



Cambridge City Council Notice of Council

Date: Thursday, 20 July 2023

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, 20 July 2023 at 6.00 pm and I hereby summon you to attend.

Dated 12 July 2023

Yours faithfully

Robert Pollock

Chief Executive

Agenda

- 1 Minutes (Pages 13 - 38)
- 2 To Note the Returning Officer's Report that the following have been elected to the Office of Councillor
Kings Hedges – Delowar Hossain
- 3 Mayor's announcements
- 4 Public questions time
- 5 To consider the recommendations of the Executive for adoption

- 5a Housing Revenue Account (HRA) Outturn Report 2022/23 (Executive Councillor for Housing and Homelessness) (Pages 39 - 62)
- 5b Greater Cambridge Impact Fund- (Executive Councillor for Finance and Resources) (Pages 63 - 162)
- Appendix B to the report relates to information which following a public interest test the public is likely to be excluded by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 ie. Information relating to the financial or business affairs of any particular person (including the authority holding that information).
- 5c Place Group Resource for Key Projects - (Executive Councillor for Finance and Resources) (Pages 163 - 170)
- 5d Annual Treasury Management Outturn Report 2022/23 - (Executive Councillor for Finance and Resources) (Pages 171 - 194)
- 5e 2022/23 General Fund Reserve and Capital Outturn, Carry Forwards and Significant Variances - (Executive Councillor for Finance and Resources) (Pages 195 - 228)
- 6 To consider the recommendations of Committees for adoption
- 6a Civic Affairs Committee - Review of Budget Process Timetable for 2023/24 and Constitutional Updates (Pages 229 - 284)
- 7 To deal with oral questions
- 8 To consider the following notices of motion, notice of which has been given by:
- 8a Councillor Flaubert - Removal of Restrictive Covenants on Childminders

Council **notes** that some housebuilders impose restrictive covenants prohibiting residents from running businesses from homes and that such a prohibition can prevent the operation of domestic childcare provision within the community and shares the concern about the implications of this with Cambridgeshire County Council, which debated the matter earlier this year.

Council **considers** that the availability of childcare is an important component of a sustainable community - in terms of service, social integration, employment and parental participation in the workforce: its

absence encourages unnecessary travel and presents a barrier to securing family livelihoods and the pursuit of chosen lifestyles – and that this is particularly true of wholly new neighbourhoods.

Council **calls on**:

- (a) the Planning Committee and members on the Joint Development Control Committee to explore the use of planning conditions to avoid restrictive covenants on business use which preclude domestically based childcare provision, where this can be supported by evidence of need
- (b) the Greater Cambridge Planning Service to engage with housebuilders active in Greater Cambridge to address the childcare deficit for new communities being delivered as part of the current adopted Local Plan 2018; and in view of predicted growth, seek their support for approaches that will meet the needs of childcare providers and families in the emerging joint local plan
- (c) the Executive Councillor for Planning and Infrastructure to develop a planning policy regarding childminders that will include feedback from the engagement with housebuilders and stakeholders across Greater Cambridge, including organisations like PACEY, to ensure that needs are balanced across all the interests in the community so that childminders are exempt from blanket covenants to restrict businesses being run from homes.

8b Councillor Bennett - Community Wealth Building and Procurement

The purpose of this motion is to:

- *Encourage smaller businesses, community organisations and local businesses and organisations to consider becoming council suppliers*
- *Identify and remove invisible barriers to participation while.*
- *continuing to comply with the strict statutory rules and best practice guidelines for public sector procurement.*

- 1. This council proposes to encourage more small and local suppliers by showing that other such suppliers already do so. It will do this by publishing its participation statistics as prominently as possible.**
- 2. This council recognises that invisible barriers for smaller organisations do exist. Sole traders may struggle to find time to access training at conventional times. For this reason, council officers will explore options on all Council media channels available for the most suitable way in which to engage with novice suppliers**
- 3. The Council shall draw these steps to the attention of “multipliers” and ask them to share this with their networks. Multipliers are professional organisations and industry bodies that deal with a large number of potential suppliers.**

Background Notes (not part of active motion):

- 1 By law, public procurement must be a level playing field open to all potential suppliers. Councils cannot for example offer preferential treatment to local or smaller businesses or community organisations.
- 2 However, nothing prevents councils from working to eliminate invisible barriers to participation.
- 3 In particular, smaller organisations are time poor and may struggle to research opportunities or access training.
- 4 Cambridge City Council current available figures (2021) shows we achieved the following participation rates
 - a. Spent £48,344,507 with SMEs. This is 51% of Cambridge City Council's total procurement spend.
 - b. Spent £2,773,347 with VCSEs This is 3% of Cambridge

City Council's total procurement spend.

- c. Spent £68,062,517 with locally based suppliers This is 72% of Cambridge City Council's total procurement spend.

5 Out of 259 authorities, Cambridge City Council achieved:

- a. 44th place for its SME spending (51%)
- b. 195th place for its VCSE spending (3%)
- c. 4th place for its locally based supplier spending (72%)

6 Overall, this puts Cambridge City Council in the top quartile.

- a. Rankings may be affected by differences between the functions of the councils.
- b. Locally placed suppliers may include local branches of national and international businesses.
- c. There are no figures for smaller SMEs such as micro businesses

NB – figures for 2022 are due to be published later this month

7 Abbreviations:

- a. SME means small and medium enterprises. The UK definition of SME is now a small or medium-sized enterprise with fewer than 500 (was 250) employees. and a turnover of less than €50 million, or a balance sheet total of less than €43 million
- b. VCSE means an incorporated voluntary, community or social enterprise which serves communities solely within England.

- c. Community wealth building is usually defined as creating a resilient and inclusive economy for the benefit of the local area.
- d. And is one of the key principles of “doughnut economics” a term coined by Kate Raworth.
- e. Cllrs Bennett and Tong wish to thank officers and councillors from Bristol, Preston, Stroud and Cambridge for their help in putting this motion together. Any errors or omissions are of course our own.

8c Councillor Tong - Open Doors at the Guild Hall

1. This council resolves to promote a closer relationship between the council and residents by opening the Guild Hall to the public.
2. It is envisaged that initially this would be on a trial basis and hours would be limited, or by appointment only.
3. It is envisaged that priority would be given to school groups and other educational visits.
4. This council resolves to consider ways of opening up its collection of antique ceremonial objects to public view, perhaps by partnering with a suitable local Museum.

Background Notes (not part of active motion):

1. We understand that before lock down, school visits were made to the Guild Hall on occasion.
2. The Guild Hall still contains a court house and functioning cells which were used up until the 1920s.
3. The Guild Hall is also home to the Council’s collection of ceremonial objects, such as maces and trowels.

8d Councillor Moore - Waste Strategy

This council notes:

- Cambridge City Council is the waste and recycling collection authority for Cambridge City.
- Cambridgeshire County Council is the waste disposal authority for Cambridgeshire including the city of Cambridge
- The County Council has a PFI contract with Thalia (previously Amey Cespa) for the disposal of residual (black bin) waste, which is treated in the Mechanical Biological Treatment (MBT) facility before it is sent to landfill in Waterbeach.
- The Waterbeach landfill is predicted to be full in the next 8-10 years (2031-2033).
- Food waste represents the largest material category in England's waste stream, and is generally sent for disposal, also forming the largest component of England's residual waste. Detailed waste analysis from 2019 shows that one third of residual waste in Cambridgeshire is food waste, although residents are asked to dispose of their food waste in the green bin.
- Estimates suggest that 8-10% of global greenhouse gas emissions are from with food waste.
- In 2020 10% of greenhouse gas emissions in Cambridge were caused by waste management, which equates to 49.6 ktCO₂e.
- The government's 2018 Waste & Resources Strategy has a target of achieving the UN's Sustainable Development Goal (SDG) 12.3 which aims at halving per-capita global food waste by 2030 and standardising waste collection across the UK in order to increase recycling rates.
- The Greater Cambridge Shared Waste Service recently carried out a successful separate food waste collection trial.

- The City Council's climate strategy has an ambition of Cambridge being a net zero carbon city by 2030.
- Upgrade works at the treatment facility provide an opportunity to ensure the future needs of the city and county and our carbon reduction targets.
- The government is offering collection authorities (including all of the districts in Cambridgeshire) funding, through the waste and resources strategy, to introduce separate weekly food waste collections.

This council will:

- Ask the leader of the City Council to write to the Leader of Cambridgeshire County Council requesting that they create a waste disposal strategy to ensure both the best service and continuity for residents alongside improving opportunities for food waste treatment and increased recycling rates.
- Ask the leader of the City Council to write to the Secretary of State for Environment, Food and Rural Affairs to support both waste collection and waste disposal authorities to establish separate weekly food waste collections as set out in the Waste and Resources Strategy, in order to achieve our waste reduction and net zero targets.

8e Councillor Thornburrow - Stop Dumping Sewage in our River and Chalk Streams

This Council notes that:

On 21st July 2022, a motion was passed by the Council regarding Rivers, Safe Swimming and Sewage, which recognised the cumulative impact of sewage discharge events.

The responsible bodies are the Environment Agency for general oversight, Cambridge Water for water supply, and Anglian Water for sewage. Despite members highlighting the issues in this Council, and engaging with the Environment Agency and Anglian Water, recent evidence shows that pollution levels in our rivers and

chalk streams remain unacceptable.

Many residents and local organisations have rightly raised concerns about the health implications of the poor water quality in our rivers and chalk streams, especially during summer months when local children and families would expect to be able to bathe and enjoy nature-rich river banks. Cam Valley Forum have undertaken water quality tests for the year 2021 to 2022, and Anglian Water continue to take weekly tests. All show poor water quality.

On 22nd September 2022, South Cambridgeshire District Council agreed a motion calling for measures to stop water companies dumping raw sewage in our chalk streams, and has begun working towards a formal application to Department for Environment, Food & Rural Affairs for an inland bathing water stretch within their district under the Bathing Water Directive (2006/7/EC).

A designation as a bathing water site from the Department for Environment, Food & Rural Affairs imposes a legal obligation on Anglian Water to reduce sewage pollution in the area concerned until the level 'good' or 'excellent' is reached; requires the Environment Agency to test the water regularly during the bathing season in order to produce an annual classification as "excellent", "good", "sufficient" or "poor"; requires the local council and agencies to publish the annual water quality classification; and can help residents enjoy the benefits of wild swimming, reducing stress, and improving wellbeing, fitness and contact with nature.

Therefore, this Council calls on everyone to engage with the River Cam and its associated chalk streams and tributaries with respect, accepting our stewardship of this vital natural resource, and asks all residents and organisations of Cambridge to act as guardians of the river and be mindful of the impact of our own actions and those of others that threaten its health and survival.

Furthermore, in order to reduce threats to the River Cam and its tributaries caused by pollution and over-abstraction, this Council:

- will support a formal application to Defra for an inland water stretch along the River Cam within Cambridge City Council boundaries to be designated as a bathing water site, working with Anglian Water and local partners such as Cam Valley Forum, recognising that designation would bring tangible

benefits to the health of the river and city residents, subject to approval of the Executive Councillor following consideration by the Environment & Community Scrutiny Committee;

- asks the Chief Executive to send a formal letter to the Environment Agency, Cambridge Water, and Anglian Water expressing its concerns over the state of the River Cam and associated chalk streams and other tributaries, and calling for their assistance in improving water quality and reducing pollution;
- will continue to consider the impact of the emerging Local Plan on the water environment through the cross-party, cross-boundary Shared Planning Local Plan Advisory Group, and the cross-party Cambridge City Planning and Transport Scrutiny Committee;
- affirms the goal, agreed by the Greater Cambridge Shared Planning Service, of having the water management plan for our chalk streams based on being an 'environmental destination' with subsequent protection as sites of Special Scientific Interest (SSSI), rather than 'business as usual plus';
- will provide public access to the full response of Greater Cambridge Shared Planning to the Cambridge Water, Water Resources Management Plan (WRMP) consultation.

References

Information provided by the Government on Bathing Water Quality

<https://www.gov.uk/government/collections/bathing-waters>

Information from Cam Valley Forum <https://camvalleyforum.uk/water-quality/>

South Cambridgeshire District Council motion, agreed on 22 September 2022

<https://scambsmoderngov.co.uk/mgAi.aspx?ID=93434>

9

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.

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

This Meeting will be live streamed to the Council's YouTube page. You can watch proceedings on the livestream or attend the meeting in person.

Those wishing to address the meeting will be able to do so virtually via Microsoft Teams, or by attending to speak in person. You must contact Democratic Services democratic.services@cambridge.gov.uk by 12 noon two working days before the meeting.

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COUNCIL

25 May 2023
11.00 - 11.05 am

Present: Councillors Ashton, Baigent, Bennett, Bick, Bird, Davey, S. Davies, Dryden, Flaubert, Gawthrope Wood, Gilderdale, Glasberg, Griffin, Hauk, Healy, Holloway, Howard, Lee, Levien, Martinelli, McPherson, Moore, Nestor, Nethsingha, Porrer, Pounds, Robertson, Sheil, A. Smith, Smart, S. Smith, Swift, Thittala Varkey, Thornburrow, Todd-Jones, Tong, Wade and Young

FOR THE INFORMATION OF THE COUNCIL

23/20/CNL To consider the following recommendation of the Civic Affairs Meeting held on 15 May 2023: Appointment of Honorary Councillors

Resolved (unanimously)

- i. To appoint Lewis Herbert, Rod Cantrill, Amanda Taylor, George Pippas and Damien Tunnacliffe as Honorary Councillors.

The meeting ended at 11.05 am

CHAIR

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COUNCIL

25 May 2023
11.05 am - 5.00 pm

Present: Councillors Ashton, Baigent, Bennett, Bick, Bird, Carling, Davey, S. Davies, Dryden, Flaubert, Gawthrope Wood, Gilderdale, Glasberg, Griffin, Hauk, Healy, Holloway, Howard, Lee, Levien, Martinelli, McPherson, Moore, Nestor, Nethsingha, Porrer, Pounds, Robertson, Sheil, A. Smith, Smart, S. Smith, Swift, Thittala Varkey, Thornburrow, Todd-Jones, Tong, Wade and Young

FOR THE INFORMATION OF THE COUNCIL

23/21/CNL To Elect a Mayor for the Municipal Year 2023/24

Councillor A Smith proposed and Councillor Thornburrow seconded the nomination of Councillor Jenny Gawthrope Wood as Mayor for the Municipal Year 2023/24.

Resolved (unanimously) that:

Councillor Jenny Gawthrope Wood be elected Mayor for the Municipal Year 2023/24.

Councillor Jenny Gawthrope Wood then made the statutory declaration of acceptance for the Office of Mayor.

23/22/CNL To Elect a Deputy Mayor for the Municipal Year 2023/24

Councillor S Smith proposed and Councillor Bird seconded the nomination of Councillor Thittala Varkey as Deputy Mayor for the Municipal Year 2023/24.

Resolved (unanimously) that:

Councillor Baiju Thittala Varkey be elected Deputy Mayor for the Municipal Year 2023/24.

Councillor Baiju Thittala Varkey then made the statutory declaration of acceptance for the Office of Deputy Mayor.

23/23/CNL To approve as a correct record the minutes of the meeting held on the 23 February and 2 March 2023

The minutes of 23 February and 2 March 2023 were confirmed as a correct record and signed by the Mayor.

23/24/CNL To Note the Returning Officer's Report that the following have been elected to the Office of Councillor

It was noted the following had been elected to the Office of Councillor:

Abbey – Elliot Tong
Arbury – Mike Todd-Jones
Castle – Antoinette Nestor
Castle – Cheney-Anne Payne
Cherry Hinton – Robert Dryden
Coleridge – Tim Griffin
Coleridge – Rosy Moore
East Chesterton – Alice Gilderdale
Market – Anthony Martinelli
Newnham – Jean Glasberg
Petersfield – Katie Thornburrow
Queen Edith's – Karen Young
Romsey – Mairead Healy
Trumpington – Ingrid Flaubert
West Chesterton – Rachel Wade

23/25/CNL To Pass a Resolution of Thanks to the Outgoing Mayor

Resolved (unanimously) on the proposal of Councillor Dryden seconded by Councillor Porrer.

This Council expresses its appreciation of the manner in which duties of the Mayor and Mayoress were discharged by Councillor Mark Ashton and Barbara Ashton during their period of office.

23/26/CNL Mayor's announcements

The Mott Sermon would take place at Holy Trinity Church on Sunday 4 June at 9.30.

The Midsummer Fair Proclamation would take place on Wednesday 21 June.

Tributes were made to Councillor Anna Smith to thank her for the work she has done as Leader of the Council.

Apologies were received from Councillors Divkovic and Payne. Councillor Carling provided apologies for lateness.

23/27/CNL To Elect from among the Members of the Council Four Bailiffs of the City for the Municipal Year 2023/24

Resolved (unanimously) to

Appoint Councillors Divkovic, Dryden, Lee and McPherson Bailiffs of the City for the Municipal Year 2023/24.

23/28/CNL To elect a Leader of the Council

On the nomination of Councillor Bird and seconded by Councillor Wade it was resolved to:

Elect Councillor Mike Davey as Leader of Cambridge City Council.

23/29/CNL To consider the recommendations of Committees for adoption

9a Civic Affairs Committee - Committee Appointments

Resolved (by 34 votes to 0) to:

i. Agree the appointments to city council committees and joint partner bodies below (as updated by the 'Update to Committee Appointments' document):

Environment and Communities Scrutiny Committee 8 (5 Labour + 2 Lib Dem + 1 Green and Independent)

Divkovic, Nestor, Swift, Wade, Pounds

Payne, Hauk

Glasberg

Alternates – Sheil, Griffin, Flaubert, Levien, Howard

Planning and Transport Scrutiny Committee 8 (5 Labour + 2 Lib Dem + 1 Green and Independent)

Nestor, Baigent, Swift, Divkovic, TBC

Porrer, Bick

Davies

Alternates – Griffin, Pounds, Lee, Payne, Glasberg

Housing Scrutiny Committee 9 (6 Labour + 2 Lib Dem + 1 Green and Independent)

Pounds, Robertson, Thittala-Varkey, Wade, Holloway, Griffin

Martinelli, Lee

Tong

Alternates: Swift, Lab TBC, Howard, Porrer, Levien

Strategy and Resources Scrutiny Committee 8 (5 Labour + 2 Lib Dem + 1 Green and Independent)

Robertson, Baigent, Holloway, Gawthrope Wood, TBC

Bick, Young

Bennett

Alternates – Divkovic, Sheil, Payne, Nethsingha, Davies

Civic Affairs Committee 6 (4 Labour + 1 Lib Dem +1 Green & Independent)

McPherson, Davey, Sheil, Healy

Young

Bennett

Alternate – Moore, Davies, Bick

Employment (Senior Officer) Committee 6 (4 Labour +2 Lib Dem)

Healy, Moore, Davey, Carling

Bick, Porrer

Alternates: TBC

Licensing Committee 10 (7 Labour + 2 Lib Dem + 1 Green and Independent)

McPherson, Bird, Moore, Griffin, Carling, Pounds, Wade

Levien, Nethsingha

Bennett

Alternates – Davey, Hauk, Tong

Planning Committee 8 (5 Labour + 2 Lib Dem + 1 Green and Independent)

Smart, Baigent, Thornburrow, Carling, Dryden

Porrer, Levien

Bennett

Alternates – Gilderdale, Nestor, Flaubert, Nethsingha, Howard

Cambridgeshire and Peterborough Combined Authority - 1 seat

A.Smith

Alternate - Davey

Cambridgeshire and Peterborough Combined Authority Overview and Scrutiny Committee 2 Labour

Smart, TBC

Alternates – Gawthrope Wood

Cambridgeshire and Peterborough Audit and Governance Committee 1

Labour + one alternate

S.Smith

Alternate – Pounds

Greater Cambridge Partnership Joint Assembly 3 (2 Labour + 1 Lib Dem)

S.Smith, Thornburrow, Bick

Joint Development Control Committee - Cambridge Fringes 6 (4 Labour+ 2 Lib Dem)

S.Smith, Baigent, Smart, Thornburrow

Porrer, Flaubert

Alternates – Gilderdale, Nestor, Levien, Nethsingha

Resolved (by 32 votes to 0) to:

ii. Approve nominations for Chairs and Vice-Chairs 2023/24

Environment and Communities Services

Chair - Divkovic

Vice-chair – Nestor

Planning and Transport

Chair – Nestor

Vice-chair – Baigent

Housing

Chair – Pounds

Vice-chair (nb. Tenant/Leaseholder is Chair of Part 1 of the meeting) - Robertson

Strategy and Resources

Chair-Robertson

Vice-chair - Baigent

Civic Affairs

Chair - McPherson

Vice-chair - Davey

Licensing

Chair - McPherson

Vice-chair - Bird

Planning

Chair - Smart

Vice-chair – Baigent

JDCC

Vice-Chair – S.Smith

23/30/CNL Annual Statements

Group Leaders spoke on their Group's priorities for action and objectives for the forthcoming year.

23/31/CNL Public questions time

Question 1

- i. Cambridge City Council operates a number of shared service arrangements with other nearby local authorities.
- ii. When officers of Cambridge City Council provide services or perform public functions as part of shared service arrangements, should officers continue to abide by the city council's Code of Conduct for Officers and the council's Comprehensive Equalities and Diversity Policy?
- iii. Or should officers feel at liberty to adapt to the more discriminatory policies and practices that may be favoured by some other local authorities?

The Leader provided the following written response:

All the shared services abide by the policies and processes of the Shared Service Host Authority, which is the employer of the staff in the service.

Question 2

- i. The Planning Inspectorate described the Anglian Water draft proposal for the relocation of the Anglian Water treatment plant as unsatisfactory.
- ii. Would ask the Council as requested by the Planning Inspectorate to consider that Northeast Cambridge Area Action Plan (NECAAP) not be predicated on the move of the sewage plant on environmental grounds.
- iii. Would ask if Council has explored alternative locations that do not involve such a huge carbon footprint given that NECAAP is said to have doing the right thing by the planet at its heart.

- iv. Would ask the Council not to give their full support to the Development Consent Order (DCO), given it was not in the best interests of the planet nor reflecting their Net Zero by 2030 Strategy.

The Executive Councillor for Planning and Infrastructure responded with the following:

- i. It was important that the public engaged and asked questions on all planning matters and thanked the public speaker.
- ii. The Planning Inspectorate response sought further information and clarification on certain issues from Anglian Water on their application. This was not unusual for such a complex development as part of the planning process.
- iii. The Council had not been asked by the Planning Inspectorate to respond but the Council would make representation when required.
- iv. Understood that the Planning Inspectorate had now determined the application was valid and would expect the Council would be engaging on the next stage of the process.
- v. With regards to considering an alternative location, the Council had received over 650 proposals as part of the Local Plan call for sites process. Every single application had been scrutinised, reaching its conclusions on the location and scale of future sites required to best meet the growth needs of the area identified, and addressed the key principles underpinning the spatial strategy.
- vi. If the NEC (Northeast Cambridge) area was to be removed from the plan, or reduced in the contribution that it made, the Council would clearly need to reassign that growth to alternative locations that could meet as closely as possible the core objectives of the spatial strategy.
- vii. The Local Planning Authority would not be expected to be in a position to definitively assess the carbon impacts of all sites at the plan making stage. The application process (and associated EIA provisions) provided in most cases a more accurate assessment of the effects of a specific proposal, both from new build and any embodied or associated site preparation impacts.
- viii. The site location was the most sustainable location for growth, new buildings and jobs given its accessibility. The definition in the Council's view was accordingly appropriate. Nevertheless, would use the information provided and examined through the DCO process to help carefully consider the proposed site allocation as part of the plan making process and as already indicated in the sustainability appraisal of the first proposals.
- ix. The request for full support was noted but was not a commitment that the Council could make.

Supplementary public question:

- i. Would not describe the application as moving to a sustainable location.
- ii. There was a huge carbon cost to the environment to move the wastewater treatment plant only 1 mile away from the original location.
- iii. Stated the new tunnel alone (20metres deep and 2.4 meters wide) would require 40,000 tonnes of concrete, which was the equivalent of driving from Cambridge to London 1.5million times (taken from a report written by Mott McDonald 2020).
- iv. Referenced the Save Honey Hill Campaign.

Question 3

- i. There is plenty of discussion, demonstrations, and evidence around the city regarding the effects on the individual and the regressive nature of the proposed congestion tax on the poorest, sickest, and elderly, who rely upon family for support in our community; fully agreed with all of those comments.
- ii. Was a director of family business based on East Road since 1912, which dealt in large and often heavy awkward items requiring motorised transport to be moved. There was nothing about the likely effects on the small and medium sized independent trading businesses within the proposed congestion charge zone.
- iii. This proposed tax would make every independent business in the city less competitive and effectively drive business away from the family business directly towards competitors outside the zone. There was no alternative to have goods delivered daily.
- iv. The long-term effect would see many businesses either be forced to move or close.
- v. The GCP were due to deliver their long deliberated and (in my opinion) politically delayed results to the GCP Assembly tomorrow. The Executive Board would have had access to the results of the multiple-choice questions from the day after the deadline of responses and therefore be fully aware of the true level of public feeling on the proposals they put forward late last year.
- vi. Met with the majority of the GCP Executive Board for what they insisted should be regarded as a 'private meeting' so it would be most indiscreet to reveal what was said during that meeting. But could well understand why they wanted it to be kept 'private'.
- vii. This proposed tax would cost a wholesaler delivering to the family business daily an additional £13,000 per year. Costs would naturally be passed on to us and ultimately to the consumer.

- viii. The Council would undoubtedly have included an impact analysis on local business measuring the true cost to local businesses.
- ix. The business which on average receives between six and ten deliveries (taking 8 as the average) by lorry per day would be out of pocket by at least £104,000 pounds per year.
- x. Asked what the total cost for all Cambridge businesses that currently fall within the currently proposed congestion charge zone would be.

The Leader of the Council responded with the following:

- i. The current proposals outlined by the GCP consultation were not supported by the Labour Group.
- ii. Had publicly stated that the work on determining the impact of the congestion charge on small businesses had been inadequate; further work was needed.
- iii. The previous business case had looked at a range of impacts and the preferred option put out to consultation to get the views of the public and business owners. The results of the consultation were due to be published on 26 May.
- iv. It was important for the GCP and external partners to listen to what had been said in the consultation response and further conversations were needed. When looking at the data it was important to note what had been missed.
- v. The GCP Joint Assembly would meet on 8 June; the Council was keen to continue the dialogue with all participants.

Supplementary public question:

- i. Surprised that the effects on local business had not been sufficiently analysed to the degree that they should have been.

Question 4

- i. The papers for the Greater Cambridge Partnership Joint Assembly would be published this week and go to the Board in June.
- ii. Understood that the City Council Labour Group representatives on the Assembly and the Board would debate internally and vote as directed by their Labour Group colleagues, as confirmed by the previous Leader, Cllr Smith, in public statements during the recent elections.
- iii. Cambridge City Councillors were elected to represent residents across the City, and the Council consists of Labour, Liberal Democrat, Green and Independent Councillors.
- iv. Residents did not understand why a decision of this magnitude which impacted all residents would be decided internally within Labour Group

- councillors, excluding all other councillors from scrutinising and commenting on it as a Council until after decisions have been made.
- v. This was also the case during the consultation period from the Greater Cambridge Partnership with the City Council making no time within its committee schedule for councillors to consider a formal Council response to the Greater Cambridge Partnership.
 - vi. The new Leader of the Council has acknowledged the Labour Group needed a reset and had failed to listen to residents, so in that spirit, could the Leader of the Council please clarify the following:
 - Why had the City Council not responded to the consultation
 - Why in the process was there no opportunity for all the Councillors on Cambridge City Council, regardless of their political affiliation, to scrutinise and comment on the plans and agree how the City Council representatives should vote?

The Leader responded with the following:

- i. The matter had been discussed between parties informally. Councillor Bick was Chair of the GCP Assembly and would make the views of the Liberal Democrats known. The Green and Independent representatives were also involved in the discussions and each party had had the opportunity to express their opinions.
- ii. The City Council had not responded to the consultation as they were a partner in the Greater Cambridge Partnership, and keen to hear the public views in the first instance.
- iii. The opportunity to scrutinise the report on the consultation and other matters arising was provided at the Greater Cambridge Partnership Joint Assembly.
- iv. Councillors, residents and others had had opportunities to make their views known and speak at the Joint Assembly and Board meetings.
- v. The Board was a joint committee under local government legislation where the partners jointly come to a decision, who would then advise Cambridgeshire County Council accordingly.

Supplementary public question:

- i. Former Councillor Alex Collis has said that the Labour Group had lost touch with residents; personally had held conversations with local residents and it was clear the congestion charge was not wanted.
- ii. Decisions made in the Council Chamber affected residents and hoped the Council could move forward with this in mind and respond to resident's needs.

The Leader responded:

- i. Would urge all to go through the results which would be published tomorrow, prior to further debate.

Question 5

- i. At the last meeting of full council, on March 2nd, this chamber had been told that Cambridge had (something like) the fourth worst air pollution in the country. That was not true at all.
- ii. In fact, as regards PM 2.5, the city council's own latest Air Quality Status Report noted the following:
'Source apportionment using the Defra Background maps shows that most background PM2.5 in Cambridge has a regional component (around 95%). The background estimates in Cambridge are around 10 micrograms per cubic metre (2019).
- ii. Whilst Gonville Place saw a similar reduction in 2020 due to the pandemic reducing from 14 microgrammes per cubic metre annual mean in 2019 to 11 microgrammes per cubic metre annual mean in 2020, levels remained above background suggesting there is an additional contribution of up to 4 micrograms per cubic metre PM2.5 due to vehicle emissions.
- iii. Cambridge City Council had considered setting targets for PM2.5 reduction and we welcome the introduction of targets under the Environment Bill, although the potential to achieve significant reduction is limited by the high regional contribution.
- iv. There were few measures that could be undertaken locally that would specifically reduce the small amount of PM2.5 produced locally. Regional, national and international measures will be more effective.'
- v. Were councillors aware that it was widely understood, outside this chamber, that, although the climate emergency was a pressing matter, the real necessity for the congestion charge, here and now, was to enable further speculative development of the city.
- vi. Did councillors know that the target, set out as one justification for the Congestion Charge for the GCP to help create 44000 jobs by 2031, was met in 2022?
- vii. Did Councillors know that the concomitant delivery of housing due by 2031, is merely on target?
- viii. Did councillors understand that development which eviscerates communities, and scatters them to the winds, and which entrenches and exacerbates inequality is, by definition, unsustainable? Is that what this council stands for?

The Leader of the Council responded with the following:

- i. Would have to take away the details provided to analyse and then make comment to the public speaker.

Supplementary public question:

- i. Thinking of organising a tour of the vacant commercial properties in and around the city, perhaps into London; 'nothing beats going out in the field' and would like to invite Councillors and planning officers, rather than look at data.
- ii. Questioned whether much of the growth planned for agricultural land could be relocated to vacant commercial properties and places where there were established transport systems.
- iii. It was important to consider alternatives to building on green belt land. Appropriate planned use of existing empty buildings should be considered if the Council was serious about sustainability.

23/32/CNL To deal with oral questions

1. Councillor Swift to the Leader

Can the Leader of the Council confirm that they would now become the council's representative on the GCP Board and the reasoning behind this change?

The Leader responded:

- i. The congestion charge was the most significant issue facing us in the City at the moment and was divisive.
- ii. Due to this, the City Council Leader was nominated to become the council's representative on the GCP Board. Would work in conjunction with Councillor Bick.

2. Councillor Porrer to the Executive Councillor for Open Spaces

Could the Executive Councillor responsible for Open Spaces please explain why mowing has taken place on commons and across the city in May 2023 despite the council's clear commitment to No Mow May?

The Executive Councillor responded:

- i. No Mow May was a very worthy national campaign and the flowers it left were welcome food sources for insects emerging from hibernation.
- ii. The Council's commitment to No Mow May was referenced in our Biodiversity Strategy 2022-2030.

- iii. Our commitment was 'where practical' as there were some situations where regular mowing was required. For example critical sight lines on verges around play areas and within designated amenity spaces.
 - iv. Midsummer Common was one of the city's historic grazing commons and was managed by the council for the benefit of both people and wildlife.
 - v. Midsummer Common was mown in preparation for Strawberry Fair. The Streets and Open Spaces Team cut some targeted areas of grass. This was necessary for safety reasons for visitors to the Fair.
 - vi. Streets and Open Space staff were provided with a map of areas of nettle and cow parley to retain, we keep a balance of these on the common recognising their importance as a nectar source and insect foodplant but also that both species were classified as signs of poor grassland management when allowed to spread and dominate.
 - vii. The council has undertaken a grassland restoration trial on an area of Midsummer Common, with the aim of increasing grassland species interest and so the area's overall habitat value. The trial work was being delivered in partnership with the Wildlife Trust, with funding from Natural England administered through the Green Recovery Fund and secured in partnership with the Cambridge Nature Network.
 - viii. The cows remain on the common and would be moved before Strawberry Fair.
 - ix. The Operations Team would undertake fewer cuts in line with highways policy.
3. Councillor Baigent to the Executive Councillor for Environment Climate Change and Biodiversity (asked by Councillor Griffin in meeting)

After the heat wave last summer followed by the unusually cold weather before Christmas, increasing numbers of residents were more concerned about the climate crisis. How was our council's work on reaching the target of becoming a net zero council going?

The Executive Councillor responded:

- i. We had a target to be a net zero council by 2030.
- ii. The Carbon Management Plan set out how this would be achieved.
- iii. Council swimming pools had been the largest sources of emissions so measures had been installed to mitigate this. This should reduce overall council emissions by 9.6%.
- iv. The second largest source of emissions was the council's vehicle fleet including shared waste service lorries. The intention was to replace these vehicles with electric ones in future.

4. Councillor McPherson to the Executive Councillor for Finance Resources and Transformation

Could the Executive Councillor provide an update on CIP's site acquisitions.

The Executive Councillor responded:

- i. The Cambridge Investment Partnership purchased a site on Histon Road in December 2022. It was at an advanced stage of acquiring an adjoining site.
- ii. The two sites were expected to be combined to form a development of 77 houses late in 2023.
- iii. The Cambridge Investment Partnership was completing the purchase of a site in Queen Edith's Ward. 150 homes could be sited here. A planning application was expected to be submitted at the end of 2023.
- iv. These were part of a series of development sites spread across the city.

5. Councillor Wade to the Executive Councillor for Recovery Employment and Community Safety

The Cambridgeshire and Peterborough Region of Learning was launched in July 2022. Can the Executive Councillor give us an update on the progress of the project over the past year?

The Executive Councillor responded:

- i. We were 1 of 7 councils within the Cities of Learning Movement and were sharing good practice with others.
- ii. The Region of Learning launched several projects to close skill gaps in 2022. These should help with job opportunities.
- iii. Young people would have the opportunity to navigate informal learning channels with partner organisations alongside the formal courses they participated in.
- iv. The Region of Learning were delivering on the ground careers advice through partner organisations for young people aged 15-24 years who were not in education or training. Funding had been ringfenced for this.
- v. The Region of Learning were working with local colleges to include digital badges in some of their training courses.
- vi. The Region of Learning were looking at how they could work with the Combined Authority in future to expand the program.

6. Councillor Levien to the Executive Councillor for Finance Resources and Transformation

Could the Executive Councillor for Finance, Resources and Transformation update us on progress of the report initiated in late 2022 on the numerous problems with the construction and commissioning of the Clay Farm Centre?

The Executive Councillor responded:

- i. There were major problems at the Clay Farm Centre and homes above it at Christmas time.
- ii. The practical problems related to the heating system. This had a particular impact on council property tenants.
- iii. It became apparent that communication channels between the different parties were not working effectively. This has now been rectified.
- iv. Councillors Davey and Levien put together a report with the Director of Neighbourhoods and Communities on how Clay Farm was structured and how the relationship between the various parties could work more effectively. It was currently in draft form but was expected to be shared by mid-June 2023.

7. Councillor Flaubert to the Executive Councillor for Planning and Infrastructure

Could the Executive Councillor for Planning and Infrastructure advise on how the council and planning authority were working to ensure that developers provide secure and robust storage for cycles, noting the recent thefts in Trumpington where thieves were able to access secure areas to remove valuable cycles.

The Executive Councillor responded:

- i. There had been some problems for several years with supposedly secure cycle stores, particularly in new developments.
- ii. A Cycle Crime Task and Finish Group was set up in response to look at reported cycle crime and how it happened.
- iii. Attention has also been focused on the cycle store at Cambridge Railway Station by the Police, Planning Officers, City Council Officers and Active Travel County Council Officers. Proposals to address issues:
 - a. Installation of CCTV.
 - b. Planning applications to increase security.
- iv. The Planning Committee raised the issue of cycle security and the need to get it correct on planning applications.

- v. Undertook to liaise with Councillor Flaubert and/or Porrer to review latest cycle theft details in their areas to see if needed changes to planning policy in the future in order to prevent further occurrences.
8. Councillor Divkovic to the Executive Councillor for Equalities, Anti-Poverty and Wellbeing (asked by Councillor Thornburrow at the meeting)

Can you update on progress in relation to our GRT work, in relation to sites, community engagement and Gypsy and Traveller Accommodation Needs Assessment (GATANA)?

The Executive Councillor responded:

- i. The City Council's consultants had commenced work on the GATANA in the greater Cambridge area. Results were expected to be reported back in January 2024.
- ii. Community engagement and consultation had started as part of this process.
- iii. A system of infrastructure was already in place in addition to the GATANA such as a cross party working group that included South Cambs, City and County Councillors plus a representative from the Traveller community. A strategic Group and Officer Working Group had also been formed.
- iv. Temporary and permanent camp sites were being reviewed.
- v. A member of the GRT community had been brought on board and would work out of the Brownsfield Community Centre.

9. Councillor Holloway to the Executive Councillor for Recovery Employment and Community Safety

On the 22nd May, the government's consultation on the 'Relationship between Community Safety Partnerships and Police and Crime Commissioners, the role of Community Safety Partnerships and Police and Crime Commissioners in tackling anti-social behaviour and the expansion of anti-social behaviour powers' was closed. Did the City Council submit a response to this, and what were the council's suggestions?

The Executive Councillor responded:

- i. The City Council responded independently and also as part of the Community Safety Partnership.
- ii. Responses:
 - a. The Community Safety Partnerships were non-political partnership bodies, whereas Police and Crime Commissioners were

political/elected. Any changes to the two should reflect these differences and not impact on their working relationship.

b. Opposed the following proposals:

1. Local Authorities having expanded dispersal powers as emergency services were better placed to respond to incidents.
2. Police being able to drug test people in public as they had stop and search powers already.

10. Councillor Pounds to the Executive Councillor for Housing

Can the Housing Executive give an update on Repairs and Voids.

The Executive Councillor responded:

- i. The backlog of voids had been addressed so the Council was at the manageable level of 30-35 at any one time. In 2022 the level was around 150+.
- ii. There were voids coming in that cost more (to resolve) and took longer to complete.
- iii. The level of voids was expected to decline in 2023/24.
- iv. The number of repairs in 2022 was the same as prior to the pandemic.
- v. Damp and mould compensation enquiries were starting now. Officers were reviewing hotspots based on historic data.

A full list of oral questions including those not asked during the meeting can be found in the Information Pack, which is published on the meeting webpage [Agenda for Council on Thursday, 25th May, 2023, 11.05 am - Cambridge Council](#).

23/33/CNL To consider the following notices of motion, notice of which has been given by:

13a Councillor Levien - New electric two wheeled scooters and mo-peds

Councillor Levien withdrew motion 13a under Council Procedure Rule 13.3 (withdrawal of motion upon not being moved).

A composite motion to replace motions 13a and 13c was proposed by Councillor Levien and seconded by Councillor Carling.

Council notes:

1. The rapid expansion in the use of novel, primarily electrically powered, two-wheeled vehicles, many of significant size and weight and capable of high speeds;
2. That this innovation, used responsibly, has the welcome potential to broaden travel opportunities;
3. The need to tackle growing antisocial use of these vehicles on Cambridge's roads, shared use paths, public spaces and footpaths, risking safety – particularly that of elderly and disabled people;
4. That apart from those vehicles expressly licensed by the Combined Authority, some of these types of vehicle remain illegal to use on the public highway, and that as a result of little government regulation of these vehicles, there's a lack of clarity over their status;
5. That a large number of electric moped drivers are engaged in food and other delivery operations where the employment and management model seems to avoid responsibility for driver behaviour, whilst implicitly encouraging the cutting of corners in the interests of speed.

Council believes:

1. A national regulatory approach needs urgently to be put in place to enable responsible use in appropriate places of vehicle classes assessed to be safe, and to prevent irresponsible use, empowering local authorities and the police to enforce accordingly.

Council welcomes:

1. That in the meantime the Council has commenced a three-way partnership with Cambridgeshire Police and the County Council to tackle the misuse of these vehicles in public places.

Council resolves:

1. To request a report to the Environment and Community Scrutiny Committee within the next 6 months on the progress of the three-way partnership, identifying means by which the city council and partners might take this forward, exercising influence over, and potentially co-ordinating, the best use of existing powers in a concerted fashion to mitigate the adverse, and channel the positive effects of the phenomenon, including but not limited to engagement with:
 - The Police on the use of existing enforcement powers;
 - Highways and Trading Standards at the County Council;

- The city council's own services with responsibility for public open spaces, (building on the recent initiative for 'Respect' signage on Midsummer Common), environmental enforcement and community safety;
 - The Combined Authority as local sponsor of the Voi licensed pilot in Cambridge
 - Delivery companies whose services utilise the novel vehicles
 - Interest groups in the city representing established users of spaces now also used by novel vehicles.
2. To instruct the Chief Executive to write to the relevant government minister (copying in the city's MPs, the CPCA Mayor, the PCC and the LGA) in order to:
 1. Request the urgent creation of a national regulatory framework for the novel vehicles, which recognises the need for controls over safety and anti-social use and empowers local authorities and the Police to take effective enforcement action;
 2. Express the Council's concerns about the impact of the gig economy model on this issue and seek measures which also address that.

Councillor Bird proposed and Councillor Griffin seconded the following amendment to the composite motion (deleted text ~~struck through~~ and additional text underlined)

Council notes:

1. The rapid expansion in the use of novel, primarily electrically powered, two-wheeled vehicles, many of significant size and weight and capable of high speeds;
2. That this innovation, used responsibly, has the welcome potential to broaden travel opportunities;
3. The need to tackle growing antisocial use of these vehicles on Cambridge's roads, shared use paths, public spaces and footpaths, risking safety – particularly that of elderly and disabled people;
4. That apart from those vehicles expressly licensed by the Combined Authority, some of these types of vehicle remain illegal to use on public highways, and that as a result of little government regulation of these vehicles, there's a lack of clarity over their status;
5. ~~That a large number of electric moped drivers are engaged in food and other delivery operations where the employment and management model seems to avoid responsibility for driver behaviour, whilst implicitly encouraging the cutting of corners in the interests of speed.~~

That a large number of electric moped drivers are employees of food and other delivery companies, working on zero-hours or other insecure contracts in a gig economy which does little to ensure good working conditions for employees, and that these drivers are therefore incentivised to cut corners in the interest of speed as a result of this model.

Council believes:

A national regulatory approach needs urgently to be put in place to enable responsible use in appropriate places of vehicle classes assessed to be safe, and to prevent irresponsible use, empowering local authorities and the police to enforce accordingly.

Council welcomes:

That in the meantime the Council has commenced a three-way partnership with Cambridgeshire Police and the County Council to tackle the misuse of these vehicles in public places.

Council resolves:

1. To request a report to the Environment and Community Scrutiny Committee within the next 6 months on the progress of the three-way partnership, identifying means by which the city council and partners might take this forward, exercising influence over, and potentially co-ordinating, the best use of existing powers in a concerted fashion to mitigate the adverse, and channel the positive effects of the phenomenon, including but not limited to engagement with:
 - The Police on the use of existing enforcement powers;
 - Highways and Trading Standards at the County Council;
 - The city council's own services with responsibility for public open spaces, (building on the recent initiative for 'Respect' signage on Midsummer Common), environmental enforcement and community safety;
 - The Combined Authority as local sponsor of the Voi licensed pilot in Cambridge
 - Delivery companies whose services utilise the novel vehicles
 - Interest groups in the city representing established users of spaces now also used by novel vehicles.

2. To instruct the Chief Executive to write to the relevant government minister (copying in the city's MPs, the CPCA Mayor, the PCC and the LGA) in order to:
 1. Request the urgent creation of a national regulatory framework for the novel vehicles, which recognises the need for controls over safety and anti-social use and empowers local authorities and the Police to take effective enforcement action;
 2. Express the Council's concerns about the impact of the gig economy model on this issue and seek measures which also address that.

Councillor Bennett requested that the term 'employees' was changed to 'workers' in paragraph 5 under the heading 'Council notes'. This amendment was agreed nem con.

On a show of hands the amendment was carried by 22 votes to 0.

Resolved (by 33 votes to 0) that:

Council notes:

1. The rapid expansion in the use of novel, primarily electrically powered, two-wheeled vehicles, many of significant size and weight and capable of high speeds;
2. That this innovation, used responsibly, has the welcome potential to broaden travel opportunities;
3. The need to tackle growing antisocial use of these vehicles on Cambridge's roads, shared use paths, public spaces and footpaths, risking safety – particularly that of elderly and disabled people;
4. That apart from those vehicles expressly licensed by the Combined Authority, some of these types of vehicle remain illegal to use on public highways, and that as a result of little government regulation of these vehicles, there's a lack of clarity over their status;
5. That a large number of electric moped drivers are workers of food and other delivery companies, working on zero-hours or other insecure contracts in a gig economy which does little to ensure good working conditions for employees, and that these drivers are therefore incentivised to cut corners in the interest of speed as a result of this model.

Council believes:

A national regulatory approach needs urgently to be put in place to enable responsible use in appropriate places of vehicle classes assessed to be safe, and to prevent irresponsible use, empowering local authorities and the police to enforce accordingly.

Council welcomes:

That in the meantime the Council has commenced a three-way partnership with Cambridgeshire Police and the County Council to tackle the misuse of these vehicles in public places.

Council resolves:

1. To request a report to the Environment and Community Scrutiny Committee within the next 6 months on the progress of the three-way partnership, identifying means by which the city council and partners might take this forward, exercising influence over, and potentially co-ordinating, the best use of existing powers in a concerted fashion to mitigate the adverse, and channel the positive effects of the phenomenon, including but not limited to engagement with:
 - The Police on the use of existing enforcement powers;
 - Highways and Trading Standards at the County Council;
 - The city council's own services with responsibility for public open spaces, (building on the recent initiative for 'Respect' signage on Midsummer Common), environmental enforcement and community safety;
 - The Combined Authority as local sponsor of the Voi licensed pilot in Cambridge
 - Delivery companies whose services utilise the novel vehicles
 - Interest groups in the city representing established users of spaces now also used by novel vehicles.
2. To instruct the Chief Executive to write to the relevant government minister (copying in the city's MPs, the CPCA Mayor, the PCC and the LGA) in order to:
 1. Request the urgent creation of a national regulatory framework for the novel vehicles, which recognises the need for controls over safety and anti-social use and empowers local authorities and the Police to take effective enforcement action;
 2. Express the Council's concerns about the impact of the gig economy model on this issue and seek measures which also address that.

13b Councillor Glasberg - Rights of the River Cam

Councillor Bennett withdrew motion 13b under Council Procedure Rule 13.3 (withdrawal of motion upon not being moved).

13c Councillor Carling - Tackling e-mopeds / scooters on pedestrian paths

Councillor Carling withdrew motion 13c under Council Procedure Rule 13.3 (withdrawal of motion upon not being moved). See minute reference 23/33/CNLa.

