



Cambridge City Council Notice of Council

Date: Thursday, 29 February 2024

Time: 6.00 pm

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

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

This meeting is the continuation of the adjourned meeting of Thursday 15 February 2024. The meeting will consider agenda items 6d, 9, 10b, 11, 12a

Agenda

6 To consider the recommendations of the Executive for adoption

6d Leader of the Council: Hartree - Proposed Early Stage Development and Possible Acceleration (Pages 215 - 236)
(Subject to Permissions)

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)

9 To deal with oral questions

10 To consider the following notices of motion, notice of which has been given by:

10b Councillor Bennett - Equality Training 2024

Cambridge City Council provides training on certain protected characteristics. This helps councillors to provide the best support we can to residents and make the best policy choices.

However, we don't provide this training on all protected characteristics.

The purpose of this motion is to correct that omission and also extend cover to care leavers who do not yet enjoy statutory protection under the Equality Act 2010

This council reaffirms its commitment to supporting all its residents to the best of its ability.

In particular, it notes the importance of ensuring appropriate training for councillors so that they can provide the best support to all residents.

It notes that to date training has been provided on aspects of some but not all protected characteristics or on care leaver status.

In particular, no training has been provided for councillors to help them support those residents who have the protected characteristics of age and disability. Yet both of these characteristics have a significant impact on how residents use the services we provide as a council.

This council commits to introducing appropriate disability training for councillors in 2024.

Appropriate disability training should as a minimum cover:

The social model of disability

Hidden disabilities

The stigma attached to disability

The disability services provided by the council and its partner agencies..

An understanding of how attitudes to disability can prevent residents seeking appropriate help.

The council also commits to reviewing the training on protected characteristics that it provides with group leaders to provide the most appropriate programme for councillors so that as comprehensive training as possible can be provided within the time and budgetary constraints applicable.

End of Active Motion

Background Notes (not part of active motion):

The Equality Act 2010 introduced 9 protected characteristics and made it illegal to discriminate against them. It imposes a particular

duty of care on public bodies.

The current protected characteristics are:

- Age
- gender reassignment
- being married or in a civil partnership
- [being pregnant](#) or on maternity leave
- [disability](#)
- race including colour, nationality, ethnic or national origin
- religion or belief
- sex
- sexual orientation

There is a current proposal to give care leavers protected characteristics (see Labour motion)

Green Group wishes to thank officers of the Local Government Association and Disability Rights UK as well as a number of individuals for their help and support in putting this motion together. Any errors or omissions are of course our own.

- | | | |
|-----|--|----------------------|
| 11 | Written questions | (Pages 489 - 490) |
| | 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. | |
| 12 | To note Urgency Action Taken by Officer | |
| 12a | Cambridgeshire and Peterborough Combined Authority- Appointment of the Council's Overview and Scrutiny Committee reserve (substitute) member | (Pages 491 - 492) |

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.

COUNCIL

30 November 2023

6.00 - 9.37 pm

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

Councillor Nethsingha attended virtually which meant she could contribute to debate but could not vote.

FOR THE INFORMATION OF THE COUNCIL**23/56/CNL Minutes**

The minutes of the 19 October 2023 were confirmed as a correct record and signed by the Mayor.

23/57/CNL To Note the Returning Officer's Report that the following has been elected to the Office of Councillor

It was noted the following had been elected to the Officer of Councillor

Queen Edith's – Immy Blackburn-Horgan

23/58/CNL Mayor's announcements

Apologies

Apologies for absence were received from Councillors Ashton, Divkovic and Healy. Councillor Payne provided apologies for lateness.

Declarations of Interest

| Name | Item | Interest |
|--------------------|-----------|---|
| Councillor Baigent | All | Personal: Cambridge Cycling Campaign. |
| Councillor Davey | 23/61/CNL | Personal: Had previously been on the Board of Abbey People. |

| | | |
|--------------------|-----------|--|
| Councillor Tong | 23/61/CNL | Personal: Had worked with Abbey People and had attended their 10 Anniversary event recently. |
| Councillor S.Smith | 23/61/CNL | Personal: Board member of the Cambridge Investment Partnership (CIP). |
| Councillor Bird | 23/61/CNL | Personal: Board member of the Cambridge Investment Partnership (CIP). |

Mayors Announcements

The Chevin Sermon would take place on Sunday 21 January 2024 at 10:00am.

Noted the Mayor's Diary had been extremely busy with charity events, charity AGMs and business partnering events and giving talks about the role of the Mayor.

23/59/CNL Public questions time

A list of public questions was published in the Information Pack on the meeting page available via: [Agenda for Council on Thursday, 30th November, 2023, 6.00 pm - Cambridge Council](#)

Responses to public questions and supplementary questions are included below:

Question 1

My question is about the outcome of the Public Inquiry which now allows Queens' College to go ahead with major development at their Owlstone Croft Site. This decision will have a huge impact on Newnham Croft School and Paradise Nature Reserve, but also has important and worrying consequences for the whole city.

Like many residents, I have closely followed the process of the Queens' College application and Appeal.

While the Planning Committee unanimously refused the application, its position at Appeal was fatally undermined by a set of favourable officer reports and weak, hastily-drafted reasons for refusal, despite a raft of policy grounds on which to reject the application.

This represents a complete and catastrophic failure of the planning system at all stages. A system intended to protect our communities, schools and environmentally unique Nature Reserves.

The interpretation of the biodiversity policy requirements by the Inspector, if unchallenged, seriously undermines their efficacy in future developments in Cambridge. What action will the Council take to address this?

The Executive Councillor for Planning, Building Control and Infrastructure responded:

- i. Had sat on the Planning Committee that heard the Owlstone Croft planning application.
- ii. Had brought a motion about biodiversity to Council in May 2019. Continued to liaise with Planning Officers and Committee members on how to protect and enhance biodiversity. The Council aimed to do this across all its services.
- iii. Legislation is not providing adequate protection for biodiversity. We aim to do what we could as a District/City Council. Planning legislation had a constrained way of dealing with decision making.
- iv. The Planning Committee refused to grant planning permission for the Owlstone Croft application after carefully considering its reasons. The Planning Inspector then considered these reasons were insufficient. This judgement did not set a precedent that would affect other planning applications as Owlstone Croft was considered on its own merits.
- v. The Council's Biodiversity Strategy will still have weight in planning proposals. Officers will keep the Strategy under review as circumstances and legislation changes.

The following supplementary points were made:

- i. This case undermined confidence in the Planning Service.
- ii. What measures were being undertaken to address the issues identified?

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

- i. The Planning Service reviewed how committees worked. The Council would review / learn from appeal decisions, which arose following a Planning Committee decision.
- ii. Would speak to the Case Officer to learn lessons from the Owlstone Croft appeal decision.
- iii. The pre-application process had already been revised to involve the planning committee earlier in the process. The hope is that this will allow Planning Committee Members to work better with applicants and residents.

Question 2

What protection is there for existing trees in Cambridge?

We ask because residents are telling FeCRA there seems to be no protection at all for trees that are not in Conservation areas and that even trees in those are not safe.

They say this seems at odds with the two recent reports sent to all councillors that focused on the value of tall mature trees to the city and the importance of tree canopy cover and the need to plant more trees.

We are hearing very disturbing reports from residents about garden clearances just like the recent one in Dorset which featured in all the national media where: 'They completely destroyed an eco-system in one day and all the wildlife...didn't even leave the trees on site to let small animals or bats or insects to crawl out, put it straight in the chipper.' Residents highlight that a garden at Queen Edith's Way was completely cleared of all the mature trees and shrubs in what they say would seem to be an attempt to remove any evidence of existing biodiversity before a planning application. It was only after the support of a determined councillor and the sharing of information on social media that 'documents started appearing on the planning web portal, documents that should have been published there some time ago' which residents say 'gives the impression that all the documents have been posted promptly and in chronological order and have been publicly accessible on the web portal since the claimed publication date'.

Residents say Google maps can enable the tracking of information required for BNG assessment for a planning application but this doesn't protect mature

trees in gardens that are not in conservation areas from being felled or severely lopped or even slowly poisoned.

In April this year contractors who are on a list approved by the council and employed by the Clarion Group Housing Association, took saws to the trunks of old ivy on mature trees in the front gardens of Glebe Road at peak nesting time when both the ivy and trees were full of nests, a wildlife crime. To tenants' distress the contractors came back to severely lop the trees in what seems like a process aimed at the trees' managed decline. The contractors gave no advance notice that the tall mature trees were to be lopped or even their location. There were no ecology reports even though the trees of this road form a leafy, beautiful and verdant corridor that is full of wildlife. The contractors showed tenants who had lived there for 25 years an email from the council's technical services dept. It stated that, as the mature trees of their leafy road were not in a conservation area and did not have tree protection orders, the contractors could do what they liked.

Residents were delighted that members of the planning committee voted to refuse permission to fell the trees at St Matthew's Piece but there are concerns that many mature trees across the city are still at risk.

They highlight that at the recent Public Inquiry into Queens' College appeal over the council's refusal of planning permission for their development at Owlstone Croft, the barrister acting for Queens' pointed out in his closing statement that "it was the tree officer's choice to fell the five mature trees in the Protected Open Space that form the bat corridor for Paradise Nature Reserve: "Had she asked for the poplars to be retained doubtless they would be in the scheme".

The Executive Councillor for Open Spaces and City Services responded:

- i. There are several different legal protections for trees many prescribed by Government which require tree owners to engage with the designated regulator prior to undertaking tree works in specific circumstances – these included:
- ii. Specific trees of high amenity value could be made the subject of a tree preservation order. Where a tree was protected by a tree preservation order, an application for consent must be made to the local planning authority where any work was proposed. The Local Planning Authority (LPA) may issue a consent, issue a consent with conditions, or refuse consent. The decision was based on the impact the proposed work

would have on the tree's amenity with regard to the reasons put forward to support the work.

- iii. All trees in conservation areas over 75mm in diameter at breast height are protected. The LPA should be notified of any proposed work and can either not object to the proposal or serve a TPO to prevent the work from going ahead.
- iv. A landowner may fell up to 5 cubic metres in any calendar quarter on their property without a felling licence, as long as no more than 2 cubic metres are sold. Landowners must apply to the Forestry Commission for a felling licence if they plan to fell more than this amount.
- v. All the above regulatory mechanisms have exceptions to the general requirements that cover for example but not limited to, dead and dangerous trees.
- vi. All trees impacted by new development proposal are a material consideration when deciding a planning application. The LPA must consider the protection of on-site trees with regarding to local plan policy and national planning policy and may issue refuse a planning application or issue consent subject to conditions that protect existing trees. Tree preservation order may also be issued for long-term protection beyond that imposed by planning condition.

The following supplementary points were made:

- i. The Times reported on a 123-year-old tree in Stroud Green. It has been the subject of a long legal dispute with Insurers Alliance and Viva who blamed it for subsidence and asked Haringey Council to cut it down.
- ii. The Times reported this case highlighted the dilemma faced by councils nationally i.e., to save or fell trees and risk taxpayers' money.
- iii. Had the City Council assessed the impact of a lack of water and additional new homes (proposed by Michael Gove) on the city's stock of mature trees?

The Executive Councillor for Open Spaces and City Services responded:

- i. Was unfamiliar with the Haringey Council case.
- ii. Agreed this was a huge national issue. Councils should not be put in this position.
- iii. Would provide a written answer to the public question after the meeting.

Question 3

My question has to do with the Repair Café movement in relation to the cost of living crisis and the climate emergency. The City Council has already championed and funded Repair Cafés locally, I know, but I want today to ask

that it now champion them more forcefully and fund them more generously. Given the cost of living crisis, the breaking of a kettle, a heater or a Hoover may be the last straw for many in this most unequal of British cities. The casting of millions of such appliances into landfill is an environmental disaster too, and for one and all. The mending of broken things is thus a twofold good. But anyone who has been to a Repair Café – and I urge everyone to go and see for themselves – will know that these events represent a further good, being hives of busy, sociable and cheerful activity. To mend is to heal, and the healing goes beyond the objects.

The last Repair Café I went to was on International Repair Day, which falls on the third Saturday in October: we were all asked to request on their behalf more funding and more support. But I am writing this on Black Friday. Everyone knows Black Friday but how many have heard of International Repair Day? In the Global North we tend to live our lives as if there were two or three earths, not one; Repair Cafés honour the one and only earth we have. I therefore ask the City Council to promote these wonderful events more vigorously and to fund them more generously, enabling the skilled and dedicated volunteers who give their time and expertise to purchase or hire more of the equipment and materials they need?

The Executive Councillor for Climate Action and Environment responded:

- i. Agreed repair cafes were a good way to preserve the Earth's resources and maintain residents' possessions.
- ii. One of the council's six objectives in its Climate Change Strategy 2021-2026 is "reducing consumption of resources, reducing waste, and increasing recycling in Cambridge".
- iii. As part of this we had taken a range of actions to increase re-use of resources, including supporting repair cafes organised by local voluntary and community groups.
- iv. Groups wishing to run repair cafes could apply for funding from the Council's annual Sustainable City Grant funding. The application window for these grants is August-October each year, and each group can apply for a maximum of £10k per year.
- v. The Sustainable City Grants (SCG) have funded [Cambridge Carbon Footprint](#) to run and support other groups to run repair cafes for a number of years, including running the [World's Biggest Repair Café](#) in 2017.
- vi. During 2023/24 the grants had funded Cambridge Carbon Footprint to run further repair cafes and support other local groups to run their own

- repair cafes. The grants also funded Trumpington Repair Café Group to run 4 repair cafes in their area in 2023/24.
- vii. In addition to promoting repair cafes funded by the Council through its grant programme, we would be happy to promote other repair cafes organised by local people through our communications channels, including social media, council magazines and our website.
 - viii. We also promoted a wide range of climate change and environmental sustainability days through our communications channels, and we would be happy to promote International Repair Day (21 October) in future as part of this wider communications programme.

The following supplementary point was made:

- i. Would the Council support a Green Directory in both electronic and paper form to tackle the global climate emergency?

The Executive Councillor for Climate Action and Environment responded:

- i. Welcomed the idea of a Green Directory. A one-stop-shop would be useful, would liaise with colleagues as the Executive Councillor was aware of several other initiatives:
 - a. Cambridge Carbon Footprint had started a carbon directory map of Cambridge.
 - b. The Cambridge and Peterborough Combined Authority are looking at a portal / website to assist with the reduction in carbon emissions.

Question 4

At its last meeting, this Council asked the Leader and Chief Executive to initiate discussions with other Authorities in the region to identify options for a less fragmented and more cohesive model of Government for Cambridge. I appreciate that this was only a few weeks ago, but could the Leader please give an update on any discussions that have been held so far and indicate the likely timescales for future discussions.

The Leader responded:

- i. Noted it had only been a couple of week since the last Full Council meeting, there had been few formal discussions on becoming a unitary authority but there had been a number of informal ones.
- ii. Opinion was split on whether contacts supported a unitary model or not.
- iii. A number of key themes had emerged:

- a. Geography of the unitary area - what area it should cover.
- b. Affordability. How many people should the proposed unitary authority cover and would it have the resources to do so?
- c. Governance. Was it a unitary authority or a unitary authority in an overall Mayoral controlled area?
- iv. Undertook to keep stakeholders informed of discussion progress.

The member of the public signposted [Cambs Unitaries Campaign | The Campaign for Unitary Authorities in Cambridgeshire](#).

23/60/CNL To consider the recommendations of the Executive for adoption

23/61/CNL Housing Revenue Account (HRA) Medium Term Financial Strategy (MTFS) 2023/24 (Executive Councillor for Housing)

Resolved (by 27 votes to 0) to:

- i. Approve proposals for changes in existing housing capital budgets, as introduced in Section 9 and detailed in Appendix F of the document, with the resulting position summarised in Appendix H of the Officer's report.
- ii. Approve proposals for new housing capital budgets, as introduced in Sections 6 and 7 and detailed in Appendix E of the document, with the resulting position summarised in Appendix H of the Officer's report.
- iii. Approve the revised funding mix for the delivery of the Housing Capital Programme, recognising the latest assumptions for the use of Grant, Right to Buy Receipts, HRA Resources, Major Repairs Allowance and HRA borrowing, as summarised in Appendix H of the Officer's report.

23/62/CNL Treasury Management Half Yearly Report 2023/24 (Executive Councillor for Finance and Resources)

Resolved (unanimously) to:

- i. Approve the council's estimated Prudential and Treasury Indicators for 2023/24 to 2026/27 (Appendix A).

23/63/CNL General Fund Medium Term Financial Strategy (MTFS) 2023/24 to 2032/33

Resolved (by 27 votes to 1) to:

- i. Agree the incorporation of changed assumptions as presented in Section 3 [pages 12 and 13], which provide an indication of the net savings requirement, by year for the next five years [page 16], and revised projections for General Fund (GF) revenue and funding as shown in Appendix A [page 34] and reserves, Section 6 [page 26].

Resolved (unanimously) to:

- ii. Agree the 2023/24 revenue budget proposal as set out in Section 4 [page 15], for a £651k increase in pay budgets to reflect the recently agreed pay settlement for 2023/24.

Resolved (by 26 votes to 0) to:

- iii. Note the changes to the capital plan, as set out in Section 5 [pages 22 to 25]. and Appendix B [pages 35 to 44] of the MTFS document.

Resolved (unanimously) to:

- iv. To agree a capital spending proposal, rephasing and scheme deletions/reductions as set out below.

| Ref. | Description - £'000s | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | Total |
|-------|----------------------------------|-----------------|---------------|--------------|------------|----------|----------|--------------|
| | Proposals | | | | | | | |
| SC853 | East Barnwell redevelopment | 49 | 1,447 | 1,996 | 677 | - | - | 4,169 |
| | Rephasing | | | | | | | |
| SC732 | Park Street car park development | (69,203) | (7,173) | - | - | - | - | (76,376) |
| PR055 | Operational Hub | 11,295 | 65,081 | - | - | - | - | 76,376 |
| | | (9,308) | - | - | - | - | - | (9,308) |
| | | 705 | 8,063 | - | - | - | - | 9,308 |
| | Deletion/reduction | | | | | | | |
| SC771 | Data and analytics | (70) | - | - | - | - | - | (70) |
| SC770 | ICT project delivery | (40) | - | - | - | - | - | (40) |
| SC804 | ICT and digital capabilities | (145) | - | - | - | - | - | (145) |
| SC659 | Online customer portal | (19) | - | - | - | - | - | (19) |
| | Total | (66,736) | 67,418 | 1,996 | 677 | - | - | 3,355 |

Resolved (unanimously) to:

- v. Agree changes to GF reserve levels, the prudent minimum balance being set at £5.934 million and the target level at £7.121 million as detailed in Section 6 [page 27].

Resolved (by 23 votes to 0) to:

- vi. Approve the contribution of £700k of general reserves and £274k of funding released from capital schemes to the Our Cambridge Transformation earmarked reserve as set out in Section 4 [pages 19 to 21].

Resolved (by 27 votes to 11) to:

- vii. Approve the council's reserve policy as set out in Appendix E [page 47].

23/64/CNL To deal with oral questions

1) Councillor Griffin to the Executive Councillor for Communities

Can the Executive Councillor for Communities tell us about what work the council is doing to support our food hubs and what progress has been made since the city achieved silver sustainable food city status?

The Executive Councillor responded:

- i. Food hubs were established in the response period to the Covid Pandemic.
- ii. They still did valuable working in supporting vulnerable people during periods of need.
- iii. City Council Officers and Councillors were working with partners such as the Food Hub to explore the more sustainable model of sustainable supermarkets.
- iv. Had visited Brighton to learn from their Food Justice Network. Cambridge City Council then hosted a Food Justice Conference 4 October 2023. Encouraged retailers and other stakeholders to donate funds and items to the food justice campaign.

2) Councillor Payne to the Executive Councillor for Housing and Homelessness

Could the Executive Councillor please offer an update on the situation regarding whether the trees on Histon Road recreation ground can be retained during the ATS/Murketts Garage redevelopment?

The Executive Councillor responded:

- i. Some trees would be removed and others planted within the site boundary.
- ii. No trees are planned to be removed from Histon Road Rec due to the development.

- iii. A tree works application has been made to retain three trees on the ATS site close to the boundary with the Histon Road Rec, work was being undertaken to maintain the safety of residents using the park.

3) Councillor Bennett to the Leader

Together with other city councillors, I listened to the encouraging reports of the SCDC 4 day week trial which affects the key shared services of Planning and Waste. Will the executive councillors responsible for these services comment on their experience of the trial and state whether they will be responding to the recent best value notice served on SCDC or have any other opportunity to ensure that the impact on Cambridge City Council services has been reflected in the SCDC response?

The Leader responded:

- i. The City Council would have the opportunity to feedback on the recent best value notice served on SCDC, although the City Council was not obliged to respond.
- ii. The City Council continued to open Monday to Friday although it operated a share planning service with SCDC.
- iii. The four day week helped recruitment and retention in the shared planning service, which saved money for both councils involved.
- iv. Operating service levels and targets for the shared waste service were within normal parameters.

4) Councillor Thittala Varkey to the Executive Councillor for Planning, Building Control and Infrastructure

It has been reported this week that potentially toxic 'forever chemicals' have been detected in the drinking water sources at 17 of 18 England's water companies. This included Anglian Water with 22 raw samples above the limit from two groundwater sources. Can the executive Cllr for Planning, Building Control and Infrastructure give us some detail on how the Council can get more information on this issue and put pressure on Anglian Water to improve their water monitoring and safety levels.

The Executive Councillor responded:

- i. The city's water supply is provided by Cambridge Water who are owned by South Staffordshire PLC. Anglia Water handle the waste water in the area.
- ii. Cambridge Water were heavily criticised in 2022 when there was a serious incident in the water supply near Duxford.

- iii. The Drinking Water Inspectorate had produced a useful guide on drinking water. Water companies were encouraged to undertake risk assessments and liaise with local authorities over risks.
- iv. The Council would meet with South Staffordshire PLC to request a report on water quality, their risk assessment on water quality in the city and details how they would mitigate contamination risk.

5) Councillor Martinelli to the Executive Councillor for Community Wealth Building and Community Safety

Could the Executive Councillor update us on progress with the King's Parade barrier?

The Executive Councillor responded:

- i. The City Council and partners introduced the barrier in June 2020 following advice from the Police on how to better manage traffic access onto Kings Parade and improve safety in the city centre.
- ii. The type of barrier chosen was selected due to cost and safety advice. The Council agreed to review this due to concerns from residents.
- iii. The Police recently advised the barrier should remain in place due to security issues and national threat level.
- iv. The high cost of replacing the barrier with a more aesthetically pleasing one meant this could only be undertaken if partners such as Greater Cambridge Partnership (GCP) agreed to provide the funding.
- v. Changes to the road network may mean the barrier is not needed in the longer term but is expected to remain in place in the short term.

6) Councillor Blackburn-Horgan to the Executive Councillor for Communities

Queen Edith's residents tell me they still don't know when the Pavilion on Nightingale Recreation Ground will be open, will the Executive Councillor tell me when that is going to happen and will the Pavilion be wheelchair accessible?

The Executive Councillor responded:

- i. The Pavilion was expected to open in early December 2023.
- ii. The Pavilion, veranda and new toilets would be connected to existing paths around the recreation ground to make them accessible.
- iii. New fold away tables would be delivered 6 December.
- iv. Details about the Pavilion would go live on the Council's website in early December. People could book the Pavilion and Community Room from there.

7) Councillor Flaubert to the Executive Councillor for Open Spaces and City Services

Could the Executive Councillor please explain why has it taken so long for a new outdoor play strategy to come forward, which is of concern to my residents in Trumpington as our population of children is growing and provision needs to keep up?

The Executive Councillor responded:

- i. The previous outdoor play investment strategy ran from 2016-2021. When that period came to an end all sites had to be closed for a period of time due to the pandemic.
- ii. A census occurred in 2021 and it took some time for the data from this to be made available for use in a new outdoor play strategy. The data was key to ensure the strategy was well informed and targeted investment appropriately.
- iii. The new outdoor play strategy was expected to be brought forward for scrutiny in Spring 2024. Commitments from motions in October 2023 Full Council were also incorporated into this work.
- iv. The Council sourced an independent company to prepare the outdoor play strategy. The strategy was considerably larger than the previous one as it covers all 110 council play areas.
- v. The strategy would assess the play area needs of each city ward. The data would be made live/dynamic so it could be updated as required negating the need for future strategies.
- vi. The system would be demonstrated to councillors so they can see how it operated.

8) Councillor Robertson to the Executive Councillor for Housing and Homelessness

Can the Exec Cllr for Housing and Homelessness give us an update on how the audits of our council homes are going?

The Executive Councillor responded:

- i. An audit had been conducted of council homes.
- ii. From April-October 2023, 342 homes were checked and over 900 actions identified including 39 cases of damp, mould and condensation and 147 repairs had been undertaken.
- iii. Other issues identified were fire safety, drug dealing and domestic abuse.

- iv. The audit was a success as it would help the council to maintain its housing stock, support tenants and provide a better service.

9) Councillor Bick to the Executive Councillor for Open Spaces and City Services

The successful and popular community orchard on Midsummer Common is managed for the enjoyment of the public by a team of volunteers. Is the Executive Councillor satisfied that the bid they made to the council for improvements, paid for from developer contributions and approved in October 2021, has still not been delivered?

The Executive Councillor responded:

- i. The contractor was engaged over a year ago. They promised work would be completed on several occasions and had not delivered.
- ii. Work was meant to start in late November, when it did not, officers contacted two alternative contractors, one of whom officers met on site w/c 27 November 2023 to go through the range of works. The funding was still available and the Council has contacted Friends of Midsummer Common to seek details of their preferred storage unit provider specifications. The bench may be delivered earlier than the original contractor suggested.
- iii. The Executive Councillor was confident officers had provided details to the contractor and had kept Friends of Midsummer Common informed of arrangements.
- iv. Officers will review the scheme when complete to evaluate what lessons can be learnt for dealing with contractors in future.

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, 30th November, 2023, 6.00 pm - Cambridge Council](#).

23/65/CNL To consider the following notices of motion, notice of which has been given by:

23/66/CNL Councillor Anna Smith - Debate not Hate

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

This council notes the intimidation and abuse of councillors, in person or otherwise, undermines democracy; preventing elected members from representing the communities they serve, deterring individuals from standing for election, and undermining public life in democratic processes.

This council further notes that increasing levels of toxicity in public and political discourse is having a detrimental impact on local democracy and that prevention, support and responses to abuse and intimidation of local politicians must improve to ensure councillors feel safe and able to continue representing their residents.

This council therefore commits to challenge the normalisation of abuse against councillors and uphold exemplary standards of public and political debate in all it does.

The council further agrees to sign up to the Local Government Association's (LGA) Debate Not Hate campaign. The campaign aims to raise public awareness of the role of councillors in local communities, encourage healthy debate and improve the response to and support for local politicians facing abuse and intimidation.

In addition, the council resolves to:

- Write to our local Members of Parliament to ask them to support the campaign
- Write to the Government to ask them to work with the LGA to develop and implement a plan to address abuse and intimidation of politicians
- Regularly review the support available to councillors in relation to abuse and intimidation and councillor safety
- Work with the local police to ensure there is a clear and joined-up mechanism for reporting threats and other concerns about the safety of councillors and their families
- Take a zero-tolerance approach to abuse of councillors and officers.
- Express our support for the Jo Cox Foundation¹'s Civility in Public Life Campaign, which we commit to adhering to in all of our political discourse².

Notes:

¹ A charity set up in memory of murdered MP, Jo Cox, who studied at Cambridge University. It works to promote stronger communities, respectful politics, and a fairer world. <https://www.jocoxfoundation.org/about/>

² <https://www.jocoxfoundation.org/our-work/respectful-politics/civility-pledge/>

- Except for the last bullet point, this motion follows the wording, with only very minor edits for local context, of the Local Government Association's *Debate not Hate* motion which has been passed at councils across the country. More details of the LGA debate not hate campaign can be found here: <https://www.local.gov.uk/about/campaigns/debate-not-hate>.
- The Jo Cox Foundation is a registered charity set up in memory of murdered MP, Jo Cox, who studied at Cambridge University. It works to promote stronger communities, respectful politics, and a fairer world. (<https://www.jocoxfoundation.org/about/>)
- The 2023 Civility Pledge, which is the core of the Civility in Public Life campaign is as follows:
 - Set a respectful tone when campaigning
 - Lead by example to foster constructive democratic debate
 - Demonstrate compassion by defending and promoting the dignity of others, especially my opponents.
- More details about the Jo Cox Foundation's campaign to promote civility in public life can be found here: <https://www.jocoxfoundation.org/our-work/respectful-politics/>

Resolved (unanimously) to support the motion.

23/67/CNL Written questions

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

The meeting ended at 9.37 pm

CHAIR

This page is intentionally left blank

HOUSING SCRUTINY COMMITTEE

23 JANUARY 2024

5.30 – 8.36pm

Present: Councillors Pounds (Chair), Griffin, Holloway, Lee, Porrer, Robertson, Swift, Thittala Varkey, Tong

Tenant/Leaseholder Representatives: Diana Minns (Vice Chair), Mandy Powell-Hardy

Executive Councillor for Housing and Homelessness: Councillor Bird

RECOMMENDATION TO COUNCIL (Executive Councillor for Housing and Homelessness)

2024/25 Housing Revenue Account Budget Setting Report

As part of the 2024/25 budget process, the range of assumptions upon which the HRA Business Plan and Medium Term Financial Strategy were based, have been reviewed in light of the latest information available, culminating in the preparation of the HRA Budget Setting Report.

The HRA Budget-Setting Report provides an overview of the review of the key assumptions. It sets out the key parameters for the detailed recommendations and final budget proposals and is the basis for the finalisation of the 2024/25 budgets.

Councillor Pounds had left the meeting before the vote on the Part 2 recommendations. Councillor Robertson (Vice-Chair Councillor representative) chaired this vote.

The Housing Scrutiny Committee considered and approved recommendations L - s by 5 votes to 0 with 3 abstentions.

The Housing Scrutiny Committee considered and approved recommendations t - x by 5 votes to 0 with 3 abstentions.

Accordingly, Council is recommended to:

- i. Approve the revised need to borrow over the 30-year life of the business plan, with the first instance of this anticipated to be in

- 2023/24, to sustain the proposed level of investment, which includes ear-marking funding for delivery of the 10 Year New Homes Programme.
- ii. Recognise that the constitution delegates Treasury Management to the Chief Finance Officer (Part 3, para 5.11), with Part 4F, C16 stating; 'All executive decisions on borrowing, investment or financing shall be delegated to the Chief Finance Officer, who is required to act in accordance with CIPFA's Code of Practice for Treasury Management in Local Authorities.
 - iii. Recognise that the decision to borrow significantly to build new homes impacts the authority's ability to set-aside resource to redeem the HRA Self-Financing debt at the point at which the loan portfolio matures, with the need to re-finance debt in the latter stages of the business plan.
 - iv. Approval of capital bids, as detailed in Appendix E (3) and Appendix F of the HRA Budget Setting Report.
 - v. Approval of the latest Decent Homes and Other HRA Stock Investment Programme, to include re-phasing of elements of the programme between capital and revenue, as detailed in Appendix F of the HRA Budget Setting Report.
 - vi. Approval of the latest budget sums, profiling and associated financing for all new build schemes, as detailed in Appendix F, and summarised in Appendix H, of the HRA Budget Setting Report.
 - vii. Approval of allocation of £15,285,000 of funds from the budget ear-marked for the delivery of new homes into a scheme specific budget for Newbury Farm, in line with the scheme specific report presented as part of the committee cycle.
 - viii. Approval of the revised Housing Capital Investment Plan as shown in Appendix H of the HRA Budget Setting Report.
 - ix. Approval of inclusion of Disabled Facilities Grant expenditure and associated grant income from 2024/25 onwards, based upon 2023/24 net grant awarded, with approval of delegation to the Chief Finance Officer, as Section 151 Officer, to approve an in year increase or decrease in the budget for disabled facilities grants in any year, in direct relation to any increase or

decrease in the capital grant funding for this purpose, as received from the County Council through the Better Care Fund.

- x. Approval of delegation to the Chief Finance Officer, as Section 151 Officer, to determine the most appropriate use of any additional Disabled Facilities Grant funding, for the wider benefit of the Shared Home Improvement Agency.
- xi. Approval of delegation to the Director of Communities to review and amend the level of fees charged by the Shared Home Improvement Agency for disabled facilities grants and repair assistance grants, in line with any recommendations made by the Shared Home Improvement Agency Board.
- xii. Approval of delegation to the relevant Director, in consultation with the Chief Finance Officer, as Section 151 Officer, to draw down resource from the ear-marked revenue reserve or capital reserve for potential debt redemption or re-investment, for the purpose of open market land or property acquisition or new build housing development, should the need arise, in order to meet deadlines for the use of retained right to buy receipts or to facilitate future site redevelopment.
- xiii. Approval of delegation to the Chief Finance Officer, as Section 151 Officer, to make any necessary technical amendments to detailed budgets in respect of recharges between the General Fund and the HRA, with any change in impact for the HRA to be reported and incorporated as part of the HRA Medium Term Financial Strategy in September or November 2024.

This page is intentionally left blank

2024/25 HOUSING REVENUE ACCOUNT BUDGET SETTING REPORT

To:

Councillor Gerri Bird, Executive Councillor for Housing and Homelessness

Report by:

Julia Hovells, Head of Finance and Business Manager

Tel: 01223 - 457248

Email: julia.hovells@cambridge.gov.uk

Wards affected:

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

Key Decision

1. Executive Summary

- 1.1 As part of the 2024/25 budget process, the range of assumptions upon which the HRA Business Plan and Medium-Term Financial Strategy were based, have been reviewed in light of the latest information available, culminating in the preparation of the HRA Budget Setting Report.
- 1.2 The HRA Budget-Setting Report provides an overview of the review of the key assumptions. It sets out the key parameters for the detailed recommendations and final budget proposals and is the basis for the finalisation of the 2024/25 budgets.

- 1.3 The resulting recommendations refer to the strategy outlined in the HRA Budget Setting Report.
- 1.4 The HRA Budget Setting Report is presented to this meeting of the Housing Scrutiny Committee on 23 January 2024, to allow consideration and scrutiny of proposals for both the review of rents and service charges and the revenue bids and savings, which form part of the HRA budget. The Executive Councillor for Housing and Homelessness will approve rents, service charges and the final HRA revenue budget, after consideration of any budget amendments for the Housing Revenue Account.
- 1.5 The Housing Scrutiny Committee will also consider and scrutinise the Housing Capital Investment Plan, including capital bids and all associated funding proposals, prior to the Executive Council for Housing and Homelessness making final capital recommendations for approval at Council on 15 February 2024.

2. Recommendations

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

Review of Rents and Charges

- a) Approve that council dwellings rents for all social rented and social shared ownership properties be increased in line with government guidelines, with an increase of 7.7%, being inflation as measured by the Consumer Price Index (CPI) at September 2023 of 6.7%, plus 1%. Rent increases will take effect from 1 April 2024. This equates to an average rent increase of £8.69 per week.
- b) Approve that affordable rents, inclusive of service charge, are also increased by 7.7% in line with the increase for social rents. This equates to an average rent increase of £13.05 per week.
- c) Approve that rents for affordable shared ownership properties are increased by RPI as at January 2024, plus 0.5%, as allowed for in the lease requirements for these properties.
- d) Approve that garage and parking space charges for 2024/25, are increased by inflation at 7.7%, in line with dwelling rents, recognising

the proposal to increase garage rents at a higher rate for 2024/25 as rents were increased by lower than inflation in 2023/24. Approve any changes in charges for parking permits, with any resulting charges summarised in Section 6 of the HRA Budget Setting Report.

- e) Approve the proposed service charges for Housing Revenue Account services and facilities, as shown in Appendix D of the HRA Budget Setting Report.
- f) Approve the proposed leasehold administration charges for 2024/25, as detailed in Appendix D of the HRA Budget Setting Report.
- g) Approve that service charges continue to be recovered at full estimated cost, as detailed in Appendix D of the HRA Budget Setting Report, recognising that local authorities should endeavour to limit increases to inflation as measured by CPI at September 2023 (6.7%) plus 1%, wherever possible.

Revenue – HRA

Revised Budget 2023/24:

- h) Approve with any amendments, the Revised Budget identified in Section 7 and Appendix E (1) of the HRA Budget Setting Report, which reflects a net reduction in the use of HRA reserves for 2023/24 of £571,010

Budget 2024/25:

- i) Approve with any amendments, any Non-Cash Limit items identified in Section 7 of the HRA Budget Setting Report or shown in Appendix E (2) of the HRA Budget Setting Report.
- j) Approve with any amendments, any Savings, Increased Income, Unavoidable Revenue Bids, Reduced Income Proposals and Bids, as shown in Appendix E (2) of the HRA Budget Setting Report.
- k) Approve the resulting Housing Revenue Account revenue budget as summarised in the Housing Revenue Account Summary Forecast 2023/24 to 2028/29 shown in Appendix G of the HRA Budget Setting Report.

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

Treasury Management

- l) Approve the revised need to borrow over the 30-year life of the business plan, with the first instance of this anticipated to be in 2023/24, to sustain the proposed level of investment, which includes ear-marking funding for delivery of the 10 Year New Homes Programme.
- m) Recognise that the constitution delegates Treasury Management to the Chief Finance Officer (Part 3, para 5.11), with Part 4F, C16 stating; 'All executive decisions on borrowing, investment or financing shall be delegated to the Chief Finance Officer, who is required to act in accordance with CIPFA's Code of Practice for Treasury Management in Local Authorities.
- n) Recognise that the decision to borrow significantly to build new homes impacts the authority's ability to set-aside resource to redeem the HRA Self-Financing debt at the point at which the loan portfolio matures, with the need to re-finance debt in the latter stages of the business plan.

Housing Capital

- o) Approval of capital bids, as detailed in Appendix E (3) and Appendix F of the HRA Budget Setting Report.
- p) Approval of the latest Decent Homes and Other HRA Stock Investment Programme, to include re-phasing of elements of the programme between capital and revenue, as detailed in Appendix F of the HRA Budget Setting Report.
- q) Approval of the latest budget sums, profiling and associated financing for all new build schemes, as detailed in Appendix F, and summarised in Appendix H, of the HRA Budget Setting Report.
- r) Approval of allocation of £15,285,000 of funds from the budget ear-marked for the delivery of new homes into a scheme specific budget for Newbury Farm, in line with the scheme specific report presented as part of the committee cycle.

- s) Approval of the revised Housing Capital Investment Plan as shown in Appendix H of the HRA Budget Setting Report.

General

- t) Approval of inclusion of Disabled Facilities Grant expenditure and associated grant income from 2024/25 onwards, based upon 2023/24 net grant awarded, with approval of delegation to the Chief Finance Officer, as Section 151 Officer, to approve an in year increase or decrease in the budget for disabled facilities grants in any year, in direct relation to any increase or decrease in the capital grant funding for this purpose, as received from the County Council through the Better Care Fund.
- u) Approval of delegation to the Chief Finance Officer, as Section 151 Officer, to determine the most appropriate use of any additional Disabled Facilities Grant funding, for the wider benefit of the Shared Home Improvement Agency.
- v) Approval of delegation to the Director of Communities to review and amend the level of fees charged by the Shared Home Improvement Agency for disabled facilities grants and repair assistance grants, in line with any recommendations made by the Shared Home Improvement Agency Board.
- w) Approval of delegation to the relevant Director, in consultation with the Chief Finance Officer, as Section 151 Officer, to draw down resource from the ear-marked revenue reserve or capital reserve for potential debt redemption or re-investment, for the purpose of open market land or property acquisition or new build housing development, should the need arise, in order to meet deadlines for the use of retained right to buy receipts or to facilitate future site redevelopment.
- x) Approval of delegation to the Chief Finance Officer, as Section 151 Officer, to make any necessary technical amendments to detailed budgets in respect of recharges between the General Fund and the HRA, with any change in impact for the HRA to be reported and incorporated as part of the HRA Medium Term Financial Strategy in September or November 2024.

3. Background

- 3.1 The HRA Budget Setting Report is one two opportunities in the financial year to review the HRA Business Plan and to update financial forecasts and projections.
- 3.2 The HRA budget is set in the context of the 30-year business plan, to ensure that sufficient income is forecast to allow the Councils housing stock can be managed effectively and maintained to a decent standard, whilst also maximising the number of new homes that can be delivered.
- 3.3 The HRA faces significant financial challenges, with a significant investment need identified in the housing stock in order to improve homes to an appropriate level of energy efficiency over the coming years.
- 3.4 This iteration of the business plan also takes account of the need to correct one of two errors in historic rent setting processes, with a resulting reduction in forecast rent income for future years, coupled with the need to identify resource to refund tenants who may have been over-charged historically. This has a significant impact on the financial forecasts contained within the HRA Business Plan and will result in the need to take remedial action in future iterations. This issue is addressed in the HRA Budget Setting Report, and some potential mitigations are outlined for future decision.

4. Implications

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

(a) Financial Implications

The financial implications associated with decisions are outlined in the HRA Budget Setting Report 2024/25, appended to this report, for consideration by both Housing Scrutiny Committee and Council.

(b) Staffing Implications

Any direct staffing implications are summarised in the HRA Budget Setting Report 2024/25, appended to this report.

(c) Equality and Poverty Implications

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

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

Where relevant, officers have considered the climate change impact of budget proposals, with any impact highlighted in the HRA Budget Setting Report 2024/25, appended to this report.

(e) Procurement Implications

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

(f) Community Safety

Any community safety implications are outlined in the HRA Budget Setting Report 2024/25, appended to this report.

5. Consultation and communication considerations

Tenant and leaseholder representatives are consulted on any changes in the HRA budget as an integral part of the scrutiny process associated with this committee. All tenants receive individual written communication in advance of any change in rent or service charge levels.

6. Background papers

Background papers used in the preparation of this report:

Housing Revenue Account Budget Setting Report 2023/24

Housing Revenue Account Medium Term Financial Strategy 2023/24

7. Appendices

The Housing Revenue Account Budget Setting Report 2024/25 is appended to this report.

8. Inspection of papers

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

Julia Hovells, Head of Finance and Business Manager

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

Council

Housing Revenue Account Business Plan Update and Budget Setting Report 2024/25



February
2024

Contents

| Section No. | Topic | Page No. |
|-------------|--|----------|
| 1 | Introduction and Background | 3 |
| | 30 Year Business Plan Review | |
| 2 | Local Context | 8 |
| 3 | External Factors and National Policy Context | 13 |
| 4 | Rent and Other Income | 22 |
| 5 | Capital Investment | 32 |
| | Budget Setting Report | |
| 6 | Rent and Charge Setting | 43 |
| 7 | Housing Revenue Account Revenue Budget | 47 |
| 8 | Housing Capital Budget | 53 |
| 9 | HRA Treasury Management | 59 |
| 10 | Budget Summary and Conclusion | 62 |

Appendices

| Reference | Topic | Page No. |
|-----------|---|----------|
| A | Key Risk Analysis | 68 |
| B | Revised Business Planning Assumptions | 70 |
| C | Sensitivity Analysis and Scenarios | 73 |
| D | Service Charges 2024/25 | 75 |
| E (1) | HRA Budget – 2023/24 Mid-Year Revenue Budget Changes | 78 |
| E (2) | HRA Budget – Revenue Items | 79 |
| E (3) | HRA Budget – Capital Items | 84 |
| F | Housing Capital Budget Amendment Summary 2023/24 to 2027/28 | 85 |
| G | HRA Summary Forecast 2023/24 to 2028/29 | 86 |
| H | Housing Capital Investment Plan – 2023/24 to 2032/33 | 88 |
| I | HRA Ear-Marked & Specific Funds | 94 |
| J | HRA Budget Equalities Impact Assessment | 95 |

Section 1

Introduction and Background

Foreword by the Executive Councillor, Gerri Bird

As we enter 2024, it is clear that the Housing Revenue Account continues to face significant financial challenges as a result of high interest rates, inflation, and the need to comply with changes to policy and regulation from central government.

Despite these challenges, we continue to invest in our existing properties, support our tenants, and build attractive new homes at a significant rate. I want to thank the officers and our tenant and leaseholder representatives for their continued commitment and support.

Rent

Setting rent levels for our tenants is one of the most important elements of the budget process. Last year we raised rents by 5%, lower than the amount we could have asked for. We knew that families were suffering and that we needed to do all we could to help them, but that came at a cost to our budgets and our ability to maintain and improve our housing stock.

For 2024/2025 we will raise rents by 7.7%, letting us balance our budget in the longer term and make progress on our target to get 1,700 of our properties to the EPC 'C' level for energy efficiency. This will reduce energy costs for tenants over the long term.

Around 60% of our tenants receive some form of help with housing costs, and some tenants will become eligible for benefits as a result of the rise, but we know this is a burden and don't welcome the choices we have had to make.

Building

On a more positive note, our delivery programme includes the 500 devolution programme of 931 homes in total, including those for market sale, with 537 net affordable homes, as well as the 10-year New Homes Programme which covers 706 homes (including 21 homes being acquired to accommodate refugees and 4 modular homes outside of the HRA). This will deliver 195 net new build Council rented homes at social rent or 60% of market rent and 213 net new homes to be let at 80% of market rent.

Housing regeneration schemes at Fanshawe Road (84 homes, of which 39 will be market sale homes) and East Barnwell (120 homes) have now been submitted for planning consideration. 391 of the homes in development are now being benchmarked against Passivhaus performance levels, showing our commitment to sustainable development. I'm especially pleased to see the 12 homes at Fen Road that are near to completion, include two wheelchair accessible houses. There is also a proposal for a wheelchair accessible bungalow at Kendal Way.

Dealing with homelessness remains a priority, and we now have 22 modular homes and plans for four more – if we had more sites, we could do more in this area.

Maintenance

Every tenant should be able to expect that repairs are carried out promptly and efficiently, and we have taken on the challenge of changing the way we work, consulting staff about ways to improve how we manage repairs to help our teams to do their vital jobs better, including upgrades to our computer systems at council depots.

Damp, Condensation and Mould

We have put a lot of effort into dealing with damp, condensation, and mould (DCM) in our properties as it can severely affect people's health and quality of life. The cold weather means that we're getting more reports, and not all are due to building issues. We are following the council's DCM Self-Assessment Response Action Plan and continue to respond

to reports within two days and schedule and inspection within ten working days. We are also using a new DCM risk assessment survey report, plan to restart our working group with Housing Associations in the Cambridge area, and are developing a new, real-time spreadsheet that will significantly improve the depth and accuracy of our data capture and reporting.

We continue to work hard to deliver affordable, sustainable and attractive homes for all our tenants, to support homeless people and get them into good housing, and to maintain our properties to the highest standards.

Councillor Gerri Bird

Executive Councillor for Housing and Homelessness

Background

The Housing Revenue Account is the landlord account for the authority, operating in the context of a 30-year business plan, which is reviewed twice each year, in November when the budget strategy is agreed and again in January / February, when the detailed budget is approved.

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

The level of resource available to invest in housing is dependent upon the income streams in the Housing Revenue Account, with rental income for the housing stock being the key contributor to this. The HRA can borrow to invest in housing, but the income stream must be able to fully support the borrowing. The authority is currently required to comply with a national approach to rent setting, where rents can be increased annually by up to inflation (as measured by the Consumer Price Index) plus 1%. This applies from April 2024, but future year rent increases are currently subject to uncertainty, as the authority awaits a new Rent Standard from April 2025.

The HRA must be able to support a significant level of housing debt whilst also ensuring the ongoing delivery of housing services. On 1 April 2023, the authority supported a net housing debt of £214,976,425.

Both the HRA Medium Term Financial Strategy and the HRA Budget Setting Report review internal and external factors impacting the housing service, taking account of any emerging changes in national housing policy, health and safety and building safety requirements, changes in risk profile and the impact of any anticipated change in the economic climate. The review undertaken in the autumn of each year determines the financial strategy for the HRA and the framework for the detailed budget work to develop proposals for the coming budget year. As part of the Budget Setting Report, consideration is given to whether any aspects of the strategy need to be revised and sensitivity analysis is undertaken to ensure that effective contingency plans are considered and that appropriate reserves are maintained in light of any change in assumptions.

This document provides the basis for setting the HRA budget and rents and charges for 2024/25, culminating in recommendations to both Housing Scrutiny Committee on 23 January 2024 and ultimately Council on 15 February 2024.

The work on the 2024/25 HRA Budget Setting Report adopts the following key parameters:

- A financial model assuming borrowing to deliver new homes alongside maintaining and improving the existing housing stock.
- A rent increase of 7.7% for 2024/25, followed by an assumed increase of CPI plus 0.5% from 2025/26 for the following 5 years.
- Housing stock maintained at a minimum of the current decency standard, with investment in respect of energy efficiency improvements being a key priority.
- An efficiency savings target of £196,000 per annum included for 5 years, partially offset by a Strategic Investment Fund of £98,000 per annum, that allows resource to be re-invested in new and emerging priorities.
- Adjustment to responsive repairs expenditure in line with anticipated stock changes.
- Minimum working balance for reserves of £5.9m, with a target level of £7.1m

This iteration of the business plan also takes into account the estimated financial impact in respect of correcting a historic rent regulation error. This error was communicated to all affected current tenants on 11 January 2024, and work is underway to correct the error and to reimburse those directly affected. The error relates to the annual rent review process for affordable rented homes between 2016 and 2019. This is explored in more detail in Sections 4 and 7 of this document.

A second historic rent setting issue is being explored but is currently subject to further work before it can be quantified and incorporated into financial forecasts. Any resulting financial impact will be incorporated into an amended version of the HRA Business Plan at the earliest opportunity, and any affected tenants will be communicated with.

Section 2

Local Context

Council Objectives

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

Housing Strategy

The Greater Cambridge Housing Strategy identifies three key objectives with seven priority actions for housing in the Greater Cambridge area:

- Building the right homes that people need and can afford to live in
 1. Increasing the delivery of homes, including affordable housing, along with sustainable transport and infrastructure, to meet housing need
 2. Diversifying the housing market and accelerating delivery
 3. Achieving a high standard of design and quality of new homes and communities
- Enabling people to live settled lives
 4. Improving housing conditions and making best use of existing homes
 5. Promoting health and well-being through housing
 6. Preventing and tackling homelessness and rough sleeping
- Building strong partnerships
 7. Working with key partners to innovate and maximise resources available

Housing Priorities

In response to delivering against both the Council Objectives and the Housing Strategy, the Housing Revenue Account continually reviews priorities for investment, considering:

- The level of investment required to maintain decency in the existing housing stock.
- The need to spend on landlord services (management and maintenance)
- The need to support, and potentially set-aside for repayment of, housing debt.
- The ability to identify resource for investment in new affordable housing.
- The target to reduce the Council's direct emissions to net zero carbon by 2030.
- The vision to reach net zero carbon in Cambridge by 2030, subject to Government, industry and regulators implementing the necessary changes to enable the city to achieve this.
- The desire to invest in income generating activities and discretionary services (i.e., support)
- The ability to respond quickly to changes in both housing and building legislation.

Housing Stock

The Housing Revenue Account owns and manages the following properties:

| Housing Category | Actual Stock Numbers as at 1/4/2023 | Estimated Stock Numbers as at 1/4/2024 |
|--------------------------------------|-------------------------------------|--|
| General Housing – Social Rent | 5,941 | 5,909 |
| General Housing – Affordable Rent | 686 | 904 |
| Sheltered Housing | 522 | 522 |
| Supported Housing | 16 | 16 |
| Temporary Housing (Individual Units) | 143 | 144 |
| Temporary Housing (HMO's / EA) | 21 | 21 |
| Miscellaneous Leased Dwellings | 19 | 19 |
| Sub Total Rented Dwellings | 7,348 | 7,535 |
| Shared Ownership Dwellings | 86 | 86 |
| Total Dwellings | 7,434 | 7,621 |

The number of properties anticipated to be held by 1/4/2024 is higher than the number held at 1/4/2023, with the authority expected to take hand over of more new homes than those lost through either right to buy or demolition for redevelopment.

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

| Property Type | Actual Stock Numbers as at 1/4/2023 | Estimated Stock Numbers as at 1/4/2024 |
|------------------------|-------------------------------------|--|
| Bedsits | 96 | 95 |
| 1 Bed | 1,863 | 1,981 |
| 2 Bed | 2,601 | 2,649 |
| 3 Bed | 2,237 | 2,251 |
| 4 Bed | 106 | 112 |
| 5 Bed | 7 | 8 |
| 6 Bed | 2 | 3 |
| Sheltered Housing | 522 | 522 |
| Total Dwellings | 7,434 | 7,621 |

Leasehold Stock

At 1st April 2023, the Council retained the freehold and directly managed the leases for 1,185 leasehold flats and had 4 leasehold flats managed by a third party management company.

Housing Demand

The Housing Revenue Account, alongside other registered providers of social housing, provides accommodation for those on the housing register.

At the end of September 2023, the housing register recorded the following applicants by both bedroom need and priority banding:

| Housing Register by Bedroom Need | Number | Percentage |
|----------------------------------|--------------|-------------|
| 1 | 1,381 | 54% |
| 2 | 598 | 24% |
| 3 | 427 | 17% |
| 4 | 127 | 5% |
| Total | 2,533 | 100% |

| Housing Register by Priority Banding | Number | Percentage |
|--------------------------------------|--------------|-------------|
| A / Emergency | 220 | 9% |
| B | 645 | 25% |
| C | 927 | 37% |
| D / D* | 741 | 29% |
| Total | 2,533 | 100% |

When combined, the following housing need is identified by both bedroom size and priority banding.

| Bedroom Need | Band A / Emergency | Band B | Band C | Band D | Band D* | Total |
|--------------|--------------------|------------|------------|------------|------------|--------------|
| 1 Bed | 83 | 129 | 738 | 288 | 143 | 1381 |
| 2 Bed | 43 | 187 | 150 | 180 | 38 | 598 |
| 3 Bed | 59 | 254 | 31 | 62 | 21 | 427 |
| 4 Bed | 29 | 66 | 7 | 6 | 2 | 110 |
| 5 Bed | 6 | 7 | 1 | 1 | 0 | 15 |
| 6 Bed | 0 | 1 | 0 | 0 | 0 | 1 |
| 8 bed | 0 | 1 | 0 | 0 | 0 | 1 |
| Total | 220 | 645 | 927 | 537 | 204 | 2,533 |

Cambridge City Council had 2,533 households on the housing register at the end of September 2023.

792 applicants were housed in 2022/23, with the majority (85%) of lettings being to applicants at band A or B. Of the 792 applicants housed, 87% were housed in 1 or 2 bedroom accommodation.

The greatest demand for housing is still one and two bedroomed properties, with these representing 78% of the register in September 2023.

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

The current mix of new homes sought by the HRA is 50% 1 bedroom, 25% 2 bedroom, 20% 3 bedroom and 5% 4-bedroom homes, which is still broadly borne out by the bedroom need on the housing register currently. There is therefore no recommendation to change this delivery mix at present.

Section 3

External Factors and National Policy Context

National Housing Policy

National Rent Policy

Local authority rents are regulated by the Regulator of Social Housing, alongside housing associations and other registered providers.

Rent increases have been limited to an increase of up to CPI (based upon CPI at the preceding September) plus 1% each year since April 2020. This was intended to be for a period of 5 years, but the high levels of inflation in September 2022 prompted the government to cap rent increases for 2023/24 at 7%, to limit increases for tenants, whilst also recognising the increased costs being borne by social housing landlords, the need to improve energy efficiency in rented homes and the need for more affordable housing.

With inflation at 6.7% in September 2023, this will result in a rent increase of 7.7% from April 2024.

The national decision to cap rent increases from April 2023 resulted in all homes previously being charged at target rent to fall below target. Properties below target rent levels can currently only be increased to target levels when they become void, with target rents continuing to be set with reference to January 1999 property values. Government indicated last year that a consultation may follow in respect of options to move rents back up to target levels, but at the time of writing this report, had not been published.

The Rent Standard from April 2025 is not yet available, and so future year rent increases are uncertain.

Affordable rent increases are subject to the same constraints as social rents, but with the ability to re-set the rent at up to 80% of market rent upon re-let, dependent upon local policy.

Social Housing Regulation Act

The Social Housing Regulation Act significantly enhances the role of the Regulator of Social Housing and introduces the new consumer standards, which come into force on 1 April 2024.

The key reforms include:

- Removal of the 'serious detriment' test, which now allows the regulator to step in more readily where they feel intervention is proportionate.
- Enhancing both transparency and safety requirements, introducing requirements for building hazards to be fixed within prescribed timescales, requiring organisations to have a named health and safety lead, ensuring that any tenant whose safety is threatened is offered alternative accommodation and introducing requirements to provide information to residents on financial performance.
- Introducing a new housing inspection regime from April 2024, based upon the new consumer standards, which were subject to consultation up to 17 October 2023.
- Increasing the regulator's enforcement powers, with unlimited fines for non-compliance, the ability to issue performance improvement plans and the right for the regulator to undertake surveys on properties directly.
- Providing the regulator with the power to set competency and conduct standards, with mandatory qualification requirements for senior housing managers and executives.
- The creation of an advisory panel, with representatives from multiple agencies and service users, to advise on key sector issues and risks.
- A requirement for the Secretary of State to publish an energy reduction strategy for social housing, with the regulator able to set and monitor standards in this area.

The regulator is consulting on the new consumer standards, with the standards expected to be published in February 2024, to be effective from April 2024. The authority has responded to the consultation.

A Service Improvement Group is currently reviewing the anticipated requirements in the consumer standards and code of practice, self-assessing current information and performance

against these, comparing us to other providers and undertaking a gap analysis and reviewing staff skills and qualifications. An action plan will be derived from this to allow the authority to implement improvements in any areas where they are considered necessary. Preparatory work will include the need to consider acceleration of tenancy audits to improve data holding, particularly in respect of tenants where we have had no contact for over 12 months.

Welfare Reforms

Universal Credit

Any tenant seeking assistance with their rent, or currently in receipt of Housing Benefit but experiencing a relevant change in circumstance, will need to apply for Universal Credit. The exception to this being tenants placed in temporary accommodation, supported accommodation (not applicable to council tenants) or those who have reached state pension age, all of whom will continue to be entitled to Housing Benefit.

The authority had 2,528 HRA tenants identified as claiming Universal Credit at the end of November 2023, according to the DWP landlord portal. We also flag those in receipt of Universal Credit in the Housing Management Information System, but this will never be as up to date as the DWP portal, as the data is reliant upon the authority being notified by the tenant that they have ceased to be eligible, or by the DWP, who requires landlords to validate the sums being stated in a new or re-assessed claim.

During 2024/25, a process of managed migration will begin to move those currently in receipt of Housing Benefit on to Universal Credit by March 2025. The exceptions being those listed above, which will not migrate, and those in receipt of Employment and Support Allowance, where the migration will take place by March 2028.

Other Benefit Changes

The Benefit Cap and removal of the spare room subsidy continue to impact residents, with some claimants receiving short term Discretionary Housing Payments (DHPs) to support them until they are able to gain employment, improve their financial circumstances or move to more suitable accommodation. The HRA retains a budget (£25,170 for 2024/25) to provide financial support and incentive to assist tenants in downsizing. To support more tenants to downsize using this funding, those in receipt of DHP are also eligible to have the removal costs associated with

downsizing met through DHP funding, leaving the HRA funding available to support other tenants who wish to downsize.

Within the Autumn Statement, it was announced that Universal Credit and other working age benefits will increase by 6.7% from April 2024 and that the Local Housing Allowance will be raised from April 2024 to the 30th percentile of local market rents.

Right to Buy Sales

During 2022/23, 62 right to buy applications were received and recorded, resulting in 28 completions. This compares to 89 applications in the previous year, which gave rise to 34 completions, with the slow down possible because of increasing interest rates. In the first 8 months of 2023/24, 23 right to buy applications were received with 12 sales completed. This indicates a continued slowdown in activity, as interest rates remain high.

In the HRA Medium Term Financial Strategy 20 sales were assumed in 2023/24, before returning to the previous assumption of 25 sales per annum from 2024/25 onwards. For the HRA Budget Setting Report, 25 sales continue to be assumed from 2024/25 and beyond, with mortgage rates expected to begin to come down marginally as higher inflation begins to subside.

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

| Status | Year | Right to Buy (RTB) | | | Total |
|-----------------|---------|--------------------|------|--------|-------|
| | | House | Flat | Bedsit | |
| Actual Sales | 2018/19 | 13 | 14 | 0 | 27 |
| | 2019/20 | 14 | 15 | 0 | 29 |
| | 2020/21 | 10 | 6 | 0 | 16 |
| | 2021/22 | 18 | 15 | 1 | 34 |
| | 2022/23 | 12 | 15 | 1 | 28 |
| Estimated Sales | 2023/24 | 10 | 10 | 0 | 20 |
| | 2024/25 | 13 | 12 | 0 | 25 |
| | 2025/26 | 13 | 12 | 0 | 25 |
| | 2026/27 | 13 | 12 | 0 | 25 |
| | 2027/28 | 13 | 12 | 0 | 25 |

Right to Buy Receipts

At 31 March 2023, the authority held £5,608,030 of right to buy receipts under the retention agreement with the Department for Levelling Up, Housing and Communities (DLUHC), to be spent within 5 years of their original receipt date, with a maximum of 40% of any new dwelling now able to be funded via this mechanism. The balance must be funded from Devolution Grant, the Council's own resources, or through borrowing. Retained right to buy receipts can't be used to fund replacement dwellings or dwellings receiving any other form of public subsidy but can now be utilised in the delivery of shared ownership homes. With the Bank of England base rate currently at 5.25%, the highest since 2008, any penalty interest payable on receipts not re-invested appropriately will be at the rate of 9.25%.

Newly arising receipts continue to be retained, with any decision to pay over receipts to DLUHC made by the Chief Finance Officer, in consultation with the relevant Director, taking into consideration any need to borrow to appropriately re-invest the resource and the implications of this on the business plan. The Executive Councillor for Housing will be informed if the recommendation were to be to pay receipts directly back to Central Government.

Inflation Rates

The base rate of inflation used to drive expenditure assumptions in the HRA financial forecasts is the Consumer Price Index (CPI). The last 2 or so years have been particularly volatile, with an unprecedented rise in CPI from 1.5% in April 2021 to 11.1% in October 2022, before falling to 3.9% by November 2023. Huge inflationary increases have been seen in utility, fuel and food prices, alongside steep rises in other operating costs.

The Bank of England's Monetary Policy Report of November 2023 forecast a fall in the level of CPI in quarter 2 of each year at 3.6% for 2024, 2.1% for 2025 and 1.7% by 2026. The view is that although inflation is still relatively high currently, the peak has passed, and rates are expected to steadily reduce and to return to pre-pandemic levels over the next two years. If we take an average of the projections for the next two years, 2024/25 is predicted to experience inflation at 3.13% and 2025/26 at 2%.

The HRA Medium-Term Financial Strategy allowed 3% inflation for 2024/25, returning to the target of 2% from 2025/26.

Taking account of recent views of the Bank of England it is considered prudent to retain the assumption of a return to the target level of 2% inflation in the HRA business planning assumptions from 2025/26 onwards. This will be reviewed again as part of the HRA Medium Term Financial Strategy in 2024.

The assumptions in respect of building maintenance expenditure inflation have been derived from a mix of forecasts using the RICS (Royal Institution of Chartered Surveyors) Building Cost Information Service (BCIS) all in tender price index and CPI. The broadly external planned maintenance contract, currently with Fosters, is a lump sum priced contract, which adopts CPI as the measure of inflation. The broadly internal planned maintenance contract, currently with TSG, is a target price contract, using the (BCIS) all in tender price index as the measure of inflation, recognising that prices are fluctuating widely in this industry currently. Other specialist contractors will price work on a project basis, also taking account of industry forecasts.

The latest projections for the BCIS Index over the next 5 years currently predict a growth rate of 2.9% by 2024, with forecasts of 2.8%, 3.2%, 3.4% and 3.5% over the following 4 years. Taking an average of these rates of growth for the forecast five years gives rise to an annual increase of 3.16%.

On a similar average basis, the assumptions we are adopting for CPI over the same period are 2.2%, a difference of 0.96%.

Recognising the combination of planned maintenance price increases being driven by CPI and BCIS, the assumption has been made that 50% of the work programme will be subject to the BCIS indices and 50% by the rate of CPI. A blended average rate of 2.68% (average CPI plus average BCIS divided by 2) has therefore been incorporated into the business plan forecasts.

A growth rate of 4.7% has been retained in respect of new build inflation, based upon the advice of the quantity surveyor / employer's agent used most frequently by the Council.

Annual private sector pay growth increased to 7.7% in the three months to May 2023, although earnings growth is expected to decline in the coming quarters to around 6% by the end of the year. There is no forecast in respect of public sector pay increases, but these would be expected to be lower than the private sector, with longer-term pay increase in the public sector expected to mirror the longer-term inflation target of 2%.

The pay award from April 2023 was agreed in October 2023 and pay inflation has been increased to reflect the pay award of £1,925 per full time equivalent employee for 2023/24 up to spinal column point 43, with a 3.88% increase for points 43 and above.

A rate of 4% has been incorporated for 2024/25, which recognises an average of the higher 6% forecast for private sector pay and the target for public sector pay of 2%, before returning to the previous assumption of 2% from 2025/26. The allowance for incremental progression has been retained at 1% per annum, recognising staff retention figures and the number of staff who are currently paid at the top of their pay scale.

Interest Rates on Lending

The Housing Revenue Account is entitled to claim a proportion of interest earned on cash balances invested by the authority. The rate of interest assumed for 2023/24 in the HRA Budget Setting Report was 2%, based upon the HRA clawing back interest from the General Fund on investments with minimal risk.

Over the last 12 month, the Bank of England base rate has risen, with the latest rise to 5.25% in August 2023 taking the rate to the highest it has been since 2008. The increase in the base rate has resulted in the authority beginning to realise higher rates of interest on its investments.

Based upon the current levels of interest being achieved on investments and taking account of industry projections, an increased rate of 5% has been adopted for 2023/24, reducing to 4.5% for 2024/25, and 3% ongoing. The interest rate assumptions are included in **Appendix B**.

Interest Rates on Borrowing

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

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

The Local Authority Investment Guidance continues to be a risk to HRA borrowing, stating that where an authority invests in any 'investment asset primarily for yield', they will not be able to access loans from the PWLB in the financial year in which it makes this investment. A 3-year capital investment strategy must be submitted to be able to borrow, and the Section 151 Officer is required to certify that none of the capital projects fall into this category. There is therefore the potential for any investment decisions made by the General Fund to detriment the HRA's ability to borrow from the PWLB in any given year. This would not stop the HRA borrowing but would mean that an alternative lending source would need to be identified, with rates potentially not being as preferential.

Any transfer of land or financial resource between the General Fund and the HRA to facilitate development continues to impact the HRA Capital Financing Requirement, effectively increasing borrowing, with such decisions to be made in the knowledge of the revenue impact of transferring the asset.

