m payable over 8 years. It was agreed with the Primary Care Trust that rather than the contribution being paid to the PCT the "subsidy" contribution would be retained by the Council as it was the landlord and used to subsidise the Health Centre rent for the first 8 years.

The S106 agreement set out certain lease terms to be adhered to by the Council when letting the Health Centre with a minimum 15 year lease term on commercial terms, i.e., rent. It also included provision that in the event that the health centre's investment/commercial capital value exceeded a certain level, this would reduce the amount of subsidy that the developer should pay.

Upon completion of the Health Centre lease (March 2020) the S106 agreement required a "Health Centre Investment Surplus" to be calculated using a supplied formula in the S106 agreement to calculate if the "Health Centre Subsidy" of £1.126m was required to be paid in full.

The level of this subsidy is being disputed by Countryside, who are arguing that the basis of the Investment Surplus calculation (as applied

by the Council) is wrong and they should pay a lesser subsidy than calculated by the Council, due to the increased investment value of the health centre.

The rent and lease term agreed between the Council and the health centre tenant departed from those specified in the S106 agreement for the following reasons :-

- Property market has changed over the intervening period between the S106 agreement being agreed in 2010 and the lease being entered into in 2020 with Trumpington Medical Practice with lease terms shortened as a consequence.
- Reorganisation of UK Public Health Agencies led the lease being taken in the Partners names of the GP Practice, rather than NHS England, and they required a break provision in year 8.
- The market rent for the purposes of the Investment Surplus calculation is c. £135,000 p.a.
- The PCT agreed for the Council to retain the S106 Subsidy to subsidise the Health Centre rent, which in the lease was reserved at £40,000 p.a. with annual RPI increases until 2028

Countryside dispute these lease terms which negatively impacts on the investment value and in turn the potential "Health Centre Investment Surplus" which would be deducted from S106 contribution payable. They consider that the market rent of £135,000 p.a. should be used to calculate the Surplus as opposed to the actual rent of £40,000 p.a.

Legal advice from Counsel is supportive of the Councils position. Market conditions have changed, especially where changes in subsequent years of property management by the NHS now means the lease had to be entered into by the GP Practice Partners, and not NHS England as a corporate body.

Discussions are ongoing with Countryside to try and resolve without going through the formal dispute resolution mechanism.

Budget Bid Position

The £160,000 is a bid initiated by Community Services accountant as a financial adjustment to the Clay Farm Cost Centre to zero the budget line for the annual income expected from the "Subsidy" until such time as the legal position has been formally concluded with Countryside and

a final value agreed. The £160,000 is the difference between a legacy budget contribution of £200,000 p.a. (funded by the subsidy) and the rent actually received of £40,000 p.a. from the health centre.

X 4925 p92 - Arboricultural Planning Lead Post

The description provided does not adequately explain the item nor the rationale for it. Could these be provided?

Response:

The Council currently takes a strategic, 'urban forest' approach to managing the city's tree stock. The primary goal of this approach is to protect and enhance the multiple benefits to people and nature, that are derived from the urban forest. These benefits depend upon managing its health, distribution, composition, and structure.

The Arboricultural Planning service is currently delivered by an external arboricultural consultant – who primarily manages the City Council's Planning Authority obligations and responsibilities under the Town & Country Planning Act 1990. The post's focus is on a small proportion of the urban forest that is either the subject of a development proposal, or in designated areas of special architectural or historic merit (conservation areas), or of high amenity value and protected by Tree Preservation Order (TPO).

The proposal is to create a permanent Arboricultural Officer (Planning Lead) post to support and for the arboricultural planning service function to be retained within Streets and Open Spaces. The business case for this is that it enables the service to retain a powerful tool for influencing the urban forest, alongside management of the Council's own tree stock assets. By retaining this service within a single team, the Council is more likely to achieve its strategic objectives, and less likely to experience any adverse impacts from segregating an important function within a different service.

Whilst the arboricultural planning service would principally be a key responsibility of a dedicated team member, it would be supported by other existing members of the team (x3 officers) adding resilience to service provision.

X 4926 p92 - Asset Development Officer (Public Realm) Post

The description provided does not adequately explain the item nor the rationale for it. Could these be provided?

Response

The strategic development sites and associated assets to be transferred to the City Council have been monitored by the existing Open Space Officer (Growth), managed by the Major Projects & Performance Manager, to ensure that they are delivered (by the developer) as per the agreed planning drawings. As these new sites are adopted by the Council for daily public use and management, this inevitably leads to a range of operational management/ maintenance issues and risks, which the S&OS service needs to respond to.

The transition of adopted park and open space sites from developer to the City Council has been, up to this point, managed by the Open Space Officer (Growth). This post is fixed term in nature and previously funded from the New Homes Bonus. The funding for the Open Space Officer (Growth) is no longer achievable, using the New Homes Bonus; and the post is currently scheduled to finish as a fixed term position on the 31st March 2022.

Elements of the Open Space Officer (Growth) role will remain within the service beyond 31st March 2022 in relation to working with developers to achieve the design, development and adoption of high-quality open space infrastructure assets, including parks, recreation grounds, play areas and allotments. Many of the strategic development sites are advanced in their build schedules and the associated open spaces assets to be transferred are now either built or planned. Therefore, the number and frequency of design, development and adoption management needs is greatly reduced.

It is therefore proposed that a new Asset Development Officer – Public Realm (1 FTE) is added to the S&OS Assets team, to include the management of sites that remain subject to the adoption process, and to lead the integration and move to business as usual with the operational management/ maintenance of all S106 adopted sites.

The new Asset Development Officer – Public Realm post will be 100% funded using S106 contributions collected from developers with the

purpose of paying for long term care and maintenance of sites adopted by the Council. The new post will also have an element of giving professional advice to both planning and developers and it is expected that this advice will be recovered using Pre-Planning Application Service Level Agreements.

X 4927 p92 - Skilled Operative (Public Realm) Post

The description provided does not adequately explain the item nor the rationale for it. Could these be provided?

Response

The S&OS Skilled Operative (Public Realm) post (x2 FTE) was created in the service restructure of 2015. The two posts are line managed by the Asset Management and Projects Officer post within the Assets Team. Their current service tasks include:

- Play area inspections
- Public convenience repairs
- Sluice gate operation (river height control)
- Litter bin installation
- Bench installation
- Bin and bench base construction
- Bus shelter inspections and repairs
- Street Name Plate repairs and installation
- Fence repairs
- Play area equipment and surface repairs (including bark top up)
- Footway inspections and repairs
- Allotment clearance and cultivation
- Signage installation
- Emergency Call Out (24 hours)
- Welding (resource used by other in-house service areas)
- General repairs to public realm assets

The number of open spaces sites managed by S&OS (from 88 to 126 sites) has put additional resource demands and requirements upon the current Skilled Operative service team. As an example, the newly adopted sites include 47 additional play areas, which require a monthly inspection which typically takes 0.75 hours per site inspection. This

additional service demand alone, equates to an additional 35.25 hours per calendar month.

The introduction of play inspections using the Alloy software is intended to allow efficient route inspections, record them electronically and raise subsequent jobs whilst on site. This is a business transformation change to the service's current working practice and it is estimated to reduce the inspection times, however, the technology is yet to be fully rolled out in a live state, and therefore an accurate estimation has not been able to be calculated. Instead, it is estimated that routing and online report will save 6 hours per month from play inspections.

The Skilled Operative team is also currently having to spend a significant amount of time (up to 30 hours per week on occasions) dealing with public toilet repairs. The service reviews in 2015/16 and 2017/18 did not forecast this level of service requirement. The often urgent and emergency nature of this service has therefore impacted on the Skilled Operatives' ability to fulfil the full range of service tasks, including undertaking planned and cyclical maintenance and associated public liability risk mitigation.

Although all the above duties will remain in some form with the Skilled Operative team, it is anticipated that an additional 1 FTE is required to enable the team to respond to the service demands from the increased number of open space asset to be managed. Given the direct link between the additional park and open space assets the Skilled Operative team is responsible for, arising from the strategic development site adoptions, the proposal is to create an additional Skilled Operative (1 FTE) to be 100% funded from S106 contributions previously collected from developers with the purpose of paying for long term care and maintenance.

The additional 1 FTE will also allow for greater planned and cyclical maintenance (including inspections) of S&OS service assets, with the beneficial impact of potentially reducing costs of maintenance of areas including public conveniences, bus shelters, footways, fencing, litter bins and benches; and ensuring assets are maintained in good order and associated public liability risks are minimised.

CAP 4903 p96 - Office Accommodation

What specific changes are envisaged under this item to enable it to be costed? Savings of what category of spending? Capital receipts from the

release and sale of which buildings? Freeing up space in which buildings for commercial use? What is the emerging vision in relation to specific current buildings and uses?

Response

Schemes have not been finalised or all identified but changes envisaged could for example be building alterations, new equipment or furniture, and additional audio visual equipment to enable and support hybrid meetings and ongoing flexible working. The hybrid working model reduces the amount of office space required. The Our Cambridge transformation programme may reduce space requirements but also changes to how the Council works requiring some of the changes set out above.

Reducing space may reduce operational costs (for eg, utilities/facilities management/cleaning) as well as possibly creating income generation opportunities in short and longer term. Some of these may be achievable in the short term but require expenditure for building works for example to create separate lettable areas or refurbishment of part. The Council will be sharing some space with partners at Mandela House and there may be opportunity for commercial letting of part of the Guildhall.

Moving out of Covid and the Our Cambridge programme will identify and inform how we will work in future and property requirements. Given the significantly reduced office demand due to new ways of working, it is likely that this will identify surplus property that can generate capital and/or revenue receipts. As we move through the our Cambridge Programme and identify future needs, the longer term property strategy will be developed and reported to members. Officers will look to identify short term meanwhile uses for beneficial use of underutilised buildings as we come out of Covid restrictions.

CAP 4988 and CAP 4989 p97 - Sustainable Warm Home Upgrade Grants

What are the terms and conditions of receipt of these funds by the council and for their allocation onwards to households? What steps are envisaged to promote the opportunity to potential recipients and support them in making choices and getting work undertaken to enable full use of the funding before it expires?

Cambridge City Council has been allocated the Sustainable Warmth funding upfront and we are managing that pot of funding on behalf of all the authorities involved, with admin costs from the fund paying for that resource. Each district authority has put forward proposals as part of the bid in terms of what work they feel could be delivered in their area. It is then up to the district authority to work, with the framework contractors, to jointly identify, market, and engage with households who could benefit from the funding. As a district authority we would utilise local knowledge, data and referral routes to get the awareness of the funding to residents, while also conducting targeted and more blanket promotional activity to identify potential beneficiaries.

The local authority resource that would be used to manage this fund, and undertake the engagement work, is off set through an administration budget from the grant award, and this also includes funding to cover the costs of producing material, posters, and other items. The local authority role also extends to supporting the resident at every stage, where required, to the extent of “hand holding” through the scheme if necessary. Post installation the scheme would ensure residents are fully aware of how to best utilise any improvements installed, and we would ensure we maximise our intervention by cross referring into other schemes or areas of support where possible. Including things like water efficiency, wider support etc.

In respects to question 2, around promotion, in the bid we said:

“All households targeted will be under £30,000 household income. To verify household eligibility, we will adopt the same principles used in our ECO LA flex process where we will target residents on means tested benefits and require evidence of qualifying benefits as eligibility for this scheme. Where a household is not in receipt of benefits, we will verify household income to ensure all households are under the £30,000 income threshold.

Targeting households is key to ensuring successful delivery therefore working with partners we will utilise any tools they can provide, for example ThermCert, and cross reference this with our own deprivation data and any information through our benefits teams. We have already carried out analysis of registered EPC data and have utilised this to identify 1 % of E, F and G rated properties to target across Cambridgeshire. This has also identified target areas to commence our engagement activity. We will support our activity with a marketing and promotional activity to areas of higher deprivation and undertake door to

door approaches to reinforce engagement to secure uptake. This work would be carried out in partnership between the local authorities and the appointed contractors.”

Attached separately is a copy of the bid that outlines in detail what we are delivering and how. It also forms part of the contract with BEIS, and is what we have been evaluated against to be awarded the funding.

Ends

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Green and Independent Group

Foreword

General Fund

26 January 2022

Introduction to the Green and Independent Budget Comments

Our role

As the smallest group in the council we consider that our role in the budget process is primarily scrutiny and evaluation.

Alternative Reporting

The reason for this proposal is that the council's work is of great importance to a wide variety of people.

Lengthy accounting reports can be daunting particularly when you are short of time and using alternative reporting techniques can help people to access the main reports and understand the council's work.

As a working accountant, I know that many people are very uncomfortable with purely numerical information and find that other reporting forms, such as graphs, key performance indicators, frequently asked question lists and benchmark reports can help them get to grips with the main report.

Some councillors will be aware that we have put forward a proposal to look at how to make the Housing Revenue Account main report more accessible.

This proposal has been accepted and will go forward under the transformation programme.

At this stage, we are not putting forward a similar proposal for the general fund. This is because it will be more efficient to start with just one account and apply the lessons learned to the second one.

To be clear, our objective is not to replace the main report but to show how simple things such as an FAQ can help us navigate round the main reports and help us find the bits we want easily.

To be equally clear I also want to recognise the high quality of the budget reports and the detailed and meticulous work behind them. I also want to express my appreciation of the steps already taken to make these reports more accessible

A short extract from the FAQ prepared for internal Green and Independent Councillor Use is attached.

Treasury management

Councillors will recall that we raised the issue of evaluating and hopefully reducing the level of treasury funds held with banks with heavy fossil fuel investments.

We understand that Ms Ryba has commenced work on this review and has selected an appropriate independent research source.

The review is not straightforward because treasury funds must also satisfy prudent investment practices. This is not optional but prescribed by law. These rules are known as the CIPFA Treasury Management Code.

This progress is in line with our expectations and we look forward to seeing the first results at the next treasury review.

The city's grant income

Cllr Davey has mentioned the difficulties caused for the city by central government's current grant system and rightly so. Cities need to plan ahead. That requires stable and dependable funding, not the present tangle of stop-start grants.

Grants which are constantly changing, which are so hedged with conditions so that they are at best expensive to administer and at worst

may make them unworkable not only fail to meet our financial needs but they burn up expensive staff time on applications and administration which is wasteful of public funds.

We will continue to press for reform in this area.

Grants to community groups and charities

The council's support for charities and community groups is something that is close to all our hearts.

Many councillors will know from experience how demoralising and exhausting the grant process can be for smaller charities and community groups.

One of the questions that we asked as part of our budget scrutiny was what could we do to streamline our grants process for these groups and avoid perpetrating the problems that the council faces itself with the grant system.

The problem is particularly acute now because many charities face increased demands following lockdown with depleted resources.

Our 2022/23 proposal is for a structural review, whether as part of the transformation programme or otherwise

Although we are aware that cost reduction is a goal of the transformation programme, we argue that in the case of community grants, a better objective would be to consider instead how the service could be improved at the same cost.

We would anticipate that such a review would cover:

A shared smart portal with South Cambs and Cambridgeshire for all grants they administer.

Closer co-operation between local authorities and working towards a shared service approach .

Moving away from annual grants to three year grants

Replacing small grant pots with individual rules with a single community pot (subject to legacy limitations which may restrict this)

Making more use of matched funding arrangements with the private sector. This would be attractive to mid tier businesses which wish to demonstrate good corporate citizenship without carrying the overheads of in house administration.

We submit that these changes would reduce the time spent on administration of the grant system for both community groups and officers alike and would increase the effectiveness of both

We had expected that the outcome of this process would be a proposal for more grants to be provided by the city council and for more advisory support to help local community groups target grants provided by other organisations.

Note of thanks

We have also had discussions with many council officers and will feed back any comments on policies that don’t require inclusion in the budget process at this stage and share our thanks for their help individually.

We also want to thank leaders of several voluntary groups who also gave us much useful feedback.

A sample FAQ for the General Fund 2022/2023

Green and Independent Group

Key Questions about the General Fund budgets

1 How good is the budget as a guide to what actually happens?

In a normal year, the budget will normally be a good predictor of what actually happens.

Since covid it has become harder to predict what will happen because the future is more uncertain. The statutory accounts for 2021 show substantial covid related disruptions

Page v of the statutory accounts sets out lost income and extra costs due to covid. Page vi of the accounts sets out the big differences between forecast and actual outcomes on the general fund. In some cases the council saved money because it could not go ahead with plans because of covid.

Usually, it is considered a good thing when this happens. Unfortunately, this planned expenditure will still be required at some point by which time costs will have risen. These are costs deferred not costs avoided.

It seems unlikely that 2022/23 will be any easier to predict.

Section 10 of the report contains a report on the robustness of the estimates and the adequacy of reserves. This is a statutory requirement.

2 What factors are expected to affect the reliability of the budget in 2022/23?

These are listed in section 8 of the main report. The headline inflation rate isn't always a good guide to actual price and wages rises (see also page 42 and 43)

3 What is expected to happen to the council's general fund income and capital grants?

The assumptions regarding general fund income are listed in section 4 of the main report. The impact of these is shown in section 5.

The key message is that the underlying trend is that the stability and amount of funds available is falling.

The impact of this in 2021 was offset by one off grants for covid related expenses (although sadly these failed to cover the full amount of those expenses and £8m of reserves was sucked up).

4 What approach has the council taken to the problem of falling funding?

The council has tried to identify cost savings under the Transformation project These are set out in Appendix B c.

The total amount of anticipated savings does not cover the expected future short fall.

STRATEGY & RESOURCES SCRUTINY COMMITTEE
7 February 2022
5.00 – 7.28pm

Present: Robertson (Chair), Bick, Dalzell, H.Davies, Healy, S.Smith

RECOMMENDATION TO COUNCIL (LEADER AND EXECUTIVE COUNCILLOR FOR STRATEGY)

NEW CORPORATE PLAN 2022/27

The council's Corporate Plan sets out the key priority themes and strategic objectives that the council is working to achieve. The new Corporate Plan contains four priority themes and covers the five years 2022-27.

Detailed objectives and activities are set out in service Operational Plans and team and personal objectives, as well as in council strategies and policies.

The Strategy and Resources Committee considered and approved the recommendations.

Accordingly, Council is recommended to:

Agree the Corporate Plan as attached.

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NEW CORPORATE PLAN, 2022-27

To: Councillor Anna Smith, Leader and Executive Councillor for Communities
Strategy and Resources scrutiny committee

Report by:
Andrew Limb, Head of Corporate Strategy

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

Wards affected:

All

Key Decision

1. Executive Summary

The council's Corporate Plan sets out the key priority themes and strategic objectives that the council is working to achieve. The new Corporate Plan contains four priority themes and covers the five years 2022-27.

Detailed objectives and activities are set out in service Operational Plans and team and personal objectives, as well as in council strategies and policies.

2. Recommendations

The Executive Councillor is recommended to:
Note the contents of the new Corporate Plan and recommend it to Council for adoption.

3. Background

The Corporate Plan is the apex of the council's business planning process. It describes in strategic terms the Council's priorities for the next five years. From this plan, and from the detail contained in the Council's policies and strategies, operational plans and team and personal objectives flow.

This new plan, 2022-27 takes a longer-term and more strategic approach than its predecessor. In this way it mirrors the approach being taken to the Council's finances in the Medium-Term Financial Strategy and Budget Setting Report.

The Corporate Plan reflects the policy priorities of the administration, and the priority attached to transforming the council and the way it does its business in order to lead the sustainable recovery of the city following the impacts of the coronavirus pandemic.

The priority themes are:

1. Leading Cambridge's response to the climate and biodiversity emergencies and creating a net zero council by 2030

2. Tackling poverty & inequality and helping people in the greatest need

3. Building a new generation of council and affordable homes and reducing homelessness

4. Modernising the council to lead a greener city that is fair for all

The Plan includes (at Appendix B) a set of measures that will give an indication as to how successful the Council is being at achieving the objectives in the Plan. These will be reported each year in an Annual Report.

4. Implications

a) Financial Implications

There are no financial implications of this report, although it does describe, in very broad terms, the priorities that will inform resource allocation in the coming years.

b) Staffing Implications

There are no staffing implications of this report.

c) Equality and Poverty Implications

An Equality Impact Assessment has not been completed for this report – there are no implications of approving this Plan per se, although the objectives described in it include those relating to the Council's Single Equalities Scheme and Anti-Poverty Strategy.

d) Net Zero Carbon, Climate Change and Environmental Implications

There are no carbon or climate change implications of approving this Plan per se, although the objectives described in it do reflect the Council's Climate Change and Biodiversity strategies.

e) Procurement Implications

n/a

f) Community Safety Implications

n/a

5. Consultation and communication considerations

Once agreed the Plan will be communicated to employees, residents and stakeholders through the council's usual communication channels. It will be published on the Council's website as a discrete web page with links to other key documents and relevant information.

This Plan has been drafted with the intention of being shorter and more accessible than the previous version, to help employees and others to be clear on the council's priorities and objectives.

It is likely that the priorities set out in this Plan will inform the enhanced approach to community engagement and partnership working that the Council is developing through the *Our Cambridge* transformation programme.

6. Background papers

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

7. Appendices

Appendix A New Corporate Plan 2022-27

8. Inspection of papers

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

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Draft Corporate Plan, 2022-27

[*to be web-based in final version, with links to key docs*]

Cambridge City Council Corporate Plan 2022-27





Foreword by the Leader of the Council

Welcome to our corporate plan for 2022-27. In it, we set out our four key priorities for the city over the next five years.

These are tough times for the whole country, and for our city. The pandemic and Brexit have seen many more people falling into poverty. Many of our businesses are feeling the squeeze in their incomes. Rising food and fuel prices, higher accommodation costs and cuts to universal credit have hit lower income families hard, making the inequality that existed before even starker.

Following years of sustained cuts to our core grant, combined with loss of income, the City Council will need to find over £30 million of savings over the next five years in order to balance our books.

And we need to address these issues whilst also facing a global climate and biodiversity emergency which must be addressed now, and not left until later.

But we are also a dynamic and resilient city, with resourceful communities and businesses of all sizes who really want to make a difference. Our collective response to the pandemic has shown what we can do when we all work together in a cooperative way to address the challenges we face.

We have seen the benefits of the council working alongside other agencies, voluntary groups, businesses, faith groups, individuals and communities to do the very best that we can together for all those who live and work here.

To be a council which is as ready as it can be to meet the challenges ahead, we are committed to 'Our Cambridge' – a transformation programme which will not only help to make the most of our resources, but also ensure we are a council which represents and works together with **all** of our residents, not just those who are already adept at getting heard.

We want Cambridge to be an ethical city, and one which ensures that growth benefits everyone, building wealth within our communities, encouraging skills development, and finding a way out of poverty for as many people as possible.

As newly-elected leader of the council, I look forward to working with as many people as possible to ensure that our city not only survives the challenges ahead, but thrives.

[insert photo]

Cllr Anna Smith

Leader of the Council

February 2022

Our four key priorities for 2022-27

1. Leading Cambridge's response to the climate and biodiversity emergencies and creating a net zero council by 2030

2. Tackling poverty & inequality and helping people in the greatest need

3. Building a new generation of council and affordable homes and reducing homelessness

4. Modernising the council to lead a greener city that is fair for all

We recognise that these priorities are closely interconnected – taking forward one will often also help achieve another.

For instance, as we provide more council housing to high environmental standards, we will not only meet housing need and help tackle poverty but will aim to do so in a way that demonstrates leadership on climate change and biodiversity.

Sometimes there will be a balance to be struck too – we will increasingly aim to use data-led frameworks to understand these synergies, dependencies and interconnections more deeply over the lifetime of this plan.

Cambridge City Council's Vision

The Council has a clear vision to lead a united city, '**One Cambridge - Fair for All**', in which economic dynamism and prosperity are combined with social equality and environmental justice. An international, entrepreneurial, diverse and welcoming city, which is a great place to live, work and learn and which protects its most vulnerable.

It's a vision we will share and develop, working cooperatively with our residents and partner organisations[1].

[1] For the full text of our vision, see Appendix A

Priority 1 - Leading Cambridge's response to the climate change and biodiversity emergencies

Cambridge City Council recognises the need to act now on the climate change and biodiversity emergencies. 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.

A key element of this will be our work with South Cambridgeshire District Council to jointly develop a new Local Plan.

Complementing this, the work we do with others through the Greater Cambridge Partnership aims to create wider prosperity and improve quality of life now and into the future through better, greener transport.

Our strategic objectives under this theme, as set out in our Climate Change and Biodiversity Strategies, and the Joint Local Plan, are to:

- deliver our Climate Change and Biodiversity Strategies, which aim to:
    - reduce carbon emissions from council buildings, land, vehicles and services to net zero by 2030,
    - Reduce energy consumption and carbon emissions from homes and buildings in Cambridge
    - Reduce carbon emissions from transport in Cambridge
    - reduce consumption of resources, increase recycling and reduce waste;
    - promote sustainable food and food justice

- support Council services, residents and businesses to thrive and adapt to the impacts of the climate change emergency;
- mainstream our approach to biodiversity to secure a measurable net gain in biodiversity across the City by 2025 and support the Natural Cambridgeshire Doubling Nature Vision by 2030
- ensure designated sites and priority habitats are in good / favourable condition and connected, where possible, to increase resilience to a changing climate and contribute to the Cambridge Nature Network
- promote awareness of biodiversity and wellbeing, supporting coordinated action across our communities, businesses, and institutions
- To ensure that biodiversity is considered by all council service functions and projects
- maximise the potential of our buildings, parks, open spaces, watercourses and tree stock to support biodiversity, whilst balancing their multifunctional needs
- harness the wealth of local knowledge and experience in identifying and solving local issues.
- To establish long term, species and habitat surveys and monitoring to measure the impact of activities and identify new threats and opportunities across the city

- Plan for the sustainable development of Cambridge and support the creation of vibrant, integrated and inclusive new communities. Specifically, to develop and implement a new Local Plan for Greater Cambridge that
  - supports our net zero carbon vision (including by minimising reliance on the private car),
  - enhances biodiversity and green spaces,
  - increases wellbeing and social inclusion,

    - provides for great places (including by safeguarding our unique heritage and landscapes),
    - encourages a wide range of jobs,
    - provides for enough housing to meet our needs, and
    - plans for the right infrastructure in the right places at the right times to serve our growing communities.
- Work with partners to address the infrastructure needs of the city and the Greater Cambridge area, to reduce congestion and pollution; support sustainable and inclusive development, and to provide a better quality of life for all.

Priority 2 Tackling poverty & inequality and helping people in the greatest need

Cambridge has some of the highest income disparities in the UK. Our high value, high earning economy masks the very real levels of poverty within the city. Residents living on low incomes face very high housing costs and a high cost of living, and this is reflected in stark differences in life outcomes, particularly in health and education. Life expectancy is eleven years longer in the most affluent wards than in the most deprived.

The impact of the COVID pandemic to date has been to broaden and deepen these inequalities. There has been a doubling of the number of people in the city claiming out of work benefits, and many more people are also facing in-work poverty.

The Council has a clear strategic approach as set out in the Anti-Poverty Strategy. This focuses on addressing the root causes of poverty alongside its immediate impacts. We recognise that there are many who are more expert than us, so we work with residents and communities to build capacity, community action and mutual aid; and balance our own direct delivery with partnership working, influencing and lobbying to meet the needs of the most vulnerable, including refugees.

Cambridge is also an increasingly diverse city, and as a signatory to the Equality Pledge, the city council believes in the dignity of all people and their right to respect and equality of opportunity. The Council's priorities are set out in its Single Equalities Scheme.

The Council will work with voluntary and community groups and local employers to help strengthen local communities, and we will work cooperatively with partners to address the underlying issues. And we will seek to listen to and work with our communities, making sure that we work in partnership *with* residents rather than simply doing things *for* them.

Our strategic objectives under this theme, including those set out in our Anti-Poverty Strategy and our Single Equality Scheme, are to:

- Help people on low incomes to maximise their income and minimise costs
- Strengthen families and communities and support people who are more likely to experience poverty, inequality and vulnerability.
- Make sure that everyone shares in our city's success by promoting an inclusive economy, by raising skills, and by improving access to a range of employment opportunities for people on low incomes.
- Address the high cost of housing, improving housing conditions and reducing homelessness (*see more detail under priority 3*).
- Improve health outcomes, including mental health, for people on low incomes, including by playing a leading role in the Integrated Care System to prioritise action on health inequalities.
- Work towards a situation where all residents have equal access to public activities and spaces in Cambridge and are able to participate fully in the community and in making decisions about the places where they live
- Tackle discrimination, harassment and victimisation and ensure that people from different backgrounds living in the city respect and value each other and continue to get on well together.

Priority 3 - Building a new generation of council and affordable homes and reducing homelessness

The costs of buying or renting a home, and the shortage of homes available for those on low and middle incomes are real issues for Cambridge residents.

The Greater Cambridge Housing Strategy sets out our high-level approach to tackling these challenges, including through the building of a new generation of council homes, promoting the development of affordable homes and the delivery of a co-ordinated effort to reduce homelessness.

We will seek to improve the energy efficiency of our existing housing stock as well as building new council houses to exacting standards. We will also work to improve the conditions for private renters.

Our strategic objectives under this theme, as set out in the Greater Cambridge Housing Strategy, are:

- Increasing the delivery of homes, and in particular affordable housing, including Council homes, to meet housing need
- Diversifying the housing market and accelerating housing delivery
- Achieving a high standard of design and quality of new homes and communities
- Improving housing conditions and making best use of existing homes
- Preventing and Tackling Homelessness and Rough Sleeping
- Working with key partners to innovate and maximise available resources

Priority 4 – Modernising the council to lead a greener city that is fair for all

As Cambridge emerges from the damaging impact of Covid-19, Cambridge City Council will play a leading role in supporting a sustainable and inclusive recovery to build a greener city that is fair for all.

We will also deliver, those essential services that our communities rely on and that best meet our residents' needs.

To enable the Council to play these key roles, we will transform the way we work, finding more effective and more collaborative ways of achieving the best for Cambridge, in partnership with our whole city.

➢ Transforming the council so we can continue delivering our priorities and provide quality services despite reduced funding and income

The council will focus on providing a wide range of high-quality essential services to all those who live, work and study in Cambridge, prioritising those who need us the most. Through the "Our Cambridge" programme we will seek to understand the changing needs of those who use our services so we can support them as well as possible within our available resources.

To do this, we will continue to modernise our approach, empower our staff, and change the way we work to achieve our objectives in a low-carbon, inclusive, cooperative and financially sustainable way.

Our strategic priorities under this theme are to:

- develop co-operative, collaborative ways of working with our communities and partners, increasing our collective ability to achieve the council's vision and improve the quality of life and wellbeing of everyone in the city

- use innovation, including new technologies, to provide high quality services
- continuously improve the services we provide so that they best meet the needs of those who use them
- run our services in an efficient way, generating income where appropriate to reinvest into other council services
- invest in our workforce and empower our staff to innovate, collaborate and achieve our shared goals
- review our assets to ensure they are delivering optimum value to the Council and wider community, increasing social capital

➢ Leading a Sustainable and Inclusive Recovery

Cambridge's businesses and communities have faced many challenges through the pandemic. These compounded, and were compounded by, pre-existing inequalities and economic trends.

And yet the city also saw the best of its cooperative and networked culture, with community groups, businesses and educational institutions working together to contain the virus and support the most vulnerable residents and businesses.

Over the life of this corporate plan the Council will lead the recovery and renewal of the city, bringing partners together to build one Cambridge, fair for all, through collaboration and partnership working.

With our partners and our communities, we will also plan for inclusive and sustainable development, ensuring prosperity is shared more equally.

Our strategic objectives under this theme are to:

- Lead Cambridge's recovery from the impacts of Covid-19 in a way that enables economic prosperity balanced with social and climate justice. More specifically, to:
    - support sustainable business development;
    - promote vibrancy in the city centre;
    - drive down long-term inequalities; and
    - promote quality, affordable green homes and spaces for everyone to thrive.
- Ensure a varied cultural offer is available to all those who live, work and study in, and visit, Cambridge from all backgrounds and incomes.

These priorities will be implemented through the way the council's policies and strategies are delivered, set out in detail in services' operational plans.

Cambridge City Council's Vision – full text

The Council has a clear vision to lead a united city, 'One Cambridge - Fair for All', in which economic dynamism and prosperity are combined with social equality and environmental justice. An international, entrepreneurial, diverse and welcoming city, which is a great place to live, work and learn and which protects its most vulnerable.

It's a vision we will share and develop, working cooperatively with our residents and partner organisations

'One Cambridge – Fair for All'

- A city which believes that the clearest measure of progress is the dignity and well-being of its least well-off residents, which prioritises tackling poverty and social exclusion, recognising that greater social and economic equality are not only a vital aim in themselves but are the most important pre-conditions for the city's success.
- An international city which celebrates its diversity and actively tackles discrimination in all its forms, including, but not limited to the protected characteristics of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, and sexual orientation.
- A city in which all residents feel that they are listened to and have the opportunity to influence public decision making, which values, supports and responds to individual and community initiatives.
- A city where all residents and organisations appreciate their responsibilities as well as their rights, where people are free to enjoy themselves but also show consideration for others, and where the community works together to reduce harm and nuisance including by education and, where needed, robust enforcement of the law.
- A city where academia, business and civil society combine, and where mutual understanding and partnerships are developed through joint working, co-operation and community initiatives.

Cambridge – tackling the climate & biodiversity crises

- A city that takes robust action to tackle the local and global threat of the climate and biodiversity emergencies, both internally and in partnership with local organisations and residents;
- A city which seeks to minimise its own environmental impact by cutting carbon, waste and pollution; and
- A city which strives to protect our natural resources

Cambridge - a great place to live, learn and work

- A city which strives to ensure that all local households can secure a suitable, affordable local home, close to jobs and facilities.
- A city which draws inspiration from its unique qualities and environment and its iconic historic centre, and retains its sense of place across the city through positive planning, generous urban open spaces and well-designed buildings, and by providing quality council services.
- An entrepreneurial city with a thriving local economy, in which businesses are assisted to build on their global and national pre-eminence in learning, discovery and production, and develop a full range of local employment and skills development, while also recognising and delivering on their social responsibilities.
- A city where high quality public transport, cycling and walking infrastructure make sustainable transport the best way to get around

Key Indicators to tell us whether we're achieving our vision

The Council has an ambition to develop its capability to use data to assess how it is performing and its impact on improving outcomes for residents, businesses, the environment, as well as the health and state of our city.

In addition to the indicators shown below, we will seek to design and develop, additional outcome measures over the course of the first and second year of the plan.

We will also explore how far we can benchmark against nationally produced indicators, such as the Legatum Institute Prosperity Index, Thriving Places Index and relevant tools developed by Doughnut Economic Action Labs, the Bennett Institute and others; and supplement these with a range of community engagement techniques to assess community wellbeing.

Priority 1 - Leading Cambridge's response to the climate change and biodiversity emergencies

The risk and impact of the climate change and biodiversity emergencies is reduced, as measured by:

- Number of air quality monitoring points exceeding Nitrogen Dioxide (NO_2) legal limit
- Direct emissions (tCO_2) from council assets and activities
- Kilogrammes of residual waste per household (black bin)
- % recycling rate (blue bin)
- % of all journeys undertaken by bicycle, public transport and on foot
- Number of electric vehicles in the council's fleet
- Number & % of ultra-low/electric taxi vehicles licensed

Priority 2 Tackling poverty & inequality and helping people in the greatest need

People experiencing hardship, inequality and exclusion are supported to lead healthier, safer lives, as measured by:

- Basket of indicators in the Anti-Poverty Strategy

- Number of rough sleepers found on the bi-monthly and official annual count (November)
- Number of entries to Council leisure facilities by people holding concession memberships
- Number of refugees settled and supported
- Number of Free Exercise Referrals + % of people who complete the free Exercise referrals
- % of Council community grants allocated to each of the priority themes in the grants round.
- Number of low-income households whose homes have been improved with home energy interventions

People with disabilities are able to live independently, as measured by:

- Number of people supported by Home Improvement Agency and percentage of those reporting that it has helped them to live independently.

Priority 3 - Building a new generation of council and affordable homes and reducing homelessness

The right homes that people need and can afford to live in are built and managed by the council and its partners; enabling people to live settled lives. As measured by:

- Number of council housing starts
- Number of Affordable Housing completions by category (council & non-council)
- All current tenant arrears at end of period (*Housemark definition*)
- Number of households prevented or relieved from homelessness
- % customer (tenant) satisfaction with their homes
- Number of tenant complaints about damp and mould
- % customer (tenant) satisfaction with council housing repairs service
- Energy and environmental performance of our housing stock (average RdSAP score)
- % of new homes delivered at Passivhaus level carbon reduction or above

- Average Net gain % biodiversity on new Council housing sites
- Number of private sector homes that have been improved for health and safety and energy standards

Priority 4 – Modernising the Council to lead a greener city that is fair for all

The Council delivers those essential services that our communities rely on and that best meet our residents' needs, as measured by:

- Number of developments implemented in line with (or exceeding) adopted policy requirements
- % of streets achieving Grade A cleanliness standard
- No of volunteer hours contributed to maintaining streets & open spaces
- % of food businesses rated as broadly compliant (*FSA rating system*)
- Investor in People (IiP) status / staff survey data
- Annual income generated by council services and investments
- Public waste volumes collected from city streets and open spaces
- Volume of herbicide used on managing city streets and open spaces
- Cost of grounds maintenance service per hectare (*APSE benchmarking indicator*)

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RECOMMENDATION TO COUNCIL
(Licensing Committee)

Review of Statement of Gambling Principles

The Committee received a report from the Licensing & Enforcement Manager regarding the review of the Statement of Gambling Principles.