13d Councillor Bick - Experience of new voter photo ID requirement

Councillor Bick proposed and Councillor Young seconded the following motion:

Members of the council note their experience of the recent election campaign as the first occasion where those without specific forms of photo ID were not permitted to exercise what was otherwise their democratic right. In addition to the data formally collected by polling station staff of those who were turned away in Cambridge, council also notes the potentially far greater number who were deterred from going to a polling station at all because they did not have any of the appropriate forms of photo ID, of which many of us will be individually aware.

This experience prompts re-affirmation of Council's demand of Government to scrap the new voter ID requirement and return to the tried and tested, inclusive approach which has maximised turn-out whilst avoiding malpractice in elections over many years - and to scrap it before any further test of electoral opinion is suppressed in a similar way.

Resolved (unanimously) to support the motion.

23/34/CNL Written questions

The Mayor advised that no written questions had been received.

The meeting ended at 5.00 pm

CHAIR

HOUSING SCRUTINY COMMITTEE

20 June 2023

Present: Councillors Pounds (Chair), Robertson (Vice-Chair), Griffin, Holloway, Martinelli, Pounds, Tong, Thittala Varkey and Wade.

Executive Councillor for Housing: Councillor Bird

Tenant/Leaseholder Representatives: Lulu Agate, Diane Best, Mandy Powell-Hardy, Diana Minns

Recommendation to Council

Executive Councillor for Housing

23/31/HSC Housing Revenue Account (HRA) Outturn Report 2022/23

The report presented for the Housing Revenue Account (HRA)

- A summary of actual income and expenditure compared to the final budget for 2022/23 (outturn position).
- Revenue and capital budget variances with explanations
- Specific requests to carry forward funding available from both revenue and capital budget underspends into 2023/24
- A summary of housing debt which was written off during 2022/23.

The Housing Scrutiny Committee considered and endorsed the recommendations by 6 votes to 0 with 3 abstentions.

Accordingly, Council is recommended to:

Approval of carry forward requests of £15,880,000 in HRA and General Fund Housing capital budgets and associated resources from 2022/23 into 2023/24 and beyond to fund re-phased net capital spending, as detailed in Appendix D of the officer's report and the associated notes to the appendix.

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Item

2022/23 Revenue and Capital Outturn, Carry Forwards and Significant Variances – Housing Revenue Account

To:

Councillor Gerri Bird, 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 This report presents, for the Housing Revenue Account:

- a) A summary of actual income and expenditure compared to the final budget for 2022/23 (outturn position)
- b) Revenue and capital budget variances with explanations
- c) Specific requests to carry forward funding available from both revenue and capital budget underspends into 2023/24.
- d) A summary of housing debt which was written off during 2022/23.

2. Recommendations

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

- a) To approve carry forward requests totalling £334,670 in revenue funding from 2022/23 into 2023/24, as detailed in **Appendix C**.

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

- b) Approval of carry forward requests of £15,880,000 in HRA and General Fund Housing capital budgets and associated resources from 2022/23 into 2023/24 and beyond to fund re-phased net capital spending, as detailed in **Appendix D** and the associated notes to the appendix.

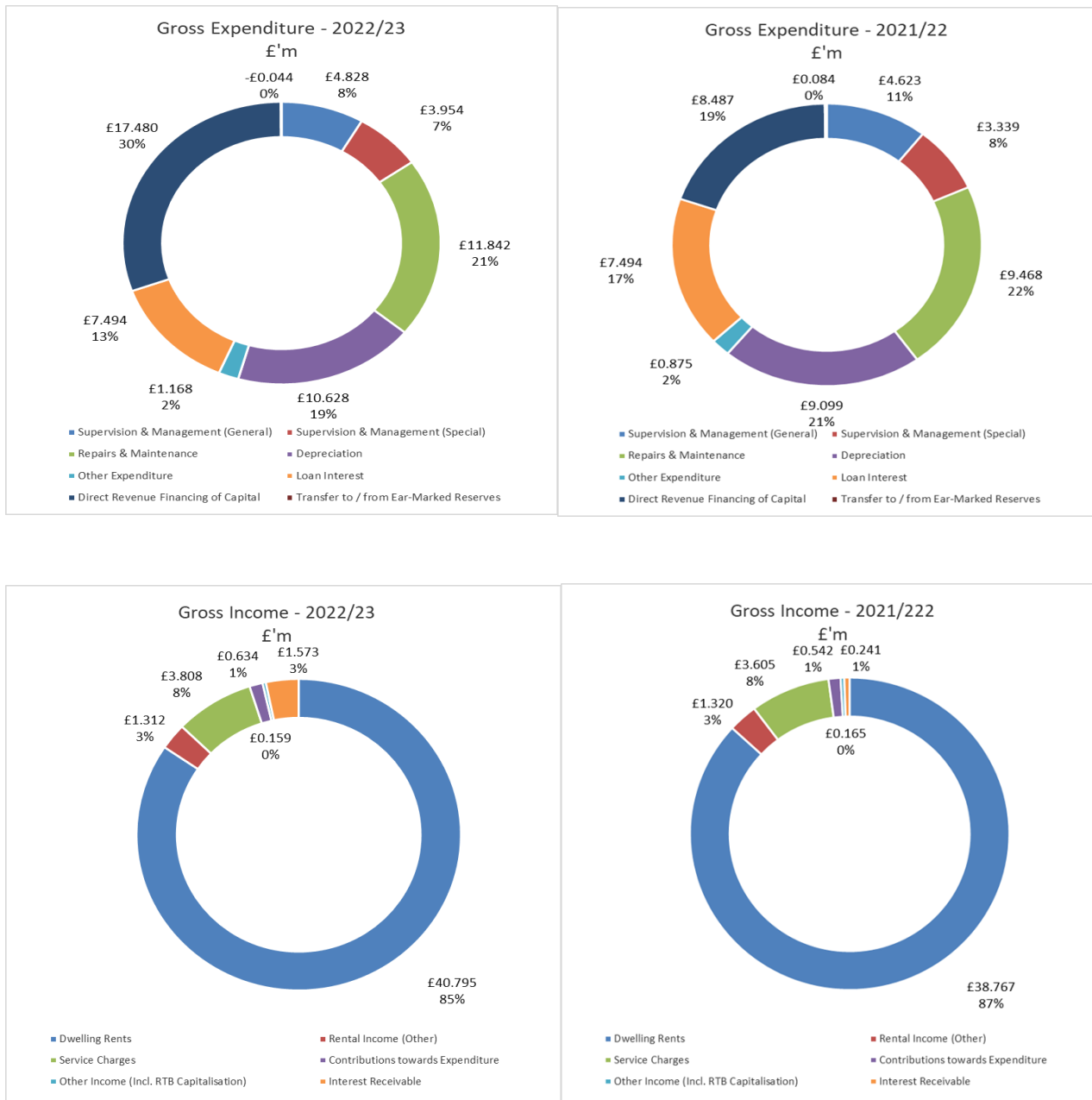
3. Background

Revenue Outturn

- 3.1 The overall revenue budget outturn position for the Housing Revenue Account is given in the table and charts below.

2021/22 £'000	Housing Revenue Account Summary	2022/23 £'000	% Final Budget
6,397	Original Budget (HRA Use of Reserves)	1,029	11%
7,598	Adjustment – Prior Year Carry Forwards	12,562	137%
104	Adjustment – HRA MTFS or HRA BSR Approved	(4,444)	(48%)
14,099	Final Budget	9,147	100%
(1,170)	Outturn	9,069	99%
(15,269)	(Under) / Overspend for the year	(78)	(1%)
12,562	Carry Forward Requests	335	4%
(2,707)	Resulting Variation for the HRA and (reduced) / increased use of reserves	257	3%

Gross Expenditure and Income Charts – 2022/23 (and 2021/22 for comparison)



3.2 **Appendix A** shows original and final budgets for the year (with the movements summarised in the above table) and compares the final budget with the outturn position for the HRA for 2022/23. The original revenue budget for 2022/23 was approved by the Executive Councillor for Housing on 20 January 2022.

3.3 **Appendix B** provides explanations of the main variance.

- 3.4 **Appendix C** lists revenue carry forward requests.
- 3.5 The final outturn position for the HRA is a net underspend of £78,035, which represents a marginal 1% reduced use of reserves, compared with that approved for the year.
- 3.6 Significant variances are as follows:
- General HRA Services; underspend of £320k due to a number of staff vacancies, a reduction in abortive development costs as new build schemes received approval and costs were capitalised and reduced demand for welfare reform funding in City Homes.
 - Special HRA Services; overspend of £393k due to overspending in temporary housing, with both increased stock numbers and increased operating costs, including utility costs, increased utility costs in sheltered housing and communal areas of flat blocks and spending on furniture and equipment in sheltered and temporary housing, which is fully funded from the ear-marked reserve for repairs and renewals.
 - Repairs; overspend of £1,526k due to an increase in the volume and complexity of void properties, with sub-contractors brought in to meet the demand (£1,222k), overspending in fencing, the installation of heat detectors with more installations achieved than anticipated and in maintenance and servicing of sheltered housing boilers, electrical appliances, door entry systems, lifts and automatic gates. Overspending was partially offset by underspending in fire door inspections, electrical inspections and employee costs as a result of vacancies across the team.
 - Depreciation; overspend of £156k as a result of increased depreciation in respect of garages, where asset values have increased and in IT investment in the Orchard system.
 - Other Expenditure; underspend of £117k, with the contribution to the bad debt provision being significantly lower than anticipated as a result of arrears being broadly maintained throughout the year. Partially offset by an overspend in council tax in respect of void properties, where the number, and length of inoccupancy, of general voids was greater in 2022/23 and homes were held vacant pending redevelopment.
 - Income; over-achievement of £448k with rental income being greater than anticipated as a result of handovers in the latter part of 2022/23,

clearing the backlog of void properties and a slow down in the decant of homes for redevelopment. Contributions towards expenditure were also over-achieved, with significant rechargeable repairs raised during 2022/23.

- Interest Receipts; over-achievement of £611k due to a significant increase in the rates available to the authority for investments, particularly in the latter part of 2022/23. An increased level of HRA balances was also a factor, resulting from underspending in the capital programme.
- Appropriations / Other; underspend of £387k, with income transferred from the ear-marked reserve for repairs and renewals to fund expenditure in 2022/23 and a marginally reduced call on DRF (direct revenue financing of capital expenditure) because of underspending in the capital programme.

Housing Revenue Account Reserves

3.7 The table below sets out the movement on the Housing Revenue Account reserve for 2022/23:

	2022/23 £'000
Original Budget – Contribution from HRA reserves	1,029
Adjustment – Prior Year Carry Forwards	12,562
Adjustment – HRA MTFS or HRA BSR Approved	(4,444)
Final Budget – Contribution from HRA Reserves	9,147
Net Variance for the Year	(78)
Total Contribution from HRA General Reserves – Draft Statement of Accounts	9,069
HRA General Reserve Balance - 1 April 2022	(19,590)
HRA General Reserves Balance - 31 March 2023	(10,521)

Capital Outturn

3.8 The overall capital budget outturn position for the Housing Capital Investment Plan (HRA and Housing General Fund) is provided in the table below. **Appendix D** shows the outturn position by programme with the associated notes providing explanations of variances.

2021/22 £'000	HRA Capital Summary	2022/23 £'000	% Final Budget
68,747	Original Budget	97,104	116%
17,112	Adjustments (Re-phasing – approved in June 2022)	19,287	23%
(23,877)	Other Adjustments (Re-phasing and changes approved in HRA MTFS October 2022 and HRA BSR February 2023)	(32,610)	(39%)
61,982	Final Budget	83,781	100%
38,250	Outturn	66,624	80%
(23,732)	(Under)/Overspend for the year	(17,157)	(20%)
22,055	Re-phasing Requests	15,880	19%
(1,677)	(Under) / Overspend	(1,277)	(1%)

3.9 Spending in the Housing Capital Investment Plan in 2022/23 was below that originally anticipated, with reductions in the budget, particularly for new build and decent homes expenditure as part of the Medium-Term Financial Strategy in September / October 2022 and the Budget Setting Report in January / February 2023.

3.10 Significant variances are as follows:

- General Fund Housing; underspend of £246k in disabled facilities and repairs assistance works delivered through the Home Improvement Agency, but with some recovery in demand and delivery, when compared to 2021/22.

- Decent Homes; underspend of £2,822k due predominantly to contactor selection and capacity, materials shortages, access issues and tenant refusals.
 - Other Spend on HRA Stock; underspend of £771k with the programme encountering the same issues as the decent homes programme, but with particular delays in street lighting replacement being delivered as part of the estate investment programme.
 - New Build; underspend of £12,072k, with delays on a number of sites as a result of securing vacant possession and planning permission and in delivery on site, with labour and materials shortages still proving problematic in some areas.
 - Acquisition; underspend of £754k, with 1 additional homes to accommodate rough sleepers still to be acquired and an underspend in the demand led budget for buying homes on the open market where future development may be an option.
 - Other HRA Capital Spend; underspend of £492k with no shared ownership repurchases in 2022/23 and the last phases of the Orchard Housing Management System implementation delayed until 2023/24.
- 3.11 Permission is sought to re-phase the use of £7,528k of Major Repairs Reserve funding in future years. The use of £2,501k of Devolution Grant held in balances will be deferred until 2023/24, as will the anticipated receipt and use of £124k of Homes England grant funding for the acquisition of homes for rough sleepers.

HRA Write Offs

- 3.12 In line with the revised process for the writing off of HRA debt, considered by Housing Scrutiny Committee in March 2015, this report also provides an appendix detailing write off of HRA debt during the financial year 2022/23. **Appendix E** includes a summary of debt written off by both category of write off and also value banding.

4. Implications

(a) Financial Implications

The variance from the final revenue budget (see above), would result in a reduced use of Housing Revenue Account reserves of £78,035. After carry

forward of revenue resource to fund deferred expenditure, the overall variance and a resulting increase in the use of Housing Revenue Account reserves is £256,635. The impact of this will be addressed as part of the HRA Medium Term Financial Strategy.

A decision not to approve a carry forward request may impact on officers' ability to deliver the service or scheme in question and this could have staffing, equality and poverty, environmental, procurement, consultation and communication and/or community safety implications.

(b) Staffing Implications

There are no direct staffing implications associated with this report.

(c) Equality and Poverty Implications

There are no new equality or poverty implications associated with this report.

(d) Environmental Implications

There are no new environmental implications arising from this report.

(e) Procurement Implications

There are no new procurement implications arising from this report.

(f) Consultation and Communication

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

(g) Community Safety

There are no community safety implications arising from this report.

5. Background Papers

There were no specific background papers used in the preparation of this report. Data directly from the Council's financial management system was used in the report's preparation.

6. Appendices

- Appendix A – HRA Revenue Outturn 2022/23

- Appendix B – HRA Major Revenue Variance Explanations
- Appendix C – HRA Revenue Carry Forward Requests
- Appendix D – Housing Capital Investment Plan Outturn 2022/23
- Appendix D Notes – Notes to the Housing Capital Investment Plan
- Appendix E – HRA Write Offs 2022/23

7. 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 & Business Manager

Telephone: 01223 - 457248 or email: julia.hovells@cambridge.gov.uk.

Housing Committee - Housing Revenue Account

Revenue Budget 2022/23 - Final Outturn

Service Grouping	Original Budget £000's	Final Budget £000's	Outturn £000's	Variation Increase/ (Decrease) £000's	Carry Forward Requests - see Appendix C £000's	Net Variance £000's
INCOME						
Dwelling Rents	(41,314)	(40,518)	(40,795)	(277)	0	(277)
Rental Income (Other)	(1,346)	(1,319)	(1,312)	7	0	7
Service Charges	(3,368)	(3,807)	(3,808)	(1)	0	(1)
Contributions towards Expenditure	(570)	(472)	(634)	(162)	0	(162)
Other Income (Incl. RTB Capitalisation)	(464)	(145)	(159)	(14)	0	(14)
Total Income	(47,062)	(46,261)	(46,708)	(447)	0	(447)
EXPENDITURE						
Supervision & Management (General)	4,082	5,148	4,828	(320)	85	(235)
Supervision & Management (Special)	3,242	3,561	3,954	393	0	393
Repairs & Maintenance	8,066	10,587	11,842	1,255	250	1,505
Depreciation	11,144	10,472	10,628	156	0	156
Other Expenditure	4,103	1,285	1,168	(117)	0	(117)
Total Expenditure	30,637	31,053	32,420	1,367	335	1,702
Net Cost of HRA Services	(16,425)	(15,208)	(14,288)	920	335	1,255
Interest Receivable (Interest on Balances & Item 8)	(218)	(962)	(1,573)	(611)	0	(611)
(Surplus) / Deficit on the HRA for the Year	(16,643)	(16,170)	(15,861)	309	335	644
Appropriations / Other Movement in the HRA Balance						
Loan Interest	7,727	7,494	7,494	0	0	0
Housing Set-Aside	(4,942)	0	0	0	0	0
Impairment	0	0	0	0	0	0
Direct Revenue Financing of Capital	14,611	17,546	17,480	(66)	0	(66)
Transfer to / from Ear-Marked Reserves	277	277	(44)	(321)	0	(321)
(Surplus) / Deficit for year	1,030	9,147	9,069	(78)	335	257
(Surplus) / Deficit b/f	(19,590)	(19,590)	(19,590)			
Balance Carried Forward	(18,560)	(10,443)	(10,521)	0	0	0

Changes between original and final budgets may be made to reflect:

- portfolio and departmental restructuring
- approved budget carry forwards from the previous financial year
- technical adjustments, including changes to the capital accounting regime
- virements approved under the Council's constitution
- additional external revenue funding not originally budgeted

and are detailed and approved:

- in the January committee cycle (as part of the Budget-Setting Report)
- in the June/July committee cycle (outturn reporting and carry forward requests)
- in September (as part of the Medium Term Financial Strategy - MTFS)
- via technical adjustments/virements throughout the year

Housing Committee - Housing Revenue Account

Revenue Budget 2022/23 - Major Variances from Final Revenue Budgets

Service Grouping / Cost Centre	Reason for Variance	Amount £
Supervision and Management (General)		
City Homes	Underspend due predominantly to staff vacancies and under-utilisation of funding ear-marked to support tenants through the transition to Universal Credit, with the balance of this funding to be carried forward into 2023/24.	(191,787)
Tenancy Support	Underspend due to staff vacancies, with difficulties in recruiting to these during 2023/24.	(65,661)
Other		(62,704)
Total		(320,152)
Supervision and Management (Special)		
R&R Fund Expenditure	Expenditure on furniture and equipment in temporary and sheltered housing. This expenditure is not budgeted for in year, but is fully funded from ear-marked reserves set-aside specifically for these purposes.	141,182
Temporary Accommodation	Increased set up and operational costs as a result of a significant increase in unit numbers, with the need to prepare additional properties for letting alongside increased costs of both gas and electricity.	146,715
Mill Road Third Party Estate Services	Service charge payments to the management company were lower than budgeted as a direct result of delays in handover of the new homes in 2022/23.	(72,373)
Sheltered Housing	The overspend was predominantly due to increased costs of gas and electricity in sheltered flats and associated communal areas, and backdated charges for water usage.	60,908
Estate Management	Overspend due to the increased costs of electricity in communal areas of flats.	57,969
Other		58,886
Total		393,287
Repairs and Maintenance		
Voids	An increase in the volume, complexity and average cost of voids, exacerbated by the condition that homes are being returned to us in has led to a significant overspend. A number of sub-contractors were engaged to address the backlog of void repairs, with the majority of these works completed by 31 March 2023.	1,221,699
Citywide Schemes	The programme of smoke detector installations suffered additional delay due to access issues and contractor capacity. but overspends are evident across a number of other areas of cyclical maintenance, including heat detector installations, sheltered boiler and electrical appliance servicing, door entry, lift and gate maintenance.	240,413

Housing Committee - Housing Revenue Account

Revenue Budget 2022/23 - Major Variances from Final Revenue Budgets

Service Grouping / Cost Centre	Reason for Variance	Amount £
Risk and Compliance	Commencement of the fire door inspection and repair programme was delayed at the start of the year, with fewer repairs being carried out than originally anticipated (£333,860) and electrical inspections have not been delivered as planned due to access issues and contractor capacity (£139,270). Underspending is partially offset by overspending in respect of asbestos surveys (£83,620), fire risk assessments (£49,030), fire protection equipment (£26,510) and emergency lighting servicing and repairs (£99,650).	(213,505)
Asset Management	Underspending in employee costs due to vacancies within the team that have proved difficult to recruit to, and in the water conservation project, which has slipped in part to 2023/24.	(143,056)
Planned Revenue Repairs	Overspending in both fencing works due to an increased demand and in the external repair prior to repaint programme.	86,921
Other		63,266
Total		1,255,738
Other HRA Expenditure		
Depreciation	Depreciation was higher in 2022/23 than anticipated, particularly in respect of the depreciation for non-dwellings assets (garages), where the value of the asset has increased and plant and equipment (IT systems), where investment in the Orchard system has resulted in an increased value to depreciate over the remaining life of the asset..	156,447
Contribution to the Bad Debt Provision	The required contribution to the bad debt provision was significantly lower than anticipated in 2022/23. A significant amount of debt was written off in 2022/23 when compared to 2021/22, but arrears were reduced in percentage terms by the end of the year, reducing the need to top up the provision.	(306,099)
Council Tax	Council tax payments were greater than anticipated as a result of a higher level of general void properties and the need to pay for homes vacated for re-development up to the point that the entire site is handed over.	162,570
Corporate and Democratic Core Costs	Corporate and democratic core costs exceeded the budget in 2022/23, resulting in the HRA share being higher than anticipated also.	54,777
Other		(28,306)
Total		39,389

Housing Committee - Housing Revenue Account

Revenue Budget 2022/23 - Major Variances from Final Revenue Budgets

Service Grouping / Cost Centre	Reason for Variance	Amount £
HRA Income and Other		
Rental Income (Dwellings)	Dwelling rent income was higher than budgeted due to a combination of handovers in the latter part of the year, work to clear the backlog of void dwellings making them available for relet and a slow down in the decant of units at Princess and Hanover Court, with a number of vacant homes being used for temporary housing, so still generating a rental stream.	(276,988)
Contributions towards Expenditure	Contributions towards expenditure were higher than anticipated, with significant rechargeable repairs raised during 2022/23 and receipts for small parcels of land or access being recognised in the accounts. Contribution from the General Fund for shared amenities was however, marginally lower than budgeted.	(161,688)
Other		(8,861)
Total		(447,537)
HRA Interest, Premiums and Appropriations		
Direct Revenue Funding of Capital Expenditure (DRF)	Revenue financing of capital was only marginally lower than anticipated due to underspending in the Housing Capital Programme. The underspending in the capital programme was due in part to contractor capacity and access issues in the existing housing stock and in delays in the delivery of the new build programme. A net overspend in the HRA means that the balance of this resource will not be available in 2023/24.	(65,994)
Transfer to or from Ear-Marked Reserves	A transfer from R&R fund reserves to finance the next phase of costs of the replacement Housing Management Information System (£32,043) was combined with also drawing from the reserve to fund expenditure in communal areas of sheltered schemes, emergency alarms, temporary housing and housing repairs. The cessation of the emergency alarm service resulted in £99,407 being transferred back to general reserves	(321,446)
Interest Received	The interest due to the HRA for 2022/23 was significantly greater than anticipated due to an average interest rate of 2.04% for 2022/23, compared to a rate of 0.24% in 2021/22. The level of average revenue and capital balances which were held in the HRA during the year was also higher, with underspending in capital budgets resulting in a greater level of reserves at year end than anticipated.	(611,333)
Other		13
Total		(998,760)
Total for Housing Revenue Account		(78,035)

Housing Committee - Housing Revenue Account Revenue Budget 2022/23 - Carry Forward Requests

Final Request to Carry Forward Housing Revenue Account Revenue Budgets from 2022/23 into 2023/24

Item	Cost Centre	Contact	Final outturn variance position of cost centre (underspend) / overspend at year end prior to carry forward	March 2023 Carry Forward Request £	Final June 2023 Carry Forward Request £
Strategic Director - Jane Wilson					
Supervision and Management General					
1	6008	Julia Hovells	10,270	117,970	0
Housing Transformation - Carry forward no longer required as provision made in 2022/23 for the HRA's share of the cost of change in respect of the Senior Management Review, resulting in the resource being utilised in year.					
2	6012	Anna Hill	(191,860)	55,370	55,370
City Homes - Welfare Reforms - One-off additional funding to support tenants through the transition from Housing Benefit to Universal Credit has not been required during 2022/23, as the bulk of tenants have not yet been 'passport through' to the new system. This is likely to be at some point during 2023/24, with all claimants to be moved across before the end of 2024.					
Supervision and Management Special					
3	6104/6105	Nathan Chapman	17,260	17,500	0
Independent Living Service and Independent Living Service Management - CCTV Upgrade - Carry forward not required as project was successfully completed by late March 2023.					
Repairs and Maintenance					
4				100,000	100,000
Risk and Compliance - Electrical Testing - The 2022/23 electrical inspection programme, which incorporated resource carried forward from 2021/22 was not delivered in full in 2022/23 as a result of a contract change in November 2022. Carry forward of resource will allow the contractor to continue undertaking electrical hard wire tests, and to ensure that the backlog is addressed, and the authority is compliant with legislation.					
5	6215	Renier Barnard	(213,500)	100,000	100,000
Risk and Compliance - Fire Door Inspections - A contract for fire door inspections is now being delivered, but it took time to mobilise the new arrangements, and as a result the programme, which included resource carried forward from 2021/22, was not delivered in full in 2022/23. The programme has also been refined to recognise the level of repair work that it is prudent to complete before considering a full door replacement. A carry forward is requested to allow this work to continue in 2023/24.					
6	6203	Lynn Bradley	(143,810)	50,000	50,000
Asset Management - Water Conservation Project - Funding of £50,000 was approved in January 2021, to be split over two financial years, and to cover both research and pilot changes. Although work has been commissioned, delays have been experienced in delivery of the project meaning that the budget will be required as a carry forward to complete the project in 2023/24.					
Appropriations					
No carry forward items					
Other					
Carry forwards under £50,000 approved under delegation the the Chief Financial Officer					
Total Revenue Carry Forward Requests for Housing Revenue Account / Housing Scrutiny Committee				440,840	334,670

2022/23 Housing Capital Investment Plan - HRA & General Fund Housing

	Original Budget £000's	Current Budget £000's	Outturn £000's	Variance £000's	Re-phase Spend £000's	Notes	Re-Phasing Year				Budget
							2023/24 £000's	2024/25 £000's	2025/26 £000's	Post 2026/27 £000's	2023/24 £000's
General Fund Housing Capital Spend											
Investment in Non-HRA Affordable Housing	0	0	0	0	0		0	0	0	0	0
Other General Fund Housing	900	945	699	(246)	0	1	0	0	0	0	945
Total General Fund Housing Capital Spend	900	945	699	(246)	0		0	0	0	0	945
HRA Capital Spend											
Decent Homes Programme	20,406	14,209	11,387	(2,822)	3,175	2	2,225	397	63	490	27,893
Other Spend on HRA Stock	4,480	4,590	3,819	(771)	709	3	480	0	0	229	6,251
HRA New Build	70,317	59,505	47,433	(12,072)	10,287	4	9,915	372	0	0	85,086
HRA Acquisition	0	3,994	3,240	(754)	1,517	5	1,517	0	0	0	11,460
Sheltered Housing Capital Investment	0	0	0	0	0		0	0	0	0	0
Other HRA Capital Spend	400	538	46	(492)	192	6	192	0	0	0	652
Inflation Allowance	601	0	0	0	0		0	0	0	0	4,985
Total HRA Capital Spend	96,204	82,836	65,925	(16,911)	15,880		14,329	769	63	719	136,327
Total Housing Capital Spend	97,104	83,781	66,624	(17,157)	15,880		14,329	769	63	719	137,272
Housing Capital Resources											
Right to Buy Receipts (General Use)	(488)	(488)	(443)	45	0	7	0	0	0	0	(493)
Right to Buy Receipts (Retained for New Build / Acquisition)	(7,183)	(7,294)	(4,514)	2,780	0	7	0	0	0	0	(3,507)
Right to Buy Receipts (Debt Set-Aside)	0	0	(878)	(878)	0	7	0	0	0	0	0
Other Capital Receipts (Shared Ownership)	(300)	(300)	(416)	(116)	0	8	0	0	0	0	(300)
Other Capital Receipts (Land and Dwellings)	0	0	(45)	(45)	0	8	0	0	0	0	(614)
MRA / MRR	(30,233)	(22,013)	(14,485)	7,528	(7,528)	9	(5,977)	(769)	(63)	(719)	(17,944)
Client Contributions	0	0	(632)	(632)	0	10	0	0	0	0	0
Direct Revenue Financing of Capital (Including R&R)	(14,611)	(17,546)	(17,480)	66	0	11	0	0	0	0	(29,446)
Other Capital Resources (Grants / Loan Repayments)	(22,124)	(30,364)	(26,138)	4,226	(2,625)	12	(2,625)	0	0	0	(19,316)
Prudential Borrowing	(19,137)	0	0	0	0		0	0	0	0	(59,925)
Total Housing Capital Resources	(94,076)	(78,005)	(65,031)	12,974	(10,153)		(8,602)	(769)	(63)	(719)	(131,545)
Net (Surplus) / Deficit of Resources	3,028	5,776	1,593	(4,183)			5,727	0	0	0	5,727
Capital Balances b/f	(26,049)	(26,049)	(26,049)								(6,755)
Use of / (Contribution to) Balances in Year	3,028	5,776	1,593				5,727	0	0	0	5,727
Set-aside for future Debt Redemption	11,215	11,215	12,093								
Ear-marked for specific Retained Right to Buy Receipts 1-4-1 Investment	7,244	7,244	5,608								
Residual capital resources remaining to fund future Housing Investment Programme	(4,562)	(1,814)	(6,755)								(1,028)

Notes to the Housing Capital Investment Plan

Note	Category	Spend / Income Area	Budget 2022/23	(Under) / Over Spend	Re-Phasing	Reason for Variance
1	General Fund Housing	Disabled Facilities Grants	750,000	(173,292)	0	Underspend predominantly due to continued reduced demand, although activity did recover somewhat in 2022/23 when compared with the previous two years, where the vulnerable nature of the client group coupled with materials and labour shortages impacted activity.
1	General Fund Housing	Private Sector Grants and Loans	195,000	(73,305)	0	Underspend due to reduced demand as with DFG's.
2	Decent Homes	Officer's Fees	505,000	(49,823)	0	Decent Homes officers fees were lower than budgeted, with some staff vacancies that could not be filled in the year contributing to this.
2	Decent Homes	Insulation / Energy Efficiency	3,539,000	(1,284,717)	1,284,000	The authority has been awarded SHDF grant funding to contribute towards the programme of energy work. The award process was delayed so work won't start until 2023/24. The first phase of external wall insulation is now ordered. Part of the under spend related to the net zero carbon project, where design work is underway and fees are being incurred but work will not be on site until autumn 2023.
2	Decent Homes	Central Heating / Boilers	1,900,000	(358,777)	358,000	The underspend was due to problems experienced by the contractor in gaining access to complete the ordered work.
2	Decent Homes	Electrical / Wiring	255,000	420,582	0	An overspend was evident in electrical upgrades where work was ordered assuming a significant level of no accesses as experienced in previous years where in reality the contractor was successful in accessing the majority of properties to carry out the works.
2	Decent Homes	Roof Covering	1,079,000	265,326	0	The overspend is due to a CPI uplift of 8.98%, urgent decent homes roof failures added late in the year, additional site costs at Monkswell and a number of urgent shed roof replacements passed from response repairs to planned works, as repair was not viable.
2	Decent Homes	External Doors	1,058,000	(237,708)	237,000	There were quite a lot of properties on the original 2022/23 programme of works, where the doors had already been replaced outside of the standard programme of works due to failings, but the stock-condition data had not been updated to show this. There were also a number of tenant refusals and no access properties, with housing management now working with the team to resolve these.
2	Decent Homes	Kitchens	865,000	36,458	0	The budget for kitchen replacement was marginally overspent in 2022/23 as a result of the final prices for this workstream being slightly higher than anticipated.
2	Decent Homes	Bathrooms	800,000	(274,004)	274,000	The underspend was due to problems experienced by the contractor in gaining access to complete the ordered work.
2	Decent Homes	Roof Structure	425,000	(88,510)	0	Underspending in roof structure works was more than offset by overspending in roof covering works in 2022/23.
2	Decent Homes	Other Health and Safety Works	50,000	(49,660)	0	Works in this area have been picked up under the wall structure budget as the work required was wider than just balconies. This budget can be combined with wall structure funding for future years.
2	Decent Homes	HHSRS	278,000	(57,954)	57,000	There was an underspend in this budget due to a late start in the works to communal stairwells. The delays were caused by a combination of waiting for Building Control confirmation that the works were not under their purview and design changes asked for by Housing.
2	Decent Homes	Wall Structure	784,000	(80,247)	80,000	Works to some flat blocks had begun by 31 March 2023, but will not complete until 2023/24, necessitating funding being carried forward to meet this commitment.

Note	Category	Spend / Income Area	Budget 2022/23	(Under) / Over Spend	Re-Phasing	Reason for Variance
2	Decent Homes	Contractor Overheads	1,279,000	(492,059)	315,000	Underspending in specific decent homes elements results in a corresponding under-spend in contractor overheads.
2	Decent Homes	PVCU Windows	1,021,000	(403,461)	403,000	Underspending was a result of a supply chain issue where the supplier couldn't manufacture the windows quickly enough. This is being addressed for 2023/24, with additional suppliers being added. Also there were a number of tenant refusals and no access issues.
2	Decent Homes	Other External Works	371,000	(167,390)	167,000	Although all ordered external masonry painting was carried out in 2022/23, less was identified than expected. This resulted in an underspend.
3	Other Spend on HRA Stock	Disabled Adaptations	1,008,000	(45,160)	0	Investment levels maintained despite contract change mid-year. There have been several wet room refurbishments which increased the amount of works on the programme in 2022/23.1 extension began in 2022/23 but this will be completed in 2023-24. The number of equipment and access works increased coupled with renewals of stairlifts and through floor lifts. This has meant an increased spend for the financial year 2022-23, when compared to previous years.
3	Other Spend on HRA Stock	Communal Areas Uplift	100,000	34,295	0	Additional drying areas identified in the Minerva Way area, which required update / resurfacing works causing the overspend.
3	Other Spend on HRA Stock	Officer's Fees	141,000	13,370	0	Small overspend that is offset by under-spend on Decent Homes Officer's Fees budget.
3	Other Spend on HRA Stock	Asbestos Removal	23,000	47,907	0	There has been some unforeseen urgent work and a higher volume of work in association with repairs and voids.
3	Other Spend on HRA Stock	Garage Improvements	167,000	(7,638)	0	
3	Other Spend on HRA Stock	Hard Surfacing	262,000	(10,062)	10,000	Expenditure broadly in line with the budget for 2022/23.
3	Other Spend on HRA Stock	Communal Area Floor Coverings	100,000	(86,760)	86,000	Section 20 process was delayed, which in turn delayed delivery and a mini-tender was required to procure a new MMA resin flooring supplier.
3	Other Spend on HRA Stock	Fire Prevention / Fire Safety Works	622,000	(125,472)	125,000	Fire compartment work at Kingsway Flats is designed and priced but did not start on site in 2022/23. Work is due to start and will be completed in 2023/24.
3	Other Spend on HRA Stock	Lifts and Door Entry	49,000	37,141	0	The overspend was due to the need to replace a lift at a sheltered scheme which was not anticipated at the beginning of the year.
3	Other Spend on HRA Stock	Contractor Overheads	447,000	(208,732)	70,000	Underspending in specific other spend on HRA stock work elements results in a corresponding underspend in contractor overheads.
3	Other Spend on HRA Stock	Estate Investment	1,200,000	(208,604)	208,000	The underspend relates to the street light replacement programme, where work was not completed at 31/3/23. The underspend will need to be re-phased to 2023/24.
3	Other Spend on HRA Stock	Communal Electrical Installations / Fire	350,000	(89,909)	89,000	The underspend was due to the contractor struggling to resource the communal electrical works particularly as they were focused on revenue repair works in response to more urgent requirements.
3	Other Spend on HRA Stock	Communal Entrance / Enclosure Doors	121,000	(121,000)	121,000	Works were delayed in this year, as a tender process was unsuccessful. The work has now been reverted back to the Foster Planned Maintenance Contract, but this happened too late for works to complete by year end.
4	New Build	Unallocated Retained RTB Receipts	1,460,000	(1,460,000)	1,460,000	Funding for 10 Year New Homes Programme not yet allocated to schemes.
4	New Build	Anstey Way	63,000	24,743	0	Final account resulted in additional costs for the affordable housing as a result of additions and variations.

Note	Category	Spend / Income Area	Budget 2022/23	(Under) / Over Spend	Re-Phasing	Reason for Variance
4	New Build	Akeman Street	62,000	103,730	0	Final account resulted in additional costs for the affordable housing as a result of additions and variations.
4	New Build	Kendal Way	111,000	(82,652)	83,000	Underspend due to delays in planning and subsequent processes. Scheme now proceeding to contract stage.
4	New Build	Mill Road	2,258,000	(941,684)	232,000	Affordable Housing Agreement (AHA) payments now complete, with only additions, variations and associated fees to be finalised. Scheme is reporting an underspend at this stage, with contingency for SDLT payment not required.
4	New Build	Cromwell Road Redevelopment (HRA)	3,213,000	(669,938)	212,000	The Cromwell Road scheme will underspend against the agreed budget, as the HRA is not required to meet the SDLT costs on the original CIP land purchase. there is also a delay in completing the final units, resulting in the need for some re-phasing into 2023/24..
4	New Build	Teddar Way	144,000	(130,750)	131,000	Underspend due to delays in planning and subsequent processes. Scheme now proceeding to contract stage.
4	New Build	Colville Road (Phase 2)	5,625,000	(541,981)	542,000	Some aspects of phase 2 cannot be completed until phase 3 finishing works commence due to shared access and site storage. Re-phase into 2023/24 and 2024/25.
4	New Build	Clerk Maxwell Road	2,717,000	(603,780)	604,000	Underspend due to delays on site as a result of material supply issues.
4	New Build	Meadows and Buchan Street	8,700,000	(2,772,343)	2,772,000	Underspend due to delays on site meaning commencement of phase 2 has started later than expected.
4	New Build	Campkin Road Phase 2	7,280,000	344,800	(345,000)	Profile of budget was incorrect, with more progress made in 2022/23 than the profiled budget anticipated. Budget for 2023/24 will be reduced accordingly.
4	New Build	L2	7,763,000	732,567	(733,000)	Underspend is as a result of profiling errors when the budget was originally established. These funds will need to be carried forward into 2023/24, when the affordable housing agreement payments will be made.
4	New Build	Colville Road III	4,478,000	(2,446,399)	2,446,000	This scheme was delayed due to discharge of planning conditions and completion of phase 2, The delay in expenditure represents about a two month delay and budget needs to be carried forward to 2023/24.
4	New Build	Histon Road	1,674,000	(1,661,083)	1,661,000	Completion payment delayed as a result of build delays on site.
4	New Build	Fen Road	2,340,000	(195,008)	195,000	This scheme was delayed starting on site for approximately 4-6 weeks due to sign off of planning conditions, and so an underspend was evident in 2022/23. This is required as a carry underspend forward into 2023/24.
4	New Build	Ditton Fields	799,000	(73,144)	73,000	A slight delay on start on site leading to a delay of approximately one month in delivery and therefore payments. This is required as a carry underspend forward into 2023/24.
4	New Build	Aragon Close	638,000	(615,943)	616,000	Underspending is evident as a result of significant planning delays and now archaeology works, which will delay start on site further.
4	New Build	Sackville Close	686,000	(673,771)	674,000	Underspending is evident as a result of significant planning delays and now archaeology works, which will delay start on site further.
4	New Build	Borrowdale	295,000	135,510	(136,000)	Initial delay getting on site, but good progress made and now slightly ahead of the programme, resulting in a small overspend, with the need to draw budget from 2023/24.
4	New Build	Aylesborough Close	1,652,000	(698,093)	698,000	Underspend due to delays in starting on site as a result of decanting, planning and pre-commencement condition delays.

Note	Category	Spend / Income Area	Budget 2022/23	(Under) / Over Spend	Re-Phasing	Reason for Variance
4	New Build	St Thomas's Road	896,000	(829,659)	67,000	£763,000 of the underspend relates to the acquisition of an adjacent dwelling to facilitate the development, which was ultimately bought from the Local Authority Housing Fund budget for use for refugees. The balance of the underspend was due to delays in the programme, with the scheme now progressing to the planning application stage.
4	New Build	Paget Road	42,000	(12,874)	13,000	Underspend due to delays in the programme in 2022/23, but with the scheme now progressing to planning application stage.
4	New Build	Fanshawe Road	2,623,000	286,899	(287,000)	Overspend as decant costs accounted for in the budget profile for 2022-23, but not the pre-planning fees, which were paid at the end of March 2023. The budget in 2023/24 will be reduced accordingly.
4	New Build	Princess and Hanover Court	3,599,000	472,122	(472,000)	Some delay in acquisition of leasehold dwellings compared to the number assumed when the budget profile was originally agreed. These will now take place in 2023/24.
4	New Build	East Road	387,000	213,619	(214,000)	The budget for pre-planning costs in 2022/23 for the East Road site was under-estimated resulting in an overspend in 2022/23, which will result in the budget for 2023/24 being reduced accordingly.
4	New Build	Hills Avenue POD Homes	0	4,770	(5,000)	Funding utilised in 2022/23 for legal searches required to inform scheme deliverability ahead of budget allocation in 2023/24. Budget allocation in 2023/24 will be reduced accordingly.
4	New Build	Homes England Grant Repayable	0	18,500	0	This project code has been set up to record the expenditure associated with Homes England Grant that is repayable if a property built with grant is subsequently sold. The expenditure is funded from the capital receipt from the sale. This sum relates to the sale of the final share of a shared ownership dwelling in the city.
5	HRA Acquisition	Acquisition and Disposal	2,444,000	(799,833)	800,000	This budget is set-aside to allow the authority to strategically acquire homes on the open market that are in areas where future development may be an option. Expenditure is therefore variable depending upon what property is marketed in any year.
5	HRA Acquisition	RSAP Acquisitions	1,550,000	(716,820)	717,000	This budget combines HRA resource with grant funding from Homes England for the acquisition of 14 homes to accommodate rough sleepers. By March 2023, 13 of the 14 homes required had been purchased, with Homes England confirming that the remaining grant can be carried forward into 2023/24.
5	HRA Acquisition	Local Authority Housing Fund Acquisitions	0	763,054	0	The government have awarded the authority grant towards the acquisition or build of 30 homes to accommodate refugees. Although most activity will take place in 2023/24, the opportunity was taken to use this funding to acquire a property in St Thomas's Road, where budget approval was already in place as part of the Colville III scheme, as the acquisition was required to allow better access to the site.
6	Other HRA Capital Spend	Shared Ownership Repurchase	300,000	(300,000)	0	No shared ownership homes were re-acquired during 2022/23.
6	Other HRA Capital Spend	Commercial Property	69,000	(55,143)	55,000	Less work than anticipated to HRA commercial properties was identified by Property Services in the year, with a re-phasing request to allow works to take place in 2023/24, with a particular commitment to meeting fit out costs for the commercial units at Akeman Street to aid letting.
6	Other HRA Capital Spend	Orchard Upgrade	119,000	(86,957)	87,000	The Orchard implementation project is still progressing. There final aspects of the asset module are still to be implemented and the new housing mobile and service charges module have yet to be released to us by Orchard to allow us to proceed and implement these during 2023/24.
6	Other HRA Capital Spend	Estate Services Van	50,000	(50,000)	50,000	A new electric Estate Services Van has been ordered, with a delivery date awaited. The lead in time for these vehicles has proved quite extensive.

Note	Category	Spend / Income Area	Budget 2022/23	(Under) / Over Spend	Re-Phasing	Reason for Variance
7	Right to Buy Receipts	Cash Receipts	(7,782,000)	1,947,000	0	28 properties were sold in total during 2022/23. £443,000 of the capital receipt is available for general use (after all costs have been deducted from each receipt), while £878,000 of the overall capital receipt is identified as set-aside to be offset against the debt associated with the unit no longer owned. A further £4,514,000 of right to buy receipts have been retained by the local authority in 2022/23, but must be re-invested now in financing up to 40% of additional social housing or shared ownership units, provided this is done within a 5 year time frame.
8	Other Capital Receipts	Cash Receipts	(300,000)	(161,000)	0	A number of shared ownership housing transactions took place in 2022/23, with a net sum of £416,000 retained once any sums due to DLUHC had been paid. A capital receipt of £45,000 was recognised in 2022/23 in relation to the sale of HRA land.
9	MRA / MRR	MRA	(22,013,000)	7,528,000	(7,528,000)	The major repairs reserve was used to finance capital expenditure in the housing stock in 2022/23, including investment in decent homes work and other investment in the housing stock. Where less of this funding was utilised in 2022/23 than anticipated as a result of slippage in the investment programme, the use of MRA will be increased in 2023/24 and beyond.
10	Client Contributions	Contributions	0	(632,000)	0	Income was recovered from leaseholders in 2022/23 in relation to their share of the cost of major improvements undertaken as part of the decent homes programme (£610,000) and was also received from private residents in relation to contributions towards DFG's or private sector housing repair grants (£22,000).
11	Direct Revenue Financing of Capital (Including R&R)	DRF	(17,546,000)	66,000	0	The use of revenue funding for capital purposes was broadly in line with the budget for 2022/23, with only a marginal (£66,000) under-utilisation. The balance of resource will not be available in 2023/24 as a result of the HRA reporting a net revenue overspend for 2022/23.
12	Other Capital Resources (Grants / Loan Repayments)	Grants and Other Resources	(30,364,000)	4,226,000	(2,625,000)	Less of the Devolution Grant, which was received in full in 2020/21 was utilised in 2022/23 than anticipated, due to delays on new build sites, with £2,501,000 of this resource being deferred for use into 2023/24. The full Homes England RSAP Grant of £1,730,000 was not claimed by the end of 2022/23, with 1 home still to acquire and a deferred grant claim of £124,000 now anticipated in 2023/24.

HRA Debts Written Off in 2022/23Write Off Cases by Category

Write Off Category	No. of Cases	Value Written Off
Bankruptcy / Insolvency	1	4,637.13
Debt re-instated	4	(8,040.46)
Debt relief order	19	32,497.52
Debtor deceased	152	151,716.34
Debtor is residing outside the UK	1	5,519.95
Debtor untraceable	0	0.00
Imprisonment	0	0.00
Other special circumstances	5	6,017.21
Statute barred	80	97,781.72
Uneconomical to recover	36	3,719.19
Recovery Procedures Exhausted	11	29,771.09
Unable to Substantiate Debt	0	0.00
Court has refused to make and order	0	0.00
Balance of debt is small	74	397.96
Total Written Off (Net)	383	324,017.65

Write Off Value Band	No. of Cases	Value Written Off
Less than £100	102	2,222.99
£100.00 to £199.99	21	2,757.34
£200.00 to £299.99	26	6,642.32
£300.00 to £399.99	20	6,875.41
£400.00 to £499.99	24	10,775.45
£500.00 to £749.99	54	32,804.34
£750.00 to £999.99	31	27,954.72
£1,000.00 to £1,499.99	38	46,951.93
£1,500.00 to £1,999.99	16	27,850.39
£2,000.00 to £2,999.99	23	56,146.12
£3,000.00 to £3,999.99	10	36,122.46
£4,000.00 to £4,999.99	7	31,959.06
Greater than £5,000.00	7	42,995.58
Debt re-instated	4	(8,040.46)
Total Written Off (Net)	383	324,017.65

For context, the level of write off in 2022/23 represents less than 1% (0.8%) of the rent due for the year.

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STRATEGY & RESOURCES SCRUTINY COMMITTEE

03 July 2023

5.30 – 22:05

Present: Robertson (Chair), Baigent, Bennett, Bick, Gawthrop Wood, Holloway, Sheil and Young.