For business planning purposes, the assumption has previously been made that borrowing is externalised, with anticipated PWLB maturity loan rates for loans of a 30-year duration used. The PWLB borrowing rate has seen a marked increase over the last few months, as have all lending rates in the marketplace.

In June 2023, government announced a preferential rate for HRA borrowing, at 40 basis points above gilts, which is effectively a 60-basis points reduction the standard PWLB lending rates. This rate initially applied for one year but has been extended until June 2025 as part of the Autumn Statement 2023. This would reduce the rate at the time of drafting this report of 5.62% to 5.02%, which is still higher than was previously assumed. The previous certainty rate of a 20-basis point reduction can be assumed to be ongoing, as long as the authority submits its spending plans as required. It should be noted that the PWLB rate is reviewed and can change twice each day.

The significant increase in borrowing rates over the last 18 months has had a significant impact on the HRA business plan, particularly when combined with other assumption changes.

For the purpose of preparing the business plan, and to mitigate the daily rate fluctuations in PWLB rates, forecasts made by Link, the Council's treasury advisors are adopted, which project that PWLB 25-year lending rates (inclusive of certainty rate) will be at an average of 4.8% for 2024/25, 4.18% for 2025/26, then 4% by the beginning of 2026/27. The certainty rate of 4.8% forecast for 2024/25 could arguably be reduced to 4.4%, recognising the extension of the HRA discount rate until June 2025.

Based upon current rates and these projections, a revised average rate of 5.02% (5.62% - 0.6%) has been incorporated into any borrowing assumptions for 2023/24, followed by 4.4% for 2024/25, 4.18% for 2025/26, then 4% ongoing.

It must be noted that projections and forecasts are changing rapidly in the current economic climate and there is no guarantee that these interest rates will be available at the point at which the authority needs to borrow each year and plans and decisions will need to be reviewed regularly to take account of this. The rates available currently are still far higher than those that have been available over the last few years.

The HRA is also exploring a degree of internal borrowing from the General Fund, where the General Fund currently has reserves which could be utilised in this way. Any lending to the HRA would be managed through the Item 8 charge to the HRA and resource would need to be lent at an appropriate interest rate. The sums available and the interest rate that would be charged are yet to be confirmed.

Section 4

Rent and Other Income

Rent Arrears, Bad Debt Provision and Void Levels

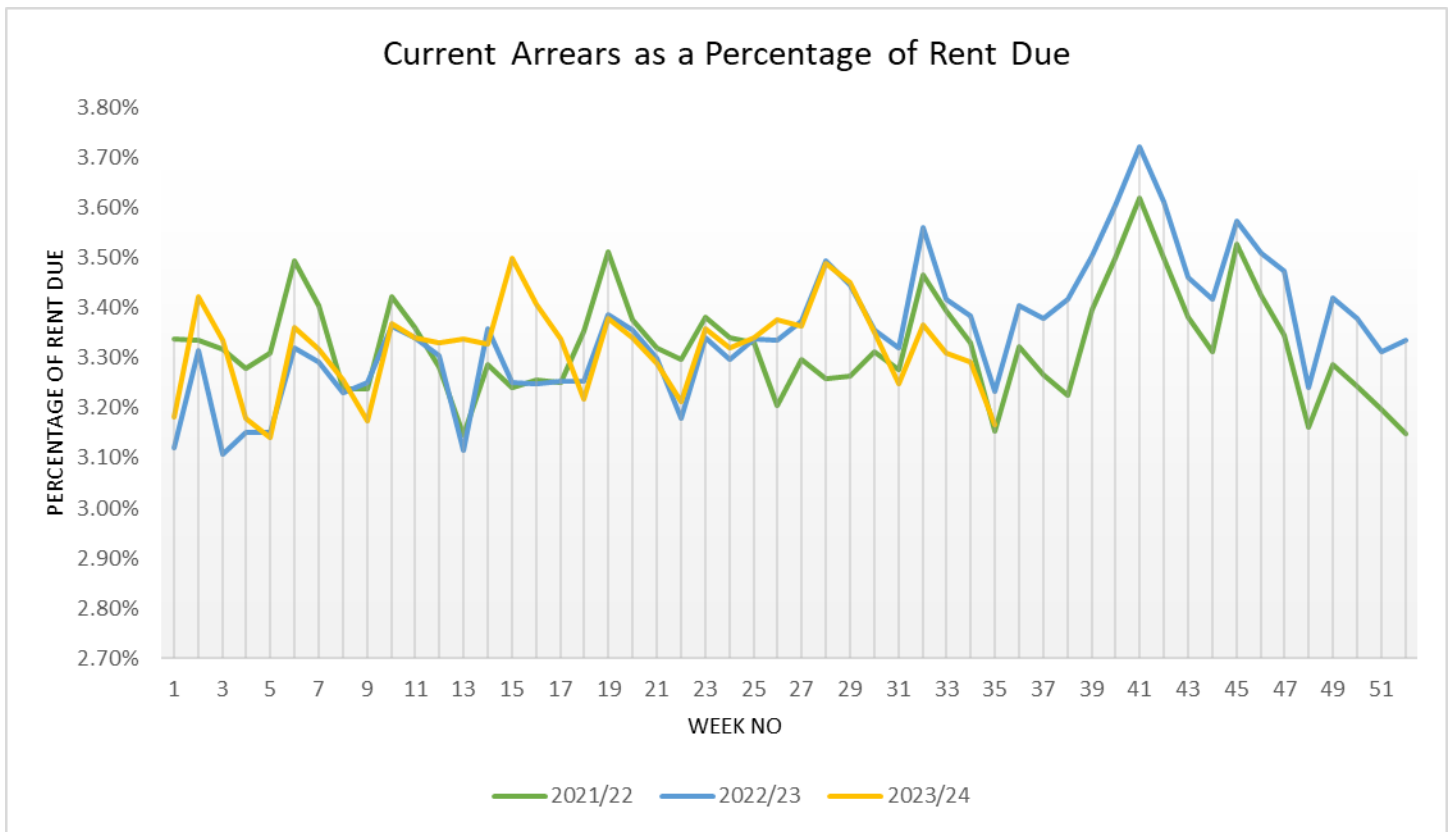
Rent Arrears

Rent collection performance was broadly maintained during 2022/23, with 99.2% of the value of rent due, collected in the year, compared with 99.5% in the previous year.

Current arrears levels deteriorated marginally in 2022/23, with current tenant arrears of just under £1.5 million by 31 March 2023, as detailed in the table below. However, the level of former tenant arrears reduced to just over £1 million:

| Financial Year End | Value of Year End Arrears in Accounts (Current Tenants) | Current Tenant Arrears as a Percentage of Gross Debit Raised in the Year | Value of Year End Arrears in Accounts (Former Tenants) |
|--------------------|---|--|--|
| 31/3/2019 | £776,961 | 1.93% | £932,156 |
| 31/3/2020 | £1,091,161 | 2.70% | £915,885 |
| 31/3/2021 | £1,374,167 | 3.30% | £925,982 |
| 31/3/2022 | £1,337,622 | 3.14% | £1,121,082 |
| 31/3/2023 | £1,490,860 | 3.33% | £1,020,073 |

In 2023/24 to date there has been an increase in current tenant arrears, which by the end of November 2023 stood at £1,570,939 with former tenant arrears increasing marginally to £1,174,059. You will note from the graph below, however, that in percentage terms arrears recovery is being maintained at similar levels to previous years, despite the current economic climate making it more challenging to recover tenant arrears.



The Income Management Team work proactively with tenants and financial support providers to mitigate the impact of rent arrears for both tenants and the authority. The team use both the Income Analytics and LIFT software systems, which facilitate improved arrears management and access to financial data sets to maximise receipt of financial assistance for the tenant.

Tackling former tenant arrears continues to be challenging. The role of a dedicated former tenant arrears officer has now been recruited to on a permanent basis, but this has resulted in the role being vacant for a period of time whilst this takes place, with an increase in the level of former tenant arrears in 2023/24 to date. Continuation of the work to either collect or write off former tenant arrears is a critical aspect of managing the housing business, with an increased focus in this area by our external auditors when auditing the authority's accounts.

Bad Debt

Debt that is not realistically collectable is routinely recommended for write off and provision is currently made in the Housing Revenue Account to write off 84.16% of former tenant debt. Any decision to do this is not taken until all avenues for collection have been exhausted.

At 31 March 2023 the total provision for bad debt stood at £1,951,988.25 representing 77% of the total debt outstanding.

As part of the HRA Medium Term Financial Strategy, the annual contribution to the bad debt provision was reduced to 1% per annum, recognising the sum in the provision currently, and the call on the fund in recent years. This will be reviewed periodically, as more tenants transition to Universal Credit and the longer-term impact of pressures on household incomes becomes clearer.

Void Levels

The value of rent not collected as a direct result of void dwellings in 2022/23 was £1,052,081 representing a void loss of 2.52%, compared with £656,205 in 2021/22 (1.67%).

Void levels have increased in 2023/24 to date, with the void rent loss between April and October 2023 (7 months) being £702,282, representing a 2.67% void loss. A proportion of this relates to homes held intentionally vacant for redevelopment. A snapshot of the proportion of stock vacant in early November 2023 confirms that 2.80% of homes (211 homes) are unoccupied, but with 0.89% (67) of these being vacant homes on re-development sites. Decisions to redevelop existing homes, requiring them to be vacated prior to demolition, causes a temporary increase in the void performance statistics, until the entire site is vacated, and the homes are formally removed from stock.

As a result of this, it is recommended to increase the voids assumption for 2023/24 to 2.5% and the assumption for 2024/25 to 1.5% assuming demolition of homes identified for redevelopment and some recovery in our general voids performance, before returning to the longer-term assumption of 1% from 2025/26 in this iteration of the business plan.

Rent Restructuring and Rent Levels

The authority now lets property at a number of differing rent levels, social rent, affordable rent linked to an inflated pre-COVID Local Housing Allowance, affordable rent set at 60% of market rent or the current Local Housing Allowance (whichever is lower) and also at 80% of market rent.

The average target 'rent restructured' rent across the general housing stock currently is £122.76 per week, with the average actual rent charged being £112.48. As a result of the rent increase cap in April 2023, no properties were charged at target rent at the start of 2023/24, compared to 35.5% being charged at this level in April 2022. The loss of rental income that arises from the gap between actual and target rent levels in the general housing stock equates to an annual loss of income of approximately £3,542,000. The authority currently only has the ability to close the gap between target social rent and the actual rent being charged for a dwelling, when a property becomes void, and actively continues to do this. The government have indicated, following the caps applied last year, that they may consult on alternative routes for local authorities to be able to move rents to target levels.

There were 854 properties charged at the higher 'affordable rent' levels in November 2023.

The table below confirms the current average rent levels charged or assumed in financial modelling:

| Property Size | 2023/24 Published LHA Rate (not adopted by CCC unless lower than a 60% rent) | 2020/21 Pre-COVID LHA rate inflated by 1.5%, 4.1% and 5% Used as a base by CCC for 2023/24 for existing tenants | Indicative Programme Average 2023/24 Rents at 60% of Market Rent | Indicative Programme Average 2023/24 Rents at 80% of Market Rent |
|---------------|--|---|--|--|
| Shared Room | 97.00 | N/A | N/A | N/A |
| 1 Bed | 178.36 | 150.87 | 166.06 | 227.24 |
| 2 Bed | 195.62 | 173.52 | 187.32 | 259.73 |
| 3 Bed | 218.63 | 201.64 | 211.49 | 288.50 |
| 4 Bed | 299.18 | 268.97 | 252.45 | 342.80 |

The Chancellor's Autumn Statement on 22 November 2023 confirmed that the Local Housing Allowance will be raised in April 2024 to the 30th percentile of local market rents, as opposed to being frozen again, as was previously anticipated.

Rent Policy

The local rent setting policy was last updated and approved in September 2022. The policy outlines that affordable rented homes will be re-let at no more than 60% of market rent or the current Local Housing Allowance, whichever is the lower, or at no more than 80% of market rent depending upon the category of housing they were built as. This ensures compliance with both government policy and the Greater Cambridge Housing Strategy.

Affordable rented homes let under the old inflated pre-COVID Local Housing Allowance rates are re-let at 60% of market rent or the current Local Housing Allowance, whichever is lower, when they become vacant to be consistent with the Greater Cambridge Housing Strategy and associated Affordable Rents Policy.

As part of our review processes, legal advice sought has identified that the authority has historically misinterpreted government guidelines and rent legislation in two areas.

The first error relates to how affordable rent reviews were carried out up to April 2019 and not correctly applying a 1% rent reduction for four years between 2016 and 2019. This meant that the way affordable rents were calculated was not correct and affected tenants have been overcharged. To remedy this, a correct (lower) current rent will need to be calculated for affected tenants. There will also be a need to reimburse tenants for any sums over-paid, taking into account the amount that may have been met by the DWP in the form of housing related benefits.

The second area is still being explored currently and relates to how rents and some service charges have been calculated and displayed on rent accounts.

These errors have been proactively reported to the Regulator for Social Housing, as is expected of the authority in such circumstances and the authority will continue to work with the regulator to correct the issues.

Rent Setting

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

From April 2024, under the current government Rent Standard, the authority would be expected to increase rents by up to a maximum of CPI (at the rate in September 2023 of 6.7%) plus 1%, arriving at an overall increase of up to 7.7%. Target rents will also increase by CPI plus 1%, equivalent to 7.7%.

In the absence of a Rent Standard from April 2025, the business plan retains the previous assumption of annual rent reviews in line with CPI plus 0.5%, instead of CPI plus 1%, to provide some prudence.

Rents will also be adjusted from April 2024, where required, to correct the affordable rent regulation error highlighted above.

Service Charges

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

In respect of social housing tenancies, service charges are separately identified on rent accounts, so that tenants can see what they are paying for alongside their core rent. For affordable rented homes, the tenant pays a total sum for rent and charges combined, which is introduced at either 60% (or the prevailing Local Housing Allowance Rate if this is lower) or 80% of market rent depending upon the scheme.

Guidance expects registered providers to endeavour to ensure that service charge increases do not exceed CPI plus 1% but recognises that costs sometimes unavoidably increase by more than this. Registered providers are required to consult tenants in respect of the introduction of new services or before making any material change to existing services.

Other Sources of Income

Garages

The Housing Revenue Account currently owns 1,326 residential garages and 270 parking spaces and manages a further 16 garages and 6 parking spaces on behalf of the General Fund. A number of HRA garages and parking spaces are on sites being explored for potential demolition and re-development, and so this number may reduce in the medium-term.

Of the garages and parking spaces in ownership approximately 21.7% (350 garages and parking spaces) are currently void (compared to 10.6% at this time last year). Of the 350 vacant spaces, 164 are garages, but 90 of these have been vacated as the sites have been approved for redevelopment. A garage block is not removed from the system until all of the garages have been vacated. There are 186 vacant parking spaces, but a significant proportion of these are on new build sites, where the scheme residents are offered first refusal to rent the parking spaces before they are offered out more widely to other tenants, residents or commuters into the city. The void loss in the year to date at the end of October 2023 of approximately 20% (compared to 13% at the same point last year) is made up of 24% general void loss, 51% void loss in respect of parking on new build sites where parking enforcement has taken some time to introduce and 25% in respect of the void loss on garages and parking spaces which have been vacated for redevelopment.

Commercial Property

The level of rental income from commercial property is dependent upon the timing of lease renewals for the small portfolio of shops and other business premises that are owned by the HRA. In 2024/25 the income generated by the commercial property portfolio is anticipated to be in the region of £517,000.

General occupation of the HRA commercial property portfolio was historically good, with vacant shop units usually re-let within reasonable timescales. However, difficulties have been experienced more recently, with the re-modelled shops at Akeman Street proving very difficult to let. Rent reviews continue to be challenging, with business owners facing increased costs in a number of areas.

Interest / Investment Income

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

Interest rates available to the Council have increased significantly over the last 12 months, driven by increases in the Bank of England base rate (currently 5.25%) and higher investment returns are therefore being realised. The HRA, does however, only benefit from the lower risk, and therefore lower return areas of Council investment.

The rate that the HRA can earn on investments, recognising the low-risk nature of the investments, was reviewed as part of the HRA Medium Term financial Strategy, but has been as part of this iteration of the business plan to 5% for 2023/24, 4.5% for 2024/25, and 3% ongoing.

Other External Funding

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

- Devolution Grant – The authority received grant as part of the Devolution Agreement with Government and the Combined Authority, totalling £70,000,000, with some of this resource still retained and being actively applied to schemes in 2023/24 to deliver the 500 homes agreed.
- Support Funding – Funding of £193,698 per annum is received to provide tenure neutral support for older people across the city, through a contract with the County Council.
- Homes England Grant Funding – The authority actively bids through the continuous market engagement process, to secure grant funding for some new build schemes.
- Department for Levelling Up, Housing and Communities (DLUHC) Local Authority Housing Fund (Round 1 and 2) – The authority was awarded grant of £4,968,683 to build or acquire 30 homes by 30 November 2023 to accommodate Ukrainian and Afghan refugees and a further £840,000 to acquire 4 homes by 31 March 2024 to accommodate Afghan refugee families specifically.

- Social Housing Decarbonisation (Wave 2 Funding) - The authority was awarded £2,260,175 of grant funding to deliver energy improvements in the existing housing stock, with the investment requiring top up funding from the Council, and to be spent by March 2025.
- Section 106 Funding – The HRA can benefit from the ability to invest sums received for affordable housing through Section 106 Agreements on development sites across the city, although these sums often come with both time and investment criteria constraints.

Earmarked & Specific Funds – Revenue Reserves

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

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

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

Tenants Survey - allows the spread of costs for any Tenant and Leaseholder Survey evenly across financial years, irrespective of the timing of the survey. This reserve will need to be reviewed in 2024/25 in light of the new regulatory standards, and the requirement to undertake a survey annually.

HRA Set-Aside for Potential Debt Repayment or Future Re-Investment - The business plan historically assumed the authority would notionally set aside 25% of the value of the self-financing housing debt over the life of the plan, to retain flexibility in whether to invest the sum in new homes or redeem or re-finance some of the loan portfolio as loans mature. Using an ear-marked reserve, as opposed to making a formal voluntary revenue provision (VRP), allows the HRA to retain flexibility over the use of any resource that is available for set aside in the future. This resource is now being fully utilised prior to borrowing further to deliver new homes.

Earmarked & Specific Funds – Capital Receipts

Right to Buy Attributable Debt Ear-Marked Capital Receipt - The HRA retains an element from all right to buy receipts over and above those assumed in the self-financing settlement, in recognition of the debt held in respect of the asset. These sums are held in a separate ear-marked capital balance, allowing them to be utilised to repay the associated debt. Alternatively, the authority could reinvest the resource in the delivery of new homes.

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

Section 5

Capital Investment

Stock Condition and Decent Homes

The housing service reported achievement of decency in the housing stock as at 31 March 2023 at 99.8%, with 14 properties that were considered to be non-decent (in addition to 215 refusals).

As part of the Asset Management Strategy, a programme of new initiatives and actions was identified, which included aspirations to (subject to funding bids when costs have been quantified in some cases):

| Initiative / Action | Current Status |
|--|---|
| Implement a rolling programme of stock condition surveys so properties are inspected every five years | A new programme of stock condition surveys started in September 2023 and prioritises properties where there is no recent condition data. A new apprentice surveyor is being trained to gain skills in this area. The inhouse team are also receiving training so that all void properties have a stock condition survey carried out. New build property and footpath surveys are being carried out. |
| Continue the programme of structural surveys of flats blocks and implement survey programme for older flats and houses with structural concrete elements | Structural surveys at the Bermuda Terrace Estate are underway. If works are required, they will be tendered in 2023/24 with a view to being on site in 2024/25. A programme of structural repairs to maisonettes in the South Arbury area has been tendered and is due to start on site in 2023. Balcony and brickwork repairs at Nicholson Way, Walker Court and Hanson Court are on site and will be complete in 2023. In 2024 we plan to establish a framework contract for structural engineering services and establish a cyclical surveying programme to re-inspect |

| | |
|--|--|
| | <p>blocks of flats where structural works have been completed. We are carrying out structural repairs to around fifteen houses that have suffered from structural defects, some arising from dry weather in the past few years.</p> |
| <p>Reduce the electrical inspection cycle to five years in line with best practice</p> | <p>The Risk and Compliance team continue to manage and deliver the transition from a ten year to a five-year inspection cycle.</p> |
| <p>Implementation of "Orchard Asset" asset management software – including development of the compliance and energy modules</p> | <p>The implementation project is still underway but has experienced delays. The "servicing" (compliance) module and the "project" (planned works management) module will be "live" next. The "energy" module is live but has not been developed in the absence of a full time Energy Manager. This post is now filled, and the new Energy Manager started in November 2023.</p> |
| <p>Develop a methodology which identifies high-cost investment properties across the stock and calculates net present values – using new software in Orchard Asset</p> | <p>The implementation of an "Options Appraisal" module in MRI Asset will be the final module to be implemented</p> |
| <p>Implement a programme of estate investment projects</p> | <p>The street lighting replacement contract will be complete on site in 2023, and the final task will be to map assets on the Council's mapping system. We are working on a communal lighting replacement programme. A pilot project is being completed; a considerable amount of electrical enabling work is required. We are working on revised estimated costs for the full programme of work before deciding the most appropriate procurement route to deliver the work. It is likely that that the communal lighting improvements may be incorporated into a future electrical upgrades programme to replace the Council's electrical installations in blocks of flats.</p> |

| | |
|---|---|
| <p>Establish a programme of re-inspection of asbestos containing materials and implement a new asbestos register based within Orchard Asset</p> | <p>The asbestos compliance module will be implemented in a live environment in the Asset system in early 2024. The Asbestos Surveyor (Analyst) post has now been recruited to on a permanent basis and will continue with the review of all communal re-inspections.</p> |
| <p>Implement an annual programme to inspect fire doors to flats and communal areas (including the replacement of non-compliant fire doors)</p> | <p>A fire door inspection programme is in place with Ventro (Passive Fire Protection Specialists). HRA properties completed include all temporary and sheltered accommodation. General needs purpose-built blocks of flats are continuing and will continue to be the focus for the remainder of the programme. Results from surveys are being used to develop programmes of planned work including new and replacement fire doors.</p> |
| <p>Review maintenance requirements for flat roofs and sheds replacement and repair</p> | <p>This programme of work is currently underway, with over 300 shed roofs due to be replaced in 2023/24. Many shed roofs are shared with adjoining freehold properties, and this makes this a complex programme of work.</p> |
| <p>Develop a replacement programme for lifts, door entry systems, communal entrance doors, fire systems, automatic doors, and communal lighting</p> | <p>We have programmes of work in place for communal lighting upgrades, communal entrance doors and glazing replacement, door entry system replacement, and fire alarm upgrades.</p> |

At Kingsway flats, fire compartmentation works are now in progress and are scheduled to be complete in late Spring 2024. Work is ongoing to replace the remaining gas heating systems with electric alternatives and then all gas supplies will be removed from the building. We are also implementing fire alarm upgrades in a number of sheltered housing schemes.

Individual properties have regular electrical tests, and the electrical installation is replaced every thirty years. In our blocks of flats there is usually also a landlord electrical installation (that may provide power for lights, lifts, access systems etc.) and many of these are now old and in need of upgrade or replacement. In addition, in some blocks of flats, the main electrical

supplies to individual flats pass through the communal areas, and sometimes through other flats. We have implemented a programme of work to survey landlord electrical installations and electrical cables supplying individual flats. In 2023/24 this is taking place at Bermuda Terrace and also some of the blocks of maisonettes in the South Arbury area. It is expected that this will result in additional work to electrical installations in blocks of flats, with funding to be identified once costs are quantified.

At the East Road flats, a project is underway to replace roofs and windows to the tall blocks of flats facing East Road. This is a large project and work will be coordinated to minimise disruption to residents. Electrical works to these flats are also required but this work will be carried out separately in 2024/25.

In respect of resident engagement and communication, officers are working closely with main contractors to improve the quality of communication about new programmes of planned maintenance work, and the frequency of updates about the progress of work and any delays. The content of standard letters has been reviewed to ensure residents are better informed about the reasons why we carry out planned maintenance work.

Net Zero Retrofit Pilot Project

Work to deliver the net zero retrofit pilot project has been progressing well over the last year, led by design team of architects, engineers and quantity surveyors. Planning has been approved for all works to 46 houses and 4 flats that form part of the pilot. The properties in the pilot are in the Ross Street and Coldham's Grove area. Tenders have been issued through a framework, with contractor appointment anticipated during January 2024 and a start on site by spring 2024.

The works to be carried out as part of the pilot include:

- External wall insulation
- Roof and chimney insulation
- Floor Insulation (ground floor)
- Window replacements
- Door replacements

- Air source heat pumps (in place of existing gas boilers)
- Mechanical ventilation with heat recovery units (mvhr's)
- Solar pv panels
- Cavity wall insulation extraction and replacement (where required)
- Water efficient tap upgrades

The objectives for this funding are to allow the authority to prove whether the estimated costs in a report prepared by the authority by Fielden and Mawson are achievable, to allow time to lobby government and other bodies, backed by real evidence, in an attempt to secure external investment and to allow further exploration of the potential to use the 5% flexibility in the rent restructuring formula and / or to introduce a 'comfort' charge for tenants.

The original budget approved for this project was £5,000,000, which has since been inflated to £5,196,000. Early estimated costs for the project were around £5.800,000 plus the cost of other planned maintenance work that could be scheduled to take place at the same time as retrofit works (e.g., electrical work, roofing work), which can be met within the housing capital investment plan. Updated cost estimates are expected shortly once the tender process has been concluded and any change in costs will need to be addressed as part of the 2024/25 medium-term financial strategy process depending upon timing.

Other Energy Works

Following success in the Social Housing Decarbonisation Fund (Wave 2) grant bid process, the authority was awarded £2,260,175 in grant over the period to September 2025. The authority had already included co-funding of £3,640,000 in the budget for 2023/24 to support this bid, but following the grant award has increased the total budget by the grant sum and recognised the grant income as the funding source for this.

The grant criteria are to ensure council property reaches EPC 'C' and reduces energy demand to below a set level. The grant funds go towards delivering external wall insulation works and updated ventilation to 185 solid-walled properties between now and a target date of March 2025. Top up loft insulation and window replacements may also be provided alongside these works if required.

A further 100 homes will receive similar works across the same timescale but will be funded by the Council entirely.

Works to the first 40 homes have been delivered under this programme on Mowbray Road and Holbrook Road. A second phase contract for the remaining properties has now been awarded through the council's internal retrofit framework and work has started on site.

In addition, we will continue with loft insulation upgrades and cavity wall insulation, extraction and re-fill, to other properties. We have a programme of around 800 EPC "D" rated solid walled houses that will need to be insulated if they are to reach EPC 'C'.

New Build Affordable Housing

General Approach

The Council's approach to building new homes continues to develop, with Passivhaus certified pilot schemes now on site and nearing completion. The authority is having to explore a multitude of options for the delivery of new homes, with inflation rates and interest rate rises making it more challenging to demonstrate scheme viability.

There is still a strong commitment to delivering good quality, affordable rented accommodation in the city, but there is a recognition that it might take longer than originally planned to deliver against the aspirational targets, and some compromise may need to be made.

Future New Build Programme

With longer-term interest rates for borrowing expected to remain high, the assumptions in the HRA Business Plan for the delivery of new homes have currently been retained at lower levels similar to those incorporated in the January 2023 Budget Setting Report. There is still a strong commitment to deliver as many new homes as financially feasible, with a recognition that if the economy recovers more quickly than anticipated, the programme can easily be scaled back up again.

The key assumptions now made in respect of the funding incorporated are:

- 629 net additional council rented (social rent and 60% of market rent) homes delivered over the 10 years from 2023.
- 353 affordable rented homes at 80% of market rent.
- Delivery of the net new council rented homes assumes the need to demolish and re-provide 335 existing properties as part of site regeneration schemes.
- To deliver the net new council rented homes in mixed and balanced communities, market housing will also be delivered by developers on some of the identified sites.
- A range of delivery routes will be adopted, with a mix delivered via Joint Venture or Section 106, land led schemes, existing HRA sites and potentially off the shelf purchases.
- Updated build costs using the latest information and cost data available, which assumes building to Passivhaus or equivalent performance standards. This assumes that building to Passivhaus standard or similar may be deliverable on all sites.
- Inflation in build costs incorporated at 4.7% per annum for the life of this programme.
- Homes England grant assumed for future pipeline schemes assumed to be grant eligible, at an average of £56,463 per unit across all eligible affordable tenures, recognising that not all units will be eligible for grant, particularly where a larger proportion of market sale or replacement units are proposed, or the site is a Section 106 delivery site.
- Retained right to buy receipts continue to be available for re-investment at the assumed rate of approximately £3,200,000 per annum but can't be appropriately reinvested in addition to Homes England Grant, and instead will be utilised for sites which are ineligible for grant or where grant is not awarded. This sum assumes ongoing sales at the rate of 25 per annum to generate this resource.
- Borrowing has been assumed at the rate of 5.02% for 2023/24 (recognising the PWLB HRA rate), and 4.4% for 2024/25, 4.18% for 2025/26 and 4% from 2026/27 ongoing, based upon Link, our treasury advisors, forecasts of the PWLB rates over the medium term.
- Investment profile is spread across the 10-year programme based upon indicative delivery timescales, which are subject to change.
- Standard annual servicing and maintenance costs are increased by £200 per unit, recognising the need to service and maintain solar pv installations and a mechanical ventilation with heat recovery (MVHR) unit in each dwelling.
- Standard future replacement costs are increased by an average of £500 per annum to allow for the replacement of the additional components required to deliver a Passivhaus dwelling.

This requires an estimated £417,000,000 of borrowing in the HRA over the next 10 years of the plan, including the impact of borrowing to fund some of the investment to improve the energy efficiency of the existing housing stock.

Work is still ongoing to identify and explore potential HRA sites and land acquisition opportunities that could be included within the 10 Year New Homes Programme. Sites and schemes will continue to be brought forward for formal consideration and approval individually as opportunities arise, on a prioritised basis.

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

The programme, as incorporated, is still dependent upon securing Homes England Grant funding, bid for on a scheme-by-scheme basis. Grant rates are not as high as initially hoped, but the authority has now been successful in securing grant on an increasing number of sites. There is also now the potential to secure grant in respect of the redevelopment of existing homes as part of the 2021 to 2026 Affordable Homes Grant Programme, and the authority is actively pursuing grant on schemes that might be eligible under this programme, with the outcome anticipated imminently. If unsuccessful in securing grant for additional new homes, the ability to replace grant with retained right to buy receipts would only help deliver a very small proportion of the planned programme. Failure to achieve grant will mean that the programme will need to be reviewed to identify alternative sources of funding, to increase the amount of market sale housing provided, to reduce build standards or to reduce the number of council rented homes delivered overall.

The resource ear-marked in the business plan is reviewed and re-profiled as the programme develops, with detailed borrowing options explored and decisions made as part of the Medium-Term Financial Strategy or budget setting process for any year in which borrowing is deemed necessary. The first year that borrowing is currently anticipated is 2023/24, but with this assumed to be met either from internal borrowing or through the PWLB at the current reduced HRA rate.

Schemes Completed – Devolution 500 Programme

At the time of writing this report 524 new homes had been completed as part of the Devolution 500 Programme, with a net gain of 448 council rented homes.

| Scheme | Total Social Housing / SO Units | Gain in Social Housing Units | Percentage Social Housing on Site |
|-----------------------|---------------------------------|------------------------------|-----------------------------------|
| Uphall Road | 2 | 2 | 100% |
| Nuns Way/Cameron Road | 7 | 7 | 100% |
| Wiles Close | 3 | 3 | 100% |
| Ditchburn Place | 2 | 2 | 100% |
| Queensmeadow | 2 | 2 | 100% |
| Anstey Way | 56 | 29 | 100% |
| Colville Road Garages | 3 | 3 | 100% |
| Gunhild Way | 2 | 2 | 100% |
| Wulfstan Way | 3 | 3 | 100% |
| Markham Close | 5 | 5 | 100% |
| Ventress Close | 15 | 13 | 100% |
| Akeman Street | 14 | 12 | 100% |
| Mill Road | 118 | 118 | 50% |
| Cromwell Road | 118 | 118 | 40% |
| Colville Road II | 63 | 43 | 100% |
| Meadows and Buchan | 22 | 22 | 100% |
| Campkin Road* | 75 | 50 | 100% |
| Clerk Maxwell | 14 | 14 | 40% |
| Total | 524 | 448 | |

*16 of the units at Campkin Road were re-purposed as refugee housing, with DLUHC grant awarded to contribute retrospectively towards the cost.

Schemes Completed – 10 Year New Homes Programme

The first homes being delivered as part of the new 10 Year New Homes Programme have now been delivered, as follows:

| Scheme | Total Social Housing / SO Units | Gain in Social Housing Units | Percentage Social Housing on Site |
|--------------|---------------------------------|------------------------------|-----------------------------------|
| Histon Road | 10 | 10 | 40% |
| Total | 10 | 10 | |

Asset Acquisitions & Disposals

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

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

Acquisitions or disposals in 2023/24 to date include:

| Acquisition / Disposal | Comment | Status |
|--|---|-------------|
| 1 Bed Flat | Purchase of a 1 bed flat in Trumpington ward for rough sleepers. This is the last of 14 homes acquired with Rough Sleeper Accommodation Programme grant * | Complete |
| 13 x 3 Bed Houses 5 x 4 Bed House 1 x 5 Bed House 1 x 7 Bed House | Purchase of market dwellings for accommodating refugees, part funded by government grant | Complete |
| 1 x 4 Bed House | Purchase of market dwellings for accommodating refugees, part funded by government grant | In progress |
| 1 x 1 Bed Flat | Open market purchase of a home on a potential future development site | Complete |

| Acquisition / Disposal | Comment | Status |
|------------------------|---|-------------|
| 1 x 1 Bed Flat | Open market purchase of a home on a potential future development site | In progress |

* Acquisitions using an element of Rough Sleeper Accommodation Programme grant funding to acquire 14 homes on the open market to accommodate rough sleepers. The grant conditions require that these homes are ear-marked for this purpose for 30 years, with residents expected to move on within a 2-year time frame to permanent accommodation.

Homes for Ukrainian and Afghan Refugees

The Department for Levelling Up, Housing and Communities (DLUHC) awarded the authority two rounds of grant funding to assist in meeting the challenges in providing move on and settled accommodation for recent humanitarian schemes (Afghan and Ukrainian refugees).

The authority was awarded:

- Round 1 main element - £4,640,000 to be used to provide a minimum of 29 homes.
- Round 1 bridging element - £328,683 to allow the provision of at minimum 1 larger 4+ bed home to be allocated to households currently residing in bridging accommodation.
- Round 2 - £840,000 to be used to provide 3 homes for Afghan households and 1 home for use as temporary accommodation.

The grant funding requires a minimum top up contribution of £7,538,683 from HRA resources, but to make the best use of the grant awarded and to maximize the number of new homes delivered, additional funding of £200,000 was incorporated as part of the HRA Medium-Term Financial Strategy in November 2023., Round 1 grant has to be invested by 30 November 2023 and round 2 by 31 March 2024.

Some existing new build housing has been redesignated to meet this need, with 16 homes identified and occupied. 20 homes have been acquired on the open market to date, with the final one in the conveyancing process.

Once the homes are no longer required for housing this cohort, the authority will be able to utilise them to meet their wider affordable housing need, but with grant being repayable if the authority were to dispose of the dwellings.

Section 6

Rent & Charge Setting

Rent Setting

Following publication of the rate of CPI in September 2023 at 6.7%, and in the absence of any rent cap notification from government, the authority has incorporated a rent increase of 7.7% from April 2024. This increase recognises that a local decision was taken last year to increase rents at 5%, which was well below both inflation and the government cap of 7%. The single year decision was taken to help tenants at a time when other costs were rising but had a significant impact on the financial forecasts for the authority and on the ability to invest in key areas, such as improving the energy efficiency of the housing stock, improving services provided to tenants and building new homes. The authority is committed to being able to improve all homes to at least an EPC 'C' standard by 2035. This will mean that over the longer-term tenants who receive these works to their homes should begin to realise reductions in energy costs.

Over the last 8 years, social rented tenants have received 4 years of 1% rent cuts, followed by increases of 2.7%, 1.5%, 4.1% and 5%, resulting in a total increase over 8 years of 9.45%, compared with what would have been a 23.47% increase if rents had simply increased in line with inflation over the same period, effectively delivering a significant reduction in real terms.

Implementing a rent increase at a lower level than identified in the Rent Standard, will have a negative impact on the financial forecasts for the HRA, and on the ability to invest in improvement to homes, new homes or additional services for tenants. The impacts of implementing lower rent increases are outlined in the table below:

| Rent Increase | Average Weekly Social Rent Value Increase | Average Weekly Affordable Rent Value Increase | Additional / (Reduced) Borrowing Required over the 30 Year Business Plan | Impact on Housing Delivery |
|----------------------|--|--|---|--|
| 3% | £3.39 | £5.09 | £190 million | No further homes can be improved to EPC 'C', leaving 1,700 as sub-standard and the 4% HRA savings target would need to be increased to 15% for 2024/25 |
| 5% | £5.64 | £8.48 | £108 million | 1,210 homes will not be able to be improved to EPC 'C', leaving them sub-standard |
| 7% | £7.90 | £11.87 | £27 million | 330 homes will not be able to be improved to EPC 'C', leaving them sub-standard |
| 7.7% (CPI plus 1%) | £8.69 | £13.05 | | |

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

The assumption of an increase of CPI (as measured at the preceding September), plus 0.5% is retained for the following five years, before moving to an assumption of just CPI increases. There is currently no guarantee in respect of achieving these future rental increases, as we await a revised Rent standard from April 2025.

Affordable rented homes will be subject to the same inflationary increase of 7.7% for existing tenants. At re-let, the authority must ensure that the combined rent and service charges levied

do not exceed 80% of the market rent for each dwelling. but with the requirement for local authorities to have regard for the Local Housing Allowance. A number of affordable housing tenants in our earliest affordable rented homes will have their rent re-based from April 2024, before the annual rent review is applied, as part of correcting one of the rent regulation issues highlighted in this report.

Re-lets of existing affordable rented homes are at 60% of market rent or the prevailing Local Housing Allowance rate, whichever is the lower, New homes are introduced at social rent, 60% of market rent (or the prevailing Local Housing Allowance rate), or at 80%, depending upon the agreed rent levels for the scheme, in line with the Greater Cambridge Housing Strategy.

The table below includes details of the Local Housing Allowance rates over recent years, with an announcement in the Chancellor's Autumn Statement confirming that rates will not be frozen again in April 2024 as previously expected but will instead increase to the 30th percentile of the local market rent.

| Property Size | 2020/21 LHA rates January 2020 | 2020/21 LHA rates March 2020 | 2021/22 LHA rates | 2022/23 LHA rates | 2023/24 LHA rates |
|---------------|-----------------------------------|---------------------------------|-------------------|-------------------|-------------------|
| Shared Room | 81.89 | 97.00 | 97.00 | 97.00 | 97.00 |
| 1 Bed | 135.99 | 178.36 | 178.36 | 178.36 | 178.36 |
| 2 Bed | 156.40 | 195.62 | 195.62 | 195.62 | 195.62 |
| 3 Bed | 181.75 | 218.63 | 218.63 | 218.63 | 218.63 |
| 4 Bed | 242.43 | 299.18 | 299.18 | 299.18 | 299.18 |

Service Charges

The approach to setting service charges for 2024/25 is detailed at **Appendix D**.

Other Sources of Income

Garages

The proposed charges for garages and parking spaces for 2024/25, increased by 7.7%, are as follows, with the charges for resident parking permits being increased incrementally to bring them in line with other providers over time:

| Category | Base Rent £ per rent week | VAT £ per rent week | Total Charge £ per rent week |
|---|--|------------------------------------|---|
| Parking Spaces in standard area (tenants only) | 8.47 | 0.00 | 8.47 |
| Parking Spaces in standard area (other city residents) | 8.47 | 1.69 | 10.16 |
| Garage in standard area (tenants only) | 10.89 | 0.00 | 10.89 |
| Garage in standard area (tenants storage use) | 10.89 | 2.18 | 13.07 |
| Garage in standard area (other city residents) | 10.89 | 2.18 | 13.07 |
| Garage or Parking Space in high value / high demand area (tenants only) | 20.78 | 0.00 | 20.78 |
| Garage in high value / high demand area (tenants storage use) | 20.78 | 4.16 | 24.94 |
| Garage or Parking Space in high value / high demand area (other city residents) | 20.78 | 4.16 | 24.94 |
| A £5.00 premium is added to all base rates above when rented for non-city resident, commuter, business or commercial use | | | |
| Parking Space in standard area - Non-City Resident / Commuter or Business / Commercial use | 13.47 | 2.69 | 16.16 |
| Garage in standard area - Non-City Resident / Commuter or Business / Commercial use in standard area | 15.89 | 3.18 | 19.07 |
| Garage or Parking Space in high value / high demand area - Non-City Resident / Commuter or Business / Commercial use in high value / high demand area | 25.78 | 5.16 | 30.94 |
| Category | Base Charge £ per year | VAT £ | Total Charge £ Per year |
| Resident's Parking Permit (new schemes) | 60.00 | VAT applies | 72.00 |
| Resident's Parking Permit * | 25.00 | VAT applies | 30.00 |
| Visitor's Parking Permit | 25.00 | VAT applies | 30.00 |
| Replacement Parking Permit | 10.00 | VAT applies | 12.00 |
| * 50% discount for vehicles with CO2 emissions under 75g/km (resident parking permits only) | | | |

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

Section 7

Housing Revenue Account Budget

Revised Budget 2023/24

The Housing Revenue Account revenue budget for the current year was amended as part of the HRA Medium Term Financial Strategy in November 2023, taking account of any major changes. As part of this HRA Budget Setting Report, any major unavoidable pressures or material changes in income for the year are recognised, alongside the impact in revenue terms of the need to revisit funding requirements (DRF) for the Housing Capital Investment Plan in 2023/24 following any re-phasing of the programme. Investment income in the HRA is anticipated to be marginally more than anticipated in the Medium-Term Financial Strategy due to increases in interest rates, and borrowing is expected to be less due to re-phasing of the capital programme. A net change of £571,010 in the 2023/24 HRA budget is identified, as summarised below.

| 2023/24 Revised Budget | Original Budget January 2023 £ | HRA MTFS November 2023 £ | HRA BSR Proposed Changes £ | HRA BSR January 2024 £ |
|---|---|---|---|---|
| Net HRA Use of / (Contribution to) Reserves | 6,185,160 | 3,199,670 | | |
| Re-allocation of Fire Safety budget from capital to revenue for cladding treatment | | | 277,500 | |
| Re-phasing of funding for heat and smoke detector installations | | | (250,000) | |
| Net Non-Cash Limit Adjustments (interest paid and received, depreciation, DRF, etc) | | | (598,510) | |
| Revised Net HRA Use of / (Contribution to) Reserves | | | | 2,628,660 |
| Variation on previously projection | | | | (571,010) |

The above figures include carry forward approvals from 2022/23 in the second column, in addition to changes approved as part of the Medium-Term Financial Strategy in November 2023, with any net revenue impact identified in the current year, as part of the January 2024 committee cycle, incorporated in the right-hand column. The net change in costs, financing and income for 2023/24 will result in a reduced call on Housing Revenue Account reserves for the current year, when compared to that anticipated in the HRA Medium Term Financial Strategy. Details are provided in **Appendix E (1)**.

Overall Budget Position - 2024/25 onwards

Overall Budget Position

The overall revenue budget position for the Housing Revenue Account is summarised in the table below and at **Appendix G**, with detail for the period to 2028/29 provided in **Appendix E (2)**:

| Targets Set | 2023/24 £ | 2024/25 £ | 2025/26 £ | 2026/27 £ | 2027/28 £ | 2028/29 £ |
|----------------------------|--------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Efficiency Savings | 0 | (196,000) | (196,000) | (196,000) | (196,000) | (196,000) |
| Strategic Investment Fund | 0 | 98,000 | 98,000 | 98,000 | 98,000 | 98,000 |
| Net Change Required | 0 | (98,000) | (98,000) | (98,000) | (98,000) | (98,000) |

| Summary of Proposals | 2023/24 £ | 2024/25 £ | 2025/26 £ | 2026/27 £ | 2027/28 £ | 2028/29 £ |
|----------------------|--------------|--------------|--------------|--------------|--------------|--------------|
|----------------------|--------------|--------------|--------------|--------------|--------------|--------------|

| | | | | | | |
|--------------------------|----------|------------------|----------------|----------------|----------------|----------------|
| Unavoidable Revenue Bids | 0 | 449,750 | 262,250 | 237,250 | 187,250 | 187,250 |
| Reduced Income Proposals | 0 | 1,337,120 | 190,490 | 194,420 | 198,480 | 202,650 |
| Unavoidable | 0 | 1,786,870 | 452,740 | 431,670 | 385,730 | 389,900 |

| | | | | | | |
|----------------------------|----------|------------------|------------------|------------------|------------------|------------------|
| Savings Proposals | 0 | (115,480) | (115,480) | (115,480) | (115,480) | (115,480) |
| Increased Income Proposals | 0 | (131,250) | (131,250) | (131,250) | (131,250) | (131,250) |
| Bids | 0 | 0 | 0 | 0 | 0 | 0 |
| Discretionary | 0 | (246,730) | (246,730) | (246,730) | (246,730) | (246,730) |

| | | | | | | |
|----------------------------|-----------|-------------|----------|-----------|---------|-------------|
| Non-Cash Limit Adjustments | (598,510) | (1,214,170) | (88,010) | (201,910) | 436,130 | (1,314,290) |
|----------------------------|-----------|-------------|----------|-----------|---------|-------------|

| | | | | | | |
|---|------------------|----------------|----------------|-----------------|------------------|--------------------|
| Revenue / Capital Re-allocation | 277,500 | 0 | 0 | 0 | 0 | 0 |
| Revenue Re-phasing | (250,000) | 250,000 | 0 | 0 | 0 | 0 |
| Total Revenue Proposals | (571,010) | 575,970 | 118,000 | (16,970) | 575,130 | (1,171,120) |
| Under / (Over) Achievement against Target | (571,010) | 673,970 | 216,000 | 81,030 | 673,130 | (1,073,120) |
| Cumulative Under / (Over) Achievement against Target | (571,010) | 102,960 | 318,960 | 399,990 | 1,073,120 | 0 |

Non-Cash Limit Budgets

Non-Cash Limit items are those that do not relate directly to the cost of service provision, including for example direct revenue funding of capital expenditure (DRF), interest and depreciation. These items are treated outside of the 2024/25 cash limit, with the implications built into the financial forecasts for the HRA as part of the budget process, informing future budget strategy, savings targets and investment priorities. For 2024/25 there are cash limit adjustments in respect of contribution to the bad debt provision, depreciation, interest received based upon the latest balances and rate assumptions and interest paid based upon the latest forecast borrowing rates. These are partly offset by cash limit adjustments in the level of direct revenue financing of capital expenditure, which is also impacted by the need to refund tenants in 2024/25 for over-paid rent.

Strategic Investment Fund

As part of the HRA Medium Term Financial Strategy, approved in November 2023, approval was given to retention of a Strategic Investment Fund, but at the lower level of £96,000 per annum, to be directly offset by some of the efficiency savings identified in the HRA each year, for the next 5 years.

There were no bids against this fund identified as part of the 2024/25 budget process.

Performance against Current Net Savings Target

An efficiency savings target of £196,000 was included in the HRA forecasts for 2024/25 as part of the HRA Medium Term Financial Strategy approved in November 2023. The efficiency target was set in the context of the ability to deliver a balanced HRA budget, recognising the need to borrow to build new homes from 2023/24 and to maintain delivery of quality housing services whilst also allow resource for strategic reinvestment in new initiatives.

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

The savings and increased income that have been identified for 2024/25 are more than offset by the HRA reacting to unavoidable revenue pressures. The net position is an under-achievement against the target set of £102,960 by 2024/25, moving to an in-year under-achievement of £216,000 in 2025/26, £81,030 in 2026/27, and £673,130 in 2027/28, before moving back to an over-achievement of £1,073,120 in 2028/29. On a cumulative basis, a balanced budget position is delivered by the end of 2028/29, with changes made to direct revenue funding of capital to balance the revenue budget. This does however, impact the level of borrowing required. Details of the bids and savings can be found in **Appendix E (2)**.

Corporate costs and overheads have been reviewed in respect of any budget proposals that may span both funds, with the financial impact of this incorporated into the Housing Revenue Account budget process. This may be subject to further change as the General Fund finalises its budget proposals, with any resulting changes to be built into the HRA as part of the 2024/25 Medium-Term Financial Strategy process.

Further efficiency targets have been incorporated from 2024/25 for four years, also at the level of £196,000 per annum. This will allow continued strategic re-investment at the same level each year, to be able to respond to challenges presented by changes in local and national housing and welfare policy and also in construction and maintenance regulations.

Future Budget Impact

Correcting the issue identified earlier in this report in respect of historic rent setting has had a significant impact on the financial forecasts for the HRA. This iteration of the business plan now requires borrowing not only to build new homes, where there is an ongoing revenue stream to support this, but also to deliver some of the energy improvements to the existing housing stock, where the investment does not currently increase income. This results in a business plan which carries additional financial risk, which the authority needs to work to mitigate. Once the second rent regulation issue has been fully explored and quantified, any additional financial impact will need to be accounted for in future forecasts.

Consideration will need to be given to how to address this as part of the HRA Medium Term Financial Strategy in the autumn of 2024.

There are a number of options that can be explored to help to mitigate the financial impact of this in some way, with policy decisions being required in some instances:

- Review future net savings target for the HRA, which is currently set at 4% of controllable expenditure, with 50% of this re-invested in new or priority service areas.
- Consider the use of the 5% rent flexibility allowed under rent restructuring, which would allow rents to be set at up to 5% above formula rent whenever a property is re-let. This could be based upon the investment required to improve the energy efficiency of existing homes to EPC 'C', particularly where this results in reduced energy bills for some residents.
- Lobby government to allow authorities to close the gap between formula and actual rents for existing tenants (potentially on a phased basis over a number of years), and not just on re-let.
- Review approach to rent setting for new affordable homes as schemes come forward for approval, with consideration given to delivering more homes at the 60% or 80% rent levels.

Transformation Fund

The higher level of transformation funding for the HRA of £321,310 per annum is retained for 2024/25 and 2025/26, before returning to the previous level of £121,310 on an ongoing basis. This is to allow the HRA to invest in service transformation projects, spend to save initiatives and to

allow a quick response to in-year changes in legislation or major change in national housing policy. The fund can be allocated to one-off projects or to meet ongoing commitments, recognising that if committed on an ongoing basis, there will be less capacity in future years to respond to arising issues.

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

Section 8

Housing Capital Budget

Stock Condition and Decent Homes

Fire Safety Works

Carrying out fire safety works is a priority for the authority. There are 117 communal areas where timber cladding requires re-treatment with a fire-retardant coating to ensure that it meets the latest fire safety regulations. There is sufficient funding to carry out this work in the capital fire safety budget, but due to the nature of the work required, the cost need to be borne from a revenue budget. It is therefore proposed to transfer £277,500 from the capital fire safety and associated overheads budgets to the revenue PTR budget to meet the cost of these works.

Lift Upgrades

Work is required across all lifts in the housing stock, to upgrade the communication equipment in the lifts from analogue to digital in nature. There is a backstop date for these works of December 2025, when the analogue service will be switched off. There are 65 lifts that are currently anticipated to require this upgrade and a capital bid of £159,000 has been incorporated into this iteration of the business plan to accommodate delivery of these works in 2024/25 in advance of the deadline.

Compliance

There is ongoing work to ensure that the Council is fully compliant across several key areas, fire safety, asbestos management and electrical safety. The extent and cost of remedial works particularly with regards to the management of fire and the subsequent requirement for new doors or compartmentalisation of buildings is unlikely to be fully understood for several months. Any financial implications arising from this work will be incorporated into the HRA Medium Term Financial Strategy later in 2024.

New Build Affordable Housing – Schemes On Site

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

Devolution 500 Programme

| Scheme | Approved Indicative Social Housing Units | Gain in Affordable Housing Units | Latest Budget Approved / for Approval | RTB Receipt / Sales Receipt Funding | Devolution Grant | Rent Basis |
|--------------------|--|----------------------------------|---------------------------------------|-------------------------------------|------------------|------------|
| Colville Road II | 4 remaining (63 handed over) | 4 remaining (63 handed over) | 14,467,580 | (2,743,480) | (6,089,660) | 60% |
| Meadows and Buchan | 84 remaining (22 handed over) | 84 remaining (22 handed over) | 25,929,000 | (7,778,700) | (9,102,060) | 60% |
| Total | 88 | 88 | | | | |

10 Year New Homes Programme

| Scheme | Approved Indicative Social Housing Units | Gain in Affordable Housing Units | Latest Budget Approved / for Approval | RTB Receipt / Sales Receipt Funding | Homes England Grant / Other Grant | Rent Basis |
|-------------------|--|----------------------------------|---------------------------------------|-------------------------------------|-----------------------------------|-------------------------|
| L2 | 75 | 75 | 17,727,000 | 0 | (4,830,000) | 30 Social Rent / 45 80% |
| Fen Road | 12 | 12 | 4,015,000 | 0 | (1,077,000) | Social Rent |
| Colville Road III | 48 | 32 | 12,681,000 | 0 | (2,144,000) | 32 Social Rent / 16 80% |
| Ditton Fields | 6 | 6 | 1,944,000 | 0 | (534,000) | Social Rent |
| Borrowdale | 3 | 3 | 1,044,000 | 0 | (258,000) | Social Rent |
| Aragon Close | 7 | 7 | 2,426,000 | 0 | (551,880) | 80% |
| Sackville Close | 7 | 7 | 2,562,000 | 0 | (551,880) | 80% |

| Scheme | Approved Indicative Social Housing Units | Gain in Affordable Housing Units | Latest Budget Approved / for Approval | RTB Receipt / Sales Receipt Funding | Homes England Grant / Other Grant | Rent Basis |
|--------------------|--|----------------------------------|---------------------------------------|-------------------------------------|-----------------------------------|-------------------------|
| Aylesborough Close | 70 | 37 | 19,450,000 | 0 | (3,304,329)* | 41 Social Rent / 29 80% |
| Total | 228 | 179 | | | | |

*Homes England Grant is assumed, but no grant has yet been secured.

New Build Affordable Housing - Schemes in the Pipeline

There are a number of sites which have scheme specific approval, but at the time of writing this report, were not on site. The tables below detail the latest budget requirements either approved or for approval as part of the HRA Budget Setting Report and the assumed number of new homes which can be delivered, recognising that this may still be subject to both planning approval and procurement of a contractor or transfer to CIP for some of the sites.

Devolution 500 Programme

| Scheme | Approved / Indicative Affordable Housing Units | Gain in Affordable Housing Units | Latest Budget for Approval | RTB Receipt and Sales Receipt Funding | Devolution Grant | Rent Basis |
|--------------|--|----------------------------------|----------------------------|---------------------------------------|------------------|------------|
| Kendal Way | 1 | 1 | 545,000 | (163,500) | 0 | 60% |
| Total | 1 | 1 | | | | |

10 Year New Homes Programme

| Scheme | Approved / Indicative Affordable Housing Units | Gain in Affordable Housing Units | Latest Budget for Approval | RTB Receipt and Sales Receipt Funding | Homes England Grant | Rent Basis |
|------------------|--|----------------------------------|----------------------------|---------------------------------------|---------------------|-----------------------|
| St Thomas's Road | 8 | 8 | 3,468,000 | 0 | (560,000)* | 60% |
| Paget Road | 4 | 4 | 1,689,000 | 0 | (300,000)* | 2 Social Rent / 2 80% |

| Scheme | Approved / Indicative Affordable Housing Units | Gain in Affordable Housing Units | Latest Budget for Approval | RTB Receipt and Sales Receipt Funding | Homes England Grant | Rent Basis |
|----------------------------|--|----------------------------------|----------------------------|---------------------------------------|-----------------------------|-------------------------|
| Fanshawe Road | 45 | 25 | 13,000,000 | 0 | (1,000,000)** (715,000)* | 34 60% / 11 80% |
| Princess and Hanover Court | 82 | 0 | 29,763,000 | 0*** | 0 | Social Rent |
| East Road | 40 | 40 | 11,466,000 | 0 | (2,576,000)* | 16 Social Rent / 24 80% |
| Eddeva Park | 32 | 32 | 8,021,000 | 1,203,150 | 0 | 60% |
| East Barnwell | 120 | 110 | 50,306,000 | 0 | (9,192,000)* | 48 Social / 72 80% |
| Newbury Farm | 60 | 60 | 15,285,000 | 2,292,750 | 0 | 60% |
| Total | 391 | 279 | | | | |

*Homes England Grant is assumed, but no grant has yet been secured.

**Retention of the £1 million grant for Fanshawe Road is subject to confirmation from the Cambridgeshire and Peterborough Combined Authority following the change in tenure agreed in September 2023.

*** The anticipated land receipt to the HRA for the element of land transferred to deliver market housing is currently netted off against the costs until details have been finalised.

The table above incorporates the latest grant awards or grant levels assumed and the current level of retained right to buy receipts that the authority expects to allocate to each scheme.

Newbury Farm is the subject of a separate scheme specific report as part of this committee cycle, with budget to be re-allocated from the sum ear-marked for new homes to the scheme specific budget, subject to approval of the scheme.

Budget remains ear-marked for the costs of the potential redevelopment of Princess and Hanover Court, should redevelopment be the recommended option when the scheme specific report is presented to Housing Scrutiny Committee, as this would be the option carrying the highest cost.

The table below summarises any changes to either approved budgets, and or anticipated numbers of units, for schemes in the current programme.

| Scheme | Previous Budget Approval | Original Estimated Units | Latest Budget Approval Request | Revised Estimated Units | Justification |
|---------------|---------------------------------|---------------------------------|---------------------------------------|--------------------------------|----------------------|
| No changes | | | | | |

The table below confirms the current status for all pipeline schemes:

| Scheme | Site Type | Status | Potential New Build Units |
|----------------------------|------------------------|-------------------------------|----------------------------------|
| Kendal Way | In-fill | Planning approved | 1 |
| St Thomas's Road | Existing HRA Garages | Pre-planning | 8 |
| Paget Road | Existing HRA Garages | Pre-planning | 4 |
| Fanshawe Road | Existing HRA Housing | Planning submitted | 45 |
| Princess and Hanover Court | Existing HRA Housing | Options appraisal in progress | 82 |
| East Road | Demolished HRA Garages | Pre-planning | 40 |
| Eddeva Park | Section 106 | Planning approved | 32 |
| East Barnwell | Mixed Ownership Site | Planning submitted | 120 |
| Newbury Farm | Section 106 | Pre-planning | 60 |

Acquisition

Homes for Ukrainian and Afghan Refugees

The acquisition of homes to accommodate Ukrainian and Afghan refugees is progressing well, with all of the homes required under round 1 of the grant conditions completed at the time of writing this report, with 3 additional homes acquired under this programme. DLUHC were clear that they wanted local authorities to deliver as many homes as possible through this grant funded route, and so delivery of 3 additional homes in round 1 of this programme is a key achievement. 3 of the 4 properties required under round 2 are complete, with the final one in the conveyancing process. A virement of £200,000, approved as part of the HRA Medium Term Financial Strategy from the underspend of budget in respect of rough sleeper acquisitions, ensures that the number

of additional HRA dwellings to accommodate this group of households is maximised and the grant funding is used to its best advantage.

Capital Bids, Savings and Re-Phasing

There is one formal capital bid incorporated as part of the 2024/25 HRA Budget Setting Report in respect of upgrades to communication equipment in housing lifts. There are also several areas of budget re-allocation and re-phasing.

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

- Inclusion of a capital bid of £159,000 to allow the communication equipment to be upgraded from analogue to digital in 65 lifts across the housing portfolio, as identified in **Appendix E(3)**.
- Transfer of £250,000 from the capital budget for fire safety works and £27,500 from the planned maintenance contractor overheads budget to the revenue PTR budget, to allow the timber cladding in flat blocks to be treated with a fire-retardant coating.
- Inclusion of £15,285,000 from the budget ear-marked for the delivery of new homes into a scheme specific budget for the purchase of 60 homes on the Section 106 site at Newbury Farm, in line with the scheme specific report presented to this committee cycle.
- Re-phasing of the decent homes works and other investment in the housing stock as identified in **Appendix F**.
- Re-phasing of new build schemes as identified in **Appendix F**.
- Adjustment to the level of inflation held in the capital programme, recognising both re-phasing and changes in assumed costs.
- Adjustment to the level of resources ear-marked for future new build dwellings recognising the latest delivery profile and anticipated costs.

Section 9

HRA Treasury Management

Background

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

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

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

The Local Authority Investment Guidance which states that any authority making an investment that is classified as an 'investment asset primarily for yield', will not be able to access loans from the PWLB in the financial year in which it makes this investment, still poses a risk in respect of HRA borrowing. Local authorities need to submit a 3-year capital investment strategy to be able to borrow, and the Section 151 Officer needs to certify that none of the capital projects are classified as investments primarily for yield. There is therefore the potential for any investment decisions made by the General Fund to detriment the HRA's ability to borrow from the PWLB in any given year. This would not stop the HRA borrowing but would mean that an alternative lending source would need to be identified, with rates potentially not being as preferential.

HRA Borrowing

As at 1 April 2023, the Housing Revenue Account supported external borrowing of £213,572,000 in 20 maturity loans with the Public Works Loans Board (PWLB), with rates ranging between 3.46% and 3.53% depending upon the term of the loan. The loans have varying maturity dates, with the first £10,678,600 due to be repaid on 28th March 2038, and the last on 28th March 2057.

At April 2023, the HRA also held an element of internal borrowing from the General Fund of £1,404,425 as part of the HRA Capital Financing calculations, with this small sum of notional borrowing resulting in interest payable to the General Fund.

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

This iteration of the business plan assumes that the authority will re-invest all revenue resource that has been previously set-aside for potential debt redemption or re-investment in 2023/24, prior to undertaking any additional borrowing, currently estimated at £417,000,000 over the next 10 years. Following incorporation of the financial impact of correcting the first of two rent regulation errors that have been identified, this level of borrowing is required not only to facilitate the delivery of the 10 Year New Homes Programme, but also to provide some of the funding to allow all existing homes to be improved to EPC 'C' standard by 2035. Borrowing of a further £201,000,000 is required over the life of the plan, to ensure that self-financing borrowing is re-financed, existing homes are maintained at the decent homes standard, new homes are maintained at Passivhaus standards and that the small ongoing programme of new homes from year 11 onwards continues to be delivered at this standard where possible.

Borrowing to invest in energy efficiency improvements is not ideal, as the investment does not bring with it any increase in revenue stream to support the borrowing. The HRA therefore needs to explore all alternative routes for the maximisation of income, and to seek to deliver services for the best price available.

Due to the ongoing economic uncertainty, and the continued high level of the Bank of England base rate, lending rate forecasts have increased again since the HRA Medium Term Financial Strategy was published. The Council adopts Link's (the Council's treasury advisors) view of what may happen to interest rates over the medium term, with average rates of 4.4% forecast for 2024/25, 4.18% for 2025/26, 4% from 2026/27. This increases the longer-term borrowing assumption from 3.8% when the HRA Medium-Term Financial Strategy was published to 4% as part of this iteration of the business plan.

The HRA financial forecasts assume that the borrowing requirement in 2023/24 is met by borrowing from the Public Works Loan Board (PWLB), taking advantage of the current HRA reduced rate which would result in a borrowing rate of 5.02% at the time of drafting this report. Some of the resource may be available through internal borrowing from the General Fund, but interest would still need to be paid at a similar level.

Alternative borrowing routes are being explored, as the authority is required to borrow significantly greater sums from 2024/25 onwards. Consideration will be given to internal borrowing, inter-authority borrowing, market borrowing and institutional investment.

The 2024/25 HRA Budget Setting Report does not review the potential sources of lending, types of borrowing, lengths of loans or alternative rates available for taking out any additional borrowing at this stage. Further review will need to be undertaken during 2024/25 before significant external borrowing is required.

Debt Repayment / Re-Investment

Set-Aside for Repayment of HRA Debt

The debt repayment strategy no longer sets aside resource to redeem 25% of the HRA self-financing debt from the point at which the loan portfolio begins to mature in 2037/38, but instead assumes that loans are re-financed to allow a continued programme of new homes to be delivered.

The ear-marked revenue reserve created to allow resource to be informally 'set aside' will be utilised before further borrowing is taken out. Any resource set-aside since April 2012 has been incorporated for use by 2023/24 to fund the delivery of new homes,

Section 10

Budget Summary and Conclusion

Equality Impact Assessment, Uncertainties and Risk

Equality Impact Assessment

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

As part of this Budget Setting Report, an Equality Impact Assessment has been undertaken in respect of all 2024/25 HRA budget proposals, where any impact is anticipated. The assessment identifies the impact of a proposal, any mitigation available and includes an action plan detailing how negative impact can be addressed. The Equalities Impact Assessment for the overall HRA budget is included at **Appendix J**.

Risk Assessment

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

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

HRA Reserves

Housing Revenue Account General Reserves

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

For the Housing Revenue Account, the target level of reserves of £7.05m, with a minimum level of reserves of £5.875m updated in the HRA Medium-Term Financial Strategy, is proposed to be retained, recognising the need to safeguard the Council against the risk and uncertainty in the current financial and operational environment for housing.

Financial Assumptions and Sensitivity

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

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

Appendix C provides details of the key sensitivities modelled in the preparation of the HRA Budget Setting Report 2024/25.

Conclusion

The budget for 2024/25 seeks to achieve a balance in investment against current priorities, as outlined in the introduction.

Update of the HRA Business Plan and preparation of the 2024/25 budget has been challenging as a result of the need to respond to a number of unavoidable revenue pressures, combined with ongoing inflationary pressures and continued high interest rates for borrowing. The need to incorporate the financial impact of correcting one of the two identified rent regulation errors has also had a negative impact on the financial forecasts.

This iteration of the business plan retains the resource identified as part of the 2023/24 budget process to allow improvement to the energy efficiency of the existing housing stock, with funding incorporated to improve existing homes to at least an EPC 'C' standard over the next 12 years, whilst also ensuring that new build homes meet high energy efficiency standards. This will ensure good progress towards meeting the aspirational energy efficiency standards across the housing stock and will improve thermal comfort and reduce energy bills for tenants. Borrowing is now required to facilitate the energy investment in the current housing stock, which will put additional financial strain on the ongoing business plan.

To facilitate the level of investment in the current business plan, it is necessary to impose a 7.7% rent increase for tenants from April 2024. This increase is in line with the Rent Standard, adopting increase of CPI plus 1%, with CPI at September 2023 being 6.7%. It is necessary to impose the rent increase at this level to facilitate the desired energy investment in the housing stock.