The Committee thanked Officers for an excellent report and for residents and members of the public for responding to the consultation.

The Licensing Committee considered and approved the recommendation unanimously.

Accordingly, Council is recommended to:

i. Approve for publication the Statement of Gambling Principles set out in Appendix A of the Officer's report.

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Item

STATEMENT OF GAMBLING PRINCIPLES

To:
Licensing Committee 31/01/2021

Report by:
Luke Catchpole, Senior Technical Officer
Tel: 01223 - 457818 Email: luke.catchpole@cambridge.gov.uk

Wards affected:
All

1. Introduction

1.1 Cambridge City Council, as the Licensing Authority, is required to discharge its responsibilities under the Gambling Act 2005 with a view to promoting the three licensing objectives, namely;

- Preventing gambling from being a source of crime or disorder, being associated with crime or disorder or being used to support crime;
- Ensuring that gambling is conducted in a fair and open way; and
- Protecting children and other vulnerable persons from being harmed or exploited by gambling.

1.2 The Gambling Act 2005 was designed to be a light touch legislation covering a number of “licensable activities”. Such activities are defined within the Act.

1.3 The Statement of Gambling Principles is required to be reviewed every three years. The current statement runs until the end of January 2022 after which a revised Statement must be in place in order for the relevant duties to be undertaken.

1.4 Following review of the Statement, a 12 week consultation was undertaken; no responses were received.

1.5 After consideration, and minor amendment, the proposed 2022-2025 Statement is presented for consideration.

2. Recommendations

2.1 Members are recommended:

To endorse the post-consultation draft Statement of Gambling Principles shown in Appendix A and recommend to full Council that the Statement is approved for publication.

3. Background

3.1. The Gambling Act 2005 came fully into effect on 1 September 2007. It created a revised system of licensing and regulation for commercial gambling in this country. This Act gives Licensing Authorities a number of important regulatory functions in relation to gambling. The main functions are to:

- licence premises for gambling activities;
- consider notices given for the temporary use of premises for gambling;
- grant permits for gaming and gaming machines in clubs and miners' welfare institutes;
- regulate gaming and gaming machines in alcohol licensed premises;
- grant permits to family entertainment centres for the use of certain lower stake gaming machines;
- grant permits for prize gaming;
- consider occasional use notices for betting at tracks; and
- register small societies' lotteries.

3.2 In addition, section 349 of the Gambling Act 2005 requires that the Council prepares and publishes a Statement of Principles that it proposes to apply in exercising its function under the Act, before each successive period of three years.

3.3 The Statement of Principles must be formulated in accordance with, and reflect, the guidance issued by the Gambling Commission and the Government Codes of Practice. The principles essentially inform the processes that the Council would normally follow in conducting its duties as the Licensing Authority.

3.4 The existing Statement of Gambling Principles for Cambridge City Council became effective in January 2019. Since this Statement was published, there has been only minor revision of the Gambling Commission guidance, with the latest guidance being produced in April 2021.

3.5 It is a requirement of the Act that the revised Statement must be approved at a full meeting of the Council. Such approval cannot be granted until consultation has been undertaken with a range of statutory bodies, defined by the Act. Additionally the authority is empowered to consult with other organisations as is deemed appropriate.

3.6 Once any revised Statement is approved by full Council, the Gambling Act 2005 (Licensing Authority Policy Statement) (England and Wales) Regulations 2006, requires licensing authorities to subsequently publish a notice of their intention to publish the Statement or revision. There are several specific requirements in undertaking this, including appropriate publication a minimum of 28 days before the Statement of Principles comes into effect.

3.7 With these legal requirements in mind, the revision process commenced in August 2021 with an officer review of the existing Statement of Principles taking into account the Gambling Act 2005 and the current guidance issued by the Gambling Commission.

3.8 Subsequently, the revised Statement was subject to a twelve-week public consultation between 16th August 2021 to 14th November 2021. This was undertaken by directly contacting the relevant responsible authorities and resident associations and publishing the consultation on our website and in the Cambridge News on Friday 25th May 2018. A full list of those directly consulted can be found in Appendix B of the Statement of Principles (pages 45-48).

3.9 No responses were received in regard to the consultation.

4. Implications

(a) Financial Implications

The review of the Statement of Principles is a statutory function, covered by the fees paid by Licence and permit holders.

(b) Staffing Implications

Existing staff resources will apply the Statement once finalised.

(c) Equality and Poverty Implications

This is a statutory policy and it promotes equal opportunities. The policy does not prohibit any person from making an application or objecting to an application where they have a statutory right to do so.

An Equalities Impact Assessment has been completed and is attached as Appendix E.

(d) Environmental Implications

There are no environmental implications that result from the draft policy.

(e) Procurement Implications

There are no procurement implications that result from the draft policy.

(f) Community Safety Implications

The Statement of Principles will ensure that in carrying out its statutory duties, the Licensing Authority will promote the licensing objectives.

5. Consultation and communication considerations

5.1 In accordance with Government Code of Practice on consultation, the draft Statement of Gambling Principles was submitted for public consultation over a twelve-week period between 16th August 2021 and 14th November 2021.

5.2 Consultation was undertaken as widely as possible, including the Chief Officer of Police and all other responsible authorities and interested parties as required by legislation, including persons/bodies representing holders of premises licences and gaming permits, businesses and residents associations. The consultation was also available to view on Cambridge City Council website and appeared in the Cambridge News on Monday 16th August 2021. A list of those consulted can be found in Appendix B, pages 45 - 48 of the current statement of principles.

6. Background papers

Background papers used in the preparation of this report:

- Gambling Act 2005
- Guidance published by the Gambling Commission in April 2021.
- Existing Statement of Gambling Principles published in January 2019.

7. Appendices

Appendix A – Post consultation draft Statement of Principles

Appendix B – Statement of Principles from January 2019.

Appendix C – Equality Impact Assessment

8. Inspection of papers

To inspect the background papers or if you have a query on the report please contact Luke Catchpole, Senior Technical Officer, tel: 01223 - 457818, email: luke.catchpole@cambridge.gov.uk.

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CAMBRIDGE CITY COUNCIL



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GAMBLING ACT 2005

Statement of Principles

January 2022 – January 2025

Published: tbc

Effective from: tbc

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Introduction

Under the Gambling Act 2005 ("the 2005 Act" a regime for regulating gambling and betting was introduced throughout the United Kingdom from 1 September 2007. Apart from the National Lottery and spread betting, gambling and betting is regulated by the Gambling Commission whose duties include licensing the operators and individuals involved in the provision of gambling and betting.

Cambridge City Council Licensing Authority recognises the potential impact of gambling and in adopting this policy; the Licensing Authority will seek to work with communities and partners. It will address the concerns of the public to maintain safe and high quality environments making Cambridge an even better place to live, work and visit. It wishes to work together with premises licence operators/ holders to assist the thriving and growing local economy whilst seeking to protect vulnerable persons from harm.

Cambridge City Council ("the Council"), along with other licensing authorities, has a duty under the 2005 Act to licence premises where gambling is taking place. The Council is also required to licence certain other activities (such as registering small society lotteries). This document sets out how Cambridge City Council intends to carry out these duties.

Licensing authorities are required by Section 349 of the 2005 Act to publish a statement of principles that they propose to apply when exercising their functions in accordance with the legislation. This statement must be published every 3 years and this is the third revision. If any part of the document is amended, further consultation and re-publication is required.

The 2005 Act requires that the following parties are consulted by licensing authorities:

- The Chief Officer of Police
- One or more persons who appear to the authority to represent the interests of persons carrying on gambling businesses in the authority's area; and
- One or more persons who appear to the authority to represent the interests of persons who are likely to be affected by the exercise of the authority's functions under the Gambling Act 2005.

A full list of those persons/ organisations consulted is detailed at Appendix B.

The latest draft of this statement of principles contains the minimum of amendments and no changes to the intent or direction of the policy. In producing the final statement, the Council declares that it has regard to the Licensing objectives of the Gambling Act 2005, the guidance issued by the

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Gambling Commission and any response from those consulted on this statement.

This statement of principles was approved at a meeting of the Full Council on (date to be inserted). It was then published via Cambridge City Council's website on (date to be inserted).

It should be noted that this policy statement does not override any right of any person to make an application, make representation about an application or apply for review of a licence, as each will be considered on its own merits and according to the statutory requirements of the Gambling Act 2005.

The full list of comments made and the consideration by the Council of these comments is available by request to the Commercial & Licensing Team, Environmental Services.

Should you have any comments in regard to this statement of principles, please send them to:

Team Manager (Commercial &

Licensing)

Environmental Health Service

Cambridge City Council

PO Box 700

Cambridge, CB1 0JH

Email:
commercial@cambridge.gov.uk

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PART A

1. The Licensing Objectives

In exercising most of its functions under the Gambling Act 2005, the Council as the Licensing Authority must have regard to the Licensing Objectives as set out in Section 1 of the 2005 Act. The objectives are:

Preventing gambling from being a source of crime or disorder, being associated with crime or disorder or being used to support crime.

The Gambling Commission will be taking a lead role in preventing gambling from being a source of crime. Cambridge City Council is aware that it falls to the Gambling Commission to ensure the suitability of an operator before issuing an operator licence.

However, this Licensing Authority will bring to the attention of the Gambling Commission any information that is brought to its attention during the course of processing a premises licence application or at any other time, which could question the appropriateness of an applicant.

Where an area has known high levels of crime, this Licensing Authority will consider carefully whether gambling premises are suitable to be located there. If there are concerns over a premises location, in order to prevent that premises from becoming a source of crime, certain conditions could be considered by the Council to be attached to the licence.

Ensuring that gambling is conducted in a fair and open way.

The Gambling Commission is concerned to ensure that not only is gambling fair in the way it is played, but also that the rules are transparent to players and they know what to expect. It achieves this by working to ensure that: -

- Operating and personal licences are issued only to those who are suitable to offer gambling facilities or work in the industry;
- Easily understandable information is made available by operators to players about, for example, the rules of the game, the probability of losing or winning, and the terms and conditions on which business is conducted;
- The rules are fair;
- Advertising is not misleading;
- The results of events and competitions on which commercial gambling takes place are made public;

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- Machines, equipment and software used to produce the outcome of games meet standards set by the Gambling Commission and operate as advertised.

The Gambling Commission would not expect licensing authorities to become concerned with ensuring that gambling is conducted in a fair and open way. This is because they will either be concerned with the management of the gambling business (and therefore subject to the operating licence), or the suitability and actions of an individual (and therefore subject to a personal licence). These permissions both fall within the remit of the Gambling Commission.

Protecting children and other vulnerable persons from being harmed or exploited by gambling.

The Gambling Act 2005 is intended to ensure that children and vulnerable persons should not be allowed to gamble and should be prohibited from entering those gambling premises which are adult-only environments.

This licensing objective refers to protecting children from being 'harmed or exploited by gambling'; meaning that they should be prevented from taking part in gambling and for there to be restrictions on advertising so that gambling products are not aimed at children or advertised in such a way that makes them particularly attractive to children, with the exception of Category D gaming machines.

It does not however seek to disallow particular groups of adults from gambling in the same way that it does children. The Gambling Commission has not sought to define 'vulnerable persons', but it does for regulatory purposes assume that this group includes people who gamble more than they want to; people who gamble beyond their means; and people who may not be able to make informed or balanced decisions about gambling due to mental health needs, learning disability or substance misuse relating to alcohol or drugs.

This Licensing Authority will consider this licensing objective on a case by case basis. In order to protect vulnerable persons, this Licensing Authority will consider whether any special considerations apply to a particular premises. These considerations could include self-barring schemes or providing information in the form of leaflets or helpline information from relevant organisations.

From 6 April 2016 premises licence holders must conduct a local risk assessment for each of their current premises. This applies to:-

– Adult Gaming Centres

- Family Entertainment Centres
- Non-Remote Betting

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- Non-Remote Bingo
- Non-Remote Casinos
- Remote Betting Intermediary (trading room only)

There is also a requirement to conduct or update a risk assessment when:

- Applying for a new gambling premises licence
- Applying for a variation to a gambling premises licence
- Changes in the local environment, or the premises, warrant a risk assessment to be conducted again.

This licensing authority is aware that, as per section 153, in making decisions about premises licences and temporary use notices it should "aim to permit" the use of premises for gambling in so far as it is satisfied the application is *"in accordance with any code of practice issued by the Gambling Commission; in accordance with any relevant guidance issued by the Gambling Commission; reasonably consistent with the licensing objectives and in accordance with the authority's statement of licensing principles".*

As a means of assisting Licensing Authorities in determining whether the provision of gambling facilities at premises will be, and will remain, consistent with the licensing objectives, the Gambling Commission that premises licence holders should have policies and procedures in place to mitigate the local risks to the licensing objectives arising from the provision of gambling at their premises.

Following the Gambling Commission's review of the social responsibility elements of the Licence Conditions and Codes of Practice (LCCP), the Commission have introduced a social responsibility code (SR code 10.1.1) which requires all premises licensees to assess the local risks to the licensing objectives posed by the provision of gambling facilities at each of their premises, and have policies, procedures and control measures to mitigate these risks. In undertaking their risk assessments, they must take into account relevant matters identified in the licensing authority's statement of policy.

The new SR provision is supplemented by an ordinary code provision that requires licensees to share their risk assessment with licensing authorities when applying for a premises licence or applying for a variation to existing licensed premises, or otherwise at the request of the licensing authority, such as when they are inspecting a premises.

Cambridge City Council has a Local Area Profile that licensees should consider when undertaking their local area risk assessments. The Local Area Profile can be found at the following link:

https://www.cambridge.gov.uk/gambling-licensing-overview

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The Council notes the Gambling Commission's Guidance (5.34) to local authorities that *"Licensing authorities should be aware that other considerations such as moral or ethical objections to gambling are not a valid reason to reject applications for premises licences. In deciding to reject an application, a licensing authority should rely on reasons that demonstrate that the licensing objectives are not being, or are unlikely to be, met, and such objections do not relate to the licensing objectives. An authority's decision cannot be based on dislike of gambling, or a general notion that it is undesirable to allow gambling premises in an area (with the exception of the casino resolution powers)".*

2. Cambridge City

Cambridge City Council is situated in Cambridgeshire, which contains a total of 5 District Councils. Cambridge combines a rich history with the vibrancy and prosperity of outstanding educational institutions and modern businesses. It is at the heart of a buoyant sub-region which is an area designed for major growth in employment and housing.

The City of Cambridge is in the east of England, 50 miles north of London. A beautiful place to live and work, Cambridge is an historic University City and market town with high quality architecture and attractive open spaces. It is also a city of national importance, being a world leader in higher education and many 21st century industries – information technology, telecommunications and commercial research, particularly the biotechnology sector.

The population of Cambridge is over 130,000. This is forecast to increase to over 150,000 in 2031 as a result of new developments

A significant characteristic of the City's population is its large and diverse student population, totaling almost 27,000 (including post graduates). This is swollen further by language students attending "summer schools", which adds to a high "churn" in our population. The proportion of older people in the City has not grown in the past 10 years.

The daytime population of the City increases significantly, with high levels of commuting into the City and very large numbers of tourists and visitors. The high day time population places pressure on the City's infrastructure and heavy demands on basic Council services such as street cleaning.

Cambridge has one of the highest qualified work forces in the East of England, and relatively speaking, the City is affluent.

This area is shown in the map at Appendix A.

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3. Authorised Activities

'Gambling' is defined in the 2005 Act as either gaming, betting or taking part in a lottery.

Gaming - means playing a game of chance for a prize

Betting – means making or accepting a bet on the outcome of a race, competition or any other event, the likelihood of anything occurring or not occurring, or whether anything is true or not true.

Lottery – is where persons are required to pay in order to take part in an arrangement, during the course of which one or more prizes are allocated by a process, which relies wholly on chance.

Private Gaming – in private dwellings and on domestic occasions is exempt from licensing or registration providing that no charge is made for participating; only equal chance gaming takes place; and it does not occur in a place to which the public have access.

Domestic Betting – between inhabitants of the same premises or between employees of the same employer is also exempt.

Non-commercial gaming and betting – where no part of the proceeds are for private gain may be subject to certain exemptions.

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4. Licences under the Gambling Act 2005

The 2005 Act provides for 3 categories of licence as detailed below:

- Operating Licences
- Personal Licence
- Premises Licences

The Council is responsible for the issue of Premises Licences. The Gambling Commission is responsible for the issue of Operating and Personal Licences.

5. The Gambling Commission

The Gambling Commission regulates gambling in the public interest. It does so by keeping crime out of gambling, by ensuring that gambling is conducted in a fair and open way ad by protecting children and vulnerable people. The Commission provides independent advice to the Government about the manner in which gambling is carried out, the effects of gambling and the regulation of gambling generally.

The Commission has issued guidance in accordance with Section 25 of the 2005 Act about the manner in which Licensing Authorities exercise their functions under the Act and, in particular, the principles to be applied.

The Commission will also issue Codes of Practice under Section 24 about the way in which facilities for gambling is provided, which may also include provisions about the advertising of gambling facilities.

The Gambling Commission can be contacted at:

Gambling Commission

Victoria Square House

Victoria Square

Birmingham

B2 4BP

Website www.gamblingcommission.gov.uk

Email info@gamblingcommission.gov.uk

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6. Responsible Authorities

The licensing authority is required by regulations to state the principles it will apply in exercising its powers under Section 157(h) of the Act to designate, in writing, a body which is competent to advise the authority about the protection of children from harm.

The principles are:

- The need for the body to be responsible for an area covering the whole of the licensing authority's area; and
- The need for the body to be answerable to democratically elected persons, rather than any particular vested interest group.

In accordance with the suggestion in the Gambling Commission's Guidance for local authorities, this licensing authority designates the Local safeguarding Children's Board for this purpose.

The contact details of all the Responsible Authorities under the Gambling Act 2005 are set out in Appendix C.

7. Interested Parties

Interested parties can make representations about licence applications, or apply for a review of an existing licence. These parties are defined in the Gambling Act 2005 as follows:

"For the purposes of this Part a person is an interested party in relation to an application for or in respect of a premises licence if, in the opinion of the licensing authority which issues the licence or to which the application is made, the person –

a) Lives sufficiently close to the premises to be likely affected by the authorized activities, and/ or
b) Has business interests that might be affected by the authorized activities, or
c) Represents persons who satisfy paragraph a) or b)".

The licensing authority is required by regulations to state the principles it will apply in exercising its powers under the Gambling Act 2005 to determine whether person is an interested party. The principles are:

- Each case will be decided upon its merits. The authority will not apply a rigid rule to its decision making.
- It will have regard to the examples of considerations provided in the Gambling Commissions Guidance to licensing authorities at 8.9 to 8.17

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- It will also consider the Gambling Commission's Guidance that "business interests" should be given the widest possible interpretation and where appropriate include organisations such as, but not limited to, partnerships, charities, faith groups and medical practices.

Interested parties can be people who are democratically elected such as Councillors and MP's. Where appropriate, this will include county, parish and town Councillors. Other than these persons, authorities should require written evidence that a person 'represents' someone who either lives sufficiently close to the premises likely to be affected by the authorized activities and/ or business interests that might be affected by the authorized activities. A letter from one of these persons requesting the representation is sufficient.

Further advice on how licensing authorities can determine whether someone is an interested party is detailed below:

i) The approach taken by licensing authorities in determining who is an interested party is also a function that is dealt with in the Licensing Statement of Policy.

ii) The factors that should be taken into account when determining what 'sufficiently close to the premises' means (in each case) might include:
    - The size of the premises
    - The nature of the premises
    - The distance of the premises from the location of the person making the representation
    - The potential impact of the premises such as the number of customers, routes likely to be taken by those visiting the establishment; and
    - The circumstances of the person who lives close to the premises. This is not their personal characteristics, but their interests which may be relevant to the distance from the premises.

8. Exchange of Information

Licensing authorities are required to include in their statements, the principles to be applied by the authority in exercising the functions under sections 29 and 30 of the Act with respect to the exchange of information between it and the Gambling Commission. It is also required to include the principles it will apply in exercising its functions under section 350 of the Act with respect to the exchange of information between it and the other persons listed in Schedule 6 to the Act.

The principle that the Council applies is that it will act in accordance with the provisions of the Gambling Act 2005 in its exchange of information which includes the provision that the Data Protection Act 2018 will not be contravened. The Council will also have regard to any guidance issued by the Gambling Commission on this

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matter, as well as any relevant regulations issued by the Secretary of State under the powers provided in the Gambling Act 2005.

Details of applications and representations which are referred to a Licensing Sub-Committee for determination will be detailed in the reports that are made publicly available in accordance with the Local Government Act 1972 and the Freedom of Information Act 2000. Personal details of people making representations will be disclosed to applicants and only be withheld from publication on the grounds of personal safety where the Licensing Authority is asked to do so.

Should any protocols be established as regards information exchange with other bodies then they will be made available. The Council has various policies relating to the sharing of information which will be considered when deciding what information to share and the process of doing so.

9. Enforcement

Licensing authorities are required by regulation under the Gambling Act 2005 to state the principles to be applied by the authority in exercising the functions under Part 15 of the Act with respect to the inspection of premises; and under the powers of Section 346 of the Act to instigate criminal proceedings in respect of offences specified.

This Licensing Authority's principles are that it will be guided by the Gambling Commission's Guidance to licensing authorities and will endeavor to be:

- **Proportionate** – regulators should only intervene when necessary. Remedies should be appropriate to the risk posed and costs identified and minimized;
- **Accountable** – regulators must be able to justify decisions and be subject to public scrutiny;
- **Consistent** – rules and standards must be coherent and implemented fairly;
- **Transparent** – regulators should be open and keep regulations simple and user friendly; and
- **Targeted** – regulation should be focused on the problem and minimize side effects.

In accordance with the Gambling Commission's Guidance, the Council will endeavor to avoid duplication with other regulatory regimes so far as possible.

Cambridge City Council has adopted and implemented a risk-based inspection programme based on:

- The Licensing Objectives
- Relevant Codes of Practice
- Guidance issued by the Gambling Commission (in particular Part 36)

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- The principles set out in this Statement of Licensing Policy

The main enforcement and compliance role for the Council in terms of the Gambling Act 2005 is to ensure compliance with the premises licences and other permissions which it authorises. The Gambling Commission is the enforcement body for the operating and personal licences. It is also worth noting that concerns about manufacture, supply or repair of gaming machines will not be dealt with by the licensing authority but will be notified to the Gambling Commission.

The Council shall have regard to the principles of "Better Regulation" as outlined by the Department for Business Innovation and Skills.

Bearing in mind the principle of transparency, the Council's enforcement/ compliance protocols and written agreements are available upon request.

The Corporate Enforcement Policy can be found online here:

https://www.cambridge.gov.uk/enforcement-policy

10. Licensing Authority Functions

Licensing Authorities are required under the Act to:

- Be responsible for the licensing of premises where gambling activities are to take place by issuing Premises Licences
- Issue Provisional Statements
- Regulate members' clubs and miners' welfare institutes who wish to undertake certain gaming activities via issuing Club Gaming Permits and/ or Club Machine Permits
- Issue Club Machine Permits to Commercial Clubs
- Grant permits for the use of certain lower stake gaming machines at unlicensed Family Entertainment Centres
- Receive notifications from alcohol licensed premises (under the Licensing Act 2003) for the use of two or fewer gaming machines
- Issue Licensed Premises Gaming Machine Permits for premises licensed to sell/ supply alcohol for consumption on the licensed premises, under the Licensing Act 2003, where there are more than two machines
- Register small society lotteries below prescribed thresholds
- Issue Prize Gaming Permits
- Receive and endorse Temporary Use Notices
- Receive Occasional Use Notices
- Provide information to the Gambling Commission regarding details of licences issued
- Maintain registers of the permits and licences that are issued under these functions

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It should be noted that local licensing authorities will not be involved in licensing remote gambling at all, which is regulated by the Gambling Commission via operating licenses.

11. Public Register

Section 156 of the Act requires licensing authorities to maintain a register of the premises licences that it has issued. The register must be made available, at any reasonable time, to the public who may request copies of the entries. The Council achieves this requirement through the use of an online register which is accessible via the Council's website.

PART B PREMISES LICENCES

1. General Principles

Premises licences are subject to the requirements set out in the Gambling Act 2005 and regulations, as well as specific mandatory and default conditions which are detailed in regulations issued by the Secretary of State. Licensing authorities are able to exclude default conditions and also attach others where it is believed to be necessary.

The Council is aware that in making decisions about premises licences it should aim to permit the use of premises for gambling in so far as it thinks it is:

- In accordance with any relevant code of practice issued by the Gambling Commission;
- In accordance with any relevant guidance issued by the Gambling Commission;
- Reasonably consistent with the licensing objectives; and
- In accordance with the authority's statement of licensing principles

It is appreciated that as per the Gambling Commission's Guidance to Licensing Authorities "moral objections to are not a valid reason to reject applications for premises licences" (except as regards to any 'no casino resolution') and also unmet demand is not a criterion for a licensing authority.

Premises are defined in the Act as including "any place". Section 152 therefore prevents more than one premises licence applying to any place. However, a single building could be subject to more than one premises licence, provided they are for different parts of the building and the different parts of the building can be reasonably regarded as being different premises.

This approach has been taken to allow large, multiple unit premises such as pleasure parks, piers, tracks or shopping malls to obtain discrete premises licences where appropriate safeguards are in place. However, licensing authorities should pay particular attention if there are issues about sub-divisions of a single building or

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plot and should ensure that mandatory conditions relating to access between premises are observed.

The Gambling Commission states in its Guidance to Licensing Authorities that "*In most cases the expectation is that a single building/ plot will be the subject of an application for a licence, for example 32 High Street. But, that does not mean 32 High Street cannot be the subject of separate premises licences for the basement and ground floor, if they are configured acceptably.*

Whether different parts of a building can properly be regarded as being separate premises will depend on the circumstances. The location of the premises will clearly be an important consideration and the suitability of the division is likely to be a matter for discussion between the operator and the licensing officer.

The Commission does not consider that areas of a building that are artificially or temporarily separated, for example by ropes or moveable partitions, can properly be regarded as different premises. If a premises is located within a wider venue, a licensing authority should request a plan of the venue on which the premises should be identified as a separate unit".

The Commission recognises that different configurations may be appropriate under different circumstances but the crux of the matter is whether the proposed premises are genuinely separate premises that merit their own licence – with the machine entitlements that brings – and are not an artificially created part of what is readily identifiable as a single premises.

The Council takes particular note of the Gambling Commission's Guidance to Licensing Authorities which states that "*Licensing Authorities should take particular care in considering applications for multiple licences for a building and those relating to a discrete part of a building used for other (non-gambling) purposes. In particular they should be aware of the following:*

- *The third licensing objective seeks to protect children from being harmed or exploited by gambling. In practice that means not only preventing them from taking part in gambling but also preventing them from being in close proximity to gambling. Therefore premises should be configured so that children are not invited to participate in, have accidental access to or closely observe gambling where they are prohibited from participating.*
- *Entrances to and exits from parts of a building covered by one or more premises licences should be separate and identifiable so that the separation of different premises is not compromised and people do no 'drift' into a gambling area. In this context it should normally be possible to access the premises without going through another licensed premises or premises with a permit.*
- *Customers should be able to participate in the activity named on the premises licence"*

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The Guidance also gives a list of factors which the licensing authority should be aware of, which may include:

- Do the premises have a separate registration for business rates?
- Is the premises neighbouring premises owned by the same person or someone else?
- Can each of the premises be accessed from the street or a public passageway?
- Can the premises only be access from any other gambling premises?

The Council will consider these and other relevant factors in making its decision, depending on all the circumstances of the case.

2. Access Provisions

The Gambling Commissions relevant access provisions for each premises type are below:

Casinos

- The principal access entrance to the premises must be from a street (as defined at 7.21 of the guidance)
- No entrance to a casino must be from premises that are used wholly or mainly by children and/ or young persons
- No customer must be able to enter a casino directly from any other premises which hold a gambling premises licence

Adult Gaming Centre

- No customer must be able to access the premises directly from any other licensing gambling premises

Betting Shops

- Access must be from a street (as per paragraph 7.21 of the guidance) or from another premises with a betting premises licence
- No direct access from a betting shop to another premises used for the retail sale of merchandise or services. In effect there cannot be an entrance to a betting shop from a shop of any kind and you could not have a betting shop at the back of a café, the whole area would have to be licensed

Tracks

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- No customer should be able to access the premises from:
  i) a casino
  ii) an adult gaming centre

Bingo Premises

- No customer must be able to access the premises directly from:
  i) a casino
  ii) an adult gaming centre
  iii) a betting premises, other than a track

Family Entertainment Centre

- No customer must be able to access the premises directly from:
  i) a casino
  ii) an adult gaming centre
  iii) a betting premises, other than a track

Part 7 of the Gambling Commission's Guidance to Licensing Authorities contains further information on this issue, which the Council will also take into account in its decision making.

A license to use premises for gambling may be issued in relation to premises that are not going to be ready to be used for gambling in the reasonably near future.

If the construction of the premises is not yet complete, or if they need alteration, or if the applicant does not yet have a right to occupy them, or does not hold (or applied for) the relevant operating licence then an application for a provisional statement may be made instead.

In deciding whether a premises licence can be granted where there is outstanding construction or alteration works at the premises, the Council will determine such applications on their merits, applying a two stage consideration process:

1. First, whether the premises ought to be permitted to be used for gambling
2. Second, whether the appropriate conditions can be put in place to cater for the situation that the premises are not yet in the state in which they ought to be before gambling takes place

Applicants should note that the Council is entitled to decide that it is appropriate to grant a licence subject to conditions, but it not obliged to grant such a licence.

More information concerning the consideration of applications can be found at paragraphs 7.56-7.65 of the Guidance.

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3. Location

The Council is aware that demand issues cannot be considered with regard to the location of the premises but that considerations in terms of the licensing objectives are relevant to its decision making. As per the guidance, the Council will pay particular attention to the protection of children and vulnerable persons from being harmed or exploited by gambling, as well as issues of crime and disorder.

Should any specific policy be decided upon as regards areas where gambling premises should not be located, this statement will be updated. It should be noted that any such policy does not preclude any application being made and each application will be decided on its own merits, with the onus upon the applicant showing how potential concerns can be overcome.

4. Planning

The Gambling Commission Guidance to Licensing Authorities states *"In determining applications, the licensing authority should not take into consideration matters that are not related to gambling and the licensing objectives. One example would be the likelihood of the applicant obtaining planning permission or building regulations approval for their proposal. Licensing authorities should bear in mind that a premises licence, once it comes into effect, authorises premises to be used for gambling".*

5. Duplication with other Regulatory regimes

The Council will seek to avoid any duplication with other statutory/ regulatory systems where possible, including planning. This authority will not consider whether a licence application is likely to be awarded planning permission or building regulations approval in its consideration of it. It will though, listen to and consider carefully any concerns about conditions, which are not able to be met by licensees due to planning restrictions, should such a situation arise.

When dealing with a premises licence application for finished building, the Council will not take into account whether those buildings have to comply with the necessary planning or buildings consents. Fire or health and safety risks will not be taken into account, as these matters are dealt with under relevant planning control, buildings and other regulations and must not form part of the consideration for the premises licence.

6. Licensing Objectives

Premises licences granted must be reasonably consistent with the licensing objectives. With regard to these objectives, the Council has considered the Gambling Commission's Guidance to Licensing Authorities:

- **Preventing gambling from being a source of crime or disorder, being**

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associated with crime or disorder or being used to support crime.

The Gambling Commission takes a leading role in preventing gambling from being a source of crime. The Gambling Commission's guidance does however envisage that licensing authorities should pay attention to the proposed location of gambling premises in terms of this licensing objective. Thus, where an area has known high levels of organised crime the Council will consider carefully whether gambling premises are suitable to be located there and whether conditions may be suitable such as the provision of door supervisors. The Council is aware of the distinction between disorder and nuisance and will consider factors such as whether police assistance was required and how threatening the behavior was to those who could see it, so as to make that distinction.

- **Ensuring that gambling is conducted in a fair and open way**

The Gambling Commission has stated that it generally does not expect licensing authorities to become concerned with ensuring that gambling is conducted in a fair and open way, as this will be addressed via operating and personal licences. There is however, more of a role with regard to tracks.

- **Protecting children and other vulnerable persons from being harmed or exploited by gambling**

The Gambling Commission's Guidance to Licensing Authorities states that this objective means preventing children from taking part in gambling (as well as restriction of advertising so that gambling products are not aimed at, or are, particularly attractive to children). The Council will therefore consider, as suggested in the guidance, whether specific measures are required at particular premises with regard to this licensing objective. Appropriate measures may include supervision of entrances/ machines, segregation of areas etc.

The Council is also aware of the Gambling Commission Codes of Practice, which the Gambling Commission issues as regards this licensing objective, in relation to specific premises.

With regard to the term 'vulnerable persons' it is noted that the Gambling Commission does not seek to offer a definition but states that "*it will for regulatory purposes assume that this group includes people who gamble more than they want to; people who gamble beyond their means; and people who may not be able to make informed or balanced decisions about gambling due to, for example, mental health, a learning disability or substance misuse relating to alcohol or drugs"*. The Council will consider this licensing objective on a case by case basis.

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7. Licence Conditions

Any conditions attached to licences will be proportionate and will be:

- Relevant to the need to make the proposed building suitable as a gambling facility;
- Directly related to the premises (including the locality and any identified local risks) and the type of licence applied for;
- Fairly and reasonable related to the scale and type of premises; and
- Reasonable in all other aspects

Decisions upon individual conditions will be made on a case by case basis, although there will be a number of measures this licensing authority will consider utilising should there be a perceived need, such as the use of supervisors, appropriate signage for adult only areas etc. The Council will also expect the licence applicant to offer his/ her own suggestions as to the way in which the licensing objectives can be met effectively.

The Council will also consider specific measures which may be required for buildings which are subject to multiple premises licences. Such measures may include the supervision of entrances; segregation of gambling from non-gambling areas frequented by children; and the supervision of gaming machines in non-adult gambling specific premises in order to pursue the licensing objectives. These matters are in accordance with the Gambling Commission's Guidance.

The Council will also ensure that where category C or above machines are on offer in premises to which children are admitted:

- All such machines are located in an area of the premises which is separated from the remainder of the premises by a physical barrier which is effective to prevent access other than through a designated entrance;
- Only adults are admitted to the area where these machines are located;
- Access to the area where the machines are located is supervised;
- The area where these machines are located is arranged so that it can be observed by the staff or the licence holder; and
- At the entrance to and inside any such areas there are prominently displayed notices indicating that access to the area is prohibited to persons under 18

These considerations will apply to premises including buildings where multiple premises licences are applicable.

The Council is aware that tracks may be subject to one or more than one premises licence, provided each licence relates to a specified area of the track. As per the Gambling Commission's Guidance, the Council will consider the impact upon the third licensing objective and the need to ensure that entrances to each type of premises are distinct and that children are excluded from gambling areas where they are not permitted to enter.

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It is noted that there are conditions that the licensing authority cannot attach to premises licences, which are:

- Any condition on the premises licence which makes it impossible to comply with an operating licence condition;
- Conditions relating to gaming machine categories, numbers or method of operation;
- Conditions which provide that membership of a club or body be required. The Gambling Act 2005 specifically removes the membership requirement for casino and bingo clubs and this provision prevents it being reinstated; and
- Conditions in relation to stakes, fees, winning or prizes.

8. Door Supervisors

The Gambling Commission advises in its guidance that if a licensing authority is concerned that a premises may attract disorder or be subject to attempts at unauthorised access (for example by children and young persons) then it may require that the entrances to the premises are controlled by a door supervisor, and is entitled to impose a condition on the premises licence to this effect.

Where it is decided that supervision of entrances/ machines is appropriate for particular cases, a consideration of whether these need to be SIA licenced or not will be necessary. It will not be automatically assumed that they need to be licensed, as the statutory requirements for different types of premises vary.

9. Adult Gaming Centres

The Council will specifically have regard to the need to protect children and vulnerable persons from harm or being exploited by gambling and will expect the applicant to satisfy the authority that there will be sufficient measures to, for example, ensure that under 18 year olds do not have access to the premises.

The Council may consider measures to meet the licensing objectives such as:

- Proof of age schemes
- CCTV
- Supervision of entrances/ machine areas
- Physical separation of areas
- Location of entry
- Notices/ signage
- Specific opening hours
- Self-exclusion schemes
- Provision of information leaflets/ helpline numbers for organisations such as GamCare

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This list is not mandatory, nor exhaustive, and is merely indicative of example measures.

10. Licensed Family Entertainment Centres

The Council will specifically have regard to the need to protect children and vulnerable persons from harm or being exploited by gambling and will expect the applicant to satisfy the authority, for example, that there will be sufficient measures to ensure that under 18 year olds do not have access to the adult only gaming machine areas.

The Council may consider measures to meet the licensing objectives such as:

- Proof of age schemes
- CCTV
- Supervision of entrances/ machine areas
- Physical separation of areas
- Location of entry
- Notices/ signage
- Specific opening hours
- Self-exclusion schemes
- Provision of information leaflets/ helpline numbers for organisations such as GamCare
- Measures/ training for staff on how to deal with suspected truant school children on the premises

This list is not mandatory, nor exhaustive, and is merely indicative of example measures.

The Council will, as per the Gambling Commission's Guidance, refer to the Commission's website to see any conditions that apply to operating licences covering the way in which the area containing category C machines should be delineated. The Council will also make itself aware of any mandatory or default conditions on these premises licences, when they have been published.

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11. Casinos

The Council has not passed a 'no casino' resolution under Section 166 of the Gambling Act 2005, but is aware that it has the power to do so. Should the Council decide in the future to pass such a resolution, it will update this statement of principles with details of that resolution. Any such decision will be made by the Full Council.