RECOMMENDATION TO COUNCIL (EXECUTIVE COUNCILLOR FOR FINANCE & RESOURCES COUNCILLOR S. SMITH)

GREATER CAMBRIDGE IMPACT FUND

This report presents the case for the Council to support the establishment of Greater Cambridge Impact (working title; referred to as ‘the Fund’), an independent social impact investment fund to help address inequality in line with the Council’s “One Cambridge Fair for All” vision. The Fund will do this by investing in opportunities to improve the lives of our most vulnerable communities and achieving measurable improvements in homelessness & rough sleeping, social mobility, youth employment, and health and wellbeing.

Options for the Fund’s purpose and structure were considered in a feasibility study, drawing on the experience of other places, and by co-designing the proposed model with social impact experts, local charities and social enterprises, potential social investors, and philanthropists.

A Fund Development Board is now in place. It has the appropriate expertise and experience to support the development and establishment of the Fund, including advising on the appropriate legal and governance arrangements. An initial investment of £0.2m is requested from the General Fund reserve to provide the necessary resources to develop the Fund and to fundraise.

In principle approval is also sought for a further £0.8m, bringing the Council’s potential investment in the Fund’s development and financing to £1m. A £0.8m contribution should only be made on condition sufficient progress has been made to secure funding from other sources, in line with the ambition to establish a £6-15m social impact fund.

Progress on the development and fundraising for the Fund will be reported to the Executive Cllr for Finance and Resources by the Fund Development Board and may be brought back to the Strategy & Resources Committee to provide updates at key stages and in advance of any key decisions.

The Strategy and Resources Scrutiny Committee considered the report and approved the recommendations.

Accordingly, Council is recommended to:

- a) Approve the allocation of £200,000 development funding to support the establishment of Greater Cambridge Impact ('the Fund') and enable fundraising over the next year.
- b) To agree 'in principle' a further £800,000 contribution to the Fund once it is established, subject to progress made to secure funding commitments of £5m from other parties, and that officers should provide advice in relation to this decision at a later date.
- c) To note that a) and b) are one-off financial contributions from Reserves with the objective of leaving a lasting legacy from additional business rates collected due to the growth of the Cambridge economy.
- d) To note that activity to establish the Fund will be overseen by a Fund Development Board; that the £200,000 development funding will be managed by Jemma Little, Economic Development Manager, Cambridge City Council in line with council policies; and that progress will be reported by the Fund Development Board on a regular basis to the Executive Cllr for Finance and Resources and may be brought back to the Strategy & Resources Committee to provide updates at key stages over the next year.



Item

GREATER CAMBRIDGE IMPACT FUND

To: **Cllr Simon Smith, Executive Councillor for Finance and Resources**
Strategy and Resources Committee 3rd July 2023

Report by:

Jemma Little, Economic Development Manager, Cambridge City Council
Tel: 07720 145018 Email: jemma.little@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

This report presents the case for the Council to support the establishment of Greater Cambridge Impact (*working title*; referred to as 'the Fund'), an independent social impact investment fund to help address inequality in line with the Council's "One Cambridge Fair for All" vision. The Fund will do this by investing in opportunities to improve the lives of our most vulnerable communities and achieving measurable improvements in homelessness & rough sleeping, social mobility, youth employment, and health and wellbeing.

Options for the Fund's purpose and structure were considered in a feasibility study, drawing on the experience of other places, and by co-designing the proposed model with social impact experts, local charities and social enterprises, potential social investors, and philanthropists.

A Fund Development Board is now in place. It has the appropriate expertise and experience to support the development and establishment of the Fund, including advising on the appropriate legal and governance arrangements.

An initial investment of £0.2m is requested from the General Fund reserve to provide the necessary resources to develop the Fund and to fundraise.

In principle approval is also sought for a further £0.8m, bringing the Council's potential investment in the Fund's development and financing to £1m. A £0.8m contribution should only be made on condition sufficient progress has been made to secure funding from other sources, in line with the ambition to establish a £6-15m social impact fund.

Progress on the development and fundraising for the Fund will be reported to the Executive Cllr for Finance and Resources by the Fund Development Board and may be brought back to the Strategy & Resources Committee to provide updates at key stages and in advance of any key decisions.

2. Recommendations

The Executive Councillor is recommended, following scrutiny and debate at Strategy & Resources Scrutiny Committee, to recommend to Full Council:

- a) the allocation of £200,000 development funding to support the establishment of Greater Cambridge Impact ('the Fund') and enable fundraising over the next year.
- b) To agree 'in principle' a further £800,000 contribution to the Fund once it is established, subject to progress made to secure funding commitments of £5m from other parties, and that officers should provide advice in relation to this decision at a later date.
- c) To note that a) and b) are one-off financial contributions from Reserves with the objective of leaving a lasting legacy from additional business rates collected due to the growth of the Cambridge economy.
- d) To note that activity to establish the Fund will be overseen by a Fund Development Board; that the £200,000 development funding will be managed by Jemma Little, Economic Development Manager, Cambridge City Council in line with council policies; and that progress will be reported by the Fund Development Board on a regular basis to the Executive Cllr for Finance and Resources and may be brought back to the Strategy & Resources Committee to provide updates at key stages over the next year.

3. Background

- 3.1 As part of the Council's "Our Cambridge" Transformation programme and the development of a community wealth building approach, Cambridge City Council and It Takes A City commissioned social impact experts, AchieveGood, to explore how 'place-based social impact investment' could grow the scale and impact of the third sector and mobilise action to tackle social issues in the Greater Cambridge area.
- 3.2 The UK has become the world leader in social investment over the last 20 years. Social investment has been used to develop innovative and outcome driven solutions to resolve social issues such as homelessness and create positive impacts through projects including house-building, reducing social isolation or supporting people furthest from the labour market into work.
- 3.3 Social investment led approaches have been positively evaluated by central government, independent researchers and the University of Oxford's Government Outcomes Lab across a number of sectors including health, social care, children services, poverty reduction, education and workforce development, and to scale up the impact of socially motivated organisations, such as charities and social enterprises.
- 3.4 In many instances grants are used to build capability and facilitate social investment to increase the chances of success. This is known as 'blended finance'. These investments are patient, flexible, often unsecured, and able to take risk to generate positive social and environmental impact.
- 3.5 During the feasibility phase, AchieveGood conducted interviews with local stakeholders to understand the local challenges and explore opportunities for a place-based social impact investment in addressing them. This was followed by a deeper research phase and a national and international review of place-based social impact investment and blended finance models to understand what might be possible in Greater Cambridge. The culmination of this research was a published report titled "Coming Together" – see Appendices - which explores the issues and potential solutions.
- 3.3 This was followed by a co-design phase, engaging with potential investors, local stakeholders, charities, and social enterprises to co-

develop the Greater Cambridge Impact initiative. This included the promotion of an open call for evidence and expression of interest process, hosting an investor roundtable and a social sector engagement event. Throughout the process, ongoing stakeholder engagement and consultation with social enterprise experts has been key, ensuring the initiative is responsive to community needs, existing capacity, and investment opportunities.

3.4 Interest from potential investors has been strong further reinforcing the case for investment. For instance, Big Society Capital (BSC), a leading social impact investor in the UK, has shown interest. The Cambridgeshire & Peterborough Combined Authority (CPCA) has also shown interest in the initiative and may consider a contribution subject to further development.

3.4 An investor round table was attended by local philanthropists, corporates and other local and national stakeholders such as our two Universities, the Access Foundation and Power to Change. An initial presentation has also been made to South Cambridgeshire District Council’s informal Cabinet with an invitation to follow up once further progress has been made. Innovate Cambridge has endorsed the establishment of a Social Impact Fund as a route for successful entrepreneurs to make financial contributions to address social inclusion and inequality in the city. This proposal is likely to be included in the project’s Action Plan due to be launched in October at the Guildhall.

3.5 £200,000 development funding from the City Council as the first investor to help kick-start the Fund is now key to turn ideas into action. It would enable the development of the Business and Implementation Plan, which would provide a credible proposition for fundraising. The £0.8m ‘in principle’ commitment from the Council would leverage in funding other sources including from philanthropy, corporates and social investors.

3.6 A working Theory of Change has been developed to show how the Fund will achieve social outcomes by addressing the causes of inequality, summarised in the table below

Addressing causal issues through capacity building	Improved outcomes for the most vulnerable
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<p>Initial hypothesis for key causal focus interventions in areas such as</p> <ul style="list-style-type: none"> • Homelessness & rough-sleeping • Education, skills and employment for young people • Health inequalities <p>With supporting thematic areas such as;</p> <ul style="list-style-type: none"> • Community Resilience • Environment and Cost of Living 	<ul style="list-style-type: none"> • Reduction in homelessness and low-quality housing • Improved education attainment and employment opportunities for young people • Health and wellbeing outcomes • Life expectancy
---	--

- 3.6 The Fund would build on the approach taken by Bristol City Funds and Kindred CIC in Liverpool, as well as the It Takes a City model, of convening multi-stakeholder partnerships that work to deliver transformational change around a specific issue. This will be achieved through capacity building work and a proactive approach to building strategic partnerships with local charities and social enterprises. This initial focus would be on areas such as housing and homelessness, education, skills and employability, and health. A pipeline of potential projects worthy of social investment and support has already been identified and this will continue to be developed.
- 3.8 A crucial milestone in the project has been the establishment of a **Fund Development Board** to oversee the initiative, guide its strategic direction, prepare to set up the new organisation and support fundraising. The board brings together expertise in social investment, public sector funding, homelessness, innovation, and social entrepreneurship.
- 3.9 The board is chaired by **Antony Ross OBE**, a Senior Advisor at Bridges who has over 20 years of private equity and venture capital investment experience. Antony founded Bridges' activities in Social Outcomes Contracts and established Bridges Evergreen Holdings. He brings a wealth of experience in pioneering social investment. Antony has been awarded an OBE for services to social enterprise and social investment and lives in Cambridge.
- 3.10 Other members of the Development Board include:

- **Chris Jenkin BEM**, Chair of It Takes A City CLT, a not-for-profit working in partnership to end rough sleeping due to homelessness. Chris was awarded the British Empire Medal (BEM) in 2020, for services to the homeless in Cambridge during COVID-19.
- **Tabitha Goldstaub MBE**, Executive Director of Innovate Cambridge and the co-founder of CogX, a festival and online platform. Tabitha is also the chair of the UK government's AI Council and is a tech and social entrepreneur. Tabitha was awarded MBE in the 2022 New Year Honours for services to the artificial intelligence sector.
- **Dominic Llewellyn**, a renowned social entrepreneur and investment advisor, specialising in establishing charities, social enterprises, capacity building, and innovative social finance. Most recently he worked on a place based social impact project with the Gordon and Sarah Brown Foundation in Fife.
- **Robert Pollock**, Chief Executive of the City Council and formerly a Director at Social Finance. He has advised central government and local authorities on social investment and was involved in establishing Kindred CIC in the Liverpool City Region.

3.11 The seed funding requested to establish the Fund will be managed by Jemma Little in line with council policies with advice provided by the Fund Development Board. Progress on the establishment and fundraising for the Fund will be reported by the Fund as set out in the recommendation. It is envisaged the Fund could be in a position to make investments from the beginning of financial year 2024, and the Council may need to take a decision regarding any 'in principle' contribution as part of the budget process in late February 2024.

3.12 The Council development funding would be used is as follows:

- **Resourcing:** a part-time Executive Director should be hired to lead the project and fundraise. Additional support from a Fund Development Team will be necessary to manage the project and develop pipeline investment opportunities. This is crucial in ensuring that the initiative is strategically positioned to achieve its objectives and deliver measurable improvements in outcomes. Antony Ross OBE, Chair of the Development Board, is providing his expertise on a pro bono basis, further strengthening the capacity of the initiative.

- **Pipeline Development and Marketing:** activities to raise awareness of the initiative, convening and capacity building to develop opportunities to deliver social change, considering which groups / partnerships / organisations are or have the potential to be able to use additional finance to achieve social change or to scale up their impact through innovative solutions.
- **Fundraising:** The seed funding will also support fundraising activities. This is key to securing additional funding for the initiative, which will enable it to scale its impact. There is also an ambition to raise further philanthropic start-up phase funding to bolster the initiative's resources in the short term.
- **Founding and incubating the organisation** – with support from technical and legal advisors, though pro bono advice will be sought wherever possible.

3.13 The outline budget is shown below:

Start-up costs (VAT inclusive)	Total	Q1	Q2	Q3	Q4	Total
Interim Contracted Executive	£89,200	£8,400	£19,600	£25,200	£36,000	£89,200
Start-up resourcing and team	£91,411	£22,853	£22,853	£22,853	£22,853	£91,411
Marketing materials	£10,080	£5,760	£1,440	£1,440	£1,440	£10,080
Legal Fees (pro bono)	-	-	-	-	-	-
Meeting and hosting costs	£1,628	£360	£360	£360	£548	£1,628
Admin & accounting	£7,680	£1,800	£1,800	£1,800	£1,800	£7,200
Total (including VAT)	£200,000	£39,173	£46,053	£51,653	£62,641	£199,520

3.12 One-off funding provided by the council could generate a significant social return:

- **Matched Funding:** attract funding from other local and national investors. This could leverage an additional £5-14m of investment, amplifying the impact of the councils contribution.
- **Social Return on Investment (SROI):** SROI is a method for measuring the social impact of investments. It quantifies the social and environmental value created and expresses this in monetary terms. For the investments made by the Fund in social enterprises, charities and other projects, an overall positive SROI is anticipated. The range of social returns can vary significantly between organisations and sectors, and the performance of individual investments. Kindred CIC,

a place-based impact fund in Liverpool, for instance, expects a £6 SROI return for every £1 invested.

- **Ambition for larger infrastructure funds:** There is potential for the creation of a larger, infrastructure-focused funds in the future especially for housing and homelessness where this may be essential to achieving the outcome of ending rough sleeping. These could be modelled on successful examples such as the Co-Living Fund and the Net Zero Fund in Bristol that followed the initial City Funds impact fund. These funds could attract further investment and generate additional returns, both financial and social.

4. Implications

a) Financial Implications

There are no additional financial implications other than those outlined in the report.

b) Staffing Implications

There are no direct staffing implications.

c) Equality and Poverty Implications

There are no other direct equality and poverty implications associated with this report. However, the purpose of establishing the Fund is to address the causes of inequality and poverty.

d) Net Zero Carbon, Climate Change and Environmental Implications

There are no direct environmental implications associated with this report. However, the investment criteria for the Fund would include delivery of positive environmental and climate benefits.

e) Procurement Implications

Development funding will be managed by the Council's project manager. Procurement rules will be followed, should the requirement arise. The Council's contribution to the Fund, if approved, would be transferred as a grant to the new Fund's legal entity and this will be considered in more detail as part of the next development phase.

f) Community Safety Implications

There are no direct community safety implications associated with this report.

5. Consultation and communication considerations

As part of the development of the business case for the establishment of the fund, extensive research was undertaken including an open call for evidence on the council's website and direct engagement with the Community, Voluntary and Social Enterprise organisations was carried out to help identify how the fund could best support the sector and to identify a pipeline of investable projects which will attract investor interest. A press release promoted the results of the Feasibility Report and was widely covered in local media and further publicity is planned as part of the next phase to promote key milestones in the fund's development. There are no further direct consultation and communication implications associated with this report.

6. Background papers

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

7. Appendices

Appendix a - Coming Together: The Role That Social Impact Investing Can Play in Cambridge

8. Inspection of papers

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

Jemma Little, Economic Development Manager, Democracy, Inclusive Economy and Climate Group

tel: 07720 145018 email: jemma.little@cambridge.gov.uk

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COMING TOGETHER: THE ROLE THAT SOCIAL IMPACT INVESTING CAN PLAY IN CAMBRIDGE



achievetogood
Creating impact together



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EXECUTIVE SUMMARY

Cambridge has a growing economy, with strong levels of employment benefitting from globally prestigious universities, as well as flourishing industries in key sectors such as deep tech, life science, research and finance¹.

The impacts of Covid-19 and broader economic challenges however, mean that Cambridge and Greater Cambridge face a complex set of pressures, with stark inequality between the most affluent and deprived communities.

In this context, there is a desire to develop alternative funding sources, in addition to traditional grants, to help social purpose organisations in the region address local issues.

With innovative, growing businesses and supportive local philanthropy, there is an opportunity for social impact investment to enhance local resilience and drive more inclusive and sustainable development.

WHAT IS PLACE-BASED SOCIAL IMPACT INVESTMENT?

Place-based social impact investment works to create positive social outcomes through investing in specific areas or communities. These investments aim to provide social or environmental benefits, and financial returns. This tailored approach focuses on the strengths of an area, and builds partnerships using the unique community networks to channel resources to local organisations and initiatives that meet needs in that area. It is often complimented by blended finance, an approach where grants are used to facilitate lending and increase the chances of success.

KEY SOCIAL ISSUES

Cambridge City Council has a clear agenda: eradicating homelessness, tackling inequality, supporting families with the cost of living, challenging energy poverty and combating climate change. There are also clear local challenges that this research examines:

- Housing is unaffordable for many – house prices relative to earnings are some of the highest nationally².
- There is a high incidence of homelessness and insecure housing³.
- There are inequalities of outcomes especially around education, social mobility, and life expectancy⁴.

This report reviews a range of local issues and identifies a potential theory of change where place-based social impact investment and blended finance could help to tackle local inequality through interventions across housing and homelessness, skills education and employment, community resilience and environmental transformation.

1 Cambridge was ranked 6th out of the top 50 cities in the UK for growth, with 7.3% Gross Value Added in 2021, <https://www.cambridgenetwork.co.uk/news/cambridge-remains-track-economic-recovery-2021>

2 <https://democracy.cambridge.gov.uk/documents/s50576/Appendix.pdf>

3 <https://democracy.cambridge.gov.uk/documents/s50576/Appendix.pdf>

4 <https://www.ons.gov.uk/peoplepopulationandcommunity/wellbeing/articles/subnationalindicatorsexplorer/2022-01-06>

OPPORTUNITIES FOR IMPACT

- Greater Cambridge has an established and growing local social sector. Cambridge Social Enterprise Partnership (CSEP) estimate that there are almost 400 social enterprises across the Cambridgeshire area, 167 of these are Community Interest Companies (CICs) registered in Cambridgeshire and Peterborough, half of which registered in the last two years⁵.
- During the pandemic many of these organisations pivoted quickly from delivering their usual services to creating new and innovative cross-community collaborations to meet need. There is an opportunity to build on this example of community resilience and leveraging of social capital.
- This report sets out case studies that show how place-based social impact investment in other areas has helped support and enhance local organisations in responding to similar issues. We also outline a range of models through which investment might be managed to start a conversation around a new model for Greater Cambridge.

MOVING FORWARDS

- Through this work we have seen growing interest and positive engagement from local stakeholders across the community, and support for building a place-based social impact investing organisation for Greater Cambridge.
- It is our view that this represents a significant opportunity to start bringing stakeholders together, catalysing not just financial, but also the social and intellectual capital that Cambridge has to offer, to tackle local issues, and to make Greater Cambridge a better place for all.

⁵ <https://www.socialenterprise.org.uk/app/uploads/2022/06/SEUK-State-of-Social-Enterprise-East-2-March-2022.pdf>

ABOUT THE AUTHORS

ACHIEVEGOOD

AchieveGood helps local and national governments, non-profits and corporates to maximise impact and diversify revenue by building the best partnerships across sectors. We create cross-sector collaborations to enable place transformation, develop viable impact strategies and investments and help large organisations be platforms for innovation and impact.

We'd love to hear from you if you think we can help, or would like to discuss working with us. All of our work starts with a coffee and a chat, so please use the form below to get in touch.

www.achievegood.com
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DOMINIC LLEWELLYN

Dominic Llewellyn is an entrepreneur focusing on integrating economic sustainability with social transformation. He founded AchieveGood to build the best partnerships across sectors. He has helped to create and deliver over £1bn in partnerships with NGOs, corporates, local and national governments and impact investors such as Amazon, Gordon Brown, Cambridge City Council, World Vision, Big Society Capital, J&J, the Scottish Government, the UK Government and the White House. In response to Covid-19, Dominic subsequently built and ran YourNeighbour, a national movement of 1,400 churches committed to caring for their local communities in responding to and recovering from Covid-19, providing 2.8 million meals to families, and supporting millions in minority communities to get vaccinated and a national helpline for those who needed help during lockdowns. Dominic previously worked in politics and government. This included standing for Parliament, working for Ministers in the Cabinet Office and co-authoring UK Government policy on social innovation, impact investing and economic growth.

EMILY CHRISTOU

Emily Christou is passionate about advocating for those who don't have a voice. Before AchieveGood, Emily was part of the leadership team at fostering and adoption charity Home for Good where she undertook research and created and incubated new programmes and managed complex multistakeholder relationships with corporates, donors and local authorities. As well as this project, Emily has worked on a range of cross sector AchieveGood initiatives, including working with Gordon Brown and Amazon on building a partnership tackling family poverty and enabling the circular economy in Fife and with the Scottish Government on social outcomes contracts.

JACK SCRIVEN

Jack is passionate about delivering positive and sustainable change. He combines data-led commercial and strategic insight, with tools to build processes, structures and teams for scale. His experience covers strategy, finance, commercial and operational roles for leading social enterprises such as JustGiving and HCT Group. More recently he has co-founded a fitness challenge fundraising platform Umbali.org and has been advising a number impact-focused social enterprise start-ups. With a deep interest in learning and development in a range of areas, he has an MA in Psychology from the University of Edinburgh, is a qualified CIMA accountant, and holds Agile and product management qualifications.

ACKNOWLEDGEMENTS

We are grateful to all those who gave us the benefit of their time and expertise over the course of this project. In particular, we are indebted to the members of our project team from Cambridge City Council, and It Takes a City and for the generous support of The Aidan Charitable Trust.

We are grateful for the input from a range of experts, including special mention to Yinka Johnson (Programme Coordinator, Impact Investing Institute), Shadi Brazell (Programme Manager, Impact Investing Institute), Edward Rowberry (CEO, Bristol and Bath Regional Capital), Danielle Cohen (Head of Local & Regional Engagement, Power to Change) and Hayley Hand (Investment Director, Big Society Capital).

We would also like to thank the numerous local stakeholders who gave their time and shared their insights and experiences in interviews and conversations as well as those who responded to our Call For Evidence.

All views expressed in the report are solely those of the authors, and all errors and omissions remain our own.

GLOSSARY OF TERMS

Social Impact Investment: Social impact investment (also called ‘social investment’ or ‘impact investment’) is the repayable transfer of money with the aim of creating positive social impact. There is usually a return associated with the investment, meaning the amount of money repaid may differ from the amount invested.

Blended finance: Blended finance is a strategy that combines capital with different levels of risk in order to catalyse risk-adjusted market-rate-seeking financing into impact investments, this is often in the form of support grants. The providers of the risk-tolerant, “catalytic” capital in blended finance structures aim to increase their social and/or environmental impact by accessing larger, more diverse pools of capital from commercial investors. The utilisation of blended finance structures and catalytic capital is increasingly relevant within the social impact investment ecosystem.

Place-based social impact investment: Place-based social impact investments are investments made with the intention to yield appropriate risk-adjusted financial returns as well as positive local impact, with a focus on addressing the needs of specific places to enhance local economic resilience, prosperity and sustainable development.

Social Sector Organisation: mean those “that exist wholly or mainly to provide benefits for society or the environment” This definition includes regulated social sector organisations such as charities, Community Interest Companies or Community Benefit Societies but can also include for-profit entities where the objects, governance and distribution policy are clearly set out to protect a primary concern of providing benefit to society.

INTRODUCTION

Cambridge, and the Greater Cambridge region, faces a challenging and complex set of pressures – Covid recovery, cuts in funding, rising demand for services, and economic growth challenges. In addition to this, housing challenges are becoming acute. At the same time, charities and social enterprises have been under significant funding pressure for over a decade, recently exacerbated by Covid-19 and now the Cost of Living crisis and impacts of war in Ukraine. In that context, there is a desire to develop alternative funding sources in addition to traditional grants, which can help these organisations across Cambridge and the Greater Cambridge region to build capability, resilience and more effective or innovative delivery models. Cambridge's agenda is clear: eradicating homelessness, tackling inequality, supporting families with the cost of living, challenging energy poverty and combating climate change.

Cambridge has significant assets; outstanding universities – including one of the most prestigious universities globally – excellent employers and corporates, and is the third-best place nationally to set up a business (particularly in the biomedical and finance sectors). GVA is at 7%⁶, putting Cambridge in the top 10 cities in the country. A number of philanthropists are committed to Cambridge and Greater Cambridge; this includes the Marshall family, the owners of Howard Group, and technology entrepreneurs and executives.

Public investment will need to be matched by private capital to tackle the significant social challenges. Therefore, there is a real opportunity for responsible, patient, social impact investment to invest directly into Greater Cambridge in ways that enhance local resilience and drive more inclusive and sustainable development. Local social impact investment can help local areas transform themselves to respond to their pressures, but new organisations may be needed to bring different actors together.

Social impact investment is the use of finance to achieve a social, as well as a financial return. Social impact investment can help charities and social enterprises in a range of ways; by providing working capital to even out cash flow (e.g. between contract payments or grants) or by enabling organisations to create new, extended or different ways of delivering goods and services, such as purchasing property or investing in equipment or staff.

Big Society Capital the leading financial institution dedicated to social impact investment in the UK, estimate amount of social impact investment in the UK has grown nearly ten-fold over ten years, from £830 million in 2011 to £7.9 billion in 2021.⁷

Cambridge City Council, It Takes A City, and a range of other partners were interested to explore how local social issues could be tackled through creating a place-based social impact investment and blended finance organisation or fund. AchieveGood, an organisation who work with local and national governments, non-profits and corporates to build the best partnerships across sectors, with deep experience in social impact investing were commissioned to undertake this work.

⁶ <https://www.cambridgenetwork.co.uk/news/cambridge-remains-track-economic-recovery-2021>

⁷ <https://bigsocietycapital.com/latest/investment-in-social-impact-increases-nearly-ten-fold-in-ten-years-as-social-issues-exacerbated-by-the-cost-of-living-crisis/>

This report identifies a number of key issues impacting Greater Cambridge, with inequality at the centre. It also explores how social impact investment and blended finance can play a much needed role in addressing these issues and outlines potential models to take this forward as well as outlining opportunities to find out more and get involved.

CONTEXT TO THIS WORK

This piece of research looked at (1) which social issues to prioritise (with one of them being tackling homelessness), (2) what the market conditions need to be (social sector, investors, foundations, public sector), (3) what the possible sustainable models and partnerships are for a successful place-based social impact investment and blended finance organisation or fund and (4) engaging interested regional stakeholders from public, private and social sectors to work collaboratively with project partners to agree on next steps for Cambridge.

It involved both desk and field research, including a literature review and engagement with social sector organisations, place-based investors, and others. We fed back and tested initial findings with key stakeholders before developing a roadmap for the further phases of work required to launch a new organisation or fund to implement the findings around place-based investment and blended finance.

The success factors considered for the ongoing development of the project throughout this first phase of work were:



The understanding and consensus from this initial phase of work could now flow into a second more detailed exercise and culminate in a business plan that includes:

- A strategic framework that responds to identified social issues
- How it will facilitate investment in local social enterprises and charities tackling identified social issues
- A defined business model with the relevant operational requirements
- A funding strategy to match the operational requirements
- A governance model that suits local civic leadership and social issues
- Measures of success
- A social impact framework, SWOT analysis and risk register

BACKGROUND TO THE RESEARCH

AchieveGood, commissioned by Cambridge City Council and ITAC CLT, undertook a research exercise to research the key social challenges faced by the Greater Cambridge area. Together with desk-based research, AchieveGood conducted a series of structured interviews with key stakeholders from the public, private and third sectors. In addition, stakeholders have fed into the research via a public call for evidence which was published online and ran from 5th of September until the 25th of October. The wealth of insights garnered from interviewees and submissions have been invaluable and our thanks goes to each of the contributors.

The table below shows the individuals and organisations who have contributed to stakeholder interviews to date.

Table 1 – List of interviewees

Name	Organisation
Martin Clark	Allia
Mark Freeman	Cambridge Council for Voluntary Service
Graham Budd	Aidan Trust
Michael O’Toole	Cambridgeshire Community Foundation
Nicholas Bewes	Howard Group
Sheila Kissane-Marshall	Boutros Bear
Professor Andy Neely	University of Cambridge
James Rolfe	Anglia Ruskin University
Stephen Moir	Cambridgeshire County Council
Jane Paterson-Todd	Cambridge Ahead
Mayor Dr Nik Johnson, Steve Clarke and Domenico Cirillo	Cambridgeshire & Peterborough Combined Authority
Liz Watts	South Cambridgeshire District Council
Michael Anstey	Cambridge Innovation Capital

As well as a series of stakeholder interviews a call for evidence was undertaken to engage with social sector organisations and wider stakeholders. It was promoted on the council website, though local networks (CVS and Social Enterprise East of England) as well as on social media and through stakeholder networks. This initial data has helped to inform our work to date and provide a network of contact for future work. Following on from this we are looking to capture further expressions of interest to engage with and support our work and would welcome social sector organisations and wider stakeholders registering on the link below.

Expression of Interest form: bit.ly/GreaterCambridgeImpactFund

PROJECT TEAM

The project was supported by a team from AchieveGood, Cambridge City Council and It Takes a City. The project team is listed in the table below. We would like to thank all those involved for the invaluable role they played in shaping this work.

Table 2 – Project team

Name	Job Title	Organisation
Robert Pollock	Chief Executive	Cambridge City Council
Emily Downey	Transformation Officer	Cambridge City Council
Jemma Little	Economic Development Manager	Cambridge City Council
Chris Jenkin	Chair	It Takes A City CLT
Dominic Llewellyn	Chief Executive	AchieveGood
Emily Christou	Associate	AchieveGood
Jack Scriven	Associate	AchieveGood
Martin Clark	CEO / Board Member	Allia / It Takes a City CLT

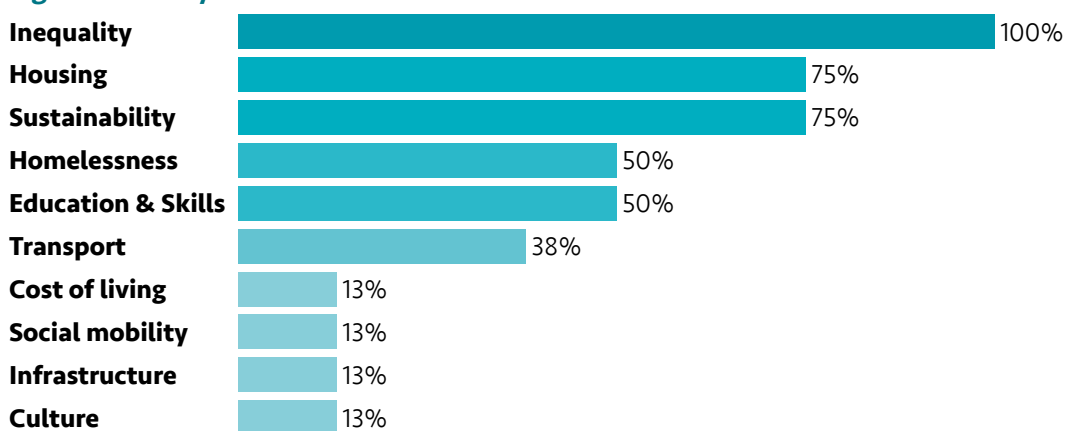
KEY ISSUES

Famous for being the home of a world-leading University, Cambridge has birthed more than a hundred Nobel Prize winners, houses >46,000 companies, boasts 3,500+ listed buildings and claims fame for game-changing discoveries, ideas, and inventions, from gravity to IVF.

Despite this, according to the Centre for Cities analysis, Cambridge is the most unequal city in the UK. While there is some debate around the methodology and application of the metrics used in the Centre for Cities analysis, inequality was the leading issue raised by interviewees.

In some senses, Cambridge is a victim of its own success. As the city continues to attract the brightest minds and inspire the founding of world-class businesses, the gap between the 'haves' and the 'have-nots' widens. The top 6% of earners who live in Cambridge take home 19% of the total income generated by residents, while the bottom 20% of people account for just 2% of the total.⁸ One in ten people live in a household that claims benefits. Life expectancy in the most deprived areas is a shocking 11 years lower than in the more affluent neighbouring wards⁹. Cambridge ranked fifth lowest of any local authority area for youth social mobility¹⁰ and less than a third of pupils receiving a free school meal [a key measure of deprivation] achieved GCSE 5+ grades A*-C, compared to two thirds of children not eligible for free school meals in the city¹¹. The poorest are being left behind.

Figure 1 – Analysis of AchieveGood interviews



The chart above shows the breadth of issues raised in interviews, and the percentage of participants that mentioned each issue. This ranges from 100% of participants mentioning 'inequality', through to less than 20% raising cost-of-living and culture. It is important to note, however, that due to the current political and economic circumstances, things have changed somewhat in just the past few weeks, especially resulting in issues around the cost-of-living growing in importance.

Combined with our desk-based research, we have identified the following issues as being both significant for the Greater Cambridge area and ripe for social impact investment and blended finance.

⁸ <https://www.theguardian.com/uk-news/2018/feb/04/cambridge-most-unequal-city-population-divide-income-disparity>

⁹ <https://equalitytrust.org.uk/blog/tackling-poverty-cambridge-most-unequal-city-uk>

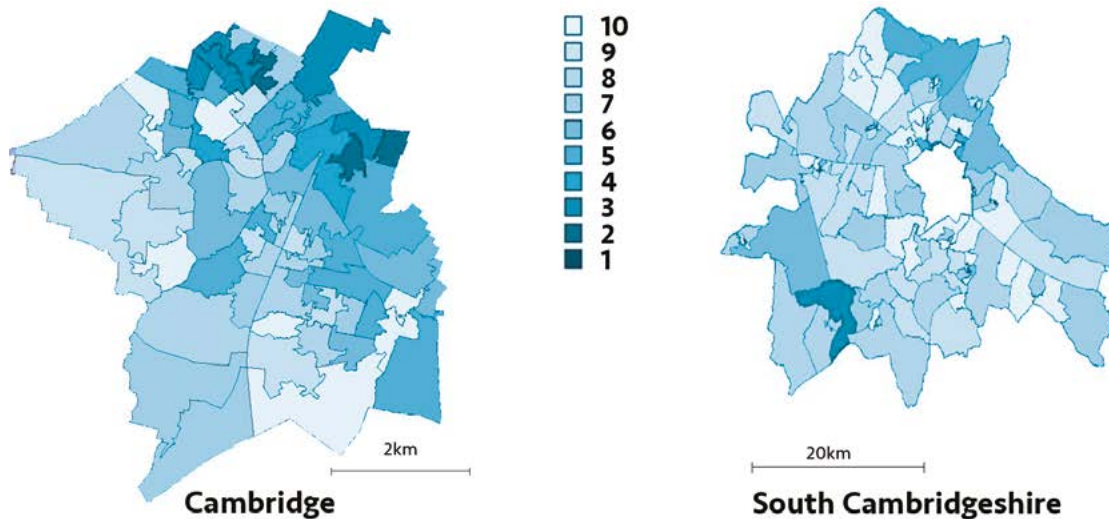
¹⁰ <https://equalitytrust.org.uk/blog/tackling-poverty-cambridge-most-unequal-city-uk>

¹¹ <https://equalitytrust.org.uk/blog/tackling-poverty-cambridge-most-unequal-city-uk>

INEQUALITY

The figures below, taken from the Cambridgeshire Insight Analysis¹² show a picture of inequality in the Cambridge and South Cambridgeshire areas, with darkest areas showing the highest level of deprivation. These maps demonstrate two things (1) there are pockets of severe deprivation in the Greater Cambridge area and (2) there is stark inequality between neighbouring wards, with some of the most affluent areas sitting alongside those that are most deprived.

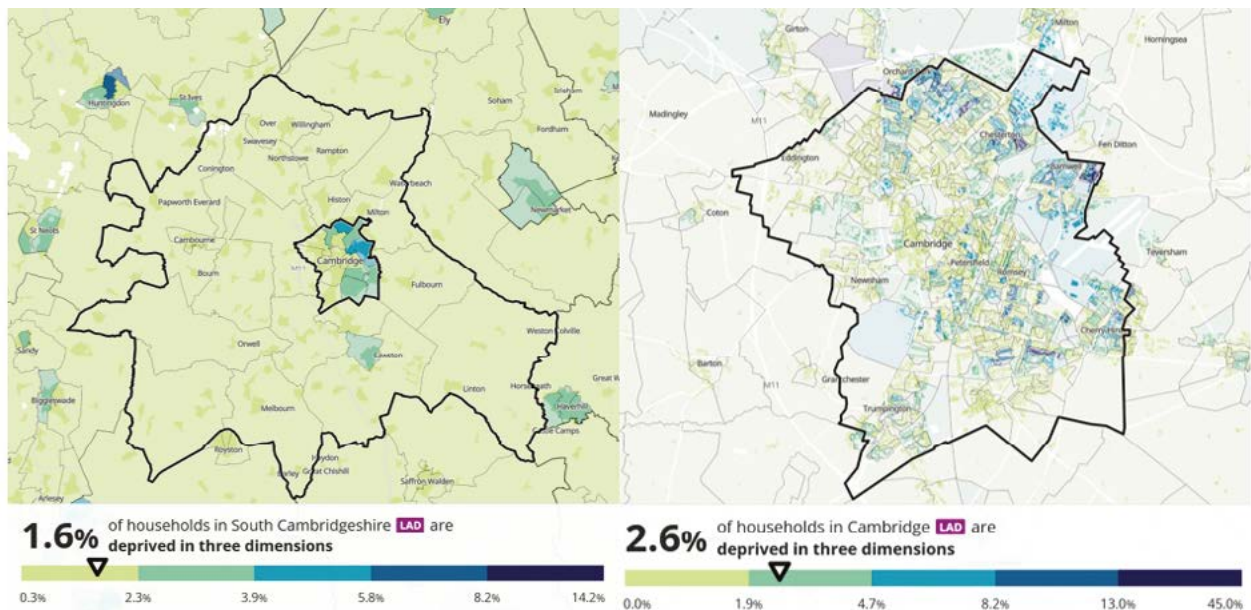
Figure 2 – Cambridge Insight Analysis for Cambridge City & South Cambridgeshire



2019 National IMD map by Cambridge City LSOA, © Crown copyright and database rights 2019 100023205

This data is further supported by the latest ONS data showing deprivation on multiple dimensions and showing significant pockets of deprivation in the region (See Figure 3 below¹³).

Figure 3 – ONS 2022 deprivation maps for Cambridge City and South Cambridgeshire, darker areas showing increased deprivation.



12 https://cambridgeshireinsight.org.uk/wp-content/uploads/2019/12/Cambridge-City_1.1.pdf & https://cambridgeshireinsight.org.uk/wp-content/uploads/2019/12/South-Cambridgeshire_1.1.pdf

13 <https://www.ons.gov.uk/census/maps/choropleth/population/household-deprivation/hh-deprivation/household-is-deprived-in-three-dimensions>

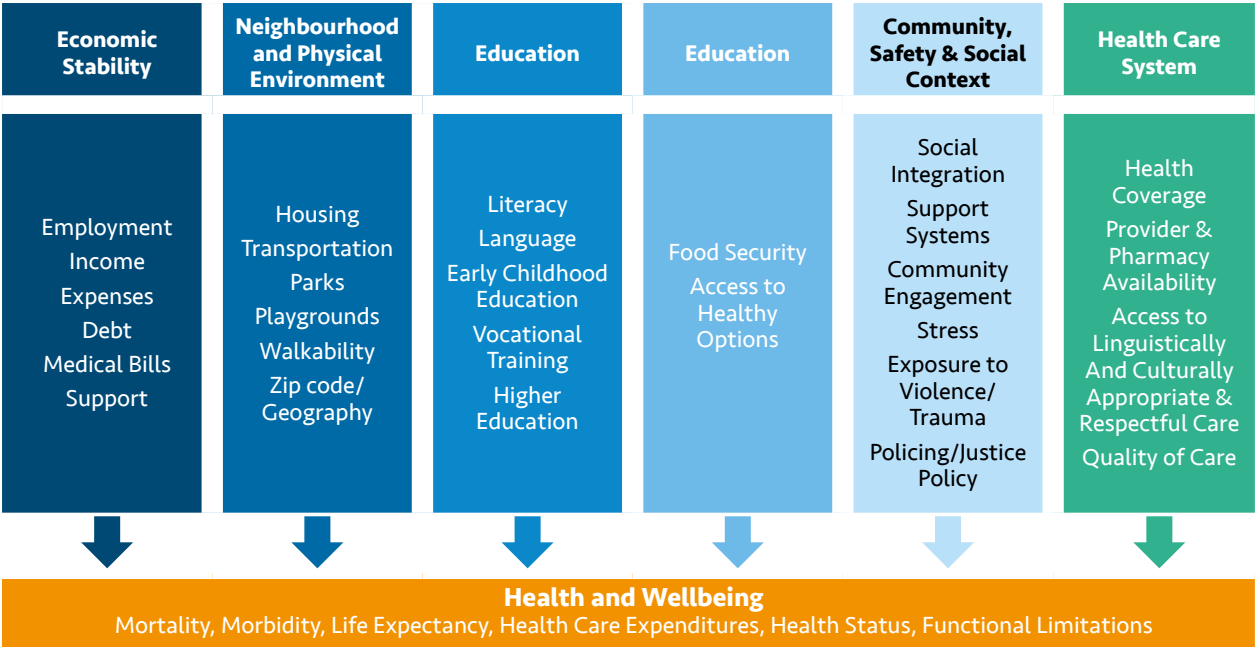
A recent economic review¹⁴ of the area, conducted by the Cambridgeshire and Peterborough Independent Economic Commission, asked:

“Is the rising tide lifting all boats? We have heard concerns that the high growth of greater Cambridge’s industry is not beneficial for everyone. One interviewee asked: “Why should residents of South Cambridgeshire be delighted that AstraZeneca has moved in, if it means their children can no longer afford to live in the area?”

Inequality in the Greater Cambridge area is problematic for all residents. As the Police and Crime Commissioner, in his submission to this review, commented: “Increasing inequalities worsen crime and disorder, increasing economic burden and potentially impacting growth”.

There is a growing body of evidence that inequality drives poor access to education, food security, healthcare and economic stability and these things in turn impact overall health and wellbeing and ultimately, life expectancy. The figure below is King’s Fund analysis¹⁵ which demonstrates the intersectionality of these issues.

Figure 4 - King’s Fund model of Social Health Determinants of Health Outcomes



The Cambridgeshire and Peterborough CCG recognise how inequalities in health outcomes relate to inequalities in social determinants of health as shown below in Figure 5. The Health and Wellbeing Strategy 2019–24¹⁶ sets out clear objectives to address the wider determinants of health and healthy lifestyles inequalities including:

- Preventing homelessness and improving pathways into housing for vulnerable people
- Reducing inequalities in skills and economic outcomes across our area
- Reducing inequalities in heart disease and smoking
- Acting as a system to reduce health inequalities

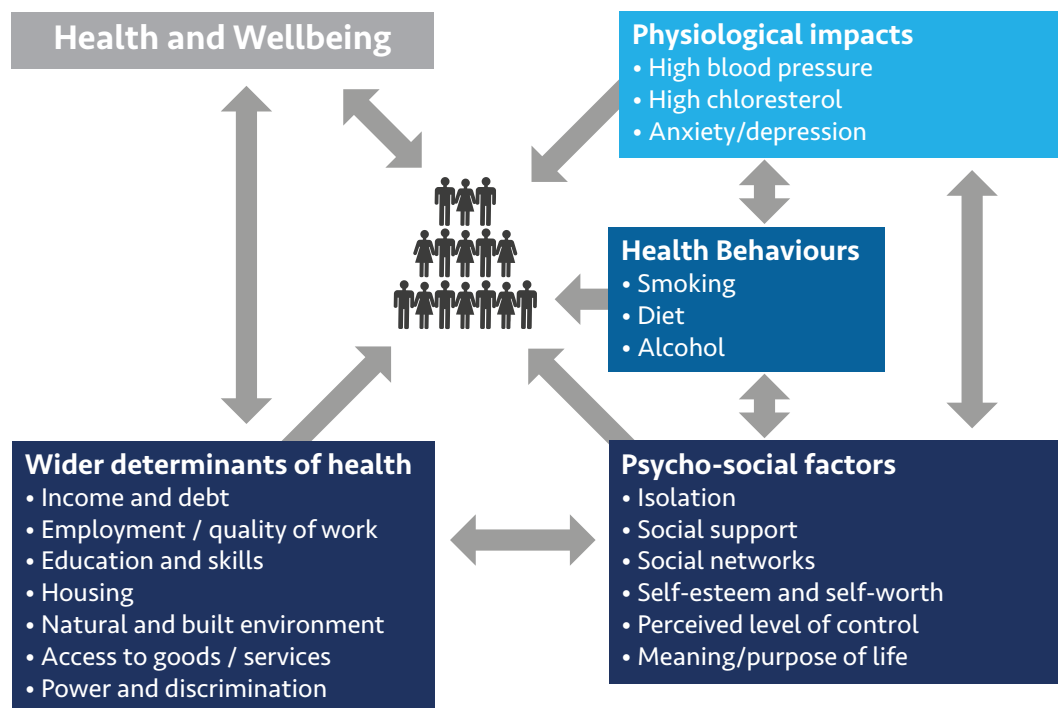
14 <https://www.cpier.org.uk/final-report/>

15 <https://www.kff.org/coronavirus-covid-19/issue-brief/tracking-social-determinants-of-health-during-the-covid-19-pandemic/>

16 <https://www.cambridgeshireandpeterboroughccg.nhs.uk/about-us/health-inequalities/>

With average life expectancy varying by 11 years in differing neighbourhoods, tackling the underlying inequalities driving the difference in health and wellbeing outcomes is imperative.

Figure 5 - Cambridgeshire and Peterborough CCG



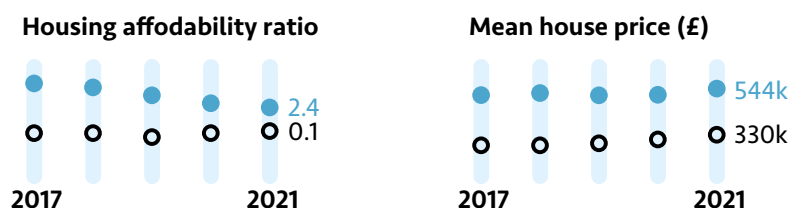
HOUSING AND HOMELESSNESS

As the King’s Fund analysis in Figure 5 demonstrates, a key social determinant of an individual’s health and wellbeing is their neighbourhood and physical environment. Central to this is access to good quality, affordable housing – a huge issue in Cambridge.

Housing issues in Cambridge revolve around issues of restricted supply driving up cost. Lower quartile housing prices were 16.3x lower quartile earnings in March 2018.¹⁷ The average lower quartile price (considered a guide to entry level prices) in September 2021 was a £345,000¹⁸, making Cambridge the third most expensive city to buy a home (only surpassed by London and Oxford)¹⁹.

Figure 6²⁰ plots Cambridge averages (blue solid dot) against UK averages (black hollow dot). It shows that on average, houses in Cambridge are 12.4x the average income and the mean house price is £544,000.

Figure 6 – Average house prices in Cambridge and the UK (Centre for Cities)



17 <https://democracy.cambridge.gov.uk/documents/s50576/Appendix.pdf>

18 <https://www.cambridgeahead.co.uk/media/2106/ca-housing-dashboard-july-2022.pdf>

19 <https://www.cambridgeahead.co.uk/media/2106/ca-housing-dashboard-july-2022.pdf>

20 <https://www.centreforcities.org/wp-content/uploads/2018/01/18-01-12-Final-Full-Cities-Outlook-2018.pdf>

Private renting is equally unattainable with lower quartile monthly private rents increasing from £563 in 2014 to £950 in 2018. The average rental price in Cambridge City was £1255pcm and the average rental price for a 2-bed home was £1307pcm in the year to March 2022²¹.