The authority still awaits the publication of the new consumer standards for social housing, anticipated to be published in February 2024 by the Regulator of Social Housing and the revised Decent Homes Standard (Decent Homes 2), and how this will impact service delivery, with legislation also awaited in this area.

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

Work undertaken as part of the 2024/25 budget process has resulted in the development of proposals for setting the budget for the Housing Revenue Account.

In January 2024 Housing Scrutiny Committee will consider the budget proposals, prior to the Executive Councillor for Housing making decisions in respect of the revenue aspects of the

budget, making recommendation for the housing capital budget for 2023/24 to 2032/33 to Council for consideration and approval.

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

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

The meeting of Council in February 2024 will consider the final proposed Housing Capital Budget as identified in this report for approval.

Savings identified in the HRA from 2024/25 include anticipated savings from improved repairs delivery, a reduction in repairs and renewals fund expenditure, recognising changes in the way the council remotely and in a paperless environment and a reduction in operational budgets for the supported housing service.

Increased income is anticipated from garage rents, with an assumed increase of 7.7% in line with the increase for dwelling rent, increased commercial property rental income, particularly as a result of letting what was the area housing office on Arbury Road and in de-minimus capital receipts which are received for the sale of small land assets and for the extension of the leases in respect of leasehold flats.

Savings and increased income are more than offset partially offset by unavoidable revenue bids and reduced income in 2024/25, but a number of these pressures are one-off or short-term in nature. They include an increase in the costs of council tax in vacant dwellings pending redevelopment, the legal and compensation costs associated with disrepair claims and the

expectation that the authority will need to pay a fee to the Regulator of Social Housing from 2024/25. The biggest area of reduced income is in respect of the one-off cost of refunding over-paid rent due to a rent regulation error and the ongoing reduction in the base level of rent that will be applicable once the required corrections have been made from April 2024.

Any net saving delivered allows for the creation of a Strategic Investment Fund, at 50% of the value of the savings target, as approved in the HRA Medium Term Financial Strategy, but with the only development bids incorporated for 2024/25 being a bid for an additional Housing Officer from April 2026, which is funded from the existing budget for business expansion. No call on the Strategic Investment Fund helps to mitigate the impact of the cost of the unavoidable revenue pressures.

There are non-cash limit adjustments to reflect changes in the contribution to the bad debt provision, depreciation, interest anticipated to be paid on borrowing and in interest expected to be received on cash balances, partially offset by changes in direct revenue financing of capital expenditure.

The overall position for the HRA by 2024/25 (including non-cash limit adjustments) is a cumulative under-achievement of £102,960, improving by the end of the 5-year term to result in a balanced revenue budget position by 2028/29.

There is currently an assumption that efficiency savings of £196,000 per annum will be sought for a further 4 years, allowing the continuation of a Strategic Investment Fund at 50% of this value for the same period. Effectively, any increase in revenue costs or investment in new revenue areas of priority will need to be funded through the identification of efficiency savings or increased income elsewhere across the service.

One of the biggest risks to the business plan is the uncertainty in how long interest rates for borrowing will take to come back down, and to what base level they may return to. It is currently forecast that rates will not return to the previous low levels. The assumption that the authority will be successful in securing Homes England Grant, with assumptions that the majority of sites on the 10 Year New Homes Programme will have grant funding to allow them to proceed is another key

risk. If the authority is unsuccessful in securing grant, each scheme will need to be revisited before entering into contract to ensure that the HRA can borrow sufficient funds to proceed.

The HRA is making significant progress in delivering over 500 additional homes using Devolution Grant, with 448 net additional homes handed over and a further 88 net additional homes on site at the time of writing this report. The authority also has a number of schemes approved as part of the new 10 Year New Homes Programme, with 10 homes completed, and a further 179 net new homes on site at the time of writing this report.

Review of the need to identify savings in future years will need to consider not only sustaining a 30-year business plan, supporting increased borrowing and taking account of the impact of any emerging housing legislation, but also considering the authorities commitment to the delivery of new build housing and aspiration to improve the sustainability standards of existing homes.

Appendix A

Key Risk Analysis

| Risk Area & Issue arising | Controls / Mitigation Action |
|--|--|
| Effects of Legislation / Regulation | |
| <p>Implications of new legislation / regulation or changes to existing are not identified or implemented correctly</p> <p>Delays in announcement of detail surrounding housing policy change negatively impacts decisions taken at a local level</p> <p>Funding is not identified to meet the costs associated with changes in statutory requirements</p> <p>Changes in national housing or rent policy (or incorrect interpretations of the policy) impact the ability to support the housing debt or deliver against planned investment programmes</p> <p>Review of historic rent setting processes identifies further rent setting errors</p> | <ul style="list-style-type: none"> • Effective, formal, regular review processes are in place for the HRA to ensure that implications are identified, quantified and highlighted. Officers review any publications. • Officer Groups review impact of legislative changes prior to implementation. • Service Improvement Team in place to respond to requirements of Social Housing Regulation Bill • Decisions taken in the context of a business plan which recognises the uncertainty. Savings taken have impacts exemplified to ensure impact is mitigated. • Additional / specific funding requirements for new services can be identified through the budget process, to allow effective prioritisation of resources. Minimum reserves are held to allow immediate investment if required. • Representation made to DLUHC and other national bodies where statutory requirements carry excessive cost. • The Council has processes in place ensuring early engagement in any consultation and collective representation through national housing bodies. • Impact of any proposed changes to national rent policy or identification of any errors are incorporated into financial planning as early as possible with scenario impact quantified. • Quantification of any errors made at the earliest opportunity, with any impact incorporated into financial planning as early as possible |
| Housing Spending Plans | |
| <p>The Council approves plans which are not sustainable into the future, leading to increasing problems in balancing budgets</p> | <ul style="list-style-type: none"> • Council has adopted medium and long-term modelling (up to 30 years) for HRA, ensuring decisions are made in context of long-term impact. |

| Risk Area & Issue arising | Controls / Mitigation Action |
|---|---|
| | <ul style="list-style-type: none"> • The Business Plan includes long-term trend and scenario analysis on key cost drivers. • Target levels of reserves are set for the HRA to enable uneven pressures to be effectively dealt with, and to provide cover against unforeseen events / pressures. |
| Financial planning lacks appropriate levels of prudence | |
| <p>Business Planning assumptions are wildly inaccurate</p> <p>Financial policies, in general, are not sufficiently robust</p> <p>Funding to support the approved Capital Plan is not available</p> <p>Business plan assumption that all borrowing is re-financed at the end each borrowing term can't be supported</p> <p>Routine compliance inspections identify the need for additional investment in the housing stock</p> | <p>Council has adopted key prudence principles, reflected in:</p> <ul style="list-style-type: none"> • Use of external expert opinion and detailed trend data to inform assumptions • Ongoing revenue funding for capital is reviewed for affordability as part of the 30-year modelling process • Adoption of strict medium / long-term planning • Policy on applying general capital receipts for strategic disposals only at point of receipt <p>Business plan is reviewed annually, housing stock is maintained to decency standards, with an asset management strategy in place.</p> <p>Two opportunities each year to review the HRA business plan and associated revenue budget and capital programme to allow incorporation of funding at an early stage.</p> |
| Use of resources is not effectively managed | |
| <p>There is ineffective use of the resources available to the HRA</p> <p>Failure to deliver Major Housing / Development Projects, i.e. return on capital investment, project on time etc.</p> <p>Value for money in terms of investment in new build homes is challenged</p> | <ul style="list-style-type: none"> • Council employs robust business planning processes for the HRA • Council has adopted a standard project management framework • A business decision is required for all strategic acquisitions, disposals and one-off areas of significant investment • Performance and contractor management procedures are robust and contracts are enforceable • The Council's accounts are audited on an annual basis, with assurance given that the authority is delivering economy, efficiency and effectiveness in its use of resources • Council adopts a mix of delivery vehicles • Council employs cost consultants to demonstrate price comparability with the local market |

| Risk Area & Issue arising | Controls / Mitigation Action |
|---|--|
| | <ul style="list-style-type: none"> • Council has completed an independent review of new build delivery |
| External income / funding streams | |
| <p>Undue reliance may be placed on external income streams, leading to approval of unsustainable expenditure</p> | <ul style="list-style-type: none"> • Modelling over the medium and long-term is conducted for key income sources, including sensitivity analysis of potential changes |
| <p>Rent and service charge arrears increase, and bad debt rises, as a direct result of the Welfare Benefit Reforms or the current cost of living crisis</p> | <ul style="list-style-type: none"> • Council seeks to influence national settlements and legislative changes through response to formal consultation • Increased resources identified for income management. Performance closely monitored to allow further positive action if required. |
| <p>Rent income is under-achieved due to a major incident in the housing stock</p> | <ul style="list-style-type: none"> • Income Analytics and LIFT software procured to aid arrears recovery. |
| <p>Rent income is under-achieved due to a major incident in the housing stock</p> | <ul style="list-style-type: none"> • Asset Management Plan in place to identify and address key issues in the housing stock to minimise likelihood of widespread incidents |
| <p>Changes in the economic environment cause a significant reduction in the number of right to buy sales, reducing the resource available to finance the capital investment programme</p> | <ul style="list-style-type: none"> • Sensitivities modelled so potential impacts are understood • Business plan is regularly reviewed allowing reallocation of resource or consideration of borrowing if required |
| <p>Changes to the right to buy rules result in an increase in the level of sales, with the associated commitment to deliver replacement units or pay over receipts with interest</p> | <ul style="list-style-type: none"> • Sensitivities modelled so potential impacts are understood • Retained resources are monitored to ensure delivery of required units or return of resource at earliest opportunity |
| <p>Changes to the right to buy rules result in an increase in the level of sales, with the associated commitment to deliver replacement units or pay over receipts with interest</p> | <ul style="list-style-type: none"> • Delivery timeframe extended to 5 years, with ability to invest up to 40% of receipt into the replacement dwelling |
| <p>Volatility and competition in the property market impacts the ability to fund planned capital investment from the sale of assets</p> | <ul style="list-style-type: none"> • Policy on applying general capital receipts for strategic disposals only at point of receipt • Regular review of mix of new build delivered to ensure that assumptions around shared ownership and market sale are realistic |

Appendix B

Business Planning Assumptions (Highlighting Changes in Bold)

| Key Area | Assumption | Comment | Status |
|---------------------------------------|--|---|----------------|
| General Inflation (CPI) | 3% for 2024/25, returning to 2% from 2025/26 | General inflation on expenditure included at 3% for 2024/25, with 2% ongoing per Bank of England forecasts. | Retained |
| Capital and Planned Repairs Inflation | 2.68% for planned maintenance and 4.7% for new build | Based upon the mix of BCIS and CPI forecasts for next 5 years, using averages over this period. Adopt 4.7% for new build based upon industry projections. | Retained |
| Debt Repayment | No debt repayment assumed | Assumes surplus is re-invested in income generating assets, but with borrowing rates resulting in ability to support interest payments only. | Retained |
| Pay Inflation | 1% Pay Progression & Pay Inflation at £1,925 or 3.88% for 2023/24, 4%, then 2% | Assume allowance for increments at 1% and cost of living pay inflation at £1,925 (or 3.88% from scp 43) for 2023/24, 4% for 2024/25, then 2% on an ongoing basis. | Retained |
| Employee Turnover | 3% | Employee budgets assume a 3% turnover, unless service area is a single employee, or is a shared service, externally recharged service or trading account. | Retained |
| Social Rent Review Inflation | 7.7% for 2024/25, then CPI plus 0.5% for 5 years, then CPI | Assume an increase of CPI plus 1% for 2024/25, then reverting to inflation plus 0.5% for 5 years after this, then CPI. Assume CPI in preceding September is 6.7%, then 2% ongoing. | Retained |
| Affordable Rent Review Inflation | 7.7% for 2024/25, then CPI plus 0.5% for 5 years, then CPI | Affordable rents to be reviewed annually in line with rent guidance, ensuring that re-lets do not breach the Local Housing Allowance, 60% or 80% of market rent, depending upon the tenure. | Retained |
| Rent Convergence | Void Only | Ability to move to target rent achieved only through movement of void properties directly to target rent. | Retained |
| External Lending Interest Rate | 5% for 2023/24, 4.5% for 2024/25, 3% from 2025/26 ongoing | Interest rates based on latest market projections, recognising that the HRA will benefit from low-risk investments only | Amended |

| Key Area | Assumption | Comment | Status |
|----------------------------------|---|--|----------|
| Internal Lending Interest Rate | 5% for 2023/24, 4.5% for 2024/25, 3% from 2025/26 ongoing | Assume the same rate as anticipated can be earned on cash balances held, so as not to detriment either the HRA or the General Fund longer-term. | Amended |
| External Borrowing Interest Rate | 5.02% for 2023/24, 4.4% for 2024/25, 4.18% for 2025/26, then 4% ongoing | Assumes additional borrowing using PWLB projected rates generated by Link, with HRA and certainty rate applied. | Amended |
| Internal Borrowing Interest Rate | 5.02% for 2023/24, 4.4% for 2024/25, 4.18% for 2025/26, then 4% ongoing | Assume the same rate as external borrowing to ensure flexibility in choice of borrowing route. | Amended |
| HRA Minimum Balances | £5,875,000 | Revise HRA minimum balance to £4,628,000, following a review of the approach to holding reserves in the HRA. | Retained |
| HRA Target Balances | £7,050,000 | Revise HRA target balance to £5,554,000 (minimum plus 20%), following a review of the approach to holding reserves in the HRA. | Retained |
| Right to Buy Sales | 20 in 2023/24, then 25 sales ongoing | Activity has slowed as a result of mortgage rate increases, so the assumed sales for 2023/24 have been reduced, but the previous assumption of 25 sales is retained annually from 2024/25 ongoing. | Retained |
| Right to Buy Receipts | Settlement right to buy and assumed one-for-one receipts included | Debt settlement receipts included, assuming the receipts utilised partly for general fund housing purposes. Anticipated one-for-one receipts included, and ear-marked for direct new build spend. Debt repayment proportion assumed to be set-aside. | Retained |
| Void Rates | 2.5% for 2023/24, 1.5% for 2024/25 then 1% ongoing | Assume increased void rate of 2.5% for 2023/24, 1.5% for 2024/25, then ongoing void rate of 1% from 2025/26, recognising intended improved void performance. | Amended |
| Bad Debts | 1% from 2023/24 ongoing | Bad debt of 1% ongoing reflecting the requirement to collect 100% of rent directly through Universal Credit. | Retained |
| Savings Target | £196,000 (4% of general and repairs administrative expenditure) | Retain an efficiency target, now at £196,000 from 2024/25 for 5 years. Allows strategic reinvestment and a response to pressure from national housing policy change. | Retained |

| Key Area | Assumption | Comment | Status |
|----------------------------------|------------------------------------|---|----------------|
| Responsive Repairs Expenditure | Adjusted pro rata to stock changes | An assumption is made that direct responsive repair expenditure is adjusted annually in line with any change in stock numbers. | Retained |
| Strategic Investment Fund | £98,000 | Housing Strategic Investment Fund included from 2024/25 for 5 years at 50% of the value of the savings target for the full 5 year period to deliver a net reduction in costs | Amended |

Appendix C

Business Plan Key Sensitivity Analysis

Page 108

| Topic | Business Plan Assumption | Key Sensitivity Modelled | Financial Impact | Business Plan Impact |
|------------------------------------|---|---|---|--|
| Rents Inflation | Assumed at 7.7% for 2024/25, then CPI plus 0.5% for 5 years, then CPI | No guarantee that there will be the ability to return to previously assumed rent increases if rents are set legislatively after 2024/25, so assume CPI only from 2025/26. | Borrowing increases by £86 million during the life of the plan and interest payments by £37 million. | 990 of the 1,700 homes are unable to be improved to EPC 'C'. |
| Rent Increases | Assumed at 7.7% for 2024/25, then CPI plus 0.5% for 5 years, then CPI | Assume a local decision to cap rent increases at 7% for 2024/25 | Borrowing increases by £27 million and interest payments by £13 million. | 330 of the 1,700 homes are unable to be improved to EPC 'C'. |
| Rent Increases | Assumed at 7.7% for 2024/25, then CPI plus 0.5% for 5 years, then CPI | Assume a local decision to cap rent increases at 5% for 2024/25 | Borrowing increases by £108 million during the life of the plan and interest payments by £49 million. | 1,210 of the 1,700 homes are unable to be improved to EPC 'C'. |
| Rent Increases | Assumed at 7.7% for 2024/25, then CPI plus 0.5% for 5 years, then CPI | Assume a local decision to cap rent increases at 3% for 2024/25 | Borrowing increases by £190 million during the life of the plan and interest payments by £86 million. | None of the 1,700 homes are able to be improved to EPC 'C' and a savings target of 15% would be required next year in place of the current 4%. |
| General Inflation | CPI assumed to be 3% for 2024/25, then 2% ongoing from 2025/26 | Assume that high levels of inflation do not return to 2% within 18 months, with CPI at 4% in 2025/26 and 5% in 2026/27, before returning to 2% from 2027/28. | Borrowing increases by £21 million during the life of the plan. | 260 of the 1,700 homes are unable to be improved to EPC 'C'. |
| Direct Payments (Universal Credit) | Bad Debts at 1.5% | Evidence from the pilot authorities for direct payment indicated that collection rates may fall from 99% to 95%. | Borrowing increases by £135 million during the life of the plan, with £75 million bad | 1,570 of the 1,700 homes are unable to be improved to EPC 'C'. |

| Topic | Business Plan Assumption | Key Sensitivity Modelled | Financial Impact | Business Plan Impact |
|---------------------------------|---|---|--|---|
| | | Assume bad debts at 5% from 2024/25. | debt and £63 million in additional interest payments. | |
| Cost of HRA New Build Programme | Homes England Grant assumed for all eligible affordable tenures | Assume that the authority fails to secure further Homes England Grant to support the delivery of new homes | Borrowing increases by £97 million during the life of the plan and interest payments increase by £68 million. | 1,130 of the 1,700 homes are unable to be improved to EPC 'C'. |
| Cost of Borrowing | Borrowing is assumed at 5.01% for 2023/24, 4.8% for 2024/25, 4.18% for 2025/26, then 4% ongoing | Assume that the long-term borrowing rate does not fall to a low as 4%, but instead stabilises at 4.5% | Borrowing increases by £93 million during the life of the plan and interest payments increase by £94 million. | 970 of the 1,700 homes are unable to be improved to EPC 'C'. |
| Cost of Borrowing | Borrowing is assumed at 5.02% for 2023/24, 4.4% for 2024/25, 4.18% for 2025/26, then 4% ongoing | Assume that the current reduced HRA rate is the best we can expect in the long-term, so assume borrowing at 5.02% ongoing | Borrowing increases by £237 million during the life of the plan and interest payments increase by £240 million, which is not financially viable. | None of the 1,700 homes are able to be improved to EPC 'C' and 44 fewer new homes could be delivered. |

Note: Key sensitivities are modelled independently to demonstrate the financial impact. Combined they would have a cumulative effect.

Appendix D

Service Charges

| Charge Description | Range of Charges 2023/24 | Charge Basis | Charges 2024/25 |
|-------------------------------------|-----------------------------|--------------|----------------------|
| General Stock | | | |
| Caretaking Charge | £4.57 to £6.02 | Per Week | A |
| Building Cleaning | £1.97 to £3.85 | Per Week | A |
| Window Cleaning | £0.01 to £0.56 | Per Week | A |
| Estate Services Champion | £0.07 to £0.75 | Per Week | A |
| Door Entry | £0.04 to £2.57 | Per Week | A / B |
| Passenger Lifts | £0.18 to £2.51 | Per Week | A / B |
| Gas Maintenance / Servicing | £2.30 | Per Week | A / B (Under review) |
| Digital TV Aerial Charge | £0.10 to £0.31 | Per Week | A |
| Grounds Maintenance | £0.06 to £5.41 | Per Week | A / B |
| Communal Electricity | £0.16 to £8.47 | Per Week | A / B |
| Third Party Estate Service Charge | £0.85 to £7.52 | Per Week | A |
| Third Party Service Charge | £5.67 to £29.23 | Per Week | A |
| Disabled Adaptation Charge | £2.14 to £5.06 | Per Week | A |
| Dropped Kerb Charge | £0.05 to £1.08 | Per Week | Frozen |
| General Sheltered Schemes | | | |
| Premises Charge | £2.93 to £38.06 | Per Week | A |
| Communal Heating / Lighting | £7.22 to £15.68 | Per Week | A |
| Individual Heating / Lighting | £10.73 to £38.95 | Per Week | A |
| Water | £1.97 to £3.72 | Per Week | A |
| Grounds Maintenance | £0.30 to £2.92 | Per Week | A |
| Electrical / Mechanical Maintenance | £0.42 to £5.65 | Per Week | A / B (Under review) |
| Sheltered Support Charge | £6.06 to £7.54 | Per Week | C |

| | | | |
|--|---|-------------|---|
| Alarm Charge | £0.89 | Per Week | A |
| Landlord Emergency Contact | £0.90 | Per Week | A |
| Sheltered Hall Hire | £10.00 (M - F) £20.00 (Sat/Sun) £5.45** | Per Hour | £10.00 (M - F) £20.00 (Sat/Sun) £5.45** |
| **Reduced hourly rate for events which CCC sheltered residents can attend | | | |
| Ditchburn Place | | | |
| Premises Charge | £1.66 to £45.74 | Per Week | A |
| Flat Cleaning / Laundry Charge (1 person) | £36.80 | Per Week | A |
| Communal Heating / Lighting | £1.13 to £1.24 | Per Week | A |
| Individual Heating / Lighting | £15.69 to £28.79 | Per Week | A |
| Water | £2.60 | Per Week | A |
| Catering (1 person) | £141.81 | Per Week | A |
| Grounds Maintenance | £2.25 | Per Week | A |
| Electrical / Mechanical Maintenance | £3.24 | Per Week | A / B (Under review) |
| Sheltered Support Charge | £7.54 | Per Week | C |
| Alarm Charge | £0.89 | Per Week | A |
| Landlord Emergency Contact | £0.90 | Per Week | A |
| Launderette – Wash / Dry / Iron | £10.00 | Per Load | £10.00 |
| Cleaning | £10.00 | Per 30 Mins | £10.00 |
| Temporary Accommodation | | | |
| Premises Charge | £30.21 to £59.41 | Per Week | A |
| Individual Heating / Lighting | £24.98 to £73.41 | Per Week | A |
| Water | £7.16 to £11.46 | Per Week | A |
| Grounds Maintenance | £0.15 to £3.42 | Per Week | A |
| Electrical / Mechanical Maintenance | £0.31 to £3.56 | Per Week | A / B (Under review) |
| Leasehold Charges for Services (Quoted exclusive of VAT which is charged at the prevailing rate where applicable) | | | |
| Solicitors' pre-sale enquiries | £150.00 | Per Request | £150.00 |
| Copy of lease / Document provision | £30.00 | Per Request | £30.00 |

| | | | |
|--|--------------------|-------------|--------------------|
| Re-mortgage Enquiry/Copy of Insurance schedule | £30.00 | Per Request | £30.00 |
| Notice of Assignment / Notice of Charge | £100.00 | Per Request | £100.00 |
| Deed of Variations Administration plus CCC Solicitor Fee and Own Solicitor Fee | £50.00 £580.00+ | Per Request | £50.00 £580.00+ |
| Home Improvement Administration Home Improvement Survey | £30.00 £125.00 | Per Request | £30.00 £125.00 |
| Retrospective consent for improvements | Above +£25.00 | Per Request | Above +£25.00 |
| Registering sub-let details | £75.00 | Per Request | £75.00 |
| Advice Interview for Prospective Purchasers | £50.00 | Per Request | £50.00 |
| Legal Fees | | | |
| Right of First Refusal – s156a Certificate | £160.00 | Per Request | £160.00 |
| Deed of postponement | £150.00 | Per Request | £200.00 |
| Lease Extensions | | | |
| Legal costs (unless matter becomes protracted) | £550 | Per Request | £600 |
| Valuation Fee | £750 | Per Request | £750 |
| Surveyor's Fee | £250 | Per Request | £250 |
| Housing Fee | £50 | Per Request | £100 |
| Other Charges for Services | | | |
| Land Acquisition Enquiry Fee | £100.00 | Per Request | £100.00 |

| Key | |
|-----|---|
| A | Proposal to recover the full estimated cost of providing these services in 2024/25, recognising the authority should endeavour to limit increases to inflation at 7.7% (CPI at September 2023 of 6.7% plus 1%). |
| B | Charges were separated out from rent in 2004/05. Charges can be increased to recover full cost, recognising that the authority should endeavour to limit increases to inflation at 7.7% (CPI in September 2023 plus 1%) |

| | |
|---|--|
| C | Charges levied for support activities will be reviewed to recover the full estimated cost of providing these services in 2024/25, after taking into account any services being funded through the support service for older people with the County Council |
|---|--|

Appendix E(1)

2023/24 HRA Mid-Year Revenue Budget Adjustments

| Area of Income / Expenditure | Description | Budget Amendment in 2023/24 Budget (£) | Budget Amendment in 2024/25 Budget (£) | Comment |
|---|---|--|--|----------------------------------|
| Budgeted use of / (contribution to) HRA Reserves pre BSR | | 3,199,670 | | |
| HRA Repairs | | | | |
| PTR | Re-allocation of capital Fire Safety funding to PTR for cladding treatment | 277,500 | | Re-allocation |
| Risk and Compliance | Re-phase funding for heat and smoke detector installations | (250,000) | 250,000 | Re-phase |
| Total HRA Repairs | | 27,500 | | |
| HRA Summary Account | | | | |
| Interest earned on HRA Balances | An increase in interest rates will result in an increase in the level of interest that will be earned | (31,680) | | Built into base for future years |
| Interest Paid | A marginal reduction in interest due in 2023/24 recognising the impact of anticipated in year borrowing | (289,330) | | Built into base for future years |
| DRF | Adjustment to DRF recognising transfer of funding from Fire Safety to PTR | (277,500) | | Re-allocation |
| Total HRA Summary | | (598,510) | | |
| Revised use of / (contribution to) HRA Reserves post HRA BSR | | 2,628,660 | | |

Appendix E (2)

2024/25 Budget – HRA Proposals – by Type

| Reference | Item Description | 2024/25 Budget £ | 2025/26 Budget £ | 2026/27 Budget £ | 2027/28 Budget £ | 2028/29 Budget £ | Climate Rating | Poverty Ratings & Contact |
|-----------|------------------|------------------------|------------------------|------------------------|------------------------|------------------------|-------------------|---------------------------------|
|-----------|------------------|------------------------|------------------------|------------------------|------------------------|------------------------|-------------------|---------------------------------|

Reduced Income

| | | | | | | | | |
|--------|---------------------|---------|---------|---------|---------|---------|-----|-----------|
| RI5237 | Reduced Rent Income | 187,120 | 190,490 | 194,420 | 198,480 | 202,650 | Nil | No Impact |
|--------|---------------------|---------|---------|---------|---------|---------|-----|-----------|

Correcting the rent levels for some affordable rented homes will result in reduced rent income.

Housing (HRA) Portfolio

| | | | | | | | | |
|--------|-------------------------|-----------|---|---|---|---|-----|-----------|
| RI5238 | Budget for Rent Refunds | 1,150,000 | 0 | 0 | 0 | 0 | Nil | No Impact |
|--------|-------------------------|-----------|---|---|---|---|-----|-----------|

Funding to allow refunds of over-charged affordable rents, following identification of a rent regulation error.

Housing (HRA) Portfolio

| | | | | | | | | |
|----------------------|--|-----------|---------|---------|---------|---------|--|--|
| Total Reduced Income | | 1,337,120 | 190,490 | 194,420 | 198,480 | 202,650 | | |
|----------------------|--|-----------|---------|---------|---------|---------|--|--|

2024/25 Budget – HRA Proposals – by Type

| Reference | Item Description | 2024/25 Budget £ | 2025/26 Budget £ | 2026/27 Budget £ | 2027/28 Budget £ | 2028/29 Budget £ | Climate Rating | Poverty Ratings & Contact |
|-----------|------------------|------------------------|------------------------|------------------------|------------------------|------------------------|-------------------|---------------------------------|
|-----------|------------------|------------------------|------------------------|------------------------|------------------------|------------------------|-------------------|---------------------------------|

Revenue Bids

| | | | | | | | | |
|--------------|------------------------------------|---------|---|---|---|---|-----|-----------|
| B5167 | Increased Council Tax Costs | 162,500 | 0 | 0 | 0 | 0 | Nil | No Impact |
|--------------|------------------------------------|---------|---|---|---|---|-----|-----------|

In addition to general voids, the HRA will need to meet the cost of Council Tax for units decanted for re-development. Julia Hovells

Housing (HRA) Portfolio

| | | | | | | | | |
|--------------|--|---------|--------|--------|---|---|-----|-----------|
| B5183 | Bid for resource in respect of disrepair claims | 100,000 | 75,000 | 50,000 | 0 | 0 | Nil | No Impact |
|--------------|--|---------|--------|--------|---|---|-----|-----------|

In keeping with the national trend, the authority is experiencing a growing volume of disrepair claims. This bid funds the legal expenses that the council incurs regardless of the outcome of the case. This bid also funds compensation payments in the event of a successful claim against the council. The service is transforming its delivery model, and this will reduce the number of cases, which is reflected by the tapered nature of the bid. The council is also reviewing viability of indemnifying itself against claims. Sean Cleary

Housing (HRA) Portfolio

| | | | | | | | | |
|--------------|---|--------|--------|--------|--------|--------|-----|-----------|
| B5226 | Regulator of Social Housing Local Authority Fees | 53,330 | 53,330 | 53,330 | 53,330 | 53,330 | Nil | No Impact |
|--------------|---|--------|--------|--------|--------|--------|-----|-----------|

The Regulator of Social Housing is consulting on fees that will be applicable to local authorities from 2024/25, and although the consultation is not concluded, it is considered prudent to assume that the authority will need to pay at least the lower rate of £7 per property indicated in the consultation.

Housing (HRA) Portfolio

| | | | | | | | | |
|--------------|--|---|---|---|---|---|-----|-----------|
| B5245 | Employment of an additional Housing Officer | 0 | 0 | 0 | 0 | 0 | Nil | No Impact |
|--------------|--|---|---|---|---|---|-----|-----------|

An increase in stock numbers and in the level of engagement required with tenants results in the need to increase the establishment by one Housing Officer. This post will be funded from existing resource in the HRA Business Plan included recognising growth in the housing stock, but funding won't be required until March 2026 when an existing secondment comes to an end.

Housing (HRA) Portfolio

| | | | | | | | | |
|--------------|--|---------|---------|---------|---------|---------|-----|-----------|
| B5246 | Increase in Recharges from the General Fund | 133,920 | 133,920 | 133,920 | 133,920 | 133,920 | Nil | No Impact |
|--------------|--|---------|---------|---------|---------|---------|-----|-----------|

A review of the cost of central and support services has resulted in an increase in costs to the HRA, particularly in respect of the costs of the Customer Service Centre and the Senior Management Restructure, where the HRA has not benefitted from any reduction in costs. This will have an equal and opposite impact for the General Fund.

Housing (HRA) Portfolio

| | | | | | |
|------------------------------------|------------------|----------------|----------------|----------------|----------------|
| Total Revenue Bids | 449,750 | 262,250 | 237,250 | 187,250 | 187,250 |
| Pressures & Bids Total: | 1,786,870 | 452,740 | 431,670 | 385,730 | 389,900 |

2024/25 Budget – HRA Proposals – by Type

| Reference | Item Description | 2024/25 Budget £ | 2025/26 Budget £ | 2026/27 Budget £ | 2027/28 Budget £ | 2028/29 Budget £ | Climate Rating | Poverty Ratings & Contact |
|-----------|------------------|------------------------|------------------------|------------------------|------------------------|------------------------|-------------------|---------------------------------|
|-----------|------------------|------------------------|------------------------|------------------------|------------------------|------------------------|-------------------|---------------------------------|

Savings

| | | | | | | | | |
|--------------|----------------------------------|----------|----------|----------|----------|----------|-----|-----------|
| S5157 | Supported Housing Savings | (30,820) | (30,820) | (30,820) | (30,820) | (30,820) | Nil | No Impact |
|--------------|----------------------------------|----------|----------|----------|----------|----------|-----|-----------|

Reductions in net operational costs across the supported housing service

Nathan
Chapman

Housing (HRA) Portfolio

| | | | | | | | | |
|--------------|---|----------|----------|----------|----------|----------|-----|-----------|
| S5163 | Review and reduction in HRA repairs and renewals contributions | (22,160) | (22,160) | (22,160) | (22,160) | (22,160) | Nil | No Impact |
|--------------|---|----------|----------|----------|----------|----------|-----|-----------|

A review of repairs and renewals contributions has resulted in a reduced contribution recognising a reduction in office based equipment

Julia Hovells

Housing (HRA) Portfolio

| | | | | | | | | |
|--------------|---|----------|----------|----------|----------|----------|-----|-----------|
| S5172 | Increased efficiency in repairs delivery | (50,000) | (50,000) | (50,000) | (50,000) | (50,000) | Nil | No Impact |
|--------------|---|----------|----------|----------|----------|----------|-----|-----------|

Improving efficiency and productivity in the repairs service will negate the need to increase DLO staff from April 2024 as budgeted for in the HRA Business Plan.

James Elms

Housing (HRA) Portfolio

| | | | | | | | | |
|--------------|--|----------|----------|----------|----------|----------|-----|-----------|
| S5173 | Improved efficiency in out of hours repairs service | (12,500) | (12,500) | (12,500) | (12,500) | (12,500) | Nil | No Impact |
|--------------|--|----------|----------|----------|----------|----------|-----|-----------|

Review of call handling in respect of out of hours repairs activity is anticipated to deliver a reduction in the volume of out of hours repairs completed, reducing staff overtime costs.

James Elms

Housing (HRA) Portfolio

| | | | | | | | | |
|----------------------|--|-----------|-----------|-----------|-----------|-----------|--|--|
| Total Savings | | (115,480) | (115,480) | (115,480) | (115,480) | (115,480) | | |
|----------------------|--|-----------|-----------|-----------|-----------|-----------|--|--|

2024/25 Budget – HRA Proposals – by Type

| Reference | Item Description | 2024/25 Budget £ | 2025/26 Budget £ | 2026/27 Budget £ | 2027/28 Budget £ | 2028/29 Budget £ | Climate Rating | Poverty Ratings & Contact |
|-----------|------------------|------------------------|------------------------|------------------------|------------------------|------------------------|-------------------|---------------------------------|
|-----------|------------------|------------------------|------------------------|------------------------|------------------------|------------------------|-------------------|---------------------------------|

Increased Income

| | | | | | | | | |
|---------------|--|----------|----------|----------|----------|----------|-----|-----------|
| II5158 | Increased Commercial Property and De-Minimus Receipt Income | (32,780) | (32,780) | (32,780) | (32,780) | (32,780) | Nil | No Impact |
|---------------|--|----------|----------|----------|----------|----------|-----|-----------|

Increased rental income is anticipated based upon the latest HRA commercial property leases and rent reviews and also in respect of lease extensions for leasehold flats. Julia Hovells

Housing (HRA) Portfolio

| | | | | | | | | |
|---------------|---------------------------------------|----------|----------|----------|----------|----------|-----|-----------|
| II5165 | Increased garage rental income | (31,350) | (31,350) | (31,350) | (31,350) | (31,350) | Nil | No Impact |
|---------------|---------------------------------------|----------|----------|----------|----------|----------|-----|-----------|

Based upon a garage rent increase of 7.7% in line with the inflationary increase proposed for the housing stock, also recognising garages currently let or anticipated to be handed over and let in the coming months. Julia Hovells

Housing (HRA) Portfolio

| | | | | | | | | |
|---------------|---|----------|----------|----------|----------|----------|-----|-----------|
| II5166 | Increased dwelling rental income | (13,260) | (13,260) | (13,260) | (13,260) | (13,260) | Nil | No Impact |
|---------------|---|----------|----------|----------|----------|----------|-----|-----------|

Rents have been reviewed using the latest assumptions in property numbers, void levels and rental levels and assume a rent increase of 7.7%. Julia Hovells

Housing (HRA) Portfolio

| | | | | | | | | |
|---------------|-----------------------------------|----------|----------|----------|----------|----------|---------------------|-----------|
| II5171 | Letting of 171 Arbury Road | (53,860) | (53,860) | (53,860) | (53,860) | (53,860) | Positive/Low Impact | No Impact |
|---------------|-----------------------------------|----------|----------|----------|----------|----------|---------------------|-----------|

This is the net position for the HRA following the cessation of use of 171 Arbury Road by the Council, the letting of the building externally and the increase in recharge to the HRA recognising staff will be accommodated elsewhere. Julia Hovells

Housing (HRA) Portfolio

| | | | | | |
|-------------------------------|-----------|-----------|-----------|-----------|-----------|
| Total Increased Income | (131,250) | (131,250) | (131,250) | (131,250) | (131,250) |
|-------------------------------|-----------|-----------|-----------|-----------|-----------|

| | | | | | |
|-----------------------|------------------|------------------|------------------|------------------|------------------|
| Savings Total: | (246,730) | (246,730) | (246,730) | (246,730) | (246,730) |
|-----------------------|------------------|------------------|------------------|------------------|------------------|

2024/25 Budget – HRA Proposals – by Type

| Reference | Item Description | 2024/25 Budget £ | 2025/26 Budget £ | 2026/27 Budget £ | 2027/28 Budget £ | 2028/29 Budget £ | Climate Rating | Poverty Ratings & Contact |
|-----------|------------------|------------------------|------------------------|------------------------|------------------------|------------------------|-------------------|---------------------------------|
|-----------|------------------|------------------------|------------------------|------------------------|------------------------|------------------------|-------------------|---------------------------------|

Non-Cash Limit Items

| | | | | | | | | |
|----------------|-------------------------------|-----|----|----|----|----|-----|-----------|
| NCL5231 | HRA Bad Debt Provision | 100 | 10 | 20 | 30 | 40 | Nil | No Impact |
|----------------|-------------------------------|-----|----|----|----|----|-----|-----------|

The contribution to the bad debt provision will change marginally based upon the latest rent assumptions.

Housing (HRA) Portfolio

| | | | | | | | | |
|----------------|-------------------------|---|-------|-------|--------|--------|-----|-----------|
| NCL5232 | HRA Depreciation | 0 | 4,740 | 4,830 | 83,780 | 65,350 | Nil | No Impact |
|----------------|-------------------------|---|-------|-------|--------|--------|-----|-----------|

Depreciation assumptions have been updated based upon the latest estimated handover dates for new homes.

Housing (HRA) Portfolio

| | | | | | | | | |
|----------------|---------------------------------|----------|--------|-----------|----------|-----------|-----|-----------|
| NCL5233 | HRA Interest on Balances | (17,270) | 26,760 | (106,640) | (97,330) | (119,340) | Nil | No Impact |
|----------------|---------------------------------|----------|--------|-----------|----------|-----------|-----|-----------|

Interest on balances will vary depending upon the timing of the use of HRA resources to fund capital expenditure.

Housing (HRA) Portfolio

| | | | | | | | | |
|----------------|--------------------------|-----------|-----------|-------------|-------------|-------------|-----|-----------|
| NCL5234 | HRA Interest Paid | (552,620) | (732,030) | (1,156,490) | (1,670,250) | (1,858,720) | Nil | No Impact |
|----------------|--------------------------|-----------|-----------|-------------|-------------|-------------|-----|-----------|

Anticipated Interest paid taking account of re-profiling of the capital programme.

Housing (HRA) Portfolio

| | | | | | | | | |
|----------------|--|-----------|---------|-----------|-----------|---------|-----|-----------|
| NCL5235 | Direct Revenue Financing of Capital Expenditure (DRF) | (644,380) | 612,510 | 1,056,370 | 2,119,900 | 598,380 | Nil | No Impact |
|----------------|--|-----------|---------|-----------|-----------|---------|-----|-----------|

Changes in revenue funding of capital to offset other non-cash limit adjustments.

Housing (HRA) Portfolio

| | | | | | | | | |
|----------------------------|-------------|----------|-----------|---------|-------------|--|--|--|
| Total Non-Cash Limit Items | (1,214,170) | (88,010) | (201,910) | 436,130 | (1,314,290) | | | |
|----------------------------|-------------|----------|-----------|---------|-------------|--|--|--|

| | | | | | | | | |
|--------------------------------------|--------------------|-----------------|------------------|----------------|--------------------|--|--|--|
| Non - Cash Limit Items Total: | (1,214,170) | (88,010) | (201,910) | 436,130 | (1,314,290) | | | |
|--------------------------------------|--------------------|-----------------|------------------|----------------|--------------------|--|--|--|

Appendix E (3)

HRA Budget – All Capital Items

2024/25 Budget – HRA Proposals – by Type

| Reference | Item Description | 2024/25 Budget £ | 2025/26 Budget £ | 2026/27 Budget £ | 2027/28 Budget £ | 2028/29 Budget £ | Climate Rating | Poverty Ratings & Contact |
|-----------|------------------|------------------------|------------------------|------------------------|------------------------|------------------------|-------------------|---------------------------------|
|-----------|------------------|------------------------|------------------------|------------------------|------------------------|------------------------|-------------------|---------------------------------|

Capital Bids

| | | | | | | | | |
|----------------|----------------------------------|---------|---|---|---|---|-----|-----------|
| CAP5244 | Funding for lift upgrades | 159,000 | 0 | 0 | 0 | 0 | Nil | No Impact |
|----------------|----------------------------------|---------|---|---|---|---|-----|-----------|

Funding to allow all access technology in lifts in HRA buildings to be upgraded from analogue to digital.

Housing (HRA) Portfolio

| | | | | | |
|--------------------|---------|---|---|---|---|
| Total Capital Bids | 159,000 | 0 | 0 | 0 | 0 |
|--------------------|---------|---|---|---|---|

| | | | | | |
|-----------------------|----------------|----------|----------|----------|----------|
| Capital Total: | 159,000 | 0 | 0 | 0 | 0 |
|-----------------------|----------------|----------|----------|----------|----------|

Appendix F

2023/24 Capital Budget Amendments Summary

| Area of Expenditure and Change | 2023/24 £'000 | 2024/25 £'000 | 2025/26 £'000 | 2026/27 £'000 | 2027/28 £'000 |
|---|------------------|------------------|------------------|------------------|------------------|
| Total Housing Capital Plan Expenditure post HRA MTFS | 97,557 | 90,823 | 107,172 | 95,005 | 99,159 |
| General Fund Housing | | | | | |
| Adjust DFG budget in line with current BCF grant allocations | 0 | 58 | 58 | 58 | 58 |
| Decent Homes and Other HRA Stock Investment | | | | | |
| Include bid for changing lifts from analogue to digital | 0 | 143 | 0 | 0 | 0 |
| Re-phase budget for External Painting | (100) | 0 | 0 | 0 | 0 |
| Re-phase budget for Wall Structure Works | (1,500) | 1,500 | 0 | 0 | 0 |
| Re-phase budget for Roof Structure Works | (250) | 250 | 0 | 0 | 0 |
| Re-phase budget for Net Zero Carbon Energy Efficiency Pilot | (4,500) | 4,500 | 0 | 0 | 0 |
| Re-phase budget for PVCU Windows | (174) | 174 | 0 | 0 | 0 |
| Re-phase budget for Estate Improvement Works | (650) | 650 | 0 | 0 | 0 |
| Re-phase budget for Communal Electrical Works | (420) | 420 | 0 | 0 | 0 |
| Re-phase budget for Sulphate Attack Works | (106) | 0 | 0 | 0 | 0 |
| Re-phase budget for Kitchen Works | (500) | 0 | 0 | 500 | 0 |
| Re-phase budget for Bathroom Works | (250) | 0 | 0 | 0 | 250 |
| Re-phase budget for Electrical Works | (240) | 0 | 0 | 0 | 240 |
| Re-phase budget for Central Heating / Boiler Works | (500) | 0 | 0 | 0 | 500 |
| Transfer Fire Safety budget to revenue PTR budget for treatment of cladding in communal areas | (250) | 0 | 0 | 0 | 0 |
| Associated change in Decent Homes Contractor Overheads | (500) | 301 | 0 | 55 | 108 |
| Associated change in Other Planned Maintenance Contractor Overheads | (44) | 45 | 0 | 0 | 0 |
| Adjust Decent Homes New Build Allocation based upon the latest handover dates for new homes | 0 | 7 | 7 | 122 | 96 |
| New Build | | | | | |
| Re-phase budget for Kendal Way | (307) | 307 | 0 | 0 | 0 |
| Re-phase budget for Aylesborough Close | (217) | 284 | (67) | 0 | 0 |
| Re-phase budget for Eddeva Park | (2,550) | 1,019 | 1,413 | 118 | 0 |
| Re-phase budget for East Barnwell | 137 | (2,202) | 1,594 | (8,899) | 4,580 |

| Area of Expenditure and Change | 2023/24 £'000 | 2024/25 £'000 | 2025/26 £'000 | 2026/27 £'000 | 2027/28 £'000 |
|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Allocate scheme specific budget for Newbury Farm | 12 | 8,365 | 4,366 | 2,542 | 0 |
| Re-allocation of 10 Year New Homes budget in line with changes to scheme specific approvals and update of sums for latest programme assumptions | 214 | (9,399) | (13,708) | (3,228) | (19,168) |
| Sheltered Housing | | | | | |
| No changes | 0 | 0 | 0 | 0 | 0 |
| Other HRA Spend | | | | | |
| No changes | 0 | 0 | 0 | 0 | 0 |
| Inflation Allowance | | | | | |
| Adjust inflation allowed to reflect re-phased capital programme | 0 | 97 | (616) | (1,373) | (2,874) |
| Total Housing Capital Plan Expenditure per HRA BSR | 84,862 | 97,342 | 100,219 | 84,900 | 82,949 |

Appendix G

HRA Summary 2023/24 to 2028/29

| Description | 2023/24 £0 | 2024/25 £0 | 2025/26 £0 | 2026/27 £0 | 2027/28 £0 | 2028/29 £0 |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Income | | | | | | |
| Rental Income (Dwellings) | (44,449,180) | (49,142,100) | (51,514,810) | (54,548,770) | (58,235,180) | (61,078,590) |
| Rent Regulation Error Rent Refunds | 0 | 1,150,000 | 0 | 0 | 0 | 0 |
| Rental Income (Other) | (1,320,530) | (1,402,810) | (1,430,870) | (1,459,480) | (1,613,210) | (1,645,470) |
| Service Charges | (4,200,160) | (4,545,880) | (4,632,800) | (4,721,450) | (4,811,880) | (4,904,120) |
| Contribution towards Expenditure | (558,930) | (614,530) | (626,820) | (639,350) | (652,140) | (665,190) |
| Other Income | (527,520) | (550,040) | (557,100) | (568,250) | (579,610) | (591,200) |
| Total Income | (51,056,320) | (55,105,360) | (58,762,400) | (61,937,300) | (65,892,020) | (68,884,570) |
| Expenditure | | | | | | |
| Supervision & Management - General | 6,266,830 | 6,067,810 | 6,230,160 | 6,231,950 | 6,475,390 | 6,661,290 |
| Supervision & Management - Special | 4,715,110 | 5,156,440 | 5,273,540 | 5,393,390 | 5,516,060 | 5,641,630 |
| Repairs & Maintenance | 11,949,010 | 11,409,400 | 11,831,420 | 12,504,570 | 13,012,460 | 13,656,880 |
| Depreciation - t/f to Major Repairs Res. | 11,579,340 | 12,056,100 | 12,713,680 | 13,246,380 | 14,047,230 | 14,553,530 |
| Debt Management Expenditure | 0 | 0 | 0 | 0 | 0 | 0 |
| Other Expenditure | 1,244,850 | 1,498,470 | 1,281,420 | 1,235,860 | 1,197,430 | 1,151,160 |
| Total Expenditure | 35,755,140 | 36,188,220 | 37,330,220 | 38,612,150 | 40,248,570 | 41,664,490 |
| Net Cost of HRA Services | (15,301,180) | (18,917,140) | (21,432,180) | (23,325,150) | (25,643,450) | (27,220,080) |
| HRA Share of operating income and expenditure included in Whole Authority I&E Account | | | | | | |
| Interest Receivable | (2,231,420) | (1,426,070) | (912,490) | (860,100) | (827,490) | (839,530) |
| HRA (Surplus) / Deficit for the Year | (17,532,600) | (20,343,210) | (22,344,670) | (24,185,250) | (26,470,940) | (28,059,610) |

| Items not in the HRA Income and Expenditure Account but in the movement on HRA balance | | | | | | |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|
| Loan Interest | 7,940,390 | 9,654,290 | 12,330,330 | 14,601,510 | 16,481,020 | 19,039,950 |
| Housing Set Aside | (14,704,510) | 0 | 0 | 0 | 0 | 0 |
| Appropriation from Ear-Marked Reserve | 0 | 0 | 0 | 0 | 0 | 0 |
| Direct Revenue Financing of Capital | 26,925,380 | 10,034,770 | 9,838,280 | 10,147,480 | 9,796,740 | 7,057,270 |
| (Surplus) / Deficit for Year | 2,628,660 | (654,150) | (176,060) | 563,740 | (193,180) | (1,962,390) |
| Balance b/f | (10,521,079) | (7,892,419) | (8,546,569) | (8,722,629) | (8,158,889) | (8,352,069) |
| Total Balance c/f | (7,892,419) | (8,546,569) | (8,722,629) | (8,158,889) | (8,352,069) | (10,314,459) |

Appendix H

Housing Capital Investment Plan (10 Year Detailed Investment Plan)

| Description | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 | 2030/31 | 2031/32 | 2032/33 |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| General Fund Housing Capital Spend | | | | | | | | | | |
| Disabled Facilities Grants | 808 | 808 | 808 | 808 | 808 | 808 | 808 | 808 | 808 | 808 |
| Private Sector Housing Grants and Loans | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 |
| Total General Fund Housing Capital Spend | 1,003 | 1,003 | 1,003 | 1,003 | 1,003 | 1,003 | 1,003 | 1,003 | 1,003 | 1,003 |
| HRA Capital Spend | | | | | | | | | | |
| Decent Homes | | | | | | | | | | |
| Kitchens | 750 | 580 | 1,230 | 1,095 | 1,170 | 2,382 | 2,382 | 2,382 | 2,382 | 2,382 |
| Bathrooms | 594 | 583 | 662 | 181 | 365 | 841 | 841 | 841 | 841 | 841 |
| Central Heating / Boilers | 2,354 | 2,117 | 1,651 | 2,318 | 1,831 | 2,538 | 2,538 | 2,538 | 2,538 | 2,538 |
| Insulation / Energy Efficiency / Wall Finishes | 645 | 471 | 253 | 832 | 58 | 732 | 732 | 732 | 732 | 732 |
| Energy Efficiency Pilot / Retrofit | 6,178 | 9,681 | 3,789 | 3,789 | 3,789 | 3,789 | 3,789 | 3,789 | 3,789 | 3,789 |
| External Doors | 472 | 236 | 63 | 38 | 15 | 159 | 159 | 159 | 159 | 159 |
| PVCU Windows | 1,061 | 934 | 945 | 373 | 316 | 966 | 966 | 966 | 966 | 966 |
| Wall Structure | 1,896 | 1,706 | 321 | 118 | 527 | 1,491 | 1,491 | 1,491 | 1,491 | 1,491 |
| External Painting | 272 | 372 | 372 | 372 | 545 | 722 | 472 | 372 | 372 | 372 |
| Roof Structure | 62 | 562 | 312 | 312 | 312 | 312 | 312 | 312 | 312 | 312 |
| Roof Covering (including chimneys) | 1,704 | 1,566 | 1,340 | 654 | 940 | 962 | 962 | 962 | 962 | 962 |
| Electrical / Wiring | 608 | 380 | 171 | 258 | 244 | 841 | 841 | 841 | 841 | 841 |
| Sulphate Attacks | 0 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 |

| Description | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 | 2030/31 | 2031/32 | 2032/33 |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| HHSRS Contingency | 520 | 312 | 163 | 104 | 104 | 104 | 104 | 104 | 104 | 104 |
| Other Health and Safety Works | 52 | 52 | 52 | 52 | 52 | 52 | 52 | 52 | 52 | 52 |
| Capitalised Officer Fees - Decent Homes | 526 | 526 | 526 | 526 | 526 | 526 | 526 | 526 | 375 | 375 |
| Decent Homes Backlog | 625 | 5,109 | 5,109 | 5,109 | 4,434 | 4,434 | 4,434 | 4,434 | 0 | 0 |
| Decent Homes Planned Maintenance Contractor Overheads | 1,361 | 1,187 | 841 | 749 | 724 | 1,343 | 1,315 | 1,304 | 1,304 | 1,304 |
| Decent Homes New Build Allocation | 0 | 1,093 | 1,475 | 2,171 | 2,607 | 3,144 | 3,416 | 3,820 | 4,030 | 4,246 |
| Total Decent Homes | 19,680 | 27,573 | 19,381 | 19,157 | 18,665 | 25,444 | 25,438 | 25,731 | 21,356 | 21,572 |
| Other Spend on HRA Stock | | | | | | | | | | |
| Garage Improvements | 104 | 104 | 104 | 104 | 104 | 104 | 104 | 104 | 104 | 104 |
| Asbestos Removal | 52 | 52 | 52 | 52 | 52 | 52 | 52 | 52 | 52 | 52 |
| Disabled Adaptations | 808 | 808 | 808 | 808 | 808 | 808 | 808 | 808 | 808 | 808 |
| Communal Areas Uplift | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| Communal Electrical Installations / Fire Systems / Communal Lighting | 329 | 576 | 156 | 156 | 156 | 156 | 156 | 156 | 156 | 156 |
| Communal Entrance / Enclosure Doors + Glazing | 542 | 126 | 151 | 252 | 126 | 126 | 126 | 157 | 126 | 126 |
| Fire Prevention / Fire Safety Works | 1,494 | 52 | 729 | 52 | 52 | 52 | 52 | 52 | 52 | 52 |
| Hard surfacing on HRA Land - Health and Safety Works | 235 | 225 | 225 | 225 | 225 | 225 | 225 | 225 | 225 | 225 |
| Communal Areas Floor Coverings | 104 | 104 | 104 | 149 | 149 | 104 | 104 | 104 | 104 | 104 |
| Lifts and Door Entry Systems | 49 | 171 | 75 | 0 | 0 | 39 | 39 | 39 | 39 | 39 |
| Estate Investment Scheme | 1,208 | 849 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Capitalised Officer Fees - Other HRA Stock Spend | 119 | 119 | 119 | 119 | 119 | 119 | 119 | 119 | 119 | 119 |
| Other Spend on HRA Stock Planned Maintenance Contractor Overheads | 438 | 260 | 201 | 209 | 195 | 194 | 194 | 198 | 194 | 194 |

| Description | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 | 2030/31 | 2031/32 | 2032/33 |
|---------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Total Other Spend on HRA stock | 5,582 | 3,546 | 2,824 | 2,226 | 2,086 | 2,079 | 2,079 | 2,114 | 2,079 | 2,079 |
| HRA New Build / Re-Development | | | | | | | | | | |
| Kendal Way | 169 | 307 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Mill Road (Phase I and II) | 232 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Cromwell Road | 590 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Colville Road Phase II | 351 | 634 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Meadows and Buchan Street | 8,513 | 8,031 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Clerk Maxwell Road | 604 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Campkin Road | 1,672 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Histon Road | 1,661 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Lea Road | 7,346 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Colville Road Phase III | 6,759 | 3,168 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Foss Road | 1,625 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Ditton Fields | 1,140 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Aragon Close | 1,165 | 1,185 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sackville Close | 1,242 | 1,253 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Borrowdale | 549 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Aylesborough Close | 3,932 | 10,661 | 3,599 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| St Thomas's Road | 188 | 1,520 | 1,661 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Paget Road | 79 | 685 | 866 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Fanshawe Road | 1,300 | 5,258 | 3,532 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Princess and Hanover | 4,467 | 4,286 | 10,301 | 6,520 | 118 | 0 | 0 | 0 | 0 | 0 |
| East Road (Incl. demolition) | 120 | 1,393 | 8,331 | 1,321 | 0 | 0 | 0 | 0 | 0 | 0 |
| Eddeva Park | 3 | 3,644 | 4,038 | 336 | 0 | 0 | 0 | 0 | 0 | 0 |
| East Barnwell | 758 | 2,683 | 14,703 | 9,185 | 16,840 | 6,136 | 0 | 0 | 0 | 0 |

| Description | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 | 2030/31 | 2031/32 | 2032/33 |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Newbury Farm | 12 | 8,365 | 4,366 | 2,542 | 0 | 0 | 0 | 0 | 0 | 0 |
| Hills Avenue POD Homes | 20 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Acquisition (Incl. for New Build) | 2,800 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Local Authority Housing Fund Acquisitions | 9,448 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 10 Year New Homes Programme (Unallocated) | 680 | 8,191 | 17,666 | 33,097 | 32,254 | 58,184 | 45,621 | 14,475 | 0 | 7,500 |
| Rough Sleeper Acquisitions | 517 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total HRA New Build / Re-Development / Acquisition | 57,942 | 61,264 | 69,063 | 53,001 | 49,212 | 64,320 | 45,621 | 14,475 | 0 | 7,500 |
| Sheltered Housing Capital Investment | | | | | | | | | | |
| No current schemes | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Sheltered Housing Capital Investment | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other HRA Capital Spend | | | | | | | | | | |
| Onward Replacement / Mobile Working | 87 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Corporate IT Investment | 130 | 23 | 23 | 23 | 23 | 23 | 23 | 23 | 23 | 23 |
| Shared Ownership Repurchase | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 |
| Commercial and Administrative Property | 88 | 31 | 31 | 31 | 31 | 31 | 31 | 31 | 31 | 31 |
| Estate Service Van | 50 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Other HRA Capital Spend | 655 | 354 | 354 | 354 | 354 | 354 | 354 | 354 | 354 | 354 |
| Total HRA Capital Spend | 83,859 | 92,737 | 91,622 | 74,738 | 70,317 | 92,197 | 73,492 | 42,674 | 23,789 | 31,505 |
| Total Housing Capital Spend at Base Year Prices | 84,862 | 93,740 | 92,625 | 75,741 | 71,320 | 93,200 | 74,495 | 43,677 | 24,792 | 32,508 |

| Description | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 | 2030/31 | 2031/32 | 2032/33 |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|------------------|-----------------|-----------------|-----------------|-----------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Inflation Allowance and Stock Reduction Adjustment for Future Years | 0 | 3,602 | 7,594 | 9,159 | 11,629 | 19,355 | 17,878 | 9,595 | 3,745 | 8,176 |
| Total Inflated Housing Capital Spend | 84,862 | 97,342 | 100,219 | 84,900 | 82,949 | 112,555 | 92,373 | 53,272 | 28,537 | 40,684 |
| Housing Capital Resources | | | | | | | | | | |
| Right to Buy Receipts | (1,622) | (493) | (498) | (503) | (508) | (513) | (518) | (523) | (529) | (534) |
| Other Capital Receipts (Land & Dwellings, incl. Market, Rent to Buy and SO Sales) | 0 | (350) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Major Repairs Reserve | (19,264) | (12,055) | (12,714) | (13,247) | (14,046) | (14,554) | (15,132) | (15,613) | (16,101) | (16,464) |
| Direct Revenue Financing of Capital | (26,925) | (10,035) | (9,838) | (10,147) | (9,797) | (7,057) | (9,598) | (8,084) | (6,975) | (10,746) |
| Devolution / Homes England (assumed) / BIRF / DLUHC / BEIS Grants | (15,626) | (4,544) | (6,942) | (9,574) | (4,573) | (3,994) | (828) | (269) | 0 | 0 |
| Disabled Facilities Grant | (808) | (808) | (808) | (808) | (808) | (808) | (808) | (808) | (808) | (808) |
| Other Capital Resources (Grants / Shared Ownership Re-Sale / R&R Funding) | (1,690) | (1,692) | (300) | (300) | (300) | (300) | (300) | (300) | (300) | (300) |
| Retained Right to Buy Receipts | (3,469) | (4,436) | (4,656) | (3,895) | (3,533) | (3,603) | (3,676) | (3,749) | (3,824) | (4,536) |
| Prudential Borrowing | (15,039) | (62,081) | (63,615) | (45,578) | (48,536) | (80,878) | (61,513) | (23,926) | 0 | (7,296) |
| Total Housing Capital Resources | (84,443) | (96,494) | (99,371) | (84,052) | (82,101) | (111,707) | (92,373) | (53,272) | (28,537) | (40,684) |
| Net (Surplus) / Deficit of Resources | 419 | 848 | 848 | 848 | 848 | 848 | 0 | 0 | 0 | 0 |
| Capital Balances b/f | (5,256) | (4,837) | (3,989) | (3,142) | (2,294) | (1,446) | (599) | (599) | (599) | (599) |
| Use of / (Contribution to) Balances in Year | 419 | 848 | 848 | 848 | 848 | 848 | 0 | 0 | 0 | 0 |
| Capital Balances c/f | (4,837) | (3,989) | (3,142) | (2,294) | (1,446) | (599) | (599) | (599) | (599) | (599) |

| Description | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 | 2030/31 | 2031/32 | 2032/33 | |
|--|-----------------|--|---------|---------|---------|---------|---------|---------|---------|---------|--|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | |
| Other Capital Balances (Opening Balance 1/4/2023) | | | | | | | | | | | |
| Major Repairs Reserve | (7,684) | Utilised in future years to fund investment in the housing stock | | | | | | | | | |
| Retained 1-4-1 Right to Buy Receipts | (5,608) | Utilised in 2023/24 and 2024/25 above | | | | | | | | | |
| Right to Buy Receipts for Debt Redemption | (12,093) | Retained for future debt repayment | | | | | | | | | |
| Devolution Grant | (4,431) | Utilised in 2023/24 above | | | | | | | | | |
| Total Other Capital Balances | (29,816) | | | | | | | | | | |

Appendix I

HRA Earmarked & Specific Revenue Funds (£'000)

Repairs & Renewals

| | Opening Balance | Contributions | Expenditure to September | Current Balance |
|-------------------------|------------------|----------------|--------------------------|------------------|
| General Management | (741.2) | (77.7) | 0.0 | (818.9) |
| Special Services | (1,233.5) | (151.6) | 38.6 | (1,346.5) |
| Repairs and Maintenance | (612.1) | (54.0) | 0.0 | (666.1) |
| Total | (2,586.8) | (283.3) | 38.6 | (2,831.5) |

Tenants Survey

| | Opening Balance | Contributions | Expenditure to September | Current Balance |
|----------------|-----------------|---------------|--------------------------|-----------------|
| Tenants Survey | (15.8) | (7.1) | 0.0 | (22.9) |

Tenant Satisfaction New Burdens

| | Opening Balance | Contributions | Expenditure to September | Current Balance |
|---------------------|-----------------|---------------|--------------------------|-----------------|
| Tenant Satisfaction | (21.2) | (0.0) | 0.0 | (21.2) |

Debt Set-Aside (Revenue)

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

HRA Earmarked & Specific Capital Funds (£'000)

Debt Set-Aside (Capital)

| | Opening Balance | Contributions | Expenditure to September | Current Balance |
|----------------|-----------------|---------------|--------------------------|-----------------|
| Debt Set-Aside | (12,093.1) | 0.0 | 0.0 | (12,093.1) |

Major Repairs Reserve

| | Opening Balance | Contributions | Expenditure to September | Current Balance |
|-----|-----------------|---------------|--------------------------|-----------------|
| MRR | (7,684.2) | 0.0 | 0.0 | (7,684.2) |

Appendix J

Equalities Impact Assessment

Cambridge City Council Equality Impact Assessment (EqIA)



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

Housing Revenue Account Budget Setting Report – HRA Bids and Savings 2024/25

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

Documents will be published here:

<https://democracy.cambridge.gov.uk/ieListDocuments.aspx?CId=414&MId=4347&Ver=4>

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

This EqIA considers equality impacts of budget proposals for the HRA at the point that they go to Housing Scrutiny Committee.

An EqIA is undertaken on the proposals in order to enable the City Council to set a balanced Housing Revenue Account budget for 2024/25 that reflects the Council's vision and takes into account councillors' priorities in its proposals for achieving the efficiency savings required to allow the strategic reinvestment of resource into new areas.

This EqIA assesses the equality impacts of the Housing Revenue Account element of the City Council's budget.

4. Responsible service

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

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

(Please tick all that apply)

- Residents
- Visitors
- Staff

This EqIA specifically considers any equalities impact for City Council tenants and leaseholders, or for staff associated in delivery of services to this client group.

| | |
|---|--|
| 6. What type of strategy, policy, plan, project, contract or major change to your service is this? | <input checked="" type="checkbox"/> New <input checked="" type="checkbox"/> Major change <input type="checkbox"/> Minor change |
|---|--|

| | |
|--|--|
| 7. Are other departments or partners involved in delivering this strategy, policy, plan, project, contract or major change to your service? (Please tick) | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
|--|--|

This is an assessment of the Council's Housing Revenue Account budget proposals and therefore covers all of our landlord related services, and as such will involve multiple council departments.

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

All revenue budget bid proposals included in this EqIA are being presented to Housing Scrutiny Committee on 23rd January 2024 and capital bids to Council on 15th February 2024.

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

This information is based on feedback from Council Officers that lead on the individual budget bid proposals and any EqIA's they may have produced.

| |
|--|
| 10. Potential impacts |
| <p>For each category below, please explain if the strategy, policy, plan, project, contract or major change to your service could have a positive/ negative impact or no impact. Where an impact has been identified, please explain what it is. Consider impacts on service users, visitors and staff members separately.</p> |

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

Resource to settle disrepair claims: Part of this bid is to fund compensation payments for disrepair in the event of a successful claim against the council. This can help mitigate against any negative impact disrepair has on individuals, which might disproportionately impact on older people who are more likely to have health issues which could sometimes be exacerbated by impacts of disrepair. Ensuring money is set aside to compensate households who have experienced disrepair could also have a positive impact on

households with children and households with adults at risk by mitigating any impacts of disrepair that could have a bearing on ability to safeguard them.

Increased efficiency in repairs delivery: Improving efficiencies in the repairs service delivery team will have a positive impact on all households, but in particular households with children or adults at risk for whom disrepair might have an impact on safeguarding, and older people who may be more likely to have health issues that might be exacerbated by having to wait for repairs to be undertaken.

Increased dwelling rental income: Any increase in rent will have an impact on all households, with those on low incomes most affected. Households with older people may be disproportionately affected if they are on low incomes. It should be noted that Universal Credit will be increased by 6.7% from April 2024 and the state pension will increase by 8.5%. both of which will help to mitigate the impact of the rent increase. See the action plan section of this EqlA on how we will mitigate against negative impacts of increasing rent for people struggling financially.

Reduced rent and refunds of over-payments relating to rent regulation errors: A reduction in rent, despite arising through a rent regulation error, will have a positive impact on all affected tenants, but with older people potentially on lower incomes benefitting to a greater degree. However, the impact of any refund on a tenant's savings balance may have a negative impact if it takes the tenants out of receipt of benefit.