12. Bingo Premises

The Council notes that the Gambling Commission's Guidance states in 18.5 "*Licensing authorities will need to satisfy themselves that bingo can be played in any bingo premises for which they issue a premises licence. An operator may choose to vary their licence to exclude a previously licensed area of that premises, and then apply for a new premises licence, or multiple new premises licences, with the aim of creating separate premises in that area. Essentially providing multiple licensed premises within a single building or site. Before issuing additional bingo premises licences, licensing authorities need to consider whether bingo can be played at each of those new premises".*

The Council also notes the Guidance at paragraph 18.8 where the holder of a bingo premises licence may make available for use a number of category B gaming machines not exceeding 20% of the total number of gaming machines which are available for use on the premises.

Premises in existence before 13 July 2011 are entitled to make available eight category B gaming machines, or 20% of the total number of gaming machines, whichever is the greater.

Regulations state that category B machines at bingo premises should be restricted to sub-category B3 (but not B3A) and B4 machines.

"*Children and young people are allowed into bingo premises; however they are not permitted to participate in the bingo and if category B or C machines are made available for use these must be separate from areas where children and young people are allowed*. *Social Responsibility (SR) code 3.2.5(3) states that 'licensees must ensure that their policies and procedures take account of the structure and layout of their gambling premises' in order to prevent underage gambling".*

13. Betting Premises

The Council will, as per the Gambling Commission's Guidance, take into account the size of the premises, the number of counter positions available for person-to-person transactions, and the ability of staff to monitor the use of machines by children and young persons (it is an offence for those under 18 to bet) or by vulnerable people, when considering the number/ nature/ circumstances of betting machines an operator wants to offer.

14. Credit/ ATM's

Section 177 of the 2005 Act requires, in relation to casino and bingo premises licences, that a condition be placed on the licence prohibiting the provision of credit in connection with gambling authorised by the licence or any involvement with the provision of credit.

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Section 177 does not, however, prevent the licensee from permitting the installation of cash dispensers (ATM's) on the premises. Such machines may accept credit cards (and debit cards) providing the arrangement is subject to a requirement that the licensee has no other commercial connection with the machine provider in relation to gambling (aside from the agreement to site the machines) and does not profit from the arrangement, nor make any payment in connection with the machines. All premises licences also include a mandatory condition which requires that any ATM made available for use on the premises must be located in a place that requires any customer who wishes to use it to cease gambling in order to do so.

15. Tracks

The Council is aware that tracks may be subject to one or more than one premises licence, provided each licence relates to a specified area of the track. As per the Gambling Commission's Guidance, the Council will especially consider the impact upon the third licensing objective (i.e the protection of children and vulnerable persons from being harmed or exploited by gambling) and the need to ensure that entrances to each type of premises are distinct and that children are excluded from gambling areas where they are not permitted to enter.

The Council will therefore expect the premises licence applicant to demonstrate suitable measures to ensure that children do not have access to adult only gaming facilities. It is noted that children and young persons will be permitted to enter track areas where facilities for betting are provided on days when dog-racing and/ or horse racing takes place, but that they are still prevented from entering areas where gaming machines (other than category D machines) are provided.

The Council may consider measures to meet the licensing objectives such as:

- Proof of age schemes
- CCTV
- Supervision of entrances/ machine areas
- Physical separation of areas
- Location of entry
- Notices/ signage
- Specific opening hours
- Self-exclusion schemes
- Provision of information leaflets/ helpline numbers for organisations such as GamCare

This list is not mandatory, nor exhaustive, and is merely indicative of example measures.

Gaming Machines

Where the applicant holds a pool betting operating licence and is going to use his entitlement to four gaming machines (other than category D machines), these

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machines should be located in areas from which children are excluded.

Betting Machines

The Council will take into account the size of the premises and the ability of staff to monitor the use of the machines by children and young persons (it is an offence for those under 18 to bet) or by vulnerable people, when considering the number/ nature/ circumstances of betting machines an operator wants to offer.

Applications and Plans

The Gambling Act (Section 51) requires applicants to submit plans of the premises with their application, in order to ensure that the licensing authority has the necessary information to make an informed judgement about whether the premises are fit for gambling. The plan will also be used for the Council to plan future premises inspection activity.

Plans for tracks do not need to be in a particular scale, but should be drawn to scale and should be sufficiently detailed to include the information required by regulations.

Some tracks may be situated on agricultural land where the perimeter is not defined by virtue of an outer wall or fence, such as point-to point race tracks. In such instances, where an entry fee is levied, track premises licence holders may erect temporary structures to restrict access to premises.

In the rare cases where the outer perimeter cannot be defined, it is likely that the track in question will not be specifically designed for the frequent holding of sporting events or races. In such cases betting facilities may be better provided through occasional use notices where the boundary premises do not need to be defined.

The Council appreciates that it is sometimes difficult to define the precise location of betting areas on tracks. The precise location of where betting facilities are provided is not required to be shown on track plans, both by virtue of the fact that betting is permitted anywhere on the premises and because difficulties associated with pinpointing exact locations for some types of track. Applicants should provide sufficient information that this authority can satisfy itself that the plan indicates the main areas where betting might take place. For racecourses in particular, any betting areas subject to the 'five times rule' (commonly known as betting rings) must be indicated on the plan.

16. Travelling Fairs

It will fall to the Council to decide whether, where category D machines and/ or equal chance prize gaming without a permit is to be made available for use at travelling fairs, the statutory requirement that the facilities for gambling amount to no more than an ancillary amusement at the fair is met.

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The Council will also consider whether the applicant falls within the statutory definition of a travelling fair.

It is noted that the 27 day statutory maximum for the land being used as a fair, is per calendar year, and that it applies to the piece of land on which the fairs are held regardless of whether it is the same or different travelling fairs occupying the land. The Council will work with its neighbouring authorities to ensure that land which crosses our boundaries is monitored so that the statutory limits are not exceeded.

17. Provisional Statements

Developers may wish to apply to the Council for provisional statements before entering into a contract to buy or lease property or land to judge whether a development is worth taking forward in light of the need to obtain a premises licence. There is no need for the applicant to hold an operating licence in order to apply for a provisional statement.

Section 204 of the Gambling Act 2005 provides for a person to make an application to the licensing authority for a provisional statement in respect of premises that he or she:

a) Expects to be constructed;
b) Expects to be altered; or
c) Expects to acquire a right to occupy

The process for considering an application for a provisional statement is the same as that for a premises licence application. The applicant is obliged to give notice of the application in the same way as applying for a premises licence. Responsible authorities and interested parties may make representations and there are rights of appeal.

In contrast to the premises licence application, the applicant does not have to hold or have applied for an operating licence from the Gambling Commission (except in the case of a track) and they do not have a right to occupy the premises in respect of which their provisional application is made.

The holder of a provisional statement may then apply for a premises licence once the premises are constructed, altered or acquired. The Council will be constrained in the matters it can consider when determining the premises licence application, and in terms of representations about premises licence applications that follow the grant of a provisional statement, no further representations from relevant authorities or interested parties can be taken into account unless:

- They concern matters which could not have been addresses at the provisional statement stage, or
- They reflect a change in the applicant's circumstances.

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In addition, the Council may refuse the premises licence (or grant it on terms different to those attached to the provisional statement) only by reference to matters:

- Which could not have been raised by objectors at the provisional statement stage;
- Which in the authority's opinion reflect a change in the operator's circumstances; or
- Where the premises has not been constructed in accordance with the plan submitted with the application. This must be a substantial change to the plan and the Council notes that it can discuss any concerns it has with the applicant before making a decision.

18. Reviews

Requests for a review of a premises licence can be made by interested parties or responsible authorites (it should be noted that there is no mechanism to review any permit or notice). However, it is for the Licensing Authority to decide whether such a request will result in a review. Such a decision will be taken by considering, amongst other matters, the following:

- Any relevant code of practice or guidance issued by the Gambling Commission;
- The licensing objectives
- The Licensing Authority's Statement of Policy
- Whether the request is considered frivolous, vexatious, or whether it will certainly not cause the authority to wish to alter or revoke or suspend the licence; and
- Whether the request is substantially the same as previous representations or requests for a review.
- Whether the request is substantially the same as representations made at the time the application for a premises licence was considered.

The Council, as the licensing authority, may also initiate a review of a premises licence. The purpose of such a review would be to determine whether the Council, as the licensing authority, should take any action in relation to the licence.

Following a review, the actions open to the licensing authority are:

- Add, remove or amend a licence condition imposed by the licensing authority;
- Exclude a default condition imposed by the Secretary of State or Scottish Ministers or remove or amend such an exclusion;
- Suspend the licence for any period not exceeding three months; and
- Revoke the licence.

In considering what action, if any, should be taken following a review the Council must have regard to the principles set out under Section 153 of the Act as well as any relevant representations.

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PART C PERMITS/ TEMPORARY & OCCASIONAL USE NOTICES

1. Unlicensed Family Entertainment Centre Gaming Machine Permits

Unlicensed family entertainment centres will be able to offer category D machines if granted a permit by the Council. If an operator of a family entertainment centre wishes to make category C machines available in addition to category D machines, they will need to apply for an operating licence from the Gambling Commission and a Premises Licence from the Council.

The Council can grant or refuse an application for a permit, but cannot attach conditions.

2. Statement of Principles

As unlicensed family entertainment centres will particularly appeal to children and young persons, weight shall be given to child protection issues.

The Council will expect the applicant to show that there are policies and procedures in place to protect children from harm. Harm in this context is not limited to harm from gambling but includes wider child protection considerations. The efficiency of such policies and procedures will each be considered on their merits.

The policies and procedures are expected to include:

- What staff should do if they suspect that truant children are on the premises
- How staff should deal with unsupervised young children on the premises
- How staff should deal with children causing perceived problems on or around the premises

The Council will also expect applicants to demonstrate:

- A full understanding of the maximum stakes and prizes of the gambling that is permissible in unlicensed family entertainment centres;
- That the applicant has no relevant convictions (those that are set out in Schedule 7 to the Act);
- That staff are trained to have a full understanding of the maximum stakes and prizes

3. Alcohol Licensed Premises Gaming Machine Permits

Premises licensed to sell alcohol for consumption on the premises, can automatically have 2 gaming machines, of categories C and/or D. The holder of a Premises Licence under the Licensing Act 2003, authorising the sale of alcohol, will simply

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need to notify the Council, and pay the prescribed fee.

The Council may remove the automatic authorisation in respect of any particular premises if;

- provision of the machines is not reasonably consistent with the pursuit of the licensing objectives;
- gaming has taken place on the premises that breaches a condition of section 282 of the Act;
- the premises are mainly used for gaming; or
- an offence under the Act has been committed on the premises.

If a premises wishes to have more than 2 machines, then the holder of the Premises Licence will need to apply for a permit. The Council shall consider that application having regard to the licensing objectives, any guidance issued by the Gambling Commission issued under Section 25 of the Act, and any other matters that are considered relevant.

The Council shall determine what constitutes a relevant consideration on a case-by-case basis, but weight shall be given to the third licensing objective i.e. protecting children and vulnerable persons from being harmed or being exploited by gambling. To this end, the Council will expect applicants to demonstrate

- that there will be sufficient measures in place to ensure that under 18 year olds do not have access to the adult only gaming machines.
- Measures may include the adult machines being in sight of the bar, or in the sight of staff who will monitor that the machines are not being used by those under 18.
- Notices and signage will also need to be considered.

With respect to the protection of vulnerable persons, the Council will expect applicants to provide information leaflets / helpline numbers for organisations such as GamCare.

It is recognised that some alcohol-licensed premises may apply for a Premises Licence for their non-alcohol licensed areas. Any such application would most likely need to be applied for, and dealt with as an Adult Gaming Centre Premises Licence.

The Council may decide to grant the application with a smaller number of machines and/or a different category of machines than that applied for. The Council will not attach any other conditions in granting such an application.

The holder of such a permit will be required to comply with any Code of Practice issued by the Gambling Commission about the location and operation of the machine.

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4. Prize Gaming Permits

Applicants for prize gaming permits should set out the types of gaming that they intend to offer. The applicant will be required to demonstrate:

- that they understand the limits to stakes and prizes that are set out in Regulations; and
- that the gaming offered is within the law.

In making its decision on an application for this type of permit the Council does not need to have regard to the licensing objectives but will have regard to any Gambling Commission guidance. Weight will be given to child protection issues, and relevant considerations are likely to include the suitability of the applicant (i.e. if the applicant has any convictions which would make them unsuitable to operate prize gaming) and the suitability of the premises. Applicants for prize gaming permits must disclose any previous relevant convictions to the Council.

The Council may grant or refuse an application for a permit, but will not attach any conditions. However, there are 4 conditions in the Act that permit holders must comply with. These are:

- the limits on participation fees, as set out in regulations, must be complied with;
- all chances to participate in the gaming must be allocated on the premises on which the gaming is taking place and on one day; the game must be played and completed on the day the chances are allocated; and the result of the game must be made public in the premises on the day that it is played;
- the prize for which the game is played must not exceed the amount set out in regulations (if a money prize), or the prescribed value (if non-monetary prize); and
- participation in the gaming must not entitle the player to take part in any other gambling.

5. Club Gaming and Club Machine Permits

Members clubs (but not commercial clubs) may apply for a club gaming permit. The club gaming permit will enable the premises to provide gaming machines (3 machines of categories B4, C or D), equal chance gaming and games of chance.

If a club does not wish to have the full range of facilities permitted by a club gaming permit or if they are a commercial club not permitted to provide non-machine gaming (other than exempt gaming under section 269 of the Act), they may apply for a club machine permit, which will enable the premises to provide gaming machines (3 machines of categories B3A, B4, C or D).

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Members clubs must have at least 25 members and be established and conducted "wholly or mainly" for purposes other than gaming, unless the gaming is permitted by separate regulations. It is anticipated that this will cover bridge and whist clubs, which will replicate the position under the Gaming Act 1968. A members' club must be permanent in nature, not established to make commercial profit, and controlled by its members equally. Examples include working men's clubs, branches of Royal British Legion and clubs with political affiliations.

The Council will only refuse such an application on one or more of the following grounds;

- the applicant does not fulfil the requirements for a members' or commercial club and therefore is not entitled to receive the type of permit for which it has applied;
- the applicant's premises are used wholly or mainly by children and/or young persons;
- an offence under the Act or a breach of a condition of a permit has been committed by the applicant while providing gaming facilities;
- a permit held by the applicant has been cancelled in the previous ten years; or;
- an objection has been lodged by the Gambling Commission or the Police

The Council will have regard to the guidance issued by the Gambling Commission and (subject to that guidance), the licensing objectives.

There is a 'fast-track' procedure available for clubs which hold a club premises certificate under the Licensing Act 2003. Under the fast-track procedure there is no opportunity for objections to be made by the Gambling Commission or the Police, and the grounds upon which an authority can refuse a permit licences are reduced.

The grounds on which an application under the fast track procedure may be refused are;

- that the club is established primarily for gaming, other than gaming prescribed under s.266 of the Act;
- that in addition to the prescribed gaming, the applicant provides facilities for other gaming; or
- that a club gaming permit or club machine permit issued to the applicant in the last ten years has been cancelled.

The Council may grant or refuse an application for a club gaming or club machine permit, but will not attach any conditions. However, premises must comply with the Gambling Commissions Licence Conditions and Codes of Practice. There are a number of conditions in the Act that the holder must comply with.

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6. Cancellation of Permits

Gaming / Machine Permits

The authority is able to cancel a permit. It may do so in specified circumstances which include if the premises are used wholly or mainly by children or young persons or if an offence under the Act has been committed. Before it cancels an authority must notify the holder giving 21 days' notice of intention to cancel, consider any representations made by the holder, hold a hearing if requested, and comply with any other prescribed requirements relating to the procedure to be followed.

Club Gaming / Club Machine Permits

Decisions relating to the cancellation of a Club Gaming or Club Machine Permit may not be made by an officer of the authority. Such decisions shall be dealt with by the Licensing Sub Committee.

Alcohol Licensed Premises Permits

In the event of representations being received against a notice of cancellation, the matter will be determined by a licensing sub-committee. Where no representations have been received, or if they have been received but have been subsequently withdrawn, then the final decision may remain with an Officer of the Council.

7. Small Local Society Lotteries

A Small Society Lottery is a lottery that is promoted on behalf of a non-commercial society (such as a charity or similar non-profit making organisation) to raise funds for any of the purposes for which the society or organisation is set up.

Small Society Lotteries do not require a licence but must be registered with the licensing authority in the area where the society's principle premises is situated. An application to register a Small Society Lottery should be on the relevant application form and accompanied by any necessary documents and the appropriate fee.

The maximum prize per ticket in either money or monies worth is £25,000.

In determining whether to grant or renew a small society lottery registration, the Licensing Authority will have regard to the Guidance to Local Authorities issued by the Commission.

Societies may wish to refer to the relevant section of the Licensing Authority's website for full details on how to register and maintain small society lottery registrations.

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8. Exempt Gambling

The Licensing Authority has no control over Gambling in these circumstances, provided the specific requirements are complied with and any limits on stakes and prizes are observed.

8.1. Non-commercial gaming

There are two types of non-commercial gaming allowed: non-commercial prize gaming and non-commercial equal chance gaming. Neither of these require any authorisation provided the maximum stakes and prizes are not exceeded. In each case the gaming can be incidental to another activity, or the activity itself. It must be non-commercial which means there must be no private profit or gain. However, the proceeds of such events may benefit an organisation, group or one or more individuals if the activity is organised:

- by, or on behalf of, a charity or for charitable purposes;
- to enable participation in, or support of, sporting, athletic or cultural activities.

8.2. Non-commercial prize gaming

In this case, the prize should be determined in advance and not be dependent on the number of players or monies staked. The players should be told what the monies are being raised for, and it cannot take place in premises that have a Gambling Act premises licence (except a track).

This can include casino nights and race nights.

8.3. Non-commercial equal chance gaming

In this case, the stakes per player cannot exceed £8. In addition, the aggregate value of prizes in all games played at a single event cannot exceed £600 (but if the event is the final one of a series in which all of the players have previously taken part, a higher prize fund of up to £900 is allowed). The players should be told what the monies are being raised for, and it cannot take place in premises that have a Gambling Act premises licence (except a track).

This can include casino nights and race nights.

8.4. Private gaming

This covers situations where the public are not admitted to the gaming. This includes residential and domestic premises and workplaces.

This can include casino nights and race nights.

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8.5. Domestic gaming

Non-equal chance gaming can be played in private dwellings on domestic occasions provided no participation charge is made.

8.6. Residential gaming

Non-equal chance gaming can be played in hostels or halls of residence provided at least 50% of the participants are residents.

8.7. Non-commercial and private betting

This is betting in domestic premises or workplaces. In domestic premises the participants must habitually reside there, and for workers betting the participants must be employed by the same employer.

8.8. Incidental non-commercial lottery

These can take place as an incidental activity at another non-commercial event, e.g. a raffle at a dinner or tombola at a garden party. No registration or permission is required provided the following requirements are met.

- Tickets can only be sold on the premises where the event takes place to people present and while the event is taking place;
- The draw must take place at the event and the results must be announced while the event is taking place;
- No rollovers are allowed;
- The maximum deduction allowed for prizes from the proceeds is £500; and
- The maximum deduction allowed for organising costs from the proceeds is £100.

9. Exempt gambling in pubs

Various types of gambling can take place in premises that are licensed under the Licensing Act 2003 to sell alcohol for consumption on the premises and which have a bar at which alcohol is served to customers, but this does not apply where the sale of alcohol can only take place as being ancillary to the sale of food.

9.1. Equal chance gaming in pubs

Equal chance gaming up to specified limits on stakes and prizes can take place, and this includes games such as backgammon, mah-jong, rummy, kalooki, dominoes, cribbage, bingo and poker.

The following requirements have to be met:

- The maximum stakes and prizes for each type of game must not be exceeded

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(£5 maximum stake for any game of chance except poker, dominoes and cribbage. For poker the maximum stake is £5, a daily maximum of £100 in aggregate stakes cannot be exceeded and the maximum prize limit is £100. There are no limits on stakes and prizes for dominoes or cribbage);
- The gaming must be supervised by a nominated gaming supervisor and comply with Gambling Commission codes of practice;
- No participation fees can be charged and no levy taken from stakes or prizes;
- The games cannot be linked to any other games in other premises; and
- Nobody under 18 years old can take part.

9.2. Bingo in pubs

Low-turnover bingo where the aggregate of stakes and prizes in a seven day period does not exceed £2000 can take place.

10. Exempt gambling in Clubs

There are two types of club for the purposes of the Act: members' clubs (including miners' welfare institutes) and commercial clubs. Generally speaking the club must be established for purposes other than gaming, but there is an exception for bridge or whist clubs. The exempt gaming that can take place differs according to the type of club. If a club has a club gaming permit, additional games and higher stakes and participation fees apply.

10.1. Equal chance gaming in clubs

Equal chance gaming with no specified limits on stakes and prizes (except for poker) can take place.

The following requirements have to be met:

- Only club members (who have been members for at least 48 hours) or a bona fide guest of a member can participate;
- Except for poker, there is no maximum stake or prize;
- For poker there is a £10 maximum stake, a daily maximum of £250 in aggregate stakes and a seven day maximum of £1000 in aggregate stakes cannot be exceeded, and the maximum prize limit is £250;
- The gaming must be supervised by a nominated gaming supervisor and comply with Gambling Commission codes of practice;
- A maximum participation fee of £1 can be charged but no levy taken from stakes or prizes (however if the games are bridge or whist, on a day when no other gaming is permitted, participation fees of up to £18 per person can be charged);
- The games cannot be linked to any other games in other premises; and
- Nobody under 18 years old can take part.

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10.2. Bingo in clubs

Low-turnover bingo where the aggregate of stakes and prizes in a seven day period does not exceed £2000 can take place in all types of club.

10.3. Bridge and Whist clubs

Unlimited stakes bridge or whist can be played. In addition participation fees (up to £18) can be charged.

11. Temporary Use Notices

Temporary Use Notices allow the use of premises for gambling where there is no premises licence but where a gambling operator wishes to use the premises temporarily for providing facilities for gambling. Premises that might be suitable for a Temporary Use Notice, according to the Gambling Commission, would include hotels, conference centres and sporting venues.

The licensing authority can only grant a Temporary Use Notice to a person or company holding a relevant operating licence i.e. a non-remote casino operating licence.

The Secretary of State has the power to determine what form of gambling can be authorised by Temporary Use Notices, and at the time of writing this statement the relevant regulations (SI no3157: The Gambling Act 2005 (Temporary Use Notices) Regulations 2007) state that Temporary Use Notices can only be used to permit the provision of facilities or equal chance gaming, where the gaming is intended to produce a single winner, which in practice means poker tournaments.

There are a number of statutory limits as regards Temporary Use Notices. Gambling Commission Guidance notes that "*this definition of a 'set of premises' differs to 'premises' in Part 8 or the Act (see Part 7 of the guidance). The definition of a 'set of premises' will be a question of fact in the particular circumstances of each notice given. In considering whether a place falls within the definition, licensing authorities will need to look at, amongst other things, the ownership/occupation and control of the premises".*

This licensing authority expects to object to notices where it appears that their effect would be to permit regular gambling in a place that could be described as one set of premises, as recommended in the Gambling Commission's Guidance.

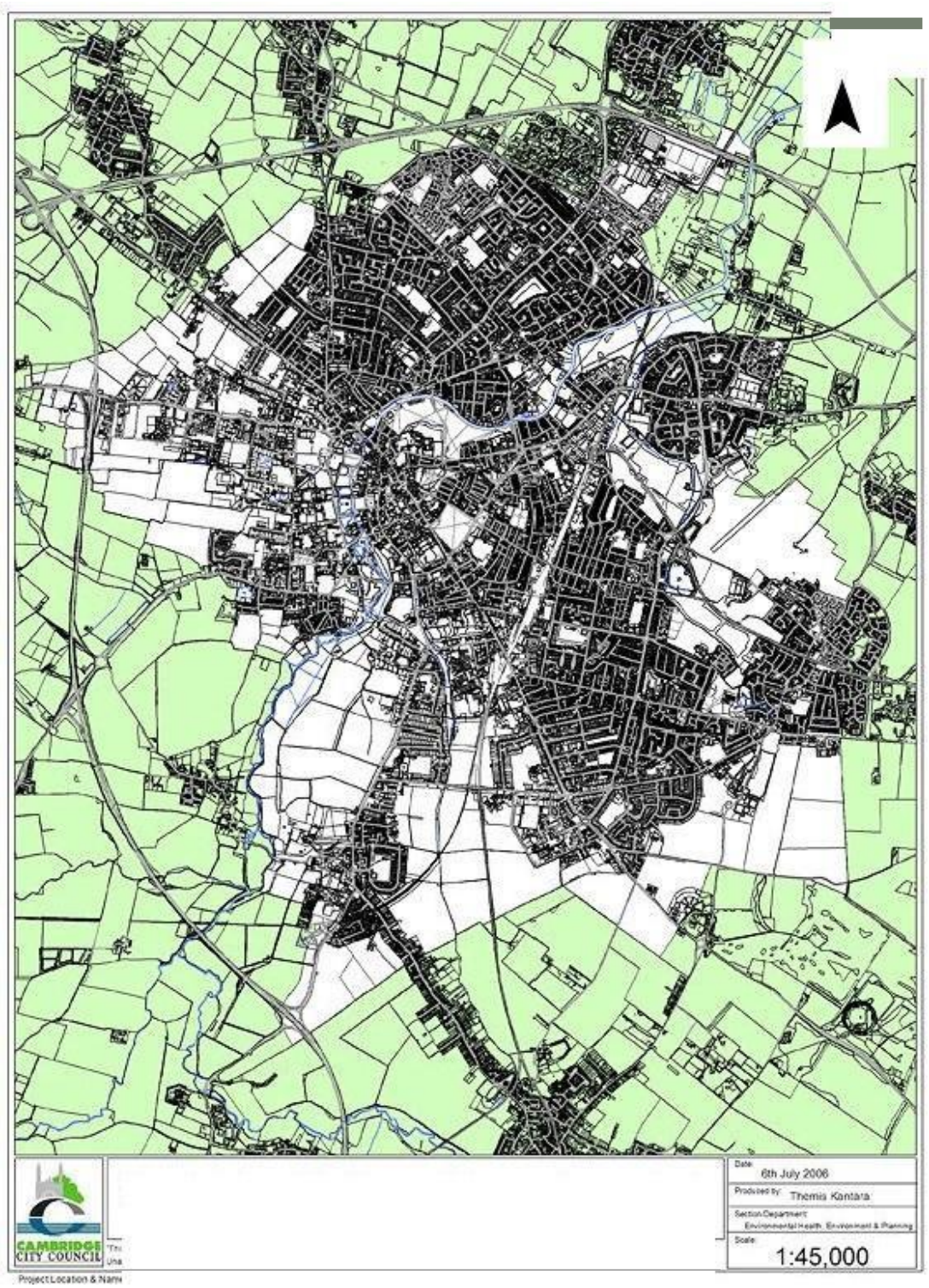
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12. Occasional Use Notices

The Council has very little discretion as regards these notices aside from ensuring that the statutory limit of 8 days in a calendar year is not exceeded. The Council will though consider the definition of a 'track' and whether the applicant is permitted to avail him/herself of the notice.

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APPENDIX A


CAMBRIDGE
CITY COUNCIL
Date:
6th July 2006
Produced by:
Themis Kontara
Section/Department:
Environmental Health, Environment & Planning
Scale:
1:45,000

APPENDIX B – LIST OF CONSULTEES

- Responsible Authorities
- Emma Thornton (Chief Executive Officer, Visit Cambridge and Beyond)
- Graham Saint (Consultation Working Group)
- CAMBAC Manager
- Gamestec
- Select Gaming
- Power Leisure Bookmakers Ltd
- Coral Racing Limited
- Ladbrokes Betting & Gaming Limited
- Done Brothers (Cash Betting) Limited
- Talarius Limited
- BACTA
- The Bingo Association
- Association of British Bookmakers Ltd (ABB)
- Business In Sport and Leisure (BISL)
- BALPPA
- British Institute of Inn Keeping (BII)
- The Portman Group
- British Beer and Pub Association
- Racecourse Association Ltd
- GAMCARE
- Greater Cambridge Partnership
- Cambridge & District Citizens Advice
- Cambridgeshire Chambers of Commerce

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Ward Residents Associations

Abbey People
Riverside Area Residents Association
Riverside Area Residents Association
The Friends of Sourbridge Common
Histon Road Area Residents' Association (HRARA)
Arbury Road East RA (ARERA)
Darwin & Akeman St (DEARA)
Benson Area Residents' Association *1
NAFRA 19 Acre Field Residents' Association
Storeys Way Residents' Association
Concerned Residents Of North West Cambridge (CRONC)
Windsor Road Residents Association (WIRE)
Oxford Road Residents' Association
CREW
Tavistock Road & Stratfield Close Residents' Association
Richmond Road Residents' Association
Marion Close & Sherlock Road Association
Sherlock Close RA
Madingley Road Group
Shelly Gardens Leaseholder's Association
Rustat Neighbourhood Association
Birdwood Area Residents' Association
Cherry Hinton & Rathmore Road Residents' Association
Old Chesterton Residents Association
Three Trees Residents' Association
St Andrews Road RA
Fen Estates and Nuffield Road RA (FENRA)
Fen Road Steering Group
Bradmore & Petersfield Residents Association
North Cambridge Community Partnership
Citygate Property Partners
Park Street Residents' Association
Christs Pieces Residents Association
King Street Neighbourhood Association
Jesus Green Association
Brunswick & North Kite Residents Association
Evening Court RA
Radcliffe Court Residents' Association
Newnham Croft Conservation Group
North Newnham Residents Association
Gough Way Residents Association
West Cambridge Preservation Society
Clerk Maxwell Road Residents' Association
Pinehurst South Resident's Association
Residents' Association of Old Newnham
Bulstrode Gardens Residents Association
Barton Close Residents' Association

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Millington Road & Millington Lane Residents' Association
Grantchester Road Residents' Association
Hedgerley Close RA
Bradmore & Petersfield Residents Association
Glisson Road/Tenison Road Area Residents' Association
Petersfield Mansions Residents' Association
Petersfield Area Community Trust (PACT)
Mill Road Community Improvements Group
Highsett Houses Residents' Society
Guest Road Residents' Association
Highsett Flats Resident's Association
Babraham Road Action Group
Queen Edith's Way Residents' Association
Corfe Close Residents Association (CCRA)
Greenlands' Residents Association
Hills Road Residents' Association
Blinco Grove Residents' Asociation
Greville Road RA
Monteal Square Residents' Association
East Mill Road Action Group EMRAG
Romsey Action
Mill Road Society
Empty Common Allotment Society
Gazeley Lane Residents' Association
Brookside Residents Association
Hanover & Princess Court Residents' Association
Bateman Street & Bateman Mews Residents Association
Trumpington Residents Association
Norwich Street Residents' Association
Southacre Latham Road and Chaucer Road RA (SOLACHRA)
Accordia Community and Resident's Association (ACRA)
Brooklands Avenue Area Residents' Association
North Newtown Residents' Association
Newtown Residents' Association
Applecourt Residents' Association
Fenners Lawn Residents' Association
BENERA (Bentley and Newton Road Residents' Association)
Victoria Park Residents Working Group
Friends of Mitcham's Corner
Mitchams Corner Residents' & Traders' Association (MCRTA)
Mulberry Close (Leys Road, Cambridge) Residents' Society Ltd
Milton Road RA (MRRA)
Ascham Road Residents' Association
Gurney Way (& Atherton Close) Residents Association
Highworth Avenue CB
Hurst Park Estate Residents' Association (HPERA) *3
Sandy Lane Residents' Association
Cambridge Valley Forum
Federation of Cambridge Residents' Associations

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APPENDIX C – Responsible Authorities

The Licensing Authority

Commercial & Licensing, Environmental Services, Cambridge City Council, PO Box 700, Cambridge, CB1 0JH
Tel: 01223 457879 Fax: 01223 457909
e-mail: commercial@cambridge.gov.uk

The Gambling Commission

Victoria Square House, Victoria Square, Birmingham, B2 4BP

Email: info@gamblingcommission.gov.uk

The Chief Officer of Police

The Chief Officer, Cambridgeshire Constabulary, Southern Division, Police Station, Parkside, Cambridge, CB1 1JG
Telephone: 01223 823397 Fax: 01223 823232

The Fire and Rescue Authority

Fire Protection, Cambridge Fire Station, Parkside, Cambridge, CB1 1JF
Email: danny.hans@cambsfire.gov.uk

Planning Authority

Environment & Planning, Cambridge City Council, The Guildhall, Cambridge, CB2 3QJ
Telephone: 01223 457100
e-mail: planning@cambridge.gov.uk

Environmental Health

The Environmental Health Manager, Environmental Services, Cambridge City Council, PO Box 700, Cambridge, CB1 0JH
Telephone: 01223 457890 Fax: 01223 457909 e-mail:
env.services@cambridge.gov.uk

Local Safeguarding Children Board

Child Protection Services, Licensing Applications, OCYPS, PO Box 144, St Ives, Cambs, PE27 9AU
Telephone: 03450455203
Referralcentre2.children@cambridgeshire.gov.uk

HM Revenues and Customs

Excise Processing Teams, BX9 1GL, United Kingdom

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In addition, for vessels:
Environment Agency

The Team Leader, Great Ouse & Stour Waterways, The Environment Agency, Kingfisher House, Goldhay Way, Orton Goldhay, Peterborough, PE2 5ZR.
Telephone: 01733 464072
e-mail: enquiries@environment-agency.gov.uk, quoting Great Ouse & Stour Waterways

Conservators of the River Cam

The River Manager
Conservators of the River Cam
Baits Bite Lock, Fen Road, Milton, Cambridge, CB24 6AF
Telephone/Fax 01223 863785
e-mail river.manager@camconservators.org.uk

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MATTER TO BE DEALT WITH	FULL COUNCIL	LICENSING COMMITTEE/SUB COMMITTEE	OFFICERS	COUNCIL SOLICITOR
Three year licensing policy	✓			
Policy not to permit casinos	✓			
Fee setting-when appropriate		✓		
Application for premises licences		Where representations received and not withdrawn	Where no representations received/representations have been withdrawn	
Application for a variation to a licence		Where representations received and not withdrawn	Where no representations received/representations have been withdrawn	
Application for a transfer of a licence		Where representations received from the Gambling Commission	Where no representations received from the Gambling Commission	
Application for provisional statement		Where representations received and not withdrawn	Where no representations received/representations have been withdrawn	
Review of premises licence		✓		
Application for club gaming/club machine permits		Where representations received and not withdrawn	Where no representations received/representations have been withdrawn	
Cancellation of club gaming/club machine permits		✓		
Application for other permits			✓	
Cancellation of licensed premises gaming machine permits			✓	
Consideration of Temporary Use Notices			✓	
Decision to give a counter Notice to a Temporary Use Notice		✓		
Determination as to whether a person is an interested party				✓
Determination as to whether				✓

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representations are relevant				
Determination as whether a representation is frivolous, vexatious or repetitive				✓
Representative of Licensing Authority who will be responsible for making representations as the Responsible Authority on licence applications				✓
Responsibility for attaching to premises licences Mandatory, Default and Specific Conditions			✓	
Representative of Licensing Authority who can initiate a Licence review				✓
Representative of Licensing Authority who can reject an application for a Licence review				✓

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APPENDIX E – GLOSSARY OF TERMS

Admissible Representations: - representations submitted by a Responsible Authority or Interested Party.

Authorised Local Authority Officer: - a Licensing Authority Officer who is an authorised person for a purpose relating to premises in that authority's area.

Authorised Person: - a licensing officer and an officer of an authority other than a Licensing Authority, both of whom have been authorised for a purpose relating to premises in that authority's area. The following are considered authorised persons:
• Inspectors appointed under the Fire Precautions Act 1971;
• Inspectors appointed under the Health and Safety at work, etc. Act 1974;
• Inspectors or Surveyors of ships appointed under the Merchant Shipping Act 1995; &
• A person in a class prescribed in regulations by the Secretary of State.

Automated Roulette Equipment: - equipment that is either linked to a live game of chance, e.g. roulette, or plays live automated games, i.e. operates without human intervention.

Automatic Conditions: - conditions attached automatically to premises licences or authorisations. The Licensing Authority has no discretion not to include or modify them.

AWP machines: - Amusement with Prize Machines

BACTA: - the British Amusement Catering Trade Association

Betting Intermediary: - someone who offers services via remote communication, such as the internet.

Betting Ring: - an area that is used for temporary 'on course' betting facilities.

Bingo: - a game of equal chance.

Casino: - an arrangement whereby people are given an opportunity to participate in one or more casino games.

Casino Games: - games of chance that are not equal chance gaming.

Casino Premises Licence Categories: - regional, large, small, casinos permitted under transitional arrangements.

Casino Resolution: - resolution concerning whether or not to issue Casino Premises Licences.

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Child: - an individual who is less than 16 years old.

Christmas Day Period: - the period of 24 hours from midnight on 24 December.

Club Gaming Machine Permit: - a permit to enable the premises to provide gaming machines (three machines of Categories B, C or D)

Club Gaming Permit: - a permit to enable the premises to provide gaming machines (three machines of Categories B C or D), equal chance gaming and games of chance.

Complex Lottery: - an arrangement where:
• Persons are required to pay to participate in the arrangement;
• In the course of the arrangement, one or more prizes are allocated to one or more members of a class;
• The prizes are allocated by a series of processes; and
• The first of those processes relies wholly on chance.