The cost of a home in Cambridge is increasing fast; Cambridge ranks 6th British city for the highest rises in house prices²² Private rents are often difficult to afford for those on benefits or low incomes and there is limited availability of social housing, which has a related impact on the risk of homelessness.

The latest government data suggests that on any single night, there would be fourteen people sleeping on the streets of Cambridge, yet organisations supporting the homeless community believe the number is far higher²³. Additionally, there are those who are homeless but not sleeping on the streets, as well as those living in insecure accommodation. House prices make home ownership impossible for too many, and private rental unaffordable, and there are 13,968 households in the Cambridge City Council area claiming Housing Benefit²⁴.

The City Council has taken a proactive approach to tackling housing and homelessness issues across Cambridge and recently committed to a series of Homelessness Prevention Grants (totalling £324,000) to be made to voluntary, community and local authority groups. Further support has been provided by one of the most generous council tax reductions schemes in England, and additional discretionary housing benefit payments to top up Universal Credit. In addition, the City Council has developed a partnership arrangement with Cambridgeshire County Council to commission a single service that will assist rough sleepers to move from the streets into homes. The introduction of this new streets to homes service follows other ground-breaking Cambridge based initiatives including the development of the City's first modular homes. These 22 homes each have their own front door but are moveable and small-scale.

The implications of the housing crisis in Cambridge are widespread and interrelate with the other social issues we explore in this report. Since housing costs are so high and consume a large proportion of household income, Cambridge also has the highest rate of fuel poverty in the UK.

EDUCATION AND SKILLS

While strong growth is projected in high-skill private sector occupations in the years up to 2030²⁵, the challenge for Cambridge is ensuring that local young people are being educated and upskilled to access these opportunities.

A challenge for Cambridge is that localised inequality is masked in big data sets, and when Cambridge is compared against national averages. Due to the large number of highly skilled and extensively educated residents, Cambridge can appear to be outstripping the national average and performing well, leaving the disadvantaged invisible.

This is demonstrated well in the Centre for Cities analysis seen in Figure 7 (again, the national UK average is shown with a black hollow dot while the Cambridge average is shown with a blue solid dot). The charts below show that Cambridge

21 <https://www.cambridgeahead.co.uk/media/2106/ca-housing-dashboard-july-2022.pdf>

22 <https://www.cambridgeahead.co.uk/media/2106/ca-housing-dashboard-july-2022.pdf>

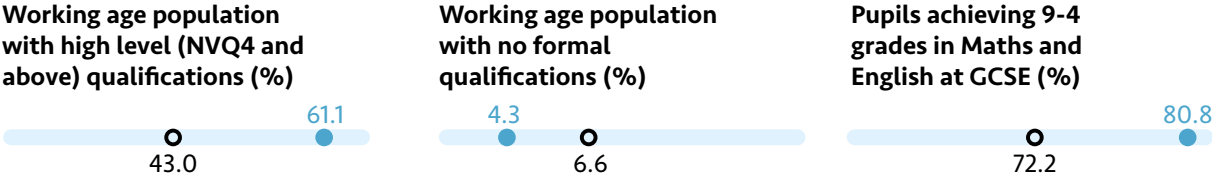
23 <https://www.gov.uk/government/statistics/rough-sleeping-snapshot-in-england-autumn-2021/rough-sleeping-snapshot-in-england-autumn-2021>

24 <https://democracy.cambridge.gov.uk/documents/s50576/Appendix.pdf>

25 <https://www.centreforcities.org/wp-content/uploads/2018/01/18-01-12-Final-Full-Cities-Outlook-2018.pdf>

has far more working-age residents with high level qualifications and fewer with no formal qualifications than the national average. This is to be expected since the Universities attract those that are highly educated to the Cambridge area. Interestingly, Cambridge pupils also achieve well, with 80.8% of pupils achieving grades 9-4 in Mathematics and English at GCSE (compared to 72.2% of pupils in England).

Figure 7 - Skills and qualifications in Cambridge and UK (Centre for Cities)



However, we know that in 2016 Cambridge had the 5th lowest score in the Social Mobility Index of **all** local authorities nationally (based on outcomes for young people in terms of educational attainment, employment, and housing market). We also know that less than 1/3 of pupils receiving a Free School Meal achieved 5+ GCSE grades A*-C versus 2/3rds of their non-FSM counterparts. Recent ONS data also shows that in Cambridge further education and skills participation for those aged 19 years and over is below national median²⁶. It is therefore imperative that targeted and evidence-based efforts are used to provide opportunities to upskill and educate those who need it most.

It is clear that any strategy that looks to address inequality will need to consider how access to skills and education can be used to break down barriers to opportunity, especially for those in the most deprived communities.

COMMUNITY RESILIENCE

Community resilience is the sustained ability of a particular group to use available resources (including social capital) to respond to local challenges (both acute and chronic). Interviewees referenced the strong social capital of communities in the Greater Cambridge area and the opportunity to build on this to tackle entrenched issues.

The power of the local community was seen strongly in the rapid response when Covid-19 struck in 2020. Pre-existing organisations quickly pivoted from delivering their usual services to creating cross community collaborations to meet need. These groups set up food hubs, delivered hot meals, distributed electronic devices and art packs to schoolchildren, supported seniors over the phone, arranged virtual afternoon teas, made PPE and signposted for medical services.

To build on the momentum gathered, CVS Cambridge reviewed the community response²⁷ to Covid-19 and made a series of recommendations including:

1. Building partnerships and networks with the voluntary sector
2. Creating seed funding pots under local community control for new ideas
3. Creating up to date, responsive online brokerage for volunteers
4. Improving engagement with business

A place-based fund would be well-placed to help implement the recommendations outlined above.

26 <https://www.ons.gov.uk/peoplepopulationandcommunity/wellbeing/articles/subnationalindicatorsexplorer/2022-01-06>
 27 CCVS Cambridge City Community Response Report July 2021 (<https://www.cambridgecvs.org.uk/download/499>)

ENVIRONMENT AND SUSTAINABILITY

This piece of work has focused largely on social issues, but it is necessary to remain aware of the distinct but interrelated issues of the environment and sustainability. Cambridge has a vision to be net zero carbon by 2030 and there are numerous local initiatives looking to address climate change that also support wider issues.

For example, Cambridge Sustainable Food is an innovative and growing partnership of public, private and community organisations in Cambridge and the surrounding villages. They drive change to create a thriving food culture that is focused on everybody's wellbeing, supports farmers' livelihoods, and builds a strong food economy. While the prime motivation may be environmental, there is a positive collateral benefit for social and economic issues.

Cambridge City Council's anti-poverty strategy recognises the interrelation between tackling social and environmental issues. For example, the anti-poverty strategy promotes schemes that can reduce people's utility bills, including energy and water saving measures, and a collective energy switching scheme.

There are clearly mechanisms through which addressing environment and sustainability issues can build community resilience and help tackle inequality.

ISSUE MAP

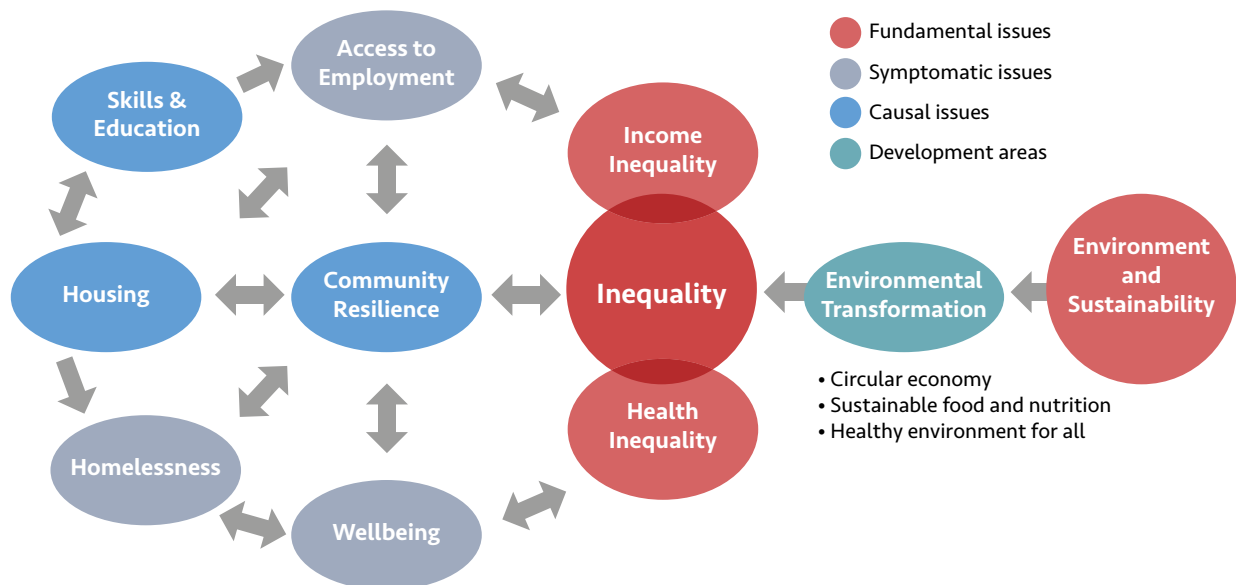
The Issue Map in Figure 9 depicts the interrelated issues identified during our research in Greater Cambridge area. The fundamental issue of inequality sits at the heart of the challenge with two distinct components – inequality of income and health inequality.

Inequality can be seen to be affected by both more causal issues which lead to further inequality outcomes and more symptomatic issues although the relationships are often complex, and causality can work in multiple directions.

For example, lack of skills and education can reduce access to employment, leading to Income inequality. Lack of affordable housing can lead to homelessness and poor health outcomes.

Distinct from these issues, is a global challenge around the environment and sustainability; action around environmental transformation can support initiatives that can help address inequality. For example, this could be through initiatives such as community food cultivation or community energy and insulation, which help reduce the cost of living and improve community resilience.

Figure 8. Issue map of Greater Cambridge, connecting issues with causes and opportunities



ALIGNING WITH LOCAL VISIONS

Any efforts to introduce a place-based fund and tackle the social issues identified here through such a fund must be aligned to existing efforts and avoid duplication. Much work is underway, and strategies are in place to aid growth in the region as well as dismantle barriers faced by vulnerable communities. Existing efforts in the public, private and third sector should be aligned wherever possible.

South Cambridgeshire District Council have identified four key priorities; (1) Helping business to grow, (2) Building homes that are truly affordable to live in, (3) Being green to our core and (4) Putting our customers at the centre of everything we do.

Cambridge City 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 justice and equality.

Cambridgeshire and Peterborough Combined Authority has a sustainable growth ambition to “Make life better, healthier, and to unlock the future of our area by driving good growth, protecting our environment, and creating opportunities for all” and to “Close the gap in healthy life expectancy and salaries, increase access to employment and education, and boost innovation.”

Alongside the efforts of the local authorities, there is much work taking place in the third sector and organisations already working in partnership to tackle intractable social issues. The proposal of a place-based fund will seek to amplify and accelerate existing efforts while bringing additional benefits – not least new income streams.

ABOUT PLACE-BASED SOCIAL IMPACT INVESTING

Place-based social impact investing refers to the local deployment of social impact investing – that is, investments made with the intent to yield both financial and social and/or environmental returns—to address the needs of local communities. Charitable foundations, public bodies, private investors, and others can affect beneficial changes in their city, county, or region through their direct social and impact investments as well as by influencing larger systemic changes through influencing other forms of capital and empowering local social entrepreneurs and community stakeholders.

Whilst this definition is broad there are a few key points that are at the heart of what it means to us. As Big Society Capital say, place-based social impact investing is all about connecting our investment into the context of each place. Front and centre are:

- The **strengths** of each place, its networks, its organisations, and its communities
- The **needs** of the place and especially of the people who live there
- An **alignment of resources** from partners to do more together than we can apart
- An aim to **increase appropriate capital** for the business models which create impact alongside and for their communities; and
- The creation of **long-term, dedicated capacity** (that builds local ownership to take their future success into their own hands).²⁸

In the UK, place-based social investment is starting to gain traction. BSC and Bristol City Council are cornerstone investors in City Funds: a place-based social impact investment fund aiming to address the causes and effects of inequality, whilst also generating a financial return for investors. This is not surprising as the place-based agenda has been established for many years and is reflected and reinforced in many ways (e.g. through the Localism Act 2011; the Public Services (Social Value) Act 2012; and the Civil Society Strategy 2019, amongst others).

The Place-Based Impact Investing (PBII) Project was founded by The Good Economy, the Impact Investing Institute and Pensions for Purpose to explore how to scale-up institutional investment into opportunities that enhance local economic resilience, and sustainable development. This has been given further momentum by the Government's Levelling Up agenda.

International examples include the USA's Arkansas Community Foundation's US\$1million investment into Communities Unlimited to enable small business loans in rural and low-income communities within the state; the Humboldt Area Foundation's social loan agreement to develop and build the Eureka Community Health and Wellness Centre in Eureka, California; the Louisville Impact Capital Fund that's invested US\$1.1million into community projects; and more.

²⁸ Big Society Capital: Is place-based investing the place to be?
<https://bigsocietycapital.com/latest/place-based-investing-place-be/>

BARRIERS TO PLACE-BASED SOCIAL IMPACT INVESTING

(Adapted from the Impact Investing Institute)

AWARENESS

Currently, many investors, including Local Government Pension Schemes (LGPS) including, rarely look at investments using a place-based lens. Out of longstanding practice, institutional investors allocate capital to the global capital markets without giving much thought to whether allocations closer to home could deliver comparable returns and diversification while benefiting the development needs of members' communities.

FINANCING VEHICLES

Work needs to be done to design and create effective financing vehicles that can deploy Place-Based Social impact Investing – looking at funds for the short, medium and long term.

CAPACITY AND CAPABILITY

A critical universal requirement to scaling up place-based social impact investing is an increase in focus and operational resource across the ecosystem in a place. This is needed to create investment propositions, analyse these investments and aggregate them into viable funds. We need to think creatively and broadly about how we use financial tools and partnerships to deliver investments that benefit local places. Entrepreneurialism will have to play its part in finding the answers. Local government, cities and combined authorities will have an important role to play. They know their local priorities and investment opportunities. Ultimately, Place-Based Social impact Investing is about cocreation and collaboration.

IMPACT MEASUREMENT FRAMEWORKS

Impact measurement, management and reporting is a key feature of impact investing that provides transparency and accountability to all stakeholders as to the social, economic and environmental benefits of investments. Being aligned on the impact required is crucial.

PROJECT ORIENTATION

One of the challenges within the is the difficulty of finding investible opportunities. There is a clear need to help connect and build the market ecosystem in ways that facilitate greater investment flows across the range of investment opportunities and spectrum of capital

RECOMMENDATIONS

ON WHAT WOULD MAKE PLACE-BASED SOCIAL IMPACT INVESTMENT SUCCESSFUL IN CAMBRIDGE FROM LEADING EXTERNAL EXPERTS

- ★ **Governance is key for place-based investment to work.** We need to work at getting the right organisations in the governance. Having actors who are both city institutions and those embedded in the social enterprise scene is vital.
- ★ There is often **agreement and clarity amongst stakeholders of what you want to achieve but differences on how to achieve it.** Bringing real examples of what you might invest in can be helpful to figure the edges of where people overlap or don't. Fleshing this out is crucial - for an investment policy and guidance.
- ★ **Local partners from the Community and Voluntary Sector are key for pipeline** and also exploring where the gaps are on an ongoing basis.
- ★ **Forming a team** that includes a Director (who can lead) and a Financial Analyst (to support) is crucial. The Director must have experience of blended finance.
- ★ We need to continue to **recognise the difference between leadership and coordination** in place-based activity: leadership drives the initiative; coordination brings it together.
- ★ Newer fund managers often **outsource fund management** in order to leverage the expertise, credentials and regulatory expertise of others and to reduce cost.
- ★ For successful social sector place-based investments, there are sometimes **three forms of grant alongside investment in a blended structure:**
 - Grant funding for design and launch and mobilisation.
 - Grant funding to subsidise initial fund management and pipeline development.
 - Grant to blend with loan to enable loans to be more affordable.
- ★ Crucial to any place-based organisation's initial success is **work in advance with potential investees about what investment and funding they need.** It often takes longer to deploy than you think. We need to look at a timeline of six months from investments being approved to deployment.
- ★ **Creating a place-based institution takes a lot longer than we think** - both of its design and getting everyone on the same page.

HOW PLACE-BASED SOCIAL IMPACT INVESTMENT AND BLENDED FINANCE CAN HELP

BUILDING ON ESTABLISHED LOCAL NETWORKS AND ECOSYSTEMS

Cambridge Social Enterprise Place (CSEP) estimate that there are almost 400 social enterprises currently across the Cambridgeshire area, 167 of these are CICs registered in Cambridgeshire and Peterborough, half of which registered in the last two years²⁹.

Allia is a key part of the local ecosystem, based in Cambridge and operating since 1999, they provide a broad set of support services that enable impact ventures to reach their full potential. They run a range of initiatives across the UK that include housing, cleantech and social innovation, it has helped hundreds of start-ups, small businesses and impact ventures to develop and scale, enabling significant regional employment opportunities, transforming communities and creating positive impact for people, place and planet.

Greater Cambridge is also home to an active CCVS network and Social Enterprise East of England (hosted by Allia) who have helped to distribute our call for evidence to hear more from local charities and Social Enterprises.

A recent Social Enterprise East of England regional report³⁰ found:

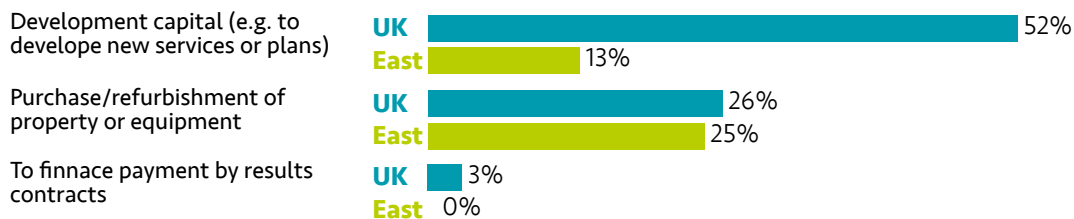
- % health and social care social enterprises was higher than UK average, and higher % of income generated through trading with the public sector
- were more likely to sell assets or products and deliver contracts than the UK average
- developing new products/services was the most-cited plan for growth, more so than the UK average
- more confident about finance and less likely to say there was a shortage of suitable finance
- showed much lower levels of finance use for development

Figure 9. Social Enterprise East of England Analysis



29 <https://www.socialenterprise.org.uk/app/uploads/2022/06/SEUK-State-of-Social-Enterprise-East-2-March-2022.pdf>

30 <https://see.co.uk/state-of-social-enterprise-east/>



The survey was conducted during the Covid-19 pandemic and results are likely highly impacted by the unique challenges and funding opportunities that were available during this period. Due to this the implications and current state for social ventures in the region will need further validating. This can be further explored future phases of work.

BUILDING ON ESTABLISHED NATIONAL NETWORKS AND ECOSYSTEMS

There is a growing national ecosystem in support of place-based impact investing, with a number of organisations and initiatives supporting the development of funds across the UK. These include:

Access – Foundation for Social Investment: Access works to make charities and social enterprises in England more financially resilient and self-reliant, so that they can sustain or increase their impact, they offer a range of programme support as well as blended finance. In 2019 they launched a programme Local Access which looked to address barriers facing enterprises in developing resilient business models, such as the availability of suitable funding and specifically to support collaboration between organisations within places

Big Society Capital: Big Society Capital is an independent financial institution set up to design and shape a sustainable social investment market in the UK. It provides organisations tackling major social issues with access to new sources of finance by investing in social investment finance intermediaries. These are organisations that provide appropriate and affordable finance to social sector organisations.

Impact Investing Institute: Established in 2019 The Impact Investing Institute aims to accelerate the growth and improve the effectiveness of the impact investing market in the UK and internationally. They have a specific workstream and knowledge hub supporting place-based impact investing.

Power to Change: Power to Change is a charitable trust operating in England, created in 2015 with a £150 million endowment from The National Lottery Community Fund. The trust is solely concerned with supporting community businesses in England over a ten-year period, after which it will cease operating. They have supported the establishment of a number of place-based funds.

The Place-Based Impact Investing (PBII) Project: The PBII Project was launched to explore how to scale up institutional investment focused on the opportunities of place. A six-month research programme – led by The Good Economy and backed by The Department for Digital, Culture, Media and Sport (DCMS), the City of London Corporation and Big Society Capital – culminated in the publication of a white paper on 26 May 2021 and built a powerful case to suggest PBII has the potential to become a new paradigm or lens for all kinds of investors.

CASE STUDIES

CASE STUDY 1: BRISTOL & BATH REGIONAL CAPITAL – CITY FUNDS

Bristol & Bath Regional Capital (BBRC) is a Community Interest Company (CIC) working with investors, local projects, enterprises, and the community to offer bespoke investment opportunities providing both financial and social returns and supporting local projects.

BBRC acts as Investment Adviser to the Bristol City Funds, a £10m impact investment fund with associated grant from the Access Foundation which launched in 2019.

The idea was seeded by the Mayor of Bristol, originally planning to aggregate the charitable contributions of businesses into a fund which would contribute towards shared efforts to reduce inequality and improve public spaces.

BBRC worked with Big Society Capital to secure a £5m investment into the City Funds, contingent on match funding from Bristol City Council. The £1m Access Foundation was provided later. BBRC is owned and supported by a range of local stakeholders and can invest in national or global organisations, but they must be locally based and have significant local impact.

Example investments across BBRC

- Enabled a £9m project to build a new purpose-built community centre in an area that ranks among the 10% most deprived nationally.
- Invested in a £6m, 4.2 MW community-owned wind turbine that will provide clean energy for about 3,000 homes.
- Developed 61 homes: 21 at discounted rent for key workers, 27 for long-term ethical market rent, and 13 Rent to Buy home

What next

BBRC are developing inspiring new funds to meet regional opportunities. They are designing them for themes including the West’s Net Zero ambitions, its ‘just transition’ and impact housing and looking at fund size of £50–£250m.



Figure 10.
Bristol
and Bath
Regional
Capital and
City Funds
overview



Figure 11. Bristol
and Bath Regional
Capital and City
Funds Example
Investments

CASE STUDY 2: THE KIRKLEES BETTER OUTCOMES PARTNERSHIP

The Kirklees Better Outcomes Partnership³¹ is an excellent example of how outcomes-based commissioning can help facilitate multi-stakeholder solutions and improve outcomes in the service delivery around complex issues such as homelessness. Kirklees Better Outcomes Partnership (KBOP) supports adults at risk of homelessness in Kirklees to live independent and fulfilling lives, in their own homes.

Context

Homelessness within Kirklees had increased by 80% in the 3 years prior to intervention and services were not performing as expected. Previously preventative services had been commissioned through Floating Support structure which was facing challenges around contract cycles, performance management, flexibility in service delivery and collaboration across providers.

How it works

Service delivery in Kirklees has been remodelled under a single outcomes contract with a new coordinating organisation KBOP funded by a social investor, Bridges, with two anticipated improvements:

- Increased flexibility on the frontline
- Improved performance management

Outcomes-based contracts are designed to support closer, more collaborative partnerships between Government, the social sector and social investors – with clear alignment around specific impact goals.

For delivery organisations, this approach creates the financial security, data-driven insight and the flexibility they need to adapt and tailor their programmes to their particular circumstances – while also giving them a strong incentive to deliver the best possible results for service users.

Impact of outcomes-based contract

Initial analysis of the performance of KBOP performance in Kirklees suggests that achievements are consistently above pre-defined ambitions, and the new service is most successful in achieving assessment, stability, and wellbeing outcomes.



Figure 12. Kirklees Better Outcomes Partnership Overview

31 www.kirkleesbetteroutcomespartnership.org

CASE STUDY 3: CAMDEN CLIMATE INVESTMENT

Camden Climate Investment is an innovative Community Municipal Investment (CMI), has raised over £1 million to fund a range of projects which have been selected, based on feedback from a Citizens' Assembly.

How it works

Residents can invest from as little as £5. Investments are eligible to be held tax free in an Innovative Finance ISA. The local investors will receive interest from the council (1.75%), and their original investment back after five years.

Investments delivering impact

The fund is dedicated to climate emergency action and will fund a range of local projects which will help reduce climate impact such as:

- Installing 80 electric vehicle charging points.
- The council's healthy school streets initiative, to improve air quality and the local environment around schools.
- Contributing to the budget to replace Camden's fleet of diesel and petrol vehicles with green alternatives.
- Installing solar panels on public buildings to reduce carbon emissions and cost.

EMERGING THEORY OF CHANGE, TACKLING CORE ISSUES THROUGH CAUSAL FACTORS

Through our research we have looked to link issues and develop an emerging theory of change that addresses them.

This emerging Theory of Change looks to address causal issues such as housing and homelessness, skills, education and employment and community resilience, as well as the development issues of environmental transformation.

Specific examples of how these causal issues can be addressed are outlined below in Table 3 below.

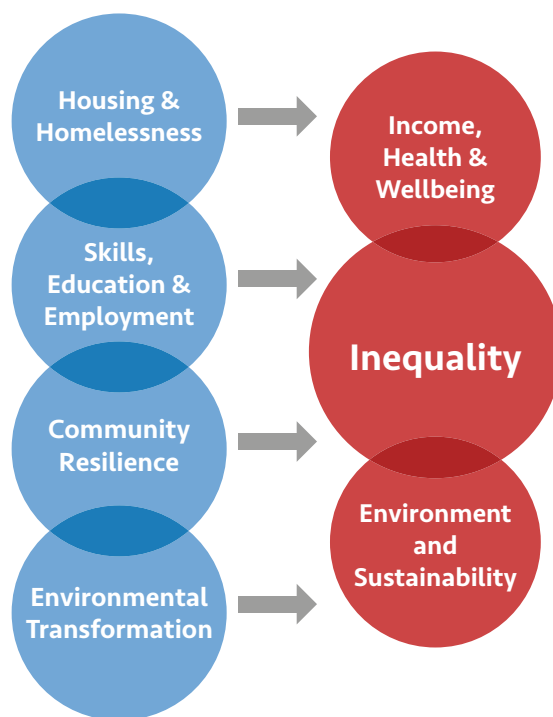


Figure 13. Emerging Theory of Change

Table 3. Potential mechanisms to address issues in Greater Cambridge

Issue	What could help	Examples
Housing & homelessness	Investment in social or modular housing Social outcomes contracts, collaborative interventions in homelessness	BBRC investment in Southmead Greater Manchester Homes Partnership
Skills Education & employment	Supporting projects like FutureIn, that connect young people with employers and support into meaningful employment	Skill Mill projects providing employment for ex-offenders in watercourse restoration K10 - a social enterprise providing construction apprenticeships
Community Resilience	Catalysing projects in the community that connect people and help the community become more resilient	Bristol's City Funds has supported a warm homes project, community gardens, cycling projects for young people, mental health and wellbeing with nature.
Environmental transformation	Impact investment for local environmental projects e.g. solar panels or EV charging Funding local cleantech projects Partnerships i.e. with Cambridge Zero	Camden Climate Investment BBRC local wind farm investment

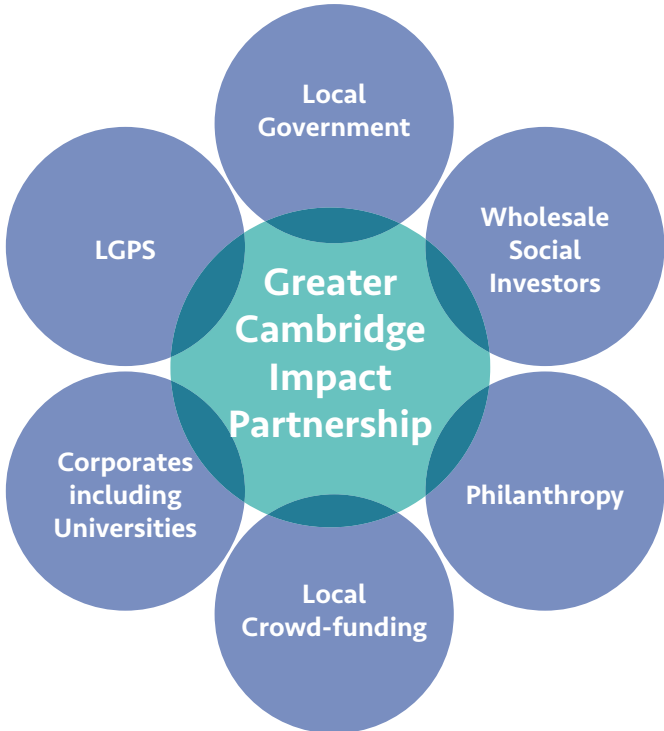
A PROPOSAL: CREATING A PLACE-BASED SOCIAL IMPACT INVESTING ORGANISATION FOR GREATER CAMBRIDGE

A place-based social impact investing organisation for Greater Cambridge provides an opportunity to engage a range of local stakeholders to tackle complex social and environmental issues facing the region, and to improve outcomes for all. These stakeholders could support a fund through a range of mechanisms including financial contributions, governance, resources (such as facilities), networking and expertise in areas such as research, innovation, law and finance.

Stakeholders could include:

- Local government (Cambridge City Council, South Cambridgeshire District Council, Cambridgeshire and Peterborough Combined Authority, Cambridgeshire County Council)
- Local Government Pension Scheme (LGPS)
- Wholesale social investors such as Big Society Capital
- Philanthropic supporters of the region
- Local corporate businesses and institutions such as universities
- Crowdfunding support for local residents and businesses

Figure 14. Examples of local stakeholders that could support the partnership and potential fund



EXAMPLES OF COMPARABLE FUND STRUCTURES

Several existing fund models were reviewed to better understand what operating model might be best suited to Greater Cambridge. Two examples are the Bristol and Bath Regional Capital in the South West and Kindred in Liverpool.

BBRC MODEL & CITY FUNDS MODEL

Example Model	A vision for Greater Cambridge
<p>BBRC CIC</p> <p>↓</p> <p>City Funds</p> <p>↓</p> <p>SE investees</p> <p>CIC Limited by Guarantee Local enterprise investments Members include: Council, Universities, Local Charities, Chamber of Commerce (Business West)</p> <p>JV of BBRC, Voscur (CVS) & City Council, Universities, Legal Collaboration Agreement & Board</p> <p>Impact Loans & Blended Finance</p>	<p>Model suggests an enterprise fund and grant model.</p> <p>Sub brands</p> <p>Partnership options with CVS or Community Foundation</p> <p>Considerations</p> <p>Appetite for further funds like BBRC?</p> <p>Duplication with CA aspirations?</p>

The BBRC model is based around in-house fund management undertaken by the BBRC CIC on behalf of City Funds. The relatively high costs of in-house management require a larger fund structure to provide economies of scale and BBRC is in the process of looking to establish larger enterprise funds.

KINDRED MODEL

Example Model	A vision for Greater Cambridge
<p>Kindred CIC</p> <p>↓</p> <p>Investment Committee</p> <p>↓</p> <p>Social Sector Beneficiaries</p> <p>Focus on impact funds and blended finance</p> <p>Social Sector Member representation</p> <p>Formed by Power to Change, Combined Authority + Metro Mayor</p> <p>Board elected by c.500 STO Members</p>	<p>Local partnership and governance vehicle with strong Social Sector involvement</p> <p>Considerations</p> <p>Trade off in benefits and complexity for Social Sector Organisation member model</p>

The Kindred CIC model is much lighter and involves an Investment Committee. The arm’s length CIC management company also involves participation from local social sector organisations, which is a model which could be considered for Greater Cambridge, or a comparable alternative mechanism to ensure Social Sector participation.

TWO POTENTIAL OPERATING MODELS FOR CAMBRIDGE

Two example models are developed below for consideration. Model 1 is based on a lean operating structure, a second model reflects a slightly higher level of core capacity in the management team, and greater capacity building with the social enterprise community.

MODEL 1

Strategy

A lean model, leveraging local networks for pro-bono professional services and volunteer support to keep running costs low due to relatively small fund size.

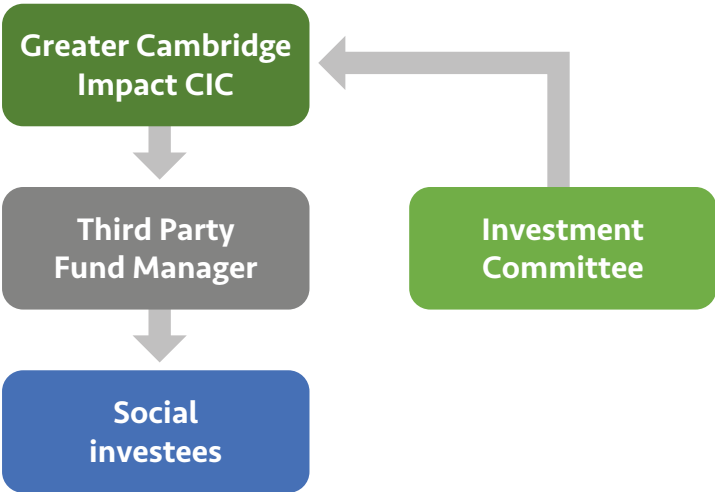
Governance and operating model

- CIC Limited by guarantee with membership comprising local stakeholders appointing CIC Directors and Non-Exec Directors
- Executed by Secretariat comprising mixture of volunteers, council staff and part-time paid staff
- Investment Committee advises board on deals. Comprised of paid advisor, volunteers, and members of the Secretariat
- Unlike BBRC fund management is with an external provider, ideally with local connections and interest in supporting the region

Team

Secretariat with at least one permanent or part time staff member and council secondee from grants team 1-2 days per week. Core role of the team is to identify and select viable opportunities to develop with support from volunteer networks for consideration by Investment Committee.

Figure 15. Operating Model 1 overview



MODEL 2: BSC SUGGESTED MODEL BASED ON BBRC AND OTHER LEARNINGS

Strategy

Established core team to ensure deal flow and community development

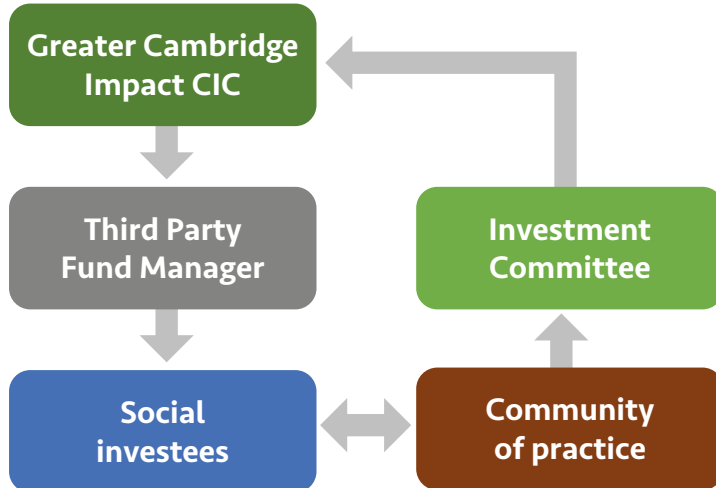
Governance and operating model

- CIC Limited by guarantee with membership comprising local stakeholders appointing CIC directors and non-Exec directors
- Executed by Secretariat comprising full time staff, council staff and volunteers
- Investment Committee advises board on deals. Comprised of paid advisor, volunteers and members of Secretariat
- Community of practice from local social sector organisations help find and co-create potential investment opportunities
- External Fund Administrator

Team

Minimum of two full time staff including director and analyst to ensure deal flow and selection is fully supported. Enhanced support for community of practice and support for social enterprise community

Figure 16 Operating Model 2 overview



CONCLUSIONS FROM PHASE 1 RESEARCH AND ENGAGEMENT

Our work to date has identified a number of key issues impacting Greater Cambridge, with inequality at the centre. It has also explored how social impact investment and blended finance can play a much needed role in addressing these often intractable issues, through an emerging Theory of Change. Our initial conversations and research have indicated local opportunities emerging around social impact investment and blended finance. These include in-housing, community infrastructure, community resilience, net zero and circular economy as well as results-based contracting in complex areas of need, such as skills, education and homelessness.

This work explored examples both in the UK and internationally, where place-based social impact investment funds are helping cities and regions to bring local stakeholders together to tackle the challenges facing their community. More specifically there are a number of models within the UK that could be particularly relevant to addressing the needs of Greater Cambridge and provide a framework on which to build on.

Finally and significantly, through this work we have seen significant interest and positive engagement from local stakeholders across the community, and support for building a place-based social impact investing organisation for Greater Cambridge. It is our view that this represents a significant opportunity to bring stakeholders together, catalysing not just financial, but the social and intellectual capital that Cambridge has to offer, in tackling local issues, to make Greater Cambridge a better place for all.

NEXT STEPS

This report represents the conclusion of Phase 1 of this project. The proposal for Phase 2 involves a more detailed business planning exercise and further stakeholder engagement, building on the interest and commitment established in Phase 1 and with a greater level of co-design with local stakeholders and social sector organisations. The final phase, Phase 3, would see the mobilisation and launch of the new organisation and fund.



As part of Phase 2 we will be engaging further with local stakeholders through a range of events and consultation to help build the case for a local fund.

If you would like to be updated on the progress of this project, add to the Call for Evidence and potentially contacted regarding further research and engagement with local stakeholders, you can find more information on the project website below:

Project website: tiny.cc/CambridgeImpact

Expression of Interest form: bit.ly/GreaterCambridgeImpactFund

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of the Local Government Act 1972.

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STRATEGY & RESOURCES SCRUTINY COMMITTEE

03 July 2023

5.30 – 22:05

Present: Robertson (Chair), Baigent, Bennett, Bick, Gawthrop Wood, Holloway, Sheil and Young.

RECOMMENDATION TO COUNCIL (EXECUTIVE COUNCILLOR FOR FINANCE & RESOURCES COUNCILLOR S. SMITH)

PLACE GROUP RESOURCE FOR KEY PROJECTS

The Place Group brings together leadership and management of the Councils corporate estate, property investments, responsibility for delivering new council, affordable homes and estate regeneration. The Place Group is tasked with delivering some key programmes and projects for the Council in addition to those currently undertaken including:

- Delivering the asset management plan to meet the Net Zero Carbon (NZC) and Minimum Energy Efficiency Standards (MEES) objectives through a combination of retrofit, redevelopment and disposal
- Rationalisation of the Council's office and civic accommodation through the Corporate Space Strategy
- Refurbishment of the Market Square
- General Fund Redevelopment Programme for commercial property

To achieve these, initial change to some roles and additional resource is required as set out in this report. Funding will be from General Fund Reserves initially but costs capitalised once capital plan items are brought forward and approved.

These projects will support improving sustainability, how we engage with and the services we provide to our customers and communities, and generate new income streams and capital receipts.

The scale of the projects is as set out in 3.9 below and previous reports on these programmes and projects.

The Strategy and Resources Scrutiny Committee considered the report and approved the recommendations.

Accordingly, Council is recommended to:

Approve funding for additional resource as set out in Section 4 (a) the report.

PLACE GROUP RESOURCE FOR KEY PROJECTS

To:

Councillor Simon Smith, Executive Councillor for Finance & Resources
Strategy & Resources Scrutiny Committee 3 July 2023

Report by:

Dave Prinsep, Assets & Property Assistant Director
Tel: 01223 - 457318

Email: dave.prinsep@cambridge.gov.uk

Wards affected:

1. Executive Summary

- 1.1 The Place Group brings together leadership and management of the Councils corporate estate, property investments, responsibility for delivering new council, affordable homes and estate regeneration. The Place Group is tasked with delivering some key programmes and projects for the Council in addition to those currently undertaken including:-
 - Delivering the asset management plan to meet the Net Zero Carbon (NZC) and Minimum Energy Efficiency Standards (MEES) objectives through a combination of retrofit, redevelopment and disposal
 - Rationalisation of the Council's office and civic accommodation through the Corporate Space Strategy
 - Refurbishment of the Market Square
 - General Fund Redevelopment Programme for commercial property
- 1.2 To achieve these, initial change to some roles and additional resource is required as set out in this report. Funding will be from General Fund Reserves initially but costs capitalised once capital plan items are brought forward and approved.
- 1.3 These projects will support improving sustainability, how we engage with and the services we provide to our customers and communities, and generate new income streams and capital receipts.
- 1.4 The scale of the projects is as set out in 3.9 below and previous reports on these programmes and projects.

2. Recommendations

The Executive Councillor, is recommended to:

- a) Recommend to Full Council approval of funding for additional resource as set out in Section 4 (a) the report.

3. Background

3.1 The Council has approved several key projects and work programmes to be delivered by the Place Group:

- Asset Management and Decarbonisation: Achieving NZC and MEES compliance of corporate, operational and commercial property through a mix of retrofit and redevelopment.
- Corporate Space Strategy: A key part of the Council's business transformation programme and includes the Guildhall, Mandela House and 171 Arbury Road.
- Market Square Redevelopment: Planned refurbishment of the Market Square which adjoins the Guildhall and this project can link with the Corporate Space Strategy.
- General Fund Redevelopment Programme: Effective asset management and improvement of the Council's commercial property portfolio.

3.2 Significant capital investment will be required as set out in previous reports. To deliver these projects and programmes, additional staff are needed to identify and manage the individual projects. Part of this work is to review procurement approaches, update previous cost estimates and determine the most appropriate approach to deliver works. The programmes and projects are therefore not currently on the capital plan as further detailed work is needed to confirm or revise costs.

3.3 The key roles are:

- General Fund Retrofit Project Manager – to project manage the retrofit aspects of the General Fund Asset Management Plan, including commissioning necessary reports and managing procurement and contractors to deliver the works.
- General Fund Retrofit Project Officer – to support the Project Manager in delivering the retrofit works.
- General Fund Retrofit Project Clerk of Works – to oversee the works and ensure quality is delivered.
- Senior Development Manager – to bring development and construction expertise to key corporate and commercial development

opportunities including the Corporate Space Strategy and the General Fund Redevelopment Programme.

- Corporate Space Project Manager – to project manage and deliver key corporate and commercial development opportunities including the Corporate Space Strategy and the General Fund Redevelopment Programme.

3.4 Other roles to support and enable delivery of these projects are already funded and include:

- Corporate Energy Manager – to be a lead on energy and sustainability matters and deliver retrofit capital projects on housing, corporate and commercial properties. Funded within the Asset Management Team.
- Market Square Project Manager – to project manage the proposed Market Square refurbishment project. Part funded within Streets & Open Spaces and existing budget allocation.
- Business Transformation Project Manager for Corporate Space project. Funded within Business Transformation until End of October 2023.

3.5 There is some overlap of these projects and it is required that all of the above work closely with each other to meet the various corporate objectives.

3.6 Retrofit works to deliver the NZC and MEES aspects of the Asset Management Plan will be led by the Asset Manager and Corporate Energy Manager with additional project management support as set out above. There is also some funding from the Climate Change Fund for specialist consultancy advice in respect of the NZC and MEES compliance works.

3.7 The Senior Development Manager (within the Housing Development Agency) and Corporate Space Project Manager will deliver the redevelopment aspects of the Corporate Space Strategy and Asset Management Plan, the General Fund Redevelopment Programme and the Market Square Project.

3.8 The General Fund Redevelopment Programme will be delivered primarily working with our commercial property management team and Cambridge Investment Partnership, our joint venture with Hill.

3.9 The estimated values of the capital projects as previously reported to Strategy & Resources Scrutiny Committee are set out below. The new roles will review the projects make recommendations as to how these

should be delivered and future budget requirements to bring capital items for approval.

- The Council approved recommendations for the Future Office Accommodation on 10 October 2022. This estimated the capital costs to be c£23.5m for refurbishment, repair and maintenance and decarbonisation works. These costs were based on historic costs and need refreshing but will also be dependent upon the final scheme agreed. It is likely that significant capital receipts from disposals will offset some of these costs.
- The Asset Management Plan was approved at Committee on 27 March 2023 setting out proposals to achieve Net Zero Carbon and Minimum Energy Efficiency Standards by 2030. This identified costs in excess of £10-15m for the properties reviewed to date and set out a programme and process through to 2030 to assess and bring forward projects.
- A General Fund Property Development Programme was approved on 8 February 2021 following an external asset management review to identify property suitable for redevelopment that could generate capital and income receipts. This is over an 8-10 year period and estimated costs are c£25m-£30m but with significant capital receipts to offset these as the programme progresses.

4. Implications

(a) Financial Implications

The basis of funding for these posts is to be from General Fund Reserves initially but with the expectation that the posts will be up to 100% funded from capital resources once capital plan items are brought forward and approved.

Additional funding costs are:-

- GF Retrofit Project Manager - £64,000 p.a.
- GF Retrofit Project Officer– £56,750 p.a
- GF Retrofit Project Clerk of Works 0.5 FTE – £28,375 p.a.
- Senior Development Manager– £86,000 p.a.
- Corporate Space Manager 0.6 FTE - £46,000 p.a.
- External consultancy support for Corporate Space Strategy – £75,000 in 2023/24 to establish approach, procurement and then make further recommendations for delivery and cost.

Role	2023/24	2024/25	2025/26
Retrofit Project Manager	£37,350	£64,000	£64,000 ongoing
Retrofit Project Officer	£33,060	£56,750	£56,750 ongoing
Retrofit Project Clerk of Works	£0	£14,190	£28,375 ongoing
Senior Development Manager	£57,370	£86,000	£86,000 ongoing
Development Project Manager	£15,396	£46,000	£46,000 ongoing
External consultancy	£75,000		
Total	£218,176	£266,940	£281,125

(b) Staffing Implications

The staffing implications are as set out above and there will need to be a recruitment process. Some of the roles will need evaluation for grade reflecting that they are new roles. There will be some external consultancy support and works will be undertaken by external contractors managed by these staff and existing resource.

(c) Equality and Poverty Implications

An EQIA has not been conducted as this will be different for each scheme and so will be addressed on a scheme by scheme basis.

(d) Environmental Implications

There are no direct environmental implications as a result of this report but delivery of the projects will see significant improvement as set out in the previous reports.

(e) Procurement Implications

There are no direct procurement implications associated with this financial decision in respect of works to be undertaken. If approved, consultants providing support will be appointed taking account of the Council's procurement processes.

(f) Consultation and Communication

The Chief Financial Officer, Asset Manager, Development Assistant Director, Programme Lead - Transformation and Chief Property Surveyor have been consulted and are supportive of the proposed appointments to deliver these projects.

(g) Community Safety

There are no direct community safety implications associated with this report.

5. Background papers

Background papers used in the preparation of this report:

- Review of General Fund Asset Management Plan – Strategy & Resources Scrutiny Committee –27 March 2023
- Future Office Accommodation Report – Strategy & Resources Scrutiny Committee – 10 October 2022
- Delivery of General Fund Property Development Programme through Cambridge Investment Partnership (CIP) – Strategy & Resources Scrutiny Committee – 8 February 2021

6. Appendices

There are no appendices to this report.

7. Inspection of papers

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

Dave Prinsep, Assets & Property Assistant Director

Telephone: 01223 – 457318 or email: dave.prinsep@cambridge.gov.uk

STRATEGY & RESOURCES SCRUTINY COMMITTEE

03 July 2023

5.30 – 22:05

Present: Robertson (Chair), Baigent, Bennett, Bick, Gawthrope Wood, Holloway, Sheil and Young.

RECOMMENDATION TO COUNCIL (EXECUTIVE COUNCILLOR FOR FINANCE & RESOURCES COUNCILLOR S. SMITH)

ANNUAL TREASURY MANAGEMENT (OUTTURN) REPORT 2022/23

The Council is required by regulations issued under the Local Government Act 2003 to produce an annual treasury report reviewing treasury management activities and the actual prudential and treasury indicators for each financial year.