(b) Disability

Resource to settle disrepair claims: Ensuring money is set aside to compensate households who have experienced disrepair will have a positive impact on households who have someone with a disability, where health and mobility may have been impacted due to the disrepair.

Increased efficiency in repairs delivery: Improving efficiencies in the repairs service delivery team will have a positive impact on all households, but in particular disabled households who may have been detrimentally impacted by having to wait for repairs to be undertaken. It will also potentially have a positive impact for preventing disability caused by health risks associated with disrepair if the disrepair can be addressed sooner.

Increased garage rental income: For disabled customers currently renting a garage or car parking space that provides the required accessibility to their home, the increase in rent could have a detrimental impact if they are struggling to afford the payments, but their quality of life will suffer if they were to forfeit the rental. This is especially a concern as households with disabled people are more likely to experience poverty. This is because they have a higher cost of living than households without disabled people (on average of £975 per month¹) and disabled people are less likely to be in employment (53% of disabled people compared to 82% of non-disabled people are employed in the UK²). Please see below for the actions the Housing Service will take to address this potential issue.

Increased dwelling rental income: Any increase in rent will have an impact on all households, with those on low incomes most affected. As mentioned above, households with disabled people may be more likely to experience poverty which could mean that increasing their rent could have a disproportionately negative impact here. It should be

¹ <https://www.scope.org.uk/campaigns/extra-costs/disability-price-tag-2023/>

² <https://www.scope.org.uk/media/disability-facts-figures/>

noted that Universal Credit will be increased by 6.7% from April 2024 and the state pension will increase by 8.5%. both of which will help to mitigate the impact of the rent increase. See the action plan section of this EqIA on how will mitigate against negative impacts of increasing rent for people struggling financially.

Reduced rent and refunds of over-payments relating to rent regulation errors: A reduction in rent, despite arising through a rent regulation error, will have a positive impact on all affected tenants, but with disabled people potentially on lower incomes benefitting to a greater degree. However, the impact of any refund on a tenant's savings balance may have a negative impact if it takes the tenants out of receipt of benefit.

(c) Gender reassignment

There are no equality impacts identified specific to this protected characteristic

(d) Marriage and civil partnership

There are no equality impacts identified specific to this protected characteristic

(e) Pregnancy and maternity

Increased dwelling rental income: Pregnancy and maternity are an expensive time for households, which might mean that the increase in rent could have a detrimental impact for pregnancy and maternity. See the action plan section of this EqIA on how will mitigate against negative impacts of increasing rent for people struggling financially.

Reduced rent and refunds of over-payments relating to rent regulation errors: A reduction in rent, despite arising through a rent regulation error, will have a positive impact on all affected tenants, but with those who are pregnant or on maternity leave potentially on lower incomes temporarily benefitting to a greater degree. However, the impact of any refund on a tenant's savings balance may have a negative impact if it takes the tenants out of receipt of benefit.

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

Increased dwelling rental income: An increase in rent could have a disproportionately negative impact for some ethnic groups over others. For instance, UK statistics find that Bangladeshi and Pakistani families have experienced much greater rates of poverty than all other ethnic groups and this has been the case for 20 years³. Qualitative research undertaken on needs of ethnic minority people in the city in 2021, and recent feedback

³ <https://www.jrf.org.uk/Data>

from Cambridge Ethnic Community Forum on needs of clients they support indicate that Bangladeshi people, Black people (especially African people), and Arab people are the most likely to experience poverty in Cambridge itself. See the action plan section of this EqlA on how will mitigate against negative impacts of increasing rent for people struggling financially. It should be noted that Universal Credit will be increased by 6.7% from April 2024 and the state pension will increase by 8.5%. both of which will help to mitigate the impact of the rent increase.

(g) Religion or belief

There are no equality impacts identified specific to this protected characteristic

(h) Sex

There are no equality impacts identified specific to this protected characteristic

(i) Sexual orientation

There are no equality impacts identified specific to this protected characteristic

(j) Other factors that may lead to inequality – in particular, please consider the impact of any changes on:

Low-income groups or those experiencing the impacts of poverty.

Groups who have more than one protected characteristic that taken together create overlapping and interdependent systems of discrimination or disadvantage. (Here you are being asked to consider intersectionality, and for more information see: https://media.ed.ac.uk/media/1_l59kt25q).

Resource to settle disrepair claims: Ensuring money is set aside to compensate households who have experienced disrepair will have a positive impact on households where the disrepair has affected them financially.

Increased dwelling rental income: Any increase in rent will have an impact on all households, with those on low incomes most affected. It should be noted that Universal Credit will be increased by 6.7% from April 2024 and the state pension will increase by 8.5%. both of which will help to mitigate the impact of the rent increase. Please see below the actions the Housing Service will take to monitor and support households.

Increased commercial property rental income: Any increase in commercial property rentals has the potential to negatively impact small businesses that may be struggling in the current economic climate.

Reduced rent and refunds of over-payments relating to rent regulation errors: A reduction in rent, despite arising through a rent regulation error, will have a positive impact on all affected tenants, However, the impact of any refund on a tenant's savings balance may have a negative impact if it takes the tenants out of receipt of benefit.

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

Increased dwelling rental income: Any increase in rent will have an impact on all households, with those on low incomes most affected. Rent is fully eligible for housing benefit and Universal Credit, meaning those on low incomes will benefit from having the charge met for them. The Income Management Team and Financial Inclusion Officers will continue to work with residents to ensure that they get all of the support to which they are entitled and are sign-posted to other agencies who can help.

Increased garage rental income: For disabled customers currently renting a garage or car parking space that provides the required ease of access to their home, the increase in rent could have a detrimental impact if they are struggling to afford the payments, but their quality of life will suffer if they were to forfeit the rental. Housing Officers will be available to disabled tenants for advice and support, alongside the Financial Inclusion Team, to ensure that they get advice about any benefits or other financial assistance to which they may be entitled to and are sign-posted to other agencies who can help.

12. Do you have any additional comments?

This EqIA provides an overall assessment of the equality impacts of budget proposals included in the Housing Revenue Account budget proposed for 2024/25. Individual service managers shall be responsible for delivery of the actions identified in this impact assessment.

13. Sign off.

Name and job title of lead officer for this equality impact assessment:

Julia Hovells, Head of Finance and Business Manager

Names and job titles of other assessment team members and people consulted:

- Helen Crowther, Equality and Anti-Poverty Officer
- Catherine Buckle, Business Development Manager (Housing)

Date of EqIA sign off: 03/01/2024

Date of next review of the equalities impact assessment: After 23/01/2024

Date to be published on Cambridge City Council website: Published for proposals to be considered by Housing Scrutiny Committee on 23rd January 2024 and Council on 15th February 2024 as part of the HRA Budget Setting Report.

This page is intentionally left blank

STRATEGY & RESOURCES SCRUTINY COMMITTEE

15 January 2024

5:30-7:25pm

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

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

CAPITAL STRATEGY 2024/25

This report presents the capital strategy of the council together with a summary capital programme for the General Fund (GF) and Housing Revenue Account (HRA). The previous capital strategy was approved by Council on 23 February 2023. The strategy is focused on providing a framework for delivery of capital expenditure plans over a 10-30 year period. These plans cover spending on operational assets to support service delivery and on investments which provide an income for the council alongside meeting the council's objectives in relation to economic development and place-making, regeneration and climate change mitigation. Governance arrangements are also outlined in order to ensure the capital programme continues to deliver value for money.

The council has a substantial capital programme which is mainly guided by and supports the strategic aims of the council as outlined in the One Cambridge – Fair for All vision and defined in the Annual Statement as published on the council website.

The strategy has been updated to reflect:

- The implementation of a Group-based management structure (paras. 1.7-1.8)
- Establishment of the Development Agency with a remit covering commercial, as well as residential opportunities previously delivered by the Housing Development Agency (HDA) (para. 1.8)
- Approval of an updated asset management plan for the general fund (para. 5.2)
- An update on the Office Accommodation Strategy (para. 5.3)

The council's Section 151 officer is required to report explicitly on the affordability and risk associated with the capital strategy.

As highlighted in the strategy the council ensures that capital projects and schemes are accompanied by detailed funding proposals. Where projects are to be funded from borrowing, either internally from cash balances or externally, a prudent Minimum Revenue Provision charge is made. The council has not borrowed externally to fund capital expenditure in the recent past, the current external borrowing representing debt incurred on the transition from the old housing subsidy system to HRA self-financing.

Where the council has expanded its commercial activities by purchasing commercial properties or by making loans to subsidiaries and joint ventures to facilitate the provision of intermediate housing or the development of sites for market and affordable housing, it ensures that the risks taken are proportionate to the size and scale of the authority. Legal advice is taken alongside the completion of appropriate due diligence and any loans are secured where appropriate. On projects undertaken by joint ventures the council monitors the expected repayment of loans and expected future surpluses carefully. The council has not borrowed externally to fund the increase in commercial activity.

External debt will be used to fund the redevelopment of the Park Street multi-storey car park and future housing developments within the HRA. The council is aware of the risks associated with borrowing to fund regeneration and will continue to seek appropriate external advice before undertaking borrowing to finance new regeneration schemes.

External borrowing may also be used to fund the remainder of the capital programme where capital receipts and cash balances are insufficient. The level of capital spending will be reviewed annually for affordability in the Medium Term Finance Strategy (MTFS), before proposals are brought forward through the budget setting process.

Accordingly, Council is recommended to:

- i. Approve the capital strategy.

Item

Strategy & Resources 15 January 2024 - Finance and Resources Portfolio: Capital Strategy 2024/25

To:

Councillor Simon Smith, Executive Councillor for Finance and Resources Portfolio

Report by:

Caroline Ryba, Chief Finance Officer

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

Wards affected:

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

Key Decision

1. Executive Summary

- 1.1 The council continues to develop and expand well-established, long term capital planning.
- 1.2 This report presents the capital strategy of the council together with a summary capital programme for the General Fund (GF) and Housing Revenue Account (HRA). The previous capital strategy was approved by Council on 23 February 2023. The strategy is focused on providing a framework for delivery of capital expenditure plans over a 10-30 year period. These plans cover spending on operational assets to support service delivery and on investments which provide an income for the council alongside meeting the council's objectives in relation to economic development and place-making, regeneration and climate change mitigation. Governance arrangements are also outlined in order to ensure the capital programme continues to deliver value for money.

- 1.3 The council has a substantial capital programme which is mainly guided by and supports the strategic aims of the council as outlined in the *One Cambridge – Fair for All* vision and defined in the *Annual Statement* as published on the council website.
- 1.4 The strategy has been updated to reflect:
- The implementation of a Group-based management structure (paras. 1.7-1.8)
 - Establishment of the Development Agency with a remit covering commercial, as well as residential opportunities previously delivered by the Housing Development Agency (HDA) (para. 1.8)
 - Approval of an updated asset management plan for the general fund (para. 5.2)
 - An update on the Office Accommodation Strategy (para. 5.3)

2 Section 151 officer report

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

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

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

3 Recommendations

3.1 The Executive Councillor is asked to:

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

4. Implications

(a) Financial Implications

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

(b) Staffing Implications

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

(c) Equality and Poverty Implications

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

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

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

(e) Procurement Implications

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

(f) Community Safety Implications

None.

5. Consultation and communication considerations

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

6. Background papers

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

- GF and HRA Budget Setting Reports 2024/25

- Treasury Management Strategy Statement 2024/25

7. Appendices

The following item is included in this report:

- Capital Strategy 2024/25

8. Inspection of papers

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

| | |
|------------------------|--|
| Author's Name: | Caroline Ryba, Chief Finance Officer |
| Author's Phone Number: | 01223 - 458134 |
| Author's Email: | caroline.ryba@cambridge.gov.uk |

This page is intentionally left blank

**Cambridge City Council
Capital Strategy 2024/25
Contents**

| Section | Title | Page |
|----------------|-----------------------------------|-------------|
| 1 | Introduction | 1 |
| 2 | Objective | 3 |
| 3 | Scope | 3 |
| 4 | Decision-making frameworks | 8 |
| 5 | Asset management planning | 13 |
| 6 | Financing capital expenditure | 15 |
| 7 | Commercial activity | 18 |
| 8 | Other long-term liabilities | 25 |
| 9 | Knowledge and skills | 26 |
| Appendix 1 | Capital Expenditure and Financing | 28 |

1. Introduction

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

- 1.4 By its very definition a capital strategy is a document developed in the context a long-term planning horizon. The past ten years has seen the population of our city grow by 17.6%. The population will soon exceed 150,000 and is expected to continue to grow. The success of our universities mean that we welcome 15,000 new residents each year with a similar number moving out of the city.
- 1.5 In our city centre and on its outskirts substantial inward investment has contributed to a dynamic and vibrant local economy with specialisms in technology and biological sciences. Working with its partners across the private and public sectors, the Council is well-placed to continue benefit from this investment through local taxation and the provision of income-generating services. However, we are conscious of the expectations that accompany such investment and the effort needed to maintain economic competitiveness.
- 1.6 Despite the city's economic success, the benefits of economic growth and private sector investment have not been evenly distributed. Addressing inequality and poverty through investment in high-quality affordable housing and as part of initiatives such as community wealth building are key corporate priorities.
- 1.7 This strategy has been updated to reflect changes in the way the Council is structured which took effect in May 2023 and continue to evolve. The Council replaced a structure which combined Heads of Service with Strategic Directors and a Chief Executive with four Groups, each headed up by a Director and/or Assistant Director (collectively known as 'Group Leads') and overseen by a Chief Executive based in the Chief Executive's Group. The new arrangements are intended to foster a flatter management structure with senior staff being empowered to make decisions within their Group.
- 1.8 The revised arrangements enable the Council to respond to regeneration opportunities in the City in a more agile and streamlined manner. In particular, the scope of the Housing Development Agency has recently been expanded to assume a broader role as a Development Agency which enables housing and wider property issues to be considered

together as part of the potential redevelopment of existing sites. A Programme Director, based in the Chief Executive's Office, will lead the Council's input into work on the Hartree site in North East Cambridge. More broadly, the Chief Executive's Office will lead the Council's engagement with central government on the 'Cambridge 2040' proposal. This proposal identified the potential of Cambridge to boost economic growth on a regional and national footing through investment in the technology and science sectors and provision of new housing in the City and on its fringes.

- 1.9 The local economic context in which the Council operates continues to evolve. This has a significant impact on this capital strategy. Over the medium-term the Council will invest its own resources to redevelop assets it already owns and increase the provision of housing through its Housing Revenue Account. The Council will also continue to work to facilitate investment in the City by the public and private sectors. Whatever form these investments take they will ultimately impact service provision. The Council will need to understand and forecast that impact whilst at the same time reviewing its approach to service delivery to achieve the recurrent savings of £11.1M which it need to make by 2028-29 as set out in the Medium Term Financial Strategy.

2 Objective

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

3 Scope

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

- Investments for service purposes
- Investments for commercial purposes
- Debt, borrowing and treasury management
 - Investments for treasury management purposes

It also considers:

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

Capital Expenditure

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

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

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

- 3.3 Decisions regarding all types of capital investment are informed by an understanding of how the proposed investment will support the Council to achieve its corporate objectives.
- 3.4 Service delivery within the Council is split across a range of models including services provided exclusively by partners, shared services and

services delivered in-house. The Council has a specific priority requiring it to focus its activities on 'Modernising the council to lead a greener city that is fair for all'. The nature of the service and the model applied determines the dependency on the extent of capital investment required to provide the service. Changes in the needs and expectations of our residents and technological developments can alter the dependency on capital investment. Consequently, assumptions regarding the need and extent of future investment to sustain and enhance service delivery are subject to regular challenge and revision.

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

capital expenditure in another entity's accounts. The Council has used these powers to deliver against its priorities by establishing joint ventures, making loans available to enable other entities to undertake capital investment and providing capital grants to individuals and third parties. In the case of shared services some flexibility can involve the Council contributing to the cost of assets being constructed by third parties which the Council will benefit from. Examples include the Waterbeach Renewable Energy Network facility which South Cambridgeshire District Council is constructing using contributions from its own resources, the City Council and the Cambridgeshire and Peterborough Combined Authority.

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

Debt, Borrowing and Treasury Management

- 3.9 The CIPFA Prudential Code includes the following definition:

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

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

- 3.11 The Council has a cautious approach to the management of cash balances. Link Asset Services is the Council's appointed treasury management advisor. The arrangement with Link ensures that the creditworthiness of potential counterparties is closely monitored using a sophisticated modelling approach utilising credit ratings from the three main credit rating agencies – Fitch, Moody's and Standard & Poor's and relevant market data including Credit Default Swaps (CDS) and Credit Watches. More details can be found in the Council's Treasury Management Strategy Statement (TMSS) which is reviewed and approved annually.
- 3.12 Investments include an investment for treasury management purposes in a pooled property fund. This investment was originally undertaken to provide diversity within the portfolio mitigating interest rate risk without exposing the Council to undue risks relating to the liquidity and security of the amounts invested. In accordance with CIPFA guidance, the composition of the portfolio and the rationale supporting the use of pooled property funds is subject to regular review and scrutiny to ensure it is justified in the context of the Council's medium term and long-term financial strategy.
- 3.13 The council has committed to borrowing from a financial institution to fund the redevelopment of the Park Street multi-storey car park. The loan will be drawn down between April 2024 and December 2025.. The option to use similar types of financing will continue to be examined as an avenue which might be available to the Council. The learning gathered from securing funding for Park Street will assist the Council in exploring non-PWLB sources of finance for other projects.
- 3.14 Decisions regarding external borrowing are undertaken with reference to the Prudential Code published by CIPFA which requires that capital expenditure be 'affordable, prudent and sustainable'. In practice, the Council recognises that this means that without other sources of finance it may not be possible to achieve its corporate priorities. The impact of expected future borrowing is built into the Medium Term Financial Strategy for both the General Fund and HRA and reflected in the savings targets which need to be achieved.

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

4 Decision making frameworks

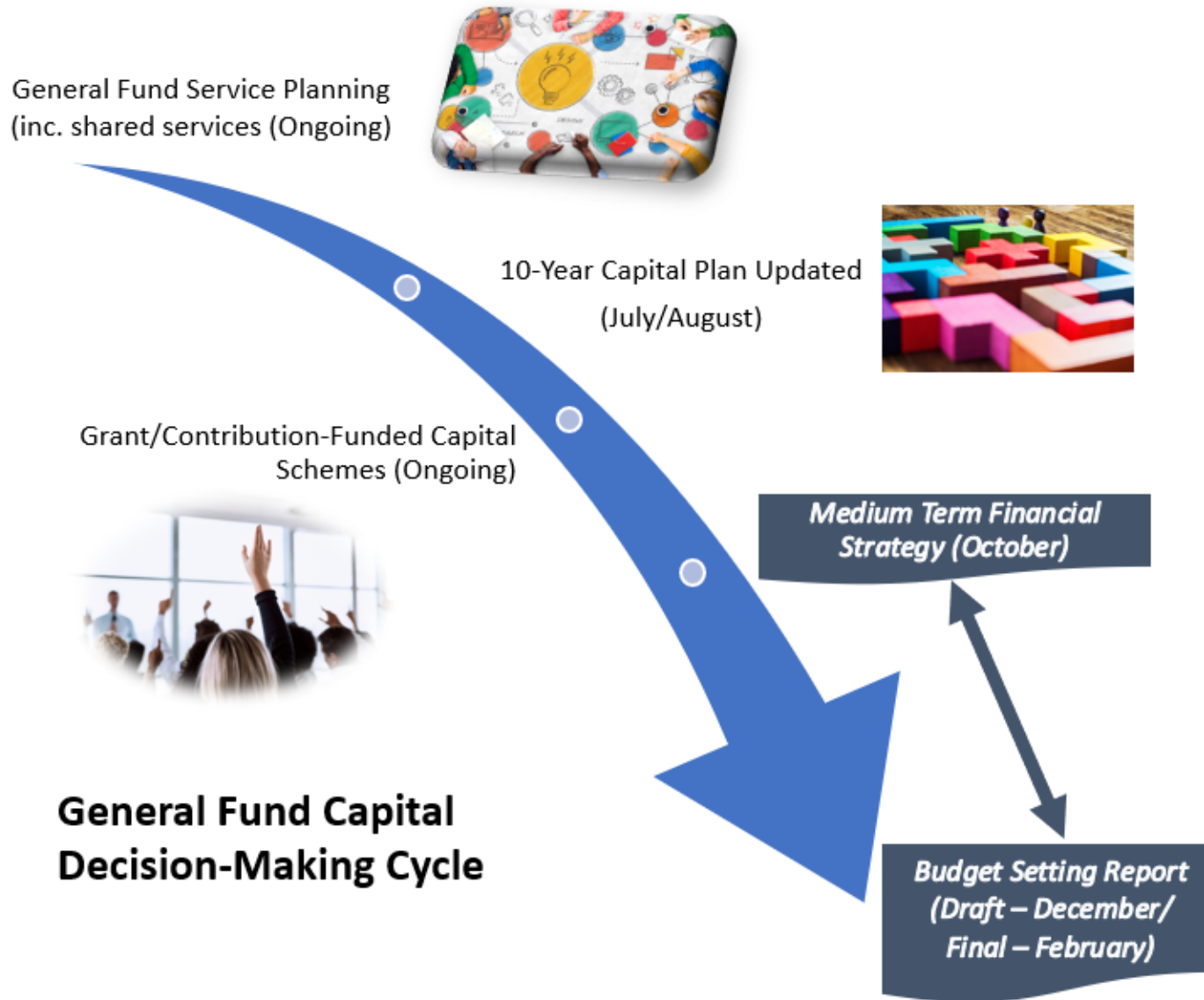
4.1 The Council has established arrangements for taking decisions which impact on the organisation's capital plan. The Council's constitution specifies the rules relating to council decision-making. This section summarise the key stages in decision-making according to whether the decision relates to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

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

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

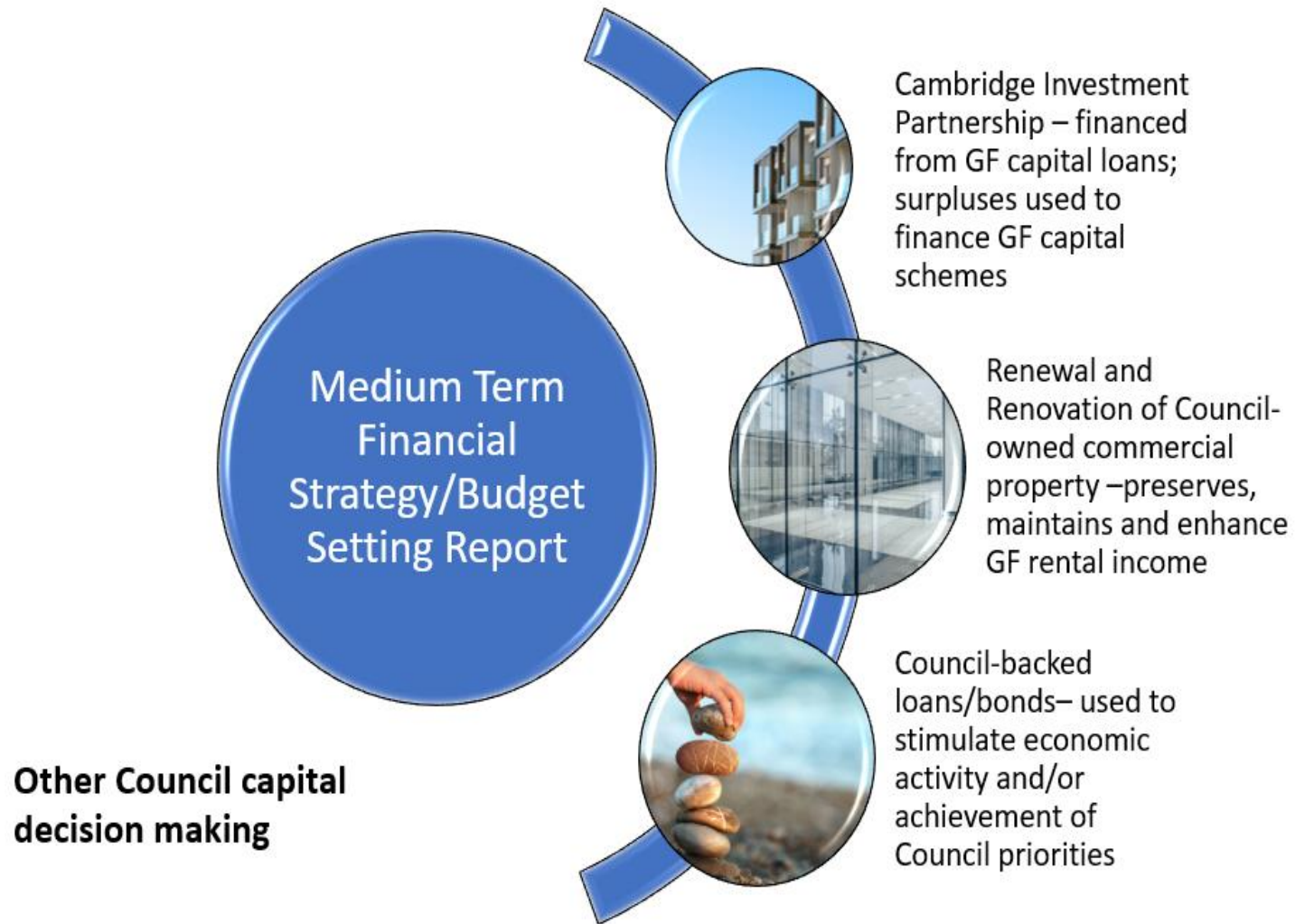
4.3 GF projects deemed to be of a higher risk are subject to review by the Change Assurance Team (known as 'CAT'). This group comprises professionals drawn from across the organisation who can consider the broader impact, risks and opportunities associated with proposals developed by Group Leads. Approval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

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





**Housing Revenue Account
Capital Decision-Making Cycle**



5 Asset management planning

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

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

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

5.3 The Council is developing its Office Accommodation Strategy alongside establishing a work programme to take forward the

actions set out above. In July 2023 Members approved budget to employ additional staff to develop and oversee the implementation of a multi-year programme to invest in existing Council property, including work requirement to implement the Office Accommodation Strategy. Formal proposals relating to a number of properties, including the Guildhall, are expected to come forward for review by Members in 2024.

- 5.4 The HRA asset management strategy for housing stock was also reviewed and updated in 2019. The plan aims to return to a partial investment standard model rather than the basic decent homes standard, ensuring that the council invests in the current housing stock at the appropriate time and in the long term to reduce the level of spend in revenue repairs and maintenance. Since the plan was approved the Council has achieved the current decent homes standard for 99.8% of its stock as at 31 March 2023. The decent homes standard is currently being reviewed by central government. The outcome of that review will inform future iterations of HRA MTFS and the HRA asset management strategy.
- 5.5 In accordance with its HRA asset management strategy, the Council has been working to improve the energy efficiency of its housing stock recognising the impact of higher fuel bills on its tenants as well as the Council's commitments to achieve net zero. A pilot net zero retrofit project on 50 properties commenced earlier this year and separately a programme of work, partly funded by the Social Decarbonisation Fund, to achieve EPC C on a further 285 properties is underway. These works are helping the Council to understand the true cost of retrofitting properties so it can model how the Council might fund the cost of these works across the stock requiring this type of work.
- 5.6 For non-property assets the ongoing maintenance costs of retaining and/or replacing assets will be considered carefully as part of the re-modelling of service delivery across the Council. For example, the council has its own fleet garage located in Waterbeach which is responsible for the maintenance of vehicles and keeps detailed records against each asset. Annual budgets will include provision

for the maintenance of assets and service managers are able to make bids and offer savings in maintenance funding as part of the annual budget-setting round.

6. Financing Capital Expenditure

- 6.1 Until recently the strength of the Council's GF Balance Sheet meant that the Council was able to fund capital expenditure from existing balances without needing to undertake external or internal borrowing. The Council currently has no GF external debt. The consequence of this is that compared to many comparable authorities the Council has a low capital financing requirement and the charge to the revenue account to finance capital expenditure in prior years, known as the Minimum Revenue Provision, is low and therefore does not present a significant source of pressure on the GF budget.
- 6.2 The GF Medium Term Financial Strategy acknowledges that future capital investment will need to be financed through borrowing, including external debt, and that the cost of financing will have a progressively more significant impact each rising from a projected £279K in 2023/24 to £5.717M by 2033/34. This increase reflects the scale of the investment which Group Leads assess as being required to deliver Council priorities. Precise costings will be developed and presented for consideration by Members in accordance with the decision-making frameworks set out earlier in this document.
- 6.3 Forecasts of capital expenditure, based on projects approved by Members and incorporated into the budget, anticipated projects involving the CIP and current estimates of expected capital expenditure prepared by Group Leads are set out in Appendix 1. The appendix also sets out the underlying need to borrow based on forecast capital expenditure. This is also known as the Capital Financing Requirement (CFR). Regulations state that the Council must set limits on the amount of external borrowing it undertakes. The Council must confirm that it has complied with these limits on

an annual basis. Further details can be found in the TMSS and the annual Treasury Management Report. The Council's constitution requires that both these documents be approved by Full Council and subject to scrutiny by the Council's Strategy and Resources Committee prior to their approval.

Disposals

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

Use of capital receipts

- 6.5 Capital receipts may only be used for capital purposes. The council will also ensure that it observes the ring-fence between GF and HRA resources.
- 6.6 Most receipts from asset disposal come from the sale of council homes under the Right to Buy. The council remains subject to the agreement with the Department of Levelling-Up, Housing and Communities (DLUHC) that allows the retention of right to buy receipts, subject to a set of specific conditions. These conditions include a requirement that such receipts are spent on housing.
- 6.7 The receipts assumed in the HRA Self-Financing Settlement continue to be shared with DLUHC in the statutorily agreed proportions, with a proportion of the receipts from any subsequent

sales kept by the authority in recognition of the debt that the authority holds in respect of the asset. The balance of capital receipts is ring-fenced for one-for-one (1-4-1) investment.

- 6.8 Currently, 1-4-1 receipts must be spent within a five-year timeframe to fund the delivery of new social housing. A maximum of 40% of the cost can be met from this funding stream with the balance funded from Devolution Grant, the council's own resources or borrowing. Some additional flexibility exists in respect of the construction of shared ownership property with incentives being introduced to encourage the construction of new build properties.
- 6.9 Where receipts are not used within the five-year timeframe, receipts must be repaid to central government with interest at 4% above the base rate.
- 6.10 The council aims to be around 12 months ahead of the profile for return of monies but this is critically dependent on the progress of housing developments that may be affected by factors outside the council's control. If the council is unable to use receipts within the five-year timeframe, it will either acquire existing properties on the open market or look to pass receipts on to a registered provider to deliver affordable housing in the city. All efforts will be made to ensure that no receipts are paid back to central government.

Capital receipt flexibilities

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

7 Commercial activity

7.1 The Council has invested in assets where its principal rationale for acquiring the asset was the expectation of generating a stable financial return, typically, but not exclusively, via securing an annual rental income. Such acquisitions are referred to as non-financial assets in the Council's Treasury Management Strategy Statement. The Council undertakes a review of its non-financial assets considering security, liquidity and yield, as it does for investment in financial assets.

7.2 Specifically, in relation to non-financial assets:

- **Security** – the council recognises that it will normally have an asset that can be used to recoup capital invested. Therefore, it will ensure through regular valuations at fair value, that there is sufficient value in assets and the portfolio as a whole to protect the funds invested.
- **Liquidity** – the council has a large, diversified portfolio of non-financial assets and will therefore be able to look at potential disposals across it to access funds, without having to rely on the disposal of a key asset for liquidity. The council will also maintain significant financial investments to meet its liquidity needs.
- **Yield** – Return for non-financial assets is represented by rental income less direct costs and will reviewed on a regular basis. Yield will be appropriate to the perceived level of risk for the asset in the market at that time, within any constraints imposed by policy decisions, after satisfying the requirements for security and liquidity.

7.3 The definition of commercial activity in the context of the Council is broader than the non-financial assets the Council owns. The Council recognises that it is well-placed to benefit from the provision of services on a commercial basis. This opportunity arises from, amongst other factors, Cambridge's strength economically and its popularity as a tourist destination. The Council has retained assets

which enable non-discretionary services to be provided in a competitive market. The council considers commercial activity to include:

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

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

7.5 The Council's transformation programme recognises that the Council has the resources to enter new markets and provide additional services on a commercial footing. In accordance with relevant legislation, this may require setting up arms-length

corporate entities as local authorities elsewhere have done successfully. In some cases, additional capital investment may be required to enable the Council to enter those markets. Such investments will be appraised as part of the GF capital decision-making cycle explained above. Where decisions are taken to access new markets the rationale behind entering that market and the extent to which it complements and/or facilitates the achievement of Council priorities will form part of the Council's business case. The established mechanism for involving the Change Assurance Team to examine business cases deemed to be of material significance to the organisation will ensure that where necessary appropriate legal and taxation advice is obtained.

- 7.6 Reporting against key indicators relating to commercial activity is included in the quarterly financial management reports produced by the finance team. These indicators provide an early warning of any risk that the Council's commercial activities might not provide the expected contribution to the GF budget. The Council's risk management processes are also structured to look at particular risks relating to individual services that might reflect in lower profitability of commercial services.

Investment in commercial properties

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

- Securing a financial return from the net rental income
- Diversification (geographic, property type, tenure) to mitigate stock specific risk
- Meeting wider corporate objectives such as improving environmental performance and sustainability by providing high performing property
- Delivery of services to the citizens in accordance with objectives
- Opportunity to influence through wider land ownership
- Providing opportunities for entrepreneurs and small businesses which may not always be available through the private sector

- Ensuring appropriate standards of property management are maintained including but not limited to environmental and health and safety standards and legislation
- Improving the quality of the public realm.

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

In order to achieve some geographical diversity, the council has invested in properties which fall outside the city boundary. The council took appropriate legal advice from counsel that these out of area purchases do not contravene the relevant legislation and the powers given to the council under the Local Government Act 2003.

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

7.10 The council will develop commercial land and property it already owns together with evaluating the most appropriate future use of the operational and administrative buildings. The scope of the the Council's Housing Development Agency which worked alongside CIP to deliver new residential property has been expanded to incorporate commercial and residential schemes. Under the leadership of an Assistant Director a development programme is being prepared and specific proposals are expected to be prepared for discussion with Members in 2024-25. This work will run alongside the implementation of the Office Accommodation Strategy.

Monitoring portfolio performance

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

The following portfolio KPIs continue to be used

| Measure | Target / Baseline | Comment | Frequency |
|---|------------------------------|---|------------------|
| Commercial property income to net service expenditure | <50% | | Annually |
| Ratio of investments to the resources of the council | <30% | Fair value of investment property as a % of the council's net assets. | Annually |
| Ratio of external borrowing to portfolio value | N/A | Not currently relevant due to the revised PWLB lending terms – see para 3.6 | Annually |
| % outside jurisdiction | <25% | To maintain Cambridge focus with economic benefits too but also diversity from local economy and achieve stronger yield | Annually |
| Net income return | >5% on current capital value | To maintain income levels | Annually |

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

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

7.13 The total value of investment properties at 31 March 2023 was £161.7m. The council considers that the investment property portfolio retains sufficient value (measured using the fair value model) to provide security of investment.

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

| | 2022/23 | 2021/22 | 2020/21 | 2019/20 | 2018/19 |
|--|---------|---------|---------|---------|---------|
| | | | | | |

| | | | | | |
|---|---------|---------|---------|---------|---------|
| Rental income net of direct costs (£'000) | 8,133 | 8,739 | 9,315 | 9,603 | 9,984 |
| Fair Value at year end (£'000) | 161,708 | 160,682 | 158,594 | 162,722 | 170,782 |
| Yield | 5% | 5.4% | 5.9% | 5.9% | 5.9% |
| Gain / (loss) in fair value in year (£'000) | 1,026 | 2,088 | (4,128) | (8,060) | (4,499) |

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

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

Proportionality of commercial property holdings

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

7.18 CIPFA released guidance on prudential property investment in 2019. This considers the concept of 'proportionality' when considering the size and scale of new property investments, whether they are consistent with the authority's corporate and financial strategies and if they expose the authority to unacceptable levels of risk.

- 7.19 The council is aware of the range of risks associated with investment in commercial property and works to ensure appropriate due diligence and prudence. These risks include the reliance on income from commercial properties to fund council services. It has also sought to provide greater diversification of risk through its more recent portfolio acquisitions in terms of property type, location, management costs and covenant strength.
- 7.20 The use of investment property income to support the council's activities has been established over many years and over several economic cycles. Reflecting this experience, the council considers 50% to be the prudent maximum level of this indicator.
- 7.21 The financial statements at 31 March 2023 show that the net cost of services (net of service-related income) chargeable to the GF was £27.8m (21/22 £26.7m). Net income from investment properties was 27.54% (2021/22 30.9%) of this figure.
- 7.22 The HRA holds a small number of investment properties, mainly retail units linked to council housing, for example shops with flats above. These properties are valued at £6.922 million at 31 March 2023 and earn rental income of around £473k per annum.

8 Other long-term liabilities

- 8.1 The council will take on liabilities associated with the provision of operational services. Examples include financial guarantees, including those given in respect of subsidiaries or joint ventures. Where decisions are made for service purposes, these may be outside of normal commercial terms, including liquidity, security and/or yield.
- 8.2 Where such liabilities are taken on the council will ensure that financial risks are clearly identified and quantified along with any implied subsidy as part of the decision-making process. Consideration will also be given to the impact of IFRS 16 (the new accounting standard for all leases effective from 2024/25) in respect of new lease agreements which the Council may enter into.

9 Knowledge and skills

S151 Officer

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

Treasury management

- 9.2 Treasury management activity is undertaken by an accountant and assistant accountant in the council's technical and financial accounting team. They are managed by a CCAB qualified accountant.
- 9.3 The team has many years of treasury management experience and has demonstrated that it has the skills to opt-up to professional status under the MiFID II reforms.
- 9.4 The CIPFA Code requires the responsible officer to ensure that members and officers are adequately trained in treasury management. Training is arranged as required and is regularly reviewed.

Property assets

- 9.5 The council's investment property is managed by its property services team, an experienced team of 8 staff. The team includes 6 chartered surveyors each with over 25 years of property experience in both the private and public sector. This extensive experience includes dealing with a mix of property types and professional work including professional services, landlord and tenant, statutory valuations, acquisitions and disposals, commercial

and residential property management. They have extensive knowledge of the Cambridge property market with most of the team having worked in and around Cambridge for the past 10 years or so, some much longer.

9.6 Property services also works with external agents where specialist expertise is required to deal with particular properties or resource is not available to deal with matters in a timely way. Examples of where external advice is used include agency, valuation, building surveying and planning work. The council also has internal building surveying resource in its estates and facilities team to advise on construction, repair and maintenance, and statutory compliance matters across its investment properties. Estates and facilities commission and manage repairs and maintenance as well as capital investment programmes, either directly or through framework contracts.

9.7 The council's asset valuations for its financial statements are prepared by external agents with an agreed rolling programme of valuations for the whole council property portfolio. All material investment properties are valued on an annual basis.

External advice

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

Appendix A

Estimated Capital Programme, Capital Financing Requirement and Reserves - 2023-24 to 2032-33

| £'000 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 | 2030/31 | 2031/32 | 2032/33 |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| General Fund Capital Expenditure | 64,947 | 86,477 | 51,999 | 20,822 | 18,602 | 8,416 | 6,973 | 9,351 | 8,283 | 7,838 |
| Housing Revenue Account Capital Expenditure | 94,568 | 89,127 | 100,161 | 84,262 | 81,725 | 112,497 | 92,190 | 53,211 | 28,475 | 39,410 |
| Capital Financing Requirement | 320,962 | 450,693 | 543,327 | 568,447 | 624,949 | 692,406 | 755,773 | 784,131 | 786,618 | 797,235 |
| General Fund Projected Year End Reserves (without Business Rates Growth) | 24,517 | 7,767 | 6,717 | 6,667 | 6,617 | 6,567 | 6,517 | 6,467 | 6,417 | 6,367 |
| HRA Projected Year End Reserves | 7,321 | 8,550 | 8,907 | 8,210 | 8,471 | 8,740 | 8,356 | 8,210 | 8,310 | 8,544 |
| Total Reserves | 31,838 | 16,317 | 15,624 | 14,877 | 15,088 | 15,307 | 14,873 | 14,677 | 14,727 | 14,911 |

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

The General Fund Capital Programme shown above reflects estimates used to produce the latest Medium Term Financial Strategy including schemes not yet formally approved as part of the budget-setting process.

STRATEGY & RESOURCES SCRUTINY COMMITTEE

15 January 2024

5:30-7:25pm

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

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

ANNUAL TREASURY MANAGEMENT STRATEGY STATEMENT REPORT 2024/25 TO 2027/28

The Council is required to receive and approve, as a minimum, three main treasury management reports each year.

The first and most important is the Treasury Management Strategy (this report), which covers:

- capital plans (including prudential indicators);
- a Minimum Revenue Provision policy which explains how unfinanced capital expenditure will be charged to revenue over time;
- the Treasury Management Strategy (how investments and borrowings are to be organised) including treasury indicators; and
- a Treasury Management Investment Strategy (the parameters on how investments are to be managed).

A mid-year treasury management report is produced to update Members on the progress of the capital position, amending prudential indicators as necessary, and advising if any policies require revision

The Outturn or Annual Report compares actual performance to the estimates in the Strategy.

The statutory framework for the prudential system under which local government operates is set out in the Local Government Act 2003 and Capital Financing and Accounting Statutory Instruments. The framework incorporates four statutory codes. These are:

- the Prudential Code (2021 edition) prepared by CIPFA;
- the Treasury Management Code (2021 edition) prepared by CIPFA;
- the Statutory Guidance on Local Government Investments prepared by the Department for Levelling Up, Housing and Communities (DLUHC) (effective 1 April 2018); and

- the Statutory Guidance on Minimum Revenue Provision prepared by DLUHC (effective 1 April 2019).

The Council's S151 Officer has considered the deliverability, affordability and risk associated with the Council's capital expenditure plans and treasury management activities. The plans are affordable. Where there are risks such as the slippage of capital expenditure, or reductions in investment values or income, these have been reviewed and mitigated at an acceptable level. The Council has access to specialist advice where appropriate.

Treasury Management Reports are required to be adequately scrutinised before being recommended to the Council. This role is undertaken by the Strategy and Resources Scrutiny Committee.

Accordingly, Council is recommended to:

- i. Approve this report, including the estimated Prudential and Treasury Indicators for 2024/25 to 2027/28 (inclusive) as set out in Appendix C of the officer's report.

Item

ANNUAL TREASURY MANAGEMENT STRATEGY

STATEMENT REPORT 2024/25 TO 2027/28

To:

The Executive Councillor for Finance & Resources: Councillor Simon Smith
Strategy & Resources Scrutiny Committee 15th January 2024

Report by:

Caroline Ryba – Chief Finance Officer

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

Wards affected:

All Wards

Key Decision

1 Executive Summary

- 1.1 The Council is required to receive and approve, as a minimum, three main treasury management reports each year.
- 1.2 The first and most important is the Treasury Management Strategy (this report), which covers:
 - capital plans (including prudential indicators);
 - a Minimum Revenue Provision policy which explains how unfinanced capital expenditure will be charged to revenue over time;
 - the Treasury Management Strategy (how investments and borrowings are to be organised) including treasury indicators; and
 - a Treasury Management Investment Strategy (the parameters on how investments are to be managed).
- 1.3 A mid-year treasury management report is produced to update Members on the progress of the capital position, amending prudential indicators as necessary, and advising if any policies require revision.

- 1.4 The Outturn or Annual Report compares actual performance to the estimates in the Strategy.
- 1.5 The statutory framework for the prudential system under which local government operates is set out in the Local Government Act 2003 and Capital Financing and Accounting Statutory Instruments. The framework incorporates four statutory codes. These are:
- the Prudential Code (2021 edition) prepared by CIPFA;
 - the Treasury Management Code (2021 edition) prepared by CIPFA;
 - the Statutory Guidance on Local Government Investments prepared by the Department for Levelling Up, Housing and Communities (DLUHC) (effective 1 April 2018); and
 - the Statutory Guidance on Minimum Revenue Provision prepared by DLUHC (effective 1 April 2019).
- 1.6 The Council's S151 Officer has considered the deliverability, affordability and risk associated with the Council's capital expenditure plans and treasury management activities. The plans are affordable. Where there are risks such as the slippage of capital expenditure, or reductions in investment values or income, these have been reviewed and mitigated at an acceptable level. The Council has access to specialist advice where appropriate.
- 1.7 Treasury Management Reports are required to be adequately scrutinised before being recommended to the Council. This role is undertaken by the Strategy and Resources Scrutiny Committee.

2 Recommendations

The Executive Councillor is asked to recommend to Council:-

- 2.1 That this report, including the estimated Prudential and Treasury Indicators for 2024/25 to 2027/28 (inclusive) as set out in Appendix C, be approved.

3 Treasury Management Activities

- 3.1 The Council is required to have regard to the relevant CIPFA and DLUHC Guidance when carrying out its treasury management activities (see paragraph 1.5). The Council is required to set prudential and treasury

indicators, including an authorised limit for borrowing, for a minimum of a three-year period and should ensure that its capital plans are affordable, prudent and sustainable.

- 3.2 The Prudential Code states that, where appropriate, the S151 Officer should have access to specialised advice to enable them to reach their conclusions in respect of affordability and risk. As such, the Council has retained Link Asset Services (LAS) as its specialist treasury management advisors.
- 3.3 LAS's specialist services include the provision of advice to the Council on developments and best practice in treasury management, the creditworthiness of potential counterparties, deposit and borrowing interest rates, and the performance and outlook of the wider economy.
- 3.4 The Council recognises that its non-treasury investments mean that it may need to consult with specialists in other areas, particularly commercial property. Arrangements are in place to ensure that the S151 officer and relevant senior managers can access appropriate expertise in respect of the Council's commercial activities.

4 Borrowing Policy Statement

- 4.1 The Council is permitted to borrow under the Framework, introduced with effect from 1 April 2004.
- 4.2 At present the only debt held by the authority relates to twenty loans from the Public Works Loan Board (PWLB) for self-financing of the Housing Revenue Account (HRA). These loans were taken out in 2012 and total £213,572,000.
- 4.3 The Council has agreed further external borrowing of £85 million to fund the Park Street redevelopment project. This is in the form of an annuity loan and will be received in three tranches with the first being drawn down in 2024.
- 4.4 More generally, as explained elsewhere in this document and in the Council's Capital Strategy, the current General Fund capital programme establishes that external borrowing is likely to be required in the medium-term. Similarly, to deliver the Council's stated commitments to construct new homes the HRA will need to take on additional borrowing.

- 4.5 The Council will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates and will be considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds.
- 4.6 The government recently announced the extension of an arrangement whereby a concessionary PWLB loan rate is available to authorities wishing to take out borrowing for the purpose of financing capital expenditure in their HRA. This arrangement is now in place until June 2025 and enables the Council to borrow at 0.4% lower than would be the case for PWLB borrowing to fund General Fund capital expenditure. As the deadline for the end of the concessionary rate approaches, work will need to be undertaken to identify the extent to which external borrowing should be undertaken. At the present time, even after factoring in the concessionary rate, PWLB rates are significantly higher than they are expected to be in 12-18 months' time.

5 Minimum Revenue Provision (MRP) Policy Statement

- 5.1 Minimum Revenue Provision (MRP) is the revenue charge that the Council is required to make for the repayment of debt, as measured by the underlying need to borrow, rather than actual debt. The underlying debt is needed to finance capital expenditure which has not been fully financed by revenue or capital resources. As capital expenditure is generally expenditure on assets which have a life expectancy of over one year, it is prudent to charge an amount for the repayment of debt over the life of the asset or some similar proxy figure.
- 5.2 The Local Authorities (Capital Finance and Accounting) regulations require local authorities to calculate for the financial year an amount of MRP which is considered to be 'prudent'.
- 5.3 There is no requirement to charge MRP where the Capital Financing Requirement (CFR) is nil or negative at the end of the preceding financial year.
- 5.4 The Housing Revenue Account share of the CFR is not subject to an MRP charge.
- 5.5 There is no requirement to make an MRP charge on an asset until the financial year after that asset becomes operational.

- 5.6 The Government issues statutory guidance on the calculation of MRP. The Council is required to have regard to the guidance based on the underlying principle that the provision should be linked to the life of the assets for which the borrowing is required.
- 5.7 However, the guidance is clear that differing approaches can be considered as long as the resulting provision is prudent.
- 5.8 In general, the council will make a minimum revenue provision based on the equal installment method, amortising expenditure equally over the estimated useful life of the asset for which the borrowing is required. However, no provision will be made in respect of expenditure on specific projects where the Chief Financial Officer determines that capital receipts will be generated by the project to repay the debt. Specifically, in respect of the current capital programme:
- The Council has made a loan to a company (which is classed as capital expenditure) to enable it to let intermediate rent properties. This will be financed from internal borrowing. As this loan is to a wholly owned subsidiary company and is secured on assets no MRP will be set aside. However, to ensure that this policy is prudent, the Council will review this loan annually and if the loan is renegotiated. Where there is evidence which suggests that the full amount of the loan may not be repaid or is not secured on assets of appropriate value, it will be necessary to reassess the need to commence MRP to recover the impaired amounts from revenue.
 - The Council continues to make capital contributions and loans to the Cambridge Investment Partnership (CIP) – a joint venture and deadlock partnership in which the Council has a 50% stake – to facilitate the development of new housing within the city. These payments are classed as capital expenditure. As the payments are appropriately covered by assets in the CIP and as there are detailed plans to demonstrate that all investment in the CIP will be recovered in less than five years with a significant surplus, no MRP will be set aside. However, to ensure that this policy is prudent, the Council will review the position regularly. Where there is evidence which suggests that the finance provided may not be repaid, it will be necessary to reassess the need to commence MRP to recover the impaired amounts from revenue.

- The Council has borrowed via the money markets to fund the redevelopment of the Park Street site. The borrowing comprises three annuity loans. These loans require the Council to make a fixed cash repayment every six months comprising interest and repayment of principal over the life of the loans. Over the life of each loan the interest portion of the repayment reduces as the balance outstanding reduces. As permitted by the relevant statutory guidance, the Council has determined that the annuity method is an appropriate approach to provide MRP for Park Street. A hybrid interest rate based on the rates for the agreed loans will be used to calculate MRP.
- No MRP will be required on bond investments which are treated as capital expenditure under regulation where those bonds are appropriately secured. This security will be reviewed at least annually.

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

5.10 The Council agreed to finance an element of the capital cost of a new community centre at Clay Farm from internal borrowing. Using the asset life method MRP would normally be made over an asset life of 40 years. However, the element of capital cost funded from internal borrowing will effectively be repaid over a shorter period from receipts of rental income from the tenant and subsidy from the site developer. The current estimate is that this repayment will take approximately 12 years. The Council has decided to make MRP on this accelerated basis in respect of this asset.

5.11 The Council is required to report whether it has made any voluntary payments over and above that required to comply with its Minimum Revenue Provision policy. The Council can confirm that it made a voluntary overpayment of MRP of £9,545K in the 2019/20 financial year.

6 The Council's Capital Expenditure and Financing 2023/24 to 2027/28

6.1 The Council undertakes capital expenditure on long-term assets. These activities may either be:

- financed immediately through the application of capital or revenue resources (capital receipts, capital grants, developer contributions, revenue contributions, reserves, etc), which has no resultant impact on the Council's borrowing need; or

- if insufficient financing is available, or a decision is taken not to apply other resources, the funding of capital expenditure will give rise to a borrowing need.

6.2 Estimates of capital expenditure forms one of the required prudential indicators. The table below shows the proposed capital expenditure reflecting the content of the draft budget setting report which is currently being finalised for approval at full Council in February 2024.

| | 2023/24 Estimate £'000 | 2024/25 Estimate £'000 | 2025/26 Estimate £'000 | 2026/27 Estimate £'000 | 2027/28 Estimate £'000 |
|---|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| General Fund Capital Expenditure | 64,094 | 85,082 | 17,169 | 1,724 | 700 |
| Financed from: | | | | | |
| Capital Receipts | (7,935) | (9,770) | (3,448) | (1,664) | (700) |
| Other Contributions and Balances | (13,978) | (9,231) | (221) | (60) | 0 |
| General Fund Prudential Borrowing | (42,181) | (66,081) | (13,500) | 0 | 0 |
| HRA Capital Expenditure | 94,568 | 89,127 | 100,161 | 84,262 | 81,725 |
| Financed from: | | | | | |
| Capital Receipts | (5,091) | (5,279) | (5,154) | (4,398) | (4,041) |
| Other Contributions and Balances | (64,732) | (30,834) | (31,371) | (34,990) | (29,862) |
| HRA Prudential Borrowing | (24,745) | (53,014) | (63,636) | (44,874) | (47,822) |
| Total Capital Expenditure Financed from Prudential Borrowing | 66,926 | 119,095 | 77,136 | 44,874 | 47,822 |

7 The Council's Prudential and Treasury Management Indicators

7.1 The table below shows the Capital Financing Requirement (CFR), which is the underlying need to incur borrowing for a capital purpose. It also shows the indicative debt position over the period. This is termed the Operational Boundary which the Council would not normally expect to exceed. Actual debt levels may be lower due to the use of surplus cash balances, timing of capital expenditure and the availability of capital receipts and other sources of non-debt finance. Regulations require that the Council's external debt level cannot exceed the Authorised Limit set out below.

| Capital Financing Requirement & Cumulative External Borrowing | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 |
|--|----------------|----------------|----------------|----------------|----------------|
| | Estimate | Estimate | Estimate | Estimate | Estimate |
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| General Fund Capital Financing Requirement (31 March) | 81,240 | 147,014 | 158,888 | 129,321 | 127,846 |
| HRA Capital Financing Requirement (31 March) | 239,721 | 292,735 | 356,371 | 401,245 | 449,067 |
| Total Capital Financing Requirement (CFR) | 320,961 | 439,749 | 515,259 | 530,566 | 576,913 |
| Movement in the CFR | 51,012 | 118,788 | 75,510 | 15,307 | 46,347 |
| Estimated External Gross Debt/Borrowing (Including HRA Reform) | 238,317 | 322,778 | 453,080 | 507,096 | 563,398 |
| Authorised Limit for External Debt | 550,000 | 550,000 | 600,000 | 600,000 | 625,000 |
| Authorised Limit for other long-term liabilities | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 |
| Operational Boundary for External Debt | 332,461 | 451,249 | 526,759 | 542,066 | 588,413 |
| Operational Boundary for other long-term liabilities | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 |

- 7.2 With effect from 1 April 2024, local authorities are required to implement a new accounting standard known as IFRS 16. This standard requires that assets previously recognised as operating leases will, in many cases, need to be accounted for on the balance sheet. Authorities will need to recognise an asset corresponding to their 'right to use' assets held under operating leases and a liability corresponding to the payments due under the relevant leases to secure use of the leased assets. The authority does not expect its CFR to be significantly impacted by the implementation of IFRS 16 but this will be kept under review and updates will be brought to this committee during 2024-25.
- 7.3 Two additional indicators are reported in Appendix C in accordance with updates to the Prudential Code effective from 1 April 2023. The Council is now required to disclose its actual and estimated net income from commercial and service investments as a proportion of its net revenue stream. This indicator is important in the context of understanding the contribution commercial income makes to the Council's net budget recognising that the Council has a significant portfolio of investment properties. The Council's Capital Strategy defines the activities which the Council classifies as being commercial in nature. This includes car parking and bereavement services, as well as loans the Council has made to connected entities within the Council Group.
- 7.4 This indicator needs to be understood with reference to the environment in which these commercial activities operate. The loans made by the Council will typically be project-specific and therefore will not return a constant level of income. The performance of services provided in a competitive marketplace will be subject to variation linked to factors particular to that market. By necessity the budget-setting process evaluates the impact of the current economic conditions on the performance of its commercial activities. Consequently, year-on-year changes in relation to an indicator should not, in isolation, be treated as a cause for concern providing the change is consistent with the Council's budget estimates and therefore managed appropriately in the context of medium-term financial planning.
- 7.5 The other additional mandatory indicator, which was first reported as part of the mid-year Treasury report in September 2022, is known as the Liability Benchmark. This indicator is presented in graph form with separate graphs being produced for the General Fund and the HRA. The format used shows the relationship between the following key elements over the life of the Council's debt portfolio:

- a) Existing loan debt outstanding: the Authority's existing loans, including the borrowing for the Park Street project which has been agreed in advance, that are still outstanding in future years.
- b) CFR: this is calculated in accordance with the loans CFR definition in the Prudential Code and projected into the future based on approved prudential borrowing, as set out above in this document, and planned MRP.
- c) Borrowing Requirement: this will show separately for the HRA and the GF the additional amount which needs to be borrowed externally to deliver the Council's current capital programme. All borrowing is undertaken in the name of the Council but the GF and HRA need to account separately for the interest payable associated with borrowing undertaken to fund either the GF or HRA capital plan.
- d) Liability benchmark: this reflects the total amount of borrowing required after taking account of the Council's liquidity needs.
- e) Investment benchmark: this reflects the amount the Council should invest based on projected cash balances after reflecting the current GF capital programme and borrowing already agreed. An investment benchmark exists where borrowing exceeds balances required to fund the capital programme. The investment benchmark is expressed as a negative. The amount the Council has available to invest will reduce as the borrowing agreed is used to fund new schemes identified in future capital plans approved as part of the budget setting process. This will be reflected in updates to the liability benchmark presented in future iterations of this document.

7.6 It is important to note that the liability benchmark is based on the approved capital programme and therefore excludes anticipated capital expenditure based on schemes expected to come forward over the life of the current MTFS. The effect of this is to show a peak in the Council's General Fund CFR in March 2026 by which time the Council is expected to have significant unfinanced expenditure within its CFR. This principally relates to CIP projects and the project at Park Street. The CFR will continue to reduce as the Council repays the Park Street borrowing and when loans from the Council to CIP are repaid. There will, however, be other capital schemes which come forward for approval in the coming years.

7.7 The liability benchmark is intended to be a live indicator which informs the Council's decisions about timing and duration of borrowing hence it informs the borrowing strategy set out in Section 4 above. The current liability benchmark indicates that there may be some capacity for the General Fund to provide short-term borrowing to the HRA to meet its borrowing requirement for finite periods. This will be kept under review.

8 Investment Strategy

8.1 DLUHC and CIPFA define 'investments' as including both financial and non-financial investments. This report deals solely with treasury (financial) investments, (as managed by the treasury management team). Non-financial investments, essentially the purchase of income yielding assets and service investments, are covered in the Capital Strategy, (a separate report).

8.2 The Authority's investment policy has regard to the following: -

- DLUHC's Guidance on Local Government Investments ("the Guidance")
- CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2021 ("the Code")
- CIPFA Treasury Management Guidance Notes 2021

8.3 The Authority's investment priorities will be security first, portfolio liquidity second and then yield (return). The Authority will aim to achieve the optimum return (yield) on its investments commensurate with proper levels of security and liquidity and with regard to the Authority's risk appetite.

8.4 In the current economic climate, it is considered appropriate to maintain a degree of liquidity to cover cash flow needs but to also consider "laddering" investments for periods up to 12 months with high credit rated financial institutions, whilst investment rates remain elevated, as well as other pooled funds which may meet the authority's needs.

8.5 The above guidance from the DLUHC and CIPFA places a high priority on the management of risk. This Authority has adopted a prudent approach to managing risk and defines its risk appetite by the following means: -

- a. Minimum acceptable credit criteria are applied in order to generate a list of highly creditworthy counterparties. This also enables diversification and thus avoidance of concentration risk.

The key ratings used to monitor counterparties are the short-term and long-term ratings.

- b. Other information: ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To achieve this consideration the Authority will engage with its advisors to maintain a monitor on market pricing such as “credit default swaps” and overlay that information on top of the credit ratings.
- c. Other information sources used will include the financial press, share price and other such information pertaining to the financial sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.
- d. This Authority has defined the list of types of investment instruments that the treasury management team are authorised to use. There are two lists in Appendix A under the categories of ‘specified’ and ‘non-specified’ investments.
- e. Specified investments are those with a high level of credit quality and subject to a maturity limit of less than one year.
- f. Non-specified investments are those which could have less high credit quality, may be for periods in excess of one year, and/or are more complex instruments which require greater consideration by members and officers before being authorised for use.
- g. Lending limits, (amounts and maturity), for each counterparty will be set through applying the matrix table set out in Appendix A.
- h. Transaction limits are set for each type of investment in Appendix A.
- i. This Authority will set a limit for its investments which are invested for longer than 365 days.

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

8.6 Information regarding the performance of the Council's investment will be provided to senior management team as part of the quarterly budget monitoring process and to the Strategy and Resources Scrutiny Committee as part of mid-year and outturn reporting. Benchmark information is also collected and used for comparison purposes.

9 Financial Asset Counterparties

9.1 The full listing of approved counterparties is presented at Appendix A, showing the category under which each counterparty has been approved, the appropriate deposit limit, and current duration limit.

9.2 There is no or very low risk to the capital invested (other than the risk of failure of the financial institution) for fixed term deposits and constant net asset value money market funds.

9.3 The Council continually reviews its investment policy. The current economic climate has created considerable uncertainty. This has impacted asset pricing. The Council holds investments in commercial property, both directly owned and through the CCLA Local Authorities' Property Fund, and has investments in short-dated bond funds. The pricing of both asset types has been particularly impacted. Further volatility in capital values is anticipated over the economic cycle.

9.4 The Council will continue to monitor the total return generated by its investment in funds, all of which are actively managed by professional fund managers. In this context, it is important to recognise that the income distributions the Council receives will not necessarily be subject to the same volatility as capital values. The Council recognises the need for it to be able to continue to justify retaining these assets. This is important as one of the consequences of doing so is to bring forward the date when the Council will need to borrow to fund its capital programme.

- 9.5 The Council has made a loan of £7.5 million to Cambridge City Council Housing Company, a wholly owned subsidiary. This loan earns 2.02% and is secured on the properties owned by the company. The loan is kept under review and the loan facility is periodically renewed.
- 9.6 The Council has continued to make loans available to Cambridge Investment Partnership, a joint venture – see paragraph 5.8 for further details.
- 9.7 The Council invests in local business bonds issued by Allia Limited. The bonds are secured on the Allia Future Business Centre. The authorised counterparty limit for such investments as set out at Appendix A is £5 million in respect of long-term (5 year) bonds. In December 2023, a £2.2M bond was repaid.
- 9.8 The Council recognises that there is continuing debate about how best to capture information about the environmental, social and governance (often known as ‘ESG’) implications of investing decisions taken by the Council. Longer-term investments can sometimes be more readily assessed in terms of their ESG impact particularly where funds invested have a clear and demonstrable benefit on the environment and society, e.g., investments in sustainable development, decarbonisation and green technologies. More generally, our treasury management advisors have indicated that there is still a lack of consensus in the industry about what would be the most effective methodology to provide relevant, consistent and objective information to investors about potential counterparties. Information about investments currently held was provided as part of the mid-year report earlier this year. Further information will be provided when this is available.

10 Interest Rates & Interest Received

- 10.1 In support of effective forecasting the Council needs to be aware of the potential influence of interest rates on its treasury management. The Council is provided with regular interest rate forecasts by its treasury advisors, and the latest forecast is presented at Appendix B.
- 10.2 Total interest and dividends of £4.307m (on our traditional treasury investments, i.e. excluding the investments referred to in para 9.3 and 9.4 and loans made to the connected entities) are due or have been received in respect of the Council’s deposits up to 30 November 2023 (for this financial year) at an average rate of 4.14% (the equivalent rate

for the eight months to 30 November 2022 was 1.32%).

- 10.3 The Bank of England base rate is now generally understood to have peaked at 5.25%. The Council continues to benefit from what is a higher interest rate environment than has been the case in recent years. The MTF5 reflects expected investment rate income in future years. This is expected to reduce from that observed in 2023/24 as existing cash balances are used to fund capital expenditure and the base rate begins to reduce. The first forecast reduction in base rate is currently expected to take place in Autumn 2024 but may happen sooner depending on economic conditions, particularly economic output.

11 Implications

(a) Financial Implications

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

(b) Staffing Implications

None.

(c) Equality and Poverty Implications

No negative impacts identified.

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

See paragraph 9.8 for relevant commentary

(e) Procurement Implications

None.

(f) Community Safety Implications

No community safety implications.

12 Consultation and communication considerations

None required.

13 Background papers

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

14 Appendices

Appendix A – The Council's current Counterparty list

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

15 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 Title: Deputy Chief Finance Officer
Author's Phone Number: 01223 458130

Author's Email: Neil.Krajewski@cambridge.gov.uk

Treasury Management Annual Investment Strategy

The full listing of approved counterparties is shown below, showing the category under which the counterparty has been approved, the appropriate deposit limit and current duration limits.

Current Counterparty List

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

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

| Name | Council's Current Deposit Period | Category | Limit (£) |
|---|----------------------------------|------------------------------------|--|
| All UK Fire Authorities | N/A | Fire Authority | 20m |
| Debt Management Account Deposit Facility | N/A | DMADF | Unlimited |
| Enhanced Cash Funds (Standard & Poor's: AAf/S1, Fitch: AA/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 |

| Name | Council's Current Deposit Period | Category | Limit (£) |
|---|----------------------------------|--------------------------------------|-------------------------------|
| CCLA Local Authorities' Property Fund | Minimum of 5 years | Pooled UK Property Fund | Up to 15m |
| Certificates of Deposit (with UK Banking Institutions) | Liquid Rolling Balance | Financial Instrument | See limits above |
| Certificates of Deposit (with UK Building Societies) | Liquid Rolling Balance | Financial Instrument | See limits above |
| Certificates of Deposit (with Foreign Banking Institutions) | Liquid Rolling Balance | Financial Instrument | 2m (per single counterparty) |
| Enhanced Cash Funds (Standard & Poor's: AAf/S1, Fitch: 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.

Link Asset Service's Opinion on Forecast UK Interest Rates

Introduction

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

Interest rates

- The first half of 2023/24 saw:
 - Interest rates rise by a further 100bps, taking Bank Rate from 4.25% to 5.25% and, possibly, the peak in the tightening cycle.
 - Short, medium and long-dated gilts remain elevated as inflation continually surprised to the upside.
 - CPI inflation falling from 8.7% in April to 6.7% in September, its lowest rate since February 2022, but still the highest in the G7.
 - Core CPI inflation declining to 6.1% in September from 7.1% in April and May, a then 31 years high.
 - A cooling in labour market conditions, but no evidence yet that it has led to an easing in wage growth (as the 3myy growth of average earnings rose by 7.8% for the period June to August, excluding bonuses).
- As the growing drag from higher interest rates intensifies over the next six months, we think the economy will continue to lose momentum and soon fall into a mild recession. Strong labour demand, fast wage growth and government handouts have all supported household incomes over the past year. And with CPI inflation past its peak and expected to decline further, the economy has got through the cost-of-living crisis without recession. But even though the worst of the falls in real household disposable incomes are behind us, the phasing out of financial support packages provided by the government during the energy crisis means real incomes are unlikely to grow strongly. Higher interest rates will soon bite harder too. We expect the Bank of England to keep interest rates at the probable peak of 5.25% until the second half of 2024. Mortgage rates are likely to stay above 5.0% for around a year.