Conditions: - conditions to be attached to licences by way of:
• Automatic provision
• Regulations provided by Sec. Of State
• Conditions provided by Gambling Commission
• Conditions provided by Licensing Authority
• Conditions may be general in nature (either attached to all licences or all licences of a particular nature) or may be specific to a particular licence.

Customer Lotteries: - lotteries run by the occupiers of business premises who sell tickets only to customers present on their premises. These lotteries may not be conducted on vessels.

Default Conditions: - conditions that will apply unless the Licensing Authority decide to exclude them. This may apply to all Premises Licences, to a class of Premises Licence or Licences for specified circumstances.

Delegated Powers: - decisions delegated by the Licensing Authority either to a Licensing Committee, Sub-Committee or Licensing Officers.

Disorders: - in the case of gambling premises licences, disorder is intended to mean activity that is more serious and disruptive than mere nuisance.

Domestic Computer: - one used for in a residential property for private, non-commercial purposes and is exempt from a Gaming Machine Permit.

Dual Use Computer: - definition in forthcoming Regulations. Exempt from a Gaming Machine Permit.

Equal Chance Gaming: - games that do not involve playing or staking against a bank and where the chances are equally favourable to all participants.

EBT: - Electronic Bingo Ticket Minders consisting of electronic equipment operated by a Bingo Operators Licence for the purposes of playing bingo.

Exempt Lotteries: - lotteries specified in the Gambling Act as permitted to be run without a licence from the Gambling Commission. There are four types:
• Small Society Lottery (required to register with Licensing Authorities)
• Incidental Non Commercial Lotteries

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• Private Lotteries
• Customer Lotteries

External Lottery Manager: - an individual, firm or company appointed by the Small Lottery Society to manage a lottery on their behalf. They are consultants who generally take their fees from the expenses of the lottery.

Fixed Odds Betting: - general betting on tracks.
Gaming: - prize gaming where the nature and size of the prize is not determined by the number of people playing or the amount paid for or raised by the gaming and where the prizes are determined by the operator before the play commences.

Gaming Machine: - a machine used for gambling under all types of gambling activity, including betting on virtual events.

Guidance to Licensing Authorities: - guidance issued by the Gambling Commission dated September 2015 (updated September 2016).

Inadmissible Representation: - a representation not made by a Responsible Authority or Interested Party.

Incidental non-commercial lottery: - a lottery that is run as an additional amusement at non-commercial events with tickets only sold and drawn during the event, such as a raffle at a dance, bazaar etc.

Information Exchange: - exchanging of information with other regulatory bodies under the Gambling Act.

Interested Party: - a person who in the opinion of the Licensing Authority
• Lives sufficiently close to the premises to be likely to be affected by the authorised activities,
• Has business interests that might be affected by the authorised activities, or
• Represents persons above, including Trade Associations, Trade Unions, Residents and Tenants Associations where they can demonstrate that they represent such persons.
In determining if a person lives or has business interests sufficiently close to the premises, the following factors will be considered: -
• The size and nature of the premises to be licensed.
• The distance of the premises from the location of the person making the representation.
• The potential impact of the premises (e.g. number of customers, routes likely to be taken by those visiting the establishment).
• The nature of the complaint, i.e. not the personal characteristics of the complainant but the interest of the complainant, which may be relevant to the distance from the premises.
• The catchment area of the premises (i.e. how far people travel to visit).
• Whether the person making the representation has business interests that might be affected in that catchment area.

Irrelevant Representations: - representations that are vexatious, frivolous or will certainly not influence the authority's determination of the application.

Large Lottery: - where the total value of tickets in any one lottery exceeds £20,000 or tickets in separate lotteries in one calendar year exceeds £250,000. This type of lottery requires an operating Licence from the Gambling Commission.

Licensed Lottery: - large society lotteries and lotteries run for the benefit of local authorities will require operating licences to be issued by the Gambling Commission.

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Licensing Objectives: - there are three objectives
• Preventing gambling from being a source of crime or disorder, being associated with crime or disorder, or being used to support crime;
• Ensuring that gambling is conducted in a fair and open way; and
• Protecting children and other vulnerable persons from being harmed or exploited by gambling.

Live Gambling: - gambling on a live game as it happens.

Lottery: - an arrangement which satisfies the statutory description of either a simple lottery or a complex lottery in Section 14 of the Act.

Lottery Tickets: - every lottery must have tickets for each chance
• Identifying the promoting society
• Stating the price of the ticket, which must be the same for all tickets
• Stating the name and address of the member of the society who is designated as having responsibility at the Society for the promotion of the lottery, or, if there is one, the external lottery manager; and
• Stating the date of the draw, or sufficient information to enable the date of the draw to be determined.

Mandatory Conditions: - conditions that must be attached to a Premises Licence, to a class of Premises Licence or licences for specified circumstances.

Members Club: - a club must have at least 25 members, be established and conducted 'wholly or mainly' for purposes other than gaming, be permanent in nature, not established to make commercial profit and controlled by its members equally.

Non-commercial event: - an event where all the money raised at the event, including entrance fees, goes entirely to purposes that are not for private gain.

Non-commercial society: - a society established and conducted for charitable purposes; for the purpose of enabling participation in, or of supporting, sport athletics or a cultural activity; or for any other non-commercial purpose other than that of private gain.

Occasional Use Notice: - a notice that may only be issued in respect of a track, that permits betting on a track without the need for a Premises Licence and which only the person responsible for administration of events on the track or the occupier of the track may issue.

Off Course Betting: - betting that takes place other than at a track, i.e. at a licensed betting shop.

Off Course Betting: - betting that takes place in self contained betting premises within the track premises providing facilities for off course betting, i.e. on other events, not just those taking place on the track. Normally operate only on race days.

On Course Betting: - betting that takes place on a track while races are taking place.

Operating Licence: - a licence issued by the Gambling Commission to permit individuals and companies to provide facilities for certain types of gambling, including remote or non remote gambling.

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Permit: - an authorisation issued by the Licensing Authority to provide gambling facilities where the stakes and prizes are low or gambling is not the main function of the premises.
Personal Licence: - a licence issued by the Gambling Commission to individuals who control facilities for gambling or are able to influence the outcome of gambling.

Pool Betting (Tracks): - pool betting may only be offered at a horse racecourse by the Tote and at a dog track by the holder of the premises licence for the track.

Premises: - 'any place' including anything (other than a seaplane or amphibious vehicle) designed or adapted for use on water, a hovercraft or anything or any place situated on or in water. It is for the Licensing Authority to decide whether different parts of a building can be properly regarded as being separate premises.

Premises Licence: - a licence issued by the Licensing Authority to authorise the provision of gaming facilities on casino premises, bingo premises, betting premises, including tracks, adult gaming centres and family entertainment centres where an operator's licence and personal licence have been issued by the Gambling Commission. A licence is restricted to one premises only but one set of premises may have separate licences issued in respect of different parts of the building.

Private lottery: - there are three types of private lottery
• Private Society Lotteries – tickets may only be sold to members of the Society or persons who are on the premises of the Society
• Work Lotteries – the promoters and purchasers of tickets must all work on a single set of work premises
• Residents' Lotteries – promoted by, and tickets may only be sold to, people who live at the same set of premises

Prize Gaming: - gaming in which the nature and size of the prize is not determined by the number of players or the amount paid for or raised by the gaming, the prizes having been determined before play commences, e.g. bingo with non-cash prizes. (NB: bingo with cash prizes and that carried on in commercial bingo halls will need to be licensed by the Gambling Commission; prize gaming does not include gaming by use of gaming machines.)

Prize Gaming Permit: - a permit issued by the Licensing Authority to authorise the provision of facilities for gaming with prizes on specific premises.

Provisional Statement: - an application to the Licensing Authority in respect of premises that are
• Expected to be constructed
• Expected to be altered
• Expected to acquire a right to occupy

Relevant Representations: - representations that relate to the Gambling Licensing Objectives, the Gambling Commission's Guidance, the Codes of Practice.

Responsible Authorities: - public bodies for the area in which the premises are mainly or wholly situated
• Licensing Authority in whose area the premise is partly or wholly situated
• Chief Officer of Police
• Fire & Rescue Service
• Planning Authority
• Environmental Health (related to pollution and harm to human health)
• Body competent to advise on protection of children from harm, i.e. Children & Young Peoples' Service
• Authority in relation to vulnerable adults

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• Navigation Authority whose statutory functions are in relation to waters where a vessel is usually moored or berthed
• Environment Agency
• British Waterways Board
• Maritime & Coastguard Agency
• HM Revenue & Customs
• Gambling Commission

Simple Lottery: - an arrangement where
• Persons are required to pay to participate in the arrangement
• In the course of the arrangement, one or more prizes are allocated to one or more members of a class and
• The prizes are allocated by a process which relies wholly on chance.

SWP: - a Skills-with-Prizes machine

Skills with Prizes machine: - a machine on which the winning of a prize is determined only by the player's skill and there is no element of chance. SWPs are unregulated.

Small Lottery: - where the total value of tickets in a single lottery is £20,000 or less and the aggregate value of the tickets in a calendar year is £250,000 or less.

Small Society Lottery: - a lottery promoted on behalf of a non-commercial society, i.e. lotteries intended to raise funds for good causes.

Small Operations: - independent on course betting operators with only one or two employees or a bookmaker running just one shop.

Statement of Principles: - matters the Licensing Authority may publish in the Statement of Licensing Principles that they intend to apply when considering an applicant's suitability in applications for permits for unlicensed family entertainment centres and prize gaming.

Temporary Use Notice: - a notice that may be issued in respect of a set of premises where there is no premises licence, but where a person or company holding an operating licence relevant to the proposed temporary use of premises wishes to use the premises temporarily for providing facilities for gambling.

Travelling Fair: - a fair that 'wholly or principally' provides amusements and must be on a site used for fairs for no more than 27 days per calendar year.

Vehicles: - includes trains, aircraft, sea planes and amphibious vehicles other than hovercraft.

Vessel: - anything (other than a seaplane or amphibious vehicle) designed or adapted for use on water; a hovercraft; or anything or part of any place situated on or in water.
Virtual Betting: - gambling by machine that takes bets on virtual races, i.e. images generated by computer to resemble races or other events.

Vulnerable Persons: - no set definition but likely to mean group to include people who gamble more than they want to, people who gamble beyond their means; people who may not be able to make informed or balanced decisions about gambling due to a mental impairment, alcohol or drugs.

Young Person: - an individual who is over 16 years of age but who is under 18 years of age.

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Appendix F – Links to documents referenced

Gambling Commission guidance to Licensing Authorities

Guidance to licensing authorities - Gambling Commission

Licence Conditions and Codes of Practice (LCCP)

Licence Conditions and Codes of Practice - Gambling Commission

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CAMBRIDGE CITY COUNCIL

GAMBLING ACT 2005

Statement of Principles

January 2019 – January 2022

Published: 3rd January 2019

Effective from: 31st January 2019

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Introduction

Under the Gambling Act 2005 ("the 2005 Act" a regime for regulating gambling and betting was introduced throughout the United Kingdom from 1 September 2007. Apart from the National Lottery and spread betting, gambling and betting is regulated by the Gambling Commission whose duties include licensing the operators and individuals involved in the provision of gambling and betting.

Cambridge City Council Licensing Authority recognises the potential impact of gambling and in adopting this policy; the Licensing Authority will seek to work with communities and partners. It will address the concerns of the public to maintain safe and high quality environments making Cambridge an even better place to live, work and visit. It wishes to work together with premises licence operators/ holders to assist the thriving and growing local economy whilst seeking to protect vulnerable persons from harm.

Cambridge City Council ("the Council"), along with other licensing authorities, has a duty under the 2005 Act to licence premises where gambling is taking place. The Council is also required to licence certain other activities (such as registering small society lotteries). This document sets out how Cambridge City Council intends to carry out these duties.

Licensing authorities are required by Section 349 of the 2005 Act to publish a statement of principles that they propose to apply when exercising their functions in accordance with the legislation. This statement must be published every 3 years and this is the third revision. If any part of the document is amended, further consultation and re-publication is required.

The 2005 Act requires that the following parties are consulted by licensing authorities:

- The Chief Officer of Police
- One or more persons who appear to the authority to represent the interests of persons carrying on gambling businesses in the authority's area; and
- One or more persons who appear to the authority to represent the interests of persons who are likely to be affected by the exercise of the authority's functions under the Gambling Act 2005.

A full list of those persons/ organisations consulted is detailed at Appendix B.

The latest draft of this statement of principles contains the minimum of amendments and no changes to the intent or direction of the policy. In producing the final statement, the Council declares that it has regard to the Licensing objectives of the Gambling Act 2005, the guidance issued by the

Gambling Commission and any response from those consulted on this statement.

This statement of principles was approved at a meeting of the Full Council on (date to be inserted). It was then published via Cambridge City Council's website on (date to be inserted).

It should be noted that this policy statement does not override any right of any person to make an application, make representation about an application or apply for review of a licence, as each will be considered on its own merits and according to the statutory requirements of the Gambling Act 2005.

The full list of comments made and the consideration by the Council of these comments is available by request to the Commercial & Licensing Team, Environmental Services.

Should you have any comments in regard to this statement of principles, please send them to:

Team Manager (Commercial &

Licensing)

Environmental Health Service

Cambridge City Council

PO Box 700

Cambridge, CB1 0JH

Email:
commercial@cambridge.gov.uk

PART A

1. The Licensing Objectives

In exercising most of its functions under the Gambling Act 2005, the Council as the Licensing Authority must have regard to the Licensing Objectives as set out in Section 1 of the 2005 Act. The objectives are:

Preventing gambling from being a source of crime or disorder, being associated with crime or disorder or being used to support crime.

The Gambling Commission will be taking a lead role in preventing gambling from being a source of crime. Cambridge City Council is aware that it falls to the Gambling Commission to ensure the suitability of an operator before issuing an operator licence.

However, this Licensing Authority will bring to the attention of the Gambling Commission any information that is brought to its attention during the course of processing a premises licence application or at any other time, which could question the appropriateness of an applicant.

Where an area has known high levels of crime, this Licensing Authority will consider carefully whether gambling premises are suitable to be located there. If there are concerns over a premises location, in order to prevent that premises from becoming a source of crime, certain conditions could be considered by the Council to be attached to the licence.

Ensuring that gambling is conducted in a fair and open way.

The Gambling Commission is concerned to ensure that not only is gambling fair in the way it is played, but also that the rules are transparent to players and they know what to expect. It achieves this by working to ensure that: -

- Operating and personal licences are issued only to those who are suitable to offer gambling facilities or work in the industry;
- Easily understandable information is made available by operators to players about, for example, the rules of the game, the probability of losing or winning, and the terms and conditions on which business is conducted;
- The rules are fair;
- Advertising is not misleading;
- The results of events and competitions on which commercial gambling takes place are made public;

– Machines, equipment and software used to produce the outcome of games meet standards set by the Gambling Commission and operate as advertised.

The Gambling Commission would not expect licensing authorities to become concerned with ensuring that gambling is conducted in a fair and open way. This is because they will either be concerned with the management of the gambling business (and therefore subject to the operating licence), or the suitability and actions of an individual (and therefore subject to a personal licence). These permissions both fall within the remit of the Gambling Commission.

Protecting children and other vulnerable persons from being harmed or exploited by gambling.

The Gambling Act 2005 is intended to ensure that children and vulnerable persons should not be allowed to gamble and should be prohibited from entering those gambling premises which are adult-only environments.

This licensing objective refers to protecting children from being 'harmed or exploited by gambling'; meaning that they should be prevented from taking part in gambling and for there to be restrictions on advertising so that gambling products are not aimed at children or advertised in such a way that makes them particularly attractive to children, with the exception of Category D gaming machines.

It does not however seek to disallow particular groups of adults from gambling in the same way that it does children. The Gambling Commission has not sought to define 'vulnerable persons', but it does for regulatory purposes assume that this group includes people who gamble more than they want to; people who gamble beyond their means; and people who may not be able to make informed or balanced decisions about gambling due to mental health needs, learning disability or substance misuse relating to alcohol or drugs.

This Licensing Authority will consider this licensing objective on a case by case basis. In order to protect vulnerable persons, this Licensing Authority will consider whether any special considerations apply to a particular premises. These considerations could include self-barring schemes or providing information in the form of leaflets or helpline information from relevant organisations.

The Gambling Commission has stated (5.2) *"The requirement in relation to children is explicitly to protect them from being harmed or exploited by gambling"*

From 6 April 2016 premises licence holders must conduct a local risk assessment for each of their current premises. This applies to:-

– Adult Gaming Centres

- Family Entertainment Centres
- Non-Remote Betting

- Non-Remote Bingo
- Non-Remote Casinos
- Remote Betting Intermediary (trading room only)

There is also a requirement to conduct or update a risk assessment when:

- Applying for a new gambling premises licence
- Applying for a variation to a gambling premises licence
- Changes in the local environment, or the premises, warrant a risk assessment to be conducted again.

This licensing authority is aware that, as per section 153, in making decisions about premises licences and temporary use notices it should "aim to permit" the use of premises for gambling in so far as it is satisfied the application is *"in accordance with any code of practice issued by the Gambling Commission; in accordance with any relevant guidance issued by the Gambling Commission; reasonably consistent with the licensing objectives and in accordance with the authority's statement of licensing principles".*

As a means of assisting Licensing Authorities in determining whether the provision of gambling facilities at premises will be, and will remain, consistent with the licensing objectives, the Gambling Commission request that premises licence holders should have policies and procedures in place to mitigate the local risks to the licensing objectives arising from the provision of gambling at their premises.

Following the Gambling Commission's review of the social responsibility elements of the Licence Conditions and Codes of Practice (LCCP), the Commission have introduced a social responsibility code (SR code 10.1.1) which requires all premises licensees to assess the local risks to the licensing objectives posed by the provision of gambling facilities at each of their premises, and have policies, procedures and control measures to mitigate these risks. In undertaking their risk assessments, they must take into account relevant matters identified in the licensing authority's statement of policy.

The new SR provision is supplemented by an ordinary code provision that requires licensees to share their risk assessment with licensing authorities when applying for a premises licence or applying for a variation to existing licensed premises, or otherwise at the request of the licensing authority, such as when they are inspecting a premises.

Cambridge City Council has a Local Area Profile that licensees should consider when undertaking their local area risk assessments. The Local Area Profile can be found at the following link:

https://www.cambridge.gov.uk/gambling-licensing-overview

The Council notes the Gambling Commission's Guidance (5.34) to local authorities that *"Licensing authorities should be aware that other considerations such as moral or ethical objections to gambling are not a valid reason to reject applications for premises licences. In deciding to reject an application, a licensing authority should rely on reasons that demonstrate that the licensing objectives are not being, or are unlikely to be, met, and such objections do not relate to the licensing objectives. An authority's decision cannot be based on dislike of gambling, or a general notion that it is undesirable to allow gambling premises in an area (with the exception of the casino resolution powers)".*

2. Cambridge City

Cambridge City Council is situated in Cambridgeshire, which contains a total of 5 District Councils. Cambridge combines a rich history with the vibrancy and prosperity of outstanding educational institutions and modern businesses. It is at the heart of a buoyant sub-region which is an area designed for major growth in employment and housing.

The City of Cambridge is in the east of England, 50 miles north of London. A beautiful place to live and work, Cambridge is an historic University City and market town with high quality architecture and attractive open spaces. It is also a city of national importance, being a world leader in higher education and many 21st century industries – information technology, telecommunications and commercial research, particularly the biotechnology sector.

The population of Cambridge is over 130,000. This is forecast to increase to over 150,000 in 2031 as a result of new developments

A significant characteristic of the City's population is its large and diverse student population, totaling almost 27,000 (including post graduates). This is swollen further by language students attending "summer schools", which adds to a high "churn" in our population. The proportion of older people in the City has not grown in the past 10 years.

The daytime population of the City increases significantly, with high levels of commuting into the City and very large numbers of tourists and visitors. Last year over 5 million people visited the City. The high day time population places pressure on the City's infrastructure and heavy demands on basic Council services such as street cleaning.

Cambridge has one of the highest qualified work forces in the East of England, and relatively speaking, the City is affluent.

This area is shown in the map at Appendix A.

3. Authorised Activities

‘Gambling’ is defined in the 2005 Act as either gaming, betting or taking part in a lottery.

Gaming - means playing a game of chance for a prize

Betting – means making or accepting a bet on the outcome of a race, competition or any other event, the likelihood of anything occurring or not occurring, or whether anything is true or not true.

Lottery – is where persons are required to pay in order to take part in an arrangement, during the course of which one or more prizes are allocated by a process, which relies wholly on chance.

Private Gaming – in private dwellings and on domestic occasions is exempt from licensing or registration providing that no charge is made for participating; only equal chance gaming takes place; and it does not occur in a place to which the public have access.

Domestic Betting – between inhabitants of the same premises or between employees of the same employer is also exempt.

Non-commercial gaming and betting – where no part of the proceeds are for private gain may be subject to certain exemptions.

4. Licences under the Gambling Act 2005

The 2005 Act provides for 3 categories of licence as detailed below:

- Operating Licences
- Personal Licence
- Premises Licences

The Council is responsible for the issue of Premises Licences. The Gambling Commission is responsible for the issue of Operating and Personal Licences.

5. The Gambling Commission

The Gambling Commission regulates gambling in the public interest. It does so by keeping crime out of gambling, by ensuring that gambling is conducted in a fair and open way and by protecting children and vulnerable people. The Commission provides independent advice to the Government about the manner in which gambling is carried out, the effects of gambling and the regulation of gambling generally.

The Commission has issued guidance in accordance with Section 25 of the 2005 Act about the manner in which Licensing Authorities exercise their functions under the Act and, in particular, the principles to be applied.

The Commission will also issue Codes of Practice under Section 24 about the way in which facilities for gambling is provided, which may also include provisions about the advertising of gambling facilities.

The Gambling Commission can be contacted at:

Gambling Commission

Victoria Square House

Victoria Square

Birmingham

B2 4BP

Website www.gamblingcommission.gov.uk

Email info@gamblingcommission.gov.uk

6. Responsible Authorities

The licensing authority is required by regulations to state the principles it will apply in exercising its powers under Section 157(h) of the Act to designate, in writing, a body which is competent to advise the authority about the protection of children from harm.

The principles are:

- The need for the body to be responsible for an area covering the whole of the licensing authority's area; and
- The need for the body to be answerable to democratically elected persons, rather than any particular vested interest group.

In accordance with the suggestion in the Gambling Commission's Guidance for local authorities, this licensing authority designates the Local safeguarding Children's Board for this purpose.

The contact details of all the Responsible Authorities under the Gambling Act 2005 are set out in Appendix C.

7. Interested Parties

Interested parties can make representations about licence applications, or apply for a review of an existing licence. These parties are defined in the Gambling Act 2005 as follows:

"For the purposes of this Part a person is an interested party in relation to an application for or in respect of a premises licence if, in the opinion of the licensing authority which issues the licence or to which the application is made, the person –

a) Lives sufficiently close to the premises to be likely affected by the authorised activities, and/ or
b) Has business interests that might be affected by the authorised activities, or
c) Represents persons who satisfy paragraph a) or b)".

The licensing authority is required by regulations to state the principles it will apply in exercising its powers under the Gambling Act 2005 to determine whether person is an interested party. The principles are:

- Each case will be decided upon its merits. The authority will not apply a rigid rule to its decision making.
- It will have regard to the examples of considerations provided in the Gambling Commissions Guidance to licensing authorities at 8.9 to 8.17

- It will also consider the Gambling Commission's Guidance that "business interests" should be given the widest possible interpretation and where appropriate include organisations such as, but not limited to, partnerships, charities, faith groups and medical practices.

Interested parties can be people who are democratically elected such as Councillors and MP's. Where appropriate, this will include county, parish and town Councillors. Other than these persons, authorities should require written evidence that a person 'represents' someone who either lives sufficiently close to the premises likely to be affected by the authorised activities and/ or business interests that might be affected by the authorised activities. A letter from one of these persons requesting the representation is sufficient.

Further advice on how licensing authorities can determine whether someone is an interested party is detailed below:

i) The approach taken by licensing authorities in determining who is an interested party is also a function that is dealt with in the Licensing Statement of Policy.

ii) The factors that should be taken into account when determining what 'sufficiently close to the premises' means (in each case) might include:
    - The size of the premises
    - The nature of the premises
    - The distance of the premises from the location of the person making the representation
    - The potential impact of the premises such as the number of customers, routes likely to be taken by those visiting the establishment; and
    - The circumstances of the person who lives close to the premises. This is not their personal characteristics, but their interests which may be relevant to the distance from the premises.

8. Exchange of Information

Licensing authorities are required to include in their statements, the principles to be applied by the authority in exercising the functions under sections 29 and 30 of the Act with respect to the exchange of information between it and the Gambling Commission. It is also required to include the principles it will apply in exercising its functions under section 350 of the Act with respect to the exchange of information between it and the other persons listed in Schedule 6 to the Act.

The principle that the Council applies is that it will act in accordance with the provisions of the Gambling Act 2005 in its exchange of information which includes the provision that the Data Protection Act 1998 will not be contravened. The Council will also have regard to any guidance issued by the Gambling Commission on this

matter, as well as any relevant regulations issued by the Secretary of State under the powers provided in the Gambling Act 2005.

Details of applications and representations which are referred to a Licensing Sub-Committee for determination will be detailed in the reports that are made publicly available in accordance with the Local Government Act 1972 and the Freedom of Information Act 2000. Personal details of people making representations will be disclosed to applicants and only be withheld from publication on the grounds of personal safety where the Licensing Authority is asked to do so.

Should any protocols be established as regards information exchange with other bodies then they will be made available. The Council has various policies relating to the sharing of information which will be considered when deciding what information to share and the process of doing so.

9. Enforcement

Licensing authorities are required by regulation under the Gambling Act 2005 to state the principles to be applied by the authority in exercising the functions under Part 15 of the Act with respect to the inspection of premises; and under the powers of Section 346 of the Act to instigate criminal proceedings in respect of offences specified.

This Licensing Authority's principles are that it will be guided by the Gambling Commission's Guidance to licensing authorities and will endeavor to be:

- **Proportionate** – regulators should only intervene when necessary. Remedies should be appropriate to the risk posed and costs identified and minimized;
- **Accountable** – regulators must be able to justify decisions and be subject to public scrutiny;
- **Consistent** – rules and standards must be coherent and implemented fairly;
- **Transparent** – regulators should be open and keep regulations simple and user friendly; and
- **Targeted** – regulation should be focused on the problem and minimize side effects.

In accordance with the Gambling Commission's Guidance, the Council will endeavor to avoid duplication with other regulatory regimes so far as possible.

Cambridge City Council has adopted and implemented a risk-based inspection programme based on:

- The Licensing Objectives
- Relevant Codes of Practice
- Guidance issued by the Gambling Commission (in particular Part 36)

- The principles set out in this Statement of Licensing Policy

The main enforcement and compliance role for the Council in terms of the Gambling Act 2005 is to ensure compliance with the premises licences and other permissions which it authorises. The Gambling Commission is the enforcement body for the operating and personal licences. It is also worth noting that concerns about manufacture, supply or repair of gaming machines will not be dealt with by the licensing authority but will be notified to the Gambling Commission.

The Council shall have regard to the principles of "Better Regulation" as outlined by the Department for Business Innovation and Skills.

Bearing in mind the principle of transparency, the Council's enforcement/ compliance protocols and written agreements are available upon request.

The Corporate Enforcement Policy can be found online here:

https://www.cambridge.gov.uk/enforcement-policy

10. Licensing Authority Functions

Licensing Authorities are required under the Act to:

- Be responsible for the licensing of premises where gambling activities are to take place by issuing Premises Licences
- Issue Provisional Statements
- Regulate members' clubs and miners' welfare institutes who wish to undertake certain gaming activities via issuing Club Gaming Permits and/ or Club Machine Permits
- Issue Club Machine Permits to Commercial Clubs
- Grant permits for the use of certain lower stake gaming machines at unlicensed Family Entertainment Centres
- Receive notifications from alcohol licensed premises (under the Licensing Act 2003) for the use of two or fewer gaming machines
- Issue Licensed Premises Gaming Machine Permits for premises licensed to sell/ supply alcohol for consumption on the licensed premises, under the Licensing Act 2003, where there are more than two machines
- Register small society lotteries below prescribed thresholds
- Issue Prize Gaming Permits
- Receive and endorse Temporary Use Notices
- Receive Occasional Use Notices
- Provide information to the Gambling Commission regarding details of licences issued
- Maintain registers of the permits and licences that are issued under these functions

It should be noted that local licensing authorities will not be involved in licensing remote gambling at all, which is regulated by the Gambling Commission via operating licenses.

11. Public Register

Section 156 of the Act requires licensing authorities to maintain a register of the premises licences that it has issued. The register must be made available, at any reasonable time, to the public who may request copies of the entries. The Council achieves this requirement through the use of an online register which is accessible via the Council's website.

PART B PREMISES LICENCES

1. General Principles

Premises licences are subject to the requirements set out in the Gambling Act 2005 and regulations, as well as specific mandatory and default conditions which are detailed in regulations issued by the Secretary of State. Licensing authorities are able to exclude default conditions and also attach others where it is believed to be necessary.

The Council is aware that in making decisions about premises licences it should aim to permit the use of premises for gambling in so far as it thinks it is:

- In accordance with any relevant code of practice issued by the Gambling Commission;
- In accordance with any relevant guidance issued by the Gambling Commission;
- Reasonably consistent with the licensing objectives; and
- In accordance with the authority's statement of licensing principles

It is appreciated that as per the Gambling Commission's Guidance to Licensing Authorities "moral objections to are not a valid reason to reject applications for premises licences" (except as regards to any 'no casino resolution') and also unmet demand is not a criterion for a licensing authority.

Premises are defined in the Act as including "any place". Section 152 therefore prevents more than one premises licence applying to any place. However, a single building could be subject to more than one premises licence, provided they are for different parts of the building and the different parts of the building can be reasonably regarded as being different premises.

This approach has been taken to allow large, multiple unit premises such as pleasure parks, piers, tracks or shopping malls to obtain discrete premises licences where appropriate safeguards are in place. However, licensing authorities should pay particular attention if there are issues about sub-divisions of a single building or

plot and should ensure that mandatory conditions relating to access between premises are observed.

The Gambling Commission states in the fifth edition of its Guidance to Licensing Authorities that "*In most cases the expectation is that a single building/ plot will be the subject of an application for a licence, for example 32 High Street. But, that does not mean 32 High Street cannot be the subject of separate premises licences for the basement and ground floor, if they are configured acceptably.*

Whether different parts of a building can properly be regarded as being separate premises will depend on the circumstances. The location of the premises will clearly be an important consideration and the suitability of the division is likely to be a matter for discussion between the operator and the licensing officer.

The Commission does not consider that areas of a building that are artificially or temporarily separated, for example by ropes or moveable partitions, can properly be regarded as different premises. If a premises is located within a wider venue, a licensing authority should request a plan of the venue on which the premises should be identified as a separate unit".

The Commission recognises that different configurations may be appropriate under different circumstances but the crux of the matter is whether the proposed premises are genuinely separate premises that merit their own licence – with the machine entitlements that brings – and are not an artificially created part of what is readily identifiable as a single premises.

The Council takes particular note of the Gambling Commission's Guidance to Licensing Authorities which states that "*Licensing Authorities should take particular care in considering applications for multiple licences for a building and those relating to a discrete part of a building used for other (non-gambling) purposes. In particular they should be aware of the following:*

- *The third licensing objective seeks to protect children from being harmed or exploited by gambling. In practice that means not only preventing them from taking part in gambling but also preventing them from being in close proximity to gambling. Therefore premises should be configured so that children are not invited to participate in, have accidental access to or closely observe gambling where they are prohibited from participating.*
- *Entrances to and exits from parts of a building covered by one or more premises licences should be separate and identifiable so that the separation of different premises is not compromised and people do no 'drift' into a gambling area. In this context it should normally be possible to access the premises without going through another licensed premises or premises with a permit.*
- *Customers should be able to participate in the activity named on the premises*

licence"

The Guidance also gives a list of factors which the licensing authority should be aware of, which may include:

- Do the premises have a separate registration for business rates?
- Is the premises neighbouring premises owned by the same person or someone else?
- Can each of the premises be accessed from the street or a public passageway?
- Can the premises only be accessed from any other gambling premises?

The Council will consider these and other relevant factors in making its decision, depending on all the circumstances of the case.

2. Access Provisions

The Gambling Commissions relevant access provisions for each premises type are below:

Casinos

- The principal access entrance to the premises must be from a street (as defined at 7.21 of the guidance)
- No entrance to a casino must be from premises that are used wholly or mainly by children and/ or young persons
- No customer must be able to enter a casino directly from any other premises which hold a gambling premises licence

Adult Gaming Centre

- No customer must be able to access the premises directly from any other licensing gambling premises

Betting Shops

- Access must be from a street (as per paragraph 7.21 of the guidance) or from another premises with a betting premises licence
- No direct access from a betting shop to another premises used for the retail sale of merchandise or services. In effect there cannot be an entrance to a betting shop from a shop of any kind and you could not have a betting shop at the back of a café, the whole area would have to be licensed

Tracks

- No customer should be able to access the premises from:
  i) a casino
  ii) an adult gaming centre

Bingo Premises

- No customer must be able to access the premises directly from:
  i) a casino
  ii) an adult gaming centre
  iii) a betting premises, other than a track

Family Entertainment Centre

- No customer must be able to access the premises directly from:
  i) a casino
  ii) an adult gaming centre
  iii) a betting premises, other than a track

Part 7 of the Gambling Commission's Guidance to Licensing Authorities contains further information on this issue, which the Council will also take into account in its decision making.

A license to use premises for gambling may be issued in relation to premises that are not going to be ready to be used for gambling in the reasonably near future.

If the construction of the premises is not yet complete, or if they need alteration, or if the applicant does not yet have a right to occupy them, or does not hold (or applied for) the relevant operating licence then an application for a provisional statement may be made instead.

In deciding whether a premises licence can be granted where there is outstanding construction or alteration works at the premises, the Council will determine such applications on their merits, applying a two stage consideration process:

1. First, whether the premises ought to be permitted to be used for gambling
2. Second, whether the appropriate conditions can be put in place to cater for the situation that the premises are not yet in the state in which they ought to be before gambling takes place

Applicants should note that the Council is entitled to decide that it is appropriate to grant a licence subject to conditions, but it not obliged to grant such a licence.

More information concerning the consideration of applications can be found at paragraphs 7.56-7.65 of the Guidance.

3. Location

The Council is aware that demand issues cannot be considered with regard to the location of the premises but that considerations in terms of the licensing objectives are relevant to its decision making. As per the guidance, the Council will pay particular attention to the protection of children and vulnerable persons from being harmed or exploited by gambling, as well as issues of crime and disorder.

4. Planning

The Gambling Commission Guidance to Licensing Authorities states *"In determining applications, the licensing authority should not take into consideration matters that are not related to gambling and the licensing objectives. One example would be the likelihood of the applicant obtaining planning permission or building regulations approval for their proposal. Licensing authorities should bear in mind that a premises licence, once it comes into effect, authorises premises to be used for gambling".*

The Local Authority is aware of s210 of the Gambling Act and will have regard to this in any decision made.

5. Duplication with other Regulatory regimes

The Council will seek to avoid any duplication with other statutory/ regulatory systems where possible, including planning. This authority will not consider whether a licence application is likely to be awarded planning permission or building regulations approval in its consideration of it. It will though, listen to and consider carefully any concerns about conditions, which are not able to be met by licensees due to planning restrictions, should such a situation arise.

When dealing with a premises licence application for finished building, the Council will not take into account whether those buildings have to comply with the necessary planning or buildings consents. Fire or health and safety risks will not be taken into account, as these matters are dealt with under relevant planning control, buildings and other regulations and must not form part of the consideration for the premises licence.

6. Licensing Objectives

Premises licences granted must be reasonably consistent with the licensing objectives. With regard to these objectives, the Council has considered the Gambling Commission's Guidance to Licensing Authorities:

- **Preventing gambling from being a source of crime or disorder, being associated with crime or disorder or being used to support crime.**

The Gambling Commission takes a leading role in preventing gambling from being a source of crime. The Gambling Commission's guidance does however envisage that licensing authorities should pay attention to the proposed location of gambling premises in terms of this licensing objective. Thus, where an area has known high levels of organised crime the Council will consider carefully whether gambling premises are suitable to be located there and whether conditions may be suitable such as the provision of door supervisors. The Council is aware of the distinction between disorder and nuisance and will consider factors such as whether police assistance was required and how threatening the behavior was to those who could see it, so as to make that distinction.

- **Ensuring that gambling is conducted in a fair and open way**

  The Gambling Commission has stated that it generally does not expect licensing authorities to become concerned with ensuring that gambling is conducted in a fair and open way, as this will be addressed via operating and personal licences. There is however, more of a role with regard to tracks.

- **Protecting children and other vulnerable persons from being harmed or exploited by gambling**

  The Gambling Commission's Guidance to Licensing Authorities states that this objective means preventing children from taking part in gambling (as well as restriction of advertising so that gambling products are not aimed at, or are, particularly attractive to children). The Council will therefore consider, as suggested in the guidance, whether specific measures are required at particular premises with regard to this licensing objective. Appropriate measures may include supervision of entrances/ machines, segregation of areas etc.

  The Council is also aware of the Gambling Commission Codes of Practice, which the Gambling Commission issues as regards this licensing objective, in relation to specific premises.

  With regard to the term 'vulnerable persons' it is noted that the Gambling Commission does not seek to offer a definition but states that "*it will for regulatory purposes assume that this group includes people who gamble more than they want to; people who gamble beyond their means; and people who may not be able to make informed or balanced decisions about gambling due to, for example, mental health, a learning disability or substance misuse relating to alcohol or drugs"*. The Council will consider this licensing objective on a case by case basis.