This report meets the requirements of both the CIPFA Treasury Management in the Public Services: Code of Practice 2021 (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities 2021 (the Prudential Code) in respect of 2022/23.

During 2022/23 the minimum requirements were that Council should receive:-

- an annual strategy in advance of the year;
- a mid-year treasury update report; and
- an annual review following the end of the year describing the activity compared to the strategy (this report).

In line with the above Codes of Practice, all treasury management reports are presented to both Strategy & Resources Scrutiny Committee and to full Council.

The Strategy and Resources Scrutiny Committee considered the report and approved the recommendations.

Accordingly, Council is recommended to:

Approve this report, including the Council's actual Prudential and Treasury Indicators for 2022/23.

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Item

**ANNUAL TREASURY MANAGEMENT (OUTTURN) REPORT
2022/23**



To:

The Executive Councillor for Finance and Resources

Councillor Simon Smith Strategy & Resources Scrutiny Committee

03/07/2023

Report by:

Caroline Ryba Chief Financial Officer (The Council's Section 151 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 by regulations issued under the Local Government Act 2003 to produce an annual treasury report reviewing treasury management activities and the actual prudential and treasury indicators for each financial year.
- 1.2 This report meets the requirements of both the CIPFA Treasury Management in the Public Services: Code of Practice 2021 (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities 2021 (the Prudential Code) in respect of 2022/23.
- 1.3 During 2022/23 the minimum requirements were that Council should receive:-
 - an annual strategy in advance of the year;

- a mid-year treasury update report; and
- an annual review following the end of the year describing the activity compared to the strategy (this report).

1.4 In line with the above Codes of Practice, all treasury management reports are presented to both Strategy & Resources Scrutiny Committee and to full Council.

2. Recommendations

The Executive Councillor is asked to recommend:-

2.1 This report to Council, which includes the Council's actual Prudential and Treasury Indicators for 2022/23.

3. Background

3.1 This report summarises:

- capital expenditure and financing activity during the year;
- the impact of capital spending on the Council's 'need to borrow';
- the Council's compliance with prudential and treasury indicators;
- the treasury management position as at 31st March 2023 (Appendix A);
- the Council's treasury management advisors' view on UK interest and investment rates (Appendix B);
- the actual prudential and treasury indicators (Appendix C);
- the counterparty List (Appendix D); and
- a Glossary of Terms and Abbreviations (Appendix E).

4. Capital Expenditure and Financing 2022/23

4.1 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.

4.2 Actual capital expenditure forms one of the required prudential indicators. The table below shows actual capital expenditure and how this was financed.

	2021/22 £'000 Actual	2022/23 £'000 Budget	2022/23 £'000 Actual
General Fund capital expenditure	24,377	121,661	29,278
HRA capital expenditure	37,804	82,836	65,926
Total capital expenditure	62,181	204,497	95,204
Resourced by:			
• Capital receipts	(11,232)	(25,412)	(14,245)
• Other contributions	(32,728)	(92,955)	(64,265)
Total available resources for financing capital expenditure	(43,960)	(118,367)	(78,510)
Financed from cash balances	18,221	86,130	16,694

5. Overall borrowing need and Minimum Revenue Provision (MRP) Statement

5.1 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 The Council's MRP policy for 2022/23 was set out in the Annual Treasury Management Strategy agreed by Council on 24 February 2022. In accordance with this policy, the minimum revenue provision charged to the General Fund in 2022/23 was £1.509m. This incorporated a charge of £0.309m in respect of historic capital expenditure and a further £1.2m in relation to the charging of MRP on an accelerated basis in respect of Clay Farm Community Centre as set out in the Council's MRP policy.
- 5.4 Local authorities are also permitted to make additional Voluntary Revenue Provision charges in order to accelerate the financing of underlying debt and reduce annual MRP charges in the future.
- 5.5 No Voluntary Revenue Provision charges were made during 2022/23. As at 31 March 2023, the cumulative total of Voluntary Revenue Provision charges made in previous years was £9,545,000.
- 5.6 During 2022/23, there was no requirement for external borrowing. Financing of capital expenditure from cash balances of £16,694,000 shown in the above table was met using internal borrowing. This includes amounts lent to the Cambridge Investment Partnership which will be repaid when the relevant housing schemes are completed and amounts relating to the Park Street redevelopment which will be externalised when the agreed loan facility is drawn down.

6. External Debt as at 31 March 2023

- 6.1 The table below shows the Council's outstanding debt and headroom (the amount of additional borrowing that is possible without breaching the Authorised Borrowing Limit) as at 31 March 2023:

	Principal (£'000)
Authorised Borrowing Limit (A) – agreed by Council on 24 February 2022	450,000
PWLB Borrowing (for HRA Self-Financing, B)	213,572
Headroom (A minus B)	236,428
External borrowing in 2012/13 to 2022/23	NIL
Total current headroom	236,428

6.2 At present the only debt held by the authority relates to the twenty loans from the PWLB for self-financing the HRA.

7. Treasury Position as at 31 March 2023

7.1 The Council's debt and deposit position is managed in order to ensure adequate liquidity for revenue and capital activities, security for deposits, and to manage risk in relation to all treasury management activities. Procedures and controls to achieve these objectives are well established both through the application of approved Treasury Management Practices and regular reporting to Members.

7.3 The table below provides a comparison of deposit activity and outturn for 2022/23 against 2021/22.

Actual Returns	2022/23		2021/22	
	Average Deposits (£m)	Average Rate of Return	Average Deposits (£m)	Average Rate of Return
Fixed Short-Term (<365 days)	96.82	2.07%	71.82	0.11%
Call/Overnight Accounts	14.05	1.16%	23.72	0.10%
Enhanced Cash Funds	14.53	1.27%	15.02	0.19%
Fixed Long-Term (>365 days)	5.84	2.55%	9.26	1.85%
Money Market Funds	33.09	2.22%	20.68	0.11%

CCLA Local Authorities' Property Fund	15.00	4.04%	15.00	3.77%
Overall Deposit Return	179.33	2.14%	155.50	0.57%
Benchmark Returns	2022/23		2021/22	
	Offer (7 day uncompounded)		Offer (SONIA)	Bid (LIBID)
Average	2.23%		0.09%	0.17%

- 7.4 Total interest on treasury investments and dividends from managed funds of £3.882 million have been earned on the Council's deposits during 2022/23 at an average rate of 2.14% (0.57% in 2021/22). This has resulted in an overall over-achievement on the budget of £2.954 million. This was substantially driven by a series of sharp increases in the Bank of England base rate and higher cash balances being held on deposit than assumed at the time the budget was set.
- 7.5 The figures at paragraph 7.4 above include interest earned on CCLA Local Authorities' Property Fund deposits of £628,000 which equated to an annual yield of 4.04% (3.77% % in 2021/22).
- 7.6 A summary of deposits is shown at Appendix A.

8. Interest Rate Update

- 8.1 Link Asset Services is the Council's independent treasury advisor. In support of effective forecasting the Council needs to be aware of the potential influence of market interest and investment rates. Link's assessment is presented at Appendix B, and provides an overview of current market conditions as at 31 March 2023 and trends observed in 2022/23.
- 8.2 The Bank of England's May 2023 Inflation Report also provides additional information on growth, inflation and interest rates. The Bank of England's Monetary Policy Committee (MPC) noted that CPI inflation had reached 10.2% in Q1 2023 which was higher than the Bank had expected as inflation had been expected to fall. The current Base Rate is 4.5%. The Bank has made it clear that it will continue to adjust the rate as necessary to return inflation to the 2% target sustainably in the

medium-term. Most commentators expect one or two further increases up to a terminal rate of 5% in summer 2023.

- 8.3 The Bank observed that whilst its inflation target of 2% applied at all times, the economy had been subject to a sequence of very large and overlapping shocks. Whilst inflation was expected to fall as the impact of large spikes in energy prices dropped out of the annual comparison, the impact of food price inflation was still a source of concern. It was acknowledged that it would take some time for the observed reduction in commodity prices to work through the supply chain.

9. Prudential and Treasury Indicators

- 9.1 During the financial year the Council operated within the 'authorised' and 'operational' borrowing limits contained within the Prudential Indicators set out in the Council's Treasury Management Strategy Statement. The outturn for Prudential and Treasury Indicators is shown in Appendix C.

10. Revisions to the Counterparty List

- 10.1 Following a review of rating agency methodology changes, Link continues to revise its recommendations on counterparties and appropriate durations. The Council follows Link's recommendations as reflected in the current Counterparty List at Appendix D.
- 10.2 A technical breach of the approved limits occurred in first half of the 2022/23 financial and was first reported to the meeting of the Strategy and Resources Scrutiny Committee held on 10 October 2022. This occurred as separate limits were in place for different types of deposit. Revisions to the counterparty list to address this issue were approved by Council at its meeting on 20 October 2022. No further breaches have occurred.

11. Environmental, Social and Governance (ESG) Considerations

- 11.1 There continues to be considerable interest in the industry regarding how investors can best capture information regarding the extent to which their investment portfolio is consistent with the investor's stated ESG commitments and goals. During 2022/23, officers have discussed how the Council could incorporate ESG monitoring as part of any future review of the Council's Treasury Management practices. Resource

constraints have meant the Council has been unable to further develop these ideas into a detailed ESG strategy for Treasury Management. However, this is something officers will look to progress in 2023/24.

12. Implications

(a) Financial Implications

Interest payable and receivable are reflected in the Council's existing budgets and reviewed appropriately.

(b) Staffing Implications

None

(c) Equality and Poverty Implications

None

(d) Environmental Implications

None

(e) Procurement Implications

None

(f) Community Safety Implications

None

13. Consultation and communication considerations

None required

14. Background papers

No background papers were used in the preparation of this report

15. Appendices

Appendix A – Treasury Management position as at 31 March 2023

Appendix B – Link's opinion on UK interest and investment rates

Appendix C – Prudential and Treasury Management indicators

Appendix D – Current Counterparty List

Appendix E – Glossary of Terms and Abbreviations

16. Inspection of papers

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

Author's Name: Neil Krajewski
Author's Tel. No. 01223 458130
Author's Email: Neil.Krajewski@cambridge.gov.uk

TREASURY MANAGEMENT POSITION AS AT 31 MARCH 2023

CURRENT DEPOSITS

The Council's deposits as at 31 March 2023 are shown in the table below:

Counterparty	% Rate	Remaining Duration	Principal (£'000)
Fixed Term Deposits			
Allia Ltd	2.40	9 months	2,200
Allia Ltd	2.20	44 months	2,800
Lloyds Bank Corporate Markets Plc (NRFB)	4.26	1 Month	5,000
South Ayrshire Council	1.80	1 Month	5,000
Lancashire County Council	1.90	1 Month	5,000
SMBC Bank International Plc	3.92	1 Month	10,000
National Westminster Bank PLC (RFB)	3.80	1 Month	5,000
Lloyds Bank Plc (RFB)	3.91	1 Month	5,000
London Borough of Barking & Dagenham	4.55	2 Months	5,000
Standard Chartered Bank	4.09	2 Months	5,000
Lloyds Bank Corporate Markets Plc (NRFB)	4.29	2 Months	2,500
Goldman Sachs International Bank	4.29	3 Months	5,000
Warrington Borough Council	3.90	4 Months	5,000
Woking Borough Council	3.70	4 Months	5,000
Stockton On Tees Borough Council	3.80	5 Months	5,000
West Dunbartonshire Council	4.60	5 Months	5,000
South Somerset District Council	4.02	5 Months	5,000
Guildford Borough Council	4.20	6 Months	5,000
Guildford Borough Council	4.20	7 Months	5,000
Great Yarmouth Borough Council	4.22	17 Months	6,000
The Nottinghamshire Office of the Police - Nottingham	4.00	3 Months	5,000
Total Fixed Term Deposits			103,500
Counterparty	% Rate at 31/3/23	Minimum Duration	Principal (£'000)
Variable Rate Notice Accounts			
Barclays Bank PLC	3.75	One Day	6,453
CCLA Local Authorities Property Fund	3.79	90 Days	15,000
Aberdeen Standard Liquidity Fund (Lux) - Sterling Fund (Class L1)	4.05	Same Day	5,000
CCLA - The Public Sector Deposit Fund (Class 4)	4.12	Same Day	5,000
Payden Sterling Reserve Fund	2.26	4 Day	5,000
JP Morgan Managed Reserves Fund	1.10	2 Day	5,000
BlackRock Institutional Sterling Liquidity Fund	4.09	Same Day	5,000
BNP Paribas Insticash Sterling (Institutional)	4.20	Same Day	15,000
Total Variable Rate Notice Accounts			61,453
TOTAL			164,953

LINK'S OPINION ON UK INTEREST AND INVESTMENT RATES AS AT 31 MARCH 2023

UK. Economy.

Against a backdrop of stubborn inflationary pressures, the easing of Covid restrictions in most developed economies, the Russian invasion of Ukraine, and a range of different UK Government policies, it is no surprise that UK interest rates have been volatile right across the curve, from Bank Rate through to 50-year gilt yields, for all of 2022/23.

Market commentators' misplaced optimism around inflation has been the root cause of the rout in the bond markets with, for example, UK, EZ and US 10-year yields all rising by over 200bps in 2022. The table below provides a snapshot of the conundrum facing central banks: inflation is elevated but labour markets are extra-ordinarily tight, making it an issue of fine judgment as to how far monetary policy needs to tighten.

	UK	Eurozone	US
Bank Rate	4.25%	3%	4.75%-5%
GDP	0.1%q/q Q4 (4.1%y/y)	+0.1%q/q Q4 (1.9%y/y)	2.6% Q4 Annualised
Inflation	10.4%/y/y (Feb)	6.9%/y/y (Mar)	6.0%/y/y (Feb)
Unemployment Rate	3.7% (Jan)	6.6% (Feb)	3.6% (Feb)

Q2 of 2022 saw UK GDP deliver growth of +0.1% q/q, but this was quickly reversed in the third quarter, albeit some of the fall in GDP can be placed at the foot of the extra Bank Holiday in the wake of the Queen's passing. Q4 GDP was positive at 0.1% q/q. Most recently, January saw a 0.3% m/m increase in GDP as the number of strikes reduced compared to December. In addition, the resilience in activity at the end of 2022 was, in part, due to a 1.3% q/q rise in real household disposable incomes. A big part of that reflected the £5.7bn payments received by households from the government under the Energy Bills Support Scheme.

Nevertheless, CPI inflation picked up to what should be a peak reading of 11.1% in October, although hopes for significant falls from this level will very much rest on the movements in the gas and electricity markets, as well as the supply-side factors impacting food prices. On balance, most commentators expect the CPI measure of inflation to drop back towards 4% by the end of 2023. As of February 2023, CPI was 10.4%.

The UK unemployment rate fell through 2022 to a 48-year low of 3.6%, and this despite a net migration increase of c500k. The fact remains, however, that with many economic participants registered as long-term sick, the UK labour force shrunk by c500k in the year to June. Without an increase in the labour force participation rate, it is hard to see how the UK economy will be able to grow its way to prosperity, and with average wage increases running at over 6% the MPC will be concerned that wage inflation will prove just as sticky as major

supply-side shocks to food (up 18.3% y/y in February 2023) and energy that have endured since Russia's invasion of Ukraine on 22 February 2022.

Bank Rate increased steadily throughout 2022/23, starting at 0.75% and finishing at 4.25%.

In the interim, following a Conservative Party leadership contest, Liz Truss became Prime Minister for a tumultuous seven weeks that ran through September and October. Put simply, the markets did not like the unfunded tax-cutting and heavy spending policies put forward by her Chancellor, Kwasi Kwarteng, and their reign lasted barely seven weeks before being replaced by Prime Minister Rishi Sunak and Chancellor Jeremy Hunt. Their Autumn Statement of the 17th of November gave rise to a net £55bn fiscal tightening, although much of the "heavy lifting" has been left for the next Parliament to deliver. However, the markets liked what they heard, and UK gilt yields have reversed the increases seen under the previous tenants of No10/11 Downing Street, although they remain elevated in line with developed economies generally.

As noted above, GDP has been tepid throughout 2022/23, although the most recent composite Purchasing Manager Indices for the UK, US, EZ and China have all surprised to the upside, registering survey scores just above 50 (below suggests economies are contracting, and above suggests expansion). Whether that means a shallow recession, or worse, will be avoided is still unclear. Ultimately, the MPC will want to see material evidence of a reduction in inflationary pressures and a loosening in labour markets. Realistically, that is an unlikely outcome without unemployment rising and wage settlements falling from their current levels. At present, the bigger rise in employment kept the ILO unemployment rate unchanged at 3.7% in January. Also, while the number of job vacancies fell for the ninth consecutive month in February, they remained around 40% above pre-pandemic levels.

Our economic analysts, Capital Economics, expect real GDP to contract by around 0.2% q/q in Q1 and forecast a recession this year involving a 1.0% peak-to-trough fall in real GDP.

The £ has remained resilient of late, recovering from a record low of \$1.035, on the Monday following the Truss government's "fiscal event", to \$1.23. Notwithstanding the £'s better run of late, 2023 is likely to see a housing correction of some magnitude as fixed-rate mortgages have moved above 4.5% and affordability has been squeezed despite proposed Stamp Duty cuts remaining in place.

As for equity markets, the FTSE 100 started 2023 strongly, rising to a record high of 8,014 on 20th February, as resilient data and falling inflation boosted earnings. But global equities fell sharply after concerns over the health of the global banking system emerged early in March. The fall in the FTSE 100 was bigger than the drop in the US S&P 500. Indeed, at around 7,600 now, the FTSE is 5.2% below its record high on 20th February, while the S&P 500 is only 1.9% lower over the same period. That's despite UK banks having been less exposed and equity prices in the UK's financial sector not falling as far. It may be due to the smaller decline in UK interest rate expectations and bond yields, which raise the discounted value of future earnings, compared to the US.

USA. The flurry of comments from Fed officials over recent months suggest there is still an underlying hawkish theme to their outlook for interest rates. Markets are pricing in a further interest rate increases of 25-50bps, on top of the current interest rate range of 4.75% - 5%.

In addition, the Fed is expected to continue to run down its balance sheet once the on-going concerns about some elements of niche banking provision are in the rear-view mirror.

As for inflation, it is currently at c6% but with the economy expected to weaken during 2023, and wage data already falling back, there is the prospect that should the economy slide into a recession of any kind there will be scope for rates to be cut at the backend of 2023 or shortly after.

EU. Although the Euro-zone inflation rate has fallen below 7%, the ECB will still be mindful that it has further work to do to dampen inflation expectations and it seems destined to raise rates to 4% in order to do so. Like the UK, growth has remained more robust than anticipated but a recession in 2023 is still seen as likely by most commentators.

Link Group Interest Rate View	25.05.23												
	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26
BANK RATE	4.75	5.00	5.00	4.75	4.50	4.00	3.50	3.25	2.75	2.50	2.50	2.50	2.50
3 month ave earnings	4.80	5.00	5.00	4.80	4.50	4.00	3.50	3.30	2.80	2.50	2.50	2.50	2.50
6 month ave earnings	5.10	5.20	5.10	4.90	4.50	3.90	3.40	3.20	2.90	2.60	2.60	2.60	2.60
12 month ave earnings	5.40	5.40	5.30	5.00	4.50	3.90	3.40	3.20	2.90	2.70	2.70	2.70	2.70
5 yr PWLB	5.00	5.00	5.00	4.80	4.50	4.10	3.70	3.50	3.30	3.20	3.20	3.10	3.10
10 yr PWLB	5.00	5.00	5.00	4.80	4.40	4.10	3.80	3.60	3.50	3.40	3.30	3.30	3.30
25 yr PWLB	5.30	5.30	5.20	5.10	4.80	4.50	4.20	4.00	3.80	3.70	3.60	3.60	3.60
50 yr PWLB	5.10	5.10	5.00	4.90	4.60	4.30	4.00	3.80	3.60	3.50	3.40	3.40	3.40

PRUDENTIAL AND TREASURY MANAGEMENT INDICATORS

	Actual 2021/22 £'000	Budget ¹ 2022/23 £'000	Actual 2022/23 £'000
PRUDENTIAL INDICATORS			
Capital expenditure			
- General Fund	16,771	121,661	29,278
- HRA	34,170	82,836	65,926
Total	50,941	204,497	95,204
Capital Financing Requirement (CFR) as at 31 March			
- General Fund	73,912	148,633	54,988
- HRA	211,706	214,321	214,976
Total	285,618	362,954	269,964
Change in the CFR ²	(833)	77,336	(15,654)
Deposits at 31 March	168,255	160,000	164,953
External Gross Debt	213,572	213,572	213,572
Ratio of financing costs to net revenue stream			
-General Fund ²	(3.20%)	(7.41%)	(3.93%)
-HRA	16.28%	14.38%	12.69%
Net income from commercial and service investments to net revenue stream³			
-General Fund		9,701	10,809
-HRA		478	431
% of net revenue stream			
-General Fund		39.2%	52.82%
-HRA		1.03%	0.92%

1. As per Treasury Management Strategy report (TMSS) to full Council approved on 23 February 2023. This benchmark takes account of re-profiling of capital expenditure at the start of 2022/23.

2. After accounting for MRP charge and Voluntary Revenue Provision

3. Commercial and service income indicators estimated as part of 2023/24 TMSS but not prior to this.

	Actual 2021/22 £'000	Budget¹ 2022/23 £'000	Actual 2022/23 £'000
TREASURY INDICATORS			
Authorised limit			
for borrowing	400,000	450,000	450,000
for other long term liabilities	0	0	0
Total	400,000	450,000	450,000
Operational boundary			
for external borrowing	290,618	341,744	341,744
for other long term liabilities	0	1,500	1,500
Total	290,618	343,233	343,244
Upper limit for total principal sums deposited for over 364 days & up to 5 years	50,000	50,000	50,000
Upper limit for fixed & variable interest rate exposure			
Net interest on fixed rate borrowing/deposits	6,592	9,069	5,341
Net interest on variable rate borrowing/deposits	(15)	(15)	(163)
Maturity structure of new fixed rate borrowing	Lower Limit		
10 years and above (PWLB borrowing for HRA Reform)	100%	100%	100%

¹ Per Annual Treasury Management Strategy Report agreed by Council on 24 February 2022. This is considered the appropriate point of reference since it reflects limits in place from the start of the 2022-23 financial year.

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.

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

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

Name	Council's Current Deposit Period	Category	Limit (£)
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 (AAf) – CNAV, VNAV & LVNAV	Liquid Rolling Balance	Financial Instrument	15m (per fund) With no maximum limit overall
UK Government Treasury Bills	Up to 6 months	Financial Instrument	15m
Members of a Banking Group	Using Link's Credit Criteria	UK Banks and UK Nationalised Banks	40m
Non-Specified Investments: -			
All UK Local Authorities – longer term limit	Over 1 year and up to 5 years	Local Authority	Up to 35m (in total)
Cambridge City Council Housing (CCHC) Working Capital Loan	Up to 1 year	Loan	200,000
Cherry Hinton Community Benefit Society	Up to 1 year	Loan	50,000
CCHC Investment *	Rolling Balance	Loan (Asset Security)	7,500,000
Cambridge Investment Partnership (Mill Road)	Rolling Balance	Loan (Asset Security)	17,800,000
Cambridge Investment Partnership (Cromwell Road)	Rolling Balance	Loan (Asset Security)	48,300,000
Cambridge Investment Partnership (Orchard Park L2)	Rolling Balance	Loan (Asset Security)	11,529,000
Cambridge Investment Partnership	Rolling Balance	Loan (Asset Security)	33,940,000
CCLA Local Authorities' Property Fund	Minimum of 5 years	Pooled UK Property Fund	Up to 15m

Name	Council's Current Deposit Period	Category	Limit (£)
Certificates of Deposit (with UK Banking Institutions)	Liquid Rolling Balance	Financial Instrument	See limits above
Certificates of Deposit (with UK Building Societies)	Liquid Rolling Balance	Financial Instrument	See limits above
Certificates of Deposit (with Foreign Banking Institutions)	Liquid Rolling Balance	Financial Instrument	2m (per single counterparty)
Enhanced Cash Funds (Standard & Poor's: AAf/S1, Fitch: AA/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 – 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 £50m.

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)
Capital Financing Requirement	A measure of the Council's underlying borrowing need, i.e. it represents the total historical outstanding capital expenditure which has not been paid for from either revenue or capital resources
Certificates of Deposit (CDs)	Low risk certificates issued by banks which offer a higher rate of return
CIP	Cambridge Investment Partnership
CIPFA	Chartered Institute of Public Finance and Accountancy
Corporate Bonds	Financial instruments issued by corporations
Counterparties	Financial institutions with which funds may be placed
Credit Risk	Risk of borrower defaulting on any type of debt by failing to make payments which it is obligated to do
Enhanced Cash Funds	Higher yielding funds typically for investments exceeding 3 months
Eurocurrency	Currency deposited by national governments or corporations in banks outside of their home market
External Gross Debt	Long-term liabilities including Private Finance Initiatives and Finance Leases
Government CNAV	Highly liquid sovereign stock based on a Constant Net Asset Value (CNAV)

Term	Definition
HRA	Housing Revenue Account - a ringfenced account for local authority housing account 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 at which major London banks borrow Eurocurrency deposits from other banks
Liquidity	A measure of how readily available a deposit is
Low Volatility Net asset Value (LVNAV)	Highly liquid sovereign stock based on a Constant Net Asset Value (CNAV)
MHCLG	Ministry for Housing, Department for Communities & Local Government (formerly the Department for Communities & Local Government, DCLG)
MPC	Monetary Policy Committee - The Bank of England Committee responsible for setting the UK's bank base rate
Minimum Revenue Provision (MRP)	Revenue charge to finance the repayment of debt
NHBC	National House Building Council
Non Ring Fenced Bank (NRFB)	Government and Bank of England rules will apply to all UK Banks which have to split their business into 'core' retail and investment units known as Ring and Non Ring Fenced Banks for the 1 st January 2019 deadline
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

Term	Definition
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 will apply to all UK Banks which have to split their business into 'core' retail and investment units known as Ring and Non Ring Fenced Banks for the 1 st January 2019 deadline
Sterling Over Night Index Average (SONIA)	SONIA is a widely used benchmark based on actual transactions and reflects the average of the interest rates that banks pay to borrow sterling overnight from other financial institutions and other institutional investors.
Security	A measure of the creditworthiness of a counter-party
Specified Investments	Those investments identified as offering high security and liquidity. They are also sterling denominated, with maturities up to a maximum of 1 year, meeting the minimum 'high' credit rating criteria where applicable
Supranational Bonds	Multi-lateral Development Bank Bond
UK Government Gilts	Longer term Government securities with maturities over 6 months and up to 30 years
UK Government Treasury Bills	Short term securities with a maximum maturity of 6 months issued by HM Treasury
Variable Net Asset Value	MMF values based on daily market fluctuations to 2 decimal places known as mark-to-market prices
Weighted Average Life (WAL)	Weighted average length of time of unpaid principal
Weighted Average Maturity (WAM)	Weighted average amount of time to maturity
Yield	Interest, or rate of return, on an investment

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STRATEGY & RESOURCES SCRUTINY COMMITTEE

03 July 2023

5.30 – 22:05

Present: Robertson (Chair), Baigent, Bennett, Bick, Gawthrop Wood, Holloway, Sheil and Young.

RECOMMENDATION TO COUNCIL (EXECUTIVE COUNCILLOR FOR FINANCE & RESOURCES COUNCILLOR S. SMITH)

2022/23 REVENUE AND CAPITAL OUTTURN, CARRY FORWARDS AND SIGNIFICANT VARIANCES

This report presents, for all Portfolios:

- a) A summary of actual income and expenditure compared to the final budget for 2022/23 (outturn position)
- b) Revenue and capital budget variances with explanations
- c) Specific requests to carry forward funding available from budget underspends into 2023/24.

The outturn report presented reflects the Executive Portfolios for which budgets were originally approved (which may have changed since, for example for any changes in Portfolio responsibilities).

The Strategy and Resources Scrutiny Committee considered the report and approved the recommendations.

Accordingly, Council is recommended to:

- a) Carry forward requests totalling £1,391,800 of revenue funding from 2022/23 to 2023/24, as detailed in Appendix C. These are carry forward requests in excess of £50k. Requests up to and including £50k which total £176,070 are approved via delegated authority to the Chief Financial Officer.
- b) Approve additional budget in 2023/24 of £80k to the Climate Change Fund funded from reserves, as detailed in Paragraphs 3.6 to 3.8 below.

c) Approve the allocation of £200k from the General Fund reserve to establish Greater Cambridge Impact (GCI) as detailed in Paragraphs 3.9 and 3.10 below.

d) Approve the allocation of £218k in 2023/24 from the General Fund reserve to fund the additional resource required to enable the delivery of key programmes and projects within the Place Group. The allocation required will increase to £267k in 2024/25 and £281k 2025/26 onwards as detailed in Paragraphs 3.11 below. e) To carry forward requests of £81,444,000 of capital resources from 2022/23 to 2023/24 to fund rephased net capital spending, as detailed in Appendix D.

Item

Strategy & Resources Scrutiny Committee

2022/23 Revenue and Capital Outturn, Carry Forwards and Significant Variances

To:

Councillor Simon Smith, Executive for Finance and Resources

Report by:

Chief Financial Officer

Date:

3 July 2023

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 This report presents, for all Portfolios:

- a) A summary of actual income and expenditure compared to the final budget for 2022/23 (outturn position)
- b) Revenue and capital budget variances with explanations
- c) Specific requests to carry forward funding available from budget underspends into 2023/24.

1.2 The outturn report presented reflects the Executive Portfolios for which budgets were originally approved (which may have changed since, for example for any changes in Portfolio responsibilities).

2. Recommendations

The Executive Councillor for Finance and Resources recommends to Council:

- a) To carry forward requests totalling £1,391,800 of revenue funding from 2022/23 to 2023/24, as detailed in **Appendix C**. These are carry forward requests in excess of £50k. Requests up to and including £50k which total £176,070 are approved via delegated authority to the Chief Financial Officer.
- b) To approve additional budget in 2023/24 of £80k to the Climate Change Fund funded from reserves, as detailed in **Paragraphs 3.6 to 3.8 below**.
- c) To approve the allocation of £200k from the General Fund reserve to establish Greater Cambridge Impact (GCI) as detailed in **Paragraphs 3.9 and 3.10 below**.
- d) To approve the allocation of £218k in 2023/24 from the General Fund reserve to fund the additional resource required to enable the delivery of key programmes and projects within the Place Group. The allocation required will increase to £267k in 2024/25 and £281k 2025/26 onwards as detailed in **Paragraphs 3.11 below**.
- e) To carry forward requests of £81,444,000 of capital resources from 2022/23 to 2023/24 to fund rephased net capital spending, as detailed in **Appendix D**.

3. Background

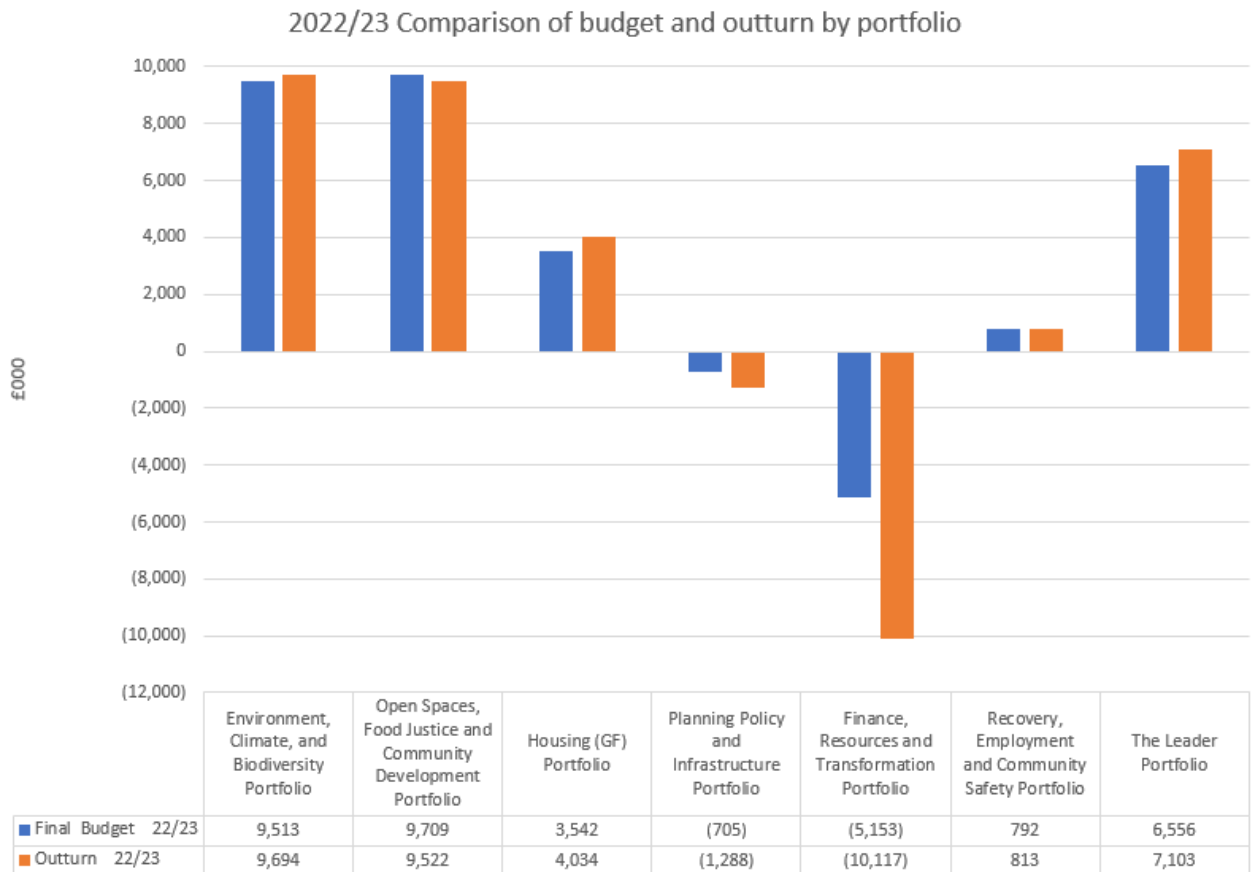
Revenue Outturn

3.1 The overall revenue budget outturn position for all Portfolios is given in the table below. Detail, by service grouping, is presented in **Appendix A**.

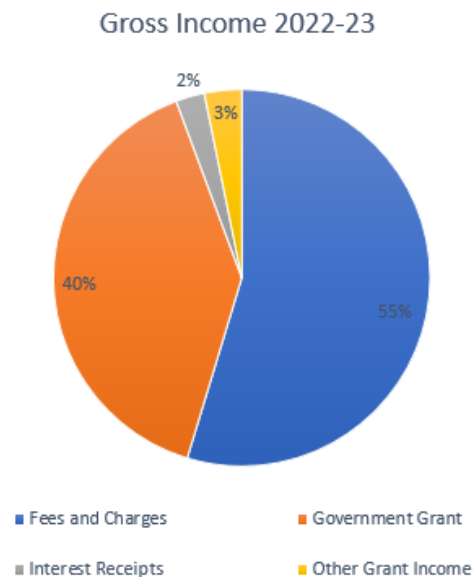
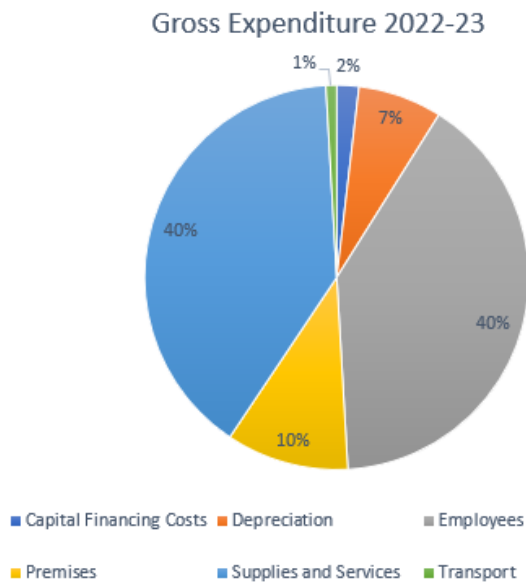
2021/22 £'000	General Fund Revenue Summary	2022/23 £'000	% Final Budget
24,591	Original Budget – Portfolios	24,253	122.7
659	Adjustment – Prior Year Carry Forwards	925	4.7
(912)	Other Adjustments	(5,418)	(27.4)
24,338	Final Budget – Portfolios	19,760	100.0
20,837	Outturn – Portfolios	15,875	80.3
(3,501)	(Under) / Overspend for the year – Portfolios	(3,885)	(19.7)
925	Carry Forward Requests – Portfolios	556	2.8
(2,576)	Net Variance on Portfolios	(3,329)	(16.9)
1,208	Carry Forward Request – Capital Financing	1,012	5.1
	Non-portfolio variances:		
(1,208)	Capital Expenditure Financed from Revenue	(1,012)	(5.1)
(9,825)	Other Non-Portfolio Variances*	3,376	17.1
(12,401)	Variance and (decreased) /increased use of General Fund Reserves	47	0.2

*The main reason for the other non-portfolio adjustments in 2022/23 of £3,376k is due to a variance on Local Retained Business Rates Income. This is explained in paragraphs 3.16 to 3.20 below.

3.2 The original revenue budget for 2022/23 was approved by the Council on 24 February 2022. **Appendix A** shows original and final budgets for the year (with the movements summarised in the above table) and compares the final budget with the outturn position for all Portfolios for 2022/23. The following chart presents this comparison visually.



3.3 The split of actual expenditure and income received in 2022/23 are shown in the pie charts below



3.4 **Appendix B** provides explanations of the main variances. The final outturn position for the General Fund portfolios is an underspend of £3,884,760 which represents 19.7% of the final net budget. Significant key variances are as follows.

- **Finance General:** Underspend £1,894k – This is mainly due to a substantial increase in interest earned as a result of sharp increases in the Bank of England base rate.
- **Central Provisions to be allocated:** Underspend £1,036k. This is largely due to budget adjustments held centrally where unfavourable variances may exist elsewhere, and for support services costs which have not been fully allocated. This balance has been addressed in the February 2023 Budget Setting Report and a saving approved.
- **Salary budgets:** Although any significant variances within General Fund salary budgets are included in Appendix B within cost centre variance explanations, the table below shows the overall position of permanent and temporary staffing budgets for 2022/23 for information.

	Budget 2022/23	Actual 2022/23	Variance	%
	(£'000's)	(£'000's)	(£'000's)	Variance
Employee costs – All GF cost centres (including support services)				
Permanent Staff	30,814	27,578	(3,236)	(10.5%)
Temporary Staff	1,531	2,538	1,007	65.8%
Total	32,345	30,116	(2,229)	(6.9%)

- 3.5 **Appendix C** lists revenue carry forward requests.
- 3.6 The Climate Change Fund provides a flexible reserve to fund projects that contribute to the Council's Climate Change Strategy objectives, including opportunities that arise outside the planned budget cycle. This year, a project to install additional solar panels at the new Meadows community centre has arisen due to a change from the original design. This will cost around £40-50,000 and will increase the extent to which the Meadows is powered by the Council's own renewable energy, reducing carbon emissions.
- 3.7 The Council is also, with the University of Cambridge, exploring the feasibility and viability of a district heat network to provide renewable heat for buildings in the city centre. To secure further Government funding for the next, Detailed Project Development, phase of this project we anticipate requiring approximately £150,000 of match funding, with an additional £30,000 required for contingency in the face of inflation.
- 3.8 To ensure that we can meet both these pressures, and still have sufficient funding available to work up detailed decarbonisation projects this year on the back of the Asset Management Plan agreed at Strategy & Resources scrutiny committee in March 2023, officers recommend allocating an additional £80,000 to the Climate Change Fund now, to be available for use during 2023/24.
- 3.9 The Greater Cambridge Impact Fund report, presented on this S&R agenda outlines the business case for the Council to support the establishment of Greater Cambridge Impact (GCI – working title), an independent social impact investment fund to help address inequality improve the lives of our most vulnerable communities in line with the

Council’s “One Cambridge Fair for All” vision. Options for the Fund’s purpose and structure were considered in a feasibility study and full business case development, drawing on the experience of other places and by co-designing the proposed model with social impact experts, local charities and social enterprises, potential investors and philanthropists.

- 3.10 A Development Board is now in place with the appropriate expertise and experience to oversee the set-up and informal governance prior to the formal creation of an appropriate legal form for GCI. An initial investment of £200k is requested from the General Fund reserve to provide the necessary seed funding to establish the fund and attract investment. In principle approval is also requested for a further £0.8m bringing the Council’s total investment to £1m, on the condition that sufficient matched investment is secured from other sources, in line with the ambition to establish a £6-15m fund.
- 3.11 The Place Group Resource for Key Projects report, presented elsewhere on this agenda, details the resources required to enable the Group to deliver key programmes for the Council. Funding is required to recruit to five new roles plus external consultancy to contribute to the plans for future office accommodation, the goal to achieve Net Zero Carbon and Minimum Energy Efficiency Standards by 2030 and to develop the General Fund Property Development Programme.

Capital Outturn

- 3.12 The overall capital budget outturn position for all Portfolios is given in the table below. **Appendix D** shows the outturn position by scheme and programme with explanations of variances.

2021/22 £'000	General Fund Portfolio Capital Summary	2022/23 £'000	% Final Budget
101,559	Final Budget	121,661	100.0
22,848	Outturn	29,278	24.1
(78,711)	Variation - (Under)/Overspend for the year	(92,383)	(75.9)
71,909	Rephasing Requests	81,444	66.9
(6,802)	Net variance	(10,940)	(9.0)

3.13 Total General Fund capital underspend for the year is £92,384k of which £81,444k has been requested to be rephased to 2023/24.

3.14 The main requests for rephasing of budgets are as follows:

- Environment, Climate and Biodiversity Portfolio – Waste - electric replacement vehicles (£970k) – One vehicle has been ordered in 2022/23 and received in early 2023/24. An assessment is being made on the new vehicle’s capabilities before the second one is ordered.
- Open Spaces, Food Justice and Community Development Portfolio – Delays in the progression of the Café and Car Park projects at the Crematorium (£621k), extension to Cherry Hinton Library (£680k) and the Environmental Improvements Programme (£505k)
- Housing General Fund – Sustainable Warmth Grants (£4,258k). Any balance at the end of the scheme will need to be repaid. A second phase of Home Upgrade Grants (HUG2) is to be delivered from April 2023 to March 2025 which takes over from the Sustainable Warmth scheme.
- Finance, Resources and Transformation Portfolio–New depot facility (£9,308k) - the deadline for moving the depot from the current site has been extended and will be completed in 2025/26. The remaining budget will be rephased over future years after consultation with the project team. Park Street car park development (£39,807k) where the project is still on track but the phasing of the budget has changed. Again the rephasing over future years will be adjusted for the latest expected profiled spend. Loans to CIP (£18,339k) - current low drawdown of balances due to tight management of cash within CIP and the maturity of current general development schemes.

General Fund Reserves

3.15 The table below sets out the movement on the General Fund reserve for 2022/23:

	2022/23 £'000
Original Budget – Contribution to General Fund reserves	(4,131)
Adjustment – Prior Year Carry Forwards	2,133
Transfer for Changing Futures – BSR Feb 2022	60
Rephase of Colville III redevelopment – rephasing of revenue budget	120
Transfer of budget for pay award – MTFs October 2022	1,026
Transfer of Cambridge Live earmarked reserve unused balance	(213)
Final Budget – Contribution to General Fund reserves	(1,005)
Net Variance for the Year	48
Add Back Carry Forwards (to be recognised in 2023/24)	(1,568)
Total contribution to General Fund Reserves – Appendix A	(2,525)
Post Period 12 recharge adjustments against the HRA and earmarked reserves	(3)
Total contribution to General Fund Reserves – Draft Statement of Accounts	(2,528)
General Fund Balance at 1 April 2022	(25,533)
General Fund Balance at 31 March 2023	(28,061)

Collection Fund

- 3.16 The Collection Fund includes all income generated from council tax and business rates that is due in the year from taxpayers. This includes the share attributable to other local authorities in Cambridgeshire and, in the case of business rates, amounts attributable to central government.
- 3.17 When the Council sets its budget it determines the amounts to be paid out of the Collection Fund in respect of business rates and council tax collected. These amounts take account of several assumptions including changes in the taxbase, collection rates and the extent of reliefs and discounts available.
- 3.18 A specific complication of the business rates system is the link between business rates income and the Council's allocation of funding from central government as part of the local government finance settlement. The formula used to determine the resources available to the Council reflects a baseline position linked to business rates income. The baseline applicable to the 2022/23 financial year was first determined in 2020/21. Arrangements exist which permit authorities to retain an element of income generated above the agreed baseline. The baseline is expected to be reset as part of the upcoming fair-funding review.
- 3.19 The table below summarises the Council's share of the transactions reflected in the Council's Collection Fund. Income above the baseline is recognised separately. In 2022/23 the Council recognised net income of £1.66m above the baseline.

Attributable to Cambridge City Council	Council Tax £000	Business Rates £000
Collection Fund - Opening Deficit	124	6,715
Payments received in 2022/23 year towards prior year deficit	(23)	(7,344)
Surplus for the year (local taxation receivable less precepts payable adjusted for changes in arrears and appeals provisions and transitional protection funded by government)	(167)	(4,140)
Closing Collection Fund Balance (Surplus)	(66)	(4,769)

3.20 The table sets out a substantial improvement in the overall position on the Collection Fund whereby an opening deficit on both the Council Tax and Business Rates components has switched to a surplus at the end of the year. Providing there are no unexpected changes in the tax base or the rate of collection, the accumulated surplus referred to above will be distributed and received into the General Fund in 2023/24 and 2024/25.

4. Implications

4.1 The net variance from the final budget (see above) on committees would result a decreased use of General Fund reserves of £3,877,760. After revenue carry forwards of £556,170 for committees this becomes £3,321,590. Following other central budget adjustments which is mainly as a result of the Collection Fund deficit, the overall variance and increased use of General Fund Reserves is £47,610.

4.2 A decision not to approve a carry forward request may impact on officers' ability to deliver the service or scheme in question and this could have financial, staffing, equality and poverty, environmental, procurement or community safety implications.

(a) Financial Implications

Any financial implications are included in the Appendices.

(b) Staffing Implications

Any staffing implications are included in the Appendices.

(c) Equality and Poverty Implications

Any equality and poverty implications are included in the Appendices.

(d) Net Zero Carbon, Climate Change and Environmental Implications

Any net zero carbon, climate change and environmental implications are included in the Appendices.

(e) Procurement Implications

Any procurement implications are included in the Appendices.

(f) Community Safety Implications

Any community safety Implications are included in the Appendices.