- In its latest monetary policy meeting on 06 November, the Bank of England left interest rates unchanged at 5.25%. The vote to keep rates on hold was a split vote, 6-3. It is clear that some members of the MPC are still concerned about the stickiness of inflation.
- Like the US Fed, the Bank of England wants the markets to believe in the higher for longer narrative. In terms of messaging, the Bank once again said that “further tightening in monetary policy would be required if there were evidence of more persistent inflationary pressures”, citing the rise in global bond yields and the upside risks to inflation from “energy prices given events in the Middle East”. So, like the Fed, the Bank is keeping the door open to the possibility of further rate hikes. However, it also repeated the phrase that policy will be “sufficiently restrictive for sufficiently long” and that the “MPC’s projections indicate that monetary policy is likely to need to be restrictive for an extended period of time”. Indeed, Governor Bailey was at pains in his press conference to drum home to markets that the Bank means business in squeezing inflation out of the economy.
- This narrative makes sense as the Bank of England does not want the markets to decide that a peak in rates will be soon followed by rate cuts, which would loosen financial conditions and undermine its attempts to quash inflation. The language also gives the Bank of England the flexibility to respond to new developments. A rebound in services inflation, another surge in wage growth and/or a further leap in oil prices could conceivably force it to raise rates in the future.

| Link Group Interest Rate View 07.11.23 | | | | | | | | | | | | | |
|--|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| | Dec-23 | Mar-24 | Jun-24 | Sep-24 | Dec-24 | Mar-25 | Jun-25 | Sep-25 | Dec-25 | Mar-26 | Jun-26 | Sep-26 | Dec-26 |
| BANK RATE | 5.25 | 5.25 | 5.25 | 5.00 | 4.50 | 4.00 | 3.50 | 3.25 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 |
| 3 month ave earnings | 5.30 | 5.30 | 5.30 | 5.00 | 4.50 | 4.00 | 3.50 | 3.30 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 |
| 6 month ave earnings | 5.60 | 5.50 | 5.40 | 5.10 | 4.60 | 4.10 | 3.60 | 3.40 | 3.10 | 3.10 | 3.10 | 3.10 | 3.10 |
| 12 month ave earnings | 5.80 | 5.70 | 5.50 | 5.20 | 4.70 | 4.20 | 3.70 | 3.50 | 3.30 | 3.30 | 3.30 | 3.30 | 3.30 |
| 5 yr PWLB | 5.00 | 4.90 | 4.80 | 4.70 | 4.40 | 4.20 | 4.00 | 3.80 | 3.70 | 3.60 | 3.50 | 3.50 | 3.50 |
| 10 yr PWLB | 5.10 | 5.00 | 4.80 | 4.70 | 4.40 | 4.20 | 4.00 | 3.80 | 3.70 | 3.70 | 3.60 | 3.60 | 3.50 |
| 25 yr PWLB | 5.50 | 5.30 | 5.10 | 4.90 | 4.70 | 4.50 | 4.30 | 4.20 | 4.10 | 4.10 | 4.00 | 4.00 | 4.00 |
| 50 yr PWLB | 5.30 | 5.10 | 4.90 | 4.70 | 4.50 | 4.30 | 4.10 | 4.00 | 3.90 | 3.90 | 3.80 | 3.80 | 3.80 |

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

APPENDIX C

PRUDENTIAL & TREASURY MANAGEMENT INDICATORS

| Estimates | 2023/24 £'000 | 2024/25 £'000 | 2025/26 £'000 | 2026/27 £'000 | 2027/28 £'000 |
|---|------------------|------------------|------------------|------------------|------------------|
| PRUDENTIAL INDICATORS | | | | | |
| Capital expenditure | | | | | |
| - GF | 64,094 | 85,082 | 17,169 | 1,724 | 700 |
| - HRA | 94,568 | 89,127 | 100,161 | 84,262 | 81,725 |
| Total | 140,662 | 174,209 | 117,330 | 85,986 | 82,425 |
| Capital Financing Requirement (CFR) as at 31 March | | | | | |
| - GF | 81,240 | 147,014 | 158,888 | 129,321 | 127,846 |
| - HRA | 239,721 | 292,735 | 356,371 | 401,245 | 449,067 |
| Total | 320,961 | 439,749 | 515,259 | 530,566 | 576,913 |
| Change in the CFR | 51,012 | 118,788 | 75,510 | 15,307 | 46,347 |

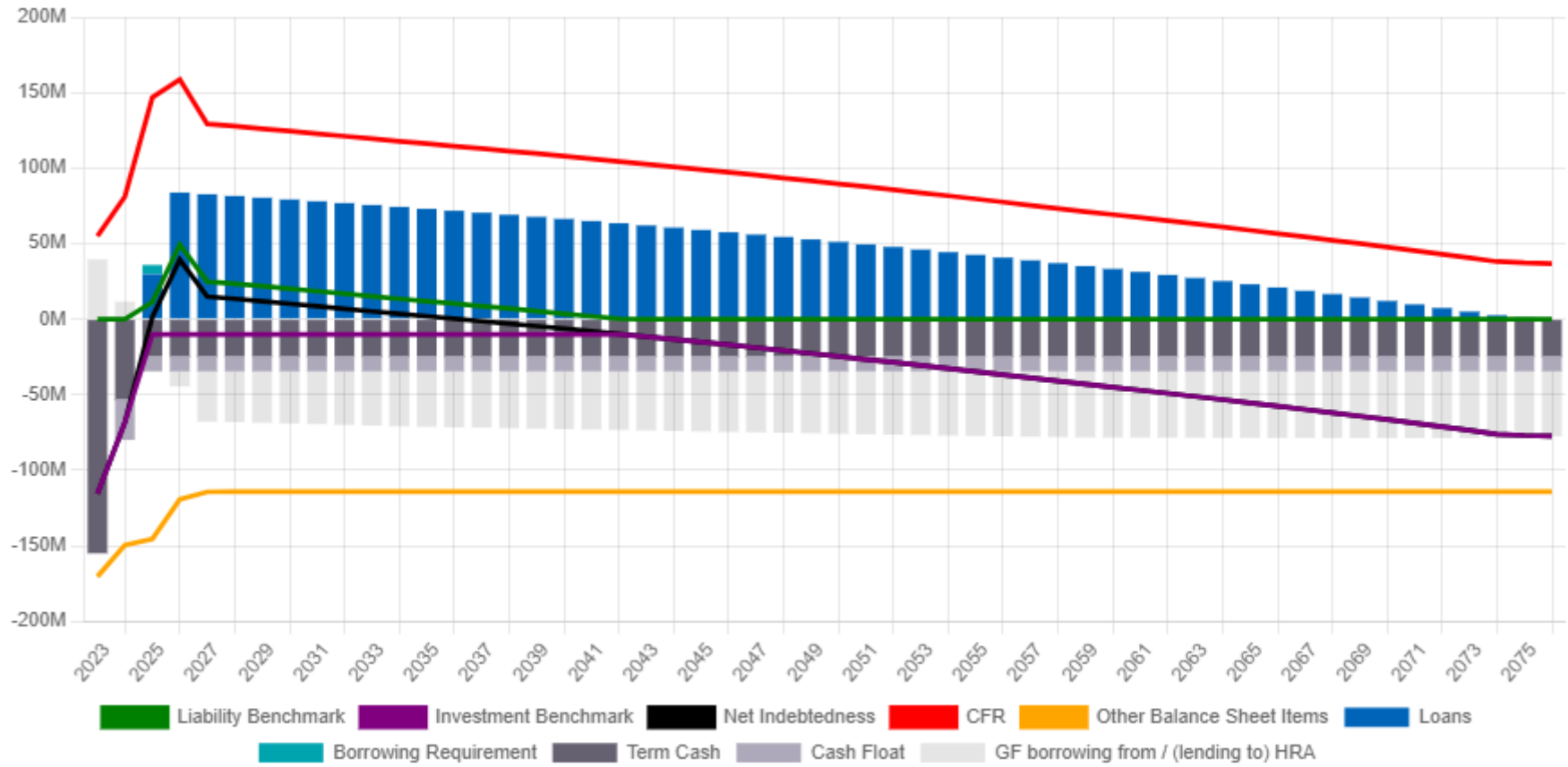
The above table reflect capital expenditure in the capital plan which is being prepared for approval as part of the budget-setting report and highlights the expected impact of that expenditure on the council's Capital Financing Requirement.

| Estimates | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 |
|---|---------|---------|---------|---------|---------|
| Deposits at 31 March (Average Annualised Balances) (£'000) | 126,495 | 82,706 | 69,976 | 53,689 | 52,929 |
| External Gross Debt (based on current capital plan) (£'000) | 238,317 | 322,778 | 453,080 | 507,096 | 563,398 |
| <u>Prudential Indicators</u> | | | | | |
| Ratio of financing costs to net revenue stream | | | | | |
| -GF (%) | 1.16 | 2.97 | 10.68 | 21.54 | 25.76 |
| -HRA (%) | 16.55 | 19.39 | 23.51 | 26.18 | 27.43 |
| Ratio of net financing costs to net revenue stream | | | | | |
| -GF (%) | (11.97) | (4.61) | 6.67 | 17.90 | 22.34 |
| -HRA (%) | 12.31 | 16.92 | 21.91 | 24.97 | 26.31 |
| Net income from commercial and service investments to net revenue stream | | | | | |
| -GF (£'000) | 11,078 | 11,679 | 11,588 | 11,400 | 10,842 |
| -HRA (£'000) | 493 | 413 | 413 | 413 | 413 |
| % of net revenue stream | | | | | |
| -GF (%) | 41.82 | 40.93 | 38.27 | 54.29 | 48.46 |
| -HRA (%) | 0.97 | 0.74 | 0.71 | 0.71 | 0.67 |

The prudential indicator percentages set out in the above table reflects the treasury management implications of the projected capital expenditure, funding sources, financing costs and investment income set out in the council's current Medium Term Financial Strategy (MTFS). The use of the MTFS is considered to provide the most relevant source of data to show how the council's performance against CIPFA's prudential indicators is expected to change over the period covered by the MTFS.

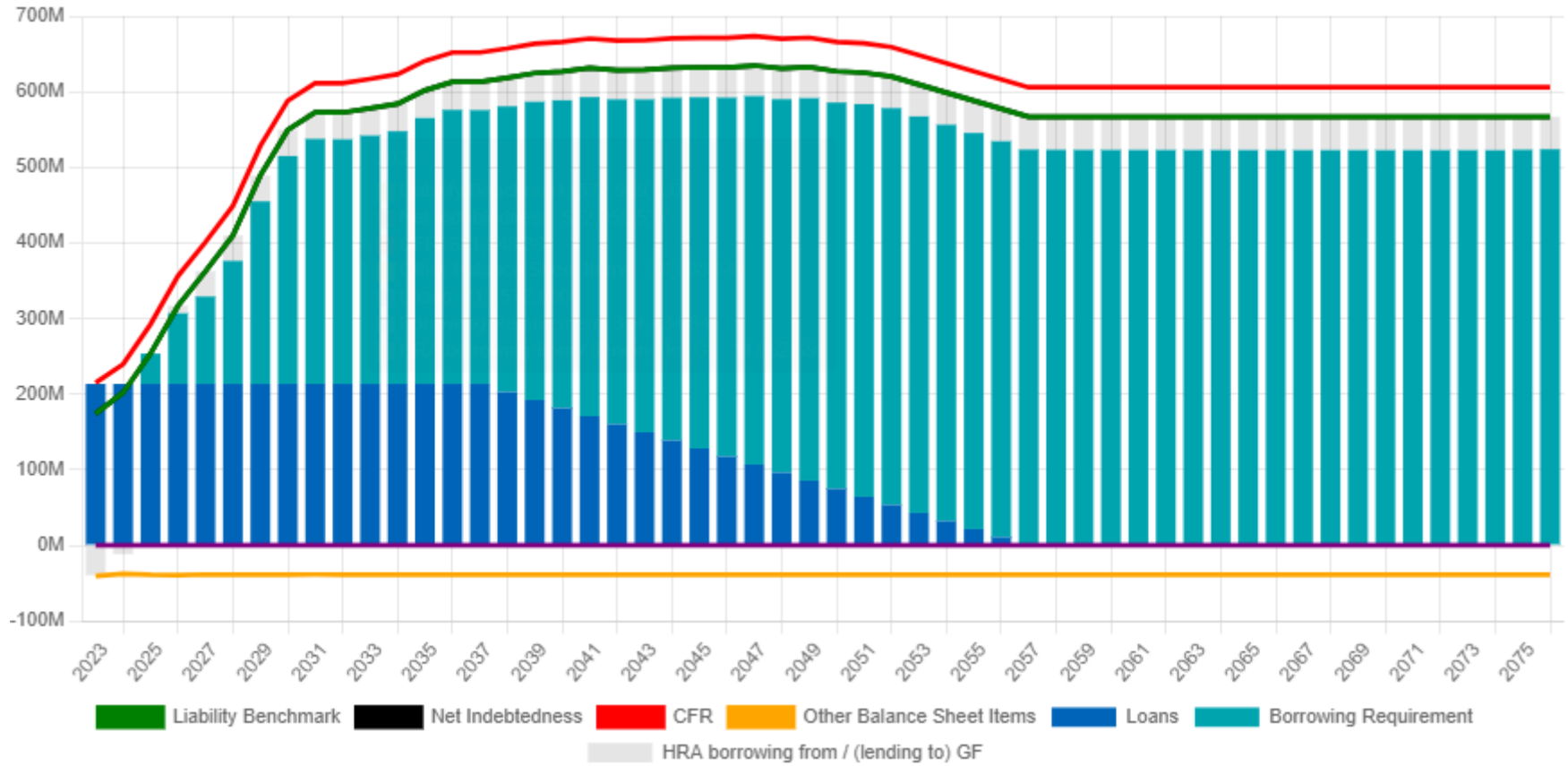
| Estimates | Estimate 2023/24 £'000 | Estimate 2024/25 £'000 | Estimate 2025/26 £'000 | Estimate 2026/27 £'000 | Estimate 2026/27 £'000 |
|---|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| Treasury Indicators | | | | | |
| Authorised Limit | | | | | |
| for borrowing | 550,000 | 550,000 | 600,000 | 600,000 | 625,000 |
| for other long-term liabilities | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 |
| Total | 552,000 | 552,000 | 602,000 | 602,000 | 627,000 |
| Operational boundary | | | | | |
| for borrowing | 332,461 | 451,249 | 526,759 | 542,066 | 588,413 |
| for other long-term liabilities | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 |
| Total | 333,961 | 452,749 | 528,259 | 543,566 | 589,913 |
| Upper limit for total principal sums deposited for over 364 days & up to 5 years | 50,000 | 30,000 | 20,000 | 20,000 | 20,000 |
| Analysis of exposure to fixed and variable interest rates | | | | | |
| Net interest on fixed rate borrowing/deposits | 5,065 | 9,613 | 14,465 | 17,970 | 20,072 |
| Net interest on variable rate borrowing/deposits | (2,258) | (1,773) | (1,290) | (1,058) | (1,045) |
| Maturity structure of new fixed rate borrowing | | Upper Limit | Lower Limit | | |
| 10 years and above | | 100% | 0% | | |

General Fund Liability Benchmark



HRA Liability Benchmark

Page 204



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 |
| DLUHC | Department for Levelling Up, Housing and Communities (formerly the Ministry for Housing, Communities and Local Government) |
| Enhanced Cash Funds | Higher yielding funds typically for investments exceeding 3 months |
| Eurocurrency | Currency deposited by national governments or corporations in banks outside of their home market |

| Term | Definition |
|--|--|
| External Gross Debt | Long-term liabilities including Private Finance Initiatives and Finance Leases |
| Government CNAV | Highly liquid sovereign stock based on a Constant Net Asset Value (CNAV) |
| HRA | Housing Revenue Account - a 'ring-fenced' account for local authority housing where a council acts as landlord |
| HRA Self-Financing | A new funding regime for the HRA introduced in place of the previous annual subsidy system |
| Liquidity | A measure of how readily available a deposit is |
| Low Volatility Net Asset Value (LVNAV) | Highly liquid sovereign stock based on a Constant Net Asset Value (CNAV) |
| MPC | Monetary Policy Committee - The Bank of England Committee responsible for setting the UK's bank base rate |
| Minimum Revenue Provision (MRP) | Revenue charge to finance the repayment of debt |
| NHBC | National House Building Council |
| Non Ring-Fenced Bank (NRFB) | Government & Bank of England rules apply to all UK Banks from 1 January 2019, requiring them to split their business into 'core' retail and investment units known as Ring and Non Ring Fenced Banks |
| Non-Specified Investments | These are investments that do not meet the conditions laid down for Specified Investments and potentially carry additional risk, e.g. lending for periods beyond 1 year |
| Operational Boundary | Limit which external borrowing is not normally expected to exceed |
| PWLB | Public Works Loans Board – an Executive Government Agency of HM Treasury from which local authorities and other prescribed bodies may borrow at favourable interest rates |

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

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

THE EXECUTIVE COMMITTEE
05 February 2024
5:35-6:15

Present: Councillors Mike Davey (Chair), Alice Gilderdale, Gerri Bird, Sam Carling, Rosy Moore, Simon Smith, Katie Thornburrow and Rachel Wade.

Also present remotely: Councillor Martin Smart

RECOMMENDATION TO COUNCIL (EXECUTIVE COUNCILLOR FOR FINANCE AND RESOURCES SIMON SMITH)

General Fund (GF) budget proposals 2024/25 and update to the budget setting context

Overview of Budget Setting Report (BSR)

- i. At this stage in the 2024/25 budget process the range of assumptions on which the Medium-Term Financial Strategy (MTFS) was based need to be reviewed in light of the latest information available, to determine whether any aspects of the strategy need to be revised. This then provides the basis for the budget considerations.
- ii. The General Fund (GF) BSR, which is attached, includes detailed revenue bids and savings and capital proposals and sets out the key parameters for the detailed recommendations and budget finalisation being considered at this meeting. This report reflects recommendations that will be made to The Executive on 5 February 2024 and then to Council, for consideration at its meeting on 15 February 2024.
- iii. The BSR sets out GF net service expenditure of £27.559m for 2024/25, analysed over portfolios. It is balanced by a contribution from the GF reserve of £18.834m, including £20.750m reallocation to earmarked reserves, a contribution towards funding on going services of £1.897m and movements on the business rates growth balance.
- iv. The recommendations that follow refer to the strategy outlined in the BSR and all references to Appendices, pages and sections relate to the final BSR 2024/25 (Version 1 – The Executive). The budget consultation was approved by the Executive at its meeting on 20 November 2023. Budget proposals were scrutinised at Strategy & Resources Scrutiny Committee on 15 January 2024. The BSR has

now been finalised to reflect the provisional local government finance settlement, considerations arising from the public consultation and updated estimates as appropriate.

The Executive Committee considered and approved the recommendations (unanimously).

Accordingly, Council is recommended to approve:

a) Revenue pressures and bids shown in Appendix D(b) and savings shown in Appendix D(c).

b) Formally confirm delegation to the Chief Finance Officer of the calculation and determination of the council tax taxbase (including submission of the national non-domestic rates forecast form, NNDR1, for each financial year) which is set out in Appendix A(a).

c) The level of council tax for 2024/25 as set out in Appendix A (b) and Section 2, page 10.

Note that the Cambridgeshire Police and Crime Panel will meet on 31 January 2024 to consider the precept proposed by the Police and Crime Commissioner, Cambridgeshire and Peterborough Combined Authority met on 31 January 2024, Cambridgeshire & Peterborough Fire Authority will meet on 10 February 2024 and Cambridgeshire County Council will meet on 13 or 16 February 2024 to consider the amounts in precepts to be issued to the City Council for the year 2024/25.

Other Revenue:

d) Delegation to the Chief Finance Officer authority to finalise changes relating to any further corporate and/or departmental restructuring and any reallocation of support service and central costs, in accordance with the CIPFA Service Reporting Code of Practice for Local Authorities (SeRCOP).

Capital: [Section 5, page 17]

Capital Plan:

e) Proposals outlined in Appendix E(a) for inclusion in the Capital Plan.

f) Subject to (e) above, the revised capital plan for the General Fund as set out in Appendix D(c) and the funding as set out in Section 5, page 20.

The creation of a Civic Quarter Development Reserve with the remit set out in Section 6, page 24.

General Fund Reserves:

g) Note the impact of revenue budget approvals and the resulting contribution to reserves [Section 4, page 15].

h) The creation of a Civic Quarter Development Reserve with the remit set out in Section 6, page 24.

i) The allocation of £20m of general reserves to that reserve.

j) The allocation of £750k of general reserves to the Climate Change Fund, as set out in Section 6, page 23.

k) Note the resulting level of reserves [Section 6, page 25]. Section 25 Report:

l) Note the Chief Finance Officer's Section 25 Report, covering the robustness of estimates and adequacy of reserves, included in Section 8 of the BSR [page 32]. Other:

m) Reconfirm that the incomes below will be disregarded (if above £10 statutory disregard) when calculating entitlement to housing benefit and/or council tax reduction. These schemes are often called local or modified schemes.

- War disablement pension
- War widow, widower or surviving civil partner pension
- Armed Forces Independence Payment

The estimated cost to the council for payments of housing benefit made under the local scheme is £1,777.50 and for council tax reduction less than £50.

n) Note the Equality Impact Assessment in Appendix F covering all GF budget proposals.

o) Note the schedule of proposed fees and charges for 2024/25 in Appendix G

This page is intentionally left blank

Item

General Fund Budget-Setting Report 2024/25

To: The Executive (revised for Council)

5 February 2024

Report by:

Caroline Ryba, Chief Finance Officer

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

Wards affected:

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

Key Decision

1. Executive Summary

Overview of Budget Setting Report (BSR)

- 1.1 At this stage in the 2024/25 budget process the range of assumptions on which the Medium-Term Financial Strategy (MTFS) was based need to be reviewed in light of the latest information available, to determine whether any aspects of the strategy need to be revised. This then provides the basis for the budget considerations.
- 1.2 The General Fund (GF) BSR, which is attached, includes detailed revenue bids and savings and capital proposals and sets out the key parameters for the detailed recommendations and budget finalisation being considered at this meeting. This report reflects recommendations that will be made to The Executive on 5 February 2024 and then to Council, for consideration at its meeting on 15 February 2024.
- 1.3 The BSR sets out GF net service expenditure of £27.559m for 2024/25, analysed over portfolios. It is balanced by a contribution from the GF reserve of £18.834m, including £20.750m reallocation to earmarked reserves, a contribution towards funding on going services of £1.897m and movements on the business rates growth balance.
- 1.4 The recommendations that follow refer to the strategy outlined in the BSR and all references to Appendices, pages and sections relate to the final BSR 2024/25

(Version 2 – Council). The budget consultation was approved by the Executive at its meeting on 20 November 2023. Budget proposals were scrutinised at Strategy & Resources Scrutiny Committee on 15 January 2024. The BSR has now been finalised to reflect the provisional local government finance settlement, considerations arising from the public consultation and updated estimates as appropriate.

- 1.5 Version 1 of the BSR has been updated in line with the supplementary information provided at The Executive meeting on 5 February. Further changes are expected following the final local government finance settlement. An update will be provided before the Council meeting on 15 February.**

2. Recommendations

The Executive is recommended to:

General Fund Revenue Budgets: [Section 4, page 13]

- a) Recommend to Council for approval:
- Revenue pressures and bids shown in Appendix D(b) and savings shown in Appendix D(c).
- b) Recommend to Council formally confirming delegation to the Chief Finance Officer of the calculation and determination of the council tax taxbase (including submission of the national non-domestic rates forecast form, NNDR1, for each financial year) which is set out in Appendix A(a).
- c) Recommend to Council the level of council tax for 2024/25 as set out in Appendix A (b) and Section 2, page 10.

Note that the Cambridgeshire Police and Crime Panel will meet on 31 January 2024 to consider the precept proposed by the Police and Crime Commissioner, Cambridgeshire and Peterborough Combined Authority met on 31 January 2024, Cambridgeshire & Peterborough Fire Authority will meet on 10 February 2024 and Cambridgeshire County Council will meet on 13 or 16 February 2024 to consider the amounts in precepts to be issued to the City Council for the year 2024/25.

Other Revenue:

- d) Recommend to Council delegation to the Chief Finance Officer authority to finalise changes relating to any further corporate and/or departmental restructuring and any reallocation of support service and central costs, in accordance with the CIPFA Service Reporting Code of Practice for Local Authorities (SeRCOP).

Capital: [Section 5, page 17]

Capital Plan:

- e) Recommend to Council proposals outlined in Appendix E(a) for inclusion in the Capital Plan.

- f) Subject to (e) above, recommend to Council the revised capital plan for the General Fund as set out in Appendix E(c) and the funding as set out in Section 5, page 20.

General Fund Reserves:

- g) Note the impact of revenue budget approvals and the resulting contribution to reserves [Section 4, page 15].
- h) Recommend to Council the creation of a Civic Quarter Development Reserve with the remit set out in Section 6, page 24.
- i) The allocation of £20m of general reserves to that reserve.
- j) The allocation of £750k of general reserves to the Climate Change Fund, as set out in Section 6, page 23.
- k) Note the resulting level of reserves [Section 6, page 25].

Section 25 Report:

- l) Note the Chief Finance Officer's Section 25 Report, covering the robustness of estimates and adequacy of reserves, included in Section 8 of the BSR [page 32].

Other:

- m) Recommend that Council reconfirm that the incomes below will be disregarded (if above £10 statutory disregard) when calculating entitlement to housing benefit and/or council tax reduction. These schemes are often called local or modified schemes.
- War disablement pension
 - War widow, widower or surviving civil partner pension
 - Armed Forces Independence Payment

The estimated cost to the council for payments of housing benefit made under the local scheme is £1,777.50 and for council tax reduction less than £50.

- n) Note the Equality Impact Assessment in Appendix F covering all GF budget proposals.
- o) Note the schedule of proposed fees and charges for 2024/25 in Appendix G.

3. Background

- 3.1 Early in 2022, the council commissioned a review of its budget setting process, which recommended that a draft budget be approved for public consultation in late November or early December, with a final budget, including the impacts of the local government finance settlement and updated council tax and business rates calculations, prepared for approval by Council in February 2023. Following implementation for the 2023/24 budget, this process was reconsidered and amended with a view to extending the public consultation period from four to eight weeks. As a result, the following process has been followed for the 2024/25 budget:
- The MTFs, incorporating consideration of the six month (Q2) outturn forecasts, was approved in November 2023 and formed the basis for the public consultation. At that time, Council gave initial consideration to the budget prospects for the General Fund for 2024/25 and future years.
 - Budget proposals, presented with a summary of the budget context, were scrutinised by Strategy and Resources Scrutiny Committee on 15 January 2024.
 - The BSR has now been prepared, incorporating the provisional local government finance settlement, considerations arising from the public consultation, council tax and business rates calculations and updated estimates as appropriate.
- 3.2 The final BSR, attached at **Appendix A** to this covering report, includes details of the government's provisional finance settlement for 2024/25. The announcement of the final settlement is likely to be made shortly after the conclusion of the consultation period in early February 2024.
- 3.3 Further work may be required on detailed budgets, so delegation to the Chief Finance Officer is sought from Council for authority to finalise any changes relating for example, to the reallocation of departmental administration, support service and central costs, in accordance with the CIPFA Service Reporting Code of Practice for Local Authorities (SeRCOP).

5. Implications

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

(a) Financial Implications

Financial implications of budget proposals are summarised in the General Fund Budget Setting Report 2024/25.

(b) Staffing Implications

Any staffing implications of budget proposals are also summarised in the General Fund Budget Setting Report 2024/25.

(c) Equality and Poverty Implications

A consolidated equality impact assessment for the budget proposals is included in the BSR Appendix F. Individual equality impact assessments have been conducted to support this.

A local poverty rating has been included for each budget proposal to assist with assessment.

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

Where relevant, officers have considered the climate change impact of budget proposals which are annotated as follows:

- Positive High / Positive Medium / Positive Low: to indicate that the proposal has a high, medium or low positive impact on climate change.
- Nil: to indicate that the proposal has no climate change impact.
- Negative High / Negative Medium / Negative Low: to indicate that the proposal has a high, medium or low negative impact on climate change.

(e) Procurement Implications

Any procurement implications are outlined in the BSR 2024/25.

(f) Community Safety Implications

Any community safety implications are outlined in the BSR 2024/25.

6. Consultation and communication considerations

A summary of the responses to the public consultation survey is included in the BSR Appendix B. The consultation was presented through the council's consultation platform, CitizenLab, and ran for seven weeks 6 days from 21 November 2023 to 14 January 2024. It was publicised through the Cambridge Matters resident magazine, the council's website and social media channels. 263 responses were received.

7. Background papers

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

- Budget Setting Report 2023/24
- Medium-Term Financial Strategy (MTFS) November 2023
- Individual Equality Impact Assessments

8. Appendices

The following items are included in this report:

- **Appendix A** - Budget-Setting Report 2024/45 Version 2.0, February 2024 (covering 2025/25 to 2028/29)

9. Inspection of papers

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

| | |
|------------------------|--|
| Author's name: | Caroline Ryba |
| Author's phone number: | 01223 - 458134 |
| Author's email: | caroline.ryba@cambridge.gov.uk |

Version 2.0
Council
15 February 2024

Budget-Setting Report

2024/25



February 2024

2024/25

Cambridge City Council

Version Control

| Version No. | Revised version / updates for: | Content / Items for Consideration |
|-------------|------------------------------------|---|
| 1 | The Executive (5 February 2024) | <p>Final budget proposals, incorporating updates relating to:</p> <ul style="list-style-type: none"> - Business rates and council tax considerations - Final Local Government Finance Settlement 2024/25 (if available) - Consultation outcomes <p>Proposals of the Executive</p> |
| 2 | Council (15 February 2024) | <p>Opposition budget amendments</p> <p>Final Proposals to the Council, incorporating updates relating to:</p> <ul style="list-style-type: none"> - Final Local Government Finance Settlement 2023/24 - Appendix A(b) Council Tax Setting following receipt of County Council, Police, Fire and Combined Authority precepts |
| 3 | Council (Final – if required) | <p>Approved Budget Setting Report incorporating</p> <ul style="list-style-type: none"> - Decisions of Council - Any other final amendments |

Anticipated Precept Setting Dates

| Cambridgeshire Police & Crime Commissioner | Cambridgeshire & Peterborough Fire Authority | Cambridgeshire County Council | Cambridgeshire & Peterborough Combined Authority |
|--|--|-------------------------------|--|
| 31 January 2024 | 10 February 2024 | 13 or 16 February 2024 | 31 January 2024 |

Contents

| Section No. | Topic | Page No. |
|-------------|--|----------|
| | Foreword by the Executive Councillor for Finance and Resources | |
| 1 | Introduction | 1 |
| 2 | National and local policy context | 2 |
| 3 | Budget consultation | 12 |
| 4 | General Fund revenue budgets | 13 |
| 5 | General Fund capital budgets | 17 |
| 6 | Risks and reserves | 21 |
| 7 | Future strategy | 27 |
| 8 | Section 25 report | 32 |

Appendices

| Reference | Topic | Page No. |
|-----------|--|----------|
| A(a) | Calculation of council tax base 2023/24 | 40 |
| A(b) | Council tax setting 2023/24 | 41 |
| B | Consultation summary | 43 |
| C | General Fund: Expenditure and funding 2019/20 to 2024/25 | 58 |
| D(a) | Budget proposals by portfolio | 59 |
| D(b) | Budget proposals by type – pressures and bids | 62 |
| D(c) | Budget proposals by type – savings | 66 |
| D(d) | Budget proposals by type - external bids (if any) | - |

| Reference | Topic | Page No. |
|------------------|------------------------------------|-----------------|
| E(a) | Budget proposals by type - capital | 69 |
| E(b) | Capital approvals since MTFS 2022 | 72 |
| E(c) | Capital plan 2020/21 – 2025/26 | 73 |
| F | Equality Impact Assessment | 78 |
| G | Review of charges | 88 |

Foreword by the Executive Councillor for Finance and Resources

Introduction

The Council's purposes are to serve you and the City's diverse communities so together we can build tolerance and cohesion, fight the indignities of poverty and lost life chances, and support the City's global economic competitiveness. This purpose demands high quality properly funded public services that can meet communities' needs; deliver affordable housing; protect and enhance the environment and biodiversity; and secure a net zero carbon future.

There is a great responsibility on the Council as a provider of services and a partner with the private, public, community and voluntary sectors. Prudent stewardship of the Council's resources is required to fulfil statutory duties and ensure services best meet the City's needs. We aim to make every penny count.

The context for budget making is challenging. Global events in health, cost of living, climate change combined with a decade of public policy failures in economic management and trade have slowed economic growth and created new pressures on our lives.

Since 2010, national fiscal policies have led to wealth flowing into the hands of the few, whilst those on low incomes have become poorer and the public sector has been hollowed out. The UK is now one of the most unequal of the world's developed nations. Locally, the City's fast-growing economy is contributing to the rising costs of housing and traffic congestion which impacts on the viability of bus services.

Council's Priorities

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

- Tackle Poverty and Inequality, despite the cost-of-living crisis and austerity, and promote food and fuel injustice,
- Achieve a net zero Council by 2030, address the climate and biodiversity emergencies,
- Build a New Generation of Sustainable Council Homes and work to reduce and prevent homelessness,

- Protect Local Services and Businesses while modernising the Council to best support and represent Cambridge residents.

Local Government Funding and Savings Requirement

Government requires local authorities to set a balanced budget within the context of a five-year Medium Term Financial Strategy (MTFS). For its part the Government create uncertainty for financial planning through one year funding settlements and possibilities of a fair funding review and a business rates retention reset. However, the Autumn Statement confirmed continued austerity, a forecast 3.4% real terms fall in local government funding in the four years to 2028/29.

The Government's provisional Local Government Finance Settlement, for 2024/25 this translates into a 4.53% increase of £970k in the Council's core spending power of £18.99m for 2023/24. Of this sum, £461k would require a Council Tax increase of 2.99%.

The Council's MTFS identifies a five-year net and recurring savings requirement of £11.1m (by 2028/29) from the current £74m pa General Fund budget.

To ensure, the Council neither faces a cliff edge funding gap in 2026/27 nor makes considerably more savings than ultimately required, the Council will identify and deliver recurring net savings of £6m pa within three years from 2024/25.

It is proposed to offset this target by allocating £1.5m pa of Business Rates retention funds. The balance will be delivered through service transformation.

Public Consultation on the MTFS

The Council wishes to thank the 263 people who responded to the public consultation on the MTFS which was held between 21st November and 14th January 2024. In response to multiple choice questions:

- Respondents identified their most important priorities for Cambridge as: affordable housing (121); congestion, greener transport, and buses (112); and address poverty and inequality (85);
- Respondents identified their three most valued service as: parks, open spaces, trees and nature reserves (156); waste services (99); and community safety including prevention of anti-social behaviour (92).

- Of the options to balance the budget over the next five years, respondents prioritised asset management to increase income and partnership working to make savings and increase efficiency.

This broad support for the Council's priorities and invaluable pointers will inform decisions on the required budget savings. In written comments, respondents expressed a desire for a balanced approach to the City's development, one that promotes environmental sustainability, addresses social inequalities, and ensures the maintenance and improvement of essential infrastructure. Respondents are looking for transparency and efficiency in the use of funds with a focus on value for money and prioritising the needs of the community.'

Budget Proposals

The General Fund capital proposals are dominated by the Council's proposals to procure design and consultancy services to establish the business cases for the Civic Quarter: refurbishment and reuse of the Guildhall and updates to the Market and Corn Exchange. Two contributions to earmarked reserves are made £20m towards the Civic Quarter and £0.75m towards measures to deliver the Council's climate change objectives. Spending to be the subject of scrutiny and approvals. On the revenue side, budget pressures from reduced income and bids are balanced by increased income and savings.

Conclusion

The Council privileges prudent stewardship of its funds and assets and works to ensure value for money from every penny of expenditure. In addition to fulfilling its statutory duties, the Council is delivering its priorities both directly and through innovative partnerships. To provide a safety net for the increasing number of people in need, the Council support networks of food and warm hubs to help people who can no longer make ends meet and afford to heat their homes. To provide a new generation of sustainable Council homes, the Council through its joint venture partnership is responding to the acute shortage of affordable, low energy homes. A multi-agency partnership is working to prevent and address homelessness. Working towards a net zero Council, protecting, and enhancing the environment is central to everything the Council does. To make savings and improve effectiveness, the Council is investing in the Our Cambridge Transformation Programme to accelerate change in the design, digitalisation, and delivery of our services.

Councillor Simon Smith, *Executive Councillor for Finance & Resources*

Section 1

Introduction

Purpose

The Budget Setting Report (BSR) is designed to provide an integrated view of the council's finances and outlook, covering General Fund (GF) revenue and capital spending. The Medium Term Financial Strategy (MTFS), approved in November 2023, set out the financial strategy for the council in light of local context and external factors and the outlook for public sector funding. It reviewed key assumptions and risks, confirming the framework for detailed budget work for 2024/25 and beyond. The BSR brings together the detailed budget proposals and context scrutinised at Strategy and Resources Scrutiny Committee on 15 January 2024, consultation outcomes, business rates and council tax calculations and any final adjustments. It sets out detailed recommendations and proposes a budget for the next financial year and indicative budget projections for the following four years.

Background

The MTFS identified a total net savings requirement of around £11.1m for the 5-year period. Alternative scenarios were modelled, giving a range of savings requirements between £6.12m to £28.62m. These savings requirements stem from reductions in government funding, the additional net cost of services for every new home in the city and unavoidable cost increases and income pressures.

| £000 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | Total |
|-------------------------|---------|---------|---------|---------|---------|---------------|
| Net savings requirement | 2,339 | 1,028 | 4,589 | 1,846 | 1,251 | 11,053 |

Key member decision-making dates

| Date | Task |
|------------------|--|
| 15 January 2024 | Strategy and Resources Scrutiny Committee considers the budget context and budget proposals. |
| 5 February 2024 | The Executive reviews the Budget Setting Report (BSR), including the results and implications of the budget consultation, and recommends the final BSR to Council. |
| 15 February 2024 | Council approves the budget and sets the council tax for 2024/25 |

Section 2

National and local policy context

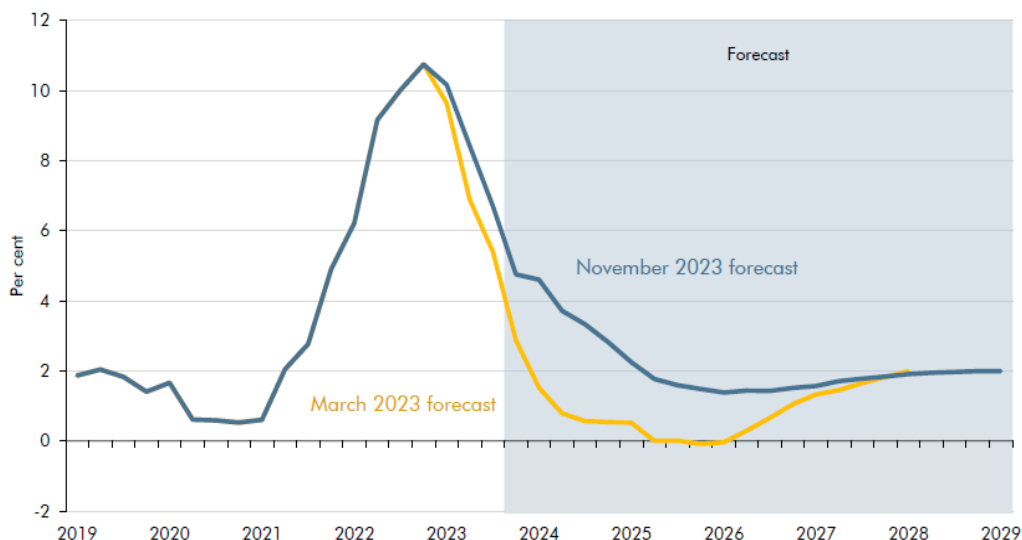
National policy framework

Economic factors

Inflation has reduced but remains a source of concern

The global economic environment continues to be finely balanced. Whilst inflation in many major economies has cooled, there is an acceptance that the causes of ongoing inflation are not imported. This is because inflation is above target despite the impact of high energy costs being absent from the index as energy costs have fallen when compared year-on-year. In the UK, inflation has fed through to domestic pricing to a greater extent than previously forecast. This has led to recognition that inflation is likely to remain above the Bank of England target of 2% for longer. Therefore, it is likely to be further into the future before central banks, including the Bank of England, can consider reductions in the base rate.

The chart below sets out changes in the OBR's projections for CPI inflation between March and November 2023:



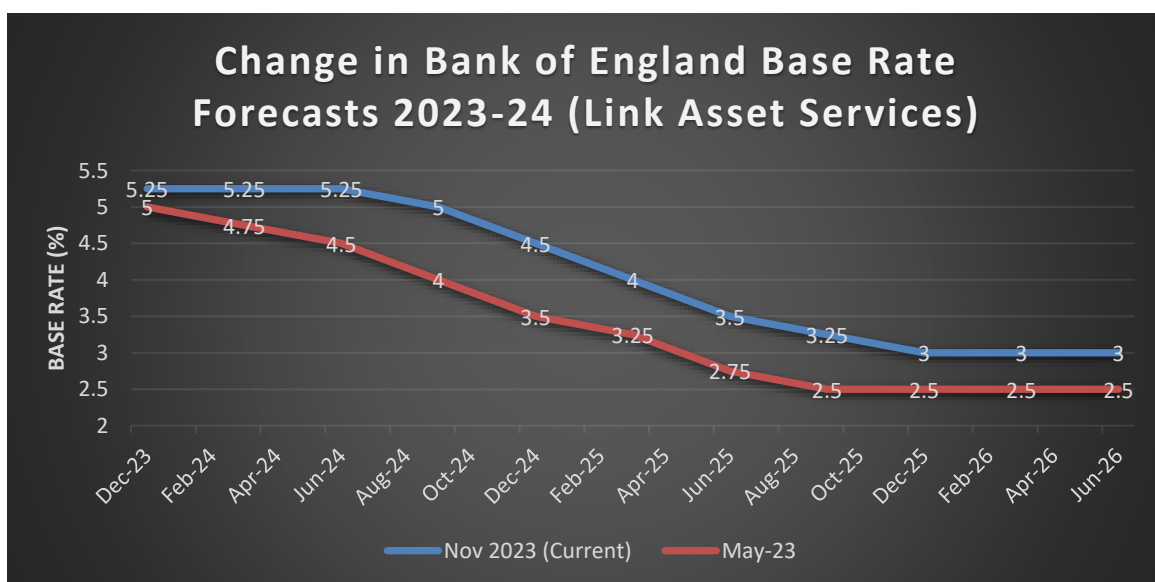
Gloomy prospects for future economic growth

The recent autumn statement saw the government confirm the progress it had made towards achieving its three economic priorities of halving inflation, growing the economy and reducing debt. Whilst the first priority has now been achieved, the statement gave an update on the measures being undertaken to achieve the other two priorities.

Fears of a recession have eased, and real GDP is now 2% above its pre-pandemic level. However, the OBR has concluded that, even after fiscal policy intervention to reduce the tax burden on individuals and businesses, real GDP is only expected to grow modestly over the forecast period with real GDP growth slowing from 4.3% in 2022 to 0.6% in 2023 and 0.7% in 2024. Cumulatively over the forecast period to 2027, the OBR has established growth is likely to be 2.4% lower than had been assumed in March 2023. As explained further below difficult choices will be required to reduce government debt.

Easing of interest rates still some way off

Earlier in the year it had been assumed that the Bank of England may need to increase interest rates to 5.5% or even 6%. The current rate of 5.25% is now understood to represent a peak but there is a degree of consensus amongst commentators that rates will remain at their elevated level for longer. This is reflected in the graph below highlighting differences between the current forecast from our Treasury Management advisors and their forecast from six months earlier.



The uncertainty over interest rates feeds into other sectors of the economy. In particular, the rate for gilts is impacted by forecaster's assessment of the prospects for interest rates. Yields on 10-year government gilts (the government's source of borrowing) recently rose to 4.5%, a 15 year high. This translates through to the cost of PWLB borrowing. Since the General Fund does not have an immediate need to undertake new borrowing this does not have an immediate impact but if rates do not fall

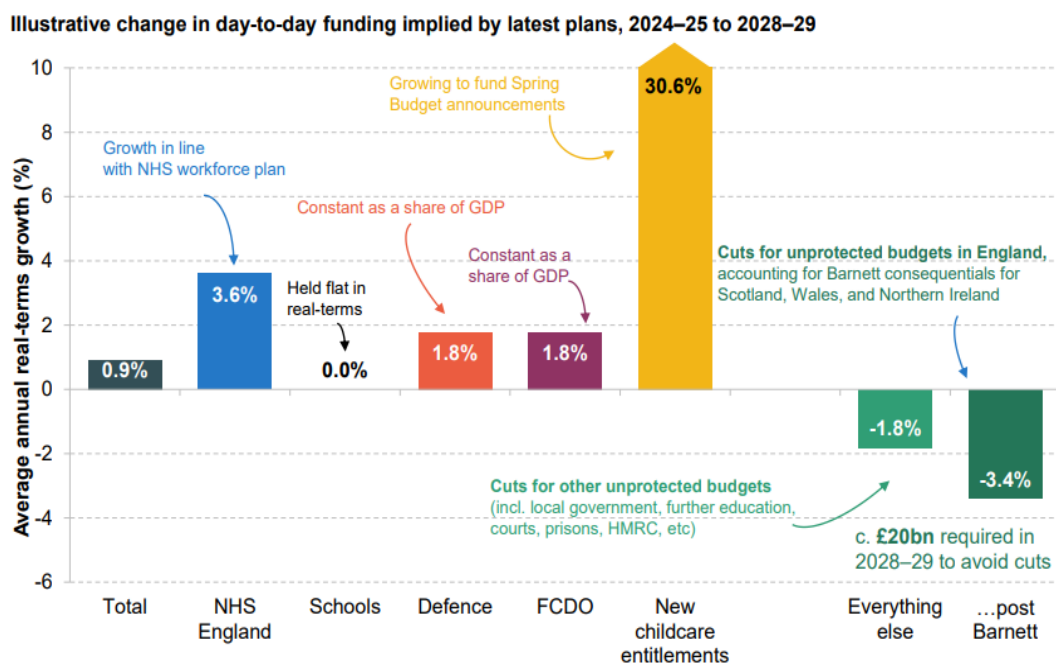
when expected the financial gap in the MTF5 will be higher than that previously forecast.

Difficult choices ahead to maintain fiscal responsibility

As part of its autumn statement the government emphasised that the economy was in a stronger position than had been expected in March. This was due to a fall in borrowing in the current year which contributed to an expectation that borrowing in 202/24 would be £15.8 billion (13.6%) lower than anticipated at the start of the year. This was largely due to increased tax receipts arising from the persistent domestic inflation referenced above and only a marginal forecast increase in government spending.

The government announced reductions in taxation which are forecast to cost around £21.5 billion whilst, in the OBR’s assessment, only boosting economic output by 0.3% by 2027/28. This has led many commentators to speculate on the impact of the OBR’s revised projections for the financing of public services recognising the fiscal impact of earlier announcements and the historic approach to protecting spending in education and the NHS.

The chart below from the Institute of Fiscal Studies provides a stark illustration of the potential long-term impact for local government acknowledging that any cash increases in the settlement are likely to be eaten away by persistent inflation with the need to fund already-announced policy measures and fund protected services contributing to a real-terms fall in the funding for unprotected services (including local government) totaling 3.4% over the four years to 2028/29.



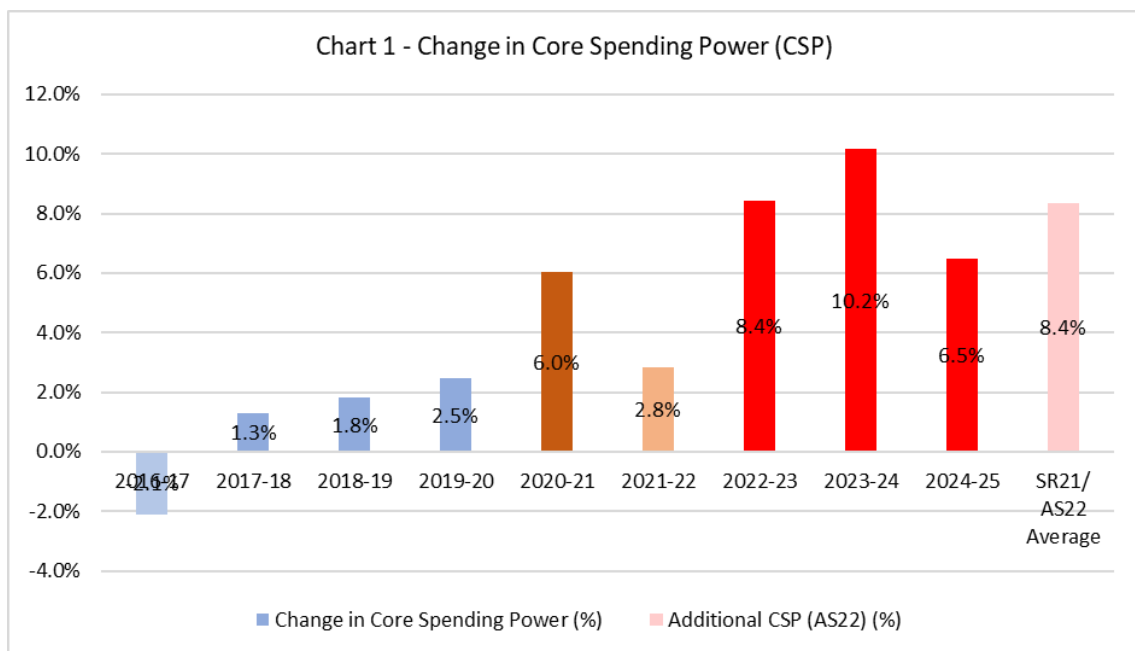
Modelling in the council’s MTF5 did not assume that funding for local government would keep up with inflation. The assessment that the settlement from 2026/27 will remain flat in cash terms remains

in this budget. The risk to the council is that persistent inflation, coupled with higher borrowing costs to finance capital expenditure, will push expenditure higher than forecast and that since no additional funding is available to compensate, the financial gap between expenditure and available resources will increase.

2024/25 Provisional local government finance settlement

The 2023/24 local government finance settlement set out clear expectations that the 2024/25 settlement would follow similar lines. The government confirmed this approach in the local government finance policy statement published on 5 December 2023, which set out the principles for the local government finance settlement. The one-year provisional settlement was announced on 18 December 2023, with the final settlement expected in February 2024.

As shown in the chart below, the settlement continues the series of real terms increases in core spending power (CSP) for the local authority sector that started in 2020/21. However, CSP increases are expected to be lower from 2025/26 onwards, and reliant on council tax rises rather than grant increases.



The table below compares the CSP in the provisional settlement with the previous year and funding assumptions included in the MTFS.

| Core Spending Power (CSP) - £m | 2023/24 Final finance settlement | MTFS 2023 | 2024/25 Provisional finance settlement | 2024/25 % change from 2023/24 |
|--|---|------------------|---|--|
| Settlement Funding Assessment (SFA), including Revenue Support Grant (RSG) | 4.591 | 4.601 | 4.853 | 5.71% |
| Core funding grants, including funding guarantee | 4.634 | 5.097 | 3.201 | -30.92% |
| New Homes Bonus (NHB) | 0.053 | 0.053 | 1.733 | 3169.81% |
| Council Tax ¹ | 9.712 | 10.306 | 10.173 | 4.75% |
| | 18.990 | 20.057 | 19.960 | 5.11% |

¹ – settlement figures based on government projections. Based on the actual calculated taxbase for 2024/25 and assuming that a 2.99% council tax increase is approved, the actual council tax figure will be £10.253m

The provisional settlement provides £0.097m less funding than assumed in the MTFS. Whilst the overall change from 2023/24 is comparable to other district councils, the breakdown of our funding reflects a significant switch between NHB and the funding guarantee.

The NHB increase is driven by a significant increase in new properties and a reduction in empty properties, with a compensating decrease in the funding guarantee. As in previous years, this NHB allocation will not give rise to future legacy payments. 10% of the NHB of £1.733m will be set aside as a contribution to the Greater Cambridge Partnership (GCP) investment and delivery fund, in line with the current agreement with partners. Yet again, no replacement for NHB has been announced, giving rise to the possibility that it may continue for 2025/26, as there will be little time to replace it following the expected general election.

A funding guarantee of £2.341m (2023/24 £3.713m) is included. Significantly, the guarantee represents funding that can be considered to be at risk going forwards. The inclusion of this guarantee continues to stabilise the council's funding for 2024/25 but draws attention to the high level of uncertainty inherent in the funding system at present.

The settlement confirmed that the council tax referendum limit for district councils will remain at the 2.99% or £5 on the Band D property, whichever is higher.

Future prospects

Whilst there is considerable uncertainty relating to the CSP for 2025/26 onwards, the council has modelled the possible trajectory of this funding, to form a basis of financial planning for the next five years.

| Core Spending Power (£m) | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 |
|---|----------------|----------------|----------------|----------------|----------------|
| Business rates income | 9.996 | 10.178 | 8.606 | 9.314 | 10.065 |
| Less: Business rates growth | (5.313) | (5.414) | (3.762) | (4.389) | (5.053) |
| Baseline Funding Level¹ | 4.683 | 4.764 | 4.844 | 4.925 | 5.012 |
| Revenue Support Grant ¹ | 0.170 | 0.174 | 2.466 | 2.385 | 2.298 |
| Grants | 4.913 | 4.564 | | | |
| Council Tax | 10.253 | 10.651 | 11.113 | 11.591 | 12.035 |
| | 20.019 | 20.153 | 18.423 | 18.901 | 19.345 |

Settlement Funding Assessment (SFA) = Baseline Funding Level + Revenue Support Grant

Business rates

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

The council has determined that the collection fund in respect of business rates is projected to be in deficit on 31 March 2024. This is because, at the present time, the total business rates income due to be received in this financial year is less than the amount the council agreed to pay out based on estimates produced in January 2023. The council's share of that deficit is £1.237m. The council will be required to make a payment into the collection fund in 2024/25 to clear its share of the projected deficit as determined at the point of setting the 2024/25 budget.

Despite the deficit, the council continues to be in a position where it can transfer income generated from business rates growth into the GF. The amounts assumed in the MTFS have been updated taking account of the current rateable value of business properties in Cambridge and expected changes in that rateable value between now and 31 March 2025. Projecting over that time horizon is inherently challenging, particularly since response times from the Valuation Office Agency (VOA) to get new or altered properties rated can be lengthy and VOA decisions can be challenged by the ratepayer and subsequently adjusted. A further update will be provided as part of the outturn report which will confirm the final amount transferred to the general reserve in 2023/24.

Tax base and council tax

Tax base

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

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

The tax base for 2024/25 is 45,490. The calculation is presented in Appendix A(a) of this report.

Collection fund

The collection fund is a statutory fund, maintained by billing authorities such as the council, into which income from council tax and business rates is recorded and out of which respective amounts set for the year are paid to the council and precepting bodies. The council's share of the surplus on the collection fund in respect of council tax is £123k to be paid into the GF in 2024/25.

Council tax thresholds

Under the Localism Act, local authorities are required to hold a local referendum if they propose to increase council tax above the relevant limit set by the Secretary of State. For 2024/25 an increase is deemed to excessive if it is 3% or higher for a Band D property, with district councils permitted to increase their element of council tax by up to £5, where this is 3% or higher.

Council tax level

Financial projections of the council tax level made for the October 2023 MTFS assumed a council tax income of £10.306m based on the projected council tax base at that time and an increase in council tax of 2.99%. Having updated the council tax base as part of the budget-setting process, the income from council tax in 2024/25 based on the same increase in council tax level set out in the MTFS is estimated at £10.253m. Band D council tax for 2024/25 will be £225.39 with proportionate increases applied to other valuation bands, as shown below.

| Council tax band | 2023/24 £ | 2024/25 £ | Difference £ |
|------------------|---------------|---------------|-----------------|
| A | 145.90 | 150.26 | 4.36 |
| B | 170.22 | 175.30 | 5.08 |
| C | 194.53 | 200.35 | 5.82 |
| D | 218.85 | 225.39 | 6.54 |
| E | 267.48 | 275.48 | 8.00 |
| F | 316.12 | 325.56 | 9.44 |
| G | 364.75 | 375.65 | 10.90 |
| H | 437.70 | 450.78 | 13.08 |

Local policy priorities

Corporate Plan 2022-27

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

The corporate plan sets out four priorities:

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

Review of local factors

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

With the ongoing implementation of the **Page 257** and economic growth, Greater Cambridge's

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

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

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

Our Cambridge Transformation Programme

In recognition of the financial challenges it is currently facing, the council has embarked on an ambitious transformation programme known as "Our Cambridge". This programme is already reshaping and redesigning the council to build a better, more sustainable organisation that has a deeper and more integrated relationship with our community and partners and can operate within its financial means.

After a period of exploration and design, the programme has now moved into the implementation phase, with major projects to reshape City Operations and the Corporate centre and deliver fit-for-purpose accommodation now underway.

Section 3

Budget consultation

Budget consultation 2024/25

The Executive, at a meeting in November 2023, approved a public budget consultation to gather residents' views. The consultation was carried out on our online consultation platform, giving everyone the chance to comment. Respondents were asked about their priorities for Cambridge and the council and how they felt about a range of approaches the council could take to balance its budget in the medium and longer term.

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

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

Section 4

General Fund revenue budgets

2023/24 outturn

As at the end of December 2023 (quarter 3), the forecast outturn for the GF is a £3.2m underspend. However, budget carry-forwards of approximately £1m are expected each year, leading to a forecast contribution to reserves which is £2.2m higher than that set out in the 2023/24 budget. This is offset by application of reserves during the year to fund the 2023/24 pay award (to the extent it was not budgeted for in the original budget), cost associated with the restructure of the City Services team and other one-off expenditure not built into the original budget. This is shown in more detail in the table in Section 6.

At present the General Fund expects to realise approximately £3m more in investment income than had been assumed when the original budget was set. This represents a significant proportion of the anticipated underspend. Following a series of rent reviews, rent on our commercial properties is currently forecast to be £240k more than had been originally estimated. These positive variances are offset by reductions in contributions received from income generating commercial services including car parks (£80k), garage services (£450k) and markets (£160k). 2024/25 budget proposals include reductions to income budgets for those services where the fall in income observed in this year is expected to continue.

Budget proposals

The GF revenue projections for 2024/25 to 2028/29 as presented in the MTFs have been reviewed and changes proposed. Proposals have arisen from policy priorities, such as support for the most vulnerable and delivering on improvements to the environmental performance of our buildings. Proposals also include savings from the review of City Services and increased income from our property portfolio.

At the start of the budget process, principles were set to guide the development of proposals, as follows:

- No pressures / bids / reductions in income less than £50,000 will be considered. Group Leads will be expected to manage these within existing budgets and in line with virement rules which are designed to ensure that spending is undertaken for the purpose it is intended
- There is no de minimis limit for savings or increases in income
- Group Leads should combine proposals (bids, pressures, saving etc) provided that the constituent parts relate to the same portfolio and any pressures / bids / reductions in income are individually greater than £50,000. A breakdown of the proposal must be provided to ensure transparency and enable scrutiny

Where applicable, proposals are supported by business cases. All proposals have been examined and challenged by the Leadership Team and scrutinised by the Strategy and Resources Scrutiny Committee. One proposal, B5249, has been added since that scrutiny.

The impact of these proposals is shown below in aggregate, by portfolio in Appendix D(a) and in detail by type of proposal in Appendices D(b) – (d).

Performance against savings target

For the purposes of the table below, it has been assumed that where there are savings to be found they will be achieved in the year as recurring savings and will not therefore rollforward to later years.

MTFS 2023 identified a budget gap of just over £2.3m for 2024/25. This gap has been addressed mainly by the proposed application of £1.5m of in-year business rates growth to the funding of services and a contribution from general reserves. In previous years, all business rates growth has been taken directly to general reserves on the basis that it is not guaranteed. However, business rates growth well in excess of this amount has now been received each year for a number of years. There is a risk that the business rates reset, now expected to impact in 2026/27, will reduce the annual amount for that year below £1.5m before growth begins to accumulate again. If this were to be the case, the council is highly likely to have sufficient general reserves to address any gap.

The total deficit in year, to be covered by a contribution from general reserves, is £1.897m. The deficit is driven largely by the collection fund deficit from business rates of £1.237m, as explained in Section 2 of this report.

| Savings requirements - £000 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | Total |
|---|----------------|----------------|----------------|----------------|----------------|---------------|
| Net savings requirement – new each year (MTFS 2023) | 2,339 | 1,028 | 4,589 | 1,846 | 1,251 | 11,053 |
| Reduced income | 762 | 650 | 650 | 650 | 650 | |
| Bids | 576 | 350 | 350 | 350 | 350 | |
| Savings | (1,172) | (972) | (972) | (972) | (972) | |
| Increased income | (309) | (359) | (229) | (229) | (229) | |
| Net bids and savings | (143) | (331) | (201) | (201) | (201) | |
| Use of business rates growth to fund services | (1,500) | (1,500) | (1,500) | (1,500) | (1,500) | |
| (Increase) / decrease in baseline funding level compared with MTFS 2023 | (82) | (71) | 2,393 | 2,312 | 2,225 | |
| Decrease / (increase) in core grants and RSG compared with MTFS 2023 | 67 | 405 | (2,466) | (2,385) | (2,298) | |
| 10% NHB transferred to GCP investment and delivery fund | 173 | | | | | |
| Decrease in council tax income - change in tax base and 2.99% increase | 53 | 55 | 55 | 56 | 57 | |
| Collection fund surplus - council tax | (123) | | | | | |
| Collection fund deficit - business rates | 1,237 | | | | | |
| Technical adjustments | (130) | (130) | (130) | (130) | (130) | |
| Contribution from reserves | (1,897) | | | | | |
| Total funding changes | (2,202) | (1,241) | (1,648) | (1,647) | (1,646) | |
| Change to indicative cost of capital financing strategy | 6 | 57 | 137 | 207 | 260 | |
| Total changes to savings requirements | (2,339) | (1,515) | (1,712) | (1,641) | (1,587) | |
| Revised net savings requirement - cumulative | 0 | 1,852 | 6,244 | 8,161 | 9,466 | |
| Revised net savings requirement -new each year | 0 | 1,852 | 4,392 | 1,917 | 1,305 | 9,466 |

It should be noted that the longer-term savings requirement has decreased by £1.587m, due mainly the application of business rates growth rather than to the delivery of net savings. High levels of uncertainty remain relating to future funding levels from government, with the highest level of new net savings falling to be delivered in 2026/27 assuming that the implementation of any review of local

government funding and business rates reset impacts in that year.

The base case scenario presented above does not include an allowance for future unavoidable pressures. However, scenario modelling undertaken to support the MTFS included consideration of the impacts of varying levels of general inflation, pay inflation, interest income, council tax and funding settlements. The five-year net savings requirements identified ranged from £6.12m to £28.62m. This represents 32% - 150% of the council's 2023/24 core spending power (core spending power is the total of core grants, business rates and council tax income provided by the local government finance settlement).

Section 5

General Fund capital budgets

Capital strategy

In line with guidance, the council will prepare a capital strategy to be presented to Strategy and Resources Scrutiny Committee and Council alongside the BSR and the treasury management and investment strategies.

Capital plan

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

Capital proposals

A total of £2.0m of capital proposals for 2024/25 are listed in Appendix E(a), with a further £35k per year for the three years from 2025/26 to 2028/29. Two proposals, CAP5248 and CAP5250, have been added since scrutiny at Strategy and Resources Scrutiny Committee on 15 January 2024.

Development of the Civic Quarter

£1.00m is requested to procure design and consultancy services to deliver RIBA stage 2 designs for the Guildhall, as described in the report to be brought to Strategy and Resources Scrutiny Committee on 29 January 2024. This scheme is to be funded with £1.00m from the Civic Quarter Development Reserve (see Section 6). Future proposals for the Market Square and Corn Exchange will be brought forward over the course of the financial year.

Other proposals

The remaining proposals consist of a range of schemes to support service delivery, which will be funded from existing capital resources.

The projections in the remainder of the BSR assume that all capital proposals are approved.

Financing

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

Internal:

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

External:

- Developer and other contributions
- Grants, National Lottery etc.

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

Prudential borrowing and Minimum Revenue Provision (MRP)

Where capital expenditure is funded from internal or external borrowing, a minimum revenue provision (MRP) is charged annually in line with the council's MRP policy. The MRP policy is presented to Council for approval annually in the Treasury Management Strategy Statement.