7. Licence Conditions

Mandatory and default conditions will be added to premises license's as per the Gambling Act 2005 (Mandatory and Default Conditions) Regulations 2007.

Any further conditions attached to licences will be proportionate and will be:

- Relevant to the need to make the proposed building suitable as a gambling facility;
- Directly related to the premises (including the locality and any identified local risks) and the type of licence applied for;
- Fairly and reasonable related to the scale and type of premises; and
- Reasonable in all other aspects

Decisions upon individual conditions will be made on a case by case basis, although there will be a number of measures this licensing authority will consider utilising should there be a perceived need, such as the use of supervisors, appropriate signage for adult only areas etc. The Council will also expect the licence applicant to offer his/ her own suggestions as to the way in which the licensing objectives can be met effectively.

The Council will also consider specific measures which may be required for buildings which are subject to multiple premises licences. Such measures may include the supervision of entrances; segregation of gambling from non-gambling areas frequented by children; and the supervision of gaming machines in non-adult gambling specific premises in order to pursue the licensing objectives. These matters are in accordance with the Gambling Commission's Guidance.

The Council will also ensure that where category C or above machines are on offer in premises to which children are admitted:

- All such machines are located in an area of the premises which is separated from the remainder of the premises by a physical barrier which is effective to prevent access other than through a designated entrance;
- Only adults are admitted to the area where these machines are located;
- Access to the area where the machines are located is supervised;
- The area where these machines are located is arranged so that it can be observed by the staff or the licence holder; and
- At the entrance to and inside any such areas there are prominently displayed notices indicating that access to the area is prohibited to persons under 18

These considerations will apply to premises including buildings where multiple premises licences are applicable.

The Council is aware that tracks may be subject to one or more than one premises licence, provided each licence relates to a specified area of the track. As per the Gambling Commission's Guidance, the Council will consider the impact upon the

third licensing objective and the need to ensure that entrances to each type of premises are distinct and that children are excluded from gambling areas where they are not permitted to enter.

It is noted that there are conditions that the licensing authority cannot attach to premises licences, which are:

- Any condition on the premises licence which makes it impossible to comply with an operating licence condition;
- Conditions relating to gaming machine categories, numbers or method of operation;
- Conditions which provide that membership of a club or body be required. The Gambling Act 2005 specifically removes the membership requirement for casino and bingo clubs and this provision prevents it being reinstated; and
- Conditions in relation to stakes, fees, winning or prizes.

8. Door Supervisors

The Gambling Commission advises in its guidance that if a licensing authority is concerned that a premises may attract disorder or be subject to attempts at unauthorised access (for example by children and young persons) then it may require that the entrances to the premises are controlled by a door supervisor, and is entitled to impose a condition on the premises licence to this effect.

Where it is decided that supervision of entrances/ machines is appropriate for particular cases, a consideration of whether these need to be SIA licensed or not will be necessary. It will not be automatically assumed that they need to be licensed, as the statutory requirements for different types of premises vary.

9. Adult Gaming Centres

The Council will specifically have regard to the need to protect children and vulnerable persons from harm or being exploited by gambling and will expect the applicant to satisfy the authority that there will be sufficient measures to, for example, ensure that under 18 year olds do not have access to the premises.

The Council may consider measures to meet the licensing objectives such as:

- Proof of age schemes
- CCTV
- Supervision of entrances/ machine areas
- Physical separation of areas
- Location of entry
- Notices/ signage
- Specific opening hours
- Self-exclusion schemes

- Provision of information leaflets/ helpline numbers for organisations such as GamCare

This list is not mandatory, nor exhaustive, and is merely indicative of example measures.

10. Licensed Family Entertainment Centres

The Council will specifically have regard to the need to protect children and vulnerable persons from harm or being exploited by gambling and will expect the applicant to satisfy the authority, for example, that there will be sufficient measures to ensure that under 18 year olds do not have access to the adult only gaming machine areas.

The Council may consider measures to meet the licensing objectives such as:

- Proof of age schemes
- CCTV
- Supervision of entrances/ machine areas
- Physical separation of areas
- Location of entry
- Notices/ signage
- Specific opening hours
- Self-exclusion schemes
- Provision of information leaflets/ helpline numbers for organisations such as GamCare
- Measures/ training for staff on how to deal with suspected truant school children on the premises

This list is not mandatory, nor exhaustive, and is merely indicative of example measures.

The Council will, as per the Gambling Commission's Guidance, refer to the Commission's website to see any conditions that apply to operating licences covering the way in which the area containing category C machines should be delineated. The Council will also make itself aware of any mandatory or default conditions on these premises licences, when they have been published.

11. Casinos

The Council has not passed a 'no casino' resolution under Section 166 of the Gambling Act 2005, but is aware that it has the power to do so. Should the Council decide in the future to pass such a resolution, it will update this statement of principles with details of that resolution. Any such decision will be made by the Full Council.

12. Bingo Premises

The Council notes that the Gambling Commission's Guidance states in 18.5 "*Licensing authorities will need to satisfy themselves that bingo can be played in any bingo premises for which they issue a premises licence. An operator may choose to vary their licence to exclude a previously licensed area of that premises, and then apply for a new premises licence, or multiple new premises licences, with the aim of creating separate premises in that area. Essentially providing multiple licensed premises within a single building or site. Before issuing additional bingo premises licences, licensing authorities need to consider whether bingo can be played at each of those new premises".*

The Council also notes the Guidance at paragraph 18.8 where the holder of a bingo premises licence may make available for use a number of category B gaming machines not exceeding 20% of the total number of gaming machines which are available for use on the premises.

Premises in existence before 13 July 2011 are entitled to make available eight category B gaming machines, or 20% of the total number of gaming machines, whichever is the greater.

Regulations state that category B machines at bingo premises should be restricted to sub-category B3 (but not B3A) and B4 machines.

"*Children and young people are allowed into bingo premises; however they are not permitted to participate in the bingo and if category B or C machines are made available for use these must be separate from areas where children and young people are allowed*. *Social Responsibility (SR) code 3.2.5(3) states that 'licensees must ensure that their policies and procedures take account of the structure and layout of their gambling premises' in order to prevent underage gambling".*

13. Self-Service Betting Terminals (SSBTs) in Betting Premises

The Council will, as per s181 of the Gambling Act 2005, take into account the size of the premises, the number of counter positions available for person-to-person transactions, and the ability of staff to monitor the use of SSBTs by children and young persons (it is an offence for those under 18 to bet) or by vulnerable people, when considering the number/nature/circumstances of SSBTs an operator wants to offer.

14. Credit/ ATM's

Section 177 of the 2005 Act requires, in relation to casino and bingo premises licences, that a condition be placed on the licence prohibiting the provision of credit in connection with gambling authorised by the licence or any involvement with the

provision of credit.

Section 177 does not, however, prevent the licensee from permitting the installation of cash dispensers (ATM's) on the premises. Such machines may accept credit cards (and debit cards) providing the arrangement is subject to a requirement that the licensee has no other commercial connection with the machine provider in relation to gambling (aside from the agreement to site the machines) and does not profit from the arrangement, nor make any payment in connection with the machines. All premises licences also include a mandatory condition which requires that any ATM made available for use on the premises must be located in a place that requires any customer who wishes to use it to cease gambling in order to do so.

15. Tracks

The Council is aware that tracks may be subject to one or more than one premises licence, provided each licence relates to a specified area of the track. As per the Gambling Commission's Guidance, the Council will especially consider the impact upon the third licensing objective (i.e the protection of children and vulnerable persons from being harmed or exploited by gambling) and the need to ensure that entrances to each type of premises are distinct and that children are excluded from gambling areas where they are not permitted to enter.

The Council will therefore expect the premises licence applicant to demonstrate suitable measures to ensure that children do not have access to adult only gaming facilities. It is noted that children and young persons will be permitted to enter track areas where facilities for betting are provided on days when dog-racing and/ or horse racing takes place, but that they are still prevented from entering areas where gaming machines (other than category D machines) are provided.

The Council may consider measures to meet the licensing objectives such as:

- Proof of age schemes
- CCTV
- Supervision of entrances/ machine areas
- Physical separation of areas
- Location of entry
- Notices/ signage
- Specific opening hours
- Self-exclusion schemes
- Provision of information leaflets/ helpline numbers for organisations such as GamCare

This list is not mandatory, nor exhaustive, and is merely indicative of example measures.

Gaming Machines

Where the applicant holds a pool betting operating licence and is going to use his entitlement to four gaming machines (other than category D machines), these machines should be located in areas from which children are excluded.

Betting Machines

The Council will take into account the size of the premises and the ability of staff to monitor the use of the machines by children and young persons (it is an offence for those under 18 to bet) or by vulnerable people, when considering the number/ nature/ circumstances of betting machines an operator wants to offer.

Applications and Plans

The Gambling Act (Section 51) requires applicants to submit plans of the premises with their application, in order to ensure that the licensing authority has the necessary information to make an informed judgment about whether the premises are fit for gambling. The plan will also be used for the Council to plan future premises inspection activity.

Plans for tracks do not need to be in a particular scale, but should be drawn to scale and should be sufficiently detailed to include the information required by regulations.

Some tracks may be situated on agricultural land where the perimeter is not defined by virtue of an outer wall or fence, such as point-to point race tracks. In such instances, where an entry fee is levied, track premises licence holders may erect temporary structures to restrict access to premises.

In the rare cases where the outer perimeter cannot be defined, it is likely that the track in question will not be specifically designed for the frequent holding of sporting events or races. In such cases betting facilities may be better provided through occasional use notices where the boundary premises do not need to be defined.

The Council appreciates that it is sometimes difficult to define the precise location of betting areas on tracks. The precise location of where betting facilities are provided is not required to be shown on track plans, both by virtue of the fact that betting is permitted anywhere on the premises and because difficulties associated with pinpointing exact locations for some types of track. Applicants should provide sufficient information that this authority can satisfy itself that the plan indicates the main areas where betting might take place. For racecourses in particular, any betting areas subject to the ‘five times rule’ (commonly known as betting rings) must be indicated on the plan.

16. Travelling Fairs

It will fall to the Council to decide whether, where category D machines and/ or equal chance prize gaming without a permit is to be made available for use at travelling fairs, the statutory requirement that the facilities for gambling amount to no more

than an ancillary amusement at the fair is met.

The Council will also consider whether the applicant falls within the statutory definition of a travelling fair.

It is noted that the 27 day statutory maximum for the land being used as a fair, is per calendar year, and that it applies to the piece of land on which the fairs are held regardless of whether it is the same or different travelling fairs occupying the land. The Council will work with its neighbouring authorities to ensure that land which crosses our boundaries is monitored so that the statutory limits are not exceeded.

17. Provisional Statements

Developers may wish to apply to the Council for provisional statements before entering into a contract to buy or lease property or land to judge whether a development is worth taking forward in light of the need to obtain a premises licence. There is no need for the applicant to hold an operating licence in order to apply for a provisional statement.

Section 204 of the Gambling Act 2005 provides for a person to make an application to the licensing authority for a provisional statement in respect of premises that he or she:

a) Expects to be constructed;
b) Expects to be altered; or
c) Expects to acquire a right to occupy

The process for considering an application for a provisional statement is the same as that for a premises licence application. The applicant is obliged to give notice of the application in the same way as applying for a premises licence. Responsible authorities and interested parties may make representations and there are rights of appeal.

In contrast to the premises licence application, the applicant does not have to hold or have applied for an operating licence from the Gambling Commission (except in the case of a track) and they do not have a right to occupy the premises in respect of which their provisional application is made.

The holder of a provisional statement may then apply for a premises licence once the premises are constructed, altered or acquired. The Council will be constrained in the matters it can consider when determining the premises licence application, and in terms of representations about premises licence applications that follow the grant of a provisional statement, no further representations from relevant authorities or interested parties can be taken into account unless:

- They concern matters which could not have been addresses at the provisional

statement stage, or
- They reflect a change in the applicant's circumstances.

In addition, the Council may refuse the premises licence (or grant it on terms different to those attached to the provisional statement) only by reference to matters:

- Which could not have been raised by objectors at the provisional statement stage;
- Which in the authority's opinion reflect a change in the operator's circumstances; or
- Where the premises has not been constructed in accordance with the plan submitted with the application. This must be a substantial change to the plan and the Council notes that it can discuss any concerns it has with the applicant before making a decision.

18. Reviews

Requests for a review of a premises licence can be made by interested parties or responsible authorities (it should be noted that there is no mechanism to review any permit or notice). However, it is for the Licensing Authority to decide whether such a request will result in a review. Such a decision will be taken by considering, amongst other matters, the following:

- Any relevant code of practice or guidance issued by the Gambling Commission;
- The licensing objectives
- The Licensing Authority's Statement of Policy
- Whether the request is considered frivolous, vexatious, or whether it will certainly not cause the authority to wish to alter or revoke or suspend the licence; and
- Whether the request is substantially the same as previous representations or requests for a review.
- Whether the request is substantially the same as representations made at the time the application for a premises licence was considered.

The Council, as the licensing authority, may also initiate a review of a premises licence. The purpose of such a review would be to determine whether the Council, as the licensing authority, should take any action in relation to the licence.

Following a review, the actions open to the licensing authority are:

- Add, remove or amend a licence condition imposed by the licensing authority;
- Exclude a default condition imposed by the Secretary of State or Scottish Ministers or remove or amend such an exclusion;
- Suspend the licence for any period not exceeding three months; and
- Revoke the licence.

In considering what action, if any, should be taken following a review the Council must have regard to the principles set out under Section 153 of the Act as well as any relevant representations.

PART C PERMITS/ TEMPORARY & OCCASIONAL USE NOTICES

1. Unlicensed Family Entertainment Centre Gaming Machine Permits

Unlicensed family entertainment centres will be able to offer category D machines if granted a permit by the Council. If an operator of a family entertainment centre wishes to make category C machines available in addition to category D machines, they will need to apply for an operating licence from the Gambling Commission and a Premises Licence from the Council.

The Council can grant or refuse an application for a permit, but cannot attach conditions.

2. Statement of Principles

As unlicensed family entertainment centres will particularly appeal to children and young persons, weight shall be given to child protection issues.

The Council will expect the applicant to show that there are policies and procedures in place to protect children from harm. Harm in this context is not limited to harm from gambling but includes wider child protection considerations. The efficiency of such policies and procedures will each be considered on their merits.

The policies and procedures are expected to include:

- What staff should do if they suspect that truant children are on the premises
- How staff should deal with unsupervised young children on the premises
- How staff should deal with children causing perceived problems on or around the premises

The Council will also expect applicants to demonstrate:

- A full understanding of the maximum stakes and prizes of the gambling that is permissible in unlicensed family entertainment centres;
- That the applicant has no relevant convictions (those that are set out in Schedule 7 to the Act);
- That staff are trained to have a full understanding of the maximum stakes and prizes

3. Alcohol Licensed Premises Gaming Machine Permits

Premises licensed to sell alcohol for consumption on the premises, can automatically have 2 gaming machines, of categories C and/or D. The holder of a Premises Licence under the Licensing Act 2003, authorising the sale of alcohol, will simply need to notify the Council, and pay the prescribed fee.

The Council may remove the automatic authorisation in respect of any particular premises if;

- provision of the machines is not reasonably consistent with the pursuit of the licensing objectives;
- gaming has taken place on the premises that breaches a condition of section 282 of the Act;
- the premises are mainly used for gaming; or
- an offence under the Act has been committed on the premises.

If a premises wishes to have more than 2 machines, then the holder of the Premises Licence will need to apply for a permit. The Council shall consider that application having regard to the licensing objectives, any guidance issued by the Gambling Commission issued under Section 25 of the Act, and any other matters that are considered relevant.

The Council shall determine what constitutes a relevant consideration on a case-by-case basis, but weight shall be given to the third licensing objective i.e. protecting children and vulnerable persons from being harmed or being exploited by gambling. To this end, the Council will expect applicants to demonstrate

- that there will be sufficient measures in place to ensure that under 18 year olds do not have access to the adult only gaming machines.
- Measures may include the adult machines being in sight of the bar, or in the sight of staff who will monitor that the machines are not being used by those under 18.
- Notices and signage will also need to be considered.

With respect to the protection of vulnerable persons, the Council will expect applicants to provide information leaflets / helpline numbers for organisations such as GamCare.

It is recognised that some alcohol-licensed premises may apply for a Premises Licence for their non-alcohol licensed areas. Any such application would most likely need to be applied for, and dealt with as an Adult Gaming Centre Premises Licence.

The Council may decide to grant the application with a smaller number of machines and/or a different category of machines than that applied for. The Council will not attach any other conditions in granting such an application.

The holder of such a permit will be required to comply with any Code of Practice issued by the Gambling Commission about the location and operation of the machine.

4. Prize Gaming Permits

Applicants for prize gaming permits should set out the types of gaming that they intend to offer. The applicant will be required to demonstrate:

- that they understand the limits to stakes and prizes that are set out in Regulations; and
- that the gaming offered is within the law.

In making its decision on an application for this type of permit the Council does not need to have regard to the licensing objectives but will have regard to any Gambling Commission guidance. Weight will be given to child protection issues, and relevant considerations are likely to include the suitability of the applicant (i.e. if the applicant has any convictions which would make them unsuitable to operate prize gaming) and the suitability of the premises. Applicants for prize gaming permits must disclose any previous relevant convictions to the Council.

The Council may grant or refuse an application for a permit, but will not attach any conditions. However, there are 4 conditions in the Act that permit holders must comply with. These are:

- the limits on participation fees, as set out in regulations, must be complied with;
- all chances to participate in the gaming must be allocated on the premises on which the gaming is taking place and on one day; the game must be played and completed on the day the chances are allocated; and the result of the game must be made public in the premises on the day that it is played;
- the prize for which the game is played must not exceed the amount set out in regulations (if a money prize), or the prescribed value (if non-monetary prize); and
- participation in the gaming must not entitle the player to take part in any other gambling.

5. Club Gaming and Club Machine Permits

Members clubs (but not commercial clubs) may apply for a club gaming permit. The club gaming permit will enable the premises to provide gaming machines (3 machines of categories B4, C or D), equal chance gaming and games of chance.

If a club does not wish to have the full range of facilities permitted by a club gaming permit or if they are a commercial club not permitted to provide non-machine gaming (other than exempt gaming under section 269 of the Act), they may apply for a club machine permit, which will enable the premises to provide gaming machines (3 machines of categories B3A, B4, C or D).

Members clubs must have at least 25 members and be established and conducted "wholly or mainly" for purposes other than gaming, unless the gaming is permitted by separate regulations. It is anticipated that this will cover bridge and whist clubs, which will replicate the position under the Gaming Act 1968. A members' club must be permanent in nature, not established to make commercial profit, and controlled by its members equally. Examples include working men's clubs, branches of Royal British Legion and clubs with political affiliations.

The Council will only refuse such an application on one or more of the following grounds;

- the applicant does not fulfill the requirements for a members' or commercial club and therefore is not entitled to receive the type of permit for which it has applied;
- the applicant's premises are used wholly or mainly by children and/or young persons;
- an offence under the Act or a breach of a condition of a permit has been committed by the applicant while providing gaming facilities;
- a permit held by the applicant has been cancelled in the previous ten years; or;
- an objection has been lodged by the Gambling Commission or the Police

The Council will have regard to the guidance issued by the Gambling Commission and (subject to that guidance), the licensing objectives.

There is a 'fast-track' procedure available for clubs which hold a club premises certificate under the Licensing Act 2003. Under the fast-track procedure there is no opportunity for objections to be made by the Gambling Commission or the Police, and the grounds upon which an authority can refuse a permit licences are reduced.

The grounds on which an application under the fast track procedure may be refused are;

- that the club is established primarily for gaming, other than gaming prescribed under s.266 of the Act;
- that in addition to the prescribed gaming, the applicant provides facilities for other gaming; or
- that a club gaming permit or club machine permit issued to the applicant in the last ten years has been cancelled.

The Council may grant or refuse an application for a club gaming or club machine permit, but will not attach any conditions. However, premises must comply with the Gambling Commissions Licence Conditions and Codes of Practice. There are a number of conditions in the Act that the holder must comply with.

6. Cancellation of Permits

Gaming / Machine Permits

The authority is able to cancel a permit. It may do so in specified circumstances which include if the premises are used wholly or mainly by children or young persons or if an offence under the Act has been committed. Before it cancels an authority must notify the holder giving 21 days' notice of intention to cancel, consider any representations made by the holder, hold a hearing if requested, and comply with any other prescribed requirements relating to the procedure to be followed.

Club Gaming / Club Machine Permits

Decisions relating to the cancellation of a Club Gaming or Club Machine Permit may not be made by an officer of the authority. Such decisions shall be dealt with by the Licensing Sub Committee.

Alcohol Licensed Premises Permits

In the event of representations being received against a notice of cancellation, the matter will be determined by a licensing sub-committee. Where no representations have been received, or if they have been received but have been subsequently withdrawn, then the final decision may remain with an Officer of the Council.

7. Small Local Society Lotteries

A Small Society Lottery is a lottery that is promoted on behalf of a non-commercial society (such as a charity or similar non-profit making organisation) to raise funds for any of the purposes for which the society or organisation is set up.

Small Society Lotteries do not require a licence but must be registered with the licensing authority in the area where the society's principle premises is situated. An application to register a Small Society Lottery should be on the relevant application form and accompanied by any necessary documents and the appropriate fee.

The maximum prize per ticket in either money or monies worth is £25,000.

In determining whether to grant or renew a small society lottery registration, the Licensing Authority will have regard to the Guidance to Local Authorities issued by the Commission.

Societies may wish to refer to the relevant section of the Licensing Authority's website for full details on how to register and maintain small society lottery

registrations.

8. Exempt Gambling

The Licensing Authority has no control over Gambling in these circumstances, provided the specific requirements are complied with and any limits on stakes and prizes are observed.

8.1. Non-commercial gaming

There are two types of non-commercial gaming allowed: non-commercial prize gaming and non-commercial equal chance gaming. Neither of these require any authorisation provided the maximum stakes and prizes are not exceeded. In each case the gaming can be incidental to another activity, or the activity itself. It must be non-commercial which means there must be no private profit or gain. However, the proceeds of such events may benefit an organisation, group or one or more individuals if the activity is organised:

- by, or on behalf of, a charity or for charitable purposes;
- to enable participation in, or support of, sporting, athletic or cultural activities.

8.2. Non-commercial prize gaming

In this case, the prize should be determined in advance and not be dependent on the number of players or monies staked. The players should be told what the monies are being raised for, and it cannot take place in premises that have a Gambling Act premises licence (except a track).

This can include casino nights and race nights.

8.3. Non-commercial equal chance gaming

In this case, the stakes per player cannot exceed £8. In addition, the aggregate value of prizes in all games played at a single event cannot exceed £600 (but if the event is the final one of a series in which all of the players have previously taken part, a higher prize fund of up to £900 is allowed). The players should be told what the monies are being raised for, and it cannot take place in premises that have a Gambling Act premises licence (except a track).

This can include casino nights and race nights.

8.4. Private gaming

This covers situations where the public are not admitted to the gaming. This includes residential and domestic premises and workplaces.

This can include casino nights and race nights.

8.5. Domestic gaming

Non-equal chance gaming can be played in private dwellings on domestic occasions provided no participation charge is made.

8.6. Residential gaming

Non-equal chance gaming can be played in hostels or halls of residence provided at least 50% of the participants are residents.

8.7. Non-commercial and private betting

This is betting in domestic premises or workplaces. In domestic premises the participants must habitually reside there, and for workers betting the participants must be employed by the same employer.

8.8. Incidental non-commercial lottery

These can take place as an incidental activity at another non-commercial event, e.g. a raffle at a dinner or tombola at a garden party. No registration or permission is required provided the following requirements are met.

- Tickets can only be sold on the premises where the event takes place to people present and while the event is taking place;
- The draw must take place at the event and the results must be announced while the event is taking place;
- No rollovers are allowed;
- The maximum deduction allowed for prizes from the proceeds is £500; and
- The maximum deduction allowed for organising costs from the proceeds is £100.

9. Exempt gambling in pubs

Various types of gambling can take place in premises that are licensed under the Licensing Act 2003 to sell alcohol for consumption on the premises and which have a bar at which alcohol is served to customers, but this does not apply where the sale of alcohol can only take place as being ancillary to the sale of food.

9.1. Equal chance gaming in pubs

Equal chance gaming up to specified limits on stakes and prizes can take place, and this includes games such as backgammon, mah-jong, rummy, kalooki, dominoes, cribbage, bingo and poker.

The following requirements have to be met:

- The maximum stakes and prizes for each type of game must not be exceeded (£5 maximum stake for any game of chance except poker, dominoes and cribbage. For poker the maximum stake is £5, a daily maximum of £100 in aggregate stakes cannot be exceeded and the maximum prize limit is £100. There are no limits on stakes and prizes for dominoes or cribbage);
- The gaming must be supervised by a nominated gaming supervisor and comply with Gambling Commission codes of practice;
- No participation fees can be charged and no levy taken from stakes or prizes;
- The games cannot be linked to any other games in other premises; and
- Nobody under 18 years old can take part.

9.2. Bingo in pubs

Low-turnover bingo where the aggregate of stakes and prizes in a seven day period does not exceed £2000 can take place.

10. Exempt gambling in Clubs

There are two types of club for the purposes of the Act: members' clubs (including miners' welfare institutes) and commercial clubs. Generally speaking the club must be established for purposes other than gaming, but there is an exception for bridge or whist clubs. The exempt gaming that can take place differs according to the type of club. If a club has a club gaming permit, additional games and higher stakes and participation fees apply.

10.1. Equal chance gaming in clubs

Equal chance gaming with no specified limits on stakes and prizes (except for poker) can take place.

The following requirements have to be met:

- Only club members (who have been members for at least 48 hours) or a bona fide guest of a member can participate;
- Except for poker, there is no maximum stake or prize;
- For poker there is a £10 maximum stake, a daily maximum of £250 in aggregate stakes and a seven day maximum of £1000 in aggregate stakes cannot be exceeded, and the maximum prize limit is £250;
- The gaming must be supervised by a nominated gaming supervisor and comply with Gambling Commission codes of practice;
- A maximum participation fee of £1 can be charged but no levy taken from stakes or prizes (however if the games are bridge or whist, on a day when no other gaming is permitted, participation fees of up to £18 per person can be charged);

- The games cannot be linked to any other games in other premises; and
- Nobody under 18 years old can take part.

10.2. Bingo in clubs

Low-turnover bingo where the aggregate of stakes and prizes in a seven day period does not exceed £2000 can take place in all types of club.

10.3. Bridge and Whist clubs

Unlimited stakes bridge or whist can be played. In addition participation fees (up to £18) can be charged.

11. Temporary Use Notices

Temporary Use Notices allow the use of premises for gambling where there is no premises licence but where a gambling operator wishes to use the premises temporarily for providing facilities for gambling. Premises that might be suitable for a Temporary Use Notice, according to the Gambling Commission, would include hotels, conference centres and sporting venues.

The licensing authority can only grant a Temporary Use Notice to a person or company holding a relevant operating licence i.e. a non-remote casino operating licence.

The Secretary of State has the power to determine what form of gambling can be authorised by Temporary Use Notices, and at the time of writing this statement the relevant regulations (SI no3157: The Gambling Act 2005 (Temporary Use Notices) Regulations 2007) state that Temporary Use Notices can only be used to permit the provision of facilities or equal chance gaming, where the gaming is intended to produce a single winner, which in practice means poker tournaments.

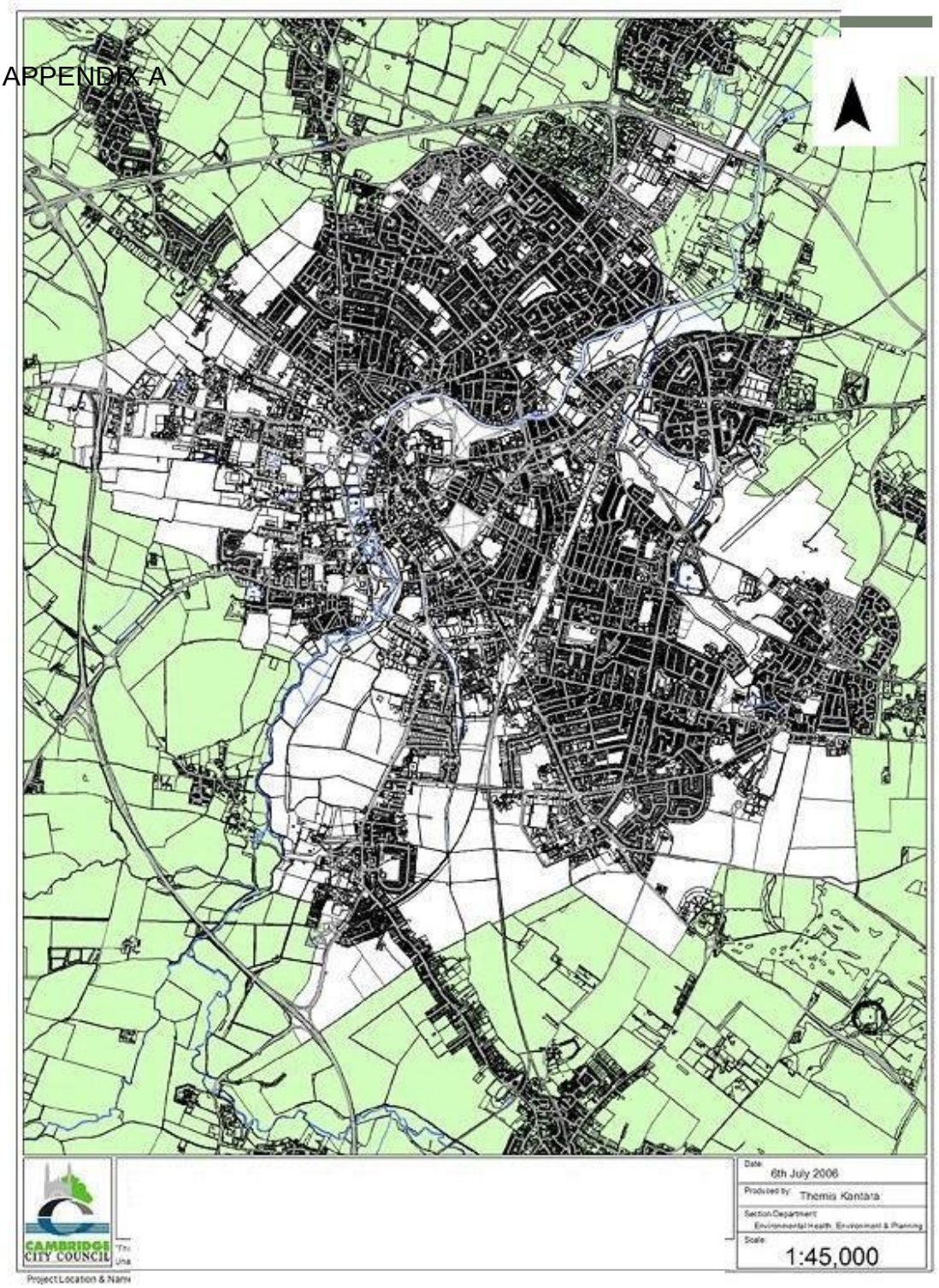
There are a number of statutory limits as regards Temporary Use Notices. Gambling Commission Guidance notes that "*this definition of a 'set of premises' differs to 'premises' in Part 8 or the Act (see Part 7 of the guidance). The definition of a 'set of premises' will be a question of fact in the particular circumstances of each notice given. In considering whether a place falls within the definition, licensing authorities will need to look at, amongst other things, the ownership/occupation and control of the premises".*

This licensing authority expects to object to notices where it appears that their effect would be to permit regular gambling in a place that could be described as one set of premises, as recommended in the Gambling Commission's Guidance.

12. Occasional Use Notices

The Council has very little discretion as regards these notices aside from ensuring that the statutory limit of 8 days in a calendar year is not exceeded. The Council will though consider the definition of a ‘track’ and whether the applicant is permitted to avail him/herself of the notice.

APPENDIX A


CAMBRIDGE CITY COUNCIL
Date:
6th July 2006
Produced by:
Themis Kontara
Section/Department:
Environmental Health, Environment & Planning
Scale:
1:45,000
Project Location & Name

APPENDIX B – LIST OF CONSULTEES

- Responsible Authorities
- Emma Thornton (Chief Executive Officer, Visit Cambridge and Beyond)
- Graham Saint (Consultation Working Group)
- Adam Ratcliffe (CAMBAC Manager)
- Gamestec
- Select Gaming
- Power Leisure Bookmakers Ltd
- Coral Racing Limited
- Ladbrokes Betting & Gaming Limited
- Done Brothers (Cash Betting) Limited
- Talarius Limited
- BACTA
- The Bingo Association
- Association of British Bookmakers Ltd (ABB)
- Business In Sport and Leisure (BISL)
- BALPPA
- British Institute of Inn Keeping (BII)
- The Portman Group
- British Beer and Pub Association
- Racecourse Association Ltd
- GAMCARE
- Greater Cambridge Partnership
- Cambridge & District Citizens Advice
- Cambridgeshire Chambers of Commerce

Ward Residents Associations

Abbey People
Riverside Area Residents Association
Riverside Area Residents Association
The Friends of Sourbridge Common
Histon Road Area Residents' Association (HRARA)
Arbury Road East RA (ARERA)
Darwin & Akeman St (DEARA)
Benson Area Residents' Association *1
NAFRA 19 Acre Field Residents' Association
Storeys Way Residents' Association
Concerned Residents Of North West Cambridge (CRONC)
Windsor Road Residents Association (WIRE)
Oxford Road Residents' Association
CREW
Tavistock Road & Stratfield Close Residents' Association
Richmond Road Residents' Association
Marion Close & Sherlock Road Association
Sherlock Close RA
Madingley Road Group
Shelly Gardens Leaseholder's Association
Rustat Neighbourhood Association
Birdwood Area Residents' Association
Cherry Hinton & Rathmore Road Residents' Association
Old Chesterton Residents Association
Three Trees Residents' Association
St Andrews Road RA
Fen Estates and Nuffield Road RA (FENRA)
Fen Road Steering Group
Bradmore & Petersfield Residents Association
North Cambridge Community Partnership
Citygate Property Partners
Park Street Residents' Association
Christs Pieces Residents Association
King Street Neighbourhood Association
Jesus Green Association
Brunswick & North Kite Residents Association
Evening Court RA
Radcliffe Court Residents' Association
Newnham Croft Conservation Group
North Newnham Residents Association
Gough Way Residents Association
West Cambridge Preservation Society
Clerk Maxwell Road Residents' Association
Pinehurst South Resident's Association
Residents' Association of Old Newnham
Bulstrode Gardens Residents Association
Barton Close Residents' Association

Millington Road & Millington Lane Residents' Association
Grantchester Road Residents' Association
Hedgerley Close RA
Bradmore & Petersfield Residents Association
Glisson Road/Tenison Road Area Residents' Association
Petersfield Mansions Residents' Association
Petersfield Area Community Trust (PACT)
Mill Road Community Improvements Group
Highsett Houses Residents' Society
Guest Road Residents' Association
Highsett Flats Resident's Association
Babraham Road Action Group
Queen Edith's Way Residents' Association
Corfe Close Residents Association (CCRA)
Greenlands' Residents Association
Hills Road Residents' Association
Blinco Grove Residents' Asociation
Greville Road RA
Monteal Square Residents' Association
East Mill Road Action Group EMRAG
Romsey Action
Mill Road Society
Empty Common Allotment Society
Gazeley Lane Residents' Association
Brookside Residents Association
Hanover & Princess Court Residents' Association
Bateman Street & Bateman Mews Residents Association
Trumpington Residents Association
Norwich Street Residents' Association
Southacre Latham Road and Chaucer Road RA (SOLACHRA)
Accordia Community and Resident's Association (ACRA)
Brooklands Avenue Area Residents' Association
North Newtown Residents' Association
Newtown Residents' Association
Applecourt Residents' Association
Fenners Lawn Residents' Association
BENERA (Bentley and Newton Road Residents' Association)
Victoria Park Residents Working Group
Friends of Mitcham's Corner
Mitchams Corner Residents' & Traders' Association (MCRTA)
Mulberry Close (Leys Road, Cambridge) Residents' Society Ltd
Milton Road RA (MRRA)
Ascham Road Residents' Association
Gurney Way (& Atherton Close) Residents Association
Highworth Avenue CB
Hurst Park Estate Residents' Association (HPERA) *3
Sandy Lane Residents' Association
Cambridge Valley Forum
Federation of Cambridge Residents' Associations

APPENDIX C – Responsible Authorities

The Licensing Authority

Commercial & Licensing, Environmental Services, Cambridge City Council, PO Box 700, Cambridge, CB1 0JH
Tel: 01223 457879 Fax: 01223 457909
e-mail: commercial@cambridge.gov.uk

The Gambling Commission

Victoria Square House, Victoria Square, Birmingham, B2 4BP

Email: info@gamblingcommission.gov.uk

The Chief Officer of Police

The Chief Officer, Cambridgeshire Constabulary, Southern Division, Police Station, Parkside, Cambridge, CB1 1JG
Telephone: 01223 823397 Fax: 01223 823232

The Fire and Rescue Authority

Fire Protection, Cambridge Fire Station, Parkside, Cambridge, CB1 1JF
Email: danny.hans@cambsfire.gov.uk

Planning Authority

Environment & Planning, Cambridge City Council, The Guildhall, Cambridge, CB2 3QJ
Telephone: 01223 457100
e-mail: planning@cambridge.gov.uk

Environmental Health

The Environmental Health Manager, Environmental Services, Cambridge City Council, PO Box 700, Cambridge, CB1 0JH
Telephone: 01223 457890 Fax: 01223 457909 e-mail:
env.services@cambridge.gov.uk

Local Safeguarding Children Board

Child Protection Services, Licensing Applications, OCYPS, PO Box 144, St Ives, Cambs, PE27 9AU
Telephone: 03450455203
Referralcentre2.children@cambridgeshire.gov.uk

HM Revenues and Customs

Excise Processing Teams, BX9 1GL, United Kingdom

In addition, for vessels:
Environment Agency

The Team Leader, Great Ouse & Stour Waterways, The Environment Agency, Kingfisher House, Goldhay Way, Orton Goldhay, Peterborough, PE2 5ZR.
Telephone: 01733 464072
e-mail: enquiries@environment-agency.gov.uk, quoting Great Ouse & Stour Waterways

Conservators of the River Cam

The River Manager
Conservators of the River Cam
Baits Bite Lock, Fen Road, Milton, Cambridge, CB24 6AF
Telephone/Fax 01223 863785
e-mail river.manager@camconservators.org.uk

APPENDIX D List of Authorisation

MATTER TO BE DEALT WITH	FULL COUNCIL	LICENSING COMMITTEE/SUB COMMITTEE	OFFICERS	COUNCIL SOLICITOR
Three year licensing policy	✓			
Policy not to permit casinos	✓			
Fee setting-when appropriate		✓		
Application for premises licences		Where representations received and not withdrawn	Where no representations received/representations have been withdrawn	
Application for a variation to a licence		Where representations received and not withdrawn	Where no representations received/representations have been withdrawn	
Application for a transfer of a licence		Where representations received from the Gambling Commission	Where no representations received from the Gambling Commission	
Application for provisional statement		Where representations received and not withdrawn	Where no representations received/representations have been withdrawn	
Review of premises licence		✓		
Application for club gaming/club machine permits		Where representations received and not withdrawn	Where no representations received/representations have been withdrawn	
Cancellation of club gaming/club machine permits		✓		
Application for other permits			✓	
Cancellation of licensed premises gaming machine permits			✓	
Consideration of Temporary Use Notices			✓	
Decision to give a counter Notice to a Temporary Use Notice		✓		
Determination as to whether a person is an interested party				✓
Determination as to whether				✓

representations are relevant				
Determination as whether a representation is frivolous, vexatious or repetitive				✓
Representative of Licensing Authority who will be responsible for making representations as the Responsible Authority on licence applications				✓
Responsibility for attaching to premises licences Mandatory, Default and Specific Conditions			✓	
Representative of Licensing Authority who can initiate a Licence review				✓
Representative of Licensing Authority who can reject an application for a Licence review				✓

APPENDIX E – GLOSSARY OF TERMS

Admissible Representations: - representations submitted by a Responsible Authority or Interested Party.