5. Consultation and communication considerations

Public consultations are undertaken throughout the year and can be seen at:

<https://www.cambridge.gov.uk/consultations>

6. Background papers

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

- Closedown Working Files 2022/23
- Managers Variance Explanations – March 2023
- Budgetary Control Reports to 31 March 2023
- Capital Monitoring Reports – March 2023

7. Appendices

The following items, where applicable, are included for discussion:

Appendix		Included
A	General Fund Revenue Summary	✓
B	General Fund Revenue Major Variances for all portfolios	✓
C	General Fund Carry Forward Requests for all portfolios	✓
D	Capital Summary plus individual portfolio summaries	✓

8. Inspection of papers

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

Authors' Names: Karen Whyatt
Authors' Phone Numbers: 01223 - 458145
Authors' Emails: karen.whyatt@cambridge.gov.uk

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General Fund Overview Strategy & Resources Scrutiny Committee

Revenue Budget 2022/23 - Outturn

Portfolio / Service Grouping	Original Budget 22/23 £	Final Budget 22/23 £	Outturn 22/23 £	Variation Increase / (Decrease) £	Carry Forward Requests - See Appendix C £	Net Variance £
Environment, Climate, and Biodiversity Portfolio						
Garage Services	222,550	241,150	631,926	390,776	0	390,776
Sustainable City	165,610	114,310	112,563	(1,747)	0	(1,747)
Environmental Health	2,068,490	2,349,080	2,024,206	(324,874)	60,000	(264,874)
Licensing	0	0	0	(5,652)	0	(5,652)
S&OS Operations (excluding Markets and Street Trading)	4,449,830	4,295,310	4,139,398	(155,912)	0	(155,912)
Head of Environmental Services	0	0	51,037	51,037	0	51,037
S&OS Development (excluding Project Delivery)	441,930	451,920	472,420	20,500	0	20,500
Markets and Street Trading	(403,210)	(436,410)	(320,898)	115,512	0	115,512
Head of Shared Waste	2,567,650	2,678,530	2,456,317	(222,213)	50,000	(172,213)
Total Environment, Climate, and Biodiversity Portfolio	9,512,850	9,693,890	9,561,317	(132,573)	110,000	(22,573)
Open Spaces, Food Justice and Community Development Portfolio						
Bereavement Services	(725,950)	(740,100)	(232,208)	507,892	0	507,892
Bereavement Services - Transfer from Earmarked Reserves	0	0	(514,103)	(514,103)	0	(514,103)
Children and Youth	599,250	651,210	412,431	(238,779)	0	(238,779)
Neighbourhood Community	334,220	501,960	427,668	(74,292)	0	(74,292)
Voluntary Sector	1,309,230	1,336,350	1,215,348	(121,002)	14,000	(107,002)
Community Centres	1,119,440	(54,000)	121,437	175,437	0	175,437
Community Development	832,480	1,121,850	1,154,035	32,185	0	32,185
Community Safety	0	(1,100)	(1,096)	4	0	4
Sport & Recreation	2,651,600	2,625,190	2,848,979	223,789	0	223,789
Culture & Community	1,308,940	1,210,750	1,663,386	452,636	0	452,636
S&OS Operations (excluding Markets and Street Trading)	63,700	550,390	541,135	(9,255)	0	(9,255)
S&OS Development (excluding Project Delivery)	2,339,690	2,028,230	2,040,319	12,089	0	12,089
S&OS Project Delivery	(123,360)	291,570	159,643	(131,927)	0	(131,927)
Total Open Spaces, Food Justice and Community Development Portfolio	9,709,240	9,522,300	9,836,973	314,673	14,000	328,673
Housing (GF) Portfolio						
Environmental Health	413,530	361,250	352,116	(9,134)	0	(9,134)
Licensing	0	0	49	49	0	49
Housing Improvement Grants	25,420	27,420	25,368	(2,052)	0	(2,052)
Homelessness	647,200	647,200	1,004,937	357,737	0	357,737
Housing Advice	1,688,220	1,733,410	1,584,175	(149,235)	0	(149,235)
Town Hall Lettings	184,910	191,240	232,060	40,820	0	40,820
Housing Development	32,720	117,450	67,694	(49,756)	0	(49,756)
Housing Strategy	168,200	172,070	157,790	(14,280)	0	(14,280)
Contributions to/from reserves	399,870	399,870	378,380	(21,490)	0	(21,490)
Syrian Resettlement	0	402,690	436,907	34,217	0	34,217
Home Improvement Agency	(18,570)	(18,570)	(18,540)	30	0	30
Head of Housing Services	30	0	35	35	0	35
Total Housing (GF) Portfolio	3,541,530	4,034,030	4,220,971	186,941	0	186,941
Planning Policy and Infrastructure Portfolio						
Parking Services	(3,144,460)	(3,525,980)	(3,705,516)	(179,536)	0	(179,536)
Building Control	205,310	174,650	105,814	(68,836)	0	(68,836)
Planning	1,750,700	1,678,460	1,767,982	89,522	0	89,522
Urban Growth Project Manager	87,470	88,530	88,128	(402)	0	(402)
Transport Services	295,900	295,900	185,418	(110,482)	0	(110,482)
S&OS Operations (excluding Markets and Street Trading)	100,070	0	0	0	0	0
Total Planning Policy and Infrastructure Portfolio	(705,010)	(1,288,440)	(1,558,173)	(269,733)	0	(269,733)
Finance, Resources and Transformation Portfolio						
Facilities & Other Management	39,680	40,640	15,666	(24,974)	0	(24,974)
Transformation Programme	306,510	311,630	304,757	(6,873)	0	(6,873)
Finance General	(795,920)	(6,086,380)	(7,980,646)	(1,894,266)	0	(1,894,266)
Human Resources	0	0	(4,175)	(4,175)	0	(4,175)
Land Charges	3,630	0	0	0	0	0
Property Services - Other	(412,950)	(410,950)	(454,684)	(43,734)	0	(43,734)
Property Services	(6,720,680)	(6,479,660)	(6,851,858)	(372,198)	120,000	(252,198)
Revenues and Benefits	2,197,470	2,248,170	2,049,923	(198,247)	0	(198,247)
S&OS Development (excluding Project Delivery)	(14,310)	16,330	6,161	(10,169)	0	(10,169)
Head of Finance - Holding/Suspense Accounts	243,140	243,140	205,267	(37,873)	0	(37,873)
ICT	0	0	22,132	22,132	100,000	122,132
Accountancy & Support Services	0	0	0	0	19,100	19,100
Admin Buildings	0	0	5,401	5,401	0	5,401
Procurement	0	0	400	400	0	400
Total Finance, Resources and Transformation Portfolio	(5,153,430)	(10,117,080)	(12,681,655)	(2,564,575)	239,100	(2,325,475)
Recovery, Employment and Community Safety Portfolio						
CCTV	0	0	(100,729)	(100,729)	0	(100,729)
Community Safety	657,300	734,210	554,974	(179,236)	62,970	(116,266)
Culture & Community	0	31,590	31,588	(2)	0	(2)
Market Square Project	41,170	0	0	0	0	0
Tourism	93,750	47,270	50,763	3,493	0	3,493
Total Recovery, Employment and Community Safety Portfolio	792,220	813,070	536,596	(276,474)	62,970	(213,504)

Appendix A

Portfolio / Service Grouping	Original Budget 22/23 £	Final Budget 22/23 £	Outturn 22/23 £	Variation Increase / (Decrease) £	Carry Forward Requests - See Appendix C £	Net Variance £
The Leader Portfolio						
Corporate & Democratic Core	2,401,050	2,267,410	2,532,447	265,037	0	265,037
Facilities & Other Management	88,520	69,990	52,465	(17,525)	0	(17,525)
Corporate Strategy	256,930	209,140	261,574	52,434	0	52,434
Democratic Services	404,070	472,990	480,302	7,312	0	7,312
Central Costs	3,325,100	3,831,010	2,504,376	(1,326,634)	0	(1,326,634)
Strategic Director 1	80,000	252,160	122,051	(130,109)	130,100	(9)
Head of Property Services	0	0	6,465	6,465	0	6,465
Total The Leader Portfolio	6,555,670	7,102,700	5,959,681	(1,143,019)	130,100	(1,012,919)
Total for all Portfolios	24,253,070	19,760,470	15,875,710	(3,884,760)	556,170	(3,328,590)
Capital Accounting Adjustments	(6,346,840)	(5,765,970)	(5,750,946)	15,024	0	15,024
Capital Expenditure Financed from Revenue	40,000	1,247,800	236,098	(1,011,702)	1,011,700	(2)
Contributions to Earmarked Funds	626,550	8,359,670	8,359,678	8	0	8
Contributions to/(from) Reserves	4,131,170	1,004,920	2,525,180	1,520,260	(1,567,870)	(47,610)
Collection Fund (Surplus)/Deficit	2,481,000	7,366,943	7,366,943	0	0	0
	931,880	12,213,363	12,736,954	523,591	(556,170)	(32,579)
Net Spending Requirement	25,184,950	31,973,833	28,612,664	(3,361,169)	0	(3,361,169)
Financed By:						
Settlement Funding Assessment	(4,271,780)	(4,271,780)	(4,249,021)	22,759	0	22,759
New Homes Bonus	(1,957,000)	(1,956,910)	(1,956,914)	(4)	0	(4)
Locally Retained Business Rates – Growth Element/additional income	(4,387,000)	(6,159,763)	(2,850,153)	3,309,610	0	3,309,610
Other Government Grants	(1,973,000)	(2,059,350)	(2,038,218)	21,132	0	21,132
Appropriations from Earmarked Reserves	(3,225,000)	(8,154,850)	(8,147,188)	7,662	0	7,662
Council Tax	(9,371,170)	(9,371,180)	(9,371,170)	10	0	10
Total Financing	(25,184,950)	(31,973,833)	(28,612,664)	3,361,169	0	3,361,169
Net Total	0	0	0	0	0	0

Changes between original and final budgets may be made to reflect:

- portfolio and departmental restructuring
- approved budget carry forwards from the previous financial year
- technical adjustments, including changes to the capital accounting regime
- virements approved under the Council's constitution
- additional external revenue funding not originally budgeted

and are detailed and approved:

- in the January committee cycle (as part of the Budget-Setting Report, BSR)
- in the June/July committee cycle (outturn reporting and carry forward requests)
- in September (as part of the Medium-Term Financial Strategy, MTFs)
- via technical adjustments/virements throughout the year

Environment, Climate, and Biodiversity Portfolio

Revenue Budget 2022/23 – Major variances (>£50k) from final revenue budgets

Service Grouping	Cost Centre	Reason for Variance	Amount £	Contact
Environmental Health	Environmental Health Salaries	Continued underspend of staff vacancies. A carry forward is requested of £50K to employ agency staff to carry out back log of food inspections as required by food standards agency. Carry forward requested.	(78,245)	Yvonne O'Donnell
Environmental Health	Tascomi - Env Health Software	Under spend of £78k due to project being delayed and change of direction into the portal this is being used. A request to carry forward £20K to complete the work on the integration with capita to do online payments. Carry forward requested.	(78,400)	Yvonne O'Donnell
Garage Services	Fleet Management - Operational	Although the garage generated income greater than budget in 22/23 this did not cover all additional costs during the year. These included increased electricity costs, heating oil, overtime to cover sickness and absence and costs relating to the procurement of a replacement fleet management system. This was needed as the old system is no longer supported.	62,321	David Cox
Garage Services	Garage- External Work	Income is less than expected as our main customers have reduced their fleet or bought new vehicles which require less maintenance. Overtime is high due to under staffing plus electricity costs are greater than budgeted and maintenance work on the building was essential. The retention payment that was approved at committee in the BSR February 2022 was set at 11k each for two years. After negotiation this was increased to 26k each for two years without a corresponding increase in the budget.	320,920	David Cox
Head of Shared Waste	Waste Collection	There has been a small overspend on the domestic collections which was more than compensated by higher than expected overachievement of commercial income. A carry forward is requested and included in Appendix C.	(59,919)	Bode Esan
Markets and Street Trading	Markets	Reduction in market income of c£100k caused by the ongoing reduction in trader occupancy rates, high turnover of new traders and the inflated energy costs, which we were unable to fully pass on to traders. 72K of this is due to a number of long standing traders (who occupy multiple stalls on multiple days) who have recently retired, Public Holidays (Christmas and New Year when the market is closed) have fallen on a weekend which has a negative impact circa 10k.	120,629	Tim Jones
S&OS Operations (excluding Markets and Street Trading)	Operations Unit Salaries	There are eight vacancies currently and three of these are being recruited to, one post is being deleted and three are frozen until March 2024. A number of the vacancies are having to go out multiple times as recruitment is difficult. All vacant posts are in the process of being advertised or interviews have taken place and we are waiting start dates, with the exception of the frozen posts. To recruit to the available vacant positions, bring the Operations section up to levels of staff as per budget.	(167,835)	Don Blair
Provision for Senior Management Review		Contribution to the provision for the costs of staff leaving as a result of the Senior Management Review	77,213	
	Other Variances		(4,909)	
	Adjustments for the allocation of actual recharges		(324,348)	
	Total variance Environment, Climate, and Biodiversity Portfolio		(132,573)	

Open Spaces, Food Justice and Community Development Portfolio

Revenue Budget 2022/23 – Major variances (>£50k) from final revenue budgets

Service Grouping	Cost Centre	Reason for Variance	Amount £	Contact
Bereavement Services	City Cambridge Cemeteries	Increase in income from burials, exclusive rights for burials and the pre-purchase of graves.	(185,496)	Glyn Theobald
Bereavement Services	Cambridge Crematorium	A reduction in cremation income due to two new established crematoriums, increased advertising for direct funeral service along with the impact of Covid. The income expectation of the service needs to be addressed in the budget process. The service is an income generating service but the level of income needs to be reset. Reset income budgets to reflect evolving market conditions.	735,726	Glyn Theobald
Bereavement Services	All Bereavement Cost Centres	Transfer to/from earmarked reserve for balances on the bereavement cost centres	(488,225)	Glyn Theobald
Children and Youth	Children & Young People's Service	There has been a freeze on recruitment due to a major restructure within the service. Staff are now being appointed into new posts and cost centres are being revised for the 2023-24 financial year. Due to a service restructure, this planned underspend is being used to offset the over-spend expected within community facilities, as part of the review. A saving of £100k pa ongoing was approved as a result of the review. A budget review is completed and ready for implementation in 2023/24.	(223,830)	Vicky Haywood
Culture & Community	Corn Exchange and Guildhalls Cultural Services and Events	There is an underachievement of income from technical services due to the costs of agency staff. We have been unable to meet the target for booking fees and bar takings as audience numbers have fallen due to national trend in rising costs and confidence after covid. However in general the Corn Exchange programme has performed well despite external challenges and we anticipate a surplus in future years. Private hire programming (Guildhall) - the cost of delivery has exceeded our set hire income charges - this has now been reviewed to bring it back into profit. Hire charges have now been reviewed and a full bar review has been completed.	203,115	Thomas Thurbon
Culture & Community	City Events Cultural Services and Events	All events have faced rising costs (infrastructure, contracts and staffing) as well as a significant reduction in sponsorship (circa £50k under) plus other income. Additional costs circa £30k have been incurred through providing unbudgeted corporate events for the Commonwealth Baton Relay, the death of HM Queen Elizabeth and the Proclamation of King Charles III. Big Weekend is no longer taking place but an alternative local programme is being developed. Cost centre has now been reviewed and an alternative fundraising strategy introduced.	129,402	Lewis Anderson
Culture & Community	Folk Festival Cultural Services and Events	Infrastructure costs and inflation have had a major impact on expenditure. Income was lower due to impact of covid on rollover of ticket prices from 20/21 (i.e. not inflated). Other income targets lower due to reduced levels of sponsorship and increased costs for concessions. Cost centre has now been reviewed for 2023/24. Strict controls required on expenditure plus monitoring of ticket sales/marketing strategy and levels of sponsorship performance.	120,720	Rebecca Stewart
S&OS Project Delivery	Project Delivery	Recoverable officer time income target at c£219k in 2022/23 is too high as does not account for the two EIP focused base budget funded Project Officer posts (these instead appear in cost centre 1888). This results in an under achievement of £93k. Encouragingly some c£126k of recoverable time has been achieved in the last year which is higher than previous years, but this cost centre will continue to under achieve unless this is corrected for 2023/ 24 and subsequent years. The general underspend on the cost centre of £102k, instead of the expected £93k overspend, is a result of a one-off year-end adjustment to reflect additional funding drawn from Developers Contributions which covers officer fees for maintenance work on non-growth and growth sites in the City. Review income target for future years.	(132,578)	John Richards
Sport & Recreation	Leisure Contract Management Fees	This variance is as a result of the rise in energy costs within the leisure portfolio for inflationary increases of utilities from the tariffs GLL have in place. The Council is responsible for increased energy prices (but not consumption). This figure is currently an estimated £347,754 based on elements of billing to date but not all billing had been received at end of year close down. From March 2023, the contract utilities will transfer to CCC tariffs to make better use of the lower tariffs the Council can achieve and will improve the utility costs over the coming year. To finalise an actual agreed figure once all of February and March Gas and Electricity Billing has been received. Income from £1 swim uplift is being concluded with GLL to also potentially reduce this figure further.	359,203	Ian Ross
Sport & Recreation	Leisure Contract Client Costs	This variance is as a result of the additional income that to be billed to GLL once the final billing for Gas and Electricity is received for February and March 2023 and the other utility billing from across the Leisure Cost Centres is concluded to finalise all outstanding sums owed to the Council by GLL. This is following a utilities swap during February and March 2023 from GLL to the City Council to make better use of the lower tariffs the Council can achieve and will continue to improve the utility costs over the coming year. There is also an element of under spend on the DRR codes as Nationally Leisure services and facilities had a further year of reduced rates charges. To finalise an actual agreed figure once all of February and March Gas and Electricity Billing has been received.	(108,543)	Ian Ross
Voluntary Sector	Community Development Voluntary Support	Main contributor to the variance has been staff vacancies and a staffing review. All of the main grants budget were allocated at the start of the year but several groups have returned their grants due to lack of capacity to deliver and volunteer burn out after covid. Seed Funding to originally support covid recovery grass root projects has not had the anticipated take up, however there has been an increase in demand to support existing groups with the impact of the cost of living crisis as evidenced in the full allocation of the Anti-poverty budget. A carry forward of £14k from the events budget has been requested to support Coronation celebration events and the councils cultural events programme. Carry forward requested.	(111,628)	Julie Cornwell
Provision for Senior Management Review		Contribution to the provision for the costs of staff leaving as a result of the Senior Management Review	83,656	
	Other Variances		76,800	
	Adjustments for the allocation of actual recharges		(143,651)	
	Total variance Environment, Climate, and Biodiversity Portfolio		314,673	

Housing (GF) Portfolio

Revenue Budget 2022/23 – Major variances (>£50k) from final revenue budgets

Service Grouping	Cost Centre	Reason for Variance	Amount £	Contact
Homelessness	Homelessness Costs	Homelessness costs were significantly overspent as a direct result of incurring legal fees in connection with challenges to statutory homelessness decisions. The bulk of the overspend related to a single case but we are seeing an increase in the number of legal challenges more generally. Report overspend and review appropriate budgetary levels for future years.	63,116	Simon Hunt
Homelessness	Bed & Breakfast (B&B) Costs Bed & Breakfast (B&B) Costs	This variance is accounted for by an increase in presentations, in part accounted for by an increase in local homelessness and in part by the need to provide accommodation for Ukrainian households. There is also evidence of an increase in the average unit cost of hotel accommodation. Work is ongoing to mitigate the impact of increased costs in future years by increasing temporary accommodation (TA) supply and collecting all HB due. Review use of bed and breakfast, increase TA supply and improve HB recovery.	302,518	Simon Hunt
Housing Advice	Housing Advice Service	The underspend in Housing Advice is a combination of underspending on employee costs due to staff vacancies and receipt of unanticipated income in respect of the sale of Inform licences and grant for staff working with refugees.	(87,022)	Simon Hunt
Other Variances			847	
Adjustments for the allocation of actual recharges			(92,518)	
Total variance Environment, Climate, and Biodiversity Portfolio			186,941	

Planning Policy and Infrastructure Portfolio

Revenue Budget 2022/23 – Major variances (>£50k) from final revenue budgets

Service Grouping	Cost Centre	Reason for Variance	Amount £	Contact
Building Control	Building Control	The service has continued to improve over the last quarter and income was slightly above budget. Expenditure was managed effectively by the service, and further funding was received from secondment opportunities. Although external factors had an impact on the service during quarter 2 and 3, the team were able to recover at the end of quarter 4. External factors included the impact on the economy and spending of high energy prices and uncertainty resulting in less construction work being undertaken.	(52,475)	Heather Jones
Parking Services	Grand Arcade Car Park	Over-achievement against income budget. Budget was reduced as a result of Covid but there has been an unexpected return of usage at the Grand Arcade. Overspends in expenditure relate to: mechanical expenditure - works required following electrical fire in car park a claim has been made to cover all costs and if successful the refund will be received in 23/24, urgent repair to failed car park extraction fan system under health and safety grounds, electricity usage remains stable but charges have increased plus the purchase of equipment due to end of life. New equipment is not yet available and will be purchased in the new financial year. Continuous review of 2023/24 budgets.	(180,881)	Sean Cleary
Planning	Greater Cambridge Planning Service	The detailed explanation is shown in the Head of Service appendix.	115,259	Stephen Kelly
Transport Services	Taxicard Service	For Transport Initiatives the main area of underspend is this taxicard budget. The reduction in the budget to the level of actual spend from April 2023 has been approved.	(88,405)	Sharon Line
Provision for Senior Management Review		Contribution to the provision for the costs of staff leaving as a result of the Senior Management Review	32,172	
	Other Variances		(40,043)	
	Adjustments for the allocation of actual recharges		(55,360)	
	Total variance Environment, Climate, and Biodiversity Portfolio		(269,733)	

Finance, Resources and Transformation Portfolio

Revenue Budget 2022/23 – Major variances (>£50k) from final revenue budgets

Service Grouping	Cost Centre	Reason for Variance	Amount £	Contact
Accountancy & Support Services	Accountancy and Support Services	The underspend is mainly due to vacancies within the team, balanced to a certain extent by agency costs and additional support provided by Cambridgeshire County council for the insurance function. Unbudgeted grant income has been credited to the cost centre for time spent on payments in relation to support for Ukrainian refugees. There have been higher than expected costs for recruitment and legal advice in relation to the council's ownership of Cambridge City Housing Company. General inflation has had little impact, as staff costs form the majority of service costs. Carry forward requested.	(238,664)	Caroline Ryba
Admin Buildings	Guildhall	Overspend is result of additional maintenance cost to plant and building alterations on the ground floor to facilitate alternate use of office space.	64,835	Will Barfield
Corporate Business	Corporate Business Support	The main reason for this underspend is due to two vacant posts one of which has been taken as a saving from April 2023 (£34K), the remaining underspends are across corporate budgets and a range of budget codes.	(74,151)	Sharon Line
Facilities & Other Management	Facilities Management	There is an underspend on staffing costs due to vacancy following retirement plus there are underspends against a number of non-staff expenses including the purchase and maintenance on equipment furniture and materials, consultancy fees and subsistence. Some of these under-spends are offset by overspends on the Admin Buildings Allocation cost centre (8018).	(64,443)	Will Barfield
Finance General	Finance General	A series of sharp increases in the Bank of England base rate since the 2022/23 budget was set has substantially increased the income received from the investment of surplus cash and interest earned on those loans to CIP which track the base rate. A transfer to the development reserves of £290K, shown separately on cost centre 2003 (Appropriations to earmarked reserves), reflect the interest earned on CIP above the average rate of interest on treasury investments. An additional £137K has been set aside to increase the amount set aside in the Council's bad debt provision. The assessment of bad debt is an annual exercise which does not form part of the approved budget.	(1,894,079)	Neil Krajewski
Head of Finance - Holding/Suspense Accounts	Insurance Fund	The underspend is mainly due to the costs of actual claims made being less than budgeted.	(134,540)	Mark Greenall
ICT	IT Contract Costs	£156k of the underspend is due to the budget held by the shared service for specific City only spend being greater than has been needed. Work is being done by the service and the City to review budgets. £100k budget for the purchase of laptops was not spent in 22/23 due to delays in ordering and have only been received in 23/24. A carry forward of £100k is requested to cover this spend in 23-24. Other underspends are over a variety of budgets.	(381,277)	Michelle Lord
Legal Services	Legal	The shared service achieved more than £150k underspend as a whole. For the City Council this equated to an underspend of £78k. In addition the income target for the City has also been met. The underspend is explained by careful management of agency staff and vacant posts. In overall terms the performance of the Practice was satisfactory and better than the previous year. A similar performance is anticipated for 2023/24.	(114,331)	Tom Lewis
Property Services	Other Commercial Properties	The main variance is due to an unspent one-off budget of £100k that has been ringfenced to be paid as a leasing incentive to a new tenant. As the leasing incentive payment is due to be paid in the 2023/24 financial year, a budget of £100k has been requested to be carried forward to the 2023/24 financial year. The remaining variance is primarily due to a delay in the progression of the Mill Lane Boathouse feasibility scheme for which a budget of £20k has been requested to be carried forward to the 2023/24 financial year. Both carry forward requests were included within the agenda papers for the Strategy & Resources Scrutiny Committee meeting on 27 March 2023 and were recommended for approval. Carry forward requested.	(153,010)	Philip Doggett
Property Services	Other Industrial Properties	The main variance is due to the receipt of backdated rental income following the completion of rent reviews and ground rent reconciliations for which we receive a percentage of income, but the properties are managed by others. Continue to monitor income and expenditure.	(109,534)	Philip Doggett
Revenues and Benefits	Rent Allowances & Rent Rebates	The variance is primarily due to net subsidy differences of £83k (following submission of the final subsidy claim to the DWP) within overall expenditure of £27.6 million. The variance is partly offset by a positive variance of £16k with respect to the recovery of benefit overpayment from claimants that are no longer claiming benefit. Continue to monitor subsidy and the recovery of benefit overpayment.	67,293	Naomi Armstrong
Revenues and Benefits	Revenue Overheads	The main variance is in respect of the receipt on 31 March 2023 of New Burdens funding of £118,900 towards the Council Tax Rebate support for energy bills implementation/administration costs. Continue to monitor income and expenditure.	(128,226)	Naomi Armstrong
Provision for Senior Management Review		Contribution to the provision for the costs of staff leaving as a result of the Senior Management Review	212,614	
	Other Variances		(397,344)	
	Adjustments for the allocation of actual recharges		780,281	
	Total variance Environment, Climate, and Biodiversity Portfolio		(2,564,575)	

Recovery, Employment and Community Safety Portfolio

Revenue Budget 2022/23 – Major variances (>£50k) from final revenue budgets

Service Grouping	Cost Centre	Reason for Variance	Amount £	Contact
CCTV	CCTV	The cost centre is underspent due to a £71k underspend from CCTV Shared Service Contribution, and a £15k overachieved income related to cost recovery from HDC.	(99,906)	Joel Carre
Community Safety	Community Safety	This variance is generally related to salaries. There have been vacancies throughout the year, majority of which have now been filled. Additional income has also been received from the County Council to off set staff time spent on the Ukraine refugee response (circa £20k). There has also been an underspend on the post of Community Youth Liaison Officer. This was a 2 year bid for a project that was delayed due to the pandemic. The fixed term post will continue into 23/24 so it will be necessary to carry forward and rephase any remaining budget. Carry forward of remaining budget for Youth Liaison Officer role and also budget to enable the work that has been delayed due to the additional workload as a result of receiving Ukraine guests.	(113,394)	Keryn Jalli
	Other Variances		3,478	
	Adjustments for the allocation of actual recharges		(66,652)	
	Total variance Environment, Climate, and Biodiversity Portfolio		(276,474)	

The Leader

Revenue Budget 2022/23 – Major variances (>£50k) from final revenue budgets

Service Grouping	Cost Centre	Reason for Variance	Amount £	Contact
Central Costs	Central Provisions to be Allocated	This cost centre is used primarily for adjustments to budgets during budget setting and in-year. As a result, budgets on this code will vary from year to year. An ongoing saving of £800k from this cost centre was approved by Council in the February 2023 Budget Setting Report which related to budgets no longer needing to be reallocated thereby reducing the balance on this code going forward.	(1,036,023)	Karen Whyatt
Democratic Services	Members Support	The overspend in Democratic Services relates to member allowances, and is comprised of the increase associated with the National Living Wage, other increases in allowances agreed at Council in March 2022 and the cumulative impact of increases in allowances since 2018 that were previously being absorbed within the wider Democratic Services budget envelope.	89,223	Gary Clift
Strategic Director 1	Cambridge Northern Fringe East (CNFE)	The refined programme to enable the Area Action Plan to be better aligned to the Development Consent Order and Local plan processes and resource capacity has meant a delay to the progress on the Core site development to 2023/4. A carry forward is requested for project management, legal costs and community engagement. Carry forward requested.	(130,109)	Fiona Bryant
Provision for Senior Management Review		Contribution to the provision for the costs of staff leaving as a result of the Senior Management Review	139,495	
	Other Variances		(127,947)	
	Adjustments for the allocation of actual recharges		(77,658)	
	Total variance Environment, Climate, and Biodiversity Portfolio		(1,143,019)	

Cost Centre	Portfolio	Variance at 31/3/23 per performance planning packs	Cost Centre Description	Final Carry Forward request £	Cost Centre Contact	Comments
1758	Finance, Resources and Transformation	(153,010)	Other Commercial Properties	100,000	Philip Doggett	The carry forward request of £100k is in respect of an unspent one-off budget that has been ringfenced to be paid as a leasing incentive to the new tenant of 23 Market Street. The terms of the letting and agreement for lease provide for the Council to pay the tenant an incentive towards fit out costs upon opening for business. As the leasing incentive payment will not now be paid in the 2022/23 financial year, a budget of £100k is requested to be carried forward to the 2023/24 financial year.
1454	The Leader	(130,109)	Cambridge Northern Fringe East (CNFE)	130,100	Fiona Bryant	The refined programme to enable the Area Action Plan to be better aligned to the Development Consent Order and Local plan processes and resource capacity has meant a delay to the progress on the Core site development to 2023/4. The funding carried over is for project management, legal costs and community engagement.
1962	Environment, Climate, and Biodiversity	(59,919)	Waste Collection	50,000	Bode Esan	Greater Cambridge Shared Waste would like to request a £50k carry forward to 2023-2024 to support roll out of new waste collection routes. The service is about to embark on a 4 day-week (4DW) trial for waste collection operations which if successful will transition into a more permanent arrangement. The 4DW scenario is part of an overall review of the waste collection rounds and optimisation of routes, which is typically done about every 3 to 5 years to cater for current and future housing growth, changes in services delivery etc and to re-balance collection rounds to enhance optimum operations. This exercise was last conducted in 2017 and so is now due. A consultancy company has been employed to assist with the re-modelling work, the costs of which have largely already been accounted for, with the detailed round structures for the new routes being generated from the consultant's model over the next weeks. It is anticipated that some one-off revenue investment will need to be made following the route optimisation work with regard to the above, and would like to request a £50k carry forward from the 2022-2023 unspent budget from the City Council's contribution to waste collection services. This £50k will also be matched by South Cambs. This fund will be directed towards actions such as: hire of an additional vehicle (and agency crew) for each waste stream (residual waste, recycling, organic waste) for the first few weeks of the new rounds to pick up any missed bins and generally support the roll out whilst drivers and crews get more accustomed to the rounds; additional communications to residents (adverts, posters, social media etc) on new routes and collections days, etc.
2006	Central Budgets	(1,011,702)	Project Plan Expenditure Charged to Revenue	1,011,700	Karen Whyatt	A request to carry forward unused budget for capital financing in 2023/24
8021	Finance, Resources and Transformation	(381,277)	IT Contract Costs	100,000	Michelle Lord	Cambridge City Council ICT are requesting a £100k carry forward of budget to 2023-2024. This £100k is linked to an approved carried forward budget from 21/22 financial year for laptop and desktop replacements. Due to delays in procurement processes and delivery of 120 laptops, this budget remained unspent in 22/23 FY. We have now (27 April, 2023) received the laptops and would like to carry forward this £100k unspent budget to 23/24 FY to cover the cost.
1,391,800				Total Carry forwards		

Overview Capital Budget Outturn 2022/23

Appendix D

Portfolio	Original Budget	Final Budget	Outturn	Variance -	Rephase	Over / (Under)
	2022/23	2022/23	2022/23	compared to	Budget	Spend
	£000's	£000's	£000's	Final Budget	2023/24	£000's
				£000's	£000's	£000's
Environment, Climate and Biodiversity	1,160	4,124	515	(3,609)	2,760	(849)
Equalities, Anti-poverty and Wellbeing	0	25	25	0	0	0
Open Spaces, Food Justice and Community Development	755	7,465	3,302	(4,163)	4,249	86
Housing (GF) Portfolio	8,533	12,735	8,202	(4,533)	4,523	(10)
Planning Policy and Infrastructure Portfolio	150	1,039	108	(931)	931	0
Finance, Resources and Transformation Portfolio	25,236	95,758	16,610	(79,148)	68,981	(10,167)
Recovery, Employment and Community Safety Portfolio	0	515	515	0	0	0
Total Portfolios	35,834	121,661	29,277	(92,384)	81,444	(10,940)

Changes between original and final budgets may be made to reflect: and are detailed and approved:

- rephased capital spend from the previous financial year
- rephased capital spend into future financial periods
- approval of new capital programmes and projects
- in the June/July committee cycle (outturn reporting and carry forward requests)
- in September (as part of the Medium-Term Financial Strategy, MTF5)
- in the January committee cycle (as part of the Budget-Setting Report, BSR)
- via technical adjustments/virements throughout the year

Capital Budget 2022/23 - Outturn

Capital Ref	Description	Lead Officer	Original Budget 2022/23 £'000's	Final Budget 2022/23 £'000's	Outturn 2022/23 £'000's	Variance - Outturn compared to Final Budget £'000's	Rephase Spend 2023/24 £'000's	Over / (Under) Spend £'000's	Variance Explanation
100023 - PR035	Waste & Recycling Bins - New Developments (S106)	Bode Esan	0	0	90	90	0	90	City has drawn down £90k S106 funding allocated for the purchase of new waste bins. This £90k amount is related to 4 different development sites. Parcel 8A Clay Farm, Darwin Green One, Land Between Huntingdon Road And Histon Road and 285 Milton Road.
100171 - PR017	Vehicle Replacement Programme	David Cox	0	978	43	(935)	0	(935)	The budget is primarily for the replacement of shared waste vehicles. Separate projects have been set up for those replacements. The variance on the budget for the current year is an underspend and is not required to be rephased.
Total Programmes			0	978	133	(845)	0	(845)	
100112 - SC645	Electric vehicle charging points - taxis	Jo Dicks	0	220	134	(86)	86	0	This project remains on budget and has substantially delivered with 18 of 21 charge points installed and commissioned to date. Significant delays during COVID lockdowns and issues with UKPN supplies have meant a considerable time overrun for the final 3 locations and has led to one location having to be abandoned. Of the remaining 3 location 2 have had a partial install and await connection the final site is still under review but we are confident of completion this year. This project remains on budget and has substantially delivered with 18 of 21 charge points installed and commissioned to date. Significant delays during COVID lockdowns and issues with UKPN supplies have meant a considerable time overrun for the final 3 locations and has led to one location having to be abandoned. Of the remaining 3 locations 2 have had a partial install and await connection the final site is still under review but completion is expected in 23-24. Rephase remaining budget to 23-24. This project requires work between the project manager Justin Smith and University of Cambridge to finalise the Eddington site by the end of May and work with our contractor SWARCO and UKPN to finalise the new location of the final site and connection to Great Eastern street Car park.
100200 - SC654	Redevelopment of Silver Street Toilets	Declan O'Halloran	0	601	12	(589)	589	0	Pre-tender stage - collection of preliminary and contractual documents making ready to go out to tender. Rephase remaining budget to 23-24.
100252 - SC688	Environmental Health software	Yvonne O'Donnell	0	23	0	(23)	23	0	This project is almost complete, however due to some outstanding issues, payment with the supplier is being disputed. Rephase budget to 23-24.
100280 - SC713	Replacement air quality monitoring equipment	Justin Smith	0	200	0	(200)	200	0	Project delivery was originally held up by Covid, and then supply issues with equipment that has delayed installation by a further year. However the first site was installed at the end of March 2023 with additional sites being scheduled in over the next few months. 2 sites are subject to approval from highways, but all sites are expected to be completed by September 2023. Rephase budget to 23-24.
100281 - SC714	Changing Places toilets at Quayside	John Parrott	0	100	0	(100)	100	0	Facility does not have capacity to include changing place toilet. Alternative facility is being considered. Rephase budget to 23-24.
100282 - SC715	Additional refuse vehicle for property growth	Bode Esan	0	420	0	(420)	420	0	Reassessment of capital replacement programme in response to increased cost of borrowing, route optimisation programme and electrification capacity at the depot. Order has now been placed for vehicle to run on HVO. Rephase budget to 23-24.
100292 - SC724	Residential electric charging points	Jo Dicks	0	61	1	(60)	60	0	All on street Chargers including 3 rapid chargers have been installed and are running. Work is in progress completing the final installation of 4x7kw sockets and 1x50kw rapid charger at Riverside car park. This will complete the initial pilot project. The remaining £59k is uncommitted but it is requested to be carried forward.
100332 - SC758	Charging infrastructure for electric vehicles - Cambridge	Bode Esan	0	50	0	(50)	50	0	£50,000 budget is transferred to WREN solar project at Waterbeach. Rephase budget to 23-24.
100346 - SC772	Market Square project	Sarah French	0	318	104	(214)	214	0	Still awaiting updates from feasibility study into Urban Heat Network and GCP Road Hierarchy to establish any impact on the market square. Work continuing to complete outstanding actions for the market from the corporate fire and health and safety risk assessments and preparing all required policy and planning documentation for the forthcoming market trader consultation on their terms and conditions. Heritage consultant progressing workstream for engagement of Access Consultant who will input to design of granite sets required by Historic England and completing gaps in data on fountain prior to commissioning repairs to its fabric due for completion 31 July 2023. Rephase remaining budget to 23-24.
100368 - SC797	Waste - electric replacement vehicles	Bode Esan	970	970	0	(970)	970	0	Electric replacements reliant on charging facilities at Waterbeach. 1 vehicle has been delivered in May '23 at a cost of £432k - further assessment needed on charging capabilities before 2nd one is ordered. Rephase budget to 23-24.
100372 - SC801	Replacement vehicle lift	David Cox	40	40	0	(40)	40	0	The vehicle lift was delivered 2-5-23 and now needs to be installed. The budget will need to be rephased from 22-23 to cover this spend. The cost is expected to £48k and it is requested that the underspend on the roller brake scheme is used to partly cover the difference. Rephase budget to 23-24.
100373 - SC802	Replacement roller brake test rollers	David Cox	45	45	41	(4)	0	(4)	The scheme is complete.
100374 - SC803	Market Square electrics upgrade	Sarah French	60	60	8	(52)	52	0	Awaiting next steps options proposal from electrical consultancy who we have engaged to advise us on the market electrical system. A ragged (RED, AMBER, GREEN) table is to be set against their report recommendations to provide a guide for prioritisation of actions in the next six months. Rephase remaining budget to 23-24.
100395 - SC826	S106 Midsummer's Common community orchard improvements	James Ogle	0	18	0	(18)	18	0	Large portion of the funding committed and work ongoing on site, vast majority of work should be complete by the end of May 2023. However some funding will remain (£4.5k) and in consultation with the Friends of the Community Orchard and s106 Urban Growth Manager options on spend will be considered. Rephase budget to 23-24.
100397 - SC828	WREN solar project at Waterbeach	Bode Esan	0	0	77	77	(77)	0	Supplementary budget approval has been provided for - £50k transferred from SC758. CCC capital budget for 2023/24 - £1.57m and a further £130k in 2024/25. Total capital budget for WREN £1.7m. Some spend made early ahead of budget - allocate future budget to 22-23 spend.
100402 - SC832	S106 Bramblefields LNR improvements - East Chesterton	Guy Belcher	0	20	5	(15)	15	0	Landscaping and planting largely complete. Additional fencing ordered for around new pond. Rephase remaining budget to 23-24.
Total Projects			1,115	3,146	382	(2,764)	2,760	(4)	
Other closed schemes and those with a variance under 15%			45	0	0	0	0	0	
Total			1,160	4,124	515	(3,609)	2,760	(849)	

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- rephased capital spend into future financial periods
- approval of new capital programmes and projects

and are detailed and approved:

- in the June/July committee cycle (outturn reporting and carry forward requests)
- in September (as part of the Medium-Term Financial Strategy, MTF5)
- in the January committee cycle (as part of the Budget-Setting Report, BSR)

Capital Budget 2022/23 - Outturn

Capital Ref	Description	Lead Officer	Original Budget 2022/23 £'000's	Final Budget 2022/23 £'000's	Outturn 2022/23 £'000's	Variance - Outturn compared to Final Budget £'000's	Rephase Spend 2023/24 £'000's	Over / (Under) Spend £'000's	Variance Explanation
100278 - SC711	Guildhall PA system	Frances Alderton	0	25	25	0	0	0	Project complete.
Total Projects			0	25	25	0	0	0	
Total			0	25	25	0	0	0	

Changes between original and final budgets may be made to reflect:

- rephased capital spend from the previous financial year
- rephased capital spend into future financial periods
- approval of new capital programmes and projects

and are detailed and approved:

- in the June/July committee cycle (outturn reporting and carry forward requests)
- in September (as part of the Medium-Term Financial Strategy, MTFS)
- in the January committee cycle (as part of the Budget-Setting Report, BSR)

Open Spaces, Food Justice and Community Development / Environment & Community Committee

Capital Budget 2022/23 - Outturn

Capital Ref	Description	Lead Officer	Original Budget 2022/23 £'000's	Final Budget 2022/23 £'000's	Outturn 2022/23 £'000's	Variance - Outturn compared to Final Budget £'000's	Rephase Spend 2023/24 £'000's	Over / (Under) Spend	Variance Explanation
100002 - PR010b	Environmental Improvements Programme - South Area	John Richards	0	41	2	(39)	39	0	Rolling programme, with budget funds remaining due to Covid related slippage and a lack of local community scheme requests coming forward. Remaining budget to be rephased to 23-24 to enable commitment to current and new scheme submissions. Discussions with Exec Cllr from late May 2023 how best to utilise remaining funds.
100003 - PR010c	Environmental Improvements Programme - West/Central Area	John Richards	0	58	1	(57)	57	0	Rolling programme, with budget funds remaining due to Covid related slippage. Remaining budget to be rephased to 23-24 to enable commitment to current and new scheme submissions. Discussions with Exec Cllr from late May 2023 how best to utilise remaining funds.
100004 - PR010d	Environmental Improvements Programme - East Area	John Richards	0	38	14	(24)	24	0	Rolling programme, with budget funds remaining due to Covid related slippage. Remaining budget to be rephased to 23-24 to enable commitment to current and new scheme submissions. Discussions with Exec Cllr from late May 2023 how best to utilise remaining funds.
100259 - PR010	Environmental Improvements Programme	Alistair Wilson	0	86	13	(73)	73	0	Following the decision to seek a new round of project applications this was undertaken in Autumn 2022. Some 70 viable submissions were received and 8 nonviable, not all the viable projects were affordable within the capital funding available. The views of all local ward councillors were sought through the Area Committees where they were asked to consider project submissions within their areas and asked to indicate area-based lists of priority projects for consideration by the Executive Councillor for approval decision, the Executive Councillor approved these priority projects. The approved EIP projects are now under development. A further round of project applications is planned for 2023. Rephase remaining budget to 23-24.
100403 - PR057	Green Recovery Programme	Guy Belcher	0	85	10	(75)	75	0	Wildlife Trust have delivered common grassland restoration programme on Midsomer, Coldham's, Stourbridge, New Bit and Barnwell Junction and wetland enhancements on Stourbridge LNR. Contribution to Logan's Meadow wetland programme for completion by end of June 2023 to meet the funding deadline. Rephase remaining budget to 23-24.
Total Programmes			0	308	40	(268)	268	0	
100154 - SC644	Acquisition of land adjacent to Huntingdon Road Crematorium	Glyn Theobald	0	37	1	(36)	36	0	Remaining funds to be allocated for the completion of the landscaping as part of the development of the site. Rephase remaining budget to 23-24.
100203 - PR042g	S106 To the River - artist in residence	Nadine Black	0	3	9	6	0	6	Additional spend required to complete this project
100216 - PR032w	S106 Accordia open space improvements - hedge-planting	Anthony French	0	5	2	(3)	3	0	Some work carried out during this planting season but further works are required in winter 2023. Rephase remaining budget to 23-24.
100217 - PR040z	S106 Public art: Historyworks: Michael Rosen Walking Trail 2	Nadine Black	0	10	0	(10)	10	0	Unresolved issues with project, which require decisions from senior management to find a resolution. Rephase budget to 23-24.
100220 - SC651	Shared ICT waste management software - Alloy/Yotta	James Ogle	0	117	42	(75)	75	0	Additional spend is required to cover the cost of the software development work to further customise it for Streets and Open Spaces. Unused budget to be rephased to 23-24
100232 - PR042m	S106 Public art grant - Chesterton village sign	Nadine Black	0	10	0	(10)	10	0	Unresolved issues with project, which require decisions from senior management to find a resolution. Rephase budget to 23-24.
100236 - SC678	Crematorium - additional car park	Glyn Theobald	0	339	1	(338)	338	0	Due to the delay in the project the price has increased. This does not allow for any buffer without significantly altering the details of the scheme and if any issues arise during construction this has a potential to overspend. A decision needs to be taken as to whether we proceed with that risk. Rephase remaining budget to 23-24.
100237 - SC679	Crematorium - cafe facilities	Glyn Theobald	0	294	11	(283)	283	0	Due to the delay in the project the price has increased. This does not allow for any buffer without significantly altering the details of the scheme and if any issues arise during construction this has a potential to overspend. A decision needs to be taken as to whether we proceed with that risk. Rephase remaining budget to 23-24.
100256 - SC795	CHUB - community extension to Cherry Hinton library	Allison Conder	0	764	84	(680)	680	0	Ongoing project. Additional £841,518 funding approved on 04.04.23. Start on site due 05.05.23 and due to complete in 57 weeks. Awaiting discharge notice for pre-commencement planning conditions. Rephase remaining budget to 23-24.
100273 - SC708	Replacement plantroom at Jesus Green outdoor pool	Ian Ross	0	140	0	(140)	140	0	Project previously on hold and to recommence in 2023/24. Rephase remaining budget. Rephase budget to 23-24.
100279 - SC712	Automation of Bishops Mill sluice gate	Alistair Wilson	0	88	(2)	(90)	90	0	In January 2022 a RfQ/tender for Design and Built project was issued based on an option of the feasibility study carried out in 2019, which indicated an estimated cost of the works of approximately £2K with a variance of 30% (which in the worst scenario would be around 81K). Only one response was received and with two other suppliers withdrawing. The tender return has been evaluated and it is agreed that it does not fulfil the brief and the proposed costs for Design and Built were £118K. This value obviously includes the design, but excludes the relocation of the power supply (3K), footpath closures and all necessary permits (4K) and potential civil works, so it is much higher than expected based on the feasibility study, therefore the payback would not be the same as suggested in the feasibility study. A lot has changed since 2019 - the price of the materials and resources is not up to date in the feasibility study and a more detailed design would be needed to calculate more accurate costs. It is thought that a re-procure as Design and Built project may not change the output as it appears there is a lack of resources in the industry. Suggested way forward is to request a Detail Design and Costs which could be funded from the £20k feasibility study pot which will be requested to carry forward to 23/24. Then to proceed with the relocation of the existing electric supply meter to allow Cambridge City Council access to Scudamore's 24/7. This is required and it is independent from the automation as the electrical supply should be accessed 24/7 by city council anyway. Then re-evaluation of the business case and agree progress. Rephase remaining budget to 23-24.
100295 - SC727	Logan's Meadow vehicular access	Guy Belcher	0	32	19	(13)	13	0	Planning permission secured and bridge structural drawings produced. However, significant cost increase is predicted due to concrete, steel and timber price rise and ground costs necessitating pile driven foundations. The access for the wetland creation work will be via a temporary culvert arrangement for completion by July 2023. Funding for the permanent maintenance access needs exploring. Rephase remaining budget to 23-24.
100299 - SC731	Cambridge Food Hub	Vicky Haywood	0	100	0	(100)	100	0	Core site yet to go through planning approval. Site not yet developed. Capital costs to be used for fit-out of new, purpose built food distribution hub, upon re-location to NEC meanwhile site. Rephase budget to 23-24.
100309 - SC741	S106 Nightingale Rec Ground pavilion	Ian Ross	0	647	439	(208)	208	0	Project ongoing - Currently being constructed onsite. Rephase remaining budget to 23-24.
100322 - SC752	S106 Byron's Pool ecological mitigations	Guy Belcher	26	237	82	(155)	155	0	Fish pass enhancement, signage and fishing platforms are complete. Carpark and footpath enhancements programmed for June 2023. Woodland Management Plan produced and consulted. Woodland management programme to be procured from autumn 2023. Rephase remaining budget to 23-24.
100323 - SC753	S106 Nine Wells ecological mitigations	Guy Belcher	15	89	21	(68)	68	0	Bridge installation complete, Woodland Management Plan complete. Phased woodland management programme to be procured from autumn 2023. Rephase remaining budget to 23-24.
100327 - SC778	S106 Jesus Green ditch biodiversity improvements	Alistair Wilson	0	47	1	(46)	46	0	This project has been re-scoped following a public consultation. The scheme now proposed has less civil engineering and is more focused on landscape. The scheme also includes interpretation boards and a seating area. Work is scheduled for Autumn 2023. The total costs of the works is reduced as consequence of the re-scoping. Rephase remaining budget to 23-24.
100307 - SC739	S106 Abbey Pool improvements	Ian Ross	0	144	117	(27)	27	0	Project Complete. Remaining funds to be carried forward as works retention sums on the water slide installation are due in October 2023. Rephase remaining budget to 23-24.
100325 - SC776	BEIS grant for Parkside pools decarbonisation works	Ian Ross	0	867	805	(62)	62	0	Project Complete. Retention monies outstanding. Rephase remaining budget to 23-24.
100326 - SC777	BEIS grant for Abbey pool decarbonisation works	Ian Ross	0	354	326	(28)	28	0	Project Complete. Retention monies outstanding. Rephase remaining budget to 23-24.
100328 - SC754	Cambridge Corn Exchange - infrastructure improvements	Ian Ross	0	430	118	(312)	312	0	Project ongoing - Schemes being procured for delivery within the building this year. Rephase remaining budget to 23-24.
100333 - SC759	Creation of a new boat pumping station at Stourbridge Common	Alistair Wilson	60	60	0	(60)	60	0	The pump out at Jesus Green has been replaced (April 23) and this has been the current service pressure in 2022/23. This work has given accurate records of the pump costs. A design and build specification is being developed for a market test in the Summer of 23 for the Stourbridge option. The known costs of the Jesus Green pump put may require a revisit of the business case as the anticipated costs are forecast to be considerably more than budgeted. Rephase budget to 23-24.
100334 - SC760	Investment programme for public toilet re-purposed property	Anthony French	275	325	93	(232)	232	0	This is a large scale ongoing project which individual toilets require refurbishment. 4 are complete at 22-23 year end and 12 are left to refurbish. Rephase remaining budget to 23-24.
100335 - SC761	Installation of cattle ramp on Midsomer Common	Alistair Wilson	0	38	(6)	(44)	44	0	There £44k of the budget allocation remaining. The lowest design and build submission was £65k. There are still some unknowns, so we may need an extra £25-45k (so total project cost up to £70-95k) to complete the build. The business case for this item needs to be refreshed before any further requests for further funding can be recommended. Rephase remaining budget to 23-24.