Where restricted funding is not available, capital receipts are used as the first option to fund capital schemes. The following table shows the availability of this source of funding going forward to meet the indicative ten-year capital expenditure set out in the capital strategy. However, there is a risk that receipts may not be achieved as forecast and that more or less borrowing will be necessary as a result. Note that the below figures include both statutory capital receipts from the sale of assets and development surpluses (for example from CIP) which the council has chosen to apply to fund the forward capital plan.

| Capital receipts and development surpluses available (£00) | 2023/24 £000 | 2024/25 £000 | 2025/26 £000 | 2026/27 £000 | 2027/28 £000 | 2028/29 £000 |
|--|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Brought forward at 1 April | 20,165 | 11,879 | 6,069 | 2,621 | 1,432 | 3,672 |
| Forecast capital receipts and development surpluses | 5,825 | 4,000 | 0 | 475 | 3,000 | 0 |
| Used for financing of in-year capital plan expenditure | (8,085) | (9,810) | (3,448) | (1,664) | (760) | (700) |
| Used for financing of historic capital plan expenditure (to reduce internal or external borrowing) | (6,026) | 0 | 0 | 0 | 0 | 0 |
| Carried forward at 31 March | 11,879 | 6,069 | 2,621 | 1,432 | 3,672 | 2,972 |

The current capital plan, updated for schemes approved since the MTFS 2023 and proposals for new schemes is shown in detail in Appendix E(c). The tables below summarise the changes since the MTFS November 2023, the latest capital plan and how it is funded.

| Capital plan spending | 2023/24 £000 | 2024/25 £000 | 2025/26 £000 | 2026/27 £000 | 2027/28 £000 | 2028/29 £000 | Total £000 |
|--|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-----------------------|
| Spend MTFS November 2023 (updated totals)¹ | 58,806 | 83,157 | 17,092 | 1,647 | 700 | 700 | 162,102 |
| Approved or Amended since MTFS November 2023 (Appendix E(b)) | 341 | 255 | 42 | 42 | 0 | 0 | 680 |
| Capital plan before new proposals | 59,147 | 83,412 | 17,134 | 1,689 | 700 | 700 | 162,782 |
| Re-profiling of existing scheme | 0 | (60) | 0 | 0 | 60 | 0 | 0 |
| New proposals see Appendix E (a) | 0 | 2,000 | 35 | 35 | 35 | 0 | 2,105 |
| Revised capital plan | 59,147 | 85,352 | 17,169 | 1,724 | 795 | 700 | 164,887 |

¹ - includes £4,169k: new centre for East Barnwell, and the reallocation from capital to revenue of £274k for Our Cambridge, as approved in the MTFS

| Capital plan funding | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | TOTAL |
|---|-----------------|-----------------|-----------------|----------------|----------------|----------------|------------------|
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| External support | | | | | | | |
| Developer contributions | (1,128) | (173) | (10) | 0 | 0 | 0 | (1,311) |
| Other sources | (7,505) | (6,555) | (211) | (60) | 0 | 0 | (14,331) |
| Total – External support | (8,633) | (6,728) | (221) | (60) | 0 | 0 | (15,642) |
| | | | | | | | |
| City Council | | | | | | | |
| Direct Revenue Financing (DRF) – GF services | (179) | 0 | 0 | 0 | 0 | 0 | (179) |
| Earmarked Reserve – Repairs and renewals fund - vehicles | (595) | 0 | 0 | 0 | 0 | 0 | (595) |
| Appropriations from General Fund | (2,993) | (130) | 0 | 0 | 0 | 0 | (3,123) |
| Earmarked Reserves – Capital Contributions | (1,415) | (2,603) | 0 | 0 | 0 | 0 | (4,018) |
| Earmarked Reserves – Climate Change Fund | (23) | 0 | 0 | 0 | 0 | 0 | (23) |
| Capital receipts and development surpluses | (8,050) | (9,810) | (3,448) | (1,664) | (795) | (700) | (24,467) |
| External borrowing - Park Street redevelopment | (11,295) | (65,081) | 0 | 0 | 0 | 0 | (76,376) |
| Internal and external borrowing - on-lending for capital purposes | (25,159) | 0 | (13,500) | 0 | 0 | 0 | (38,659) |
| Internal and external borrowing - other schemes | (806) | (1,000) | 0 | 0 | 0 | 0 | (1,806) |
| Total – City Council | (50,515) | (78,624) | (16,948) | (1,664) | (795) | (700) | (149,246) |
| | | | | | | | |
| Total Funding | (59,147) | (85,352) | (17,169) | (1,724) | (795) | (700) | (164,887) |
| Capital Plan | 59,147 | 85,352 | 17,169 | 1,724 | 795 | 700 | 164,887 |

Section 6

Risks and reserves

Risks and their mitigation

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

| Risk | Probability (H, M, L) | Impact (H, M, L) | Overall assessment (H, M, L) | Mitigation |
|---|-----------------------|------------------|------------------------------|--|
| The combined effects of inflation, increased interest rates and economic stresses may give rise to cost pressures, income reductions, recruitment difficulties, supply issues and other issues that will impact on the demand for and delivery of services | H | H | H | Management overview and actions targeted to address significant impacts |
| Funding from central government (Settlement Funding Assessment, including the outcome of the Fair Funding Review, business rates revaluation and other grants) may fall below projections. The reset of the business rates baselines could impact the council, but impacts could be dampened. | H | H | H | Monitor developments, plan delivery of savings and additional income, consider limited use of reserves |
| Assumptions and estimates, such as inflation, pay increases and interest rates, may prove incorrect | H | M | H | Management overview and monitoring |
| Savings plans may not deliver projected savings to expected timescales | H | H | H | Our Cambridge programme, management overview and monitoring |
| Unforeseen levels of expenditure, such as major repairs to offices and commercial properties, including the commitment to net zero carbon, may be required | M | H | H | Property condition surveys, review of property use, asset management planning |
| Increases in council tax and business rates receipts due to local growth may not meet expectations | M | L | L | Management overview and monitoring |
| New legislation or changes to existing legislation may have budgetary impacts | L | M | L | Management overview and monitoring |
| The council may be impacted by spending cuts implemented by other agencies | H | L | L | Engagement with partners |

Sensitivity analysis

The budget process addresses these risks by applying principles of prudence and sustainability throughout. The sensitivity of the budget to estimates and assumptions has been assessed in the MTFS presented to Council in November 2023.

Equality impact assessment

As a key element of considering the changes proposed in this BSR, an Equality impact assessment has been undertaken covering all Budget 2024/25 proposals. This is included in this report at Appendix F. Assessing the potential equality impact of proposed changes to policies, procedures and practices is one of the key ways in which public authorities can show that they have treated everyone fairly and without discrimination. In addition, all proposals are given poverty and climate change ratings, so that the overall impact of the proposals in those areas can be understood.

Section 25 Report

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

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

This report is presented in Section 8.

Reserves

The council holds two types of general fund reserves:

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

Contributions to earmarked reserves

As indicated in the MTFS the following contributions to earmarked reserves are recommended.

Climate Change Fund £750k

A contribution of £750k from the general reserve is proposed to deliver the council's climate change objectives described in the Asset Management Plan as approved at Strategy and Resources Scrutiny Committee in March 2023, and in the District Heat Network report to committee in June 2023. The Climate Change Fund exists as an earmarked reserve to provide for works to achieve the Council's Climate Change Strategy and has an established approvals process. This funding will allow, subject to approval, spend as and when projects come to a state of readiness, and for the council to meet requirements of external funders for match funding, if and when funding schemes are announced, which can be with little notice and short timescales.

Civic Quarter Development Reserve £20m

A new earmarked reserve is proposed, with the remit to provide funding for work required to design and develop a new civic quarter in the centre of Cambridge, comprising the Guildhall, Market Square and Corn Exchange. Initially the reserve will be funded by a transfer of £20m from the general reserve. The level of this reserve will be subject to review as the underlying schemes are developed, and with reference to the level of general reserves, which will be dependent on future requirements to balance annual budgets and the achievement of business rates growth.

Remit for the Civic Quarter Development Reserve

The reserve will be classified as a major policy-led reserve.

Purpose

The reserve has been established to set aside funds for the development of the Civic Quarter comprising the Guildhall, Market Square and Corn Exchange.

Use of the Reserve

As the reserve has been set up to fund major redevelopment and regeneration projects, allocations from the reserve will require discussion at Strategy and Resources Scrutiny Committee and approval by the Executive Councillor for Finance and Resources.

Allocations can be used to fund both capital and revenue costs, with the accounting treatment of costs determined in line with the relevant Codes of Practice.

Management and control

The revenue and capital budgets funded from this reserve will be managed and reported in line with current financial management practices.

The reserve will be reviewed annually, with additional contributions or write-backs to general reserves approved through the council's budget setting processes.

General reserve

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

| GF reserves | £m |
|--|-------|
| November 2023 MTFS / February 2024 BSR – Recommended levels | |
| - Target level | 6.854 |
| - Minimum level | 5.934 |

The projected levels of reserves for the budget setting period, based on the proposals in this report and recommended contributions to earmarked reserves are set out below. This table assumes that all net savings requirements for 2025/26 and 2026/27 are delivered in the year identified.

| GF reserve £'000s | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Balance at 1 April (b/fwd) | (28,061) | (22,987) | 850 | 1,900 | 1,950 | 2,000 |
| Contingency funding for adults with multiple disadvantages programme - BSR 2023/23 | 60 | 60 | | | | |
| WREN solar project - approved MTFS 2022 and BSR 2023/24 | 1,470 | 130 | | | | |
| Budgeted contribution to reserves per approved 2023/24 budget | (932) | | | | | |
| 2022/23 Carry forwards | 1,568 | | | | | |
| 2023/24 Funding approved at outturn – Greater Cambridge Impact (£200k)/Place Group Programme Delivery (£218k)/Climate Change Reserve (£80k) | 498 | | | | | |
| Funding approved at MTFS for 2023/24 pay award above 3% assumption in 2023/24 BSR | 651 | | | | | |
| Funding approved at MTFS to complete Our Cambridge transformation programme | 700 | | | | | |
| Restructuring arising from Phase 1 of City Services Review | 548 | | | | | |
| Application of previously approved funding in service budgets for capital projects | 511 | | | | | |
| Transfer to Civic Quarter Development Reserve | | 20,000 | | | | |
| Transfer to Climate Change Fund | | 750 | | | | |
| Contribution to balance 2024/25 budget | | 1,897 | | | | |
| <i>Indicative funding for further restructuring arising from future phases of Our Cambridge</i> | | 1,000 | 1,000 | | | |
| <i>Indicative funding for the Climate Change Fund (CCF)</i> | | | 50 | 50 | 50 | 50 |
| Balance at 31 March before business rates growth (c/fwd) | (22,987) | 850 | 1,900 | 1,950 | 2,000 | 2,050 |
| Business rates growth – indicative growth element (at risk) | (7,400) | (5,313) | (5,414) | (3,762) | (4,389) | (5,053) |
| Use of business rates growth to fund services | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 |
| Balance at 31 March including business rates growth | (28,887) | (8,863) | (11,727) | (13,939) | (16,778) | (20,281) |

Whilst reserve levels appear comfortably above the PMB when indicative levels of business rates

growth are included, there are likely to be further calls on these reserves including the costs of improving sustainability and climate change adaptation for both the council and the city, e.g., carbon reduction measures for the council's administrative and operational buildings, decarbonization of the council's vehicle fleet and reductions in water usage. Work to identify, plan for, and assess how these challenges will be met, including better estimates of potential costs, is at varying levels of development. The council is fortunate to have reserves available to meet some of these challenges, rather than having to borrow and incur interest and minimum revenue provision costs.

As noted, the levels of risk to the financial sustainability of the council are considerable. Many risks are external and substantially beyond the council's control, which is reflected in the PMB. However, failure to deliver the required savings and/or increased income through the Our Cambridge programme and other initiatives will give rise to use of general reserves to meet budget gaps year on year. This is not sustainable in the long term, so it is recommended that alternative use of reserves is only considered when a credible timetable for the delivery of substantially all net savings requirements has been set.

Section 7

Future strategy

Whilst the outcomes of many of the risks and uncertainties outlined in the previous section may become clearer during 2024/25, the council must set out a strategy in this report to ensure on-going financial sustainability.

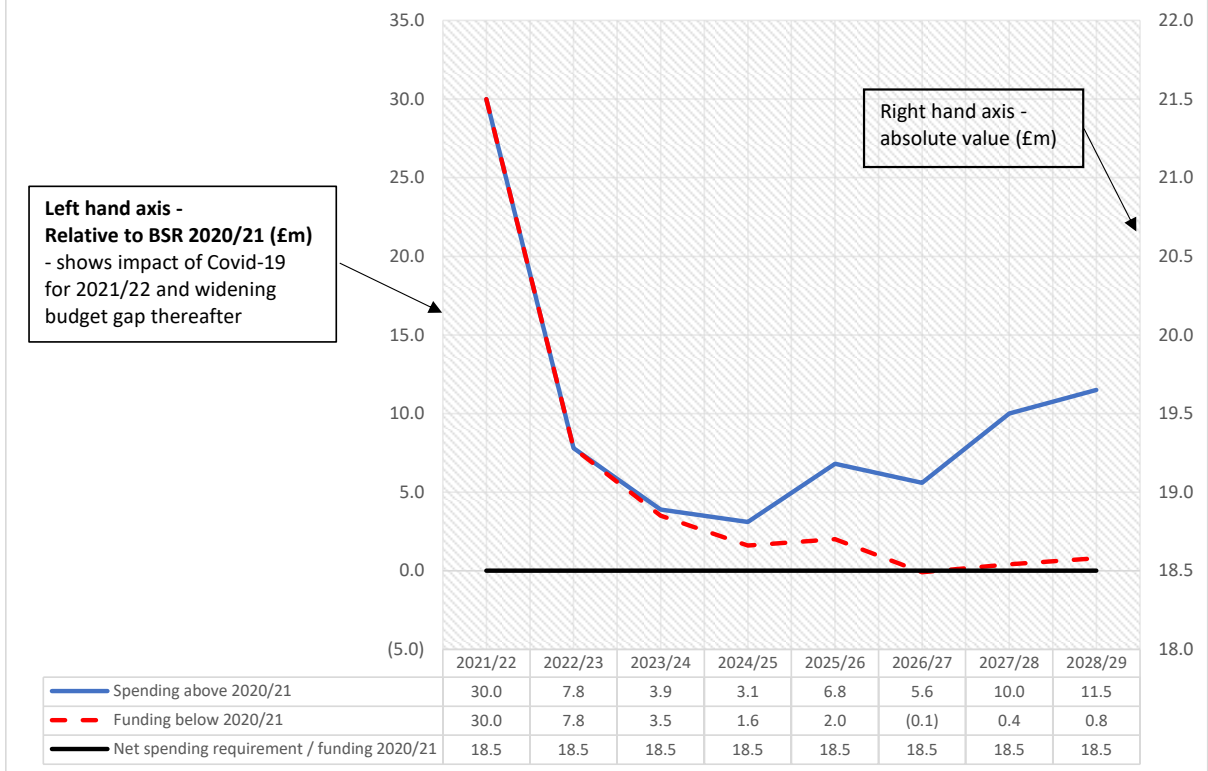
The MTFS savings challenge

As a council, we are facing unprecedented and increasing challenges over the next five years. MTFS 2023 predicted that on the assumptions in our current base scenario, our budgeted net spend will fall from £22.0m in 2023/24 to £18.4m in 2026/27. When inflation is taken into account this represents a reduction of around £5.2m, or 23% in real terms.

This position is subject to considerable uncertainty, with unavoidable revenue pressures potentially higher than forecast and inflationary pressures and supply chain issues adding to the council's costs. The current cost of living crisis exacerbated by economic uncertainty driven by world events could lead to ongoing income reductions and increased demand for services. Similarly, the financial impact of the forthcoming General Election on the council is unclear.

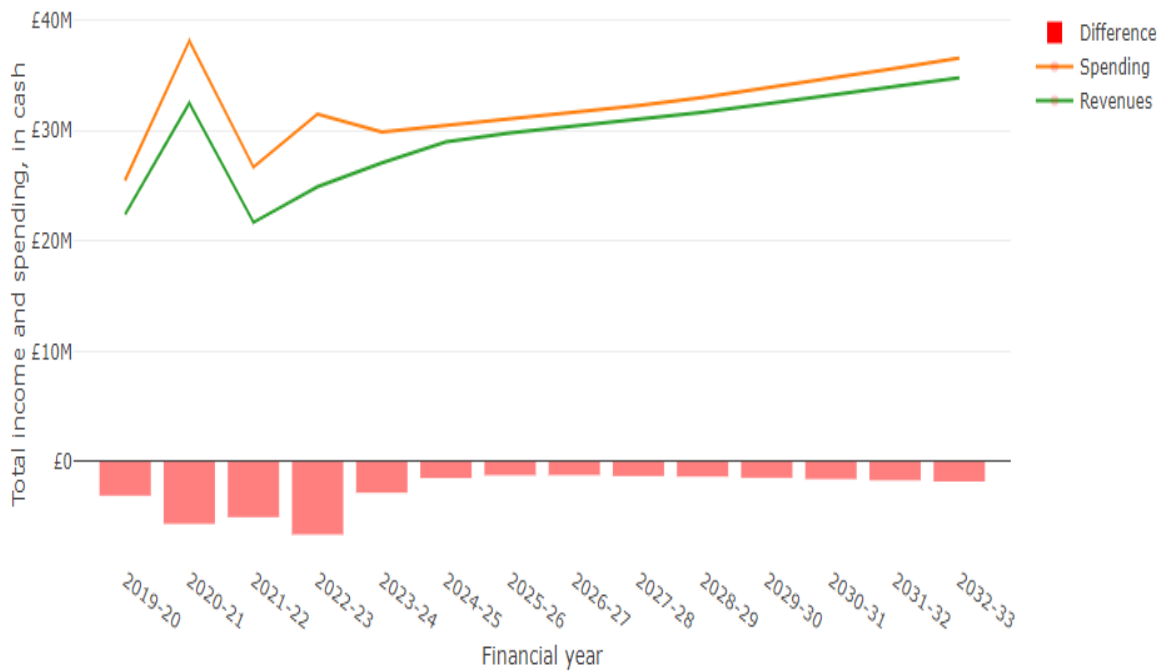
MTFS 2023 presents a cumulative savings requirement rising from **£2.3m** in 2024/25 to **£11.1m** in 2028/29 for the base scenario. The charts on the following page show the difference between our projected spend and our forecast funding demonstrating the size of the savings gap and how it increases over the next five years. Following the changes recommended in this budget, the resulting net new savings requirement to 2027/28 is **£9.5m**, over the remaining four years of the MTFS period.

MTFS 2023- Net spending requirements before savings



An alternative presentation is given by the CIPFA/IFS local government finance model, which confirms a widening gap between income and expenditure.

Comparison of revenues with spending for Cambridge

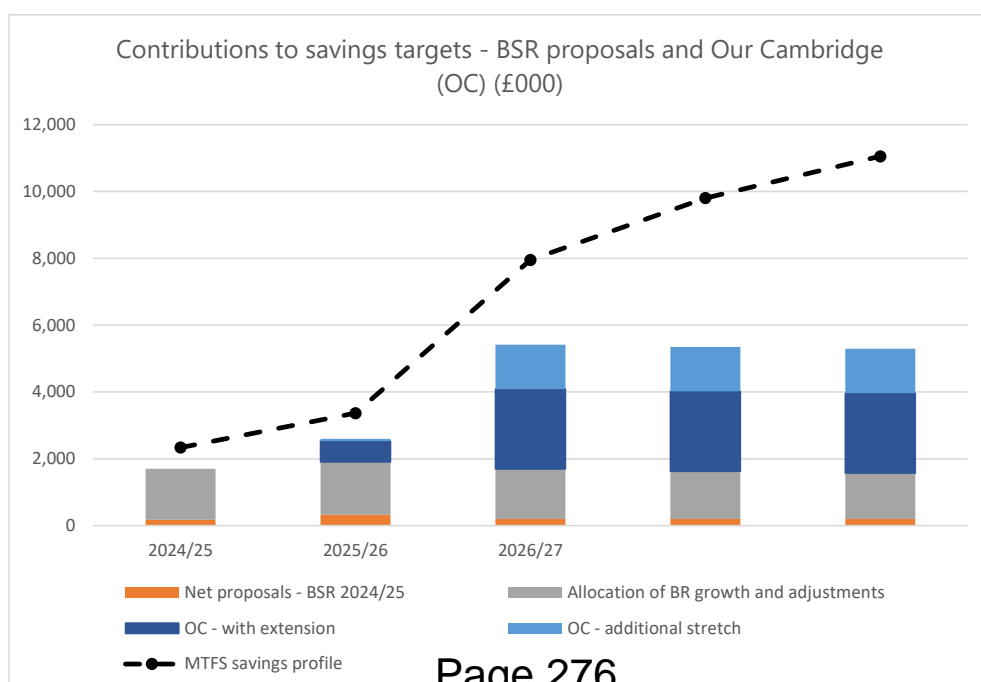


Achieving financial sustainability and resilience

Despite continuing pressures and uncertainties, the council's finances are currently healthy. In particular, it has good levels of general reserves. However, there is no foreseeable end to scarce funding for local authorities. Global economic troubles, the increasing challenges of climate change and the cost of living crisis all combine to create a difficult operating environment. It is important, therefore, to ensure that the council is prepared to manage financial challenges as they arise. To ensure financial resilience the council must work hard to: -

- Maintain healthy levels of reserves
- Plan and deliver savings in a controlled and sustainable way
- Ensure savings and income plans are firm and robust and that gaps / savings still to be found are minimised, particularly in the next two or three financial years
- Minimise unplanned overspends and/or carrying forward undelivered savings into the following year.

The current budget strategy targets £6m of recurring savings over three years, with the aim of making a substantial contribution towards the longer term budget gap. This approach acknowledges that the budget gap in later years is more difficult to assess at present and allows for specific remedial actions to be put in place as the budget gap is reassessed on a rolling basis.



Our Cambridge - Transformation programme

A detailed update on the progress on the programme was provided in Section 4 of MTF5 2023, alongside a request for additional funds to extend the programme to December 2025. This request was approved. The programme is expected to deliver substantial savings both within its extended timetable and beyond. By enabling culture change and undertaking detailed organisational design work, the programme will make it possible for the council to continue to deliver improvements and associated saving into the future.

Projected savings from the programme are set out below, alongside the remaining budget gap.

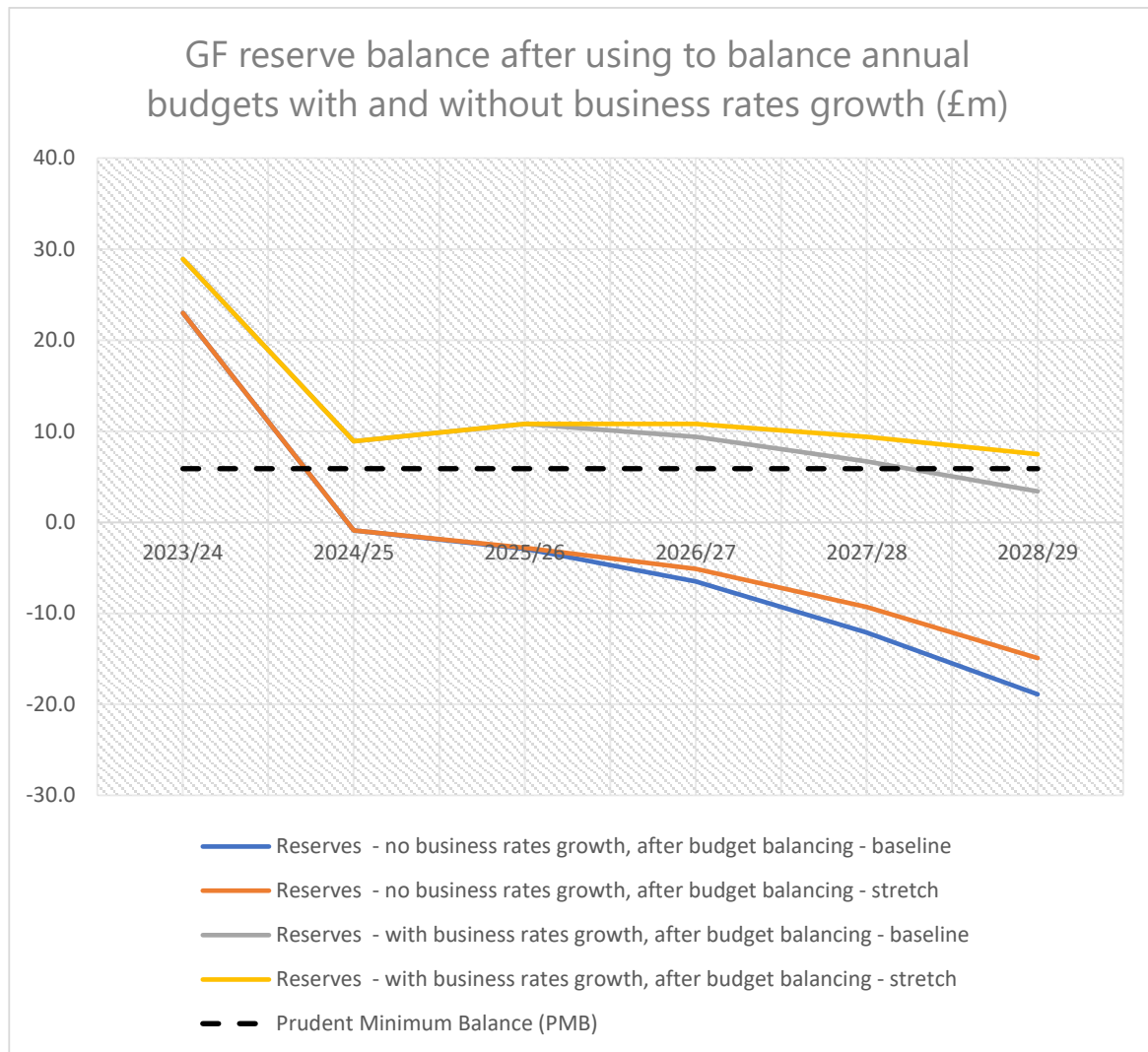
| £000 | 2025/26 | 2026/27 | 2027/28 | 2028/29 |
|--|----------------|----------------|----------------|----------------|
| Cumulative savings requirement | 1,852 | 6,244 | 8,161 | 9,466 |
| | | | | |
| Our Cambridge - baseline savings | 890 | 2,652 | 2,652 | 2,652 |
| Our Cambridge - stretch savings | 957 | 3,980 | 3,980 | 3,980 |
| | | | | |
| Savings to find after baseline savings | 962 | 3,592 | 5,509 | 6,814 |
| Savings to find after stretch savings | 895 | 2,264 | 4,181 | 5,486 |

The following chart shows the trajectory of the general fund reserve balance if these budget gaps have to be met through the use of reserves.

Unmet savings requirement

Reserves will become depleted if used to support annual budgets. Reserves can only be used once, and the graph below shows that reserves would be completely used in the 2024/25 financial year if no business rates growth is taken into account. Whilst this is a 'worst case' scenario, the level of future retained business rates growth is dependent on the extent and timing of changes to the business rates system and local economic conditions. Even if current forecasts of business rates growth are met and baseline savings are achieved, the level of general reserves is predicted to fall below PMB by the end of 2027/28. The council, therefore, cannot rely on business rates growth to remove the need to make further substantial savings, and will need to maximise the financial benefits of the Our Cambridge programme alongside identifying and delivering further significant reductions in spending or increases in income. This will be done by:

- Reviewing service standards for statutory services to ensure value for money is achieved
- Robustly challenging the costs and benefits of discretionary services
- Assessing the 'minimum viable option' for all services, flexing this upwards if finances allow
- Identifying additional savings and income; and
- Reviewing and optimising capital spending



Section 8

Section 25 report

Introduction

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

The rationale is to ensure that the estimates are sufficient to cover regular recurring costs plus any reasonable risks and uncertainties and, in the event of unexpected expenditure, there are adequate reserves to draw on. The calculations relate to the budget for the forthcoming year and the legal requirement may, therefore, be interpreted as reporting only on the 2024/25 estimates and reserves up to 31 March 2025.

Economic context

The council is subject to significant market uncertainties that make the estimation of costs and income difficult. CPI inflation remains above the Bank of England's 2% target and the future trajectory of interest rates is difficult to predict as a result. The supply chains and labour market remain challenging. Many service areas within the council are finding staff recruitment and retention difficult, leading to the need to take on agency staff to maintain service delivery. Furthermore, adverse economic conditions are leading to an increase in service demands. As a result, estimates in this BSR are less robust than would normally be expected and should be treated with some caution, and consideration given to the alternative scenarios modelled in the MTFS.

Future funding of local government

This is the sixth year that a single year financial settlement for local government has been announced. There is, therefore, significant uncertainty as to the quantum and form of local government funding

underlying future year budget numbers presented. This hinders financial planning and makes it more difficult for the council to achieve financial sustainability. Fundamental changes to the distribution of funding have been expected for a number of years, with implementation of changes not now expected until 2026/27 making forecasting for this and future years very difficult.

Governance and financial management

The council conducts a review of its system of internal control, prepares and publishes an Annual Governance Statement each financial year. This demonstrates whether, and to what extent, the council complied with its Local Code of Governance. This process records the council's good practice and supports improvement of governance arrangements. Producing the Annual Governance Statement helps the council meet the requirements of Regulation 6(1)b of the Accounts and Audit (England) Regulations 2015. It is reviewed and approved by the Civic Affairs Committee. The council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. That duty has grown in importance with the reduction in resources being made available for local authorities as part of the government's on-going austerity programme. The council's financial management arrangements are consistent with the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government and the CIPFA Financial Management Code. The Annual Governance Statement concludes that the council has in place strong governance arrangements to protect its interests and provide necessary assurances to citizens and stakeholders. No significant governance issues were identified from the review of effectiveness.

Robustness of estimates

The council has well established and robust budget processes. These have been followed when compiling the 2024/25 budget and medium-term projections. A prudent approach has been taken to the estimates and assumptions used in the preparation of the MTFS in October 2023. Section 3 of that document sets out these estimates and assumptions and indicates the sensitivity of each in financial terms. Estimates relating to investment interest, business rates and council tax have been updated and other estimates confirmed during the development of this BSR.

The Housing Revenue Account (HRA) BSR identifies two historic rent setting issues. The first issue has been investigated and estimates of its financial impact included within the HRA BSR. However, the second issue is being explored and is subject to further work before it can be quantified and incorporated into financial forecasts.

Scenario planning and unavoidable revenue pressures

The council follows best practice in undertaking scenario modelling to support the MTFS. This includes consideration of the impacts of varying levels of general inflation, pay inflation, interest income, council tax and funding settlements. The five-year net savings requirements identified ranged from £6.12m to £28.62m. This represents 32% - 150% of the council's 2023/24 core spending power (core spending power is the total of core grants, business rates and council tax income provided by the local government finance settlement).

Given the high levels of focus on transformation and savings, it is expected that levels of emerging pressures will reduce. However, the scale of savings to be achieved by the council over the next five years is considerable and represents an ongoing risk and challenge.

Estimation and delivery of savings

The GF MTFS 2023 identified a need to deliver £2.3m net savings to balance the 2024/25 budget, and a total of £11.1m of net recurring required over the five year planning period. Whilst the 2024 budget is balanced, only £143k of net savings (£1,338k pressures, £1,481k savings / increased income) have been proposed, with £1.5m of 'at risk' funding from business rates growth being diverted to fund ongoing budgets, rather than being put into reserves in line with previous practice. Finally, the budget is balanced by the use of £1,897k of general reserves.

Savings proposals included in this GF BSR are considered to be deliverable. However, any failure or slippage in the delivery of savings, and increase in pressures, could result in no net savings being achieved in year. It should be noted that the ongoing use of reserves to balance budgets is not sustainable. Additionally, the use of business rates growth, which is uncertain and difficult to predict, adds risk to the balancing of future budgets.

Closing the identified budget gaps will require a fundamental change in the way that the council operates, and services are delivered. The council's transformation programme, Our Cambridge, has begun to deliver savings. Significant work is being done to change organisational culture and redesign service delivery. The programme is expected to deliver a significant portion of the required savings, with the cessation and contraction of some services likely to be needed in the medium term. At this point, it is not possible to assess whether sufficient savings will be delivered, or the timing of those savings. Risks to the delivery of savings include:

- the significant level of cultural, organisational and service delivery change to be delivered

- complex and time-consuming decision-making mechanisms that are not well equipped to manage complex and cross-cutting financial and organisational issues and will be subject to review and change as transformation is delivered
- demanding timescales
- significant pressures on officer capacity to deliver business-as-usual, cost-of-living crisis response and transformational change.

There are, therefore, significant levels of risk around the estimation and delivery of potential income and savings required to ensure the financial sustainability of the council, both GF and HRA, in the medium term.

Adequacy of reserves

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

The council holds the following usable reserves. Further information on these reserves can be found in [Draft Statement of Accounts 2022/23 - Cambridge City Council](#).

| Usable reserves (£000) | At 31 March 2023 |
|---|-------------------------|
| General reserves | |
| General Fund | 28,061 |
| HRA | 10,521 |
| | 38,582 |
| Earmarked reserves | |
| General Fund | 28,787 |
| HRA | 17,328 |
| | 46,115 |
| Other usable reserves | |
| Capital receipts reserve (GF and HRA) | 35,729 |
| Major repairs reserve (HRA) | 7,684 |
| Capital grants unapplied reserve (GF and HRA) | 21,203 |
| | 64,616 |
| Total usable reserves | 149,313 |

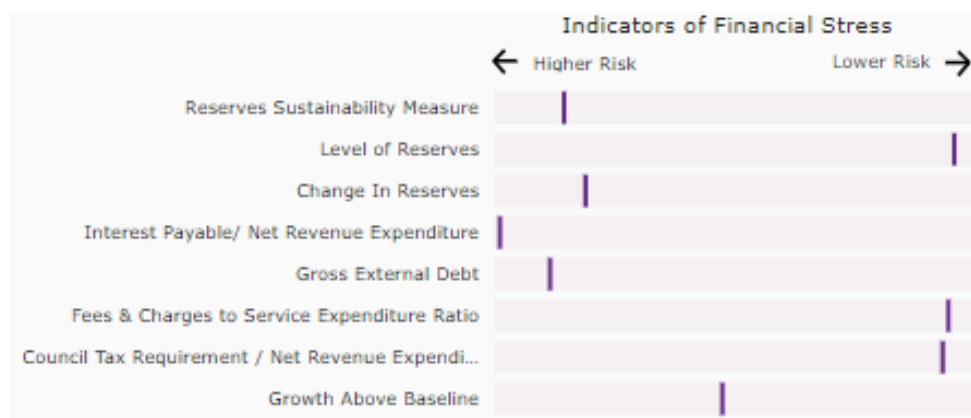
A key mitigation for financial risk is the Section 151 officer’s estimate of a prudent level of reserves. A risk assessment was undertaken in MTF5 2023 to determine the level of non-earmarked general reserves required by the council. Section 6 of this report recommends no changes to the assessment at this time. In making the recommendation for the level of reserves, the Section 151 officer has followed guidance in the CIPFA Bulletin 13– Local Authorities Reserves and Balances (updated). The risk analysis shows that a prudent minimum level of reserves for 2024/25 will be of the order of £5.9m.

The final table in Section 6 shows that the anticipated level of the general fund reserve, when business rates growth is included and if savings are achieved in line with the calculated profile will remain above the prudent minimum level for the duration of the medium-term planning period. However, business rates growth income is not guaranteed, and the expected business rates reset will reduce this income stream substantially, probably from 2026/27 onwards. The application of £1.5m of this growth every year to fund services adds to the risk that the general reserve may become depleted, as do the budget gaps that remain after the savings expected from the Our Cambridge programme are delivered, as illustrated in Section 7.

Financial sustainability

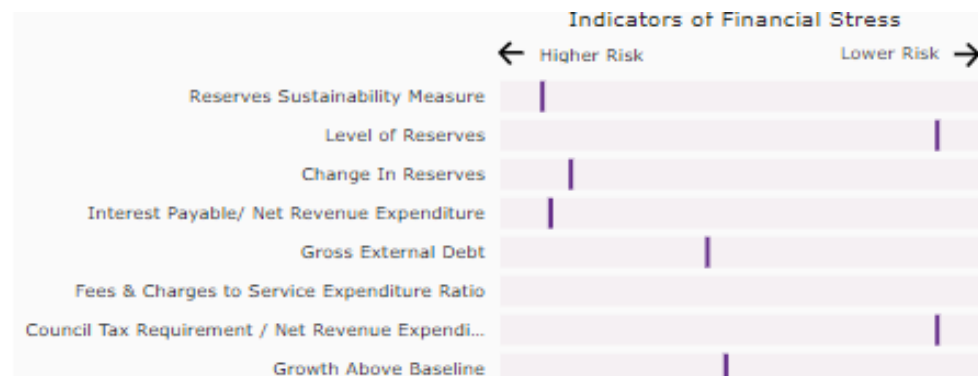
The Chartered Institute of Public Finance and Accountancy (CIPFA) produces a Financial Sustainability Index for councils, comprising a range of indicators and allows comparison with all district councils or ‘nearest neighbours’. These comparisons are shown below, using 2022/23 data.

All district councils



| Indicator | Min | Indicator Value | Max |
|---|------------|-----------------|-------------|
| Reserves Sustainability Measure | 0.32 | 62.01 | 100.00 |
| Level of Reserves | -8,561.18% | 655.86% | 1,968.96% |
| Change In Reserves | -90.39% | -4.61% | 212.78% |
| Interest Payable/ Net Revenue Expenditure | -458.26% | 86.65% | 528.01% |
| Gross External Debt | £0k | £213,572k | £1,996,612k |
| Fees & Charges to Service Expenditure Ratio | 1.42% | 38.38% | 57.96% |
| Council Tax Requirement / Net Revenue Expenditure | -2,279.55% | 108.35% | 583.02% |
| Growth Above Baseline | -153.23% | 59.97% | 435.83% |

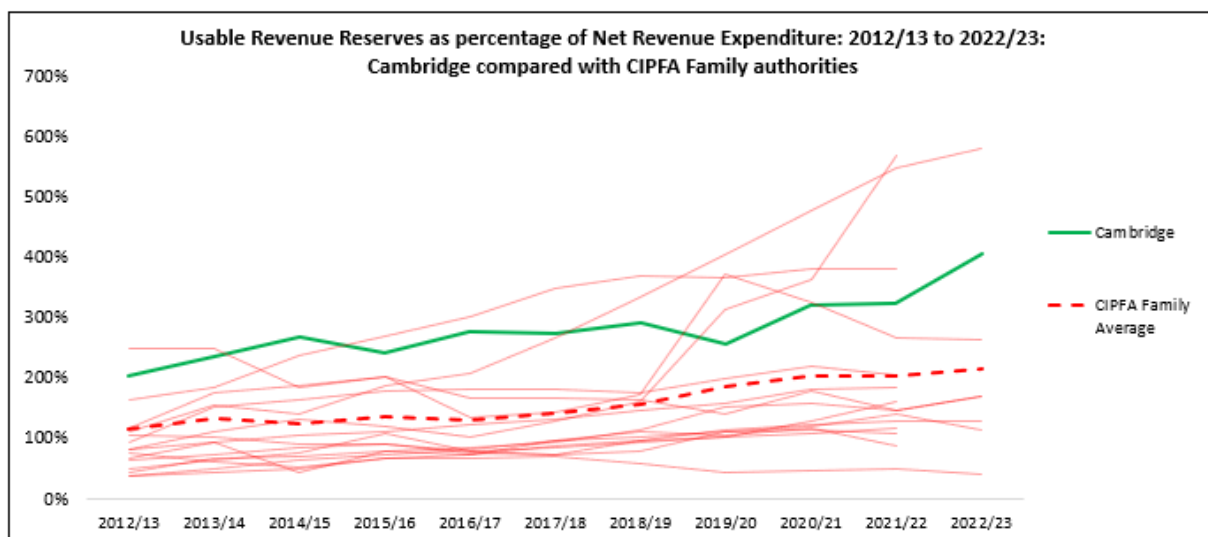
Nearest neighbours



| Indicator | Min | Indicator Value | Max |
|---|----------|-----------------|-------------|
| Reserves Sustainability Measure | 5.69 | 62.01 | 100.00 |
| Level of Reserves | -4.43% | 655.86% | 1,968.96% |
| Change In Reserves | -34.51% | -4.61% | 79.52% |
| Interest Payable/ Net Revenue Expenditure | 0.00% | 86.65% | 528.01% |
| Gross External Debt | £12,305k | £213,572k | £1,996,612k |
| Fees & Charges to Service Expenditure Ratio | 11.15% | 38.38% | 38.38% |
| Council Tax Requirement / Net Revenue Expenditure | 39.72% | 108.35% | 253.85% |
| Growth Above Baseline | -32.65% | 59.97% | 203.14% |

Reserves sustainability measure: This is the ratio between the current level of reserves and the average of the previous three years decrease in reserves. The maximum value of this indicator is 100, with all except 26 (2021/22, 5) district councils scoring the maximum.

A more useful comparison is provided below, showing that the council's usable reserves are above the average of its CIPFA nearest neighbours, and well-positioned with the group as a whole.



Graph provided by LGImprove

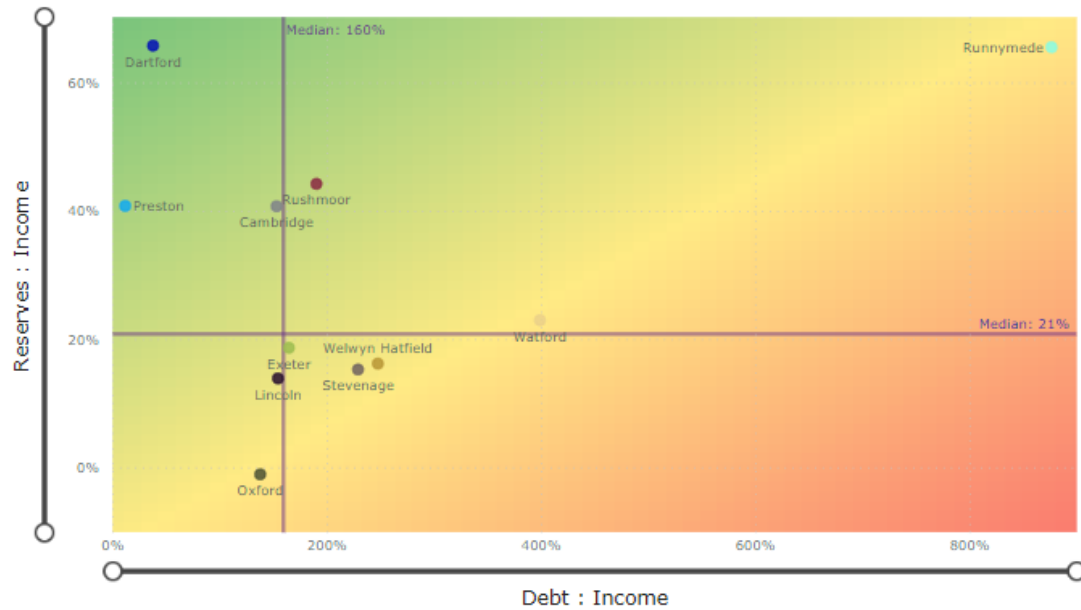
Interest payable /Net revenue expenditure, Gross external debt: These indicators record the council’s HRA debt and the interest payable on it, which is fully supported by rents and other revenue within the HRA as shown within the HRA’s 30-year business plan and is therefore not considered to be a risk to the council’s financial sustainability. The council currently holds no other debt.

Council tax requirement / Net revenue expenditure, Fees and charges to service expenditure

ratio: These indicators show the reliance that the council has on income other than council tax to support the provision of services and are designed such that high levels of other income are considered to reduce the financial risk to the council. However, the pandemic and current economic pressures have shown that the reverse is the case with income from commercial property and car parking income subject to external influences outside the council’s control. These income flows are kept under close review through the year. If and when shortfalls are predicted, corrective action is taken.

Business rates, growth above baseline: The council currently benefits from the retention of some of its business rates growth which will be lost when business rate baselines are reset. In setting its budget in previous years the council has not relied on business rates growth to fund core services. However, for 2024/25 and future years, £1.5m of business growth will be used. This increases the risk of there being insufficient growth in year, particularly in the year of a reset. However, any shortfall could be from reserves, so this is not considered to be a risk to the council’s financial sustainability.

Debt and reserves relative to income: The chart below shows the council’s position relative to its CIPFA near neighbour authorities. It supports the view that the council has both manageable levels of debt and adequate reserves at this point in time.



Conclusion

With the exception of the second rent setting issue that is subject to further estimation work, I consider estimates for the financial year 2024/25 to be sufficiently robust and the financial reserves up to 31 March 2025 to be adequate.

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

- the plans currently under development will not meet the savings requirement in full
- the delivery of these plans will be challenging
- difficult decisions will be necessary to achieve the required level of transformation and savings delivery

Caroline Ryba, Chief Finance Officer

Appendix A(a)- Calculation of council tax base 2024/25

| | Council Tax Bands | | | | | | | | | |
|---|---|----------------|----------------|-----------------|----------------|----------------|----------------|----------------|--------------|---|
| | A entitled to disabled relief reduction | A | B | C | D | E | F | G | H | Total |
| Dwellings on the valuation list | 0 | 4,419 | 11,070 | 20,771 | 10,547 | 6,040 | 3,967 | 3,267 | 502 | 60,583 |
| Dwellings treated as exempt | 0 | (1,355) | (635) | (1,034) | (841) | (508) | (345) | (401) | (174) | (5,293) |
| Adjustments for disabled relief (i.e. reduced by one band) | 0 | (2) | (20) | (63) | (38) | (20) | (14) | (20) | (1) | (178) |
| | 2 | 20 | 63 | 38 | 20 | 14 | 20 | 1 | 0 | 178 |
| Total chargeable dwellings | 2 | 3,082 | 10,478 | 19,712 | 9,688 | 5,526 | 3,628 | 2,847 | 327 | 55,290 |
| Where there is a liability to pay 100% council tax | 1 | 1,143 | 4,256 | 12,536 | 6,740 | 4,113 | 2,850 | 2,336 | 287 | 34,262 |
| That are assumed to be subject to a discount or premium | 1 | 1,939 | 6,222 | 7,176 | 2,948 | 1,413 | 778 | 511 | 40 | 21,028 |
| Dwelling Equivalents: | | | | | | | | | | |
| Number of dwelling equivalents after applying discounts and premiums to calculate tax base | 1.8 | 2,585.3 | 8,891 | 17,887.5 | 8,940.8 | 5,172.8 | 3,432.5 | 2,724.5 | 317 | 49,953 |
| Ratio to Band D | 5/9 | 6/9 | 7/9 | 8/9 | 1 | 11/9 | 13/9 | 15/9 | 18/9 | |
| Band D equivalents | 1 | 1,723.5 | 6,915.2 | 15,900 | 8,940.8 | 6,322.3 | 4,958.1 | 4,540.8 | 634.0 | 49,935.7 |
| Band D equivalent contributions for Government properties | | | | | | | | | | 0 |
| Allowance for Council Tax Support | | | | | | | | | | (4,283.7) |
| Tax base after allowance for Council Tax Support | | | | | | | | | | 45,652 |
| Add | | | | | | | | | | Estimated net growth in tax base 437 |
| Less | | | | | | | | | | Assumed loss on collection at 1.3% (599) |
| Total Band D Equivalents – Tax base for Council Tax and Precept Setting Purposes | | | | | | | | | | 45,490 |

Appendix A (b)

Council Tax Setting 2024/25

1. The Council calculated its Council Tax Base 2024/25 for the whole Council area as **45,490** [Item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended (the "Act")]
2. The Council calculates that the Council Tax requirement for the Council's own purposes for 2024/25 is **£10,252,991.10**.
3. That the following amounts be calculated for the year 2024/25 in accordance with Sections 31 to 36 of the Act:

- | | | |
|-----|------------------------|--|
| (a) | £220,831,839.10 | being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act |
| (b) | £210,578,848.00 | being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act |
| (c) | £10,252,991.10 | being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year. [Item R in the formula in Section 31B of the Act] |
| (d) | £225.39 | being the amount at 3(c) above (Item R), all divided by the amount at 1 above (Item T), calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year. |

4. To note that Cambridgeshire County Council, the Cambridgeshire Police & Crime Commissioner Cambridgeshire & Peterborough Fire Authority, and the Cambridgeshire & Peterborough Combined Authority have issued precepts to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each of the categories of dwellings in the Council's area as indicated in the table below.

5. That the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in the table below as the amounts of Council Tax for 2024/25 for each of the categories of dwellings in the Council's area.

| Dwelling Band | City Council £ | County Council £ | Police & Crime Commissioner £ | Fire Authority £ | Cambridgeshire & Peterborough Combined Authority £ | Aggregate Council Tax £ |
|----------------------|---------------------------|-----------------------------|--|-----------------------------|---|------------------------------------|
| A | 150.26 | 1,079.88 | 190.35 | 54.84 | 24.00 | 1,499.33 |
| B | 175.30 | 1,259.86 | 222.07 | 63.98 | 28.00 | 1,749.21 |
| C | 200.35 | 1,439.84 | 253.80 | 73.12 | 32.00 | 1,999.11 |
| D | 225.39 | 1,619.82 | 285.52 | 82.26 | 36.00 | 2,248.99 |
| E | 275.48 | 1,979.78 | 348.97 | 100.54 | 44.00 | 2,748.77 |
| F | 325.56 | 2,339.74 | 412.42 | 118.82 | 52.00 | 3,248.54 |
| G | 375.65 | 2,699.70 | 475.87 | 137.10 | 60.00 | 3,748.32 |
| H | 450.78 | 3,239.64 | 571.04 | 164.52 | 72.00 | 4,497.98 |

6. The Council determines that, in accordance with Section 52ZB of the Local Government Finance Act 1992, the basic amount of its council tax for 2024/25 is not excessive.

Summary of responses to public consultation on Cambridge City Council budget 2024/25

263 responses were received between 21 November 2023 and 14 January 2024.

5% (14 respondents) said that they responded on behalf of a business or community group.

Of those that provided information on sex as registered at birth, 47% (88 respondents) were female 49.9%, and 53% (99) respondents were male. This compares to 49.9% females and 50.1% males in the Cambridge population.

169 respondents provided information on their ethnicity:

| Ethnicity | Number of respondents | % respondents | % Cambridge population |
|---------------------------------|-----------------------|---------------|------------------------|
| White: British | 139 | 82% | 53% |
| White: Irish | 5 | 3% | 1% |
| White: Other | 20 | 12% | 20% |
| Asian or British Asian: Indian | 2 | 1% | 4% |
| Asian or British Asian: Chinese | 3 | 2% | 4% |
| Other | 0 | 0% | 18% |
| | 169 | 100% | 100% |

115 respondents provided information on their annual household income:

| Annual household income | Number of respondents | Percentage | Households in Cambridge | Percentage |
|-------------------------|-----------------------|------------|-------------------------|------------|
| Less than £10,000 | 1 | 1% | 1,198 | 3% |
| £10,000 to £19,999 | 6 | 5% | 4,537 | 10% |
| £20,000 to £29,999 | 16 | 14% | 5,959 | 13% |
| £30,000 to £39,999 | 13 | 11% | 5,771 | 13% |
| £40,000 to £49,999 | 9 | 8% | 5,715 | 13% |
| £50,000 to £59,999 | 13 | 11% | 5,222 | 11% |
| £60,000 to £69,999 | 8 | 7% | 4,133 | 9% |
| £70,000 to £79,999 | 7 | 6% | 3,289 | 7% |
| £80,000 to £89,999 | 5 | 4% | 3,087 | 7% |
| £90,000 to £99,999 | 8 | 7% | 2,647 | 6% |
| Over £100,000 | 29 | 26% | 3,875 | 8% |

| | | | | |
|--|-----|------|--------|------|
| | 115 | 100% | 45,433 | 100% |
|--|-----|------|--------|------|

Survey response – Priorities for Cambridge

What do you think are the three most important priorities for Cambridge?

Multiple choice - choose many - required

Essential public services (for example, collecting household waste, street cleaning and planning applications) 22.6% (178 choices)



Affordable housing 15.3% (121 choices)



Congestion, greener transport and active travel 14.2% (112 choices)



Addressing poverty and inequality 10.8% (85 choices)



Climate change and biodiversity 9.9% (78 choices)



Ensuring people are safe and have equal access to opportunities and resources 8.5% (67 choices)



Local economy sustainable growth 8.5% (67 choices)



Homelessness 7.1% (56 choices)



Local skills 3.2% (25 choices)



Suggestions for other priorities (“something else”) included:

- A recurring theme across many responses is the need for **improved transport infrastructure**, with a particular emphasis on greener transport options and better cycling paths. However, there is also a significant call for maintaining and improving road conditions for cars, with numerous mentions of pothole repairs and concerns about the state of the roads.
- Another major concern is the preservation of green spaces and the environment, with residents advocating for **sustainability and biodiversity**.

There is a clear desire for the city to focus on climate change initiatives and to avoid actions that could harm existing natural areas.

- **Social issues** are also highlighted, with calls for better support for the least privileged, improvements in mental health support, and the provision of social housing. Anti-social behaviour and crime prevention are noted as areas needing attention.
- There is also a sentiment that the city should focus on **essential services and infrastructure**, with some responses indicating frustration with what is perceived as wasteful spending or a focus on less critical issues. The need for better healthcare facilities, such as more doctors' surgeries to accommodate a growing population, is also mentioned.
- Overall, residents are expressing a desire for a **balanced approach** to the city's development, one that promotes environmental sustainability, addresses social inequalities, and ensures the maintenance and improvement of essential infrastructure. They are looking for transparency and efficiency in the use of funds, with a focus on providing value for money and prioritizing the needs of the community.

Survey response - Highly valued services

Select the three top services that you value most

Multiple choice - choose many - required

Parks, open spaces, trees and nature reserves 19.8% (156 choices)



Waste services (including recycling and green waste) 12.5% (99 choices)



Community safety (including preventing anti-social behaviour) 11.7% (92 choices)



Council houses and sheltered housing 8.2% (65 choices)



Street cleaning services 7.5% (59 choices)



Environmental health services (including licensing, air pollution, food safety standards in restaurants and standards in private rented housing) 6.6% (52 choices)



Cultural services (including the Corn Exchange and outdoor events such as the Folk Festival and Fireworks Night) 5.3% (42 choices)



Community centres and community development 4.7% (37 choices)



Leisure services, including swimming pools 4.7% (37 choices)



Central market 4.1% (32 choices)



Housing advice and temporary accommodation for people at risk of homelessness 3.4% (27 choices)



Planning services (including planning applications, enforcement and local plan making) 3% (24 choices)



Benefits (including Housing Benefit and Council Tax reductions) 2.9% (23 choices)



Elections 2.5% (20 choices)



Car parks 2.4% (19 choices)



Crematorium and bereavement services 0.6% (5 choices)



Survey response – support for suggested budget proposals

Which of the potential budget proposals do you support?

Multiple choice-choose many -required



Respondents gave the following reasons for supporting suggested budget proposals:

- A recurring theme across many responses is the emphasis on improving **operational efficiency and effectiveness**, which is seen as a fundamental responsibility of the council. Residents suggest that the council should make better use of its assets, such as by renting out unused office space and believe that there is scope for streamlining services to save money.
- **Environmental concerns** are also prominent, with many responses highlighting the importance of improving the energy efficiency of buildings and taking action to reduce carbon emissions. This reflects a broader desire for the council to lead by example in addressing the climate emergency.
- **Support for households in need** is another key issue, with residents recognizing the importance of helping those most affected by the cost of living

crisis. There is a sense that the council should prioritize assistance for vulnerable populations, ensuring that everyone can afford basic necessities like food and heating.

- **Income generation** is also mentioned, with suggestions to charge for certain types of advice and to explore other revenue streams to balance the budget. This is seen as a way to maintain or improve service provision without solely relying on cuts or increased taxation.
- Overall, the responses indicate a desire for the council to be **proactive in finding savings and generating income, while also being socially responsible and environmentally conscious**. Residents expect the council to manage resources wisely, support those in need, and take meaningful action on climate change.

Survey response – opposition to suggested budget proposals

Are there any potential budget proposals that you oppose?

Multiple choice - choose many - required

None of the above 28.1% (103 choices)



Where possible, charge commercially for the provision of advice 25.3% (93 choices)



In collaboration with partners, reduce emissions from our buildings and the wider city to reduce the city's carbon footprint 13.1% (48 choices)



Review and merge services to improve efficiency 11.2% (41 choices)



Support households in need impacted by the cost of living crisis 9% (33 choices)



Modernise and streamline operational services 6.5% (24 choices)



Improve the environmental performance of our buildings 5.7% (21 choices)



Rent out unused office space 1.1% (4 choices)



Respondents gave the following reasons for opposing suggested budget proposals:

- A common theme among many respondents is a **lack of opposition to the proposals** presented. However, there are concerns about the potential negative impacts of merging services and modernising operations, with some residents fearing that this could lead to reduced or poorer services.
- Several respondents are opposed to the idea of **charging for advice**, arguing that it could disadvantage those who are unable to afford it. The sentiment that council services should be free at the point of contact is echoed by others.
- There is also a notable scepticism regarding the **effectiveness of environmental initiatives**, with some respondents questioning the impact of such measures and suggesting alternative approaches like planting trees.

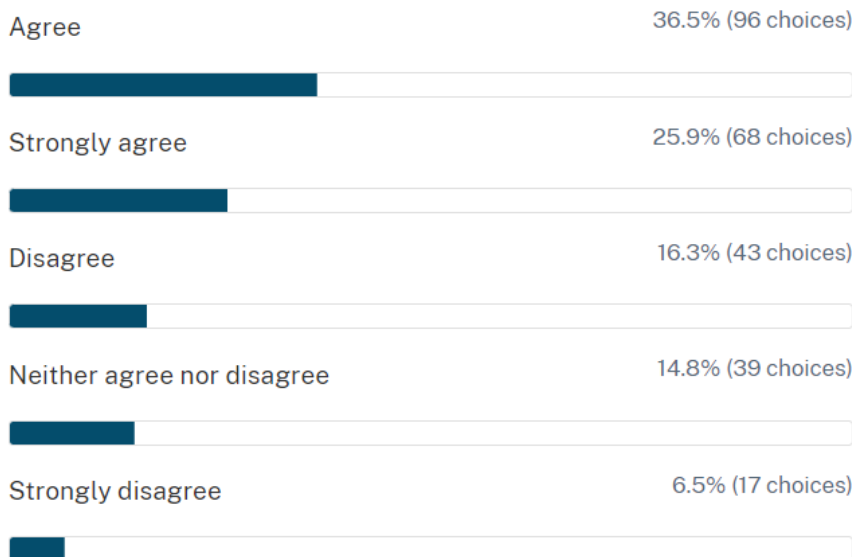
Concerns about the cost-of-living crisis and the need for the council to focus on more pressing issues, such as housing and homelessness, are also prevalent.

- A few responses suggest that the council should avoid reducing the quality of services and protect jobs. Additionally, there is a call for more **transparency and accountability in council spending**, with some residents expressing distrust in the council's ability to manage funds effectively.
- Overall, while there is a general lack of opposition to the proposals, residents have expressed concerns about the **potential for reduced service quality**, the affordability of advice, the prioritization of environmental initiatives over more immediate social issues, and the need for greater efficiency and transparency in council operations.

Survey responses – Options to balance the budget over the next five years

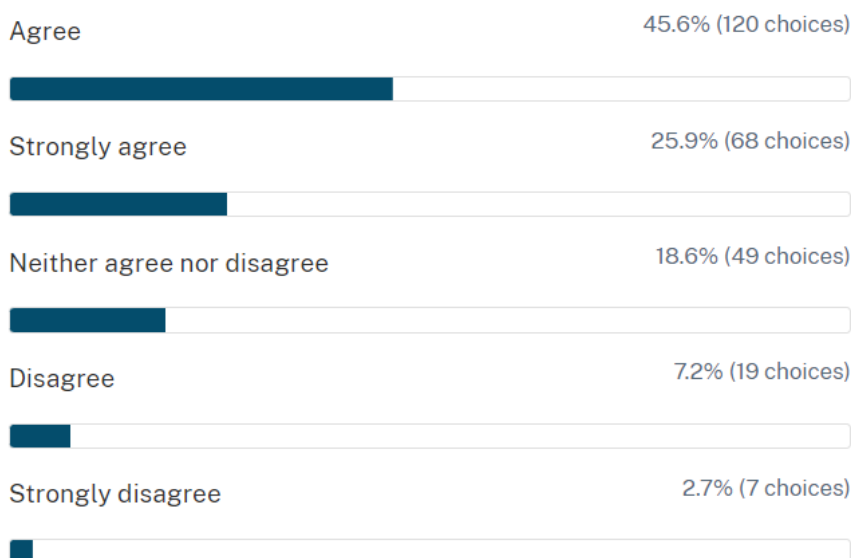
Using digital technology and providing more services online, whilst maintaining face-to-face support only where it is needed

Multiple choice - choose one - required



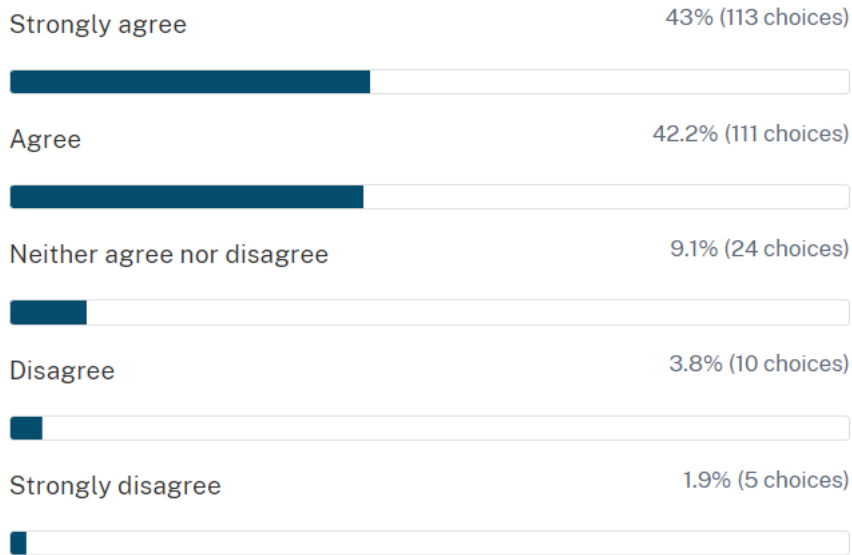
Increasing co-operation and co-delivery of services by working with local communities and voluntary sector organisations to design and deliver services

Multiple choice - choose one - required



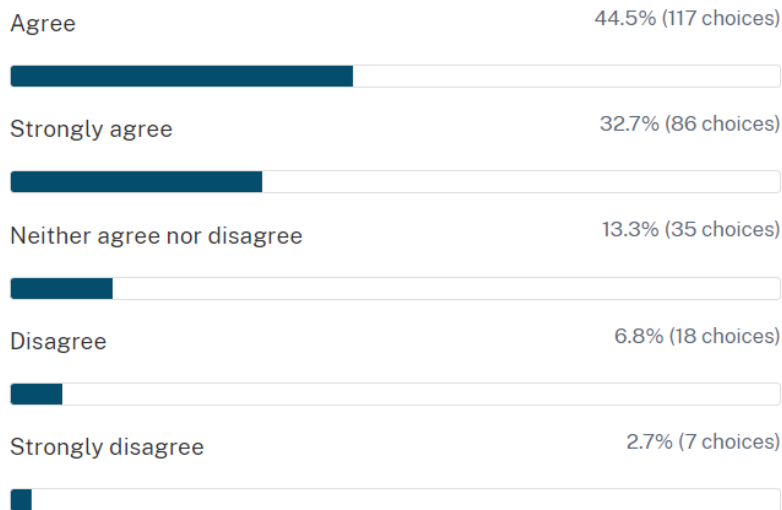
Working collaboratively with local partner organisations, including businesses, universities and statutory partners such as Cambridgeshire County Council, NHS, police and other public bodies

Multiple choice - choose one - required



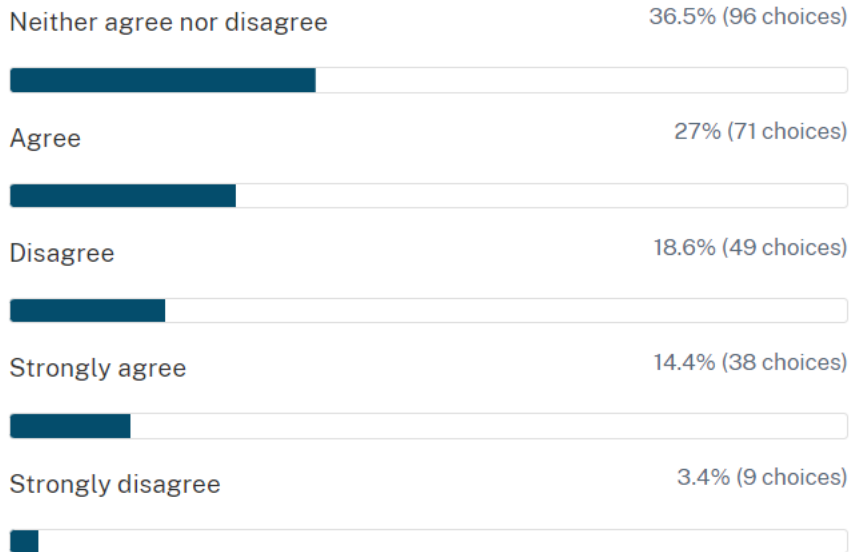
Working with neighbouring councils to deliver additional shared services to help save money and become more efficient

Multiple choice - choose one - required



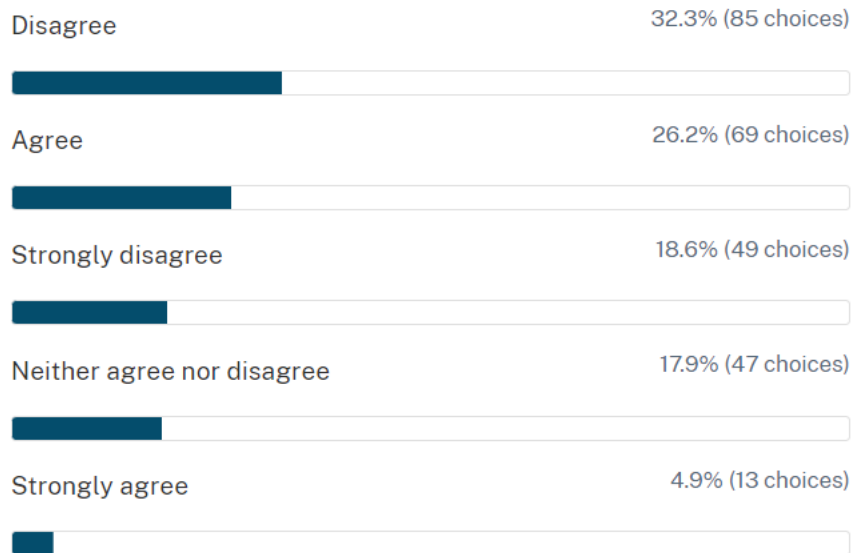
Stop delivering services that have a less direct impact on residents' quality of life

Multiple choice - choose one - required



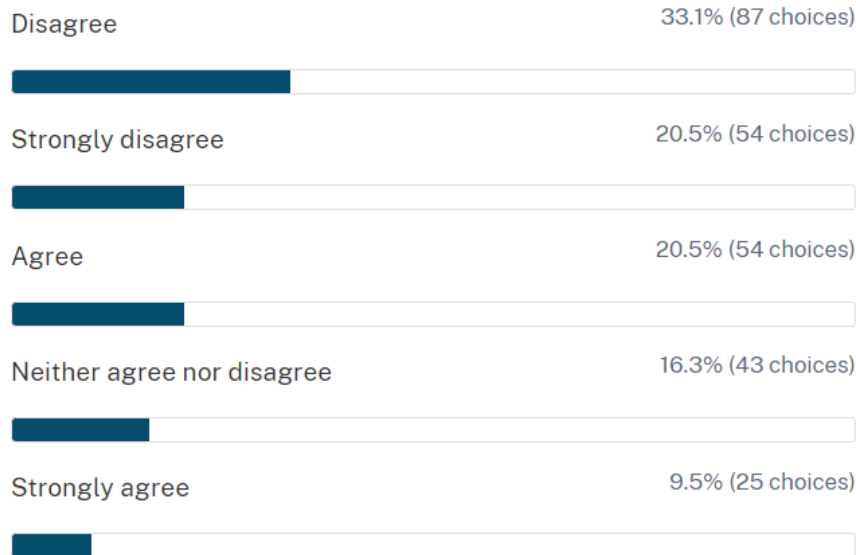
Continue delivering existing services, but do some things to a reduced specification or frequency (for example grass cutting, street cleansing)

Multiple choice - choose one - required



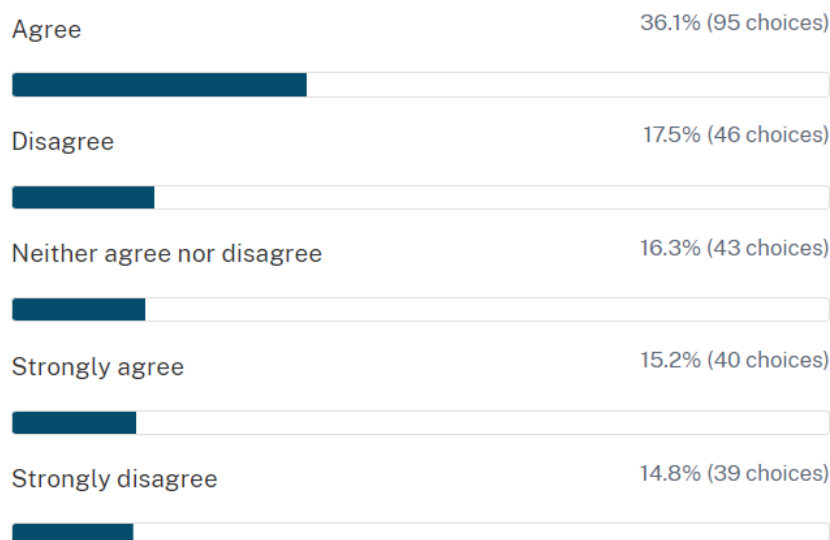
Reduce capital spending on physical assets and 'street scene' projects in the city (for example, park, playgrounds and street furniture)

Multiple choice - choose one - required



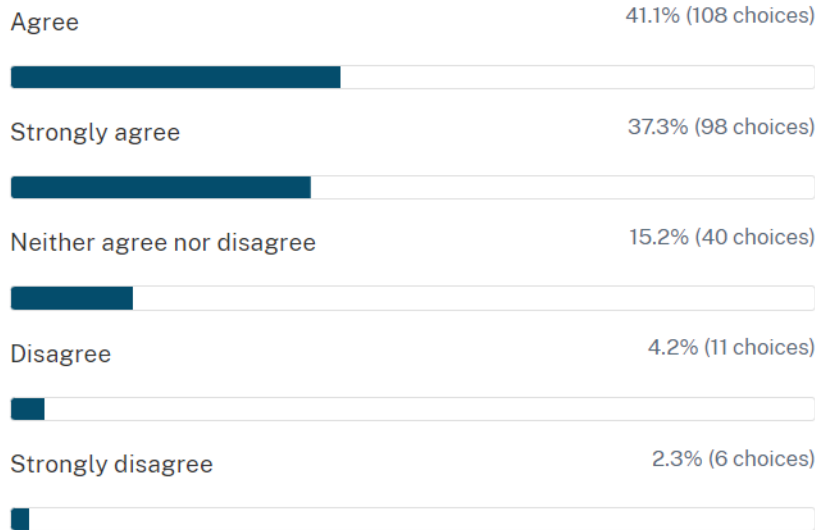
Increase fees and charges for some services (the council currently charges for parking, planning applications, inspections, hire of buildings and open spaces etc. and may consider introducing charges for some additional services)

Multiple choice - choose one - required



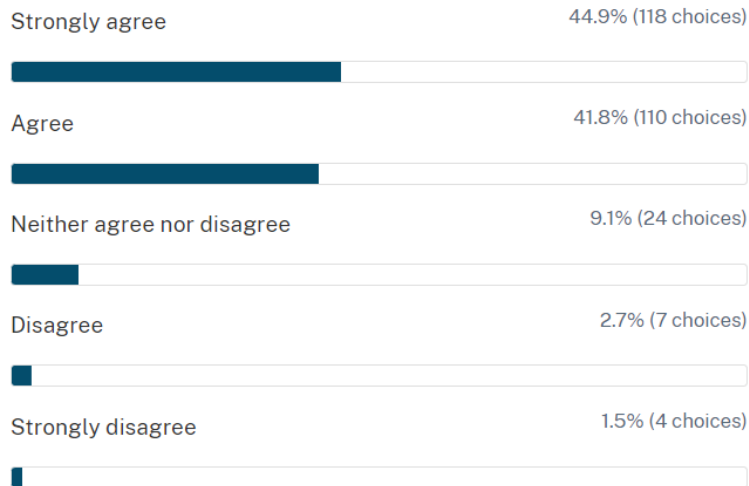
Seek to increase income from the commercial properties through redevelopment and refurbishment

Multiple choice - choose one - required



Sell underused buildings and assets or let them out to generate additional income

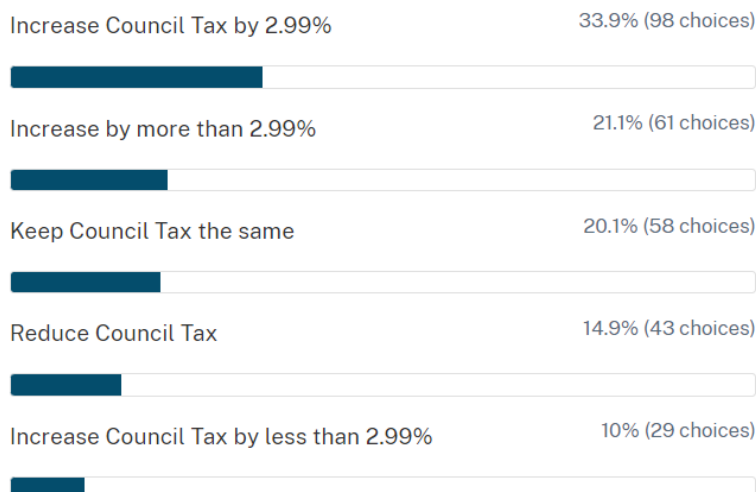
Multiple choice - choose one - required



Survey response – Council tax options

Bearing in mind the need to find £2.3m to balance next year's budget, which of the following options do you support?