Authorised Local Authority Officer: - a Licensing Authority Officer who is an authorised person for a purpose relating to premises in that authority's area.

Authorised Person: - a licensing officer and an officer of an authority other than a Licensing Authority, both of whom have been authorised for a purpose relating to premises in that authority's area. The following are considered authorised persons:
• Inspectors appointed under the Fire Precautions Act 1971;
• Inspectors appointed under the Health and Safety at work, etc. Act 1974;
• Inspectors or Surveyors of ships appointed under the Merchant Shipping Act 1995; &
• A person in a class prescribed in regulations by the Secretary of State.

Automated Roulette Equipment: - equipment that is either linked to a live game of chance, e.g. roulette, or plays live automated games, i.e. operates without human intervention.

Automatic Conditions: - conditions attached automatically to premises licences or authorisations. The Licensing Authority has no discretion not to include or modify them.

AWP machines: - Amusement with Prize Machines

BACTA: - the British Amusement Catering Trade Association

Betting Intermediary: - someone who offers services via remote communication, such as the internet.

Betting Ring: - an area that is used for temporary 'on course' betting facilities.

Bingo: - a game of equal chance.

Casino: - an arrangement whereby people are given an opportunity to participate in one or more casino games.

Casino Games: - games of chance that are not equal chance gaming.

Casino Premises Licence Categories: - regional, large, small, casinos permitted under transitional arrangements.

Casino Resolution: - resolution concerning whether or not to issue Casino Premises Licences.

Child: - an individual who is less than 16 years old.

Christmas Day Period: - the period of 24 hours from midnight on 24 December.

Club Gaming Machine Permit: - a permit to enable the premises to provide gaming machines (three machines of Categories B, C or D)

Club Gaming Permit: - a permit to enable the premises to provide gaming machines (three machines of Categories B C or D), equal chance gaming and games of chance.

Complex Lottery: - an arrangement where:
• Persons are required to pay to participate in the arrangement;
• In the course of the arrangement, one or more prizes are allocated to one or more members of a class;
• The prizes are allocated by a series of processes; and
• The first of those processes relies wholly on chance.

Conditions: - conditions to be attached to licences by way of:
• Automatic provision
• Regulations provided by Sec. Of State
• Conditions provided by Gambling Commission
• Conditions provided by Licensing Authority
• Conditions may be general in nature (either attached to all licences or all licences of a particular nature) or may be specific to a particular licence.

Customer Lotteries: - lotteries run by the occupiers of business premises who sell tickets only to customers present on their premises. These lotteries may not be conducted on vessels.

Default Conditions: - conditions that will apply unless the Licensing Authority decide to exclude them. This may apply to all Premises Licences, to a class of Premises Licence or Licences for specified circumstances.

Delegated Powers: - decisions delegated by the Licensing Authority either to a Licensing Committee, Sub-Committee or Licensing Officers.

Disorders: - in the case of gambling premises licences, disorder is intended to mean activity that is more serious and disruptive than mere nuisance.

Domestic Computer: - one used for in a residential property for private, non-commercial purposes and is exempt from a Gaming Machine Permit.

Dual Use Computer: - definition in forthcoming Regulations. Exempt from a Gaming Machine Permit.

Equal Chance Gaming: - games that do not involve playing or staking against a bank and where the chances are equally favourable to all participants.

EBT: - Electronic Bingo Ticket Minders consisting of electronic equipment operated by a Bingo Operators Licence for the purposes of playing bingo.

Exempt Lotteries: - lotteries specified in the Gambling Act as permitted to be run without a licence from the Gambling Commission. There are four types:
• Small Society Lottery (required to register with Licensing Authorities)
• Incidental Non Commercial Lotteries

• Private Lotteries
• Customer Lotteries

External Lottery Manager: - an individual, firm or company appointed by the Small Lottery Society to manage a lottery on their behalf. They are consultants who generally take their fees from the expenses of the lottery.

Fixed Odds Betting: - general betting on tracks.
Gaming: - prize gaming where the nature and size of the prize is not determined by the number of people playing or the amount paid for or raised by the gaming and where the prizes are determined by the operator before the play commences.

Gaming Machine: - a machine used for gambling under all types of gambling activity, including betting on virtual events.

Guidance to Licensing Authorities: - guidance issued by the Gambling Commission dated September 2015 (updated September 2016).

Inadmissible Representation: - a representation not made by a Responsible Authority or Interested Party.

Incidental non-commercial lottery: - a lottery that is run as an additional amusement at non-commercial events with tickets only sold and drawn during the event, such as a raffle at a dance, bazaar etc.

Information Exchange: - exchanging of information with other regulatory bodies under the Gambling Act.

Interested Party: - a person who in the opinion of the Licensing Authority
• Lives sufficiently close to the premises to be likely to be affected by the authorised activities,
• Has business interests that might be affected by the authorised activities, or
• Represents persons above, including Trade Associations, Trade Unions, Residents and Tenants Associations where they can demonstrate that they represent such persons.
In determining if a person lives or has business interests sufficiently close to the premises, the following factors will be considered: -
• The size and nature of the premises to be licensed.
• The distance of the premises from the location of the person making the representation.
• The potential impact of the premises (e.g. number of customers, routes likely to be taken by those visiting the establishment).
• The nature of the complaint, i.e. not the personal characteristics of the complainant but the interest of the complainant, which may be relevant to the distance from the premises.
• The catchment area of the premises (i.e. how far people travel to visit).
• Whether the person making the representation has business interests that might be affected in that catchment area.

Irrelevant Representations: - representations that are vexatious, frivolous or will certainly not influence the authority's determination of the application.

Large Lottery: - where the total value of tickets in any one lottery exceeds £20,000 or tickets in separate lotteries in one calendar year exceeds £250,000. This type of lottery requires an operating Licence from the Gambling Commission.

Licensed Lottery: - large society lotteries and lotteries run for the benefit of local authorities will require operating licences to be issued by the Gambling Commission.

Licensing Objectives: - there are three objectives
• Preventing gambling from being a source of crime or disorder, being associated with crime or disorder, or being used to support crime;
• Ensuring that gambling is conducted in a fair and open way; and
• Protecting children and other vulnerable persons from being harmed or exploited by gambling.

Live Gambling: - gambling on a live game as it happens.

Lottery: - an arrangement which satisfies the statutory description of either a simple lottery or a complex lottery in Section 14 of the Act.

Lottery Tickets: - every lottery must have tickets for each chance
• Identifying the promoting society
• Stating the price of the ticket, which must be the same for all tickets
• Stating the name and address of the member of the society who is designated as having responsibility at the Society for the promotion of the lottery, or, if there is one, the external lottery manager; and
• Stating the date of the draw, or sufficient information to enable the date of the draw to be determined.

Mandatory Conditions: - conditions that must be attached to a Premises Licence, to a class of Premises Licence or licences for specified circumstances.

Members Club: - a club must have at least 25 members, be established and conducted 'wholly or mainly' for purposes other than gaming, be permanent in nature, not established to make commercial profit and controlled by its members equally.

Non-commercial event: - an event where all the money raised at the event, including entrance fees, goes entirely to purposes that are not for private gain.

Non-commercial society: - a society established and conducted for charitable purposes; for the purpose of enabling participation in, or of supporting, sport athletics or a cultural activity; or for any other non-commercial purpose other than that of private gain.

Occasional Use Notice: - a notice that may only be issued in respect of a track, that permits betting on a track without the need for a Premises Licence and which only the person responsible for administration of events on the track or the occupier of the track may issue.

Off Course Betting: - betting that takes place other than at a track, i.e. at a licensed betting shop.

Off Course Betting: - betting that takes place in self contained betting premises within the track premises providing facilities for off course betting, i.e. on other events, not just those taking place on the track. Normally operate only on race days.

On Course Betting: - betting that takes place on a track while races are taking place.

Operating Licence: - a licence issued by the Gambling Commission to permit individuals and companies to provide facilities for certain types of gambling, including remote or non remote gambling.

Permit: - an authorisation issued by the Licensing Authority to provide gambling facilities where the stakes and prizes are low or gambling is not the main function of the premises.
Personal Licence: - a licence issued by the Gambling Commission to individuals who control facilities for gambling or are able to influence the outcome of gambling.

Pool Betting (Tracks): - pool betting may only be offered at a horse racecourse by the Tote and at a dog track by the holder of the premises licence for the track.

Premises: - 'any place' including anything (other than a seaplane or amphibious vehicle) designed or adapted for use on water, a hovercraft or anything or any place situated on or in water. It is for the Licensing Authority to decide whether different parts of a building can be properly regarded as being separate premises.

Premises Licence: - a licence issued by the Licensing Authority to authorise the provision of gaming facilities on casino premises, bingo premises, betting premises, including tracks, adult gaming centres and family entertainment centres where an operator's licence and personal licence have been issued by the Gambling Commission. A licence is restricted to one premises only but one set of premises may have separate licences issued in respect of different parts of the building.

Private lottery: - there are three types of private lottery
• Private Society Lotteries – tickets may only be sold to members of the Society or persons who are on the premises of the Society
• Work Lotteries – the promoters and purchasers of tickets must all work on a single set of work premises
• Residents' Lotteries – promoted by, and tickets may only be sold to, people who live at the same set of premises

Prize Gaming: - gaming in which the nature and size of the prize is not determined by the number of players or the amount paid for or raised by the gaming, the prizes having been determined before play commences, e.g. bingo with non-cash prizes. (NB: bingo with cash prizes and that carried on in commercial bingo halls will need to be licensed by the Gambling Commission; prize gaming does not include gaming by use of gaming machines.)

Prize Gaming Permit: - a permit issued by the Licensing Authority to authorise the provision of facilities for gaming with prizes on specific premises.

Provisional Statement: - an application to the Licensing Authority in respect of premises that are
• Expected to be constructed
• Expected to be altered
• Expected to acquire a right to occupy

Relevant Representations: - representations that relate to the Gambling Licensing Objectives, the Gambling Commission's Guidance, the Codes of Practice.

Responsible Authorities: - public bodies for the area in which the premises are mainly or wholly situated
• Licensing Authority in whose area the premise is partly or wholly situated
• Chief Officer of Police
• Fire & Rescue Service
• Planning Authority
• Environmental Health (related to pollution and harm to human health)
• Body competent to advise on protection of children from harm, i.e. Children & Young Peoples' Service
• Authority in relation to vulnerable adults

• Navigation Authority whose statutory functions are in relation to waters where a vessel is usually moored or berthed
• Environment Agency
• British Waterways Board
• Maritime & Coastguard Agency
• HM Revenue & Customs
• Gambling Commission

Simple Lottery: - an arrangement where
• Persons are required to pay to participate in the arrangement
• In the course of the arrangement, one or more prizes are allocated to one or more members of a class and
• The prizes are allocated by a process which relies wholly on chance.

SWP: - a Skills-with-Prizes machine

Skills with Prizes machine: - a machine on which the winning of a prize is determined only by the player's skill and there is no element of chance. SWPs are unregulated.

Small Lottery: - where the total value of tickets in a single lottery is £20,000 or less and the aggregate value of the tickets in a calendar year is £250,000 or less.

Small Society Lottery: - a lottery promoted on behalf of a non-commercial society, i.e. lotteries intended to raise funds for good causes.

Small Operations: - independent on course betting operators with only one or two employees or a bookmaker running just one shop.

Statement of Principles: - matters the Licensing Authority may publish in the Statement of Licensing Principles that they intend to apply when considering an applicant's suitability in applications for permits for unlicensed family entertainment centres and prize gaming.

Temporary Use Notice: - a notice that may be issued in respect of a set of premises where there is no premises licence, but where a person or company holding an operating licence relevant to the proposed temporary use of premises wishes to use the premises temporarily for providing facilities for gambling.

Travelling Fair: - a fair that 'wholly or principally' provides amusements and must be on a site used for fairs for no more than 27 days per calendar year.

Vehicles: - includes trains, aircraft, sea planes and amphibious vehicles other than hovercraft.

Vessel: - anything (other than a seaplane or amphibious vehicle) designed or adapted for use on water; a hovercraft; or anything or part of any place situated on or in water.
Virtual Betting: - gambling by machine that takes bets on virtual races, i.e. images generated by computer to resemble races or other events.

Vulnerable Persons: - no set definition but likely to mean group to include people who gamble more than they want to, people who gamble beyond their means; people who may not be able to make informed or balanced decisions about gambling due to a mental impairment, alcohol or drugs.

Young Person: - an individual who is over 16 years of age but who is under 18 years of age.

Appendix F – Links to documents referenced

Gambling Commission guidance to Licensing Authorities (5th edition)

http://www.gamblingcommission.gov.uk/for-licensing-authorities/GLA/Guidance-to-licensing-authorities.aspx

Licence Conditions and Codes of Practice (LCCP)

http://www.gamblingcommission.gov.uk/PDF/LCCP/Licence-conditions-and-codes-of-practice-April-2018.pdf

Cambridge City Council Equality Impact Assessment (EqIA)

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

(a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;

(b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;

(c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

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

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

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

2. Webpage link to full details of the strategy, policy, plan, project, contract or major change to your service (if available)
Statement of gambling principles consultation - Cambridge City Council

3. What is the objective or purpose of your strategy, policy, plan, project, contract or major change to your service?
The statement must be reviewed and published every three years. The review has been to update the statement to make sure it is current and follows any new guidance issued since 2019. Only minimal changes have been made to the statement to reflect the updated guidance.

4. Responsible service
Environmental Services

5. Who will be affected by this strategy, policy, plan, project, contract or major change to your service? **(Please tick all that apply)**	☒ Residents ☒ Visitors ☒ Staff
Please state any specific client group or groups (e.g. City Council tenants, tourists, people who work in the city but do not live here): Click here to enter text.	

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

7. Are other departments or partners involved in delivering this strategy, policy, plan, project, contract or major change to your service? (Please tick)	☒ Yes ☐ No
If 'Yes' please provide details below: Responsible authorities play a part in delivering the assessment, these include the Police and Public Health. The proposed publishing of the Assessment has been sent to responsible authorities, those directly affected by the assessment and has been open to a public consultation. All responses received have been considered when producing the assessment.	

8. Has the report on your strategy, policy, plan, project, contract or major change to your service gone to Committee? If so, which one?
Is going to Licensing Committee on 31st January 2022.

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?
The policy has been subject to a 12 week public consultation. The consultation was advertised on the Cambridge City Council website, an advert appeared in Cambridge News and responsible authorities directly contacted (including the police and the local child safeguarding board). People could respond via email or in writing. No responses were received.

The Licensing Authority will continue to work in partnership with its neighbouring authorities, the police, other agencies, local liaison groups, businesses and individuals towards the achievement of the licensing objectives through good practice.

The policy recognises the Equality Act 2010, including s149 of the Act which is the Public Sector Equality Duty. The Equality Act 2010 places a legal obligation on public authorities to have due regard to the need to eliminate unlawful discrimination, harassment and victimisation; to advance equality of opportunity; and to foster good relations, between persons with different protected characteristics.

10. Potential impacts

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

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

One of the licensing objectives is protecting children and other vulnerable persons from being harmed or exploited by gambling (see pages 7 to 8 of the Statement of Principles for more information). The policy helps support this objective. The Local Safeguarding Children Board is a responsible authority and is recognised as being competent to advise on matters relating to the protection of children from harm.

During the review of the policy, they were consulted as a responsible authority and no response was received.

The safeguarding for children and vulnerable adults policy of Cambridge City Council will also be considered when determining licensing applications.

(b) Disability

We do not believe that the assessment will impact negatively on this target group. The assessment has been open to a public consultation and no responses have been received in regards to the assessment impacting on those with a disability.

The Licensing Authority will have regard to equality and will expect an applicant to meet their statutory obligations in this area and not unlawfully discriminate or refuse service on grounds of disability.

(c) Gender reassignment
We do not believe that the assessment will have an impact on this target group. The assessment has been open to a public consultation and no responses have been received in regards to the assessment impacting on gender. The Licensing Authority will have regard to equality and will expect an applicant to meet their statutory obligations in this area and not unlawfully discriminate or refuse service on grounds of gender.

(d) Marriage and civil partnership
We do not believe that the assessment will impact negatively on this target group. The assessment has been open to a public consultation and no responses have been received in regards to the assessment impacting on marriage or civil partnership.

(e) Pregnancy and maternity
We do not believe that the assessment will impact negatively on this target group. The assessment has been open to a public consultation and no responses have been received in regards to the assessment impacting on pregnancy or maternity.

(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.

We do not believe that the assessment will impact negatively on this target group. The assessment has been open to a public consultation and no responses have been received in regards to the assessment impacting on race.

The Licensing Authority will have regard to equality and will expect an applicant to meet their statutory obligations in this area and not unlawfully discriminate or refuse service on grounds of race

(g) Religion or belief

We do not believe that the policy will impact negatively on this target group. The policy has been open to a public consultation and no responses have been received in regards to the policy impacting on religion.The Licensing Authority will have regard to equality and will expect an applicant to meet their statutory obligations in this area and not unlawfully discriminate or refuse service on grounds of religion.

(h) Sex

We do not believe that the assessment will impact negatively on this target group. The assessment has been open to a public consultation and no responses have been received in regards to the assessment impacting on gender.

The Licensing Authority will have regard to equality and will expect an applicant to meet their statutory obligations in this area and not unlawfully discriminate or refuse service on grounds of gender.

(i) Sexual orientation
We do not believe that the assessment will impact negatively on this target group. The assessment has been open to a public consultation and no responses have been received in regards to the assessment impacting on sexual orientation. The Licensing Authority will have regard to equality and will expect an applicant to meet their statutory obligations in this area and not unlawfully discriminate or refuse service on grounds of sexual orientation.

(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
The policy will have no impact on any other factors that may lead to inequality. One of the licensing objectives in regards to gambling is protecting children and other vulnerable persons from being harmed or exploited by gambling.

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.)
The assessment will be kept under review and will remain in existence for a period of up to 3 years. It will be subject to review and further consultation before January 2025 or as required by changes in law or other policies.

12. Do you have any additional comments?

The licensing objectives also include preventing gambling from being a source of crime or disorder, being associated with crime or disorder or being used to support crime and ensuring that gambling is conducted in a fair and open way.

As a means of assisting Licensing Authorities in determining whether the provision of gambling facilities at premises will be, and will remain, consistent with the licensing objectives, the Gambling Commission request that premises licence holders should have policies and procedures in place to mitigate the local risks to the licensing objectives arising from the provision of gambling at their premises.

Following the Gambling Commission's review of the social responsibility elements of the Licence Conditions and Codes of Practice (LCCP), the Commission have introduced a social responsibility code (SR code 10.1.1) which requires all premises licensees to assess the local risks to the licensing objectives posed by the provision of gambling facilities at each of their premises, and have policies, procedures and control measures to mitigate these risks. In undertaking their risk assessments, they must take into account relevant matters identified in the licensing authority's statement of policy.

The new SR provision is supplemented by an ordinary code provision that requires licensees to share their risk assessment with licensing authorities when applying for a premises licence or applying for a variation to existing licensed premises, or otherwise at the request of the licensing authority, such as when they are inspecting a premises.

Cambridge City Council has a Local Area Profile that licensees should consider when undertaking their local area risk assessments. The Local Area Profile can be found at the following link:

https://www.cambridge.gov.uk/gambling-licensing-overview

13. Sign off

Name and job title of lead officer for this equality impact assessment: Luke Catchpole, Senior Technical Officer

Names and job titles of other assessment team members and people consulted: Gemma Tilley, Team Manager (Commercial & Licensing)

Date of EqIA sign off: 17th January 2022

Date of next review of the equalities impact assessment: January 2025

Date to be published on Cambridge City Council website: February 2022

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

Send form

CIVIC AFFAIRS

2 February 2022
5.30 - 7.26 pm

Present: Councillors Sargeant (Chair), Davey (Vice-Chair), Dalzell, Dryden Gehring and Moore

FOR ADOPTION BY THE COUNCIL

22/7/Civ Appointing Person: Arrangement for the Appointment of the External Auditor

The Committee received a report from the Head of Finance / Section 151 Officer regarding the options available to the council regarding the adoption of an appointing person arrangement for the appointment of an external auditor to the council for the years 2023/24 to 2027/28.

Resolved (unanimously) to recommend to Council:

i. To agree the Public Sector Audit Appointments Ltd (PSAA) as the appointing person for the council.

ii. To delegate acceptance of the invitation to the Head of Finance, as the council's Section 151 Officer.

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APPOINTING PERSON ARRANGEMENTS FOR THE APPOINTMENT OF THE EXTERNAL AUDITOR

To:
Civic Affairs Committee [02/02/2022]

Report by:
Caroline Ryba, Head of Finance and Section 151 Officer
Tel: 01223 - 458134 Email: Caroline.Ryba@cambridge.gov.uk

Wards affected:
All

1. Introduction / Executive Summary

1.1. This report sets out the options available to the council regarding the adoption of an appointing person arrangement for the appointment of an external auditor to the council for the years 2023/24 to 2027/28.

2. Recommendations

2.1. To recommend to Council the adoption of Public Sector Audit Appointments Ltd (PSAA) as the appointing person for the council.
2.2. To delegate acceptance of the invitation to the Head of Finance, as the council's Section 151 Officer.

3. Background

3.1. The council opted into the 'appointing person' national auditor appointment arrangements established by Public Sector Audit Appointments (PSAA) for the period covering the accounts for 2018/19 to 2022/23. The current auditor appointment arrangements, therefore, cover the period up to and including the audit of the 2022/23 accounts. PSAA is now undertaking a procurement for the next appointing period, covering audits for 2023/24 to 2027/28. It issued an invitation to all councils to opt into the national scheme for auditor appointments on 22 September 2021, with responses required by 11 March 2022. Councils have options to arrange their own procurement and make the appointment themselves or in conjunction with other bodies, or they can

join and take advantage of the national collective scheme administered by PSAA.

4. Option for the Appointing Person Arrangement

4.1 The Local Audit and Accountability Act 2014 sets out how local auditors should be appointed. There are three ways for a principal local government body to appoint its auditor for the five financial years from 2023/24, namely:

- To undertake an individual auditor procurement and appointment exercise;
- To undertake a joint audit procurement and appointing exercise with other bodies, those in the same locality for example; or
- To join PSAA's sector led national scheme. As a specified person under the Act, the PSAA's role is governed by the Local Audit (Appointing Person) Regulations 2015.

4.2. All of the above options require a local auditor to be appointed not later than 31 December in the financial year preceding the financial year of the accounts to be audited. So for the audit of the accounts of the 2023/24 financial year, there must be a local auditor appointed by 31 December 2022

5. The Appointed Auditor

5.1 The auditor appointed at the end of the procurement process will undertake the statutory audit of accounts and Best Value assessment of the council in each financial year, in accordance with all relevant codes of practice and guidance. The appointed auditor is also responsible for investigating questions raised by electors and has powers and responsibilities in relation to Public Interest Reports and statutory recommendations.

5.2. The auditor must act independently of the council and the main purpose of the procurement legislation is to ensure that the appointed auditor is sufficiently qualified and independent.

5.3. The auditor must be registered to undertake local audits by the Financial Reporting Council (FRC) and employ authorised Key Audit Partners to oversee the work. As the report below sets out there is a currently a shortage of registered firms and Key Audit Partners.

5.4. Auditors are regulated by the FRC, which will be replaced by a new body with wider powers, the Audit, Reporting and Governance Authority (ARGA) during the course of the next audit contract.

5.5. Councils therefore have very limited influence over the nature of the audit services they are procuring, the nature and quality of which are determined or overseen by third parties

6. Appointment by the council or jointly

6.1. The council may elect to appoint its own external auditor under the Act, which would require the council to:

- Establish an independent auditor panel to make a stand-alone appointment. The auditor panel would need to be set up by the council itself and the members of the panel must be wholly or a majority of independent members as defined by the Act. Independent members for this purpose are independent appointees, excluding current and former elected members (or officers) and their close families and friends. This means that elected members will not have a majority input to assessing bids and choosing to which audit firm to award a contract for the council's external audit.
- Manage the contract for its duration, overseen by the auditor panel.

6.2. Alternatively, the Act enables the council to join with other authorities to establish a joint auditor panel. Again, this will need to be constituted of wholly or a majority of independent appointees. Further legal advice would be required on the exact constitution of such a panel having regard to the obligations of each council under the Act and the council would need to liaise with other local authorities to assess the appetite for such an arrangement.

7. The national auditor appointment scheme

7.1. PSAA is specified as the 'appointing person' for principal local government under the provisions of the Act and the Local Audit (Appointing Person) Regulations 2015. PSAA let five-year audit services contracts in 2017 for the first appointing period, covering audits of the accounts from 2018/19 to 2022/23. It is now undertaking the work needed to invite eligible bodies to opt in for the next appointing period, from the 2023/24 audit onwards, and to complete a procurement for audit services. PSAA is a not-for-profit organisation whose costs are

around 4% of the scheme with any surplus distributed back to scheme members.

7.2. In summary the national opt-in scheme provides the following:

- the appointment of a suitably qualified audit firm to conduct audits for each of the five financial years commencing 1 April 2023;
- appointing the same auditor to other opted-in bodies that are involved in formal collaboration or joint working initiatives to the extent this is possible with other constraints;
- managing the procurement process to ensure both quality and price criteria are satisfied. PSAA has sought views from the sector to help inform its detailed procurement strategy;
- ensuring suitable independence of the auditors from the bodies they audit and managing any potential conflicts as they arise during the appointment period;
- minimising the scheme management costs and returning any surpluses to scheme members;
- consulting with authorities on auditor appointments, giving the council the opportunity to influence which auditor is appointed;
- consulting with authorities on the scale of audit fees and ensuring these reflect scale, complexity, and audit risk; and
- ongoing contract and performance management of the contracts once these have been let.

8. Pressures in the current local audit market and delays in issuing opinions

8.1. Much has changed in the local audit market since audit contracts were last awarded in 2017. At that time the audit market was relatively stable, there had been few changes in audit requirements, and local audit fees had been reducing over a long period. 98% of those bodies eligible opted into the national scheme and attracted very competitive bids from audit firms. The resulting audit contracts took effect from 1 April 2018.

8.2. During 2018 a series of financial crises and failures in the private sector led to questioning about the role of auditors and the focus and value of their work. Four independent reviews were commissioned by Government: Sir John Kingman's review of the Financial Reporting Council (FRC), the audit regulator; the Competition and Markets Authority review of the audit market; Sir Donald Brydon's review of the quality and effectiveness of audit; and Sir Tony Redmond's review of local authority financial reporting and external audit. The recommendations are now under consideration by Government, with the clear implication that significant reforms will follow. A new audit regulator (ARGA) is to be established, and arrangements for system leadership in local audit are to be introduced. Further change will follow as other recommendations are implemented.

8.3. The Kingman review has led to an urgent drive for the FRC to deliver rapid, measurable improvements in audit quality. This has created a major pressure for audit firms to ensure full compliance with regulatory requirements and expectations in every audit they undertake. By the time firms were conducting 2018/19 local audits during 2019, the measures they were putting in place to respond to a more focused regulator were clearly visible. To deliver the necessary improvements in audit quality, firms were requiring their audit teams to undertake additional work to gain deeper levels of assurance. However, additional work requires more time, posing a threat to the firms' ability to complete all their audits by the target date for publication of audited accounts. Delayed opinions are not the only consequence of the FRC's drive to improve audit quality. Additional audit work must also be paid for. As a result, many more fee variation claims have been needed than in prior years.

8.4. This situation has been accentuated by growing auditor recruitment and retention challenges, the complexity of local government financial statements and increasing levels of technical challenges as bodies explore innovative ways of developing new or enhanced income streams to help fund services for local people. These challenges have increased in subsequent audit years, with Covid-19 creating further significant pressure for finance and audit teams.

8.5. None of these problems is unique to local government audit. Similar challenges have played out in other sectors, where increased fees and disappointing responses to tender invitations have been experienced during the past two years.

9. The invitation

9.1. PSAA is now inviting the council to opt in for the second appointing period, for 2023/24 to 2027/28, along with all other eligible authorities. Based on the level of opt-ins it will enter into contracts with appropriately qualified audit firms and appoint a suitable firm to be the council's auditor.

10. The next audit procurement

10.1. The prices submitted by bidders through the procurement will be the key determinant of the value of audit fees paid by opted-in bodies. PSAA will

- seek to encourage realistic fee levels and to benefit from the economies of scale associated with procuring on behalf of a significant number of bodies;
- continue to pool scheme costs and charge fees to opted-in bodies in accordance with the published fee scale as amended following consultations with scheme members and other interested parties (pooling means that everyone within the scheme will benefit from the prices secured via a competitive procurement process – a key tenet of the national collective scheme);
- continue to minimise its own costs, around 4% of scheme costs, and as a not-for-profit company will return any surplus funds to scheme members. In 2019 it returned a total £3.5million to relevant bodies and in 2021 a further £5.6million was returned.

10.2. PSAA will seek to encourage market sustainability in its procurement. Firms will be able to bid for a variety of differently sized contracts so that they can match their available resources and risk appetite to the contract for which they bid. They will be required to meet appropriate quality standards and to reflect realistic market prices in their tenders, informed by the scale fees and the supporting information provided about each audit. Where regulatory changes are in train which affect the amount of audit work suppliers must undertake, firms will be informed as to which developments should be priced into their bids.

10.3. The scope of a local audit is fixed. It is determined by the Code of Audit Practice (currently published by the National Audit Office) , the format of the financial statements (specified by CIPFA/LASAAC) and the application of auditing standards regulated by the FRC. These factors apply to all local audits irrespective of whether an eligible body decides

to opt into PSAA's national scheme or chooses to make its own separate arrangements. The requirements are mandatory; they shape the work auditors undertake and have a bearing on the actual fees required.

10.4. There are currently nine audit providers eligible to audit local authorities and other relevant bodies under local audit legislation. This means that a local procurement exercise would seek tenders from the same firms as the national procurement exercise, subject to the need to manage any local independence issues. Local firms cannot be invited to bid. Local procurements must deliver the same audit scope and requirements as a national procurement, reflecting the auditor's statutory responsibilities.

11. Assessment of options and officer recommendation

11.1 If the council did not opt in there would be a need to establish an independent auditor panel to make a stand-alone appointment, as outlined in 6.1 above. This means that elected members would not have a majority input to assessing bids and choosing to which audit firm to award a contract for the council's external audit.

11.2 Alternatively, the Act enables the council to join with other authorities to establish a joint auditor panel, see 6.2 above.

11.3 These would be more resource-intensive processes to implement for the council, and without the bulk buying power of the sector-led procurement would be likely to result in a more costly service. It would also be more difficult to manage quality and independence requirements through a local appointment process. The council is unable to influence the scope of the audit and the regulatory regime inhibits the council's ability to affect quality.

11.4 The council and its auditor panel would need to maintain ongoing oversight of the contract. Local contract management cannot, however, influence the scope or delivery of an audit.

11.5. The national offer provides the appointment of an independent auditor with limited administrative cost to the council. By joining the scheme, the council would be acting with other councils to optimise the opportunity to influence the market that a national procurement provides.

11.6 The principal risks are that the council:

- fails to appoint an auditor in accordance with the requirements and timing specified in local audit legislation; or
- does not achieve value for money in the appointment process.
- These risks are considered best mitigated by opting into the sector-led approach through PSAA.

11.7. The recommended approach is therefore to opt into the national auditor appointment scheme.

12. The way forward

12.1 PSAA will commence the formal procurement process in early February 2022. It expects to award contracts in August 2022 and will then consult with authorities on the appointment of auditors so that it can make appointments by the statutory deadline of 31 December 2022.

13. Implications

a) Financial Implications

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There is a risk that current external audit fee levels could increase when the current contracts end. It is clear that the scope of audit has increased, requiring more audit work. There are also concerns about capacity and sustainability in the local audit market.

Opting into a national scheme provides maximum opportunity to ensure fees are as realistic as possible, while ensuring the quality of audit is maintained, by entering into a large scale collective procurement arrangement.

If the national scheme is not used some additional resource may be needed to establish an auditor panel and conduct a local procurement. Until a procurement exercise is completed it is not possible to state what, if any, additional resource may be required for audit fees from 2023/24.

b) Staffing Implications

None

c) Equality and Poverty Implications

There are no equality and poverty implications.

d) Net Zero Carbon, Climate Change and Environmental Implications
None

e) Procurement Implications
Acceptance of the PSAA opt-in invitation will avoid the need to undertake a procurement exercise, while ensuring that the council's obligations are met

f) Community Safety Implications
None.

14. Consultation and communication considerations

None.

15. Background papers

Invitation to opt into the national scheme for auditor appointments from April 2023.

16. Appendices

None.

17. Inspection of papers

To inspect the background papers or if you have a query on the report please contact Caroline Ryba, Head of Finance and Section 151 Officer, tel: 01223 - 458134, email: caroline.ryba@cambridge.gov.uk.

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CIVIC AFFAIRS

2 February 2022
5.30 - 7.26 pm

Present: Councillors Sargeant (Chair), Davey (Vice-Chair), Dalzell, Dryden, Gehring and Moore

FOR ADOPTION BY THE COUNCIL

22/8/Civ – Draft Pay Policy Statement

The Committee received a report from the Head of Human Resources. The report set out a draft pay policy statement as required under the Localism Act. The Localism Act requires the Council to have considered, approved and published a pay policy statement for each financial year. This must be approved by Full Council and be in place by 31st March each year.

Resolved (unanimously) to recommend to Council:

i. To approve the draft Pay Policy Statement 2022/23 attached as Appendix 1 of the Officer's report.
ii. To delegate authority to the Head of Human Resources to update the Pay Policy Statement 2022/23 should a chief executive and/or chief officer and/or NJC pay award be agreed.

The Committee also agreed:

iii. Unanimously - To note the update on the review of senior officer salaries which was scheduled for late 2021 and has now been moved until 2022 due to the delay in the national pay award settlement for 2021 and the forthcoming review of the senior management structure.
iv. By 4 votes to 2 - For director performance reviews to be undertaken by the Chief Executive, as outlined in Section 5 of the officer's report.
v. By 4 votes to 2 - For chief executive performance reviews to be undertaken by the Leader, as outlined in Section 5 of the officer's report.

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Draft Pay Policy Statement 2022/23

To:
Civic Affairs 2 February 2022

Report by:
Deborah Simpson, Head of Human Resources
Tel: 01223 458101 Email: deborah.simpson@cambridge.gov.uk

Wards affected:
All

Open

1. Introduction

1.1 This report sets out a draft pay policy statement as required under the Localism Act. The Localism Act requires the Council to have considered, approved and published a pay policy statement for each financial year. This must be approved by Full Council and be in place by 31st March each year.

1.2 The pay policy statement covers posts designated 'chief officer'. For Cambridge City Council this includes the chief executive, directors and heads of service. The areas to be covered in the statement are: salary, expenses, bonuses, performance-related pay, severance payments, how election fees are paid and the pay policy on re-engagement of ex-employees. The Localism Act also requires the statement to define the lowest paid employees and the ratio to the highest earning employee.