Capital Ref	Description	Lead Officer	Original Budget 2022/23 £'000's	Final Budget 2022/23 £'000's	Outturn 2022/23 £'000's	Variance - Outturn compared to Final Budget £'000's	Rephase Spend 2023/24 £'000's	Over / (Under) Spend £'000's	Variance Explanation
100338 - SC764	Environmental Improvements Programme (EIP) options	Alistair Wilson	264	526	21	(505)	505	0	Following the decision to seek a new round of project applications this was undertaken in Autumn 2022. Some 70 viable submissions were received and 8 nonviable, not all the viable projects were affordable within the capital funding available. The views of all local ward councillors were sought through the Area Committees where they were asked to consider project submissions within their areas and asked to indicate area-based lists of priority projects for consideration by the Executive Council for approval decision, the Executive Council approved these priority projects. The approved EIP projects are now under development. A further round of project applications is planned for 2023. Rephase remaining budget to 23-24.
100339 - SC765	Introduction of car parking charges at Cherry Hinton Hall	Anthony French	0	19	0	(19)	19	0	Project is currently being scoped with a view to delivery in early September 2023. Rephase budget to 23-24.
100349 - SC779	Parker's Piece tree planting	Matthew Magrath	0	5	3	(2)	2	0	Completion of scheme in 23-24. Rephase remaining budget to 23-24.
100350 - SC780	S106 Darwin Green community centre equipment and furnishings	Vicky Haywood	0	13	2	(11)	11	0	Facility awaiting transfer. Remainder of funds to be spent on occupation, to include blinds, fixtures and fittings. Rephase remaining budget to 23-24.
100355 - SC785	S106 The Art of Play	Nadine Black	0	5	2	(3)	3	0	Project moving forward and project timetable agreed. Rephase remaining budget to 23-24.
100361 - SC790	S106 Chesterton Rec wheelsport project	Peter Mullord	0	81	86	5	0	5	Twelve month rectification period remains.
100362 - SC791	S106 Coldhams Common BMX track	Declan O'Halloran	0	81	5	(76)	76	0	Hard market testing of previous early market engagement work in process. Rephase remaining budget to 23-24.
100363 - SC792	S106 public art grant for Abbey People's Creative	Nadine Black	0	12	15	3	0	3	Project is near completion. Final report is due which will release the final payment.
100370 - SC799	Closed churchyard wall repairs	Anthony French	70	70	7	(63)	63	0	Project at Abbey Church and St Giles are at various stages with faculties required for which we are currently awaiting outcomes. Work is anticipated by early 2024. Rephase remaining budget to 23-24.
100371 - SC800	New vehicle to support S&OS Assets multi skilled operatives	John Parrott	45	55	0	(55)	55	0	Delivery of new vehicles is expected in June 2023. Rephase budget to 23-24.
100381 - SC811	S106 Mill Road Centre fit out	Allison Conder	0	75	13	(62)	62	0	Ongoing project and Romsey Mill purchasing furniture and fittings as agreed, to be reimbursed on production of receipted invoices. Rephase remaining budget to 23-24.
100382 - SC812	S106 Clay Farm community centre improvements	Allison Conder	0	17	11	(6)	6	0	Project in progress. Rephase remaining budget to 23-24.
100383 - SC813	S106 Trumpington Rec ground environmental enhancements	James Ogle	0	70	33	(37)	37	0	Underspend of £23.5k as this was defrayed against EIP - 1000002 in 2021/22 and these costs should be attributed to the Trumpington Rec project - capital code 100383. Rephasing of the remaining budget is requested.
100384 - SC814	S106 public art grant for Ride with Pride (City-wide)	Nadine Black	0	19	9	(10)	10	0	The Final Report is awaited and open discussions about a second phase for the project will progress in 23-24. Rephase remaining budget to 23-24.
100389 - SC820	Wetlands at Logan's Meadow LNR	Guy Belcher	0	0	5	5	0	5	Planning permission secured. Contractor appointed. Ecology surveys and enabling clearance works complete. Programmed for 5 week delivery from June 2023.
100392 - SC823	S106 public art grant for Cherry Hinton Brook mural	Nadine Black	0	7	5	(2)	2	0	Awaiting mid point report to release second stage payment. Rephase remaining budget to 23-24.
100393 - SC824	S106 public art grant for Birdwood Area Art	Nadine Black	0	10	5	(5)	5	0	Project moving forward. Working with applicant to secure permissions. Rephase remaining budget to 23-24.
100394 - SC825	S106 public art grant for Park Street Residents' Association	Nadine Black	0	20	9	(11)	11	0	Project moving forward. Will advance more in the spring due to the nature of the project. Rephase remaining budget to 23-24.
100396 - SC827	S106 Five Trees open space: wildflower and tree planting	Matthew Magrath	0	15	0	(15)	15	0	Work is planned to progress in 23-24. Rephase budget to 23-24.
100400 - SC830	S106 grant to Trumpington village hall - disabled access	Ian Ross	0	4	0	(4)	4	0	Project Works Complete. Outstanding Sums to be carried forward to be paid in 2023/24 budget as works are concluding but final invoices have not been submitted. Rephase budget to 23-24.
100418 - SC847	Local Authority Treescape Fund - Round 2	Matthew Magrath	0	21	42	21	0	21	Some grant funding to be received. Multiple LATF bids amalgamated into this single project line which will be disaggregated and progressed.
100419 - SC848	Urban Tree Challenge Fund	Matthew Magrath	0	0	9	9	0	9	Grant to be received to fund spend in 4 payments. Second payment received in January 2023. 2 further claims yet to be made for relevant expenditure.
100420 - SC849	S106 Coleridge Rec outdoor kit fit	Ian Ross	0	75	0	(75)	75	0	Finishing procurement for award of preferred Contractor. Works to commence in July 2023. Unspent funds to be rephased to 2023/24 budget for delivery. Rephase budget to 23-24.
Total Projects			755	6,377	2,445	(3,932)	3,981	49	
Other closed schemes and those with a variance under 15%			0	781	817	37	0	37	
Total			755	7,465	3,302	(4,163)	4,249	86	

Changes between original and final budgets may be made to reflect:

- rephased capital spend from the previous financial year
- rephased capital spend into future financial periods
- approval of new capital programmes and projects

and are detailed and approved:

- in the June/July committee cycle (outturn reporting and carry forward requests)
- in September (as part of the Medium-Term Financial Strategy, MTFS)
- in the January committee cycle (as part of the Budget-Setting Report, BSR)

Capital Budget 2022/23 - Outturn

Capital Ref	Description	Lead Officer	Original Budget 2022/23 £'000's	Final Budget 2022/23 £'000's	Outturn 2022/23 £'000's	Variance - Outturn compared to Final Budget £'000's	Rephase Spend 2023/24 £'000's	Over / (Under) Spend £'000's	Variance Explanation
100225 - SC692	Cromwell Road Redevelopment (GF)	Mark Wilson	0	3,430	3,270	(160)	160	0	The scheme will complete as anticipated and the final two affordable housing agreement payments will be paid in 2023/24. Rephase remaining budget to 23-24.
100258 - SC694	Meadows Community Hub and Buchan St retail outlet	Jake Smith	2,551	3,148	3,043	(105)	105	0	Underspend due to project delays, meaning work Buchan St started later than expected. Rephase remaining budget to 23-24.
100364 - SC793	Sustainable Warmth Grant - Local Authority Delivery Phase 3	Justin Smith	1,690	1,840	549	(1,291)	1,291	0	Extended until 31st September 2023 and any remaining funds to be repaid. Unused balance rephased to 2022-23.
100365 - SC794	Sustainable Warmth Grant - Home Upgrade Grant	Justin Smith	4,255	3,737	770	(2,967)	2,967	0	Extended until 30th April 2023 and any remaining funds to be repaid. Unused balance rephased to 2022-23.
Total Projects			8,496	12,155	7,632	(4,523)	4,523	0	
Other closed schemes and those with a variance under 15%			37	580	570	(10)	0	(10)	
Total			8,533	12,735	8,202	(4,533)	4,523	(10)	

Changes between original and final budgets may be made to reflect:

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- approval of new capital programmes and projects

and are detailed and approved:

- in the June/July committee cycle (outturn reporting and carry forward requests)
- in September (as part of the Medium-Term Financial Strategy, MTFS)
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Capital Budget 2022/23 - Outturn

Capital Ref	Description	Lead Officer	Original Budget 2022/23 £'000's	Final Budget 2022/23 £'000's	Outturn 2022/23 £'000's	Variance - Outturn compared to Final Budget £'000's	Rephase Spend 2023/24 £'000's	Over / (Under) Spend £'000's	Variance Explanation
100050 - PR039	Minor Highway Improvement Programme	John Richards	30	71	12	(59)	59	0	The City Council has contributed up to £30k annum towards this joint funded budget in recent years, but the full amounts have not been drawn upon by the County Council lead contributing towards a budget reserve. However, during 2023-24 this reserve is likely to be needed towards project delivery, and consequently should be retained in order to meet commitments given. Remaining budget to be rephased to 23-24 to enable commitment to current and new scheme submissions. Discussions with Exec Cllr from late May 2023 how best to utilise remaining funds.
Total Programmes			30	71	12	(59)	59	0	
100032 - SC590	Structural Holding Repairs & Lift Refurbishment - Car Parks	Sean Cleary	0	199	0	(199)	199	0	Structural holding repairs for MSCPs. Budget to be rolled over year on year until expended. Rephase budget to 23-24.
100367 - SC796	Building Control software	Heather Jones	120	120	0	(120)	120	0	Pending contract renewal of City Uniform for GCSP. This was not in place, and had to be agreed, March 2023. This now allows us to move forward with a view to progressing project this financial year. Rephase budget to 23-24.
100421 - SC850	OZEV grant for electric charge points in Council car parks	Sean Cleary	0	270	71	(199)	199	0	Office for Zero Emissions Vehicles (OZEV) Grant to fund electric charge points in Council off street car parks will be spent in 23-24. Rephase remaining budget to 23-24.
Total Projects			120	589	71	(518)	518	0	
100156 - PV007	Cycleways	John Richards	0	379	25	(354)	354	0	The majority of the budget sum outstanding was some while ago committed towards two strategic projects within Cambridge. These align with similar plans from Cambridgeshire County Council and the Greater Cambridge Partnership. Whilst progress has been made, neither improvement has yet been realised due to complex dependencies on other stakeholders. A contingency plan to utilise some funding available in the meantime is coming together and should proceed during 2023/24. Remaining budget to be rephased to 23-24.
Total Provisions			0	379	25	(354)	354	0	
Total			150	1,039	108	(931)	931	0	

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- approval of new capital programmes and projects

and are detailed and approved:

- in the June/July committee cycle (outturn reporting and carry forward requests)
- in September (as part of the Medium-Term Financial Strategy, MTFS)
- in the January committee cycle (as part of the Budget-Setting Report, BSR)

Capital Budget 2022/23 - Outturn

Capital Ref	Description	Lead Officer	Original Budget 2022/23 £'000's	Final Budget 2022/23 £'000's	Outturn 2022/23 £'000's	Variance - Outturn compared to Final Budget £'000's	Rephase Spend 2023/24 £'000's	Over / (Under) Spend £'000's	Variance Explanation
100275 - PR053	Commercial property repair and maintenance	Will Barfield	300	400	268	(132)	100	(32)	Some budget was held for contributions to commercial property fit out that was not spent by year end. In addition, some works at the Museum of Cambridge are on hold until autumn 2023 to fit around end-user requirements. The majority of work planned were completed. Some work has been re-programmed to 23/24. £100k of the underspend to be requested as a carry forward to cover works at the Museum of Cambridge.
100276 - PR054	Administrative buildings maintenance	Will Barfield	166	251	30	(221)	0	(221)	Any non-essential work has been put on hold pending outcome of the asset management strategy and office accommodation review. Works to fire alarm system (approx. £100,000) have been ordered and will be completed in 23/24. Non urgent work is on hold pending outcome of office accommodation review.
100358 - PR055	Depot Relocation programme to create Operational Hub	Sean Cleary	0	9,976	668	(9,308)	9,308	0	New operational hub design and build project in progress to be completed in 25-26. Rephase remaining budget to 23-24.
Total Programmes			466	10,627	966	(9,661)	9,408	(253)	
100109 - SC627	Guildhall Large Hall Windows refurbishment	Will Barfield	0	101	0	(101)	101	0	Work on the large hall windows is required but needs to be timed to coincide with other building works in the Guildhall that may be carried out to achieve energy efficiency improvements.
100194 - SC659	My Cambridge City online customer portal	Joseph Johnson	0	22	3	(19)	19	0	This project forms part of the Our Cambridge programme, but has not been spent in the last financial year. This will be spent over the remaining life span of the programme. Rephase budget to 23-24
100243 - SC684	Property Management software	Philip Doggett	0	59	17	(42)	42	0	Implementation is nearing completion and the software is expected to be fully live July 2023. Request for budget of £42k to be re-phased to the 2023/24 financial year.
100253 - SC689	Income management software	Clarissa Norman	0	78	26	(52)	52	0	3C's ICT have presented options for re-contracting the current IMS supplier, for a project plan for procurement to be run and the new system implemented without the time constraints of the current contract end date of the system. Rephase remaining budget to 23-24.
100254 - SC690	Secure phone payments	Clarissa Norman	0	24	0	(24)	24	0	The secure telephone payments project is linked with the IMS replacement project - now that a project plan has been agreed for this, its outcome will determine how and when this budget will be used. Rephase budget to 23-24.
100260 - SC695	Cromwell Road Redevelopment - equity loan to CIP	Caroline Ryba	0	5,350	0	(5,350)	5,350	0	CIP cash flow indicates that further drawdowns on this loan are unlikely. Rephase budget to 23-24.
100261 - SC696	Cromwell Road Redevelopment - development loan to CIP	Caroline Ryba	0	4,600	0	(4,600)	4,600	0	CIP cash flows indicate that further drawdowns on this loan are unlikely. Rephase budget to 23-24.
100283 - SC716	Replacement telephony system with call centre	Joseph Johnson	0	52	102	50	0	50	The project has occurred additional costs as a result of delays arising from technical challenges with the transfer of telephone numbers between systems and suppliers, together with unforeseen contract exit costs.
100300 - SC732	Park Street car park development	Dave Prinsep	18,534	48,148	8,341	(39,807)	39,807	0	The project is generally on track but there have been some delays due to archaeology and adverse weather. The cashflows have been updated to reflect the actual expected cashflows for the project. Rephase remaining budget to 23-24.
100312 - SC742	L2 development loan to CIP	Caroline Ryba	5,200	8,045	0	(8,045)	0	(8,045)	CIP cash flow indicates that this loan is unlikely to be needed in full.
100313 - SC743	L2 equity loan to CIP	Caroline Ryba	500	1,800	0	(1,800)	0	(1,800)	Recent cash flow forecasts from CIP indicate that this loan is unlikely to be drawn down.
100330 - SC756	EV infrastructure at the Cambridge City Council depot	Sean Cleary	0	57	0	(57)	57	0	EV infrastructure for new operational hub and fleet vehicles progressing with the main scheme. Rephase budget to 23-24.
100341 - SC767	Mobile phone replacement	Michelle Lord	0	117	102	(15)	0	(15)	Mobile phone replacement project completed, and project can be closed. Underspend achieved as a result of some project work absorbed by the Desktop Support Team as part of BAU objectives.
100342 - SC768	Extend data capacity in shared data centre	Michelle Lord	0	60	49	(11)	11	0	Creation of additional capacity within the current data centre by splitting out the management cluster to improve the management of the data centre and assist with the preparation for the new data centre. Rephase remaining budget to 23-24.
100343 - SC769	Network equipment refresh	Michelle Lord	0	73	8	(65)	65	0	Network equipment refresh project is for the replacement of end of life network switches which will enable delivery of the data network (including phone) and WiFi services to the end user. Rephase remaining budget to 23-24.
100344 - SC770	ICT project delivery: project management, technical resource	Joseph Johnson	0	40	0	(40)	40	0	This project forms part of the Our Cambridge programme, but has not been spent in the last financial year. This will be spent over the remaining life span of the programme. Rephase budget to 23-24
100345 - SC771	Data and analytics - putting building blocks in place for	Joseph Johnson	0	70	0	(70)	70	0	This project forms part of the Our Cambridge programme, but has not been spent in the last financial year. This will be spent over the remaining life span of the programme. Rephase budget to 23-24
100347 - SC773	Colville Rd Phase 3 - replacement of commercial units	Mark Wilson	147	583	156	(427)	427	0	Scheme relates to cost of new units as part of wider development. Tenants are now in occupation of their temporary units. A building contractor has been engaged for the works. Scheme is forecast to be completed during the 2024/25 financial year. Request for budget of £427k to be re-phased to the 2023/24 financial year in order that the scheme can be completed. Rephase remaining budget to 23-24.
100375 - SC804	ICT & Digital Capabilities	Joseph Johnson	300	300	0	(300)	300	0	This project forms part of the Our Cambridge programme, but has not been spent in the last financial year. This will be spent over the remaining life span of the programme. Rephase budget to 23-24
100379 - SC808	Our Cambridge transformation - Office Accommodation Strategy	Joseph Johnson	0	77	24	(53)	53	0	This project forms part of the Our Cambridge programme, but has not been spent in the last financial year. This will be spent over the remaining life span of the programme. Rephase budget to 23-24
100391 - SC822	Loan to CIP to purchase land south of Cambridge	Caroline Ryba	0	8,390	1	(8,389)	8,389	0	The land purchase is still being renegotiated, and is now expected to be drawn down in 3 tranches. Rephase remaining budget to 23-24.
Total Projects			24,681	78,046	8,829	(69,217)	59,407	(9,810)	
100020 - PV554	Development Of land at Clay Farm	Dave Prinsep	14	251	85	(166)	166	0	A contractual agreement is in place whereby we contribute 7% of the net costs incurred in respect of the Collaboration Agreement with Countryside Properties. Rate of invoices from Countryside Properties relate directly to the rate of house-building which is variable and beyond our control. Forecast end date for the scheme is currently December 2024. Request for budget of £166k to be re-phased to the 2023/24 financial year.
Total Provisions			14	251	85	(166)	166	0	
Other closed schemes and those with a variance under 15%			75	6,834	6,730	(104)	0	(104)	
Total			25,236	95,758	16,610	(79,148)	68,981	(10,167)	

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- approval of new capital programmes and projects

and are detailed and approved:

- in the June/July committee cycle (outturn reporting and carry forward requests)
- in September (as part of the Medium-Term Financial Strategy, MTF5)
- in the January committee cycle (as part of the Budget-Setting Report, BSR)

Capital Budget 2022/23 - Outturn

Capital Ref	Description	Lead Officer	Original Budget 2022/23 £'000's	Final Budget 2022/23 £'000's	Outturn 2022/23 £'000's	Variance - Outturn compared to Final Budget £'000's	Rephase Spend 2023/24 £'000's	Over / (Under) Spend £'000's	Variance Explanation
100324 - SC775	City centre recovery - Combined Authority grant funding	John Richards	0	515	515	0	0	0	Original grant projected completion date was never practicable. Delivery timeline therefore needed amendment and agreement with Combined Authority funder as a consequence of challenges through the project development and delivery process. Project now completed, and whilst there has been a modest cost over-run on the £710,000 grant budget this is within tolerances levels for capital reporting. Officers to manage close-out of final project deliverables and final account close-down with grant funder.
Total Projects			0	515	515	0	0	0	
Total			0	515	515	0	0	0	

Changes between original and final budgets may be made to reflect:

- rephased capital spend from the previous financial year
- rephased capital spend into future financial periods
- approval of new capital programmes and projects

and are detailed and approved:

- in the June/July committee cycle (outturn reporting and carry forward requests)
- in September (as part of the Medium-Term Financial Strategy, MTFS)
- in the January committee cycle (as part of the Budget-Setting Report, BSR)

CIVIC AFFAIRS

5 July 2023
5.30pm - 6.25 pm

Present: Councillors McPherson (Chair), Bennett, Davey, Healy, Sheil and Young

FOR ADOPTION BY THE COUNCIL

23/25/Civ – Civic Affairs: Review of Budget Process Timetable for 2023/24

The report recommends further changes to the budget process to give effect to a review of the new procedures adopted in 2022/23. Committee noted changes which the Monitoring Officer had made to the Scheme of Delegation and Financial Procedures to reflect the Senior Management Review which came into force 25 May 2023.

Resolved (unanimously) to recommend to Council:

- i. The changes to Council Procedure Rules and Budget Framework Rules as set out in the Appendix A of the officer's report.

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Item

THE COUNCIL'S BUDGET PROCEDURE AND UPDATED SCHEME OF DELEGATION/FINANCIAL PROCEDURE RULES

To:

Civic Affairs Committee 5/07/2023

Report by:

Caroline Ryba s151 Officer, Chief Financial Officer/Tom Lewis Monitoring Officer

Email: caroline.ryba@cambridge.gov.uk/tom.lewis@cambridge.gov.uk

Wards affected:

All

1. Introduction

This report recommends further changes to the budget process to give effect to a review of the new procedures adopted in 2022/23. It also highlights for information changes which the Monitoring Officer has made to the Scheme of Delegation and Financial Procedures to reflect the Senior Management Review which came into force 25 May 2023.

2. Recommendations

To recommend to Council the changes to Council Procedure Rules and Budget Framework rules as set out in the Appendix A.

The Committee is recommended to:

- (i) agree the additions and changes to meetings November 2023-February 2024 and to note that there is still the issue of a second

Council meeting (non-budget) to resolve in February/March 2024, which should be addressed by the Governance Reference Group as soon as possible.

(ii) note the Financial Procedure Rules have been updated to reflect the Senior Management Structure effective from 25 May 2023 (appendix B)

(iii) note that the Scheme of Delegation has been updated to reflect the Senior Management Structure effective from 25 May 2023 (appendix C)

3. Background

3.1 Council adopted a new budget process in October 2022. Following the conclusion of the budget process in February, the Chief Financial Officer consulted with councillors and officers on any further adaptations that could be made. The result of those consultations is reflected in the proposed changes.

3.2 Councillors agreed to proposals to restructure the senior management of the Council on 2 March 2023. The new structure took effect on 25 May 2023 and the Monitoring Officer and Chief Financial Officer have reviewed the Scheme of Delegations and Finance Procedure Rules to ensure the documents match the new structure. There are no new delegations or changes to financial values this is updated by the Monitoring Officer under Article 14.3 of the Constitution.

Changes to budget timetable and Budget Procedure Rules

3.3 The changes proposed are:

- splitting both Strategy and Resources Scrutiny Committee meetings in October 2023 and January 2024 into Budget and Non-Budget meetings to allow a better, more-focussed scrutiny and consideration of budget matters
- delaying the autumn Strategy and Resources Scrutiny Committee budget meeting to November 2023 to allow consideration of Q2 outturn forecasts and outline strategic budget items within the development of the Medium Term Financial Strategy (MTFS)

- Similarly, splitting the September Housing Scrutiny Committee meeting into a Budget and non-Budget meeting, creating alignment with the General Fund timetable
 - adding a Council meeting after the November Strategy and Resources to approve the General Fund and Housing Revenue Account MTFs and any other budget-related items
 - running the General Fund budget consultation based on the MTFs over a longer period (up to 8 weeks)
 - The Executive will meet earlier in February as will the Budget Council meeting (the latter to avoid February half term in keeping with the agreed Convention of avoiding school holidays where possible).
- 3.4 The relevant wording changes to reflect the above process in the Budget Framework and Procedure Rules is attached in the Appendix for Council approval.

Although this will increase the overall number of meetings it does reflect the preferred way forward from the consultations undertaken with Members across the Political Groups.

The proposed meetings timetable would look like this for 2023/24:

- Monday 20 November (5.30pm) – Additional Strategy and Resources Scrutiny Committee (budget only) followed by an Executive meeting.
- Additional Housing Scrutiny Committee (budget only) Tuesday 21 November
- Thursday 30 November (6pm) – Additional Full Council (MTFS/draft budget only)
- (up to) 8 week budget consultation
- Monday 15 January 2024- Additional Strategy and Resources Scrutiny Committee (budget only)
- Monday 29 January 2024-Strategy and Resources Scrutiny (non-budget)
- Monday 1 February or Thursday 5 February (5.30pm) -Executive meeting

- Thursday 15 February -Council (budget)

4. Implications

There are none

5. Consultation and communication considerations

Councillors were consulted on the review of the 2022/23 budget process and on the revised proposals set out in this report.

6. Contact

If you have a query on the report please contact Caroline Ryba, Chief Financial Officer caroline.ryba@cambridge.gov.uk.

APPENDIX A

PART 4C BUDGET AND POLICY FRAMEWORK PROCEDURE RULES

Budget Setting – Scrutiny of Budget Proposals, amendments and Executive Recommendation

- 3.3 The Executive will meet to consider a Medium Term Financial Strategy (MTFS) with outline strategic budget proposals following scrutiny. The MTFS will then be available for public consultation.
- 3.4 The Strategy and Resources Scrutiny Committee will scrutinise the draft budget with comments reported to the budget cycle Executive and to the Council budget meeting.
- 3.5 The Executive will meet to recommend final budget proposals for submission to the Council. The Executive may amend its draft budget - in the light of the public consultation, Strategy and Resources Scrutiny Committee consideration and any advice from the s151 Officer. Any member of the Council can attend and speak at this meeting.

Amendments following the Executive's recommendation to Council

- 3.6 Following publication of the Council Agenda including the Executive's Budget recommendations, amendments may be submitted by Opposition Groups or any Member. These must be amendments which are received by the Council's s151 Officer so that they can be published by midday on the Tuesday (before a Thursday Council) along with the s151 Officer opinion.

APPENDIX B -

Part 4F: Financial Regulations and Financial Procedure Rules

OTHER FINANCIAL ACCOUNTABILITIES

Virement

A.23 The Chief Financial Officer is responsible for agreeing procedures for virement of expenditure between budget headings. The Chief Financial Officer may approve technical virements to make budget transfers where there is no underlying change in the budget intention.

A.24 Directors and Assistant Directors are responsible for agreeing in-year virements within delegated limits, in consultation with the Chief Financial Officer. Executive Councillor or full Council approval will be required for virements in excess of £75,000 and for those which are between service groupings and/or portfolios, as set out in the current General Fund and Housing Revenue Account budget books.

A.25. The scheme of virement is set out in the Financial Procedure Rules paragraphs 1.11 to 1.15.

Part 4F: Financial Regulations and Financial Procedure Rules – Appendices

SCHEME OF VIREMENT

1.10 The overall budget is agreed by the executive and approved by the full council. The scheme of virement is intended to enable the executive, Directors, Assistant Directors and their staff to manage budgets with a degree of flexibility within the overall policy framework determined by the full council, and therefore to optimise the use of resources according to changing needs.

Key controls

1.11 Key controls for the scheme of virement are:

- (a) It is administered by the Chief Financial Officer within guidelines set by the full council. Any variation from this scheme requires the approval of the full council.
- (b) All virements must be notified in writing to the Chief Financial Officer.
- (c) Permanent virements are permitted following consultation and agreement with the Chief Financial Officer.
- (d) Virements enable the executive and officers to manage their budgets responsibly and prudently, therefore they must not:
 - create additional overall budget liability
 - support recurring expenditure from one-off sources of savings or additional income
 - involve the creation of a new policy or change in policy
 - create future resource commitments
 - represent a permanent change to the staffing establishment
- (e) The Chief Financial Officer may approve technical virements to make budget transfers where there is no underlying change in the budget intention or impact on service delivery. Technical virements include those arising from approved policy changes and restructures, rationalisation of accounting codes and technical accounting changes.
- (f) Approval limits with the scheme of virement are totals for transfers between cost centres for the financial year. Transactions must not be broken down in order to circumvent appropriate approvals, where a series of transactions together in the financial year exceed a limit, approval from the next appropriate level must be sought.

1.12 Where an approved budget is a lump-sum budget or contingency intended for allocation during the year, its allocation will not be treated as a virement, provided that: (a) the amount is used in accordance with the purposes for which it has been established (b) the executive has approved the basis and the terms, including financial limits, on which it will be allocated. Individual allocations in excess of the financial limits should be reported to the executive.

Responsibilities of the Chief Financial Officer

1.13 To administer the scheme of virement.

1.14 To prepare jointly with the relevant head(s) of service a report to the executive on proposed virements, where required under the scheme.

Responsibilities of Directors and Assistant Directors

1.15 Directors and Assistant Directors may exercise virement on budgets under his or her control within the annual limits set out below.

Nature of virement	Total annual approval limit	Approval by:
Within a cost centre	No limit	Cost centre manager
Between cost centres within a service grouping	Up to £75,000	director Assistant Director in consultation with the Chief Financial Officer
	£75,001 to £250,000	Executive councillor*
	Over £250,000	Full council
Between cost centres in different service groupings and/or portfolios	Up to £250,000	Executive councillor(s)* in consultation with the Chief Financial Officer
	Over £250,000	Full council
*All decisions taken by the Executive Councillor will follow the same process for out of cycle decisions, or if time allows, be sent to Strategy and Resource Scrutiny Committee for consideration.		

Part 4F: Financial Regulations and Financial Procedure Rules

Treatment of year-end balances

A.25 The Chief Financial Officer is responsible for agreeing procedures for carrying forward under and overspendings on budget headings.

Part 4F: Financial Regulations and Financial Procedure Rules – Appendices

TREATMENT OF YEAR-END BALANCES

1.18 The scheme of carry forwards sets out the treatment of year-end balances. It is administered by the Chief Financial Officer.

1.19 The rules below cover arrangements for the transfer of resources between accounting years, ie a carry-forward.

- (a) Carry forwards will be considered on a cost centre by cost centre basis and will only be considered where the application of the resources carried forward is in line with the original approved budget.
- (b) No carry forward of less than £10,000 will be considered.

Key controls

1.20 Appropriate accounting procedures are in operation to ensure that carried-forward totals are correct.

Responsibilities of the Chief Financial Officer

1.21 To administer the scheme of carry-forwards.

1.22 To report jointly with the relevant Director or Assistant Director all material overspendings and underspendings on cost centre estimates to the executive and to the full council.

Responsibilities of Directors and Assistant Directors

1.24 Net underspendings on cost centre estimates under the control of the director and head of service may be carried forward, subject to approval, as follows:

Amount of carry forward	Approval by:
Below £10,000	Carry forward not permitted
£10,000 to £50,000	Director / Assistant Director and Chief Financial Officer
Over £50,000	Full council

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SECTION 9: Scheme of delegation to Council Officers

1. Definitions and consultation with councillors under this scheme

1.1 Definitions

In relation to all the following delegations:

- a) "Director" includes the Chief Executive and Chief Operating Officer
- b) An "Assistant Director" as designated by the Chief Executive, also includes the Assistant Chief Executive and Chief Financial Officer.
- c) "Committee" includes a sub-committee.
- d) "Chair" includes the Vice-Chair, in the absence of the Chair. A "Spokesperson" is a Member of a political group on the Council (other than the majority group) nominated by the group to act as its spokesperson in relation to a particular executive portfolio/committee.

1.2 Exercise of delegated powers by deputies

- a) Any power, duty or authority delegated to a Director or Assistant Director in these delegations may be exercised by his/her Deputy or Deputies, unless otherwise directed, and provided that the matter in which the delegation is to be exercised is within the normal area of responsibility of the Deputy.
- b) Any Director, Assistant Director or Deputy may authorise any other officer within his/her group to discharge on his/her behalf any power, duty or authority delegated to him/her and any officer so authorised may in turn delegate further. Such delegations need not be evidenced in writing.
- c) Where a delegation is expressed to be to an Assistant Director, it may also be exercised by the Director to whom the Assistant Director reports.

1.3 Protocol for consulting ward councillors before exercising delegated powers

- a) Officers will be expected to consult Ward Councillors before exercising any delegated power, where:
 - a proposed action or course of actions under a delegated power would have a direct effect on the environment of, or Council services received by, residents at a specific location or in a certain area within the ward they represent; and

- the effect of the action would be limited to that location or area.
- b) Officers are not expected to consult Ward Councillors in the following cases:
- Matters relating to an individual/s or organisation which would have no impact on the environment or Council services received by other residents or neighbours - for example applications for benefits or financial assistance, leases or rents.
 - Matters relating to the exercise of regulatory or statutory functions, in accordance with regulations or approved Council scheme
 - Prosecutions and other legal proceedings.
 - Matters relating to the administrative offices or general affairs of the Council.
 - Temporary or emergency matters
 - Where consultation of that Ward Councillor has already taken place on the same or a related matter.
- c) Ward Councillors will be consulted in writing, whenever practicable, and will be expected to respond to the officer concerned within 5 working days.
- d) This protocol is for guidance and failure to consult Ward Councillors in accordance with its provisions will not invalidate any actions taken under delegated powers.

1.4 Consultation with Executive Councillor, Chair and spokespersons before exercising delegated powers

- a) There are several references in the Constitution to officers having delegated authority to take action after consultation with the Executive Councillor or the Chair. This section sets out the procedure to be followed in such cases. The procedure is subject to the exception set out below for cases of urgency or emergency.
- b) Where the delegation relates to an executive function, the appropriate Executive Councillor and the spokesperson(s) should be consulted. If the Executive Councillor objects to the proposed course of action (but not if one or both of the minority group spokespersons objects), the officer shall not be authorised to exercise the delegated power without formal reference to the Executive Councillor following pre-scrutiny by the relevant scrutiny committee.
- c) Where the delegation relates to a regulatory function, the Chair and the minority group spokesperson(s) should be consulted. If the Chair objects to the proposed course of action (but not if one or both of the minority group spokespersons objects), the officer shall not be authorised to exercise the delegated power without formal reference to the regulatory committee.

2 Urgency Action

Each Director or Assistant Director is authorised to act on behalf of the Executive or the Council (after consultation, if practicable with the relevant Executive Councillor or, in respect of non-executive functions, the relevant Chair or, in either case, the Chief Executive) in relation to matters within his/her area(s) of responsibility in cases of urgency or emergency. Any such action to be reported as soon as possible to the relevant Executive Councillor and Scrutiny Committee or, for non-executive functions, the relevant committee or sub-committee.

In exercising this power, a Director or Assistant Director shall either consult:

- members, in which case the Executive Councillor (in respect of executive functions) or the Chair (in respect of regulatory functions) and, so far as practical in the time available, spokesperson(s); or
- the Chief Executive (if available) before taking action.

If only the Chief Executive is consulted, the Director or Assistant Director shall, as soon as possible after taking the action in question, inform the Executive Councillor, Chair and spokesperson(s) of what has happened. (This shall be in addition to reporting the action taken to the next meeting of the relevant committee or sub-committee).

3. Proper Officer/Formal matters

3.1 Designation of “Proper Officer”

Except as set out in paragraphs 3.2 and 3.3 below, the Chief Executive is, designated and authorised to act as the Proper Officer for the purposes of all relevant sections of the Local Government Act 1972, the Local Government and Housing Act 1989, section 41 of the Local Government (Miscellaneous Provisions) Act 1976 and any other statute requiring the designation of a proper officer. In the absence of the Chief Executive the Head of Legal Practice may exercise this power.

3.2 Proper Officer for background papers to reports

For the purposes of Section 100 D(1)(a) and (5) of the Local Government Act 1972 (identification of background papers to reports), the Chief Executive and each Director is designated and authorised to act as the Proper Officer in relation to reports produced in his/her name or, in the case of joint reports, to reports in respect of which s/he is the lead Director.

3.3 Signature of documents

- a) The Chief Executive, Chief Financial Officer or Head of Legal Practice is authorised to sign on behalf of the Council any document necessary to give effect to any decision of the Council (or of the Executive, a committee, sub-committee or officer acting under delegated powers) which does not fall within the specific delegations to, or areas of responsibility of, another Director.
- b) Where any document is necessary to any legal procedure or proceedings on behalf of the Council, it shall be signed by the Head of Legal Practice or other person authorised by him/her, unless any enactment otherwise authorises or requires, or the Council has given requisite authority to some other person.

3.4 Common Seal of the Council

- a) The Common Seal of the Council shall be kept in a safe place in the custody of the Head of Legal Practice.
- b) A decision of the Council, or of any part of it, will be sufficient authority for sealing any document necessary to give effect to the decision. The Common Seal shall be affixed to those documents which, in the opinion of the Head of Legal Practice, should be sealed.
- c) The affixing of the Common Seal shall be attested by the Chief Executive, Chief Financial Officer or Head of Legal Practice or some other person authorised by him/her.

3.5 Legal proceedings, public inquiries and tribunals

The Head of Legal Practice or, in his/her absence, anyone deputised by him/her is authorised to:-

- a) take any proceedings or other steps as may be necessary to enforce (and recover) any debt owing to the Council or other obligation to the Council;
- b) institute, prosecute, defend or participate in, and appear in (or authorise the appearance of someone else) any legal proceedings
 - authorised by the Council (or by the Executive, a committee, sub-committee or officer acting under delegated powers) pursuant to section 222 of the Local Government Act 1972; or
 - where such action is necessary to give effect to decisions of the Council;
 - or in any case where the Head of Legal Practice considers that such action is necessary to protect the Council's interests.
- c) to appear at (or authorise the appearance of someone else), or make representations to, any tribunal or public inquiry into any matter in which the Council has an interest (in its own right or on behalf of the citizens of Cambridge).

3.6 Authorisation of officers for statutory purposes

The Chief Executive or Head of Legal Practice is authorised on behalf of the Council to authorise persons in writing for the purposes of any statute, after consultation with the relevant Director in relation to staff within his/her Group.

3.7 Casual vacancies on committees and political proportionality

The Chief Executive, Assistant Chief Executive or Head of Legal Practice as Proper Officer is authorised to:

- a) appoint a member to fill any casual vacancy on a committee or sub-committee, provided that such appointment is carried out so as to give effect to the wishes of the political group to whom the seat is allocated under the political balance rules contained in the Local Government and Housing Act 1989 and associated Regulations;
- b) to calculate the number of seats on committees and sub-committees to which each political group is entitled to nominate members, and to give notice of such entitlement to the group leaders.

3.8 Alteration of date or time of committee meetings

The Chief Executive or Assistant Chief Executive is authorised to alter the date or time of a committee meeting but, before doing so, shall consult all members of the committee about the need for the change and about convenient alternative dates and

times. If reasonably practicable, all members of a committee will be consulted before setting a date and time for a special meeting of that committee.

3.9 Breach of section 106, Local Government Finance Act 1992. (Voting by councillors on certain matters when in arrears of Council Tax)

The Chief Executive is instructed to inform the Director of Public Prosecutions of any apparent breach of Section 106 of the Local Government Finance Act 1992.

4. General Delegations

Each Director and Assistant Director has delegated powers to manage and operate the department and the services for which s/he is responsible provided that any action taken is within the portfolio and operational plans, budgets and policy and financial guidelines set by the Council and relevant committee/s and subject to the conditions and requirements in or implied by the Council's Constitution and the Scheme of Delegations.

Each Director and Assistant Director is also authorised as follows:

4.1 Financial Matters

a) Spending money from revenue budgets

To incur expenditure on any item for which provision is made in the appropriate approved revenue budget provided that:

- in the case of grants to outside bodies, the approval of the relevant Executive Councillor is obtained for grants over £1,000. (Any grant made under this delegated power must be reported to the next meeting of the relevant scrutiny committee.)
- any action taken complies with any relevant legislative provisions; the terms of any relevant agency agreement; and the requirements of the Council's Constitution (or, where necessary under the terms of an agency agreement, the Constitution of another authority).

b) Proceeding with capital schemes

To proceed with all necessary steps to achieve the completion of capital schemes for which provision has been made in the approved Capital Plan or the Housing Capital Investment Plan, provided that the approvals required by paragraph c) below have been obtained and the requirements of the Constitution and any relevant legislation are complied with.

c) Approvals needed for new capital projects

Subject to Section 4.1D, in the case of new capital projects the following approvals (together with approval to the necessary budget provision) must be obtained before any scheme may proceed.

- For projects where the estimated cost is £15,000 and below and has identified capital funding: once included in the capital plan schemes may proceed without scrutiny committee consideration, provided that relevant Ward Councillors, have been consulted, where appropriate.

- For projects where the estimated total cost is over £15,000 and up to £1,000,000, a full business case report must be completed and referred to the Capital Programme Board for approval.
- For projects where the estimated total cost is over £1,000,000, a full business case report must be completed and referred to the capital Programme Board for consideration and then the relevant scrutiny committee and referral to the Executive Councillor for approval.

4.1A

In the case of new capital projects, responsibility for which has been delegated to Area Committees by the Executive, the following approvals (together with approval to the necessary budget provision) must be obtained before any scheme may proceed

- **For schemes where the estimated cost is £15,000 and below:** once included in the Area Committee's programme, may proceed without further committee consideration, provided that relevant Ward Councillors are always consulted.
- **For schemes where the estimated total cost is over £15,000 and up to £75,000:** a full business case report must be completed and referred to the relevant Area Committee Chair, Vice Chair and Opposition Spokes for approval. The schemes may then proceed without Area Committee consideration, provided that relevant Ward Councillors are always consulted.
- **For schemes where the estimated total cost is over £75,000:** a full business case report must be completed for consideration and approval by the relevant Area Committee.

e) Approval of capital programme bids

The appropriate lead officers are authorised to approve bids of £15,000 and below to be met from the capital programme remits established by the Council provided that the bids meet the agreed remits, objectives and criteria of the programme area concerned.

f) Use of repairs and renewals funds

In consultation with the Chief Financial Officer, to use Repairs and Renewals funds for the replacement or repair of existing plant, vehicles or equipment (or other asset for which payments have been made into the fund) provided that:

- the plant, vehicles, equipment (or other asset) concerned has reached the end of its operational life; and
- the repair or replacement is to a current reasonable specification; and

- appropriate payments have been made into the Repairs and Renewals provision; and
- provision has been included in the Housing Capital Investment Plan, in the case of proposals which the Chief Financial Officer regards as falling within the definition of capital expenditure. [In such cases current requirements for the approval of capital expenditure would apply.]

In consultation with the Chief Financial Officer, to use Repairs and Renewals funds for proposals costing £15,000 and below, where at least 50% of the cost is for genuine replacement and repair and the remainder (less than 50%) is for some improvement or enhancement.

g) Acceptance of quotations and tenders

To accept quotations or tenders for work, supplies or services subject to compliance with the Council's Contract Procedure Rules

h) Lists of approved contractors

To compile, approve, or vary lists of approved contractors, subject to the requirements of the Council's Contract Procedure Rules.

i) Virement

To carry out virement of sums between cost centres in accordance with the Council's Financial Procedure Rules.

j) Setting charges

To set or revise charges made for goods or services provided by the Council within any guidelines approved by the Executive.

k) Waiving or reducing charges

To waive or reduce charges for goods or services provided by the Council up to £2,500. The reference to arrangements for writing off bad debts (below) would mean that waiver or reduction of charges for goods and services of up to £25,000 could be approved by the Chief Financial Officer. Above that limit the approval of the Executive Councillor for the service is required, in consultation with relevant spokespersons. For sums above that limit the current arrangements for writing off bad debts should apply. The appropriate Executive Councillor and spokesperson/s of the relevant scrutiny committee should be consulted where a significant precedent or departure from existing policies would be involved.

l) Writing off bad debts

The decision maker listed may write off bad debts as irrecoverable in accordance with the following table, and subject to the limits and approvals shown:

Decision maker	HRA debt	Business Rates, Council Tax and Housing Benefit	Other debts
	£	£	
Chief Financial Officer	up to £10,000	Over £2,500 to £25,000	Up to £25,000
Chief Financial Officer in consultation with Executive Councillor (Housing)	Over £10,000 and upto £25,000		
Scrutiny Committee (Housing) and Executive Councillor	Over £25,000		
Scrutiny Committee (Strategy and Resources) and Executive Councillor for Finance and Resources		Over £25,000	Over £25,000

4.2 Staffing Matters

a) Accountability for management and operation of services

To be accountable to the Chief Executive for the effective management and operation of his/her group(s).

b) General employment delegations

To have full delegated powers to manage, in accordance with the Council's policies, procedures and financial targets, and subject to consultation with the Head of People/Head of HR where appropriate, the activities and the staff for the group for which s/he is responsible including:

- appointments to posts (except those reserved for appointment by a committee or sub-committee of the Council)
- the employment of temporary employees
- control of staff performance and discipline, including the power of suspension and dismissal
- staff training and development
- payment of expenses and allowances in accordance with National and Local conditions of service and approved Council schemes
- the payment of honoraria and the approval of accelerated increments

- changes to the management and staffing structures of his/her group, including the creation/deletion of posts and changes to gradings and job descriptions, subject to consultation with the relevant Executive Councillor, Chair and spokesperson/s of the relevant scrutiny committee in the case of changes to the staffing structure which:
 - (i) would result in job losses;
 - (ii) involve changes to the first and second tier of management; or
 - iii) would have an effect on activity delivery; or would have major implications for the operation of the department; or would have implications for other departments.

c) Reimbursement of fees for professional qualifications

To reimburse fees, limited to one body for each officer, to staff required to hold professional qualifications as a condition of appointment.

d) Recruiting and dismissing staff to take account of fluctuating levels of work

For internal support activities provided under Service Level Agreements or activities provided under contracts to external agencies or bodies, to take on or dismiss staff to take account of fluctuating levels of work, subject to the employment policies of the Council, national and local agreements and consultation with the Head of People.