Multiple choice-choose many-required



Respondents provided the following reasons for choosing these options:

- A common theme across many responses is the recognition of the need for increased funding to maintain and improve city services, balanced against the impact of higher taxes on residents during a time of economic strain and rising living costs.
- Many respondents **support a moderate increase in council tax**, suggesting that a rise of up to 2.99% is a compromise that would provide additional funds without triggering the need for a costly and potentially divisive referendum. This sentiment is echoed by those who believe that the city appears shabby and that services should not be reduced further.
- A significant number of participants express concern about the **financial burden of Council Tax on residents**, especially given the current cost of living crisis. Some suggest that the council should focus on **cost reductions and efficiencies** and question the value for money of current services.
- Some responses indicate a willingness to pay more if it ensures the **preservation of essential services and improvements** in the city.
- A few respondents propose that the council explore **alternative revenue streams**, such as charging for services or renting out assets, rather than selling them. Concerns about the efficiency of the council and the need for better management of funds are also mentioned.
- Overall, while there is a general acceptance that some increase in council tax may be necessary, there is a strong call for the council to ensure that any **additional funds are used effectively and that the financial burden on residents is kept to a minimum**. The need for targeted support for those on

low incomes and the desire for greater transparency and accountability in council spending are also emphasized.

Expenditure and Funding 2022/23 to 2032/33

Appendix C

| Description / £'000s | 2023/24 Current | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 | 2030/31 | 2031/32 | 2032/33 | 2033/34 |
|---|--------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Expenditure | | | | | | | | | | | |
| The Leader | 5,722 | 5,821 | 5,756 | 5,904 | 6,056 | 6,210 | 6,337 | 6,468 | 6,602 | 6,740 | 6,880 |
| Finance and Resources | (6,976) | (2,975) | (2,254) | (3,245) | (3,141) | (3,431) | (3,683) | (4,329) | (4,605) | (4,972) | (4,986) |
| Community Wealth Building and Community Safety | 1,376 | 1,041 | 1,035 | 1,063 | 1,091 | 984 | 989 | 994 | 999 | 1,004 | 1,009 |
| Housing General Fund | 4,130 | 4,223 | 4,322 | 4,463 | 4,603 | 4,728 | 4,803 | 4,879 | 4,957 | 5,036 | 5,118 |
| Climate Action and Environment | 4,530 | 4,832 | 4,805 | 4,888 | 4,949 | 5,011 | 5,069 | 5,128 | 5,188 | 5,250 | 5,313 |
| Open Spaces and City Services | 3,909 | 4,671 | 4,876 | 5,235 | 5,567 | 5,856 | 6,002 | 6,153 | 6,307 | 6,465 | 6,626 |
| Planning, Building Control and Infrastructure | 2,153 | 2,170 | 2,213 | 2,256 | 2,301 | 2,346 | 2,393 | 2,441 | 2,491 | 2,541 | 2,592 |
| Communities | 7,945 | 7,776 | 7,962 | 8,152 | 8,337 | 8,504 | 8,557 | 8,612 | 8,669 | 8,727 | 8,786 |
| Revised net savings requirement | 0 | 0 | (1,852) | (6,244) | (8,161) | (9,466) | (9,466) | (9,466) | (9,466) | (9,466) | (9,466) |
| Net service budgets | 22,789 | 27,559 | 26,862 | 22,471 | 21,602 | 20,742 | 21,001 | 20,880 | 21,141 | 21,323 | 21,872 |
| Capital accounting adjustments | (5,972) | (5,997) | (5,997) | (5,997) | (5,997) | (5,997) | (5,997) | (5,997) | (5,997) | (5,997) | (5,997) |
| Capital expenditure financed from revenue | 2,969 | 130 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Cost of revised capital financing strategy | 279 | 41 | 392 | 1,706 | 3,054 | 4,359 | 4,606 | 5,202 | 5,465 | 5,781 | 5,717 |
| Collection fund deficit | 0 | 1,114 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contributions to earmarked funds | 6,187 | 21,319 | 396 | 1,743 | 1,743 | 1,743 | 1,743 | 1,743 | 1,743 | 1,743 | 1,743 |
| Net spending requirement | 26,251 | 44,166 | 21,652 | 19,923 | 20,401 | 20,846 | 21,353 | 21,827 | 22,351 | 22,850 | 23,335 |

| Description / £'000s | 2023/24 Current | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 | 2030/31 | 2031/32 | 2032/33 | 2033/34 |
|---|--------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Funded by: | | | | | | | | | | | |
| Settlement Funding Assessment (SFA) | (4,591) | (4,853) | (4,938) | (7,310) | (7,310) | (7,310) | (7,310) | (7,310) | (7,310) | (7,310) | (7,310) |
| Locally Retained Business Rates – Growth Element/additional income | (7,400) | (5,313) | (5,414) | (3,762) | (4,389) | (5,053) | (5,053) | (5,053) | (5,053) | (5,053) | (5,053) |
| Core Funding Grants | (4,634) | (3,180) | (4,564) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| New Homes Bonus (NHB) | (54) | (1,733) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Collection Fund Surplus | (3,858) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Appropriations from earmarked funds | (864) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Council Tax | (9,813) | (10,253) | (10,651) | (11,113) | (11,591) | (12,036) | (12,543) | (13,017) | (13,541) | (14,040) | (14,525) |
| Contributions to / (from) reserves | 4,961 | (18,834) | 3,914 | 2,262 | 2,889 | 3,553 | 3,553 | 3,553 | 3,553 | 3,553 | 3,553 |
| Total funding | (26,251) | (44,166) | (21,652) | (19,922) | (20,401) | (20,846) | (21,353) | (21,827) | (22,351) | (22,850) | (23,335) |

Bids and Savings by Portfolio

Appendix D(a)

The Leader

| | £'000 | Expenditure | Income | Net |
|--|-------|-------------|-------------|-----------|
| Current Portfolio Budget 2023/24 | | 10,952,830 | (5,231,040) | 5,721,790 |
| Changes | | (1,049,780) | 1,149,190 | 99,410 |
| Proposed Portfolio Budget 2024/25 ¹ | | 9,903,050 | (4,081,850) | 5,821,200 |

¹ The changes in the portfolio above reflect the proposals listed below as well as other technical adjustments, such as inflation.

| Budget Proposals for the portfolio £ | | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 |
|---|---|----------------|----------------|----------------|----------------|----------------|
| Revenue Bids | | | | | | |
| B5228 | Contribution Towards the administration costs of the Innovate Cambridge programme | 50,000 | 0 | 0 | 0 | 0 |

Finance and Resources Portfolio

| | £'000 | Expenditure | Income | Net |
|--|-------|-------------|--------------|-------------|
| Current Portfolio Budget 2023/24 | | 59,979,920 | (66,955,480) | (6,975,560) |
| Changes | | (1,953,511) | 5,954,360 | 4,000,849 |
| Proposed Portfolio Budget 2024/25 ¹ | | 58,026,409 | (61,001,120) | (2,974,711) |

¹ The changes in the portfolio above reflect the proposals listed below as well as other technical adjustments, such as inflation.

| Budget Proposals for the portfolio £ | | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 |
|---|---|----------------|----------------|----------------|----------------|----------------|
| Reduced Income | | | | | | |
| RI5156 | Reductions in Income Relating to Housing Benefit | 87,000 | 0 | 0 | 0 | 0 |
| Revenue Bids | | | | | | |
| B5155 | Discretionary Housing Payments Funding Shortfall | 50,000 | 0 | 0 | 0 | 0 |
| Savings | | | | | | |
| S5205 | Central Provision Review | (370,000) | (370,000) | (370,000) | (370,000) | (370,000) |
| Increased Income | | | | | | |
| II5154 | Increased Commercial Property income from financial year 2024/25 onwards. | (100,000) | (100,000) | (100,000) | (100,000) | (100,000) |
| II5161 | Guildhall - Income from letting of Ground Floor | (40,000) | (80,000) | 0 | 0 | 0 |
| II5162 | Guildhall - Income from letting of Fourth Floor | (40,000) | (50,000) | 0 | 0 | 0 |
| II5220 | Additional income for increased HRA use of Mandela House | (93,410) | (93,410) | (93,410) | (93,410) | (93,410) |
| Capital Bids | | | | | | |
| CAP5197 | The Public Switch Telephone Network (PSTN) Switch Off | 30,000 | 0 | 0 | 0 | 0 |
| CAP5243 | Development of the Civic Quarter | 1,000,000 | 0 | 0 | 0 | 0 |

Community Wealth Building and Community Safety

| | £'000 | Expenditure | Income | Net |
|--|-------|-------------|-----------|-----------|
| Current Portfolio Budget 2023/24 | | 2,171,830 | (796,320) | 1,375,510 |
| Changes | | (244,250) | (90,050) | (334,300) |
| Proposed Portfolio Budget 2024/25 ¹ | | 1,927,580 | (886,370) | 1,041,210 |

¹ The changes in the portfolio above reflect the proposals listed below as well as other technical adjustments, such as inflation.

| Budget Proposals for the portfolio £ | | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 |
|---|---------------------------------|----------------|----------------|----------------|----------------|----------------|
| Revenue Bids | | | | | | |
| B5249 | Anti-Social Behaviour Team | 33,000 | 0 | 0 | 0 | 0 |
| Savings | | | | | | |
| S5227 | Realignment of CCTV base budget | (55,000) | (55,000) | (55,000) | (55,000) | (55,000) |

Housing (GF) Portfolio

| | £'000 | Expenditure | Income | Net |
|--|-------|-------------|-------------|-----------|
| Current Portfolio Budget 2023/24 | | 9,300,680 | (5,170,580) | 4,130,100 |
| Changes | | 726,700 | (633,910) | 92,790 |
| Proposed Portfolio Budget 2024/25 ¹ | | 10,027,380 | (5,804,490) | 4,222,890 |

¹ The changes in the portfolio above reflect the proposals listed below as well as other technical adjustments, such as inflation.

| Budget Proposals for the portfolio £ | | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 |
|---|--|----------------|----------------|----------------|----------------|----------------|
| Revenue Bids | | | | | | |
| B5178 | Increased budget for Bed and Breakfast | 67,570 | 0 | 0 | 0 | 0 |
| B5230 | Building retrofit installation, capacity building and feasibility study. | 25,000 | 0 | 0 | 0 | 0 |

Climate Action and Environment

| | £'000 | Expenditure | Income | Net |
|--|-------|-------------|-------------|-----------|
| Current Portfolio Budget 2023/24 | | 11,583,930 | (7,053,640) | 4,530,290 |
| Changes | | 280,950 | 20,250 | 301,200 |
| Proposed Portfolio Budget 2024/25 ¹ | | 11,864,880 | (7,033,390) | 4,831,490 |

¹ The changes in the portfolio above reflect the proposals listed below as well as other technical adjustments, such as inflation.

| Budget Proposals for the portfolio £ | | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 |
|---|-------------------------------------|----------------|----------------|----------------|----------------|----------------|
| Revenue Bids | | | | | | |
| B5225 | Waste Combined Proposal | 234,000 | 234,000 | 234,000 | 234,000 | 234,000 |
| Capital Bids | | | | | | |
| CAP5210 | Refuse Collection Vehicles - Growth | 220,000 | 0 | 0 | 0 | 0 |

Open Spaces and City Services

| | £'000 | Expenditure | Income | Net |
|--|-------|-------------|--------------|-----------|
| Current Portfolio Budget 2023/24 | | 17,550,950 | (13,642,490) | 3,908,460 |
| Changes | | 461,710 | 300,910 | 762,620 |
| Proposed Portfolio Budget 2024/25 ¹ | | 18,012,660 | (13,341,580) | 4,671,080 |

¹ The changes in the portfolio above reflect the proposals listed below as well as other technical adjustments, such as inflation.

| Budget Proposals for the portfolio £ | | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 |
|---|--|----------------|----------------|----------------|----------------|----------------|
| Reduced Income | | | | | | |
| RI5223 | Reduced Income - City Services | 675,000 | 650,000 | 650,000 | 650,000 | 650,000 |
| Savings | | | | | | |
| S5224 | Savings - City Services | (644,220) | (443,560) | (443,560) | (443,560) | (443,560) |
| Increased Income | | | | | | |
| II5222 | City Services Increased Income | (36,000) | (36,000) | (36,000) | (36,000) | (36,000) |
| Capital Bids | | | | | | |
| CAP5175 | Fire management compliance at the Grand Arcade Multi Storey Car Park | 180,000 | 0 | 0 | 0 | 0 |
| CAP5201 | New Equipment to Support Zero Herbicides Policy | 180,000 | 0 | 0 | 0 | 0 |
| CAP5229 | Skating and street sport facilities, match funding | 25,000 | 0 | 0 | 0 | 0 |
| CAP5248 | River bank Repairs | 250,000 | 0 | 0 | 0 | 0 |

Planning, Building Control and Infrastructure

| | £'000 | Expenditure | Income | Net |
|--|--------------|--------------------|---------------|------------|
| Current Portfolio Budget 2023/24 | | 4,948,030 | (2,795,080) | 2,152,950 |
| Changes | | (100,800) | 117,830 | 17,030 |
| Proposed Portfolio Budget 2024/25 ¹ | | 4,847,230 | (2,677,250) | 2,169,980 |

¹ The changes in the portfolio above reflect the proposals listed below as well as other technical adjustments, such as inflation.

| Budget Proposals for the portfolio £ | | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 |
|---|---|----------------|----------------|----------------|----------------|----------------|
| Revenue Bids | | | | | | |
| B5219 | Shared Planning Service - Budgeted Contribution Alignment | 116,000 | 116,000 | 116,000 | 116,000 | 116,000 |
| Savings | | | | | | |
| S5242 | Removal of Bus Subsidy Budget | (102,600) | (102,600) | (102,600) | (102,600) | (102,600) |
| Capital Bids | | | | | | |
| CAP5164 | Minor Highways Improvements | 35,000 | 35,000 | 35,000 | 35,000 | 0 |
| CAP5250 | Cycle parking improvements at Queen Anne Terrace car park | 80,000 | 0 | 0 | 0 | 0 |

| | | | | | | | | |
|---|--|--|--|--|--|--|--|--|
| 2024/25 Budget – GF Proposals – Pressures and Bids | | | | | | | | |
|---|--|--|--|--|--|--|--|--|

| Reference | Item Description | 2024/25 Budget £ | 2025/26 Budget £ | 2026/27 Budget £ | 2027/28 Budget £ | 2028/29 Budget £ | Climate Rating | Poverty Ratings & Contact |
|-----------|------------------|------------------------|------------------------|------------------------|------------------------|------------------------|-------------------|---------------------------------|
|-----------|------------------|------------------------|------------------------|------------------------|------------------------|------------------------|-------------------|---------------------------------|

Reduced Income

| | | | | | | | | |
|---------------|---|--------|---|---|---|---|-----|----------------------|
| RI5156 | Reductions in Income Relating to Housing Benefit | 87,000 | 0 | 0 | 0 | 0 | Nil | High Positive Impact |
|---------------|---|--------|---|---|---|---|-----|----------------------|

The continued rollout of Universal Credit has reached the Managed Migration phase with small cohorts being moved from legacy benefits to Universal Credit during 2023/2024. This managed migration will increase during 2024/2025 with greater numbers moving over. This will mean that the DWP will be reducing the Housing Benefit Admin Support Grant to reflect lower caseloads. It is estimated that the Admin Support Grant may reduce from £279,076 in 2023/2024 to £237,076 in 2024/2025. Additionally, with reducing housing benefit payments, the income derived from recovery of housing benefit overpayments will reduce as there will be fewer debts being created. It is anticipated that this could see the current income of £225,000 reducing to £180,000. The total impact of the Universal Credit managed migration is therefore £87,000. Split between 1800-511083 £45k & 1802-50103 £42k.

Naomi
Armstrong

Finance & Resources

| | | | | | | | | |
|---------------|---------------------------------------|---------|---------|---------|---------|---------|-----|-----------|
| RI5223 | Reduced Income - City Services | 675,000 | 650,000 | 650,000 | 650,000 | 650,000 | Nil | No Impact |
|---------------|---------------------------------------|---------|---------|---------|---------|---------|-----|-----------|

In recent years significant changes have occurred across the funeral industry and the market space rental income. The rapid growth of national direct cremations and the establishment of new crematoria in Cam Valley and Huntingdon have had a direct impact on the city crematorium's revenue. The proposed reduction in income budget provides a stretched but realistically achievable target while ensuring that the service still contributes positively to the general fund. The income budget for markets assumes full occupancy. This has never been achieved with the highest occupancy rate being pre-pandemic at 96%. Occupancy is currently tracking between 10%/15% under and therefore a £125,000 reduction is proposed. The proposed reduction in the market income budget provides a stretched but realistically achievable target while ensuring that the service still contributes positively to the general fund.

James Elms

Open Spaces and City Services

| | | | | | |
|----------------------|---------|---------|---------|---------|---------|
| Total Reduced Income | 762,000 | 650,000 | 650,000 | 650,000 | 650,000 |
|----------------------|---------|---------|---------|---------|---------|

2024/25 Budget – GF Proposals – Pressures and Bids

| Reference | Item Description | 2024/25 Budget £ | 2025/26 Budget £ | 2026/27 Budget £ | 2027/28 Budget £ | 2028/29 Budget £ | Climate Rating | Poverty Ratings & Contact |
|-----------|------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------|---------------------------|
|-----------|------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------|---------------------------|

Revenue Bids

| | | | | | | | | |
|--------------|---|--------|---|---|---|---|-----|----------------------|
| B5155 | Discretionary Housing Payments Funding Shortfall | 50,000 | 0 | 0 | 0 | 0 | Nil | High Positive Impact |
|--------------|---|--------|---|---|---|---|-----|----------------------|

Discretionary Housing Payments are a crucial tool to support households who experience a shortfall between housing benefit or Universal Credit and their eligible rent. Funding levels from government have remained the same for 2 years at £138,217 per year and spend during 2022/2023 was £158,737. Cambridge City Council has always spent all of its government allocation; supporting claimants impacted by welfare reforms and has previously relied on additional homelessness prevention funding set up several years ago plus bids over the past few years to top up awards. Government funding for Discretionary Housing Payments is not made until close to the start of each financial year.

Naomi
Armstrong

Finance & Resources

| | | | | | | | | |
|--------------|---|--------|---|---|---|---|-----|---------------------|
| B5178 | Increased budget for Bed and Breakfast | 67,570 | 0 | 0 | 0 | 0 | Nil | Low Positive Impact |
|--------------|---|--------|---|---|---|---|-----|---------------------|

Bed and Breakfast costs have significantly exceeded the budget for the last few years. Housing pressures on the city remain acute, and whilst we continue to seek settled housing for homeless people as quickly as possible, there is a need to increase the budget in order to provide emergency housing.

Simon Hunt

Housing and Homelessness

| | | | | | | | | |
|--------------|--|---------|---------|---------|---------|---------|-----|-----------|
| B5219 | Shared Planning Service - Budgeted Contribution Alignment | 116,000 | 116,000 | 116,000 | 116,000 | 116,000 | Nil | No Impact |
|--------------|--|---------|---------|---------|---------|---------|-----|-----------|

This bid manages the pressure arising from pay increments, post regrading and pay inflation, where pressures arise from differences between SCDC budgeted employee costs and inflation assumptions used within the City's MTFs. The overall pressure for the whole service totals £750k of which £253k has been found from secured external funding. The remaining pressure has been split between SCDC and the City on a 62/38 ratio. In addition, there is a small shortfall of £16k arising from one off previously approved bids by the City which have been incorporated into the shared service base budget. Following the Autumn Statement, which announced funding to support the government's "Cambridge 2040" initiative, the service now expects to achieve an increase in net income of £240k, with £90k of this being attributable to the city council. These amounts reflect current understanding of the requirements of Cambridge 2040 and will be subject to review in future years. Overall, the net increase required to align the council's budgeted contribution to the shared service is £116k.

Stephen
Kelly

Planning, Building Control and Infrastructure

2024/25 Budget – GF Proposals – Pressures and Bids

| Reference | Item Description | 2024/25 Budget £ | 2025/26 Budget £ | 2026/27 Budget £ | 2027/28 Budget £ | 2028/29 Budget £ | Climate Rating | Poverty Ratings & Contact |
|--------------|--------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|-------------------|---------------------------------|
| B5225 | Waste Combined Proposal | 234,000 | 234,000 | 234,000 | 234,000 | 234,000 | Nil | No Impact |

Greater Cambridge Shared Waste (GCSW) requests the City to award a net £234k ongoing BSR Bid starting from the 2024-2025 Financial Year. The net bid is related to a combination of new 5 FTE posts (£131k), pressure arising from pay increments and pay inflation (£123k), funding to continue for the small electronic and electrical waste recycling scheme after start-up funding has ended (£20k), and additional surplus from commercial waste service (-£40k). All the above figures are 50% of the total budgeted costs and surpluses for the City. GCSW require 3 FTE additional Refuse Crews (for one vehicle) to manage the pressure from property growth. 1 FTE additional Refuse Team Manager will ensure staff welfare and supervision are kept at the expected standards in line with the Councils' values and visions. 1 FTE Waste Service Planning Officer post will address an ongoing lack of officer capacity to fully address housing growth. The post will also enable a new revenue stream to be generated by GCSW via the Planning application advice process. Adding proposed posts to the establishment will reduce agency costs, and drive continuous growth, service improvements and customer service.

Bode Esan

Climate Action and Environment

| | | | | | | | | |
|--------------|--|--------|---|---|---|---|-----|-----------|
| B5228 | Contribution Towards the administration costs of the Innovate Cambridge programme | 50,000 | 0 | 0 | 0 | 0 | Nil | No Impact |
|--------------|--|--------|---|---|---|---|-----|-----------|

The City Council has been closely involved with the development of Innovate Cambridge - a cross sector partnership with key businesses, researchers, investors, and the Universities. Following the successful conference at the Guildhall on 11 Oct, Innovate Cambridge is raising c.£6m budget over the next 3 years to co-ordinate a programme of local activity, which could involve the City Council; 1) improve governance of the Cambridge innovation cluster to sustain its international competitiveness 2) deliver projects with local partners to improve environmental and climate actions, promote workforce diversity and inclusion, and community projects 3) follow through on the innovation partnership with Manchester and develop new partnerships. Both Universities and large businesses have offered contributions to fund the programme.

Robert Pollock

The Leader

| | | | | | | | | |
|--------------|---|--------|---|---|---|---|-----|-----------|
| B5230 | Building retrofit installation, capacity building and feasibility study. | 25,000 | 0 | 0 | 0 | 0 | Nil | No Impact |
|--------------|---|--------|---|---|---|---|-----|-----------|

The Council is engaged in projects to retrofit buildings for improved energy efficiency (council homes, administrative buildings, commercial properties and grant funded private sector homes). The current market conditions are not enabling the scale of retrofit delivery required, nor under the current conditions is the supply side market growing. We seek funding to undertake a detailed market assessment enabling wider considerations around developing operational capability to support growth of retrofit delivery in the Cambridge area.

Jo Dicks

Housing and Homelessness

2024/25 Budget – GF Proposals – Pressures and Bids

| Reference | Item Description | 2024/25 Budget £ | 2025/26 Budget £ | 2026/27 Budget £ | 2027/28 Budget £ | 2028/29 Budget £ | Climate Rating | Poverty Ratings & Contact |
|--------------|-----------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|-------------------|---------------------------------|
| B5249 | Anti-Social Behaviour Team | 33,000 | 0 | 0 | 0 | 0 | Nil | No Impact |

To meet the Council’s statutory duties related to crime (including violence and domestic abuse (DA)) and anti-social behaviour (ASB). These include the Council’s ASB service standards, policies and procedures and upcoming Registered Social Landlord Consumer Standards related to ASB and DA. Funding requirements are to cover a Government grant shortfall for a Specialist Housing Officer (Domestic Abuse) and a new ASB Officer post with responsibility for handling the ASB caseload, which has risen from 523 to 815 cases in the last 5 years.

Keryn Jalli

Community Wealth Building and Community Safety

| | | | | | |
|------------------------------------|------------------|------------------|------------------|------------------|------------------|
| Total Revenue Bids | 575,570 | 350,000 | 350,000 | 350,000 | 350,000 |
| Pressures & Bids Total: | 1,337,570 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 |

Appendix D (c)

2024/25 Budget – GF Proposals – Savings

| Reference | Item Description | 2024/25 Budget £ | 2025/26 Budget £ | 2026/27 Budget £ | 2027/28 Budget £ | 2028/29 Budget £ | Climate Rating | Poverty Ratings & Contact |
|-----------|------------------|------------------------|------------------------|------------------------|------------------------|------------------------|-------------------|---------------------------------|
|-----------|------------------|------------------------|------------------------|------------------------|------------------------|------------------------|-------------------|---------------------------------|

Savings

| | | | | | | | | |
|--------------|---------------------------------|-----------|-----------|-----------|-----------|-----------|-----|-----------|
| S5205 | Central Provision Review | (370,000) | (370,000) | (370,000) | (370,000) | (370,000) | Nil | No Impact |
|--------------|---------------------------------|-----------|-----------|-----------|-----------|-----------|-----|-----------|

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. This saving relates to budget that is no longer necessary to be allocated.

Karen Whyatt

Finance & Resources

| | | | | | | | | |
|--------------|--------------------------------|-----------|-----------|-----------|-----------|-----------|-----|-----------|
| S5224 | Savings - City Services | (644,220) | (443,560) | (443,560) | (443,560) | (443,560) | Nil | No Impact |
|--------------|--------------------------------|-----------|-----------|-----------|-----------|-----------|-----|-----------|

Several cost-saving opportunities have been identified based on historical underspending in budgets (£135k), ICT hardware budget that is not required in 24-25 (£20k), the removal (£129k) and freezing for one year (£181k) of vacant positions, and the implementation of a new City Services Management structure (£180k).

James Elms

Open Spaces and City Services

| | | | | | | | | |
|--------------|--|----------|----------|----------|----------|----------|-----|-----------|
| S5227 | Realignment of CCTV base budget | (55,000) | (55,000) | (55,000) | (55,000) | (55,000) | Nil | No Impact |
|--------------|--|----------|----------|----------|----------|----------|-----|-----------|

To align the shared service contribution budget for CCTV, following a reallocation of costs between partners. Levels of service delivery are not impacted.

James Elms

Community Wealth Building and Community Safety

| | | | | | | | | |
|--------------|--------------------------------------|-----------|-----------|-----------|-----------|-----------|-----|-----------|
| S5242 | Removal of Bus Subsidy Budget | (102,600) | (102,600) | (102,600) | (102,600) | (102,600) | Nil | No Impact |
|--------------|--------------------------------------|-----------|-----------|-----------|-----------|-----------|-----|-----------|

Removal of bus subsidy budget, following agreement with the Cambridgeshire and Peterborough Combined Authority (CPCA) to take over responsibility for funding these bus routes within the City. This saving is contingent on CPCA approval through their budget setting process in January 2024.

Sharon Line

Planning, Building Control and Infrastructure

| | | | | | |
|----------------------|-------------|-----------|-----------|-----------|-----------|
| Total Savings | (1,171,820) | (971,160) | (971,160) | (971,160) | (971,160) |
|----------------------|-------------|-----------|-----------|-----------|-----------|

Appendix D (c)

2024/25 Budget – GF Proposals – Savings

| Reference | Item Description | 2024/25 Budget £ | 2025/26 Budget £ | 2026/27 Budget £ | 2027/28 Budget £ | 2028/29 Budget £ | Climate Rating | Poverty Ratings & Contact |
|-----------|------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------|---------------------------|
|-----------|------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------|---------------------------|

Increased Income

| | | | | | | | | |
|---------------|--|-----------|-----------|-----------|-----------|-----------|-----|-----------|
| II5154 | Increased Commercial Property income from financial year 2024/25 onwards. | (100,000) | (100,000) | (100,000) | (100,000) | (100,000) | Nil | No Impact |
|---------------|--|-----------|-----------|-----------|-----------|-----------|-----|-----------|

Forecast additional net income from the 2024/25 financial year onwards reflecting expected rent reviews, lease renewals and lettings on the existing commercial property portfolio.

Philip Doggett

Finance & Resources

| | | | | | | | | |
|---------------|--|----------|----------|---|---|---|-----|-----------|
| II5161 | Guildhall - Income from letting of Ground Floor | (40,000) | (80,000) | 0 | 0 | 0 | Nil | No Impact |
|---------------|--|----------|----------|---|---|---|-----|-----------|

Increase in net income from the amount previously forecast due to longer letting period to 31/3/2026.

Will Barfield

Finance & Resources

| | | | | | | | | |
|---------------|--|----------|----------|---|---|---|-----|-----------|
| II5162 | Guildhall - Income from letting of Fourth Floor | (40,000) | (50,000) | 0 | 0 | 0 | Nil | No Impact |
|---------------|--|----------|----------|---|---|---|-----|-----------|

Increase in net income due to new letting of the fourth floor of The Guildhall to 31/3/2026.

Will Barfield

Finance & Resources

| | | | | | | | | |
|---------------|---|----------|----------|----------|----------|----------|-----|-----------|
| II5220 | Additional income for increased HRA use of Mandela House | (93,410) | (93,410) | (93,410) | (93,410) | (93,410) | Nil | No Impact |
|---------------|---|----------|----------|----------|----------|----------|-----|-----------|

Following the cessation of the use of 171 Arbury Road by the Council there is an increased use of GF accommodation by HRA funded staff. This proposal reflects the increased income to the GF for the use of that accommodation. [Linked with HRA II5171]

Dave Prinsep

Finance & Resources

| | | | | | | | | |
|---------------|---------------------------------------|----------|----------|----------|----------|----------|-----|-----------|
| II5222 | City Services Increased Income | (36,000) | (36,000) | (36,000) | (36,000) | (36,000) | Nil | No Impact |
|---------------|---------------------------------------|----------|----------|----------|----------|----------|-----|-----------|

A review of income budgets has identified several opportunities for income growth. These include Streets and Open Spaces car parking revenue, the introduction of new allotment plots in growth sites, an adjustment of lettings and events fees and charges to align with market rates and the exploration of new opportunities for event income.

James Elms

Open Spaces and City Services

Appendix D (c)

2024/25 Budget – GF Proposals – Savings

| Reference | Item Description | 2024/25 Budget £ | 2025/26 Budget £ | 2026/27 Budget £ | 2027/28 Budget £ | 2028/29 Budget £ | Climate Rating | Poverty Ratings & Contact |
|------------------------|------------------|------------------------|------------------------|------------------------|------------------------|------------------------|-------------------|---------------------------------|
| Total Increased Income | | (309,410) | (359,410) | (229,410) | (229,410) | (229,410) | | |
| Savings Total: | | (1,481,230) | (1,330,570) | (1,200,570) | (1,200,570) | (1,200,570) | | |

2024/25 Budget – GF Proposals – Capital Proposals

| Reference | Item Description | 2024/25 Budget £ | 2025/26 Budget £ | 2026/27 Budget £ | 2027/28 Budget £ | 2028/29 Budget £ | Climate Rating | Poverty Ratings & Contact |
|-----------|------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------|---------------------------|
|-----------|------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------|---------------------------|

Capital Bids

| | | | | | | | | |
|----------------|------------------------------------|--------|--------|--------|--------|---|-----|-----------|
| CAP5164 | Minor Highways Improvements | 35,000 | 35,000 | 35,000 | 35,000 | 0 | Nil | No Impact |
|----------------|------------------------------------|--------|--------|--------|--------|---|-----|-----------|

City Council contribution towards the County Council annual programme of Local Highways Improvements. Over the last five years the Council has contributed just under 20% towards the costs of improvements in the city, with the remainder funded by the County Council. This programme funds minor to medium sized improvements to the Cambridge highway network, including junction and path improvements, crossings, speed limits and parking and other traffic restrictions – with schemes prioritised on the basis of their contributions towards road safety, community benefit, addressing ongoing difficulties including maintenance and added value.

John Richards

Planning, Building Control and Infrastructure

| | | | | | | | | |
|----------------|---|---------|---|---|---|---|-----|-----------|
| CAP5175 | Fire management compliance at the Grand Arcade Multi Storey Car Park | 180,000 | 0 | 0 | 0 | 0 | Nil | No Impact |
|----------------|---|---------|---|---|---|---|-----|-----------|

Addressing Health and safety and fire safety assessment recommendations at the Grand Arcade car park.

Sean Cleary

Open Spaces and City Services

| | | | | | | | | |
|----------------|--|--------|---|---|---|---|-----|-----------|
| CAP5197 | The Public Switch Telephone Network (PSTN) Switch Off | 30,000 | 0 | 0 | 0 | 0 | Nil | No Impact |
|----------------|--|--------|---|---|---|---|-----|-----------|

The Public Switch Telephone Network (PSTN) will close in December 2025. By then, every phone line in the UK will have moved to a fully digital network that uses Internet Protocol (IP) across a fibre-based service. These changes mean we need to upgrade existing PSTN lines for alarms, lifts, telephones, monitoring equipment and relevant broadband lines.

Michelle Lord

Finance & Resources

| | | | | | | | | |
|----------------|--|---------|---|---|---|---|---------------------|-----------|
| CAP5201 | New Equipment to Support Zero Herbicides Policy | 180,000 | 0 | 0 | 0 | 0 | Positive/Low Impact | No Impact |
|----------------|--|---------|---|---|---|---|---------------------|-----------|

Additional street sweeping and cleaning machinery to support deep cleaning and weed removal. Following herbicide free trials, the use of specialist street cleansing mechanical equipment is deemed to be the most effective and sustainable weed control method available to remove the need to use herbicides on highway verges, roads, and pavements. This equipment is also expected to reduce the risk of repetitive strain injury to operatives and to provide opportunities for income generation.

Don Blair

Open Spaces and City Services

Appendix E (a)

2024/25 Budget – GF Proposals – Capital Proposals

| Reference | Item Description | 2024/25 Budget £ | 2025/26 Budget £ | 2026/27 Budget £ | 2027/28 Budget £ | 2028/29 Budget £ | Climate Rating | Poverty Ratings & Contact |
|-----------|------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------|---------------------------|
|-----------|------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------|---------------------------|

| | | | | | | | | |
|----------------|--|---------|---|---|---|---|------------------------|-----------|
| CAP5210 | Refuse Collection Vehicles - Growth | 220,000 | 0 | 0 | 0 | 0 | Positive/Medium Impact | No Impact |
|----------------|--|---------|---|---|---|---|------------------------|-----------|

Two additional vehicles are required due to growth of 15000 properties in the GCSWS area and the changes to collection rounds. Cost £440k for the two vehicles to be split 50/50 between the City and SCDC. Both vehicles will run on Hydrotreated Vegetable Oil (HVO) because currently no appropriate charging station is available for the electric vehicle. Using HVO fuel will ensure we meet the Council's objectives of reducing CO2. Greater Cambridge Shared Waste Services communicated this plan with the City's Strategy and Resources Scrutiny Committee in July 2023 that this investment is necessary for route optimisation and the future of waste collections.

Bode Esan

Climate Action and Environment

| | | | | | | | | |
|----------------|---|--------|---|---|---|---|-----|-----------|
| CAP5229 | Skating and street sport facilities, match funding | 25,000 | 0 | 0 | 0 | 0 | Nil | No Impact |
|----------------|---|--------|---|---|---|---|-----|-----------|

A match funding contribution to financially support (in part) and therefore enable the development and delivery of skating and street sport facilities in the city also capable of attracting other finance sourced through other means such as grants, sponsorship, and crowd funding.

Alistair Wilson

Open Spaces and City Services

| | | | | | | | | |
|----------------|---|-----------|---|---|---|---|-----|-----------|
| CAP5243 | Development of the Civic Quarter | 1,000,000 | 0 | 0 | 0 | 0 | Nil | No Impact |
|----------------|---|-----------|---|---|---|---|-----|-----------|

£1.00m is requested to procure design and consultancy services to deliver RIBA stage 2 designs for the Guildhall, as described in the report to Strategy and Resources Committee on 15 January 2024 (presented alongside this report on budget proposals). This scheme is to be funded with £1.00m from the Civic Quarter Development Reserve (see Section 5).

Ben Binns

Finance & Resources

| | | | | | | | | |
|----------------|---------------------------|---------|---|---|---|---|----------------------|-----------|
| CAP5248 | River bank Repairs | 250,000 | 0 | 0 | 0 | 0 | Positive/High Impact | No Impact |
|----------------|---------------------------|---------|---|---|---|---|----------------------|-----------|

This bid for is in addition to the 2023 approved capital bid to explore viable repair options to the river Cam bank between the Jesus Green lock and the lido, which has now considerably moved resulting in gaps and instability of the bank, for which the Council is the riparian owner. An indicative figure estimated in the region of £250k is required in addition to the original £125k allocation to secure the full scope of works now identified as Phase 2 of the project.

Anthony French

Open Spaces and City Services

2024/25 Budget – GF Proposals – Capital Proposals

| Reference | Item Description | 2024/25 Budget £ | 2025/26 Budget £ | 2026/27 Budget £ | 2027/28 Budget £ | 2028/29 Budget £ | Climate Rating | Poverty Ratings & Contact |
|-----------|---|---------------------|---------------------|---------------------|---------------------|---------------------|------------------------|---------------------------|
| CAP5250 | Cycle parking improvements at Queen Anne Terrace car park | 80,000 | 0 | 0 | 0 | 0 | Positive/Medium Impact | No Impact |

This scheme will deliver cycle parking improvements to the current provision at Queen Anne Terrace Car Park (QAT) on Gonville Place in Cambridge, one of the top three locations for cycle crime in the city. Priorities are to improve capacity, accessibility, security, and to create a desirable and safe (from cycle crime and ASB) environment for users. It is expected that these improvements when complete will encourage and enable more people to choose more sustainable modes of travel in and around the city. These improvements will be funded primarily by an £80k contribution from the GCP (Greater Cambridge Partnership), with Cambridge City Council topping up the necessary funding through their Capital Cycleways budget.

Peter Mullord

Planning, Building Control and Infrastructure

| | | | | | |
|-----------------------|------------------|---------------|---------------|---------------|----------|
| Total Capital Bids | 2,000,000 | 35,000 | 35,000 | 35,000 | 0 |
| Capital Total: | 2,000,000 | 35,000 | 35,000 | 35,000 | 0 |

Appendix E(b): Approvals since MTFS October 2023

| Ref. | Description | Lead Officer | 2023/24 (£000's) | 2024/25 (£000's) | 2025/26 (£000's) | 2026/27 (£000's) | 2027/28 (£000's) | 2028/29 (£000's) |
|--|---|--------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Capital-GF Projects | | | | | | | | |
| SC741 | S106 Nightingale Rec Ground pavilion | I Ross | 10 | 0 | 0 | 0 | 0 | 0 |
| SC854 | S106 Jesus Green Lido: improved lighting | I Ross | 36 | 0 | 0 | 0 | 0 | 0 |
| SC855 | S106 Nightingale Ave Pavilion furnishings | I Ross | 18 | 0 | 0 | 0 | 0 | 0 |
| SC856 | S106 Chesterton Rec pavilion additional equipment | I Ross | 18 | 0 | 0 | 0 | 0 | 0 |
| SC857 | S106 Basketball court improvements | I Ross | 7 | 0 | 0 | 0 | 0 | 0 |
| SC858 | S106 Football goal improvements at Ch Hinton, etc | I Ross | 14 | 0 | 0 | 0 | 0 | 0 |
| SC859 | S106 Netherhall gym grant to Cmabridge Dive | I Ross | 9 | 0 | 0 | 0 | 0 | 0 |
| SC860 | S106 Parkside pool new competition lane ropes | I Ross | 12 | 0 | 0 | 0 | 0 | 0 |
| SC861 | S106 Parkside pool grant to City Swimming Club | I Ross | 5 | 0 | 0 | 0 | 0 | 0 |
| SC862 | S106 The Meadows Community Centre | I Ross | 9 | 0 | 0 | 0 | 0 | 0 |
| SC853 | New EV vehicle to maintain growth sites | A Wilson | 31 | 0 | 0 | 0 | 0 | 0 |
| Capital-GF Projects (S106-financed) | | | 169 | 0 | 0 | 0 | 0 | 0 |
| SC863 | UTCF treeing up deprived neighbourhood | M Magrath | 33 | 23 | 23 | 24 | 103 | 0 |
| SC864 | Coronation Living Heritage Fund | M Magrath | 7 | 7 | 0 | 0 | 0 | 0 |
| SC867 | LATF R3 grant from Forestry Commission | M Magrath | 26 | 19 | 19 | 18 | 0 | 0 |
| SC868 | SPF-UK Green Business Grants | J Little | 106 | 206 | 0 | 0 | 0 | 0 |
| Capital-GF Projects (grant financed) | | | 172 | 255 | 42 | 42 | 0 | 0 |
| Total approved since MTFS November 2023 | | | 341 | 255 | 42 | 42 | 0 | 0 |

Appendix E(c): Capital Plan 2023/24 to 2028/29

| Ref. | Description | Lead Officer | 2023/24 (£000's) | 2024/25 (£000's) | 2025/26 (£000's) | 2026/27 (£000's) | 2027/28 (£000's) | 2028/29 (£000's) |
|----------------------------|--|--------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Capital-GF Projects | | | | | | | | |
| PR032w | S106 Accordia open space improvements - hedge-planting and landscaping | A French | 3 | 0 | 0 | 0 | 0 | 0 |
| SC778 | S106 Jesus Green ditch biodiversity improvements | A Wilson | 6 | 0 | 0 | 0 | 0 | 0 |
| SC785 | S106 The Art of Play | N Black | 3 | 0 | 0 | 0 | 0 | 0 |
| SC590 | Structural Holding Repairs & Lift Refurbishment - Car Parks | S Cleary | 199 | 0 | 0 | 0 | 0 | 0 |
| SC627 | Guildhall Large Hall Windows refurbishment | W Barfield | 101 | 0 | 0 | 0 | 0 | 0 |
| SC644 | Acquisition of land adjacent to Huntingdon Road Crematorium | G Theobald | 36 | 0 | 0 | 0 | 0 | 0 |
| SC645 | Electric vehicle charging points - taxis | J Dicks | 86 | 0 | 0 | 0 | 0 | 0 |
| SC651 | Shared ICT waste management software - Alloy/Yotta | J Ogle | 75 | 0 | 0 | 0 | 0 | 0 |
| SC654 | Redevelopment of Silver Street Toilets | D O'Halloran | 589 | 0 | 0 | 0 | 0 | 0 |
| SC678 | Crematorium - additional car park | G Theobald | 338 | 0 | 0 | 0 | 0 | 0 |
| SC679 | Crematorium - cafe facilities | G Theobald | 283 | 0 | 0 | 0 | 0 | 0 |
| SC684 | Property Management software | P Doggett | 42 | 0 | 0 | 0 | 0 | 0 |
| SC688 | Environmental Health software | Y O'Donnell | 23 | 0 | 0 | 0 | 0 | 0 |
| SC689 | Income management software | C Norman | 52 | 0 | 0 | 0 | 0 | 0 |
| SC690 | Secure phone payments | C Norman | 24 | 0 | 0 | 0 | 0 | 0 |
| SC692 | Cromwell Road Redevelopment (GF) | M Wilson | 160 | 0 | 0 | 0 | 0 | 0 |
| SC694 | Meadows Community Hub and Buchan St retail outlet | J Smith | 263 | 0 | 0 | 0 | 0 | 0 |
| SC695 | Cromwell Road Redevelopment - equity loan to CIP | C Ryba | 5,350 | 0 | 0 | 0 | 0 | 0 |
| SC696 | Cromwell Road Redevelopment - development loan to CIP | C Ryba | 4,600 | 0 | 0 | 0 | 0 | 0 |
| SC708 | Replacement plantroom at Jesus Green outdoor pool | I Ross | 140 | 0 | 0 | 0 | 0 | 0 |
| SC712 | Automation of Bishops Mill sluice gate | A Wilson | 90 | 0 | 0 | 0 | 0 | 0 |
| SC713 | Replacement air quality monitoring equipment | J Smith | 200 | 0 | 0 | 0 | 0 | 0 |
| SC714 | Changing Places toilets | J Parrott | 100 | 0 | 0 | 0 | 0 | 0 |
| SC715 | Additional refuse vehicle for property growth shared with SCDC | B Esan | 420 | 0 | 0 | 0 | 0 | 0 |
| SC724 | Residential electric charging points | J Dicks | 60 | 0 | 0 | 0 | 0 | 0 |
| SC727 | Logan's Meadow vehicular access | G Belcher | 293 | 0 | 0 | 0 | 0 | 0 |
| SC731 | Cambridge Food Hub | V Haywood | 100 | 0 | 0 | 0 | 0 | 0 |

| Ref. | Description | Lead Officer | 2023/24 (£000's) | 2024/25 (£000's) | 2025/26 (£000's) | 2026/27 (£000's) | 2027/28 (£000's) | 2028/29 (£000's) |
|-------|---|--------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| SC732 | Park Street car park development | F Bryant | 11,295 | 65,081 | 0 | 0 | 0 | 0 |
| SC739 | S106 Abbey Pool improvements | I Ross | 27 | 0 | 0 | 0 | 0 | 0 |
| SC741 | S106 Nightingale Rec Ground pavilion | I Ross | 218 | 0 | 0 | 0 | 0 | 0 |
| SC752 | S106 Byron's Pool ecological mitigations | G Belcher | 165 | 13 | 0 | 0 | 0 | 0 |
| SC753 | S106 Nine Wells ecological mitigations | G Belcher | 68 | 5 | 10 | 0 | 0 | 0 |
| SC754 | Cambridge Corn Exchange - infrastructure improvements and upgrades | F Alderton | 462 | 0 | 0 | 0 | 0 | 0 |
| SC756 | EV infrastructure at the Cambridge City Council depot | S Cleary | 57 | 0 | 0 | 0 | 0 | 0 |
| SC758 | Charging infrastructure for electric vehicles - Cambridge City council only | B Esan | 50 | 0 | 0 | 0 | 0 | 0 |
| SC759 | Creation of a new boat pumping station at Stourbridge Common | A Wilson | 60 | 0 | 0 | 0 | 0 | 0 |
| SC760 | Investment programme for public toilet re-purposed property asset | A French | 532 | 0 | 0 | 0 | 0 | 0 |
| SC761 | Installation of cattle ramp on Midsummer Common | A Wilson | 44 | 0 | 0 | 0 | 0 | 0 |
| SC764 | Environmental Improvements Programme (EIP) options | A Wilson | 505 | 0 | 0 | 0 | 0 | 0 |
| SC765 | Introduction of car parking charges at Cherry Hinton Hall | A French | 19 | 0 | 0 | 0 | 0 | 0 |
| SC768 | Extend data capacity in shared data centre | M Lord | 11 | 0 | 0 | 0 | 0 | 0 |
| SC769 | Network equipment refresh | M Lord | 65 | 0 | 0 | 0 | 0 | 0 |
| SC772 | Market Square project | S French | 214 | 0 | 0 | 0 | 0 | 0 |
| SC773 | Colville Rd Phase 3 - replacement of commercial units | C Mitchel | 427 | 0 | 0 | 0 | 0 | 0 |
| SC776 | BEIS grant for Parkside pools decarbonisation works | I Ross | 62 | 0 | 0 | 0 | 0 | 0 |
| SC777 | BEIS grant for Abbey pool decarbonisation works | I Ross | 28 | 0 | 0 | 0 | 0 | 0 |
| SC779 | Parker's Piece tree planting | M Magrath | 2 | 0 | 0 | 0 | 0 | 0 |
| SC780 | S106 Darwin Green community centre equipment and furnishings | V Haywood | 11 | 0 | 0 | 0 | 0 | 0 |
| SC791 | S106 Coldhams Common BMX track | D O'Halloran | 76 | 0 | 0 | 0 | 0 | 0 |
| SC793 | Sustainable Warmth Grant - Local Authority Delivery Phase 3 | J Smith | 612 | 0 | 0 | 0 | 0 | 0 |
| SC794 | Sustainable Warmth Grant - Home Upgrade Grant | J Smith | 1,047 | 0 | 0 | 0 | 0 | 0 |
| SC795 | CHUB - community extension to Cherry Hinton library | A Conder | 1,731 | 0 | 0 | 0 | 0 | 0 |
| SC796 | Building Control software | H Jones | 120 | 0 | 0 | 0 | 0 | 0 |
| SC797 | Waste - electric replacement vehicles | B Esan | 970 | 0 | 0 | 0 | 0 | 0 |
| SC799 | Closed churchyard wall repairs | A French | 63 | 0 | 0 | 0 | 0 | 0 |

| Ref. | Description | Lead Officer | 2023/24 (£000's) | 2024/25 (£000's) | 2025/26 (£000's) | 2026/27 (£000's) | 2027/28 (£000's) | 2028/29 (£000's) |
|-------|---|--------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| SC800 | [COMPLETED] New vehicle to support S&OS Assets multi skilled operatives | J Parrott | 55 | 0 | 0 | 0 | 0 | 0 |
| SC801 | Replacement vehicle lift | D Cox | 40 | 0 | 0 | 0 | 0 | 0 |
| SC803 | Market Square electrics upgrade | S French | 52 | 0 | 0 | 0 | 0 | 0 |
| SC804 | ICT & Digital Capabilities | P Boucher | 155 | 0 | 0 | 0 | 0 | 0 |
| SC808 | Our Cambridge transformation - Office Accommodation Strategy | P Boucher | 53 | 0 | 0 | 0 | 0 | 0 |
| SC811 | S106 Mill Road Centre fit out | A Conder | 62 | 0 | 0 | 0 | 0 | 0 |
| SC812 | S106 Clay Farm community centre improvements | R Brown | 6 | 0 | 0 | 0 | 0 | 0 |
| SC813 | S106 Trumpington Rec ground environmental enhancements | J Ogle | 14 | 0 | 0 | 0 | 0 | 0 |
| SC814 | S106 public art grant for Solidarity and Community - The Pink Festival | N Black | 29 | 0 | 0 | 0 | 0 | 0 |
| SC820 | Wetlands at Logan's Meadow LNR | G Belcher | 280 | 0 | 0 | 0 | 0 | 0 |
| SC822 | Loan to CIP to purchase land south of Cambridge | C Ryba | 15,139 | 0 | 13,500 | 0 | 0 | 0 |
| SC823 | S106 public art grant for Cherry Hinton Brook mural | N Black | 2 | 0 | 0 | 0 | 0 | 0 |
| SC824 | S106 public art grant for Birdwood Area Art | N Black | 5 | 0 | 0 | 0 | 0 | 0 |
| SC825 | S106 public art grant for Park Street Residents' Association Art | N Black | 11 | 0 | 0 | 0 | 0 | 0 |
| SC826 | S106 Midsummer's Common community orchard improvements - seating, bins, paths and raised beds (Market Ward) | J Ogle | 18 | 0 | 0 | 0 | 0 | 0 |
| SC827 | S106 Five Trees open space: wildflower and tree planting in East Chesterton | M Magrath | 15 | 0 | 0 | 0 | 0 | 0 |
| SC828 | WREN solar project at Waterbeach | B Esan | 1,493 | 130 | 0 | 0 | 0 | 0 |
| SC830 | S106 grant to Trumpington village hall - disabled access and outside meeting space | I Ross | 4 | 0 | 0 | 0 | 0 | 0 |
| SC831 | Sustainable Warmth Grant - Home Upgrade Grant 2 | J Smith | 4,500 | 5,508 | 0 | 0 | 0 | 0 |
| SC832 | S106 Bramblefields LNR improvements - East Chesterton | G Belcher | 15 | 0 | 0 | 0 | 0 | 0 |
| SC833 | Kings Hedges play area improvements | J Parrott | 165 | 0 | 0 | 0 | 0 | 0 |
| SC834 | Decarbonisation works - Abbey pool, Parkside pool, Cherry Hinton village centre | I Ross | 159 | 650 | 400 | 0 | 0 | 0 |
| SC835 | Recommended maintenance at Abbey pool, Parkside pool and Cherry Hinton village centre | I Ross | 200 | 200 | 240 | 175 | 0 | 0 |
| SC836 | Essential repairs to Jesus Green river bank | A French | 125 | 0 | 0 | 0 | 0 | 0 |
| SC837 | Parkside Pool's diving boards | I Ross | 30 | 0 | 0 | 0 | 0 | 0 |
| SC838 | Refuse collection vehicle - replacement HVO | B Esan | 400 | 0 | 0 | 0 | 0 | 0 |
| SC839 | Laptop and desktop replacement | M Lord | 200 | 100 | 100 | 100 | 0 | 0 |
| SC840 | Pathfinder House data centre equipment replacement - racks, power and cooling systems | M Lord | 110 | 0 | 0 | 0 | 0 | 0 |

| Ref. | Description | Lead Officer | 2023/24 (£000's) | 2024/25 (£000's) | 2025/26 (£000's) | 2026/27 (£000's) | 2027/28 (£000's) | 2028/29 (£000's) |
|-------|--|--------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| SC841 | Sand Martin/Pathfinder House data centre refresh to hybrid environment | M Lord | 215 | 0 | 0 | 0 | 0 | 0 |
| SC842 | Windows 2012 server replacement | M Lord | 30 | 0 | 0 | 0 | 0 | 0 |
| SC843 | Wireless access point | M Lord | 75 | 0 | 0 | 0 | 0 | 0 |
| SC844 | Uninterruptible power supply replacement | M Lord | 35 | 0 | 0 | 0 | 0 | 0 |
| SC845 | Democratic services software replacement | D Kalley | 27 | 0 | 0 | 0 | 0 | 0 |
| SC846 | Contribution to GF from HRA for corporate IT investment | M Lord | (130) | (23) | (23) | (23) | 0 | 0 |
| SC847 | Local Authority Treescape Fund - Round 1-2 | M Magrath | 33 | 33 | 32 | 0 | 0 | 0 |
| SC848 | Urban Tree Challenge Fund | M Magrath | 17 | 17 | 17 | 18 | 0 | 0 |
| SC849 | S106 Coleridge Rec outdoor kit fit | I Ross | 75 | 0 | 0 | 0 | 0 | 0 |
| SC850 | OZEV grant for electric charge points in Council car parks | S Cleary | 199 | 0 | 0 | 0 | 0 | 0 |
| SC851 | [COMPLETED] Grillo hydrostatic mower for S&OS | G Belcher | 43 | 0 | 0 | 0 | 0 | 0 |
| SC852 | National Lottery grant for DiversiTREE project | M Magrath | 42 | 42 | 0 | 0 | 0 | 0 |
| SC875 | New EV vehicle to maintain growth sites | A Wilson | 31 | 0 | 0 | 0 | 0 | 0 |
| SC854 | S106 Jesus Green Lido: improved lighting | I Ross | 36 | 0 | 0 | 0 | 0 | 0 |
| SC855 | S106 Nightingale Ave Pavilion furnishings | I Ross | 18 | 0 | 0 | 0 | 0 | 0 |
| SC856 | S106 Chesterton Rec pavilion additional equipment | I Ross | 18 | 0 | 0 | 0 | 0 | 0 |
| SC857 | S106 Basketball court improvements | I Ross | 7 | 0 | 0 | 0 | 0 | 0 |
| SC858 | S106 Football goal improvements at Ch Hinton, etc | I Ross | 14 | 0 | 0 | 0 | 0 | 0 |
| SC859 | S106 Netherhall gym grant to Cambridge Dive | I Ross | 9 | 0 | 0 | 0 | 0 | 0 |
| SC860 | S106 Parkside pool new competition lane ropes | I Ross | 12 | 0 | 0 | 0 | 0 | 0 |
| SC861 | S106 Parkside pool grant to City Swimming Club | I Ross | 5 | 0 | 0 | 0 | 0 | 0 |
| SC862 | S106 The Meadows Community Centre | I Ross | 9 | 0 | 0 | 0 | 0 | 0 |
| SC863 | UTCf treeing up deprived neighbourhood | M Magrath | 33 | 23 | 23 | 24 | 0 | 0 |
| SC864 | Coronation Living Heritage Fund | M Magrath | 7 | 7 | 0 | 0 | 0 | 0 |
| SC867 | LATF R3 grant from Forestry Commission | M Magrath | 26 | 19 | 19 | 18 | 0 | 0 |
| SC868 | SPF-UK Green Business Grants | J Little | 106 | 206 | 0 | 0 | 0 | 0 |
| SC869 | Refuse Collection Vehicles - Growth | B Esan | 0 | 220 | 0 | 0 | 0 | 0 |
| SC870 | New Equipment to Support Zero Herbicides Policy | D Blair | 0 | 180 | 0 | 0 | 0 | 0 |

| Ref. | Description | Lead Officer | 2023/24 (£000's) | 2024/25 (£000's) | 2025/26 (£000's) | 2026/27 (£000's) | 2027/28 (£000's) | 2028/29 (£000's) |
|------------------------------|--|--------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| SC871 | Fire management compliance at the Grand Arcade Multi Storey Car Park | S Cleary | 0 | 180 | 0 | 0 | 0 | 0 |
| SC872 | The Public Switch Telephone Network (PSTN) Switch Off | M Lord | 0 | 30 | 0 | 0 | 0 | 0 |
| SC873 | Development of the Civic Quarter | B Binns | 0 | 1,000 | 0 | 0 | 0 | 0 |
| SC874 | Skating and street sport facilities, match funding | A Wilson | 0 | 25 | 0 | 0 | 0 | 0 |
| SC853 | East Barnwell new centre | B Binns | 49 | 1,447 | 1,996 | 677 | 0 | 0 |
| SC854 | Urgent repairs to the river bank | A French | 0 | 250 | 0 | 0 | 0 | 0 |
| SC855 | Cycle parking improvements at Queen Anne Terrace car park | P Mullord | 0 | 120 | 0 | 0 | 0 | 0 |
| Capital-GF Projects | | | 56,954 | 75,463 | 16,314 | 989 | 0 | 0 |
| Capital-Programmes | | | | | | | | |
| PR010 | Environmental Improvements Programme | A Wilson | 73 | 0 | 0 | 0 | 0 | 0 |
| PR010b | Environmental Improvements Programme - South Area | J Richards | 39 | 0 | 0 | 0 | 0 | 0 |
| PR010c | Environmental Improvements Programme - West/Central Area | J Richards | 57 | 0 | 0 | 0 | 0 | 0 |
| PR010d | Environmental Improvements Programme - East Area | J Richards | 24 | 0 | 0 | 0 | 0 | 0 |
| PR039 | Minor Highway Improvement Programme | J Richards | 59 | 35 | 35 | 35 | 35 | 0 |
| PR053 | Commercial property repair and maintenance | W Barfield | 400 | 300 | 300 | 300 | 300 | 300 |
| PR054 | Administrative buildings maintenance | W Barfield | 166 | 166 | 400 | 400 | 400 | 400 |
| PR055 | Depot Relocation programme to create Operational Hub | S Cleary | 705 | 8,603 | 0 | 0 | 0 | 0 |
| PR056 | Chalk Streams projects in Cambridge | G Belcher | 60 | 120 | 120 | 0 | 0 | 0 |
| PR057 | Green Recovery Programme | G Belcher | 75 | 0 | 0 | 0 | 0 | 0 |
| Capital-Programmes | | | 1,658 | 9,224 | 855 | 735 | 735 | 700 |
| Capital-GF Provisions | | | | | | | | |
| PV007 | Cycleways | J Richards | 354 | (40) | 0 | 0 | 0 | 0 |
| PV192 | Development Land on the North Side of Kings Hedges Road | P Doggett | 0 | 0 | 0 | 0 | 60 | 0 |
| PV554 | Development Of land at Clay Farm | P Doggett | 181 | 705 | 0 | 0 | 0 | 0 |
| Capital-GF Provisions | | | 535 | 665 | 0 | 0 | 60 | 0 |
| Total GF Capital Plan | | | 59,147 | 85,352 | 17,169 | 1,724 | 795 | 700 |

Cambridge City Council Equality Impact Assessment (EqIA)

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

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

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

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

| |
|---|
| 1. Title of strategy, policy, plan, project, contract or major change to your service |
| General Fund Budget 2024/25 proposals |
| 2. Webpage link to full details of the strategy, policy, plan, project, contract or major change to your service (if available) |
| https://democracy.cambridge.gov.uk/ieListDocuments.aspx?CId=159&MId=4426&Ver=4 |
| 3. What is the objective or purpose of your strategy, policy, plan, project, contract or major change to your service? |
| <p>This Equality Impact Assessment (EqIA) assesses the equality impacts of the General Fund element of the City Council’s budget.</p> <p>An EqIA is undertaken on the budget proposals each year to enable the City Council to set a balanced budget for 2024/25 that reflects the Council’s vision and takes into account councillors’ priorities in its proposals for achieving the savings required.</p> |

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

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

The 2024/25 budget proposals that are considered as part of this impact assessment are:

Revenue bids:

- B5155 Discretionary Housing Payments Funding Shortfall
- B5225 Waste Combined Proposal
- B5228 Contribution Towards the administration costs of the Innovate Cambridge Programme

Capital bids:

- CAP5175 Fire management compliance at the Grand Arcade Multi Storey Car Park
- CAP5201 New Equipment to Support Zero Herbicides Policy¹
- CAP5229 Skating and street sport facilities, match funding

4. Responsible service

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

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

(Please tick all that apply)

- Residents
- Visitors
- Staff

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

N/a

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

Each of the proposals identified will change the level of service to be delivered.