1.3 This report presents the Council's Pay Policy Statement 2022/23 for consideration by Civic Affairs and Council.

2. Recommendations

The Civic Affairs Committee is asked to:

2.1 Consider and recommend to Council the draft Pay Policy Statement 2022/2023 attached as Appendix 1.

2.2 Note the update on the review of senior officer salaries which was scheduled for late 2021 and has now been moved until 2022 due to the delay in the national pay award settlement for 2021 and the forthcoming review of the senior management structure.

2.3 Consider and recommend the proposal for director performance reviews to be undertaken by the Chief Executive, as outlined in Section 5.

2.4 Consider and recommend the proposal for chief executive performance reviews to be undertaken by the Leader, as outlined in Section 5.

2.5 To recommend to Council to delegate authority to the Head of Human Resources to update the Pay Policy Statement 2022/23 should a chief executive and/or chief officer and/or NJC pay award be agreed.

3. Background

National Pay Awards

3.1 Pay awards are nationally determined in accordance with the Joint Negotiating Committee (JNC) for Chief Executives, the Joint Negotiating Committee (JNC) for Chief Officers and the National Joint Council for Local Government Services (NJC) for staff on Bands 1-11.

3.2 There has been no agreement to date on national pay awards for chief executives or chief officers (directors and heads of service grade) or employees covered by the NJC (Bands 1-11) with effect from 1 April 2021.

3.3 There is currently a national pay dispute in relation to the 2021/22 annual pay award. An offer of 1.75% was made for NJC staff and 1.5% for chief executives and chief officers. These offers have been rejected and there have recently been ballots taking place concerning potential for industrial action by Unison, Unite and GMB.

3.4 It is currently expected that the national pay award will not be settled before 31 March 2022 and that there will be backdating of any agreement to 1 April 2021.

3.5 There will be an oral update on the current national pay situation at the Civic Affairs meeting.

3.6 The Pay Policy Statement will need to be updated if any nationally agreed pay awards are implemented. It is recommended that the Head of HR be given delegated authority to update the pay policy as necessary.

4. Senior Officer Pay Review

4.1 The Council has an agreement that senior officer pay scales will be reviewed every three years in line with the current market median level pay, this includes chief executive, director and heads of service salaries.

4.2 The last review was undertaken in 2019 and the outcome was reported in the 2020 Pay Policy Statement. The outcome of the review was that the current pay levels for the posts of chief executive, director and heads of service would remain unchanged at that time, but a further review of the chief executive pay level would take place in 2020, following recruitment to the post of Chief Executive.

4.3 The review of the chief executive level salary was moved to late 2021 following the recruitment process having only concluded in December 2020 and the 2022 scheduled three-year review of senior officer pay was to be brought forward into 2021 to coincide with this review.

4.4 There has not been a national pay award with effect from 1 April 2021 and there is now a national pay dispute. In the current circumstances it is unlikely than any award will be agreed before 31 March 2022. Pay points within these grades are subject to any nationally agreed pay awards and would increase in line with any nationally agreed percentage.

4.5 The Council is embarking on an ambitious transformation programme, Our Cambridge, which will include a review of the senior management structure. It is expected that proposals for a revised senior management structure will be made during 2022. This review could include proposed changes to the pay structure and therefore it is prudent to delay the proposed senior pay review which is based on the current structure.

4.6 It is therefore proposed to wait until the current national pay disputes have concluded and proposals for the senior management structure are determined. The review of senior salaries will now be moved to 2022.

5. Chief Executive and Director Performance Review

5.1 All council officers take part in an annual performance review assessment of performance against objectives and the council's competencies. There is also a mid-year review. For all staff except the Chief Executive and Directors this review is undertaken by the line manager and the employee.

5.2 For the Chief Executive and Directors this annual assessment of performance is undertaken by the Chief Officer Performance Review Working Party, appointed by Civic Affairs to carry out annual appraisals of Chief Officers (defined as the Chief Executive and Directors). This is a working party and not a committee and currently comprises 6 Councillors.

5.3 Discussions have taken place with the former Leader, new Leader, Executive Councillor for Finance and Resources and Chief Executive about reviewing the arrangements for Director and Chief Executive performance review.

5.4 It is proposed that in future the performance of the Directors would be assessed by the Chief Executive. The proposal includes that the Chief Executive will consult with Group Leaders and relevant Executive Councillors and will undertake a form of 360 degree consultation with external partners, peers and direct reports in order to give a range of feedback to inform the discussions with the Director.

5.5 The Chief Executive's performance could be assessed in a similar way, with a facilitated review meeting with the Leader, consultation with Group Leaders and a form of 360 consultation with external partners, peers and direct reports to give a range of feedback. It is proposed that there would be a Facilitator to assist with gathering feedback and facilitating the review meeting.

5.6 It is proposed that the revised process be implemented for the two Director posts and Chief Executive for the 2022/23 performance reviews.

6.Implications

a) Financial Implications

The Council has made budget provision in the Medium-Term Financial Strategy for 2.5% pay inflation in 2021/22 and 2.0% for 2022/23.

Any costs associated with facilitation of the Chief Executive performance review will be met from existing budgets.

b) Staffing Implications

This report relates to the pay, terms and conditions of staff.

c) Equality and Poverty Implications

An equality impact assessment has not been undertaken for this report. Equality information by grade is reported annually to the Equalities Panel and is available on the Council's website.

d) Net Zero Carbon, Climate Change and Environmental Implications

The proposals in this report have no climate change impact.

e) Procurement Implications

The Living Wage Policy as it relates to contractors is included in the Pay Policy Statement.

f) Community Safety Implications

This report relates to the pay, terms and conditions of staff and does not impact directly on community safety matters.

7.Consultation and communication considerations

7.1 The Chief Executive, Directors, Head of Legal Practice, Head of Finance, Payroll Manager, Democratic Services Manager and Equality and Anti-Poverty Officer have been consulted on this report and the attached draft Pay Policy Statement.

7.2 This pay policy statement once approved by Full Council will be published on the Council's website. The Pay Policy Statement will be updated following any agreed national pay award changes which affect the council's pay scales.

8. Background papers

Background papers used in the preparation of this report:

- Pay Policy Statement 2021/22
- City Council Pay scales
- Constitution – Chief Officer Performance Review Working Party

9. Appendices

Appendix 1- Pay Policy Statement 2022/23.

10. Inspection of papers

To inspect the background papers or if you have a query on the report please contact: Deborah Simpson, Head of Human Resources, Tel: 01223 458101, email: Deborah.Simpson@cambridge.gov.uk.

Appendix 1

Pay Policy Statement 2022/23

Scope

This pay policy statement covers the posts of the chief executive, directors and heads of service.

The Council is an accredited Real Living Wage Employer and this statement incorporates the Council's policy on the Real Living Wage. This statement also incorporates the Cambridge Weighting which is paid as a pay supplement to bring the minimum council pay rate to £10.00 per hour.

The Council has a number of apprenticeship opportunities and there is a statement relating to apprenticeships.

Salary

The salary scales for the chief executive, directors and heads of service, following the nationally agreed pay award with effect from 1 April 2020, are shown below. There have been no nationally agreed pay awards with effect from 1 April 2021.

Progression through the pay band (a four-point scale) is subject to a range of criteria that are currently assessed via the annual performance review.

Post	Point 1	Point 2	Point 3	Point 4
Chief Executive	£118,470	£123,502	£128,526	£133,588
Director	£91,388	£94,998	£98,602	£102,212
Head of Service	£70,942	£73,357	£75,737	£78,154

Review of Salary levels

The Council has an agreement that senior officer pay scales will be reviewed every three years in line with current median level pay. A review of senior officer salaries was undertaken in 2019 and the outcome of the review was that the current pay levels for the posts of Chief Executive, Director and Heads of Service would remain unchanged at that time but a further review of the Chief Executive pay level would take place in 2020 following recruitment to the post of Chief Executive.

The recruitment process for the post of Chief Executive concluded in December 2020 and so the review was rescheduled to late 2021. The 2022 scheduled three-year review of senior officer pay was to be brought forward into 2021 to coincide with this review.

Pay points within these grades are subject to any nationally agreed pay awards with effect from 1 April 2021 and would increase in line with any nationally agreed percentage.

The Council is embarking on an ambitious transformation programme, Our Cambridge, which will include a review of the senior management structure. It is expected that proposals for a revised senior management structure will be made during 2022. This review could include proposed changes to the pay structure and therefore it is prudent to delay the proposed senior pay review which is based on the current structure.

It is therefore proposed to wait until the current national pay disputes have concluded and proposals for the senior management structure are determined. The review of senior salaries will now be moved to 2022.

Pay Awards

Pay awards are nationally determined in accordance with the Joint Negotiating Committee (JNC) for Chief Executives and the Joint Negotiating Committee (JNC) for Chief Officers.

At the time of drafting this pay policy there have been no pay awards with effect from April 2021.

Terms and Conditions of Employment

The terms and conditions of employment for the chief executive, directors and heads of service within the scope of this pay policy statement are determined in accordance with collective agreements, negotiated from time to time, by the JNC for Chief Executives and the JNC for Chief Officers, as set out in the Scheme of Conditions of Service. These are supplemented by local collective agreements reached with trade unions recognised by the Council and by the rules of the Council.

Remuneration on Recruitment

Recruitment to the posts of chief executive and director is undertaken by a committee of Councillors appointed by Council. In the case of the chief executive, the appointment is made by Full Council, following a recommendation from the Employment (Senior Officer) Committee. Recruitment to posts of director is subject to notification to Executive Councillors before a job offer can be made. The salary on recruitment will be within the current salary range for these posts at that time.

Recruitment to posts of head of service is undertaken by the chief executive or a director. The salary on recruitment will be within the current salary range for these posts at that time.

There are occasions when the salary determined by the grading for a post results in an inability to successfully recruit to or retain staff in particular posts or specific occupational areas due to fluctuations in the labour market supply. These recruitment and retention problems can affect ability to deliver services. In such cases it may be appropriate to pay a market supplement in addition to the salary where there is evidence to justify that market factors are the “material reason” for the post attracting a higher rate of pay than other posts graded similarly. Any additional market supplement will be made in accordance with the Market Pay Policy.

There may be occasions when due to recruitment and retention difficulties within a specific service area or role, it may be more appropriate to use a recruitment and retention package approach than a market supplement. Such an approach offers a fixed lump sum

payment for new appointments or to the staff in identified roles at a given date. The payment is tied to a defined retention period (usually two years) and must be repaid in full if the person leaves the employment of the Council within the designated period. The aim of this approach is to recruit new staff and retain existing staff where there is evidence of both types of difficulty and a market supplement approach is assessed as less effective.

Rules governing the recruitment of the chief executive, directors and heads of service are set out in the council's constitution in section; Part 4i, Officer Employment Procedure Rules.

Bonuses

There are no bonus arrangements payable to the chief executive, directors or heads of service.

Performance Related Pay

Performance and progression through the pay band is assessed annually in line with the Council's performance review schemes. For the chief executive and directors, performance is assessed by a panel of Councillors, the Chief Officer Performance Review Working Party. For heads of service, performance is assessed by their director.

It is proposed that with effect from 2022, the performance review for directors will be undertaken by the Chief Executive and for the Chief Executive by the Leader.

There is no performance related pay scheme outside of the performance review scheme, which determines the salary point of an officer, within the salary scale set out above.

Salaries over £100,000

The posts of chief executive and director have salary ranges which include pay points of over £100,000.

Publication of salary data

Salary data for the chief executive, directors and heads of service is published on the council's website, in Open Data, Transparency in local government, senior salaries.

This pay policy statement once approved by Full Council will be published on the Councils website.

Expenses

The expenses which may be payable to the chief executive, a director or head of service include:

- car/bicycle/motorcycle allowances at HMRC rates
- re-imbursement of travel and subsistence
- one professional subscription per annum
- payments under the eye-sight tests scheme
- relocation assistance in accordance with the Relocation Scheme

Severance Payments

Severance payments are made in accordance with the council's employment policies and are the same for all staff.

Employees with more than two years' service will be entitled to redundancy pay in line with local government guidelines and statutory provisions. Redundant employees may receive the following elements in their final pay:

- Normal pay up to the agreed leaving date
- Where applicable, payment in lieu of outstanding notice
- Severance payment (where entitled).

Under the council's redundancy scheme a weeks pay will be calculated on the basis of actual weekly pay. Cambridge City Council will not apply the statutory weeks pay definition.

Once an employee is in receipt of early payment of pension benefits, if their total pay and pension benefits together (if reemployed by another employer covered by the Local Government Modification order) exceeds their salary as at the leaving date, the difference may be claimed back from pension payments.

An employee will lose their entitlement to redundancy pay if they take up a post with another body covered by the Redundancy Payments (Local Government) (Modification) (Amendment) Orders within 4 weeks of the date of the redundancy and the offer of the new job has been made before the end of the original contract.

Any proposals with a salary or severance package with a total value over £100k will be reported by the Employment (Senior Officer) Committee to Full Council for decision.

The chief executive, monitoring officer and chief finance officer can only be dismissed by the Full Council. All other directors and heads of service can only be dismissed in accordance with the Councils constitution, Part 4i, Officer Employment Procedure Rules.

Pension and Pension Enhancements

The employees within the scope of this pay policy are entitled to and receive pension contributions under the Local Government Pension Scheme (LGPS). This is a contributory scheme and they currently contribute between 9.9% and 11.4% of their pensionable pay to the scheme.

The employer contribution rate is currently 17.4% i.e. the council contributes 17.4% of pensionable pay to the pension of a member of staff within the pension scheme. The rate of 17.4% is the same for all staff. The rate is reviewed every 3 years following a valuation of the fund by the appointed actuaries. A review was undertaken in 2019, with the outcome effective for 2020/21.

The Council's discretions on enhancement of pension are set out in the Pensions Discretion Statement 2019. This policy was approved by the Civic Affairs Committee on the 30 January 2019. The policy is reviewed every 3 years and/or in line with changes to

the Local Government Pension Scheme (LGPS) as advised by the Local Government Pensions Committee (LGPC) and the Administering Authority (Cambridgeshire County Council).

It was anticipated that there would be changes to the LGPS following consultation on proposed changes in 2020 and 2021. However, no changes have yet been implemented. These proposals were also associated with the introduction in November 2020 and subsequent removal in February 2021 of the Exit Cap provisions. The pensions discretions were to be reviewed in line with the proposed changes to the LGPS which have not yet been introduced.

There is no current update on proposals to re-introduce the Exit Cap provisions following a further consultation on Special Severance Payments which closed in August 2021 or any changes to the LGPS. The next review of the Pensions Discretion Statement will now take place in 2022.

Pay Ratios, Real Living Wage, Cambridge Weighting and Apprenticeships

Set out below are the Council's pay arrangements with regard to the Real Living Wage, the Cambridge Weighting, apprenticeships, and the highest paid council staff.

The table below shows a number of pay ratios.

The Council does not have a policy on maintaining or reaching a specific pay ratio between the lowest and highest paid staff.

- **Apprentices**

The Council has engaged a number of apprentices in apprenticeship roles where these roles provide development opportunities and do not replace existing posts. They are outside of the Real Living Wage and Cambridge Weighting policies and where we pay apprentices in line with the National Living Wage/Minimum Wage Rates in their first year of apprenticeship.

The current lowest rate for an apprentice is £8.91 and this pay rate has been used in the ratios.

The Council also offer apprenticeships to current employees who are paid in accordance with their existing pay arrangements during the apprenticeship.

- **Lowest paid staff**

The lowest paid staff within the Council's pay structure are on Band 1. We have chosen staff employed on Band 1 as our definition of the 'lowest paid' for the purposes of this policy. The current lowest pay point is £18,198 (£9.43 per hour)

Cambridge City Council is an accredited Real Living Wage employer and also pays a Cambridge Weighting supplement. This means that the minimum pay level for staff is £10.00 per hour, equivalent to £19,294.

The terms and conditions of employment for Band 1 staff are in accordance with collective agreements, negotiated from time to time, by the National Joint Council for

Local Government Services, as set out in the Scheme of Conditions of Service (commonly known as the Green Book). These are supplemented by local collective agreements reached with trade unions recognised by the Council and by the rules of the Council.

Pay policies which apply to Band 1 employees include:

- car/bicycle/motorcycle mileage at HMRC rates
- re-imbursement for travel and subsistence
- overtime/enhanced rates
- standby and callout arrangements
- one professional subscription per annum
- payments under the eye-sight tests scheme
- Travel scheme (where applicable)

- **Median average of employees**

The current median average salary is £32,234.

- **Real Living Wage**

The Council is accredited with the Living Wage Foundation which means it has adopted a Real Living Wage policy for staff, agency workers and contractors engaged through the Council's Procurement processes.

The implementation date for Real Living Wage increases is November for staff engaged on city council terms and conditions of employment. Following changes to roles within Cultural Services we have now removed the later April implementation date which applied to former Cambridge Live terms and conditions. With effect from November 2021 the Real Living Wage has increased to £9.90 per hour.

The Council will pay the Real Living Wage rate for staff engaged on city council pay rates by way of a supplement to pay rates.

The Council will pay the minimum of the relevant Real Living Wage rate to agency workers after 4 weeks of their engagement with the City Council.

The Council will require contractors engaged through the Council's procurement processes to pay at least the Real Living Wage to all their staff who work on the Council's premises (or land maintained by the Council) for two or more hours on any day of the week for eight or more consecutive weeks. The only contracts that will be excluded from the requirement to pay the Real Living Wage are:

- contracts where it would be unlawful to require the payment of the Real Living Wage
- contracts where, following evaluation, it is considered inappropriate to impose the requirement.

- **Cambridge Weighting**

The Council implemented a Cambridge Weighting with effect from 1 April 2018, paid to employees on city council terms and conditions of employment and related agency

workers earning less than £10.00 per hour. From April 2020 this rate was also applied to employees on Cambridge Live terms and conditions of employment and related agency workers. The weighting is paid in addition to salary, the Real Living Wage supplement, to bring the hourly rate to an equivalent of £10.00 per hour (£19,294). For agency workers the weighting applies in addition to current hourly rates and the Real Living Wage arrangements. The weighting is variable, depending upon the current hourly rate and the Real Living Wage supplement payable at that time.

- **Chief Executive**

The highest paid officer of the council is the chief executive. The highest pay point on this scale is currently £133,588 (April 2020).

- **Pay Ratios**

	Annual Salary	**Ratio to Chief Executive salary/Highest pay point**	**Explanation**
Apprentice rate of £8.91	£17,187	1:7.77	Chief Executive pay scale highest pay point and lowest apprenticeship rate
Real Living Wage Rate of £9.90 (November 2021)	£19,100	1:6.99	Chief Executive pay scale highest pay point and real Living Wage rate of £9.90
Lowest council pay scale point (£9.43)	£18,198	1:7.34	Chief Executive pay scale highest pay point and lowest council pay scale point
Cambridge Weighting – minimum £10.00	£19,294	1:6.92	Chief Executive pay scale highest pay point and £10.00 hour Cambridge Weighting
Median Average salary	£32,234	1:4.14	Chief Executive pay scale highest pay point and current median average salary
Chief Executive Highest pay point	£133,588	-	Chief Executive's highest pay point

Election Fees

The Returning Officer is the person who has the overall responsibility for the conduct of elections. The Returning Officer is an officer of the Council who is appointed under the Representation of the People Act 1983. Although appointed by the Council the role of the Returning Officer is one of a personal nature and distinct and separate from their duties as an employee of the Council. Elections fees are paid for these additional duties and they are paid separately to salary.

The role of Chief Executive is the council's Returning Officer.

The fees for Parliamentary, Police & Crime Commissioner, Euro Elections and national referenda are set by the Government. The fees for County Council elections are set by the County Council. The fees for the Combined Authority Mayoral election are set by the Combined Authority. The fees for Parliamentary and European Elections are pensionable.

Fees for district elections are set locally and current fees were agreed by the Civic Affairs Committee in April 2010 as £373 per contested ward and £55 per uncontested ward. Fees for district elections are pensionable. These fees are currently under review.

Other officers, including senior officers within the scope of this policy, may receive additional payment for specific election duties.

Tax Avoidance and IR35

The Council takes tax avoidance seriously and will seek to appoint individuals to vacant positions using the recruitment procedures on the basis of contracts of employment and apply direct tax and National Insurance deductions from pay through the operation of PAYE.

Where consultants are recruited the Council will seek to avoid contractual arrangements which could be perceived as being primarily designed to reduce significantly the rate of tax paid by that person, such as paying the individual through a company effectively, controlled by him or her.

These principles will be embedded in contract clauses and guidance for managers when employing consultants.

In addition workers employed directly by the Council will be assessed to establish whether they fall within scope of the IR35 legislation using the HMRC employment status tool. Workers that fall within scope will have Income Tax and National Insurance contributions deducted and paid over to HMRC.

The Council will continue to advice employment agencies for each role, whether the role has been assessed to be within scope of IR35, or not.

Re-engagement of ex City Council staff within the scope of this policy

All permanent or fixed term posts are advertised in accordance with the council's recruitment policies and appointment is made on merit.

Interim management appointments are made in accordance with the council's procurement policies and the provisions for contract for services.

The council will not engage an ex-city council member of staff within the scope of this policy outside of these arrangements.

January 2022

CIVIC AFFAIRS

2 February 2022
5.30 - 7.26 pm

Present: Councillors Sargeant (Chair), Davey (Vice-Chair), Dalzell, Dryden Gehring and Moore

FOR ADOPTION BY THE COUNCIL

22/10/Civ Amendment to the Constitution Part4A Appendix F(A) – Protocol on Media Relations

The Committee received a report from the Assistant Chief Executive regarding proposed amendments to the Constitution Part 4A Appendix F(A) – Protocol and Media Relations.

Resolved (by 5 votes to 1) to recommend to Council:

i. That sections 1-3 of Part 4A Appendix F(A) of the constitution be deleted, as illustrated in Appendix A of the officer's report.

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AMENDMENTS TO THE CONSTITUTION PT4A APPENDIX F(A) - PROTOCOL ON MEDIA RELATIONS

To:
Civic Affairs Committee 02/02/2022

Report by:
ANDREW LIMB, Head of Corporate Strategy
Tel: 01223 - 457004 Email: Andrew.Limb@cambridge.gov.uk

Wards affected:
All

1. Introduction / Executive Summary

This report recommends removing sections 1-3 of Pt4A Appendix F(A) of the constitution to allow the council to be more flexible, take account of changes in media practice over the last 20 years, future changes in the way the council engages with a rapidly changing media industry, and the changing nature of communications and engagement with Cambridge residents and communities more broadly.

A document explaining the way the council proposes to conduct its media relations going forward has been produced, is attached to this report as appendix B and will be maintained and updated by officers and shared with councillors or the public on request.

This report does not recommend removing or changing sections 4 and 5 of that part of the constitution, the parts that deal with party political publicity and publicity in the run-up to elections.

2. Recommendations

That Civic Affairs Committee recommends to Council that sections 1-3 of Pt4A Appendix F(A) of the constitution be deleted, as illustrated in Appendix A of this report.

3. Background

The Council interacts with the media as part of its communication and engagement activities. The purpose is to ensure residents, businesses and other stakeholders receive accurate and timely information about the work of the council, its policies and services.

This can be through pro-active publication of material as a change in service or policy arises, or re-actively in response to stories or information published about the council by others.

Councils are required to consider the national Code of Recommended Guidance on Local Authority Publicity in their communication activity.

Several years ago a protocol on media relations was incorporated into Cambridge City Council's constitution as Pt4A Appendix F(A). This stipulates the process for producing and approving council press releases, media statements and letters to media organisations. It was produced before the advent of social media and rolling news and has not been updated since.

It is unusual for councils to set out the detail of processes for media relations in their constitutions. Some councils do include sections on media relations, but few if any prescribe the process for issuing media releases, for instance, in the same level of detail as Cambridge City does.

While the process as set out is clear for straightforward media relations such as issuing press releases, it has not kept pace with changes in the media industry. At times the process defined in the protocol, and the degree of prescription has felt constraining for officers and members seeking to ensure accurate information is provided to the media in a timely way, and it has not placed professional communications advice to the fore.

Since the media protocol was incorporated into the council's constitution, the way the media works, and the way the council engages with its communities, has changed significantly. Rather than being dominated by a printed daily

newspaper, local media activity is now more focused on digital communications which don't have a set print deadline as such but operate more on a 24/7 "rolling news" basis.

Recent years have also seen the rapid increase in prominence of social media as a very dynamic platform for news and information to be disseminated. The Council is keen to modernise the way it engages with the media and its communities, and senior officers have reviewed the way the council manages its corporate communications over the past years, learning from the Local Government Association and from comparable councils.

Through this review, officers have identified a need to place communications professionals more clearly at the heart of the council's communications activity than the media protocol prescribes, in the same way that professional officers lead on other areas of council business (such as finance, HR, legal, ICT etc.).

As part of this move to modernize and professionalise the councils communications activity, the council has, through the 2021 Medium Term Financial Strategy, provided resources to recruit additional members to the corporate communications team. This will allow a greater degree of professional communications expertise to be used in developing clear communications materials and making the most of modern media tools and techniques.

These improvements do not change the member responsibility for council press relations, and it is envisaged that councillors (usually Executive councillors) will continue in the majority of instances to sign off press releases, in conjunction with senior officers, as before. (As before, there may also be occasions when a media statement needs to be issued by officers urgently when an Executive councillor is not available, or when the nature of the subject matter requires it).

Similarly, members of other groups on the council will continue to have their contact details provided on council press releases, and all councillors will continue to receive all council press releases when they are published.

Appendix B shows the process envisaged for media relations in normal circumstances. Variance from this would usually be with the approval of the Chief Executive or other appropriate senior officer. This process note will be maintained by the Corporate Communications Manager, and any significant changes to it will be communicated to councillors.

Removing sections 1-3 of that part of the constitution will allow the council to continue to adapt and change its approach in the future as the communications function learns by doing what works well; and, as the media world the council operates in continues to evolve without having to bring a report to council on changes to the constitution.

This would bring Cambridge city council into line with other councils and help the council to become the more modern, dynamic, flexible and responsive organisation we aspire to be.

4. Implications

a) Financial Implications

There are no financial implications of this change to the constitution.

b) Staffing Implications

Removing this text from the constitution will not have staff implications. The implications of adopting a more modern approach to media relations (as described in Appendix B) will be that the skills and experience of the corporate communications team are more fully utilised, and officers in other services are better supported in communicating their policies and services.

c) Equality and Poverty Implications

An Equality & Poverty Impact Assessment has not been conducted as it is the report author's view that removing this text from the constitution does not have tangible equality or poverty implications.

d) Net Zero Carbon, Climate Change and Environmental Implications

Removing this text from the constitution will not have carbon or climate change implications.

e) Procurement Implications

n/a.

f) Community Safety Implications

n/a.

5. Consultation and communication considerations

This recommendation relates to the way an internal operation of a council function is prescribed in the constitution, and therefore does not have impacts on members of the public who use the council's services that would merit consultation or communication.

The wider changes to the way the council's communication function works in the future will be communicated to staff, and to media outlets, in due course.

This report has been shared in draft form with the Leaders of the three political Groups on the Council.

6. Background papers

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

7. Appendices

Appendix A – Part4A Appendix F(A) of the council's constitution showing proposed amendments to the constitution
Appendix B – Chart showing updated approach to media relations

8. Inspection of papers

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

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Appendix F: Conventions For The Conduct Of Council Business

A ~~–~~ Political neutrality of council publicity ~~Protocol on media relations and filming, recording and photography at council meetings~~

~~1. News releases sent to the media~~

~~News releases may be used to publicise executive councillor decisions, new council policies or projects, major, sensitive or controversial issues or other initiatives.~~

~~All news releases should be issued proactively and in a timely way to capture media attention. A well-timed news release is more likely to engage reporters and to set the tone for positive media coverage. News releases issued before or immediately after a decision or event will be of more interest to reporters and therefore have greater impact.~~

~~News releases issued by the council should adhere to the following protocol:~~

1. ~~Officers draft the news release to include a quote attributed to the appropriate executive councillor(s) or chair of the scrutiny committee or chair of the regulatory committee and director or head of service(s);~~

   ~~Note: Generally executive councillors will be quoted although the council's constitution also allows for news releases arising from scrutiny committee decisions and also regulatory committee decisions. In these instances the chair of the scrutiny committee or regulatory committee may be quoted and be consulted to approve the final draft. Directors or head of service quotes may be included in addition to, but not instead of, a councillor quote.~~

2. ~~Consult corporate marketing if advice on content and format is needed;~~
3. ~~Draft news release to include contact details for the appropriate officer, executive councillor or chair of the scrutiny committee or chair of the regulatory committee and minority group spokesperson(s);~~
4. ~~Draft must be agreed by head of service or director;~~
5. ~~Draft must then be agreed by executive councillor or chair of the scrutiny committee or chair of the regulatory committee;~~
6. ~~Final version issued to media;~~
7. ~~Final version sent to all councillors by email immediately after release;~~
8. ~~Final version sent to corporate marketing for inclusion on council's website immediately after release.~~

   ~~Note: News releases publicising event programmes for the Corn Exchange do not require executive councillor agreement.~~

~~*2. Responding to media enquiries*~~

~~The media may make contact with officers on issues. Officers should give factual information and should refer the media to the executive councillor and minority group spokesperson(s) for opinion and further comment.~~

Request for interviews

The media may approach officers for interview on a particular issue. The opportunity to take part in an interview should first be offered to the relevant executive councillor or chair of the scrutiny committee or chair of the regulatory committee. If the councillor is not available officers may conduct the interview only after gaining director or head of service level permission to do so.

If an interview request is declined the media should be notified in good time. Saying "no comment" is not an acceptable response. The media must be provided with a written news statement on the issue as a minimum (see process below). Consult corporate marketing if further advice is needed.

News statements

These are issued in response to media enquiries and may often address specific or sensitive issues requiring a quick reply in order to meet media deadlines. News statements issued by the council should adhere to the following protocol:

1. Officers draft news statement to include a quote attributed to the appropriate executive councillor(s) or chair of the scrutiny committee or chair of the regulatory committee and/ or director or head of service(s);
2. Consult corporate marketing if advice on content and format is needed;
3. Draft news statement to include contact details for the appropriate officer, executive councillor or chair of the scrutiny committee or chair of the regulatory committee and minority group spokesperson(s);
4. Draft must be agreed by head of service or director;
5. Draft must then be agreed by executive councillor or chair of the scrutiny committee or chair of the regulatory committee;
6. Final version issued to media;
7. Final version sent to corporate marketing for information.

Note: Generally executive councillors will be quoted although the council's constitution also allows for news statements arising from scrutiny committee decisions and also regulatory committee decisions. In these instances the chair of the scrutiny committee or regulatory committee may be quoted and be consulted to approve the final draft. Directors or head of service quotes may be included in addition to, but not instead of, a councillor quote.

If an executive councillor or chair of the scrutiny committee or chair of the regulatory committee is unavailable to approve the news statement and there is a risk of the media deadline being missed the director and/ or head of service has discretion to have the quote attributed to themselves and to issue the news statement without approval from the relevant councillor.

3. Letters to media organisations

Occasionally it may be appropriate to send a letter to a media organisation for example to respond to an inaccurate report or to clarify the council's position on a sensitive issue. Letters sent to media organisations should adhere to the following protocol:

1. Officers should discuss with corporate marketing the reasons for writing the letter;
2. Officers draft the letter and attribute it to the appropriate executive councillor(s) or chair of the scrutiny committee or chair of the regulatory committee and/ or director or head of service(s) including contact details;
3. Draft must be agreed by head of service or director;
4. Draft must then be agreed by executive councillor or chair of the scrutiny committee or chair of the regulatory committee;
5. Final version issued to media;
6. 1. Final version sent to corporate marketing for information.

41. Party political publicity

All news releases, news statements and letters to the media issued by the council must adhere to the code of recommended practice on local authority publicity. This means councillors must not produce party political publicity on council paper or using council facilities (including officer assistance). Publicity material must comply with the relevant restrictions on political publicity which are contained in section 2 of the Local Government Act 1986, as amended by section 27 of the Local Government Act 1988. This states councils shall not publish any material, which, in whole or in part, appears to be designed to affect support for a political party. The Head of Legal Practice may be consulted for further advice.

52. Publicity in the run-up to elections

The council's employee code of conduct stresses that staff must be, and be seen to be, politically neutral at all times. In the run-up to an election it is essential that officers do not act in any way that could call into question their political neutrality, or give the impression that they are offering assistance to a political party in its election campaign.

The run-up to an election formally starts when the notice of election is published. The Head of Legal Practice will circulate detailed guidance to staff in good time before the notice of election to explain the publicity restrictions.

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APPENDIX B: Proposed media management process[i]

News releases[ii]	**1. Initiation** →	**2. Shaping** →	**3. Approvals** →	**4. Publishing**
	Communications team drafts the news release including a quote from the executive councillor, contact details for communications team and councillor spokespeople	Communications team works with head of service/ officers to draft copy	Communications team seeks approval for draft release from executive councillor	Communications team issues news release to media, copying all councillors, publishes on website, CityNet and social channels
Responding to media enquiries[iii]	**1. Initiation** →	**2. Agree type of response** →	**3. Preparing response** →	**4. Response**
	Reporter approaches the council for comment on a matter. The enquiry should be redirected to communications team (unless the enquiry relates directly to a council news release that has recently been issued in which case councillors may choose to respond directly)	Communications team works with head of service/ officers to consider the enquiry and best method of response (e.g. interview, written statement, other)	<u>Interviews</u> Executive councillor has first option on interviews (and may delegate to officers) Head of service briefs executive councillor Communications team arranges interview with media <u>Statements</u> Communications team drafts statement or other written response to include a quote from the executive councillor, contact details for	Communications team responds to media enquiry according to what has been agreed

			communications team and councillor spokespeople Communications team ensures agreement for response from head of service and executive councillor	
Responding to publicity[iv]	**1. Initiation** →	**2. Agree type of response** →	**3. Preparing response** →	**4. Response**
	Publicity observed during media monitoring (or social media monitoring) or by someone informing the communications team	Communications team to consider appropriate action e.g. whether a response, clarification or rebuttal is appropriate and the best method of response (e.g., letter, social media, web rebuttal, written statement, other). Communications team makes recommendation to head of service and executive councillor	Communications team drafts response Communications team seeks agreement to response from head of service and executive councillor	Communications team provides media with response

[i] All council publicity is subject to a national code of practice
[ii] This process differs from the current protocol because it places the communications team as the starting point for news releases rather than acting as clearing house for releases written by other officers
[iii] This process differs from the current protocol because it gives the communications team, rather than the head of service or other officers, responsibility for coordinating the response from start to finish
[iv] This process is not set out in the current media protocol beyond letters to media organisations. It would be appropriate to record how the communications team will respond to publicity about the council arising from media or social media monitoring

CIVIC AFFAIRS

2 February 2022
5.30 - 7.26 pm

Present: Councillors Sargeant (Chair), Davey (Vice-Chair), Dalzell, Dryden Gehring and Moore

FOR ADOPTION BY THE COUNCIL

22/11/Civ Members Allowances / Parental Leave Policy / Virtual Area Committees

The Committee received a report from the Council's Independent Person and the Assistant Chief Executive regarding three topics within democratic services. Firstly the consideration of the Independent Remuneration Panel's report on recommendations for a Members' Allowance Scheme 2022/23; secondly a review of Area Committees which had been held virtually June-December 2021; and finally a response to a Council Motion on a parental leave policy for Councillors.

Councillor Davey proposed the following amendments to the Member Allowance Scheme (deleted text ~~struck through~~, additional text underlined).

Recommendations

(i) Consider the Panel's report and ~~recommend an~~ with respect to the Allowance Scheme and recommend making the following amendments to Council on 3 March 2022

1) Basic Allowances

The Independent Remuneration Panel Report noted:
"There was a general concern among Councillors that, although the Basic Allowance for City Councillors is now commensurate with that of benchmarked District Councils, the non-typical nature of this council could mean that there are anomalies in the level of Basic Allowance in relation to the spread and depth of responsibilities undertaken by Councillors in Cambridge. The IRP recommends that the level of Basic Allowance be reviewed again in four years – together with the distribution between BA and SRAs."

Cambridge City Council has had a City Deal since 2015 and a Devolution Deal from 2017. These have put additional responsibilities on the Council in addition to those of a District Council. It has also put additional workload on Councillors and this has been partly reflected by SRAs for those who served on the Greater Cambridge Partnership and Cambridgeshire and Peterborough Combined Authority Boards and Committees. The Basic Allowance however has not been

updated to reflect the additional work for Councillors who are for instance directly involved now in transport and highways projects such as the GCP Histon Road and Milton Road schemes and consultations across the city. This has involved working with residents, residents' associations and officers of the GCP and Cambridgeshire County Council and serving as Chairs of Local Liaison Forums.

The Independent Remuneration Panel recommendation is to review the Basic Allowances in 4 years time -2025. This will be 10 years after the City Deal was implemented and 8 years after the Devolution Deal was implemented increasing the responsibilities and workload for Cambridge City Councillors.

Civic Affairs Committee therefore resolves to ask the Independent Remuneration Panel to review the Basic Allowance for Councillors due to the non-typical nature of Cambridge City Council in addition to benchmarked District Councils with an in-year recommendation to be back dated to the beginning of the 2022 / 23 municipal year.