4.3 Property Matters

a) General delegation of property matters to Directors/Assistant Directors

Subject to the provisions of corporate property services and facilities maintenance contracts managed by the Assets and Property Assistant Director, and b) below, to manage the operational land and property of the Council within his/her areas of responsibility, including the formal matters given below:

- the assignment or subletting of leases and tenancies;
- the granting or refusal of the Council's consent under the terms of any lease;
- alterations to premises leased by the Council, variations in leases and user clauses and acceptance of the surrender of leases; (Note: the policy approved at minute 93/a/118 applies to requests to change the user clause of leases of shops on housing estates owned by the Council)
- variations in restrictive covenants of a routine nature;
- the granting of licences over the Council's land;

- granting of easements and wayleaves (including those for public or statutory undertakings);
- the terms of leases for sites for electricity sub-stations or other utilities;
- the revision of rents under any existing lease where the new rent does not exceed £20,000 per annum and the renewal period is not more than 10 years
- the grant of a new lease where the rent does not exceed £20,000 per annum or where the period of the lease does not exceed five years, whatever the rent.

b) Consultation with Assets and Property Assistant Director before exercising delegated powers in relation to property matters

Except in the case of Council dwellings falling within the Housing Revenue Account and residential shared ownership properties, before exercising any of the delegations in (a), the Director concerned should consult the Assets and Property Assistant Director or instruct the Assets and Property Assistant Director to act on his/her behalf. In such circumstances the Assets and Property Assistant Director is authorised to do all things so instructed and anything ancillary to those things.

c) Compensation payments

The Assets and Property Assistant Director is authorised to settle the amount of compensation payable in respect of land, buildings, or crops (or damage thereto) and which the Council is liable to pay in consequence of any work carried out or other action taken on the Council's behalf up to a maximum of £5,000 in any one case or to the full amount where this is calculated by reference to an ascertainable value and a prescribed multiplier.

d) Action for non-payment of rent

The Assets and Property Assistant Director, the Head of Legal Practice and the Chief Financial Officer are authorised to take action for non-payment of rent under a letting of land or premises (other than a letting of a domestic residence) by means of peaceable re-entry or distress for rent.

4.4 Legal matters

a) Providing evidence

To make any statement or swear any affidavit or statutory declaration or give evidence, in connection with proceedings in any court or tribunal, as to matters within the scope of his/her duties or within his/her personal knowledge. This delegation extends to any employee of the Council.

b) Instructions to take legal proceedings

To instruct the Head of Legal Practice, in relation to matters which are within the Director's or Assistant Director's areas of responsibility, to bring or defend or appear in proceedings, whether civil or criminal, in any court or tribunal, and to take steps in contemplation, furtherance or settlement of such proceedings.

c) Instructions to take other legal steps

To instruct the Head of Legal Practice to take such other steps, in relation to matters which are within the Director's or Assistant Director's areas of responsibility, as are intended to protect or further the Council's interests, including but not limited to service of statutory and other notices and requisitions.

4.5 Other general delegations

a) Supply of goods and services to third parties

To submit tenders and enter into contracts to supply goods and services to non-Council organisations or individuals, subject to:

- the provisions of the Local Authority (Goods and Services) Act 1970 and other legislative requirements;
- consultation with the Head of Legal Practice and the appropriate Executive Councillor and Spokesperson/s of the appropriate scrutiny committee;
- any financial limits set by the relevant Executive Councillor.

b) Applying for planning consent

To make an application for, or initiate the process for seeking planning consent for, Council development or development of Council-owned land in relation to his/her areas of responsibility, after consultation with the appropriate Executive Councillor.

c) Statutory powers to require the provision of information

To use the powers of the Council to require the provision of information required in the exercise of the functions of the Council.

d) Service level agreements

To negotiate and approve the terms of Service Level Agreements, subject to any approved guidelines.

e) Use of professional consultants

To approve the use of professional consultants for works included in the Council's capital and revenue programmes, provided that there is sufficient allocated budget provision and that rules on contracts and any guidelines in force for the appointment of consultants are followed.

5. Delegations to specific officers

Delegates to officers are made in two ways:

- Group Delegations (which are intended to give wide powers to officers over routine operational matters for a given Service area or function) and
- Specific Delegations (which are more closely defined powers).

5.1 Group Delegations - General Conditions

- a) No function should be discharged under a Group Delegation, which is expressly reserved for exercise by the Council, by the Executive, or by a committee or sub-committee of the Council.
- b) In the case of the Groups or functions identified as subject to Group Delegations, the appropriate Directors or Assistant Directors are authorised to discharge all the functions, powers and duties of the Council under all relevant legislation in relation to those services or functions, subject to:
 - the Council's Constitution and any other relevant regulations or procedures approved by the Council or by the Executive;
 - the budgets, portfolio and operational plans and other objectives, policies and priorities of the Council, its committees and its Executive
 - all other relevant resolutions, orders and directions of the Council and its committees and sub-committees and Executive.
- c) Where, in the opinion of a Director or Assistant Director, any matter calling for decision may be regarded as sensitive or contentious by any political group, the Director shall first consult:
 - In respect of executive functions, the appropriate Executive Councillor and the spokespersons on the relevant scrutiny committee; or
 - In respect of regulatory functions, the Chair and the spokespersons of the relevant regulatory committee.
- d) The existence of a delegation to a Director or Assistant Director shall not require them to take a decision on that issue and he/she may consult the Executive Councillor or Chair, as appropriate, and Spokesperson/s for guidance or refer the matter to the Executive Councillor or committee for decision, if he/she considers it is appropriate to do so. In so doing, the Director or Assistant Director shall advise of the extent of his/her delegated powers relating to the matter.

- e) The Chief Executive shall determine any case in which there is uncertainty whether a Director or Assistant Director is authorised to act under this scheme of delegations.
- f) Non-compliance with any or all of these General Conditions shall not invalidate or make unlawful any decision or action taken under a delegated power.

5.2 Scheme of Delegations

Chief Executive

Group delegations

Specific delegations: Executive Functions

- To appoint representatives of the Council to attend the Annual Conference and other events organised by the Local Government Association, on the basis of one representative from each party group, subject to consultation with the party group leaders.
- To decide arrangements for the closure of Council offices in the Christmas/New Year period, subject to provision of adequate service levels to the public and subject to consultation with the Leader of the Council and spokesperson(s) of the Strategy & Resources Scrutiny Committee.
- To designate authorised officers for the purposes of Chapters II and III of the Act in order to comply with a recommendation from the Office of Surveillance Commissioners.
- To approve expenditure on civic hospitality, subject to consultation with the Executive Councillor, and Spokesperson(s) of the Scrutiny Committee and the Mayor and a maximum of £500 per occasion.
- To approve grants or other expenditure from the approved budget for town twinning up to £250 and up to £500 after consultation with the Executive Councillor.

Specific Delegations: Regulatory Functions

Electoral Registration and Elections

5.3 Democracy, Inclusive Economy and Climate Group

Assistant Chief Executive

Group delegations

- Democratic services
- Climate Change
- Anti-poverty initiatives
- Culture and Arts activities
- Council relationship with Cambridge BID (Business Improvement District)
- Council relationship with Cambridge DMO (Destination Management Organisation)

5.4 Corporate Group

Chief Operating Officer

Group Delegations: Executive Functions

- Emergency Planning
- Website, data protection and freedom of information
- Performance Management
- Promoting the work of the Council and public relations
- Grants and support for the voluntary sector
- The provisions of the Localism Act relating to assets of community value under Community Right to Bid
- Finance and audit
- Human Resources
- ICT and Legal services
- Management of the council's central procurement and development of the procurement strategy

Chief Finance Officer

Service area delegations by the Executive

Finance and audit services

- Collection and recovery of Council Tax and National Non-Domestic Rates
- Administration of Housing Benefits and Council Tax Benefits

Treasury Management, subject to:

- the affordable borrowing limit determined each year by Council under s3 of the Local Government Act 2003 the policies contained in the CIPFA Code for Treasury Management in Local Authorities,
- the Treasury Management Policy Statement adopted by the Council and any other guidelines and policies agreed by Council.
- the submission of, as a minimum, a mid-year and annual report on treasury management activities and performance to the Strategy & Resources Scrutiny Committee
- To review annually, and amend where appropriate, cash values in the Constitution (other than for bad debts) at the commencement of each financial year, in accordance with the inflation factors used in the preparation of the budget for the next financial year.
- To calculate and determine the Council Tax Base including submission of the National Non Domestic Rates Forecast (form NNDR1) for each year

Specific Delegations: Executive Functions

- To make changes in interest or loans to outside bodies, subject to consultation with the Executive Councillor and Spokesperson(s) of that Scrutiny Committee.
- To arrange insurance cover for the general functions of the Authority
- To arrange and approve banking services for the Council, subject to the periodic invitation of tenders for the provision of banking services.
- Under the Community Right to Bid (Localism Act) Determining compensation applications and appeals against compensation decisions
- To approve mortgage advances for the acquisition, repair, conversion of dwellings, in consultation with the Assistant Director, Housing and Homelessness.
- To vary the Local Authority Mortgage Interest Rate under the Housing Act 1985, in accordance with notification of the Secretary of State.
- To approve the transfer of the mortgage of a property to the spouse or other member of the family of the current mortgagor, subject to consultation with the Executive Councillor for Housing and the Spokesperson(s) of the Community Services Scrutiny Committee.
- the annual review and any amendment to the risk based verification process for housing and council tax benefit claims
- to award the “Discretionary Transitional Relief” where a ratepayer demonstrates their entitlement.

Head of Human Resources/Head of People

Service area delegations Executive and Council/Regulatory Committee

- Human Resources services to the Council including the formulation, approval and implementation of employment-related policies
- Corporate training
- Pay, terms and Conditions.

Specific delegations by the Executive and Council/regulatory committee

- To implement any award of a joint negotiating body so far as it concerns rates of salary, wages, car allowances or other allowances payable to officers and other employees of the Council except where the terms thereof involve the exercise of a discretion by the Council provided that when any action is taken in pursuance of this paragraph members are advised by the Head of Human Resources and a record of that advice be made available to the public.
- To take such action as may be necessary in relation to superannuation and the payment of pensions on behalf of the Council as employing authority in relation to its employees, former employees and to Cambridgeshire County Council as administering authority; except that, where the Council is entitled to exercise a discretion, the Head of Human Resources is authorised to act under this paragraph only in accordance with principles approved by the Council. In consultation with the Head of Human Resources to pay gratuities and injury awards to employees, former employees and their widows and dependants.
- To maintain a record whether a particular employee's duties render his/her post politically sensitive according to the statutory criteria.
-
- To convene a panel of "independent persons", as and when required by the Local Authorities (Standing Orders) (England) Regulations 2001 and to determine its procedure

5.5 Communities Group

Communities Director

Group delegations by the Executive

- Children's and young people's services
- Community facilities
- Neighbourhood community development
- Community safety including the Racial Harassment service
- Sport, recreation and swimming services including the Council's leisure management contract and active lifestyles activity
- community and equalities activity
- Monitoring and control of air and water pollution
- Contaminated land, radioactive substances
- Monitoring and control of noise, including management of the Noise Call Out Service
- All powers concerned with ensuring proper maintenance, upkeep and management of properties for the protection of the safety and well-being of private sector residents including action on Category 1 & 2 hazards, overcrowded or vacant housing, and the exercise of powers relating to houses in multiple occupation including the making of Interim and Final Management Orders, where a duty exists to do so – but excluding the making of:

- a clearance area declaration;
 - a general improvement area declaration;
 - demolition orders;
 - compulsory purchase orders;
 - Interim and Final Empty Dwelling Management Orders;
 - Discretionary Interim and Final Management Orders;
 - additional HMO licensing schemes; and
 - Selective HMO Licensing
- Unlawful eviction and harassment
 - Food hygiene and safety
 - Health and Safety (including home safety)
 - Prevention, control and remedy of statutory nuisances
 - Control of dogs and other animals and all matters concerned with animal welfare and control
 - Sale of Game
 - Control, and destruction where necessary, of Pests, nuisances and infectious diseases
 - Other Public Health regulatory functions not otherwise specified within these delegations
 - Acupuncture, tattooing, ear piercing and electrolysis
 - Control of caravan sites
 - Control and removal of unauthorised encampments
 - All matters relating to Hackney Carriage, Private Hire, and Trishaw vehicles, and the drivers, proprietors and operators of those vehicles.
- Control, regulation and enforcement powers in relation to shops and trading.
- The registration and monitoring of gambling establishments
 - The licensing of scrap metal dealers & businesses which sell/recycle second hand car parts
 - Street collections, house to house collections and the issuing of permits to special interest pressure groups except for the refusal of house to house collection permits.

Specific Delegations: Executive Functions

- 5) Powers delegated by the Executive Councillor
 - To review and set hire charges for community centres
 - To negotiate access to, enter into agreements for and, where appropriate to manage, dual use facilities at education sites and other locations, in accordance with the policies, budgets and directions of the Council
 - Approval of community grant awards as follows:
 - a. Awards up to and including £5,000 to be approved by officers
 - b. Awards from £5,001 - £10,000 to be approved by the Executive Councillor inviting comments from the Chair and Spokes of the relevant scrutiny committee
 - c. Awards above £10,000 to be approved by the Executive Councillor following consideration by the relevant scrutiny committee

Specific Delegations: Executive and Regulatory Functions

- Communities Director to authorise the issue and enforcement of Community Protection Notices under Part 4 of the Anti-Social Behaviour, Crime and Policing Act 2014 Note: The delegation of this power to the Director will enable the Director to delegate the issue of Community Protection Notices to officers within the council as they consider appropriate to enable enforcement to be carried out effectively
- To authorise the issue and enforcement of Community Protection Notices under Part 4 of the Anti-Social Behaviour, Crime and Policing Act 2014
- To appoint an official veterinary surgeon to carry out duties required at premises licensed under the *Food Hygiene (England) Regulations 2006/14*
- The power to implement and enforce the provisions of Chapter 1 of Part 1 of the Health Act 2006 and Regulations made under that Act in relation to smoke free premises, places and vehicles.
- The power to authorise in writing any person (whether or not an officer of the City Council), either generally or specifically, to act in matters arising under Chapter 1 of Part 1 of the Health Act 2006 and Regulations made under that Act in relation to smoke free premises, places and vehicles.
- The Council's powers relating to Closure Notices and Closure Orders under Part 4 of the Anti-Social Behaviour Crime and Policing Act 2014 including issuing notices for periods not exceeding 24 hours, subject to the Chief Executive (or a person designated by her) having power to issue notices for periods up to 48 hours. Note: The Anti-Social Behaviour, Crime and Policing Act gives power to the Chief Executive (or a person designated by him/her) to issue notices for periods up to 48 hours. The Chief Executive will decide which officers she will designate.
- In accordance with the policies determined by the Council, to approve the payment of removal expenses incurred as a consequence of any order made by or on behalf of the Council under the Housing Acts or in respect of any other removal at the instigation of the Council.
- To execute works to prevent unauthorised entry into an unsecured dwelling under the Local Government (Miscellaneous Provisions) Act 1982.
- To take action under Section 33 of the Local Government (Miscellaneous Provisions) Act 1976 to restore or maintain supplies of gas, electricity or water at dwellings occupied by tenants.
- To act as the proper officer to receive reports of Category 1 or 2 hazards existing on any residential premise under Section 4(6) of the Housing Act 2004.
- For the purpose of the Public Health (Control of Disease) Act 1984, the following are each appointed as the "proper officer" under the Act for the purpose of making medical decisions:-

The Specialist in Community Medicine and such medical officers named in writing by Cambridge Health Authority to act as his/her deputies. The Director of Communities is appointed as the proper

officer for the administrative responsibilities which give effect to the medical decisions referred to.

Scrap Metal Dealers Act 2013

Matter to be Dealt With	Director of Communities
Determination of an application for a Scrap Metal licence -Site Licence and/or Collector's Licence	All cases
Determination of an application to update / amend a Scrap Metal Licence	All cases
The issue of a Scrap Metal Licence when an application has been determined to do so	All cases
Decision to refuse a Scrap Metal Licence	All cases
Decision to attach condition(s) to a Scrap Metal Licence (S.4)	All cases
Decision to revoke or vary (add conditions to) a Scrap Metal Licence (S.4)	All cases

Decision to consult with other persons (S.3)	All cases
Decision to request further information to consider the application (Sch1 Pt4)	All cases
Issue of Notice of Decision (Sch1 Pt8)	All cases
Matters relating to updating the Register of licences (S.7)	All cases
Authorisation of Officers Generally under the Act	All cases
Decision on whether any information is relevant (S.3)	All cases
Instigation of proceedings for an offence	All cases
Relevant Enforcement Action	All cases
Issuing copies Licences due to theft, lost etc.	All cases
Response to request for information from other persons (S.6)	All cases

Gambling Act 2005:

Matter to be Dealt With.	Sub-Committee.	Director Of Communities
Duty to comply with requirement to provide information to Gambling Commission under section 29		All cases
Functions relating to exchange of information under Section 30		All cases
Functions relating to occasional use notices under section 39		All cases

Matter to be Dealt With.	Sub-Committee.	Director Of Communities
Functions relating to Premises Licences under Part 8	Determination of applications for the grant, variation or transfer of Premises Licences, or applications for Provisional Statements where representations have been received and not withdrawn. Determination of applications to review Premises Licences.	All other matters
Functions relating to temporary use notices under Part 9 of the Act	Decision to serve a counter-notice under section 224 in response to an objection notice that has not been withdrawn	All other matters
Making of an order under section 284 to disapply exempt gaming and the automatic entitlement to provide gaming machines in a premises with a Premises Licence authorised for sale by retail of alcohol for consumption on the premises	All cases	
Designation of Officers as authorised persons under section 304 of the Act		All cases
Instituting of legal proceedings under the provisions set out in section 346		All cases
Exchange of information under section 350 for use in the exercise of functions		All cases
Functions relating to Family Entertainment Centre Gaming Permits under Schedule 10	Refusal of applications where objections are received and not withdrawn	All other matters
Functions relating to the registration with the local authority of small society lotteries under schedule 11	Determination of applications for registration or revocation of registrations in the circumstance set out in Paragraph 47 and 48 of Schedule 11	All other matters
Functions relating to club gaming and club machine permits under schedule 12	Determination of applications where objections have been made and not withdrawn. Cancellation of permits under paragraph 21 of schedule 12	All other matters
Functions relating to licensed premises gaming machine permits under schedule 13	Determination of applications for the grant or variation of a permit that will authorise the	All other matters

Matter to be Dealt With.	Sub-Committee.	Director Of Communities
	provision of more than 10 gaming machines. Cancellation or variation of a permit under section 16 of schedule 13	
Functions relating to Prize Gaming Permits under schedule 14	Refusal of applications where objections are received and not withdrawn	All other matters

The matters that will be delegated to the Director of Communities by virtue of the above table, that are not explicitly stated include:

- Functions relating to Premises Licences under Part 8
- Maintenance of the public register, grant of applications (save for reviews) where there are no representations,
- the responsible authority function of the Licensing Authority, the updating of licences following changes of address,
- the issuing of replacement licences where the original has been lost/stolen/damaged,
- the revocation of licences for non-payment of annual fees, and
- providing notifications to the Police, the Commission and HMRC of the grant, surrender, lapsing or revocation of licences.
- Functions relating to temporary use notices under Part 9 of the Act
- Acknowledgement of notices, endorsement of notices where no objections are received and maintenance of the register.
- Functions relating to Family Entertainment Centre Gaming Permits under Schedule 10
- Grant of applications where no objections are received, issuing of replacement permits where the original has been lost/stolen/damaged and maintenance of the register.
- Functions relating to the registration with the local authority of small society lotteries under schedule 11
- Registration of societies, cancellation of notices for non-payment of annual fees and providing notification to relevant parties of such cancellations.
- Functions relating to club gaming and club machine permits under schedule 12
- Grant of applications where there are no objections, updating permits following change of names/addresses, issuing of replacement permits if original is lost/stolen/damaged, cancellation of permits for non-payment of annual fees and maintenance of the public register.
- Functions relating to licensed premises gaming machine permits under schedule 13
- Issuing of replacement permits if original is lost/stolen/damaged, cancellation for non-payment of the annual fee and maintenance of the public register.
- Functions relating to Prize Gaming Permits under schedule 14 Issuing of replacement permits if original is lost/stolen/damaged and maintenance of the public register.

Licensing Act 2003

Matter to be Dealt With.	Licensing Sub-Committee.	Director of Communities
Matters relating to maintenance of the Public Register (s.8)		All cases
Application for a Premises Licence / Provisional Statement / Club Premises Certificate	If relevant representation is made	If no relevant representation is made
Application to vary a Premises Licence / Club Premises Certificate	If relevant representation is made	If no relevant representation is made
Decision whether to consult other responsible authorities on minor variation applications		All cases
Determination of minor variation applications		All cases
Application to Vary a Designated Premises Supervisor (DPS)	If a Police Objection is made	If no Police Objection is made
Request to be Removed as a DPS		All cases
Determination of an application to vary a Premises Licence at a community premises to include the alternative licence condition	If a Police objection is made	If no Police objection is made
Application to Transfer a Premises Licence	If a Police Objection is made	If no Police Objection is made
Application for an Interim Authority Notice	If a Police Objection is made	If no Police Objection is made
Application to review a Premises Licence / Club Premises Certificate	All cases	
Decision on whether a representation is irrelevant, frivolous, vexatious etc		All cases
Decision to make a representation when the Licensing Authority is the relevant Licensing Authority		All cases
Decision to make a representation when the Local Authority is a consultee and not the relevant authority considering the application		All cases
Suspension of a Premises Licence / Club Premises Certificate for non-payment of annual fee		All cases
Withdrawal of a Club Premises Certificate where the Club Ceases to be a Qualifying Club under the Act (s.90)		All cases

Matter to be Dealt With.	Licensing Sub-Committee.	Director of Communities
Acknowledgement of a temporary event notice		All cases
Determination of an objection to a standard temporary event notice	All cases	
Serving of a counter-notice to a late temporary event notice where an objection notice is received		All cases
Serving of a counter-notice to a temporary event notice where Permitted Limits are Exceeded		All cases
Application for the Grant / Renewal of a Personal Licence	If a Police Objection is made	If no Police objection is made
Determination of an Objection Notice in Response to a Notification of Convictions Coming to Light after Grant / Renewal of a Personal Licence	All cases	
Updating of Premises Licences (under s.56), Club Premises Certificates (under s.93) and Personal Licences (under s.134)		All cases
Issuing copies of Premises Licences and Summaries (under s.25), Club Premises Certificates and Summaries (under s.79), Temporary Event Notices (under s.110) and Personal Licences (under s.126) due to theft, lost etc.		All cases
Authorisation of Officers Generally under the Act and specifically under Parts 3 and 4 and section 108(5)		All cases
Instigation of proceedings for an offence		All cases

Housing and Homeless Assistant Director/Head of Housing

Group Delegations: Executive Functions

- Provision of Housing Options Advice
- Measures to prevent and reduce homelessness
- Maintenance and operation of the Housing Register
- Nomination of Households for social rental housing
- Implementation of Right to Buy legislation
- The general management, regulation and control of the Council's housing stock and land, including:
 - Selection of tenants;
 - The fixing of appropriate rents for individual Council dwellings and garages, in accordance with the Council's policy on rent fixing;
 - Tenancy relations and enforcement of tenancy conditions;
 - Rent collection and recovery;
- Recovery of possession of the Council's housing stock, garages and land, subject to consultation with the Executive Councillor for Housing and spokesperson/s of the Scrutiny Committee in cases where:
 - Notices of Seeking Possession are to be served under grounds 9-16 of Schedule 2 of the Housing Act 1985;
 - It is proposed to enforce a possession order.
- Letting of other property holdings within the Housing Revenue Account, including the grant and renewal of leases, provided that no lease of land exceeding 100 square metres or of property shall be for more than 30 years.
- Management of Supported Housing, including:
 - Sheltered accommodation for the elderly
 - Care Call Service
 - Temporary Housing for the Homeless

- Tenancy Relations, Harassment and Protection from Eviction
- To enter into agreements with building societies and other lenders to the effect that if they exercise their power of sale in respect of properties on which an improvement grant has been made, the Council would only seek to recover 5% in respect of the renovation grant plus -a) any proceeds of the sale after the mortgage debt has been paid in full; or(b) the balance of the grant, whichever is the less, in full satisfaction of the liability of the owner of the property.
- To approve applications for the modification or release of covenants imposed following the sale of properties (including land) under the Housing powers, in consultation with the Assets and Property Assistant Director and Estates and Facilities (City Services).
- To compensate tenants for improvements under the provisions of the Housing Act 1985
- In accordance with the policies determined by the Council, to approve the payment of removal expenses incurred as a consequence of any order

made by or on behalf of the Council under the Housing Acts or in respect of any other removal at the instigation of the Council.

- To select applicants for shared ownership schemes; to set the terms, including price and rent, on which shared ownership leases are granted and surrendered; and to exercise general powers of management, regulation and control in respect of such schemes, including the power to forfeit leases and take other measures appropriate to enforce the terms of leases.
- To approve or refuse assignments of shared ownership leases.
- To nominate potential purchases of shared ownership houses directly to existing leaseholders in order to avoid having to repurchase such houses.
- To review annually the charges for the provision of “dropped kerbs” for properties on the basis of recovering costs within ten years.
- To approve the introduction of wheel clamping schemes in residents parking areas and to appoint security firms for the purpose.
- To increase the penalty in connection with wheel clamping schemes in residents parking areas in line with increases in inflation and VAT.
- Council new build-estates management strategy (following consultation with the Executive Councillor for Housing, Chair and Spokes) to agree the estate management structure on individual schemes where new Council Housing is being provided together with market housing.
- Shared Ownership Scheme – authority to develop a business case for each property which comes up for resale, and to assess – according to a set of agreed criteria – whether to:
 - a. Buy back and sell a share to another applicant, or
 - b. Buy back to use as rented stock, or
 - c. Buy back and sell the whole property on the open market, or
 - d. Advise the seller to sell their share on the open market.

- Approve the freehold or leasehold disposal of up to 100 square metres of land without any significant buildings (which is within the Housing Revenue Account), and the terms of disposal, subject to consultation with Ward Councillors
- In consultation with the Chief Financial Officer, Assets and Property Assistant Director and the Ex Cllr, purchase of vacant properties for the HRA, subject to availability of resource (inc right to buy receipts) for this purpose and provided that the acquisition meets the criteria set out in any acquisition policy set by the Executive Cllr.

- The Council’s powers relating to Housing Management and Anti-Social Behaviour as contained in the Anti-Social Behaviour Act 2003. The Council’s powers and functions relating to anti-social behaviour as contained in the Anti-Social Behaviour, Crime and Policing Act 2014 with the exception of Public Spaces Protection Orders and approval of the Community Trigger Threshold and procedure.

- The Council's powers relating to Closure Notices and Closure Orders under Part 4 of the Anti-Social Behaviour Crime and Policing Act 2014 including issuing notices for periods not exceeding 24 hours, subject to the Chief Executive (or a person designated by her) having power to issue notices for periods up to 48 hours. Note: The Anti-Social Behaviour, Crime and Policing Act gives power to the Chief Executive (or a person designated by her) to issue notices for periods up to 48 hours. The Chief Executive will decide which officers she will designate.
- The Council's powers and functions relating to anti-social behaviour as contained in the Anti-Social Behaviour, Crime and Policing Act 2014 with the exception of Public Spaces Protection Orders and approval of the Community Trigger Threshold and procedure.
- The Council's powers relating to Closure Notices and Closure Orders under Part 4 of the Anti-Social Behaviour Crime and Policing Act 2014 including issuing notices for periods not exceeding 24 hours, subject to the Chief Executive (or a person designated by him/her) having power to issue notices for periods up to 48 hours. Note: The Anti-Social Behaviour, Crime and Policing Act gives power to the Chief Executive (or a person designated by him/her) to issue notices for periods up to 48 hours. The Chief Executive will decide which officers he/she will designate.
- Injunctions under Part 1 of the Anti-Social Behaviour, Crime and Policing Act 2014 including the decision about whether to publicise an injunction subject to notifying the Leader, and the Chair and Spokespersons of the Strategy and Resources Scrutiny Committee when publicity has been authorised. Criminal Behaviour Orders (CBOs) under Part 2 of the Anti-Social Behaviour, Crime and Policing Act 2014 including the decision about whether to publicise a CBO except when an order prohibiting publication has been made under section 39 of the Children and Young Persons Act 1933, subject to notifying the Leader and the chair and Spokespersons of the strategy and Resources Scrutiny Committee when publicity has been authorised.
- To authorise the issue and enforcement of Community Protection Notices under Part 4 of the Anti-Social Behaviour, Crime and Policing Act 2014 Note: The delegation of this power to the Director of the Environment and Director of Customer and Community Services will enable the Directors to delegate the issue of Community Protection Notices to officers within their departments as they consider appropriate to enable enforcement to be carried out effectively

5.6 City Services Group

City Services Director

Group Delegations: Executive Functions

- The carrying out of housing repairs and maintenance
- To approve tenant applications for alterations in accordance with tenancy agreements
- Management and control of the General Market
- Powers relating to the control and operation of **street trading** except for decisions on the allocation of new or vacant pitches where more than one applicant has applied for a pitch and decisions on renewal applications where 5.2.6 of the street trading policy applies (copied below).

“5.2.6 Where a renewal application has been made and there is evidence of non-compliance with the Council’s “criteria for assessment” or where there have been substantiated complaints or enforcement issues or fees have not been paid on time, then the application will be referred to the Licensing Sub-Committee.”

- Trees
- Public realm enforcement
- Street Cleaning and Public Conveniences
- Management of allotments, including selection of tenants
- Management of nature reserves, commons, parks, open spaces and amenity areas, including:
 - granting and refusing applications for the use of those areas-
 - functions relating to the grazing of stock
- Traffic Management and matters relating to the use, control and regulation of public highways.
- Highway maintenance, Footway maintenance, Cycleways, Street Lighting, Bus shelters, street name plates, cycle racks and street furniture
- Management and maintenance of all public off-street car parking
- ShopMobility
- Burials and Cremation Service
- Management of fleet servicesManagement of the council’s central procurement and development of the procurement strategy

Specific Delegations: Executive and Regulatory Functions

- To waive charges for the use of commons and Public Open Spaces for approved events.

- Approval of mooring agreements, angling rights and issue of licences for recreational purposes on riparian land in consultation with the Assets and Property Assistant Director where appropriate.
- To impound stock or instruct the Head of Legal Practice to institute legal action or proceedings in cases of illegal grazing.
- To instruct the Head of Legal Practice to initiate legal action or proceedings against unauthorised encampments on public open space
- To act under all the powers available to the Council to secure the construction and adoption of new roads, paths and verges to a satisfactory standard.
- To carry out the decisions of the Cambridge Environment and Transport Joint Area Committee, subject to consultation with the Executive Councillor and the Spokesperson(s) of the Scrutiny Committee on matters requiring the allocation of City Council budgets, and not contrary to the policies or budgets of the Council.

Head of Shared Joint Waste Service

- **Service area delegated by the Executive**
- Waste Recycling, Industrial, Commercial, Domestic Waste and Refuse Collection insofar as the authority's statutory responsibilities apply and which are not covered under the operation of the joint waste service with South Cambridgeshire District Council

Assets and Property Assistant Director

Group Delegations: Executive Functions

- Management of the Council's office, industrial and commercial premises, including the approval of new and renewed leases
- Management of the general property holdings of the Council (including the approval of new and renewed leases):
 - With the exception of the disposal of the freehold interest (or the granting of a lease of over 30 years) of any land exceeding 100 square metres or any property, subject to consultation with Ward Councillors.
 - Subject to the provisions of the Policy for Property Holdings approved by the Executive Councillor.

- Excluding property falling within the Housing Revenue Account
- Implementation of Right to Buy legislation
- Home Improvement Agency
- Home Aid Agency
- Renovation Grants
- To carry out adaptations to Council dwellings to meet the needs of disabled/elderly tenants, within the policies and budgets of the Council up to a financial limit of £45,000 and above that limit, following consultation with the Executive Councillor for Housing and the Spokesperson(s) of the Scrutiny Committee
- To bring forward and implement or defer schemes within the Housing Programme of Work, provided that:
 - the total expenditure included in the Housing Programme of Work is maintained within the total for housing schemes in the Council's MRA allocation and any previously approved Direct Revenue Funding and
 - any schemes brought forward have received the prior approval of the Executive Councillor for Housing.

Specific delegations by the Executive

- To authorise the giving of consent by the Council as mortgagee in respect of minor routine matters not affecting the Council's security under the mortgage.
- To respond to any purchase notice served on the Council under the Town and Country Planning Act 1990 if a decision is required before the next normal meeting of the Strategy and Resources Scrutiny Committee, subject to consultation with the Executive Councillor and Spokesperson(s)

In consultation with the **Strategic Director**, to approve and complete minor deeds of rectification or exchange.

5.7 Joint Director of Planning in respect of planning and development control

Service area delegations

- Planning Service
- Building Control (3C service)
- Dangerous Buildings, structures and excavations
- Street Naming
- Regulatory functions under the Buildings Act and other legislation concerned with safety, sanitation, health and structural condition of buildings.

Specific area delegation by the Executive

- To approve grants from the Historic Buildings Fund and to approve Access Grants up to the value of £5,000
- To operate and negotiate building control fees as necessary (recording the fees agreed) in response to the dictates of the market and other relevant circumstances in adjusting fee levels on major developments that are likely to be subject to particular competition from private Approved Inspectors as long as overall budget targets are met

Specific regulatory power delegated

- To act as the proper officer under Section 191 of the Local Government Act 1972 with respect to ordnance survey.

Delegated by Planning Committee/ Executive

A1 To determine, and to make decisions in connection with the determination of, all forms of planning and other applications, and all forms of consent and other notifications (as set out in the schedule below) submitted under the Town and Country Planning Act 1990 (as amended by the Planning and Compulsory Purchase Act 2004 and the Planning Act 2008) and the Planning (Listed Buildings and Conservation areas) Act 1990 **except** in any of the following circumstances:

- The application is for 'Major'¹ development (see note for definition of 'Major' at end of A1) where:
 - There are third party representations on planning grounds that are contrary to the officer recommendation for approval or refusal.
- The application is advertised as a formal departure from the Development Plan policy and where the officer recommendation is for approval.
- The application is for development of between 1-9 dwellings, where there are third party representations on planning grounds that are contrary to the officer recommendation and that cannot be resolved by planning condition.
- The application is for development involving a change of use where there are third party representations on planning grounds that are contrary to the officer recommendation and that cannot be resolved by planning condition.
- The application involves the City Council as applicant or landowner and the development is not of a minor nature.
- The application is for the demolition of a listed building or a Building of Local Interest.
- The application is submitted by a Member or officer of the City Council.
- The application is for a 'non-material' change/amendment in relation to a development that was previously approved by Planning Committee or an Area Committee, and the Chair, Vice-Chair and Spokesperson of that Committee object to the exercise of the delegated power within 14 days of notification.

- The application is one where, within 21 days of the date of publication of the weekly list, or within 14 days of receipt of any subsequent significant amendment to the still current proposal, any Member (including County Council Members representing City Wards) requests in writing (including e-mail sent in accordance with the Council's guidelines), that the application should be determined by Committee, stating the planning grounds on which the request is based.
- The application requires a Planning Obligation (or any subsequent amendment thereof) containing terms that are not in accordance with, or are additional to, those required by the Council's Planning Obligation Strategy.
- The application is one that in the opinion of officers should be determined by Committee because of special planning policy or other considerations.

Note: ¹ Major development comprises:

- 10 or more dwellings, or a site area of 0.5 ha. or more where the number of dwellings is not shown;
- Other developments where the floor space to be built is 1000 square metres (gross) or more, or where the site area is 0.5 ha. or more in size.

A2. To serve Requisitions for Information, Planning Contravention Notices, Breach of Condition Notices, Notices of Intended Entry, Section 215 Notices, and Discontinuance Notices for advertisements (subject to prior consultation with the Head of Legal and Democratic Services).

A3. To instruct the Head of Legal Practice to commence prosecution proceedings for the display of illegal advertisements (including fly posting) and for non-compliance with any formal notices issued.

A4. To instruct the Head of Legal Practice to serve enforcement notices under S172 of the Town and Country Planning Act 1990 to remedy a breach of planning control following the refusal of retrospective planning permission.

A5. To instruct the Head of Legal Practice to serve Listed Building Enforcement Notices under S38 of the Planning (Listed Buildings and Conservation Areas) Act 1990.

A6. To instruct the Head of Legal Practice to serve notices requiring urgent works to unoccupied Listed Buildings under S54 of the Planning (Listed Buildings and Conservation Areas) Act 1990.

A7. To decide whether to serve a Remedial Notice under Part 8 of the Anti-Social Behaviour Act 2003 where there are no third party representations that are contrary to the officer recommendation (subject to prior consultation with the Head of Legal and Democratic Services) and to instruct the Head of Legal Practice to commence prosecution proceedings for non-compliance with a Remedial Notice or to carry out works in default.

A8. To make representations as a 'responsible authority' on applications for public entertainment licenses under the Licensing Act 2003.

B1. To determine all applications for works to trees under the Town and Country Planning Act 1990, and for works to hedgerows under the Environment Act 1995, **except** in any of the following circumstances:

- The application is one where there are third party representations on amenity grounds that are contrary to the officer recommendation and that cannot be resolved.

- The application is one where, within 14 days of being notified, any Member (including County Council Members representing City Wards) requests in writing (including e-mail sent in accordance with the Council's guidelines), that the application should be determined by Committee, stating the grounds on which the request is based.

B2. To serve, and unless objections are received, confirm Tree Preservation Orders and Hedgerow Replacement Notices.

B3. To instruct the Head of Legal Practice to take enforcement action or instigate proceedings under part (viii) of the Town and Country Planning Act 1990 relating to violations against protected trees, and under S97 of the Environment Act 1995 relating to violations against protected hedgerows.

Note: Notwithstanding the provisions contained within this Scheme of Delegation, officers will use their discretion and judgment to decide whether to refer any matter contained within this Scheme to Committee for determination, which in their view raises contentious, sensitive or significant policy issues, or where it would be otherwise beneficial for the decision to be made by Members.

Schedule referred to in Delegation A1 above

Applications and other forms of consent/notification referred to in Delegation A1 include:

- Outline and full planning permission and any subsequent applications for post-decision 'non-material' changes/amendments.
- Reserved matters following outline planning permission and any subsequent applications for post-decision 'non-material' changes/amendments.
- Renewals of planning permission and any subsequent applications for post-decision 'non-material' changes/amendments.
- Removal/variation of planning conditions.
- Discharge of conditions.
- Agreeing the terms of Planning Obligations under S106 of the Town and Country Planning Act 1990.
- Advertisement Consent.
- Lawful Development Certificates.
- County Council Regulation 3 applications.
- Prior notifications and approvals under a Development Order.
- Goods Vehicle Operating Licences.
- Listed Building Consent.
- Conservation Area Consent.
- Consultations from neighbouring authorities.
- Screening and scoping opinions under the Town and Country Planning (Environmental Impact Assessment) (England and Wales) Regulations 1999, or any subsequent amendment or successors to those Regulations.
- Screening and scoping opinions under the Conservation (Natural Habitats, etc) Regulations 1994 or any subsequent amendments or successors to those Regulations

- Screening and scoping opinions under the Environmental Impact Assessment (Uncultivated Land and Semi-natural Areas) Regulations 2001 or any subsequent amendments or successors to those Regulations

Planning enforcement:

Delegation to Shared Director of Planning and Economic Development (in consultation with Head of Legal Practice and Chair/Vice Chair/Spokes of Planning Committee):

A To take direct action or works in default as required in relation to Section 178 (Non Compliance with an Enforcement Notice) and Section 219 (Non Compliance with a Section 215 Notice) of Town and Country Planning Act 1990 (as amended) and to recover from the person who is then the owner of the land any expenses reasonably incurred by the Council in undertaking this work under Regulation 14 of the Town and Country Planning General Regulations 1992

B For commencement of prosecution following non-compliance with an Enforcement Notice under Section 179 or Planning Contravention Notice under Section 171D of the Town and Country Planning Act 1990 (as amended)

C To seek an injunction to restrain a breach of planning control under Section 187B of the Town and Country Planning Act 1990 (as amended)

D To make an application for a Confiscation Order under the Proceeds of Crime Act 2002 (as amended)

Delegation to Shared Director of Planning and Economic Development, the Enforcement and Monitoring Officer, the Delivery Manager (Development Management) and/or the Delivery Manager (Strategic Sites)

Subject to a valid request for 'call in' to Planning Committee, To issue and serve Enforcement Notices under Sections 172 and 215 clearance of untidy land and Listed Building Enforcement Notices under Section 38 Town and Country Planning (Listed Buildings and Conservation Areas) Act 1990 of the Town and Country Planning Act 1990 (as amended) after consultation with the Head of Legal Practice. Authority to include signing, service, varying or withdrawing Enforcement Notices.

To issue and serve Temporary Stop Notices under Sections 171E to 171H and Stop Notices under Section 183 of the Town and Country Planning Act 1990 (as amended) and associated Enforcement Notices after consultation with the Head of Legal Practice. Authority to include signing, service, varying or withdrawing Temporary Stop Notices and Stop Notices.

Delegation to the Enforcement and Monitoring Officer, the Delivery Manager (Development Management) and/or the Delivery Manager (Strategic Sites)

All other enforcement related tasks, investigations, operational decisions, investigations and service of notices relating to development, trees and

hedges, the historic environment, advertisements, and hazardous substances, all under the relevant legislation and to close cases where it is not expedient to pursue enforcement action.

In consultation with the Executive Councillor, scrutiny committee chair and spokes make Article 4 Directions in respect of public houses and BLI's (Local Heritage Assets) where evidence suggests significant harm is possible through the exercise of permitted development rights.

Scheme of Delegation as agreed by the Joint Development Control Committee on 21 August 2013:

The following powers are delegated to each chief planning officer (or their equivalent) within each of the three local authorities represented on the Committee, in respect of planning and development control matters which would, in the absence of a joint committee, fall for determination by their employing authority. The chief planning officers may authorise any other officers within their relevant participating Councils to exercise these powers on his/her behalf. Any officer so authorised may in turn delegate further. Such delegations need not be evidenced in writing.

1. To determine, and to make decisions in connection with the determination of, all forms of planning and other applications, and all forms of consent and other notifications (as set out in the attached schedule) submitted under the Town and Country Planning Act 1990 (as amended by the Planning and Compulsory Purchase Act 2004) and the Planning (Listed Buildings and Conservation areas) Act 1990 within the terms of reference of the Joint Development Control Committee except in any of the following circumstances:

a) Where the application is for Outline or Full Permission or is a reserved matters application in respect of:

1. The provision of residential units where:
 - (a) the number of residential units to be provided is 100 or more.
2. The provision of a non-residential building or buildings where the floor space to be created by the development is 1,000 square metres or more or is for non-residential development to be carried out on a site having an area of 1 hectare or more;
3. Development including the provision of primary roads, open space or other site-wide infrastructure that fulfills a strategic purpose;
4. Strategic waste development;
5. Regulation 3 development for all new facilities.

b) Where:

- There are any parish council representations that are contrary to the officer recommendation for approval or;

- There are other third party representations on planning grounds that are contrary to the officer recommendation for approval or refusal and that cannot be addressed by conditions as applicable or;

c) The application is advertised as a formal departure from the Development Plan and where the officer recommendation is for approval.

d) The application is submitted by a Member or Chief Officer or planning officer of any member of the Councils.

e) The application is one where, within 21 days of being notified of the application or within 14 days of receipt of any subsequent material amendment to the proposal, any Member of the City Council or of the District Council or any member of the County Council representing a ward within the City of Cambridge or South Cambridgeshire requests in writing (including e-mail), that the application should be determined by Committee, stating the planning grounds on which the request is based.

f) The application is one that officers consider should be determined by Committee because of special planning policy or other considerations.

g) The application is for a “non-material” change/amendment in relation to a development that was previously approved by the Joint Committee and either i) the elements to be changed were subject to specific conditions or ii) negotiation in response to objections raised to the original approval, and in both cases where the Chair, Vice-Chair and Spokespersons of the Committee object to the exercise of the delegated power within 14 days of notification.

2. In respect of or arising out of Major developments (as defined in the Committee’s terms of reference) exercise the Committee’s planning enforcement powers (apart from serving enforcement notices under S 171) (subject to prior consultation with the relevant Council’s Chief Legal Officer) and to instruct the relevant Council’s Chief Legal Officer to commence legal proceedings relating to planning enforcement other than commencing prosecutions provided that any action taken is reported to Committee thereafter.

3. To act on behalf of the Committee (after consultation, if practicable with the Chair of the Committee and the Chief Planning Officers of the three Councils) in cases of urgency or emergency. Any such action is to be reported as soon as possible to the Committee.

Note: Notwithstanding the provisions contained within this Scheme of Delegation, officers will use their discretion and judgment to decide whether to refer any matter contained within this Scheme to Committee for determination, which in their view raises contentious, sensitive or significant policy issues, or where it would be otherwise beneficial for the decision to be made by Members.

Schedule referred to in Delegation 1 above

Applications and other forms of consent/notification referred to in Delegation A1 include:

- a. Outline and full planning permission and any subsequent pre- and post-decision amendments.
- b. Reserved matters following outline planning permission and any pre- and post decision amendments.
- c. Renewals of planning permission and any pre- and post-decision amendments.
- d. Removal/variation of planning conditions.
- e. Discharge of conditions.
- f. Advertisement consent.
- g. Lawful Development Certificates.
- h. Regulation 3 applications.
- i. Settling the terms of planning agreements under section 106, Town and Country Planning Act 1990 and other legislation in accordance with the terms of any resolution or decision to grant planning consent.
- j. Listed Building Consent.
- k. Conservation Area Consent.
- l. Screening and scoping opinions under the Town and Country Planning (Environmental Impact Assessment) (England and Wales) Regulations 2011, or any subsequent amendment to those Regulations.
- m. Entering into and Signing of Planning Performance Agreements.

Authority for providing responses on behalf of the City Council to the stages of the statutory process [listed in Para 4.20 and 4.21 for the infrastructure proposals listed in Paras 4.4. and 4.12 of the **Officers report 4.10.22**] copied below:

Nationally Significant Infrastructure Projects (NSIP) process

- Registration of the Council as "interested party."
- Responding to any consultation on EIA screening/scoping on behalf of Cambridge City Council
- Attendance at pre-examination preliminary meeting and agreement of procedures and timetable for examination on behalf of Cambridge City Council.
- Instruction of witnesses and legal advisors and approval of all representations and agreements (e.g. Statement of Common Ground, conditions etc) through the Examination Process on behalf of Cambridge City Council.

TWA process

- Agreement of response to EIA consultation on behalf of Cambridge City Council.
- Agreement at pre-examination process of procedures for examination, timetable etc on behalf of Cambridge City Council.
- Instruction of Witnesses and legal advisor and approval of all submissions including proofs of evidence, statement of common ground on behalf of Cambridge City Council.
- Agreement on conditions and scope of post decision submissions/controls subject to LPA control on behalf of Cambridge City Council.

The following projects are known/believed to be planned to follow the NSIP route:

- Cambridge Water Treatment Works relocation (to be submitted 2022/3)
- E-W Rail (Submission due TBC)

The Following infrastructure projects currently expected to progress via the Transport and Works Act 1992 (TWA) route:

- Cambourne to Cambridge Rapid Transport Route (C2C) Public transport corridor project
- Cambridge Southeast Transport Route (CSET) Public transport corridor project
- Cambridge Eastern Access public transport corridor
- Waterbeach to Cambridge – public transport corridor
- Greater Greenways Project (various routes)

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