2) Planning Committee and Joint Development Control Committee SRAs

The Planning Committee and Joint Development Control Committee both meet on a monthly basis with meetings lasting typically all day for the Planning Committee and nearly all day for the Joint Development Control Committee. They are regulatory committees and are therefore making decisions on behalf of the Council. They are also involved in site visits. Both committees are typically composed of members who are retired or of independent means and are therefore unrepresentative of Cambridge City Councillors and residents.

Members of the Planning Committee receive 15% of SRA and members of the Joint Development Control Committee receive no SRA. This does not reflect the workload for members of these 2 committees.

Civic Affairs Committee therefore resolves to address this situation by updating the SRAs:

Planning Committee members 30% of Basic Allowance
Joint Development Control Committee members 20% of Basic Allowance

3) SRA for Leader

Civic Affairs Committee notes that the Independent Remuneration Panel recommends the two Deputies SRAs at 25% of an Executive Councillor's allowance – i.e. 0.5 times Basic Allowance. While welcoming this recognition of the role of the Deputy Leaders, this would create the anomaly that Deputy Leaders that have a portfolio responsibility will have allowances close to that of

the Leader of the Council - Leader 2.75 Basic Allowance, Deputy Leader with portfolio responsibility 2.5 Basic Allowance.

Civic Affairs therefore resolves that the SRA for the Leader should be 3 times Basic Allowance to recognise the responsibilities of the Leader of Cambridge City Council

4) Any percentage increase in the Basic Allowance increases in line with the National Living Wage

On a show of hands the amendment was carried by 4 votes to 0.

[Updating the financial implications in the attached officer report at paragraph 4a, the amendment results in a total addition to the Allowances Budget of £49,553 in financial year 2022/23. This is because it links to the National Living Wage increase which is known for 2022/23 at 6.6%. An updated Allowance Scheme will be published with the Council Information Pack]

Resolved (by 4 votes to 0) to recommend to Council:

i. To approve the Members Allowances Scheme as amended above.
ii. To approve that the Area Committees continue virtually for the March cycle 2022 as set out in paragraph 1.6 of the officer's report.

The Committee also agreed (by 4 votes to 0):

i. To receive a progress report on the Independent Remuneration Panel's non-financial recommendations in February 2023.
ii. To note a report recommending a parental leave policy will be submitted later this year.

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Item

Member allowances/Virtual Area Committees/ Parental Leave for Councillors

To:
Civic Affairs Committee 2/02/2022

Report by:
Gary Clift, Democratic Services Manager
Tel: 01223 - 457011 Email: gary.clift@cambridge.gov.uk

Wards affected:
All

1. Introduction

This report covers three topics within democratic services:

Consideration of the Independent Remuneration Panel's report on recommendations for a Members' Allowance Scheme 2022/23; a review of Area Committees which have been held virtually June-December 2021; and responding to a Council Motion on a parental leave policy for Councillors.

2. Recommendations

Committee is asked to:

(i) Consider the Panel's report and recommend an Allowance Scheme to Council on 3 March 2022.

(ii) Receive a progress report on the Independent Remuneration Panel's non financial recommendations in February 2023.

(iii) Recommend to Council that Area Committees continue virtually for March 2022 as set out in paragraph 1.6

(iv) Note a report recommending a parental leave policy will be submitted later this year.

3. Background

Members' Allowances

1.1 The payment of Member Allowances is regulated by the Local Authorities (Members' Allowances) (England) Regulations 2003 and overseen by an Independent Remuneration Panel (the Panel). Allowances are split into two categories, basic allowance which is available to every member of the Council and special responsibility allowance which apply to specified positions identified in the Regulations and any additional positions of special responsibility that may be identified by the Panel. Special responsibility allowances increase because they are linked to the Basic Allowance as a multiplier or fraction, so for example an Executive Councillor SRA is 2 x Basic Allowance, the Chair of Civic Affairs Committee SRA is 0.25 of a Basic Allowance.

1.2 The Members' Allowances Scheme was comprehensively reviewed and approved in July 2016, with additions on some minor aspects with relation to special responsibility allowances in subsequent years. In February 2021, Council agreed to freeze the Allowances Scheme for 2021/22 at 2020/21 levels. The current scheme is appended for reference and the Panel's report and recommendations are attached.

1.3 The proposed changes to the current scheme are that:

-any percentage increase in the Basic Allowance is the same as for local government employees agreed through the National Joint Committee (this replaces increases in line with the National Living Wage)

-those councillors who are members of a Combined Authority committee receive a special responsibility allowance and that the SRAs are at the same level whichever the committee

-the two Deputy Leaders of the Council receive a special responsibility allowance

-the non-statutory Deputy Leader's role is defined

1.4 The Panel have made many recommendations (**marked R below**) relating to the way councillors work and what officers should address to make the job of a councillor more manageable.

1.5 It is worth noting that whilst the Independent Remuneration Panel was doing its work in the autumn 2021 and seeking views from city councillors, an assessment of the Council's decision making and governance by the Centre for Governance & Scrutiny was being done at the same time, resulting in some synergies/cross-overs. It is envisaged an action sheet will be developed combining the two. A report reviewing progress on each recommendation will come to Committee (and be circulated to the Panel) next February. Updates in-year will be given to the Chair and spokes, and other Members will also be involved because of the range of topics covered.

Time efficiency

To increase the efficiency and effectiveness of meetings:

R-Use hybrid / remote meetings where possible

This is being done. Pre committee briefings, Topical briefings, non-decision making fora are all being held on-line. Hybrid meetings are now possible (from January 2022) in the Council Chamber/Cttee Rooms.

R-Use proxy voting if it becomes possible to do so

This will require legislation and the Council has written to Government and Local Government Association.

R - Consider pairings between political groups
This would be for councillors to agree to and advise officers accordingly.

R- Continue to lobby Government with evidence of improved efficiency/effectiveness/attendance when using a hybrid meeting structure

There is a continuous campaign run by LGA and Association of Democratic Services Officers and Local Government Lawyers on this, most recently when the Omicron Covid variant emerged in December 2021. There is a current on-line petition to Government.

R - Consider chair's training for all – for both the chairs and the chaired – what to expect from meetings, agendas, reports, executive summaries

Professional training is offered to new Chairs and Vice Chairs and current Chairs. It could be arranged for a larger number if councillors agree it would be worthwhile. We will review the range of training opportunities with training champions including the scrutiny role of the councillor.

R- Consider improvements in paperwork for meetings – this to include training for officers in report writing

Officers can respond to this internally, however the issue of the quality and volume of paperwork for joint meetings and the ease of access to the location of those meetings will need to be passed to the relevant Leaders of those partner bodies, which we shall do by sharing this report with them.

R- Consider the timing of meetings and length of meetings (balancing late evening travel / those in full-time work)

Committees can review the day and time of meetings, usually this is done at the start of the Municipal Year, officers would like to understand better what changes/improvements could be made.

R - Consider a reduction in the number of meetings per committee and / or the number of committees

An assessment by the Centre for Governance & Scrutiny was undertaken in November 2021. Members will be briefed soon on the findings and this recommendation fits with this piece of work.

R- Consider whether Area Committees still have a use
An assessment by the Centre for Governance & Scrutiny was undertaken in November 2021. Members will be briefed soon on the findings and this recommendation fits with this piece of work.

R-Increase (and stick to) deadlines for reports and amendments for meetings

Leadership Team monitors performance on late reports submitted by officers. The Forward Plan is published 28 days before an Executive Decision is taken. However, there are a minority of times when reports are late and explanations are legally required to be given.

Amendments can be put to a committee by a councillor with no notice. A change to council procedure rules would be required if there was to be a deadline (like in the case of Full Council meetings)

R- Keep abreast of the opportunities provided by new software

The Council's Our Cambridge programme will focus on improvements and efficiencies and councillor ways of working will be part of that work. Culture change must be reflected and practiced by the leadership of the organization, both political and managerial.

Job satisfaction and well-being

R- Introduce a Parental Leave policy – for new babies – to include cover for all Councillor duties including ward duties
Introduce a Carers' Leave policy – for continued care of dependents – older children / elderly relatives / disabled dependents – to include cover for all Councillor duties including ward duties

This will be reported in later this year.

R- Consider accessibility issues for all venues and ensure that partner bodies do likewise

We will share this report with our partners. Area Committee venues are chosen only if accessible.

R- Consider an exit interview for Councillors standing down

This will be incorporated into leaver's actions for the EA to Leader and Members' in April of each year.

R-Consider a cross-party 'youth group' of Councillors

This is a good idea and new councillors 2019 suggested that cross-party engagement for newly elected councillors could be a positive contribution to the political culture and dynamic-unfortunately this didn't happen because of the pandemic. This would be a matter for councillors themselves to determine and it need not be formal.

For new Councillors

R Access to information – on-line briefings have been well received as has 'who does what' in the Council. This could be expanded to 'who to go to' in the City Council and with enhanced information about County officers and

other partnership groups as appropriate – to be sent to both new and experienced Councillors

Regular officer changes/restructures mean the Who Does What document can quickly get out of date. Keeping a document up to date for external organisations would be extremely onerous. We have a dedicated Members Support Officer who is linked into a network of colleagues across various organisations and who is there to help and direct councillors find the right officer for their purpose. We will explore how councillors can be integrated into the Council's internal library of information, this is being done across the other two councils HDC/SCDC supported by 3C ICT.

R Induction training – consider whether to rerun or provide an update after 6 months

We contact newly elected councillors for feedback in late summer each year to see how they are doing and whether they need any updates/assistance. We will in future ask about a refresher. We also liaise with the new Councillors and the Member Training Champions as we develop each new Induction.

R- Consider further/different training for new minority group Councillors

We will liaise with the Green & Independent Group to establish what additional support is required.

R - Consider the provision of an FAQ page for Councillors – this would need an officer to keep it updated

Councillors don't have access to CityNet. We would need to think where this would be and what would it contain. Are there other ways in which Members can get this information? Members have a dedicated support officer who is able to support them. We will explore how councillors can be integrated into the Council's internal library of information, this is being done across the other two councils HDC/SCDC supported by 3C ICT.

R - Mentoring – consider formalising a mentoring system for new Councillors. This is particularly pertinent for those in the minority group.

This requires investigation with councillors as Groups do have a buddy system in place.

<u>In relation to Councillors with SRAs / Executive Councillors</u>

R - Consider different structures of delegation to encourage diversity in these roles and to spread the load
R- Consider streamlining the organisation of the Council

Both these recommendations are for Leadership Team/political leadership.

Case work

R - Initially, to research and introduce case-work software – there are several to choose from

The EA to Leader and Members is undertaking initial investigation on this- members need to be involved. This will look at self-serve options on the market which are low-cost eg https://ecasework.com/ and what use can be made of the council's customer services software.

Expenses

R Investigate the reasons for the poor take-up of claimed expenses

Each year Councillors are reminded of the allowances scheme. As a small district council (in geography) there are less claims for travel. When councillors attend conferences they claim rail travel/hotel/subsistence. There is now an on-line claim system connected to payroll where councillors can submit claims.

To encourage diversity – strategic issues

R- Those Councillors of working age rely on flexibility in their paid work. Consider an outreach to employers in relation to their social responsibility and to outline the value that service as a Councillor will bring to them as employers, ie training and development in management areas. (This was done nationally to encourage employers to support their staff in taking up school governorships and was very successful with large and medium sized employers.)

This is an action that will be taken forward in 2022/23.

R - Reach out to pre-Councillors – to encourage and give a realistic view of Councillor work

Every person standing for election is given information about the Councillor induction period (May to June). We will update information on the website about becoming a councillor. There is also a responsibility on the part of political parties to be honest to prospective candidates about what the workload will be like.

Virtual Area Committees

1.6 Councillors have been asked whether for March 2022 cycle, Area Committees should continue to be held virtually (ie. on-line via the Council's MS Teams). At the time of writing eight councillors had responded:

4 preferred on-line (1 acknowledging hybrid in the long-term)
2 preferred on-site
1 hybrid
1 no strong view.

The Labour Group has commented that there is a preference for virtual meetings for now.

The number watching an area committee live between June and December 2021 varied from 32 to 4. There is no significant uplift in attendance/viewing by holding the meetings virtually, but equally no significant reduction.

The officer view is that the March 2022 cycle of meetings should be held virtually and that councillors are consulted again in good time to make decisions on Area Committees scheduled for June 2022. This could mean a further report to this committee to consider the issue further in May.

The reasons for retaining virtual meetings are primarily the remaining uncertainty over the public health situation. Also it will not be straightforward to find appropriate venues in the local area as there are differing approaches to coming out of Plan B, notwithstanding we would normally confirm bookings well in advance.

Parental Leave Policy

1.7 At its meeting on 21 October 2021 Council adopted the following Motion:
This Council resolves the following.
1. To adapt to suit a Cambridge context the parental leave policy drafted by the LGA Labour Group's Women's Task Force and to bring the

recommendations to Civic Affairs as part of the next round of discussions on councillor remuneration.
2. To ensure that councillors with children and other caring commitments are supported as appropriate.
3. To acknowledge this is only one part of the picture, and to commit to investigating other inclusive policies and bringing those recommendations forward in the future.
4. To write to the Secretary of State for Levelling Up, Housing and Communities to urge him to introduce legislation to allow councils to adopt remote and hybrid meetings where they deem it appropriate to do so.
5. Further to this council's resolution at Civic Affairs on 9th October 2019 (19/41/Civ), that this council shall continue to apply pressure via the Local Government Association and any other appropriate routes to allow for proxy voting for local government for those on parental leave, which is not currently permissible, despite already being available to MPs in parliament.

https://local.gov.uk/parental-leave-policy-councils

It has not been possible to bring proposals to this meeting because of officer resources. A report will brought later in the year following consultation with a representative from each of the Political Groups and taking into account the Independent Remuneration Panel's report and the outcomes of the Centre for Governance and Scrutiny Review.

4. Implications

(a) Financial Implications

On the Allowances Scheme, if the recommendations are adopted on basic allowance an increase would await whatever the officer national pay award is agreed for 2022/23, but for illustration a 2% increase would equate to £4,376 increase overall on the budget. For the new special responsibility allowances it would increase the budget by £15,630. The final figures will be reported in any Finance recommendations to Council in July.

For room hire and audio provision at Area Committees, there is funding in the 2021/22 budget for March 2022.

(b) Staffing Implications

(c) Equality and Poverty Implications

The Panel's recommendations aim to address some of the impediments to a manageable councillor workload/life balance. In the Panel's Terms of

Reference it requires recommendations ensure that equality and diversity implications are considered so that a diverse range of Councillors can be attracted.

(d) Environmental Implications

(e) Procurement Implications

(f) Community Safety Implications

Nothing specific for the above.

If you have a query on the report please contact Gary Clift, Democratic Services Manager, tel: 01223 - 457011, email: gary.clift@cambridge.gov.uk.

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IRP Nov 2021
Summary

The Independent Remuneration Panel has a statutory duty to review Members' allowances and to make recommendations to the City Council.

In November 2021, we collected evidence from Members through survey and interview, and by comparison with benchmarked authorities.

The survey and interviews suggest that time constraints are the most prominent factor in Councillors' perception of their ability to carry out their role to their own high standards.

A degree of dissatisfaction with current processes was evident.

This exercise has provided a wealth of pertinent information which could lead to efficiencies in the processes used by Councillors – and thus aid their time management and potentially increase their job satisfaction.

The IRP considers efficient use of time to be within our remit as it affects the 'per hour' nature of the allowances paid.

At a time of significant change in personnel within Council leadership and with many newly elected councillors, we believe this to be an opportune time to review several Council processes.

Background

Changes within the City Council, in terms of leadership, (both Chief Exec and Leader), composition of the Council (with three Groups) and a large number of newly elected Councillors (16), together with changes within the Combined Authority and other partnership groups make this an ideal time to give thought to the efficiency with which Councillor time is used.

The IRP takes the view that, if time spent on Councillor duties could be streamlined, this would impact on their efficiency and effectiveness. In the long-term, it could also impact on the recruitment and retention of Councillors.

We consider measures to improve Council processes which, in turn, encourage efficient use of Councillor time, to be within our remit as a reduction in hours spent increases the 'per hour' nature of the allowances paid.

Other factors which we have taken into consideration are:

Councillors face increasing responsibilities across different authorities.

Advances in technology
A constrained Council budget
The desire by Councillors to encourage diverse and equitable representation on the Council

Methodology

A confidential survey was sent to all Councillors. Ten were returned.

We took interview evidence from 16 Councillors ensuring that we included both new and experienced Councillors, Leaders of all three groups, members of all three groups, chairs of City Council committees and Councillors who sit on partnership bodies. We also interviewed the Chief Executive. These sources brought forth a wealth of information about processes and procedures. We feel that improvements in these, if implemented, would enhance the operation of the Council.

We looked at evidence from benchmarked authorities – our statistical and geographical neighbours: Cheltenham, Crawley, Exeter, Lincoln, Norwich, Oxford, St Albans and Welwyn Garden City plus all Cambridgeshire District Councils – also Cambridgeshire County Council (as local top tier authority).

Findings

Themes which emerged across both survey and interview are:

the amount of time which has to be given to the Councillor role
the difficulties experienced by Councillors with full-time jobs
the difficulties experienced by Councillors with caring responsibilities
the difficulties experienced by new Councillors
the 'softer' areas that could be addressed to increase Councillors' well-being and job satisfaction – to aid retention
the increased effectiveness of Councillors when allowed to have hybrid meetings and remote voting
the volume and opaqueness of some paperwork
that Cambridge City Council is an atypical District Council so benchmarking is useful but need not circumscribe decisions

RECOMMENDATIONS

<u>Time efficiency</u>
To increase the efficiency and effectiveness of meetings:

Use hybrid / remote meetings where possible
Use proxy voting if it becomes possible to do so
Consider pairings between political groups

Continue to lobby Government with evidence of improved efficiency/effectiveness/attendance when using a hybrid meeting structure
Consider chair's training for all – for both the chairs and the chaired – what to expect from meetings, agendas, reports, executive summaries
Consider improvements in paperwork for meetings – this to include training for officers in report writing
The issue of the quality and volume of paperwork for joint meetings and the ease of access to the location of those meetings will need to be passed to the relevant Leaders of those partner bodies.
Consider the timing of meetings and length of meetings (balancing late evening travel / those in full-time work)
Consider a reduction in the number of meetings per committee and / or the number of committees
Consider whether Area Committees still have a use
Increase (and stick to) deadlines for reports and amendments for meetings
Keep abreast of the opportunities provided by new software

Job satisfaction and well-being

Introduce a Parental Leave policy – for new babies – to include cover for all Councillor duties including ward duties
Introduce a Carers' Leave policy – for continued care of dependents – older children / elderly relatives / disabled dependents – to include cover for all Councillor duties including ward duties
Consider accessibility issues for all venues and ensure that partner bodies do likewise
Consider an exit interview for Councillors standing down
Consider a cross-party 'youth group' of Councillors

For new Councillors

Access to information – on-line briefings have been well received as has 'who does what' in the Council. This could be expanded to 'who to go to' in the City Council and with enhanced information about County officers and other partnership groups as appropriate – to be sent to both new and experienced Councillors
Induction training – consider whether to rerun or provide an update after 6 months
Consider further/different training for new minority group Councillors
Consider the provision of an FAQ page for Councillors – this would need an officer to keep it updated
Mentoring – consider formalising a mentoring system for new Councillors. This is particularly pertinent for those in the minority group.
In relation to Councillors with SRAs / Executive Councillors

Consider different structures of delegation to encourage diversity in these roles and to spread the load
Consider streamlining the organisation of the Council

Case work

Initially, to research and introduce case-work software – there are several to choose from

Expenses

Investigate the reasons for the poor take-up of claimed expenses

To encourage diversity – strategic issues

Those Councillors of working age rely on flexibility in their paid work. Consider an outreach to employers in relation to their social responsibility and to outline the value that service as a Councillor will bring to them as employers, ie training and development in management areas. (This was done nationally to encourage employers to support their staff in taking up school governorships and was very successful with large and medium sized employers.)

Reach out to pre-Councillors – to encourage and give a realistic view of Councillor work

SPECIFIC RECOMMENDATIONS FOR ALLOWANCES

The change in Leader seems likely to prompt, if not necessitate, changes in the distribution of roles and responsibilities and ways of working. This, together with the potential outcome of the Governance review and the impact of increasing joint working with neighbouring councils on partnership bodies, make it likely that any recommendations made on SRAs in this Review will need to be revisited within the next two years

Special Responsibility Allowances

All Special Responsibility Allowances are calculated as a percentage of the Basic Allowance, including those not listed below.

1. Within the City Council:

In order to allow the Leader to delegate further, it is recommended that an SRA should be paid to each of the two Deputies at 25% of an Executive Councillor's allowance – ie half a BA. We recommend that this allocation be linked to a clear definition of the responsibilities of the Deputy Leader (non-statutory) role.

2. For Members serving on Executive Committees of the Combined Authority:

SRAs currently cover:

CA Board (10 scheduled meetings May 21-April 22) at the rate of one x Basic Allowance
CA Overview and Scrutiny (8 scheduled meetings May 21-April 22) at the rate of 25% of BA
CA Audit and Governance (6 scheduled May 21-April 22) at the rate of 10% of BA

It is recommended that those serving on all CA committees receive an SRA of 20 % of Basic allowance:

Overview and Scrutiny (8 scheduled meetings May 21-April 22)
Audit and Governance (6 scheduled May 21-April 22)
Transport and Infrastructure (6 scheduled meetings May 21-April 2022)
Skills (6 scheduled meetings May 21-April 2022)
Housing and Communities (6 scheduled meetings May 21-April 2022)

And the CA Board Member (10 scheduled meetings May 21-April 22) continues to receive BA x 1

Basic allowance index

3. It is recommended, following the suggestion by several Councillors, that Basic Allowance be linked to the index used for City Council employees instead of the National Living Wage.

For future consideration:

Examine the relationship between SRAs for Group leaders of opposition / minority groups

Examine whether Area Committee SRAs should be discontinued

There was a general concern among Councillors that, although the Basic Allowance for City Councillors is now commensurate with that of benchmarked District Councils, the non-typical nature of this council could mean that there are anomalies in the level of Basic Allowance in relation to the spread and depth of responsibilities undertaken by Councillors in Cambridge. The IRP recommends that the level of Basic Allowance be reviewed again in four years – together with the distribution between BA and SRAs.

Appendices:

Terms of Reference

To recommend a scheme or schemes to the Council which

i.recognises that councillors undertake council work for the sake of public service and not private gain
ii. recognises in both basic and special responsibility allowances the varying demands placed upon councillors, dependent upon their roles and responsibilities
iii. fairly and equitably compensates councillors, so far as the Panel thinks appropriate, for the time and effort they can reasonably be expected to devote to their work as a councillor
iv. is economic, efficient to administer and effective
v. is easy to understand and explain
vi. recognises the level of out of pocket expenses councillors incur
vii.has flexibility to reflect changes of responsibilities of councillors during the course of the year
viii.ensures that a benchmarking exercise is undertaken with other comparable Councils.
ix.ensures that equality and diversity implications are considered so that a diverse range of Councillors can be attracted.

Evidence gathered

Allowances Schemes of the following Councils:
Cheltenham, Crawley, East Cambs, Exeter, Fenland, Huntingdonshire, Lincoln, Norwich, Oxford, South Cambridgeshire, St Albans, Welwyn Hatfield and Cambridgeshire County. Also East of England Allowances Survey (as at September 2021).

Interviews with Chief Executive and 16 city councillors (out of 42)

Survey questions to 42 city councillors (10 returned). The survey questions are at the end of this appendix.

Members of the Panel are:

Jane Phillips

Jane has worked as a teacher and a business psychologist. She has also been a school governor for over thirty years, working with five different schools in Hertfordshire and Cambridgeshire. During this time, she has been the Chair of Governors and the Chair of Personnel and has drawn up policies on governor expenses and a code of conduct for the governing body. From

1992-1995 she was the Chair of Hertfordshire Governors' Association and from 2000-2003 she was the Chair of the National Association of School Governors. She is now the Chair of Birdwood Area Residents' Association in Cambridge. In her spare time she has completed an MA in Crime Writing and is writing the third book in a crime trilogy. She lives in Cambridge.

Graham Jagger

Graham is a Cambridge graduate and professional HR manager and consultant with wide public and private sector experience. During the last 20 years he has worked in the NHS at Trust, regional and national levels including as Director of Corporate Development at Papworth Hospital NHS Foundation Trust and as Agenda for Change Director for Papworth, Addenbrookes and the East of England. He was appointed to the independent NHS Pay Review Body by the Secretary of State for Health in 2009, responsible for reviewing and making recommendations to government on changes to the pay and conditions of NHS staff. From 2012 he was Lead Governor, Papworth Hospital NHSFT and Director of Healthwatch Cambridgeshire and Peterborough. Currently he chairs the East of England Advisory Committee on Consultant Clinical Excellence Awards and is a Member of the NHS Reconfiguration Panel which advises the Secretary of State on contested service change proposals. He has six years' experience of reviewing a members' allowance scheme as member and then chair of the Independent Remuneration Panel at South Cambridgeshire District Council. He lives in Cambridge.

Rob Bennett

Rob is the independent person for Cambridge City Council dealing with complaints against councillors. He worked as a partner with PricewaterhouseCoopers (PwC) until 2010 and led the public sector audit business in the South and East of England. He is a non-executive director and audit and risk committee chair for Flagship Housing Group, the largest housing association in the East of England with over 30,000 properties. He is a non-executive member of Norfolk & Waveney Clinical Commissioning Group's Governing Body and chair the audit committee and the conflicts of interest committee. Rob is the independent chair of the audit committee for the Norfolk Police and Crime Commissioner, the independent hospital manager for Norfolk & Suffolk NHS Foundation Trust dealing with the detention of patients under Mental Health legislation. He is also the chair for a local charity which manages a country park on the outskirts of Norwich and a volunteer at the Norwich Foodbank.

Independent Review Panel to advise on Councillor Allowances – Autumn 2021

Panel members: Jane Phillips, Graham Jagger, Rob Bennett

Questions for Councillors

Five years ago the Independent Review Panel undertook a major overhaul of the allowances for councillors. We have a statutory obligation to review this system every four years when linked to an annual increase by Index. This provides an opportunity to investigate changing requirements, ensures that allowances are appropriate and adequately reflect responsibilities. As part of this review we take into account practice in our statistical and geographical neighbours eg Oxford, South Cambs and Norwich. This year, we are mindful of the budget challenges in the next financial year and beyond.

It would be very helpful to get a wide range of councillor views on the following areas. Your responses will be treated in complete confidence and used to inform the Panel's deliberations. A response to any question is optional.

Equality issues and barriers to entry

1. Have you experienced any barriers in carrying out your role as a member? If so, what are they?

2. Have you a view on how these might be addressed in relation to councillor allowances?

3. Do you have any views on what needs to be incorporated into a Council parental leave policy and related family friendly policies to encourage a wider range of people to become councillors eg. better child-care provision and facilities; more flexible timing and mode of meetings (remote/ hybrid); defined care leave cover arrangements etc?

Basic Allowance

The basic allowance currently aligns with the increases in the Government's National Living Wage. Cambridge's basic allowance is now on a par with neighbours who peg their BA annual increases to the local government employee increase.

4. A proposal is that the basic allowance is increased with local government employee pay (not chief officers). Do you think this appropriate?

Yes
No
Other

5. If Other, please expand

Special Responsibility Allowances

The City Council is generous in the proportion of SRAs it authorises – 72% of councillors are in receipt of an SRA. This is higher than the 50% recommended by South East Employers.

6. Should the number of SRAs be reduced? Yes/No

7. If Yes, which ones should be discontinued?

8. The City council also allows three SRAs to be paid to any individual councillor. This is higher than most comparator councils. Should the maximum number of SRAs per councillor be reduced? Yes/No

Joint working with other Authorities

SRAs are paid to some councillors who serve on partnership bodies eg the Combined Authority and Greater Cambridge Partnership

9. Have there been any significant changes in joint working since the last IRP review, and if so, what are they?

Any Other Comments

10. Is there anything else you want to add or expand on?

About you …

11. How long have you been a City Councillor?
1 – 3 years; 4 – 8 years; 9 – 12 years; 12 years or more; prefer not to say

12. What is your age range?
25 or under; 26 – 35; 36 – 45; 46 – 55; 56 – 65; 66 or over; prefer not to say

13. What gender to you identify with?
Male/Female/Other/Prefer not to answer

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Members' Allowances Scheme 2021 - 2022

Councillors are not paid a salary. However, they do get allowances to cover some of the costs of being a Councillor. The Basic Allowance, the Special Responsibility Allowance, childcare and carer's allowance, and travelling costs are set by the Council having noted recommendations put to it by the Independent Remuneration Panel.

1. Basic Allowance, and Special Responsibility Allowance (taxable)

Basic allowance: This is an annual flat rate payment to all Councillors, intended to recognise the time devoted by Councillors to work in their wards and political groups, recognising the level of out-of-pocket expenses Councillors incur in carrying out their functions. It also recognises that Councillors undertake their Council work for the sake of public service and not for private gain. Each Councillor will receive an annual allowance of £5,210, and a one-off stationery allowance payment of £75 at the start of the year.

Special Responsibility Allowance: This is paid to Councillors who have a higher than average workload, and/or hold particular positions of responsibility within the Council. The number of SRAs that any councillor may hold is limited to three.

Leader	£14,328
Executive Councillor	£10,420
Scrutiny Committees - Chair	£2,084
Scrutiny Committees - Opposition Spokes (Liberal Democrat)	£2,084
Scrutiny Committees – Minority Spokes (Green/Independent)	£1,563
Planning - Chair	£5,210
Planning - Vice-Chair	£2,605
Planning - Member	£782
Licensing - Chair	£1,303
Licensing - Member - if they have attended 4 or more meetings	£391
Joint Development Control (Chair / City Spokes)	£2,605
Civic Affairs - Chair	£1,303
Area Committee - Chair	£1,042
Full Council - Chair	£1,303
Leader of the Main Opposition Group - Lib Dem	£5,210
Greater Cambridge Partnership Board Member	£2,605
Greater Cambridge Partnership Assembly Member	£782
Combined Authority Cabinet Member	£5,210
Combined Authority, Overview & Scrutiny Committee Member	£1,303
Combined Authority, Audit & Governance Committee Member	£521
Police and Crime Panel Member	£782

2. Travel and Subsistence Allowances

Councillors are paid at the same rates as Officers.

Mileage allowances are:

Casual User Mileage (up to 10,000 miles):	45 pence per mile
Casual User Mileage (after 10,000 miles):	25 pence per mile

Bicycle rate is based on the HMRC advised rates, which is now 20 pence per mile.

The motorcycle rate is 24 pence per mile.

Travel and subsistence allowances are payable for those duties prescribed in Regulations; that is:

a. A meeting of the executive;

b. A meeting of a committee of the executive;

c. A meeting of the authority;

d. A meeting of a committee or sub-committee of the authority;

e. A meeting of some other body to which the authority make appointments or nominations;

f. A meeting of a committee or sub-committee of a body to which the authority make appointments or nominations;

g. A meeting which has both been authorised by the authority, a committee, or sub-committee of the authority or a joint committee of the authority and one or more other authorities, or a sub-committee of a joint committee and to which representatives of more than one political group have been invited (if the authority is divided into several political groups) or to which two or more councillors have been invited (f the authority is not divided into political groups);

h. A meeting of a local authority association of which the authority is a member;

In addition travel can be claimed for:

i) Meetings that are approved Council duties (including site visits);

ii) Meetings instigated by an officer, which are (or had the potential to be) cross party;

iii) Training and development for councillors organised by the Council; attendance at conferences and seminars that have been booked by officers;

i. Duties undertaken on behalf of the authority in connection with the discharge of any function of the authority conferred by or under any enactment and empowering or requiring the authority to inspect or authorise the inspection of premises;

j. Duties undertaken on behalf of the authority in connection with arrangements made by the authority for the attendance of pupils at a school approved for the purposes of Section 342 of the Education Act 1996; and

k. Any other duty approved by the authority in connection with discharging the duties of the authority or its committees or sub-committees.

Reimbursement of public transport fares can also be made when attending approved council duties. For journeys by train, please give details of your travel to the Members' Services office where a ticket will be booked for you through the Trainline business account.

VAT - Please let the staff in Members' Services make your hotel and flight bookings, as the Council can then reclaim the VAT.

You can only claim travel costs **from outside** Cambridge if your absence from Cambridge was unavoidable or if a meeting is called at short notice, and you have to make a journey which you would not otherwise have made. The exception to this rule is attending Planning or Licensing Committee meetings, as these take place more frequently than other meetings.

If a claim is made and an officer is unclear whether or not the travel expense should be reimbursed, the officer shall consult the political group leaders prior to approving payment. If any claim remains unresolved, it is the responsibility of the Chief Executive to determine.

You cannot claim subsistence allowance for duties carried out within three miles of your home or if meals are provided.

You cannot claim subsistence allowance for duties carried out within three miles of your home or if meals are provided.

Subsistence: can only be claimed where meals/accommodation are not provided.

Breakfast Allowance: (More than 4 hours away from normal place of residence or where the authority permits, a lesser period, before 11 am.)	£6.72
Lunch Allowance: (More than 4 hours away from normal place of residence or where the authority permits, a lesser period, including the lunchtime between 12 noon and 2 pm.)	£9.28
Tea Allowance: (More than 4 hours away from normal place of residence or where the authority permits, a lesser period, including the period 3 pm to 6 pm.)	£3.67
Evening Meal Allowance: (More than 4 hours away from normal place of residence or where the authority permits, a lesser period, ending after 7 pm.)	£11.49
Overnight Subsistence.	
Absence overnight from the usual place of residence:	£79.82
In London, or attending an approved conferences:	£91.04

3. Members' Childcare and Carer's Allowance

A Childcare/Dependent Carer Allowance is payable for actual expenditure incurred whilst undertaking approved council duties. No cap shall be put on the overall budget for this Allowance, or on that which is paid to an individual member of the Council in any given year. This allowance is set by the Council having had regard to the recommendations annually of the Independent Remuneration Panel. The Panel considered allowances for childcare and dependent relatives and concluded that it was appropriate for

actual expenditure to be reimbursed. The allowance should be subject to receipts being submitted. The member must provide care for a person who normally lives with the member as part of his/her family and who is:

a. A child below school age during school hours;

b. A child under 14 outside of school hours; and

c. An elderly, sick, or disabled dependent requiring constant care.

A Carer will be any responsible mature person who does not normally live with the member as part of the member's family.

Payments made under this scheme will be open to public inspection and the carer must be paid at least the Living Wage.

Travel, subsistence and care allowances is payable for any invitations (except social events) from any official bodies. The Scheme is set so that payment of care, travel and subsistence allowances would be such that unexpected circumstances or new responsibilities or activities were covered by default, i.e. that rather than having a prescribed list of activities that ARE covered, have a list of proscribed activities (that are not covered).

4. Expenses

In addition to the basic and stationery allowance, the Council can also provide:

a. Hire of accommodation for Group Away Days/workshop (maximum of 3/annum); and

b. Personalised business cards and compliments slips.

5. Changes

Entitlements will be payable on a part-year basis in any given year where:

a. The scheme is amended;

b. A Councillor either is elected to or leaves the Council; or

c. A Councillor takes on, or gives up, a position for which a special responsibility allowance is payable.

6. Co-optee's Allowance

A co-optee's allowance of the Living Wage for hours served, plus out of pocket expenses, is available.

7. Adjustment

There is an adjustment of allowance levels by reference to the National Living Wage index.

8. Advice

Members may receive initial advice on the impact of receiving allowances on their tax and benefit position by contacting Mike Scott, Payroll Manager, in the Council's Finance Team. However, independent financial advice is also recommended.

9. Timeliness

Please make all claims within two months. Claims which are received by the fifth day of each month will be paid in that month.

10. Foregoing

Any member of the Council may, by notice in writing given to the Democratic Services Manager elect to forego any part of his/her entitlement to any Allowance under this scheme.

15 February 2022

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CAMBRIDGE CITY COUNCIL
Officer Urgent Decision - Record

Appointment of non -councillor representatives to the Conservators of the River Cam

Decision(s) taken:	To agree on behalf of the Council, the following to serve a three year term on the Conservators of the River Cam from 1 January 2022: May Block, Kate Hurst, Alistair Storer, Tim Wotherspoon
Decision of:	Chief Executive
Date of decision:	21 December 2021
Matter for Decision:	The City Council has four non-councillor appointments to make to the Conservators of the River Cam along with three councillor appointments. The Council is obliged to make these appointments by 31 December 2021.
Any alternative options considered and rejected:	-
Reason(s) for the decision including any background papers considered:	An urgent decision under paragraph 2 of section 9, Council Procedure Rules was necessary. These appointments are usually made by Full Council on the recommendation of the Executive Councillor. However, the next Council meeting is 24 February 2022. Although Council appointed three city councillors at its meeting on 21 October 2021 (agenda item 4d), the Executive Councillor for Open Spaces, Sustainable Food and Community Well-Being was not in a position to recommend the four non-councillor persons at the time. The city council's allocation of seven Conservators are required to be in place for 1 January 2022. On 17 December 2021, the Executive Councillor reviewed five applications received with Cllr Porrer (Liberal Democrat) and Cllr Copley (Green & Independent) Spokes and Cllr Sargeant, a current Conservator. The Democratic Services Manager was also present. The Executive Councillor agreed that the four persons listed above be recommended for approval by the Chief Executive.
Conflicts of interest and dispensations granted by the Chief Executive:	None.
Other Comments:	Although these appointments are overseen and recommended by the Executive Councillor, the Mayor, as Chair of the Council was advised in advance by the Democratic Services Manager that this urgent action would be taken.
Reference:	2021/OfficerUrgent/Council/01
Contact for further information:	Gary Clift, 01223 457011 gary.clift@cambridge.gov.uk

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