¹ Note that an equality impact assessment was undertaken on the Herbicide Reduction Plan and extension itself. This is available upon request by emailing equalities@cambridge.gov.uk.

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

- Yes
 No

If 'Yes' please provide details below:

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

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

Strategy and Resources Scrutiny Committee 15th January 2024.

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

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

10. Potential impacts

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

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

CAP5175 Fire management compliance at the Grand Arcade Multi Storey Car Park

This budget bid covers recommended works from health and safety and fire safety assessments that have been undertaken. These recommendations are to install manual fire call points (the break glass units), alarm sounders or high visibility flashing beacons. They are also to replace the Grand Arcade Annex CO & NO2 detectors. If the detectors are not replaced, smoke and emissions cannot be detected meaning the fan system will not operate correctly, resulting in bad air quality, health hazard and fire risk to staff and customers. These detectors are also linked to the fire management system which currently cannot detect smoke or uplift in CO2 emissions within the lower car park. Children and older people may especially be at risk of poor health associated with high car exhaust emissions and smoke, which replacement of faulty detectors can help mitigate.

CAP5201 New Equipment to Support Zero Herbicides Policy

The additional street sweeping and cleaning machinery requested through this budget bid will automate a process that is currently manual and has links to Hand Arm Vibration Syndrome over time. This will have a positive impact for our workforce as the automated process will prevent people developing this syndrome over time as the council's workforce gets older.

CAP5229 Skating and street sport facilities, match funding

This budget bid is to agree funding allocation to improve the skate and street sports that will be match funded by Cam Skate. Cam Skate and the City Council will be developing plans for new products at which point equality impacts will be assessed in greater detail. The improved new product will be mostly used by children and young people. In developing the product, consideration may be given to designing the space so children can use it, as well as young people who without this consideration would likely to be the highest users.

(b) Disability

B5155 Discretionary Housing Payments Funding Shortfall

Discretionary Housing Payments (DHPs) support households who experience a shortfall between Housing Benefit or Universal Credit and their eligible rent. Cambridge City Council has always spent all of its government allocation supporting claimants impacted by welfare reforms. It has previously relied on additional homelessness prevention funding set up several years ago plus bids over the past few years to top up awards, which this budget bid is for.

DHP assessment considers increased costs that many disabled individuals or households face. For instance, national research by Scope (2023)² indicates that disabled people face extra costs of £975 per month on average. On average, the extra cost of disability is equivalent to 63% of household income after housing costs. Disability benefits are therefore intended offset against these increased costs but in a snapshot of DHP applications from August 2023, a total of 23 of 33 applications were made by people not in work due to disability (70%).

² <https://www.scope.org.uk/campaigns/extra-costs/disability-price-tag-2023/>

Disabled households are sometimes affected by Local Housing Allowance and Spare Room Subsidy restrictions as there is a lack of available accommodation to suit disability needs. Disabled households often need larger properties to accommodate wheelchairs or additional rooms for medical supplies or treatments. The easement that allows for an additional bedroom for an overnight carer does not help in these situations. DHPs often support these claimants for long periods of time due to lack of suitable available accommodation.

B5225 Waste Combined Proposal

There are many elements to this budget bid but part of it is to fund another Refuse Team Manager so there will be five instead of four Refuse Team Managers as is currently the case. The five roles would be identical and an additional manager will enable the Service to better distribute the staffing numbers out so each team manager is responsible for 32 direct report as opposed to the current 40 direct reports. The additional post will support the wellbeing of the team managers by reducing the work pressure from supporting a large number of direct reports; this will ultimately ensure that the direct reports have the support, guidance and staff health and wellbeing needs required to carry out their duties.

CAP5175 Fire management compliance at the Grand Arcade Multi Storey Car Park

This budget bid covers recommended works from health and safety and fire safety assessments that have been undertaken. All car park users are potentially at risk of ill-health and disability if the recommendations to improve fire safety are not carried out. Moreover, high levels of car exhaust emissions and smoke can exacerbate long term health issues, which the CO & NO2 detectors could help prevent. The new fire system together with installation of both audible and visual alarms would raise awareness during fire emergencies to all customers, including those with sight or hearing impairments. Disabled customer with blue badges, including the council's Shopmobility customers, would be at particular risk if this work is not carried out due to their reduced mobility to evacuate the building if not given sufficient warnings around fire safety.

CAP5201 New Equipment to Support Zero Herbicides Policy

The additional street sweeping and cleaning machinery requested through this budget bid will help with weed removal from streets and open spaces. On streets this will have a positive impact for accessibility, especially for people using wheelchairs or mobility scooters and who have mobility and/or sight impairments. Moreover, as mentioned, machinery requested through this bid will automate a process that is currently manual and has links to Hand Arm Vibration Syndrome over time.

CAP5229 Skating and street sport facilities, match funding

This budget bid is to agree funding allocation to improve the skate ramp and street sports that will be match funded by Cam Skate. Cam Skate and the City Council will be developing plans for new products and assessing equality impacts in greater detail as part of this. At this point, reasonable adjustments can be considered to support people with some disabilities to use the space. Improving the skate and streets sports offer is hoped to lead to greater usage of the skate area, which could have a positive impact on mental health as exercise improves mental wellbeing.

(c) Gender reassignment

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

(d) Marriage and civil partnership

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

(e) Pregnancy and maternity

B5155 Discretionary Housing Payments Funding Shortfall

This budget bid is to make up the shortfall between government funding for Discretionary Housing Payments (DHPs) and local need for DHPs. Pregnancy and maternity are an expensive time for households, and although generally additional personal allowances in Housing Benefit and Universal Credit are not given during pregnancy, they may be if the mother is unable to work during pregnancy. Expectant families are also sometimes affected by Local Housing Allowance and Spare Room Subsidy restrictions until the child or children are born, and DHPs can support households at this time.

CAP5201 New Equipment to Support Zero Herbicides Policy

The additional street sweeping and cleaning machinery requested through this budget bid will help with weed removal from streets and open spaces. On streets this will have a positive impact for accessibility, especially for people using prams and buggies.

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

B5155 Discretionary Housing Payments Funding Shortfall

This budget bid is to make up the shortfall between government funding for Discretionary Housing Payments (DHPs) and local need for DHPs. Entitlement to DHP does not make reference to race so we cannot identify if there are more applications from some ethnic groups over others. However, it might be the case that there are proportionally higher numbers of claims for DHPs from some ethnic minority groups than others. For instance, UK statistics find that Bangladeshi and Pakistani families have experienced much greater rates of poverty than all other ethnic groups and this has been the case for 20 years³. Qualitative research undertaken on needs of ethnic minority people in the city in

³ <https://www.jrf.org.uk/data>

2021⁴, and recent feedback from Cambridge Ethnic Community Forum on needs of clients they support indicate that Bangladeshi people, Black people (especially African people), and Arab people are the most likely to experience poverty in Cambridge itself.

CAP5175 Fire management compliance at the Grand Arcade Multi Storey Car Park

This budget bid covers recommended works from health and safety and fire safety assessments that have been undertaken. For people for whom English is a second language standard fire alert signage would be installed that would also incorporate instructions in pictures. Moreover, the new fire system with installation of both audible and visual alarms would raise awareness during fire emergencies to all customers, as the alarm and flashing lights can be considered a universal warning.

(g) Religion or belief

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

(h) Sex

B5155 Discretionary Housing Payments Funding Shortfall

This budget bid is to make up the shortfall between government funding for Discretionary Housing Payments (DHPs) and local need for DHPs. Single parents may have an increased likelihood of needing DHPs due to being on low incomes in the first place, and women are generally more likely to be single parents (84%)⁵. Locally, when looking at Council Tax Reduction (which will cover both housing benefit and Universal Credit claims) of the 7,133 Council Tax claims as at October 2023, 1,698 single parent households, 1,603 are women. This represents 94% female single parent households on Council Tax Reduction.

CAP5229 Skating and street sport facilities, match funding

This budget bid is to agree funding allocation to improve the skate and streets sports) that will be match funded by Cam Skate. Cam Skate and the City Council will be developing plans for new products at which point equality impacts will be assessed in greater detail. According to Skateboard GB, only 15% of skaters are female which means that this budget bid could have a disproportionate positive impact for boys⁶.

4

<https://democracy.cambridge.gov.uk/documents/s63633/CECF%20needs%20assessment%20background%20report.pdf>

5

<https://www.ons.gov.uk/peoplepopulationandcommunity/birthsdeathsandmarriages/families/bulletins/familiesandhouseholds/2022>

⁶ <https://www.bbc.co.uk/news/uk-england-bristol-58101520>

CAP5243 Development of the Civic Quarter

An Equality Impact Assessment on this budget item will be taken to the Strategy and Resources Committee on 29th January.

(i) Sexual orientation

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

(j) Other factors that may lead to inequality – in particular, please consider the impact of any changes on:

- **Low-income groups or those experiencing the impacts of poverty**
- **Groups who have more than one protected characteristic that taken together create overlapping and interdependent systems of discrimination or disadvantage. (Here you are being asked to consider intersectionality, and for more information see: https://media.ed.ac.uk/media/1_I59kt25q).**

B5155 Discretionary Housing Payments Funding Shortfall

This budget bid is to make up the shortfall between government funding for Discretionary Housing Payments (DHPs) and local need for DHPs. It is important that families on a low income, who are often less able to budget, are clear about the support they will receive. Low-income households often do not have sufficient savings to allow them to choose good quality accommodation as large deposits and rent in advance are often required.

Moreover, relating to intersectionality, older people more likely to have long-term health conditions or disabilities so face the extra living costs relating to having a disability. National research by Scope (2023) indicates that disabled people face extra costs of £975 per month on average. As mentioned above, DHP assessment considers increased costs that many disabled individuals or households face.

CAP5229 Skating and street sport facilities, match funding

This budget bid is to agree funding allocation to improve the skate and streets sports) that will be match funded by Cam Skate. The spaces will be free to use, so improving the offer could have a positive impact for children and young people from low-income households and/or experiencing poverty.

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

Some BSR proposals might have equality impacts, which cannot be identified based on current information held. This means that further equality impact assessments on these might need to be undertaken at a later stage.

12. Do you have any additional comments?

B5178 Increased budget for Bed and Breakfast

Equality impact assessments are undertaken to inform the decision-making process but it is a statutory duty to provide temporary accommodation for the council so budget must be found for this – it is not at the council's discretion. Therefore, equality impacts have not been assessed for the bid of increased budget for Bed and Breakfast.

B5228 Contribution Towards the administration costs of the Innovate Cambridge Programme

This budget bid is for the City Council to contribute £50,000 towards the £6 million that Innovate Cambridge are raising towards a cross sector partnership over the next three years with key businesses, researchers, investors, and the local universities. The programme of work of Innovate Cambridge will include but not be limited to delivering projects with businesses to improve workforce diversity and inclusion, and other projects to demonstrate to local communities how businesses are giving back, which also might have positive implications for promoting equality, diversity, and inclusion.

13. Sign off

Name and job title of lead officer for this equality impact assessment: Helen Crowther, Equality and Anti-Poverty Officer (Chief Executive's Office)

Names and job titles of other assessment team members and people consulted: Alistair Wilson (Strategic Delivery Manager for City Services), Bode Esan (Head of Climate, Environment and Waste), David Kidston (Strategy & Partnerships Manager), Dominic Burrows (Project Manager Transformation Team), James Elms (Director of City Services Group), Julie Jackson (Commercial and Projects Officer in Parking), Naomi Armstrong (Benefits Manager), Simon Hunt (Housing Advice Operations Manager), Stephen Kelly (Joint Director of Planning & Economic Development).

Date of EqIA sign off: 21st December 2023

Date of next review of the equalities impact assessment: An EqIA is undertaken on budget proposals annually

Date to be published on Cambridge City Council website: 3rd January 2023

All EqIAs need to be sent to Helen Crowther, Equality and Anti-Poverty Officer at helen.crowther@cambridge.gov.uk.

Appendix G

Budget-Setting Report (BSR) 2024/25 - Review of Charges

In the Medium-Term Financial Strategy (MTFS) November 2023 the general inflation assumption (target) for income and charges was 3.0% for 2024/5 and 2.0% ongoing. All areas are required to review fees and charges (including property rental income based on detailed projections and rent reviews) and, if any specific review results in material additional or reduced income, then these are identified and included in the Budget-Setting Report (BSR) February 2024 as budget proposals.

Contents:

| Portfolio | Charges | Contacts |
|---|--|---|
| Climate Action and Environment | Environmental Services Taxi Testing Shared Waste Control of Dogs Markets | Yvonne O'Donnell David Cox Bode Esan Wendy Johnston Tim Jones |
| Communities | Sports and Recreation Bereavement Services | Ian Ross Glyn Theobald |
| Housing – General Fund | HMOs, Enforcement | Yvonne O'Donnell |
| Open Spaces, Sustainable Food and Community Wellbeing | Open Spaces | Alistair Wilson |
| Planning Policy and Transport | Parking | Sean Cleary |
| Finance & Resources | Moorings Guildhall Lettings Land Charges | Ashley Read Dan Kalley Laura Prideaux-Brune |
| Licensing | Business Licensing Taxi Licensing Licensing & Gambling Act Animal Licensing Street Trading | Yvonne O'Donnell Tim Jones |

Climate Action and Environment

| Charge Type and description | Discretionary or Statutory | Charges 2023/24 £ | Proposed Charges 2024/25 £ | % Increase 2024/25 |
|---|----------------------------|-------------------|---|--------------------|
| Environmental Services | | | | |
| Pest Control Treatments for Businesses / Commercial per hour (minimum half hour) | Discretionary | 111.00 | 114.33 | 3.0% |
| House / Car Alarms (fee includes administration costs) | Discretionary | Actual Costs | Actual Costs | 0.0% |
| Lecture Fees - per hour | Discretionary | 97.00 | N/A | 0.0% |
| Food Surrender and Disposal | Discretionary | Actual Costs | Actual Costs | 0.0% |
| Food Register - entire register printed | Discretionary | 1,013.00 | 1,043.00 | 3.0% |
| Taught CIEH courses | Discretionary | 81.50 | N/A | 0.0% |
| Online CIEH Courses | Discretionary | 31.00 | 32.00 | 3.2% |
| Examination following on-line courses | Discretionary | 25.00 | 25.75 | 3.0% |
| Tailored Training | Discretionary | Actual Costs | Actual Costs | 0.0% |
| Mentoring Training per hour | Discretionary | 85.00 | 87.50 | 2.9% |
| Primary Authority Partnership Scheme per hour | Discretionary | 85.00 | 87.50 | 2.9% |
| Contaminated Land (per Enquiry/Polygon) | Discretionary | 246.00 | 253.38 | 3.0% |
| Food Hygiene Ratings (FHRS) Rescore | Discretionary | 216.00 | 222.48 | 3.0% |
| Smoke Control Areas CPN | Statutory | N/A | Case by case basis using agreed matrix, maximum of £300 | 0.0% |
| Scrap Metal Dealers | | | | |
| Site Licence | Discretionary | 512.00 | 527.00 | 2.9% |
| Conversion to collector's licence | Discretionary | 62.00 | 64.00 | 3.2% |
| Change of licensee name | Discretionary | 62.00 | 64.00 | 3.2% |
| Addition of site | Discretionary | 512.00 | 527.00 | 2.9% |
| Removal of site | Discretionary | 62.00 | 64.00 | 3.2% |
| Change of Site Manager | Discretionary | 150.00 | 155.00 | 3.3% |
| Replacement of lost or damaged licence | Discretionary | 56.00 | 58.00 | 3.6% |
| Collector's licence | Discretionary | 219.00 | 226.00 | 3.2% |
| Conversion to site licence | Discretionary | 443.00 | 456.00 | 2.9% |
| Change of name (e.g. status) | Discretionary | 62.00 | 64.00 | 3.2% |
| Replacement of lost or damaged licence | Discretionary | 56.00 | 58.00 | 3.6% |
| Taxi Vehicle Testing by the Garage | | | | |
| Mechanical Fitness Test (Twice Yearly) | Discretionary | 71.00 | 73.00 | 2.8% |
| Re-test if works carried out at a separate garage and returned within 10 days | Discretionary | 36.00 | 37.00 | 2.8% |
| Re-test if works carried out at a separate garage and returned after 10 days | Discretionary | 76.00 | 78.00 | 2.6% |
| Shared Waste Service | | | | |
| Hazardous domestic collections | | | | |
| Per Item (Fridge / Freeze / CRT Monitor / TV / Microwaves etc.) | Discretionary | 26.50 | 27.00 | 1.9% |
| Domestic collections - Bulky Collections | | | | |
| One to three items (excluding hazardous items) | Discretionary | 32.50 | 34.00 | 4.6% |
| More than three items (per item and maximum 9 items) | Discretionary | 5.50 | 6.00 | 9.1% |
| Charge to empty contaminated bin / additional empty (per bin) | Discretionary | 32.50 | 33.00 | 1.5% |
| Clearance of rubbish from bin stores | Discretionary | By quote | By quote | 0.0% |
| Annual 2nd green bin charge - per additional bin (October to October) | Discretionary | 45.00 | 45.00 | 0.0% |
| Additional garden waste capacity for flats (per 1100l bin) | Discretionary | 84.00 | 85.00 | 1.2% |
| Bins | | | | |
| Delivery of bin(s) for new property | Discretionary | 90.00 | 90.00 | 0.0% |
| Additional approved black bin - for large families etc. | Discretionary | 55.00 | 56.00 | 1.8% |
| Delivery of a replacement black bin 240 litre - (damaged/stolen) | Discretionary | 55.00 | FREE | 0.0% |
| Delivery of a replacement green/blue bin (damaged/stolen) | Discretionary | FREE | FREE | 0.0% |
| Blue bin charge - First two bins | Discretionary | FREE | FREE | 0.0% |
| Additional blue bin charge (First 2 bins are free) | Discretionary | 25.00 | 25.00 | 0.0% |
| Recycling Kitchen Caddy Sacks (in packs of 50). Includes VAT. | Discretionary | 4.20 | 4.20 | 0.0% |
| Dogs | | | | |
| Statutory Fee for all stray dogs** | Statutory | 25.00 | 25.00 | 0.0% |
| Collection and transportation cost of stray dogs in normal office hours | Discretionary | 77.00 | 82.00 | 6.5% |
| Kennels registration and vet checking fee | Discretionary | 60.00 | 64.00 | 6.7% |
| Daily kennel charges | Discretionary | 19.00 | 20.00 | 5.3% |
| Markets | | | | |
| Cambridge Retail Market | | | | |
| Monday - Tuesday rents | | | | |
| General Market Weekday Premium | Discretionary | 21.70 | 21.70 | 0.0% |
| General Market Weekday Standard | Discretionary | 10.00 | 10.00 | 0.0% |
| Wednesday - Friday rents | | | | |
| General Market Weekday Premium | Discretionary | 21.70 | 21.70 | 0.0% |
| General Market Weekday Standard | Discretionary | 18.00 | 18.00 | 0.0% |
| General Market Weekend Premium | | | | |
| General Market Weekend Premium | Discretionary | 41.60 | 43.50 | 4.6% |
| General Market Weekend Standard | Discretionary | 34.20 | 36.00 | 5.3% |
| Hot Food Premium | | | | |
| Hot Food Premium | Discretionary | 7.70 | 8.00 | 3.9% |
| Casual Trading Premium | | | | |
| Casual Trading Premium | Discretionary | 5.00 | 7.50 | 50.0% |
| *Storage Units | | | | |
| *Storage Units | Discretionary | 18.40 | 18.40 | 0.0% |

| Charge Type and description | Discretionary or Statutory | Charges 2023/24 £ | Proposed Charges 2024/25 £ | % Increase 2024/25 |
|---|----------------------------|----------------------|----------------------------------|-----------------------|
| All Saints Craft Fair | | | | |
| Monday - Friday rents | Discretionary | 16.65 | 16.65 | 0.0% |
| Saturday rent | Discretionary | 35.25 | 37.00 | 5.0% |
| All Markets - Administration Fees | | | | |
| Variations Fee - applicable for any changes that result in the production of a new licence. | Discretionary | 30.00 | 35.00 | 16.7% |
| * These charges are shown net of VAT | | | | |
| ** Externally set fees and charges | | | | |

Communities - Sport & Recreation

| Charge Type and description | Discretionary or Statutory | Charges 2023/24 £ | Proposed Charges 2024/25 £ | % Increase 2024/25 |
|--|----------------------------|-------------------|----------------------------|--------------------|
| Sports & Recreation Charges (including VAT) | | | | |
| Sports Facilities | | | | |
| Cricket | | | | |
| Adult Per pitch | Discretionary | 50.00 | 51.50 | 3.0% |
| Including Pavilion | Discretionary | 65.00 | 67.00 | 3.1% |
| Junior per pitch (Under 16's) | Discretionary | 31.50 | 32.50 | 3.2% |
| Including Pavilion | Discretionary | 39.00 | 40.00 | 2.6% |
| Football/Rugby/Hockey | | | | |
| Per pitch including Pavilion | Discretionary | 64.00 | 66.00 | 3.1% |
| Junior per pitch including Pavilion (Under 16's) | Discretionary | 35.00 | 36.00 | 2.9% |
| 8-a-side pitch | Discretionary | 26.00 | 26.75 | 2.9% |
| American Football | | | | |
| Per pitch (including 4 changing rooms) | Discretionary | 112.00 | 115.50 | 3.1% |
| Junior (Under 16's) per pitch (including 4 changing rooms) | Discretionary | 56.00 | 57.50 | 2.7% |
| Rounders | | | | |
| Per Pitch | Discretionary | 27.00 | 28.00 | 3.7% |
| Per Pitch - Junior (Under 16's) | Discretionary | 14.00 | 14.50 | 3.6% |
| Tennis | | | | |
| Jesus Green - Per hour | Discretionary | FREE | FREE | 0.0% |
| Nightingale Avenue, Lammas Land, Coleridge, Barnwell, Christs | Discretionary | FREE | FREE | 0.0% |
| Abbey Artificial Pitch (including Floodlights) | | | | |
| Peak Time | | | | |
| <i>Mon-Fri 17.00-22.00/Sat 11.00-19.00/Sun 12.00-16.00</i> | | | | |
| Whole Pitch | Discretionary | 67.50 | 69.50 | 3.0% |
| Whole Pitch - Junior | Discretionary | 36.00 | 37.00 | 2.8% |
| Half Pitch | Discretionary | 43.50 | 45.00 | 3.4% |
| Half Pitch - Junior | Discretionary | 24.50 | 25.00 | 2.0% |
| Off-Peak Time | | | | |
| Whole Pitch | Discretionary | 53.00 | 54.50 | 2.8% |
| Whole Pitch - Junior | Discretionary | 34.50 | 35.50 | 2.9% |
| Half Pitch | Discretionary | 36.00 | 37.00 | 2.8% |
| Half Pitch - Junior | Discretionary | 21.50 | 22.00 | 2.3% |
| Lighting Charges per hour | | | | |
| Whole Pitch max lux | Discretionary | 22.00 | 23.00 | 4.5% |
| Half Pitch max lux | Discretionary | 13.00 | 13.50 | 3.8% |
| Changing Room Hire - Per Game | | | | |
| Additional Changing Room (per room) | | 15.00 | 15.50 | 3.3% |
| Swimming Services* | | | | |
| The charges relating to the swimming services are the HEADLINE prices | | | | |
| These charges are the MOST the Leisure Contractor can charge for an activity | | | | |
| The Leisure Contractor can REDUCE any or all of the activity prices BELOW the headline price if they wish. | | | | |
| Juniors are 17 years and under; Under 3's are FREE | | | | |
| | Discretionary | FREE | FREE | 0.0% |
| Parkside Pools | | | | |
| Adult | Discretionary | 6.00 | 6.20 | 3.3% |
| Junior | Discretionary | 3.00 | 3.10 | 3.3% |
| Main Pool Hire - per hour (Non Commercial) | Discretionary | 152.00 | 156.50 | 3.0% |
| Main Pool Hire - per hour (Commercial) | Discretionary | 400.00 | 412.00 | 3.0% |
| Lane Hire | Discretionary | 28.00 | 29.00 | 3.6% |
| Diving Pool - per hour (Non Commercial) | Discretionary | 87.00 | 90.00 | 3.4% |
| Diving Pool - per hour (Commercial) | Discretionary | 125.00 | 128.75 | 3.0% |
| Children's Pool Hire - per hour (Non Commercial) | Discretionary | 57.00 | 58.50 | 2.6% |
| Children's Pool Hire - per hour (Commercial) | Discretionary | 70.00 | 72.00 | 2.9% |
| Flumes | Discretionary | 68.00 | 70.00 | 2.9% |
| Non-City LEA School Swim | Discretionary | 2.20 | 2.25 | 2.3% |
| Abbey Pool | | | | |
| Adult | Discretionary | 6.00 | 6.20 | 3.3% |
| Junior | Discretionary | 3.00 | 3.10 | 3.3% |
| Pool Hire - per hour (Non Commercial) | Discretionary | 100.00 | 103.00 | 3.0% |
| Pool Hire - per hour (Commercial) | Discretionary | 125.00 | 129.00 | 3.2% |
| Learner Pool Hire - per hour (Non Commercial) | Discretionary | 50.00 | 51.50 | 3.0% |
| Learner Pool Hire - per hour (Commercial) | Discretionary | 70.00 | 72.00 | 2.9% |
| Gala Hire - per hour (City Clubs) | Discretionary | 185.00 | 190.50 | 3.0% |
| Gala Hire - per hour (Commercial) | Discretionary | 275.00 | 283.00 | 2.9% |
| Non-City LEA School Swim | Discretionary | 2.20 | 2.25 | 2.3% |
| Kings Hedges Pool | | | | |
| Pool Hire - per hour - Non Commercial | Discretionary | 46.50 | 48.00 | 3.2% |
| Pool Hire - per hour - (Commercial) | Discretionary | 70.00 | 72.00 | 2.9% |
| Jesus Green Outdoor Pool | | | | |
| Adult | Discretionary | 6.00 | 6.20 | 3.3% |
| Junior | Discretionary | 3.00 | 3.10 | 3.3% |
| Pool hire per Hour - Non Commercial | Discretionary | 130.00 | 134.00 | 3.1% |

| Charge Type and description | Discretionary or Statutory | Charges 2023/24 £ | Proposed Charges 2024/25 £ | % Increase 2024/25 |
|---|----------------------------|----------------------|----------------------------------|-----------------------|
| Pool hire per Hour - (Commercial) | Discretionary | 350.00 | 360.50 | 3.0% |
| Health Suites | | | | |
| Abbey Pool | | | | |
| Sauna & Swim | Discretionary | 8.75 | 9.00 | 2.9% |
| GP Referral | | | | |
| Swimming Session - Abbey, Parkside, Kings Hedges | | | | |
| Induction | Discretionary | 10.50 | 11.00 | 4.8% |
| Session | Discretionary | 3.75 | 4.25 | 13.3% |
| Membership Cards | | | | |
| Adult Residents (up to 30% discount) | Discretionary | 15.00 | 15.50 | 3.3% |
| Adult Students & 60+ (up to 35% Discount) | Discretionary | 10.00 | 10.50 | 5.0% |
| Adult Concessions (up to 50% Discount) | Discretionary | 6.00 | 6.00 | 0.0% |
| Junior Residents (up to 30% discount) | Discretionary | 6.00 | 6.00 | 0.0% |
| Junior Concessions (up to 50% Discount) | Discretionary | 3.00 | 3.00 | 0.0% |
| Cherry Hinton Village Centre | | | | |
| Activity | | | | |
| Main Hall per Hour - Adult | Discretionary | 53.50 | 55.00 | 2.8% |
| Main Hall per Hour - Junior (17yr & Under) | Discretionary | 31.00 | 32.00 | 3.2% |
| Large Meeting Room per hour - (Community) | Discretionary | 24.00 | 24.75 | 3.1% |
| Large Meeting Room per hour - (Commercial) | Discretionary | 34.50 | 35.50 | 2.9% |
| Small Meeting Room per hour - (Community) | Discretionary | 12.50 | 13.00 | 4.0% |
| Small Meeting Room per hour - (Commercial) | Discretionary | 21.00 | 21.50 | 2.4% |
| Admission on Sports Bookings per person | Discretionary | 0.30 | 0.30 | 0.0% |
| Badminton Court per hour - Adult | Discretionary | 15.00 | 15.50 | 3.3% |
| Badminton Court per hour - Junior (17yr & Under) | Discretionary | 8.75 | 9.00 | 2.9% |

Housing - General Fund

| Charge Type and description | Discretionary or Statutory | Charges 2023/24 £ | Proposed Charges 2024/25 £ | % Increase 2024/25 |
|---|----------------------------|---|---|-----------------------|
| Licences: | | | | |
| HMO Licences - New Applications | Discretionary | 1,037.00 | 1,068.11 | 3.0% |
| HMO Licence - Renewals | Discretionary | 1,037.00 | 1,068.11 | 3.0% |
| HMO Licence - Renewals - if submitted at least 8 weeks prior to expiry of current licence | Discretionary | 933.00 | 960.99 | 3.0% |
| Assisted application | Discretionary | Cost | Cost | 0.0% |
| Enforcement Activity | | | | |
| Penalty for non compliance (not belonging to one of the approved Property Redress schemes) £5,000 maximum charge | Statutory | Monthly Local Housing Allowance Rate for the property, up to a maximum of £5,000 | Monthly Local Housing Allowance Rate for the property, up to a maximum of £5,000 | 0.0% |
| Subsequent offences | Statutory | 5,000.00 | 5,150.00 | 3.0% |
| Penalty for non compliance with the Smoke and Carbon Monoxide Regulations | Statutory | Monthly Local Housing Allowance Rate for the property, up to a maximum of £5,000 | Monthly Local Housing Allowance Rate for the property, up to a maximum of £5,000 | 0.0% |
| Fixed penalty for failure to produce an Energy Performance Certificate, EPC, as per the requirements of the Energy Act 2016 | Statutory | 200.00 | 206.00 | 3.0% |
| Civil Penalty for failure to comply with The Energy Efficiency (Private Rented Property) (England & Wales) Regulations 2015, MEES | Statutory | Maximum financial penalty of up to £5,000 taking into account the fine criteria and individual maximum penalties specified under Regulation 40 on a case by case basis. | Maximum financial penalty of up to £5,000 taking into account the fine criteria and individual maximum penalties specified under Regulation 40 on a case by case basis. | 0.0% |
| Civil Penalty for non-compliance under the Housing and Planning Act 2016 | Statutory | Case by case basis using agreed matrix, maximum of £30,000 per offence | Case by case basis using agreed matrix, maximum of £30,000 per offence | 0.0% |
| Charge for the service of an Improvement Notice under the Housing Act 2004 | Statutory | 383.00 | 394.49 | 3.0% |
| Charge for the service of a Prohibition Order under the Housing Act 2004 | Statutory | 347.00 | 357.41 | 3.0% |
| Charge for the service of an Emergency Remedial Action Notice under the Housing Act 2004 | Statutory | 325.00 | 334.75 | 3.0% |
| Charge for the review of Suspended notices or orders served under the Housing Act 2004 | Statutory | 116.00 | 119.48 | 3.0% |
| Financial Penalty for breach of The Electrical Safety Standards in the Private Rented Sector Regs 2020 | Statutory | Case by case as determined up to maximum £30,000 | Case by case as determined up to maximum £30,000 | 0.0% |
| Training and other services | | | | |
| Delivering training and other discretionary services for landlords and agents (Includes development, promotion, overheads and associated costs) | Discretionary | At Cost | At Cost | 0.0% |
| Landlord training (per delegate) | Discretionary | At Cost | At Cost | 0.0% |

Open Spaces and City Services

| Charge Type and description | Discretionary or Statutory | Charges 2023/24 £ | Proposed Charges 2024/25 £ | % Increase 2024/25 |
|--|----------------------------|---|---|-----------------------|
| Allotments | | | | |
| Standard size is 10 rods (300 m2) | | | | |
| Allotment Full size | Discretionary | 73.00 | 68.00 | (6.8%) |
| Allotment Half size | Discretionary | 36.50 | 34.00 | (6.8%) |
| Allotment starter plot | Discretionary | 25.50 | 24.00 | (5.9%) |
| Parks, Commons & Open Spaces | | | | |
| Grazing | | | | |
| Cows | Discretionary | 75.00 | 75.00 | 0.0% |
| Cows - 10 or more (per beast) | Discretionary | 48.00 | 48.00 | 0.0% |
| Parks & Open Spaces Lettings | | | | |
| Application Fee - all applicants (may be returnable for local events if criteria met) (Plus VAT) | Discretionary | 135.00 | 145.00 | 7.4% |
| Filming on parks and open spaces (Non Commercial) | Discretionary | Free | Free | 0.0% |
| Filming on parks and open spaces (Commercial) | Discretionary | Negotiable | Negotiable | 0.0% |
| Daily Hire - Fairs # | Discretionary | 550.00 | 590.00 | 7.3% |
| Daily Hire - Circuses # | Discretionary | 470.00 | 500.00 | 6.4% |
| Setting up/Pulling down days (For events where hire fee is more) | Discretionary | 263.00 | 280.00 | 6.5% |
| Ongoing business use e.g. fitness classes (per quarter) | Discretionary | 405.00 | 430.00 | 6.2% |
| Non Commercial Public Events ‡ | Discretionary | 317.00 | 340.00 | 7.3% |
| National Charities ‡ | Discretionary | 245.00 | 260.00 | 6.1% |
| Local events / demos ‡ | Discretionary | Free | Free | 0.0% |
| Fun Runs and Charity Walks (Local Charity Run/100% beneficiary)(under 500 participants) | Discretionary | Free | Free | 0.0% |
| Commercial Public Events on City Centre Parks: † | Discretionary | Negotiable | Negotiable | 0.0% |
| - minimum charge for lettings up to and over 1,000 sq. metres | Discretionary | 1,030.00 | 1,100.00 | 6.8% |
| - additional charge per square metre for lettings over 1,000 sq. metres | Discretionary | 2.35 | 2.50 | 6.4% |
| Commercial Public Events on Other Parks & Open Spaces: † | Discretionary | Negotiable | Negotiable | 0.0% |
| - minimum charge for lettings up to and over 1,000 sq. metres | Discretionary | 545.00 | 580.00 | 6.4% |
| - additional charge per square metre for lettings over 1,000 sq. metres | Discretionary | 2.35 | 2.50 | 6.4% |
| Use of a Premises Licence for external event providers | Discretionary | At Pro rata cost per day of total licence fee | At Pro rata cost per day of total licence fee | 0.0% |
| Provision of Wi-Fi facility for commercial events | Discretionary | Free Where Existing | Free Where Existing | 0.0% |
| Internal Event/Cambridge Live - No Fees | Discretionary | 149.00 | 160.00 | 7.4% |
| Internal Event/Cambridge Live - Fee Paying | Discretionary | 200.00 | 215.00 | 7.5% |
| Bill Posting | | | | |
| A4 size poster | Discretionary | 6.50 | 7.00 | 7.7% |
| A3 size poster | Discretionary | 7.50 | 8.00 | 6.7% |
| A2 size poster | Discretionary | 10.00 | 11.00 | 10.0% |
| A1 size poster | Discretionary | 14.00 | 15.00 | 7.1% |
| A0 size poster | Discretionary | 45.00 | 48.00 | 6.7% |
| Lammas Land Car Park | | | | |
| Monday to Friday | | | | |
| Up to 2 Hours | Discretionary | 2.20 | 2.30 | 4.5% |
| Up to 4 Hours | Discretionary | 5.40 | 5.50 | 1.9% |
| Up to 5 Hours | Discretionary | 10.80 | 11.00 | 1.9% |
| Up to 8 Hours (Maximum allowed) | Discretionary | 22.00 | 22.50 | 2.3% |
| Saturday and Sunday | | | | |
| Up to 2 Hours | Discretionary | 2.20 | 2.30 | 4.5% |
| Up to 4 Hours | Discretionary | 5.20 | 5.50 | 5.8% |
| Up to 5 Hours (Maximum allowed) | Discretionary | 9.80 | 10.00 | 2.0% |
| Trolley Collection | | | | |
| Trolleys-Council collection and delivery of trolley back to store immediately | Discretionary | 69.00 | 74.00 | 7.2% |
| Council collection and storage of trolleys collected 1st Week | Discretionary | 75.00 | 80.00 | 6.7% |
| Council collection and storage of trolleys collected 2nd Week | Discretionary | 95.00 | 102.00 | 7.4% |
| Council collection and storage of trolleys collected 3rd Week | Discretionary | 115.00 | 124.00 | 7.8% |
| Council collection and storage of trolleys collected 4th Week | Discretionary | 135.00 | 145.00 | 7.4% |
| Council collection and storage of trolleys collected 5th Week | Discretionary | 159.00 | 170.00 | 6.9% |
| Council collection and storage of trolleys collected 6th Week | Discretionary | 174.00 | 188.00 | 8.0% |
| Council collection and storage of trolleys disposed of after 6 weeks | Discretionary | 177.00 | 190.00 | 7.3% |

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

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

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

Open Spaces and City Services

All fees are Discretionary

| MULTISTOREY CAR PARKS (Pay on foot) | 2023/24 | | | |
|-------------------------------------|---------------------|--|-----------------------------------|--|
| | Mondays to Fridays | Mondays to Fridays PEAK TIME | Saturdays and Sundays | Saturdays and Sundays PEAK TIME |
| Grand Arcade | Mon-Fri 10am to 6pm | If a vehicle parks between Mon to Fri 8am to 10am the following rates are payable for the duration of the stay (8am-6pm) | Sat 8am to 6pm Sun 10am to 6pm | If a vehicle parks between 11am to 1pm the following rates are payable for the duration of the stay (Sat 11am-6pm and Sun 11am to 6pm) |
| 1hr | £2.70 | £3.30 | £3.10 | £3.60 |
| 2hrs | £5.30 | £6.40 | £5.90 | £7.00 |
| 3hrs | £8.00 | £9.60 | £8.70 | £10.40 |
| 4hrs | £11.70 | £13.80 | £13.50 | £15.70 |
| 5hrs | £22.30 | £25.10 | £23.70 | £26.40 |
| over 5 hrs | £28.80 | £32.00 | £29.90 | £33.10 |
| evenings & overnight | £0.00 | £0.00 | £0.00 | £0.00 |

| 2024/25 | |
|---|----------------------------|
| Monday to Sunday PEAK | Monday to Sunday OFF PEAK |
| For entries between 8am to 10am Mon - Fri 11am to 1pm Sat & Sun | Entries at all other times |
| £3.10 | £3.60 |
| £6.10 | £7.20 |
| £9.10 | £10.80 |
| £13.50 | £15.70 |
| £23.70 | £26.40 |
| £30.00 | £33.10 |
| £0.00 | £0.00 |

| 2024/25 from 2023/24 | | | |
|----------------------|--------------|------------------|--------------|
| Comparisons % Change | | | |
| Mon-Fri NON PEAK | Mon-Fri PEAK | Sat-Sun NON PEAK | Sat-Sun PEAK |
| 14.8% | 9.1% | 0.0% | 0.0% |
| 15.1% | 12.5% | 3.4% | 2.9% |
| 13.8% | 12.5% | 4.6% | 3.8% |
| 15.4% | 13.8% | 0.0% | 0.0% |
| 6.3% | 5.2% | 0.0% | 0.0% |
| 4.2% | 3.4% | 0.3% | 0.0% |
| 0.0% | 0.0% | 0.0% | 0.0% |

| MULTISTOREY CAR PARKS (Pay on foot) | 2023/24 | | | |
|-------------------------------------|---------------------|--|-----------------------------------|--|
| | Mondays to Fridays | Mondays to Fridays PEAK TIME | Saturdays and Sundays | Saturdays and Sundays PEAK TIME |
| Queen Anne Terrace | Mon-Fri 10am to 6pm | If a vehicle parks between Mon to Fri 8am to 10am the following rates are payable for the duration of the stay (8am-6pm) | Sat 8am to 6pm Sun 10am to 6pm | If a vehicle parks between 11am to 1pm the following rates are payable for the duration of the stay (Sat 11am-6pm and Sun 11am to 6pm) |
| 1hr | £1.70 | £2.30 | £1.70 | £2.30 |
| 2hrs | £3.50 | £4.60 | £3.50 | £4.60 |
| 3hrs | £4.80 | £6.40 | £4.80 | £6.40 |
| 4hrs | £5.70 | £7.80 | £5.70 | £7.80 |
| 5hrs | £7.50 | £10.20 | £7.50 | £10.20 |
| 6hrs | £11.40 | £14.70 | £11.40 | £14.70 |
| over 6 hrs | £15.30 | £19.10 | £15.30 | £19.10 |
| evenings & overnight | £0.00 | £0.00 | £0.00 | £0.00 |

| 2024/25 | |
|---|----------------------------|
| Monday to Sunday PEAK | Monday to Sunday OFF PEAK |
| For entries between 8am to 10am Mon - Fri 11am to 1pm Sat & Sun | Entries at all other times |
| £1.70 | £2.30 |
| £3.40 | £4.60 |
| £5.00 | £6.90 |
| £6.60 | £9.00 |
| £8.20 | £11.30 |
| £13.20 | £15.60 |
| £17.50 | £20.00 |
| £0.00 | £0.00 |

| 2024/25 from 2023/24 | | | |
|----------------------|--------------|------------------|--------------|
| Comparisons % Change | | | |
| Mon-Fri NON PEAK | Mon-Fri PEAK | Sat-Sun NON PEAK | Sat-Sun PEAK |
| 0.0% | 0.0% | 0.0% | 0.0% |
| -2.9% | 0.0% | -2.9% | 0.0% |
| 4.2% | 7.8% | 4.2% | 7.8% |
| 15.8% | 15.4% | 15.8% | 15.4% |
| 9.3% | 10.8% | 9.3% | 10.8% |
| 15.8% | 6.1% | 15.8% | 6.1% |
| 14.4% | 4.7% | 14.4% | 4.7% |
| 0.0% | 0.0% | 0.0% | 0.0% |

| MULTISTOREY CAR PARKS (Pay on foot) | 2023/24 | | | |
|-------------------------------------|---------------------|--|-----------------------------------|--|
| | Mondays to Fridays | Mondays to Fridays PEAK TIME | Saturdays and Sundays | Saturdays and Sundays PEAK TIME |
| Park Street | Mon-Fri 10am to 7pm | If a vehicle parks between Mon to Fri 8am to 10am the following rates are payable for the duration of the stay (8am-7pm) | Sat 9am to 7pm Sun 10am to 5pm | If a vehicle parks between 11am to 1pm the following rates are payable for the duration of the stay (Sat 11am-7pm and Sun 11am to 5pm) |
| 1hr | £0.00 | £0.00 | £0.00 | £0.00 |
| 2hrs | £0.00 | £0.00 | £0.00 | £0.00 |
| 3hrs | £0.00 | £0.00 | £0.00 | £0.00 |
| 4hrs | £0.00 | £0.00 | £0.00 | £0.00 |
| 5hrs | £0.00 | £0.00 | £0.00 | £0.00 |
| over 5 hrs | £0.00 | £0.00 | £0.00 | £0.00 |
| evenings & overnight | £0.00 | £0.00 | £0.00 | £0.00 |

| 2024/25 | |
|---|----------------------------|
| Monday to Sunday PEAK | Monday to Sunday OFF PEAK |
| For entries between 8am to 10am Mon - Fri 11am to 1pm Sat & Sun | Entries at all other times |
| £2.40 | £2.90 |
| £4.10 | £5.10 |
| £6.10 | £7.60 |
| £10.30 | £12.30 |
| £18.10 | £20.70 |
| £25.50 | £28.80 |
| £0.80 | £0.80 |

| 2024/25 from 2023/24 | | | |
|----------------------|--------------|------------------|--------------|
| Comparisons % Change | | | |
| Mon-Fri NON PEAK | Mon-Fri PEAK | Sat-Sun NON PEAK | Sat-Sun PEAK |
| 0.0% | 0.0% | 0.0% | 0.0% |
| 0.0% | 0.0% | 0.0% | 0.0% |
| 0.0% | 0.0% | 0.0% | 0.0% |
| 0.0% | 0.0% | 0.0% | 0.0% |
| 0.0% | 0.0% | 0.0% | 0.0% |
| 0.0% | 0.0% | 0.0% | 0.0% |
| 0.0% | 0.0% | 0.0% | 0.0% |

| MULTISTOREY CAR PARKS (Pay on foot) | 2023/24 | | | |
|-------------------------------------|---------------------|--|-----------------------------------|--|
| | Mondays to Fridays | Mondays to Fridays PEAK TIME | Saturdays and Sundays | Saturdays and Sundays PEAK TIME |
| Grafton East | Mon-Fri 10am to 6pm | If a vehicle parks between Mon to Fri 8am to 10am the following rates are payable for the duration of the stay (8am-6pm) | Sat 8am to 6pm Sun 10am to 6pm | If a vehicle parks between 11am to 1pm the following rates are payable for the duration of the stay (Sat 11am-6pm and Sun 11am to 6pm) |
| 1hr | £2.50 | £3.10 | £2.70 | £3.30 |
| 2hrs | £4.10 | £5.20 | £5.00 | £6.10 |
| 3hrs | £6.40 | £8.10 | £7.10 | £8.70 |
| 4hrs | £10.60 | £12.80 | £12.00 | £14.20 |
| 5hrs | £19.50 | £22.20 | £20.70 | £23.40 |
| over 5 hrs | £27.60 | £30.80 | £27.60 | £30.80 |
| evenings & overnight | £0.00 | £0.00 | £0.00 | £0.00 |

| 2024/25 | |
|---|----------------------------|
| Monday to Sunday PEAK | Monday to Sunday OFF PEAK |
| For entries between 8am to 10am Mon - Fri 11am to 1pm Sat & Sun | Entries at all other times |
| £2.60 | £3.20 |
| £5.00 | £6.20 |
| £7.40 | £9.20 |
| £12.00 | £14.20 |
| £20.70 | £23.40 |
| £27.60 | £30.80 |
| £0.00 | £0.00 |

| 2024/25 from 2023/24 | | | |
|----------------------|--------------|------------------|--------------|
| Comparisons % Change | | | |
| Mon-Fri NON PEAK | Mon-Fri PEAK | Sat-Sun NON PEAK | Sat-Sun PEAK |
| 4.0% | 3.2% | -3.7% | -3.0% |
| 22.0% | 19.2% | 0.0% | 1.6% |
| 15.6% | 13.6% | 4.2% | 5.7% |
| 13.2% | 10.9% | 0.0% | 0.0% |
| 6.2% | 5.4% | 0.0% | 0.0% |
| 0.0% | 0.0% | 0.0% | 0.0% |
| 0.0% | 0.0% | 0.0% | 0.0% |

| MULTISTOREY CAR PARKS (Pay on foot) | 2023/24 | | | |
|-------------------------------------|---------------------|--|-----------------------------------|--|
| | Mondays to Fridays | Mondays to Fridays PEAK TIME | Saturdays and Sundays | Saturdays and Sundays PEAK TIME |
| Grafton West | Mon-Fri 10am to 6pm | If a vehicle parks between Mon to Fri 8am to 10am the following rates are payable for the duration of the stay (8am-6pm) | Sat 8am to 6pm Sun 10am to 6pm | If a vehicle parks between 11am to 1pm the following rates are payable for the duration of the stay (Sat 11am-6pm and Sun 11am to 6pm) |
| 1hr | £2.50 | £3.10 | £2.70 | £3.30 |
| 2hrs | £4.10 | £5.20 | £5.00 | £6.10 |
| 3hrs | £6.40 | £8.10 | £7.10 | £8.70 |
| 4hrs | £10.60 | £12.80 | £12.00 | £14.20 |
| 5hrs | £19.50 | £22.20 | £20.70 | £23.40 |
| over 5 hrs | £27.60 | £30.80 | £27.60 | £30.80 |
| evenings & overnight | £0.00 | £0.00 | £0.00 | £0.00 |

| 2024/25 | |
|---|----------------------------|
| Monday to Sunday PEAK | Monday to Sunday OFF PEAK |
| For entries between 8am to 10am Mon - Fri 11am to 1pm Sat & Sun | Entries at all other times |
| £2.60 | £3.20 |
| £5.00 | £6.20 |
| £7.40 | £9.20 |
| £12.00 | £14.20 |
| £20.70 | £23.40 |
| £27.60 | £30.80 |
| £0.00 | £0.00 |

| 2024/25 from 2023/24 | | | |
|----------------------|--------------|------------------|--------------|
| Comparisons % Change | | | |
| Mon-Fri NON PEAK | Mon-Fri PEAK | Sat-Sun NON PEAK | Sat-Sun PEAK |
| 4.0% | 3.2% | -3.7% | -3.0% |
| 22.0% | 19.2% | 0.0% | 1.6% |
| 15.6% | 13.6% | 4.2% | 5.7% |
| 13.2% | 10.9% | 0.0% | 0.0% |
| 6.2% | 5.4% | 0.0% | 0.0% |
| 0.0% | 0.0% | 0.0% | 0.0% |
| 0.0% | 0.0% | 0.0% | 0.0% |

| SURFACE CAR PARKS | | | | |
|--|----------------------------|----------------------------|----------|------------------------|
| ADAM AND EVE STREET Monday to Friday 8am to 7pm Saturday 9am to 7pm Sunday 10am to 5pm | Pay and display | | | |
| Maximum stay 2 hours | 2023/24 | 2024/25 | % change | Evenings and overnight |
| Charges | 80p for 20 mins (£2.40/hr) | 80p for 20 mins (£2.40/hr) | 0.0% | Free |

| | | | | |
|---|-----------------|---------|----------|------------------------|
| CASTLE HILL CAR PARK Monday to Friday 8am to 7pm Saturday 9am to 7pm Sunday 10am to 5pm | Pay and display | | | |
| Charges | 2023/24 | 2024/25 | % change | Evenings and overnight |
| Up to 2 hours | £2.80 | £2.80 | 0.0% | Free |
| 2-4 hours | £5.30 | £5.30 | 0.0% | |
| over 4 hours | £8.90 | £8.90 | 0.0% | |
| Sunday - all day charge | £4.50 | £4.50 | 0.0% | |
| Weekly ticket (7 days) | £39.00 | £42.00 | 7.7% | |

| | | | | |
|---|----------------------------|----------------------------|----------|------------------------|
| GWYDIR STREET CAR PARK Monday to Friday 8am to 7pm Saturday 9am to 7pm | Pay and display | | | |
| Maximum stay 2 hours | 2023/24 | 2024/25 | % change | Evenings and overnight |
| Charges | 90p for 30 mins (£1.80/hr) | 90p for 30 mins (£1.80/hr) | 0.0% | Free |

| | | | | |
|---|----------------------------|----------------------------|----------|------------------------|
| RIVERSIDE CAR PARK Monday to Friday 8am to 7pm Saturday 9am to 7pm | Pay and display | | | |
| Maximum stay 8 hours | 2023/24 | 2024/25 | % change | Evenings and overnight |
| Charges | 70p for 30 mins (£1.40/hr) | 80p for 30 mins (£1.40/hr) | 14.3% | Free |

| SEASON TICKET CHARGES - Business Permits | | | | | |
|--|--|--|----------|--|------------------------|
| Park Street, Queen Anne and Grafton Centre car parks | Quarterly fee inclusive of VAT (23/24) | Quarterly fee inclusive of VAT (24/25) | % change | 20% Discount for low emission [Group A] vehicles 22/23 | Discounted fee (22/23) |
| 24/7 Premium (Grafton car park & Queen Anne) | £970.00 | £1,030.00 | 6.2% | £206.00 | £824.00 |
| Monday-Friday 24 hour access (one car park*) | £740.00 | No longer offered | N/A | N/A | N/A |
| Monday-Friday 8am -6pm (one car park*) | £590.00 | £625.00 | 5.9% | £125.00 | £500.00 |

Note * excluding Grand Arcade car park

DISABLED BADGE HOLDERS

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

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

Three hours free parking when a valid Blue Badge and time clock is displayed at **Adam and Eve, Castle Hill, Gwydir Street and Riverside car parks.**

Finance and Resources

Mooring Fees

| Charge Type and description | Discretionary or Statutory | Charges 2023/24 £ | Proposed Charges 2024/25 £ | % Increase 2024/25 |
|---|----------------------------|-------------------|----------------------------|--------------------|
| Mooring Fees* | | | | |
| Tariff Class 30 - vessel up to 5 metres | Discretionary | 981.00 | 1,057.00 | 7.7% |
| Tariff Class 32 - vessel under 3 metres | Discretionary | 981.00 | 1,057.00 | 7.7% |
| Tariff Class 33 - Vessel 3 to 5 metres | Discretionary | 981.00 | 1,057.00 | 7.7% |
| Tariff Class 34 - Vessel 5 to 7.5 metres | Discretionary | 1,047.00 | 1,128.00 | 7.7% |
| Tariff Class 35 - Vessel 7.5 to 10 metres | Discretionary | 1,112.00 | 1,198.00 | 7.7% |
| Tariff Class 36 - Vessel 10 to 12.5 metres | Discretionary | 1,178.00 | 1,269.00 | 7.7% |
| Tariff Class 37 - Vessel 12.5 to 15 metres | Discretionary | 1,243.00 | 1,339.00 | 7.7% |
| Tariff Class 38 - Vessel 15 to 20 metres | Discretionary | 1,308.00 | 1,410.00 | 7.8% |
| Tariff Class 39 - Vessel over 20 metres | Discretionary | 1,440.00 | 1,552.00 | 7.8% |
| Tariff Class 51 - Any other vessel | Discretionary | 1,440.00 | 1,552.00 | 7.8% |
| * All charges are subject to VAT. | | | | |
| ** The agreed fee increase for the 2022/23 financial year is as per the Review of Moorings Policy (March 2017) - RPIX for September 2021 - 5% | | | | |

Guildhall Lettings

| Charge Type and description | Discretionary or Statutory | Charges 2023/24 £ | Proposed Charges 2024/25 £ | % Increase 2024/25 |
|--|----------------------------|-------------------------|----------------------------|--------------------|
| Guildhall Meeting Rooms, Committee Rooms Council Chamber and Members Lounge | | | | |
| Guildhall Meeting Rooms (per hour) | Discretionary | 16.00 | 16.48 | 3.0% |
| Committee Room (s) | Discretionary | 33.00 | 33.99 | 3.0% |
| Council Chamber | Discretionary | 109.00 | 112.27 | 3.0% |
| Members Lounge | Discretionary | 16.00 | 16.48 | 3.0% |
| Exhibition area | Discretionary | 11.00 | 11.33 | 3.0% |
| Internal City Council Hirer - Office hours | Discretionary | No charge | No charge | 0.0% |
| Internal City Council Hirer - Out of office Hours, bank holiday and weekends | Discretionary | Actual Cost of staffing | Actual Cost of staffing | 0.0% |
| Shared Services/Greater Cambridge Partnership - Office hours up to half a day | Discretionary | No charge | No charge | 0.0% |
| Shared Services/Greater Cambridge Partnership - Other times - per hour* | Discretionary | Hourly Rate as above | Hourly Rate as above | 0.0% |
| Public Sector Partner - Office hours up to half a day ** | Discretionary | No charge | No charge | 0.0% |
| Public Sector Partner - Other times - per hour ** | Discretionary | Hourly Rate as above | Hourly Rate as above | 0.0% |
| Community & Voluntary Sector - Office hours up to half a day ** | Discretionary | No charge | No charge | 0.0% |
| Community & Voluntary Sector - Other times - per hour ** | Discretionary | Hourly Rate as above | Hourly Rate as above | 0.0% |
| Commercial Hires - per hour ** | Discretionary | Hourly Rate as above | Hourly Rate as above | 0.0% |
| **Includes Staffing charge | | | | |
| All customers will pay for additional costs of refreshments plus the cost of external Audio Visual use support | | | | |

Finance and Resources

Land Charges

| Charge Type and description | Discretionary or Statutory | Charges 2023/24 £ | Proposed Charges 2024/25 £ | % Increase 2024/25 |
|--|---|---|---|--------------------|
| Land Charges | | | | |
| LLC1 Official Search in respect of one parcel of land | Discretionary | 39.00 | 45.00 | 15.4% |
| Residential Search * | | | | |
| CON29R ** | Discretionary | 137.00 | 151.00 | 10.2% |
| LLC1 and CON29R (Full Residential Search)** | Discretionary | 176.00 | 196.00 | 11.4% |
| Additional Parcels of Land | Discretionary | 17.00 | 18.00 | 5.9% |
| Additional Parcels of Land LLC1 | Discretionary | 0.77 | 1.00 | 29.9% |
| Commercial Search | | | | |
| CON29R** | Discretionary | 241.00 | 273.00 | 13.3% |
| LLC1 and CON29R (Full Commercial Search)** | Discretionary | 280.00 | 318.00 | 13.6% |
| Additional Parcels of Land | Discretionary | 28.00 | 30.00 | 7.1% |
| Additional Parcels of Land LLC1 | Discretionary | 0.77 | 1.00 | 29.9% |
| Additions | | | | |
| Additional Enquiries * | Discretionary | 23.15 | 28.00 | 21.0% |
| Historic File Request (per address) | Discretionary | 45.00 | 50.00 | 11.1% |
| Invalid planning applications | Discretionary | 10% of application fee for closed or withdrawn applications | 10% of application fee for closed or withdrawn applications | 0.0% |
| Hard copy planning applications handling fee - Major applications (per application) | Discretionary | 100.00 | 103.00 | 3.0% |
| Hard copy planning applications handling fee - General & Other applications (per application) | Discretionary | 50.00 | 51.50 | 3.0% |
| CON290 (Optional Enquiries) * | | | | |
| Q4 - Road Proposals | Discretionary | 15.00 | 18.00 | 20.0% |
| Q5 - Advertisements | Discretionary | 15.00 | 18.00 | 20.0% |
| Q6 - Completion Notices | Discretionary | 15.00 | 18.00 | 20.0% |
| Q7- Parks & Countryside | Discretionary | 15.00 | 18.00 | 20.0% |
| Q8 - Pipelines | Discretionary | 0.00 | 0.00 | 0.0% |
| Q9 - House in Multiple Occupation | Discretionary | 15.00 | 18.00 | 20.0% |
| Q10- Noise Abatement and other Nuisances | Discretionary | 15.00 | 18.00 | 20.0% |
| Q11 - Urban Development Areas | Discretionary | 15.00 | 18.00 | 20.0% |
| Q12 - Enterprise Zones | Discretionary | 15.00 | 18.00 | 20.0% |
| Q13 - Inner Urban Development Areas | Discretionary | 15.00 | 18.00 | 20.0% |
| Q14 - Simplified Planning Zones | Discretionary | 15.00 | 18.00 | 20.0% |
| Q15 - Land Maintenance Notices | Discretionary | 15.00 | 18.00 | 20.0% |
| Q16 - Mineral Consultation Areas | Discretionary but set by County Council | 10.38 | 15.30 | 47.4% |
| Q17 - Hazardous Substance Consents | Discretionary | 15.00 | 18.00 | 20.0% |
| Q18 - Environmental & Pollution Notices | Discretionary | 15.00 | 18.00 | 20.0% |
| Q19 - Food Safety Notices | Discretionary | 15.00 | 18.00 | 20.0% |
| Q20 - Hedgerow Notices | Discretionary | 15.00 | 18.00 | 20.0% |
| Q21 - Flood Defence and Land Drainage Consents | Discretionary but set by County Council | 10.38 | 15.30 | 47.4% |
| Q22 - Common Land, Town and Village Greens | Discretionary but set by County Council | 19.98 | 30.60 | 53.2% |
| Discretionary services (including Pre-application work and Planning and Performance Agreements (PPAs)) will be charged for on a case by case basis. This charge will be based on full recovery of the cost of delivering the agreed work. Officer time will be charged at the following rate according to the officer band: | | | | |
| Executive Director | Discretionary | 275.00 | 340.00 | 23.6% |
| Grade 10 Assistant Director | Discretionary | 204.00 | 217.00 | 6.4% |
| Grade 9 | Discretionary | 159.00 | 192.00 | 20.8% |
| Grade 8 | Discretionary | 135.00 | 181.00 | 34.1% |
| Grade 7 | Discretionary | 119.00 | 170.00 | 42.9% |
| Grade 6 | Discretionary | 90.00 | 142.00 | 57.8% |
| Grade 5 | Discretionary | 81.00 | 131.00 | 61.7% |
| Grade 4 | Discretionary | 75.00 | 118.00 | 57.3% |
| Grade 3 | Discretionary | 68.00 | 98.00 | 44.1% |
| Grade 2 | Discretionary | 63.00 | 90.00 | 42.9% |
| The full direct cost of any external consultants, contractors or agency staff incurred by the Planning Service in the delivery of the discretionary service will also be included in any fees charged for the work done. Agency hourly rates charged at agency rates plus £28/hour overhead (£27/hour 2022-23) | | | | |

Notes

* Includes VAT

** The table includes updates on the 23-24 charges that were received following the publication of the 2024 BSR

Licensing

| Charge Type and description | Discretionary or Statutory | Charges 2023/24 £ | Proposed Charges 2024/25 £ | % Increase 2024/25 |
|--|----------------------------|-------------------|----------------------------|--------------------|
| Skin Piercing | | | | |
| Skin Piercing – Premises | Discretionary | 166.00 | 171.00 | 3.0% |
| Skin Piercing - Practitioners | Discretionary | 60.00 | 62.00 | 3.3% |
| Sex Establishments | | | | |
| Sexual Entertainment Venues (new & variation) | Discretionary | 3,425.00 | 3,528.00 | 3.0% |
| Sexual Entertainment Venues (renewal) | Discretionary | 1,014.00 | 1,044.00 | 3.0% |
| Sexual Entertainment Venues (transfer) | Discretionary | 1,014.00 | 1,044.00 | 3.0% |
| Sex Shop / Sex Cinema (new & variation) | Discretionary | 3,173.00 | 3,268.00 | 3.0% |
| Sex Shop / Sex Cinema (renewal) | Discretionary | 1,014.00 | 1,044.00 | 3.0% |
| Sex Shop / Sex Cinema (transfer) | Discretionary | 1,014.00 | 1,044.00 | 3.0% |
| Drivers | | | | |
| Disclosure & Barring Service Check (DBS) * | Discretionary | 38.00 | 38.00 | 0.0% |
| Knowledge Test | Discretionary | 120.00 | 120.00 | 0.0% |
| New Licence Fee | Discretionary | 270.00 | 300.00 | 11.1% |
| Annual Renewal Fee | Discretionary | 235.00 | 150.00 | (36.2%) |
| 3 Yearly Renewal Fee | Discretionary | 280.00 | 290.00 | 3.6% |
| Replacement Badges | Discretionary | 25.00 | 26.00 | 4.0% |
| DVLA Data Check * (New service provider) | Discretionary | 5.52 | 5.52 | 0.0% |
| DVLA Data Check * (New service provider) 3 year licence | Discretionary | 16.52 | 16.52 | 0.0% |
| Change of Details | Discretionary | 25.00 | 25.00 | 0.0% |
| Replacement Licence | Discretionary | 25.00 | 25.00 | 0.0% |
| Vehicles | | | | |
| Hackney Carriage Licence (new) | Discretionary | 315.00 | 340.00 | 7.9% |
| Private Hire Licence (new) | Discretionary | 295.00 | 300.00 | 1.7% |
| Hackney Carriage Ultra Low Emission Vehicle (new) | Discretionary | 157.50 | 170.00 | 7.9% |
| Private Hire Ultra Low Emission Vehicle (new) | Discretionary | 147.50 | 150.00 | 1.7% |
| Hackney Carriage Zero Emission Vehicle (new) | Discretionary | 0.00 | 0.00 | 0.0% |
| Private Hire Zero Emission Vehicle (new) | Discretionary | 0.00 | 0.00 | 0.0% |
| Hackney Carriage Licence Renewal | Discretionary | 220.00 | 225.00 | 2.3% |
| Private Hire Licence Renewal | Discretionary | 205.00 | 210.00 | 2.4% |
| Hackney Carriage Ultra Low Emission Vehicle (renewal) | Discretionary | 110.00 | 112.50 | 2.3% |
| Private Hire Ultra Low Emission Vehicle (renewal) | Discretionary | 102.50 | 105.00 | 2.4% |
| Hackney Carriage Zero Emission Vehicle (renewal) | Discretionary | 0.00 | 0.00 | 0.0% |
| Private Hire Zero Emission Vehicle (renewal) | Discretionary | 0.00 | 0.00 | 0.0% |
| Plate Deposit | Discretionary | 50.00 | 50.00 | 0.0% |
| Replacement Plate | Discretionary | 40.00 | 45.00 | 12.5% |
| Change of Ownership | Discretionary | 100.00 | 100.00 | 0.0% |
| Crest - self adhesive | Discretionary | 13.00 | 15.00 | 15.4% |
| Crest - magnetic | Discretionary | 15.00 | 20.00 | 33.3% |
| Replacement Licence | Discretionary | 25.00 | 25.00 | 0.0% |
| Change of Details | Discretionary | 25.00 | 25.00 | 0.0% |
| Operators Licence | | | | |
| Private Hire Operators Licence (New) | Discretionary | 320.00 | 360.00 | 12.5% |
| Private Hire Operators Licence (Renewal - 1 Year) | Discretionary | 285.00 | 290.00 | 1.8% |
| Private Hire Operators Licence (renewal - 5 Year) | Discretionary | 1,060.00 | 1,095.00 | 3.3% |
| Replacement Licence | Discretionary | 25.00 | 25.00 | 0.0% |
| Change of Details | Discretionary | 25.00 | 25.00 | 0.0% |
| Training | | | | |
| Fee for Customer Awareness: Safeguarding, Equality & Protection Training | Discretionary | 53.00 | 55.00 | 3.8% |
| BIIAB Level 1 Award in Responsible Alcohol Retailing | Discretionary | 75.00 | 103.00 | 37.3% |
| BIIAB Level 2 Award for Personal Licence Holders | Discretionary | 123.00 | 127.00 | 3.3% |
| Licensing Act 2003 (**Statutory Set) | | | | |
| Personal Licence | Statutory | 37.00 | 37.00 | 0.0% |
| New Premises Licence (or full variation) | Statutory | Various | Various | 0.0% |
| Annual Fee | Statutory | Various | Various | 0.0% |
| Minor Variation | Statutory | 89.00 | 89.00 | 0.0% |
| Temporary Event Notice | Statutory | 21.00 | 21.00 | 0.0% |
| Change of Designated Premises Supervisor | Statutory | 23.00 | 23.00 | 0.0% |
| Pavement Licensing | | | | |
| Pavement Licence | Statutory | 100.00 | 100.00 | 0.0% |
| Gambling Act 2005 (**Statutory Set) | | | | |
| Bingo Club (New) | Statutory | 2,625.00 | 2,625.00 | 0.0% |
| Bingo Club (Annual Fee) | Statutory | 900.00 | 900.00 | 0.0% |
| Small Society Lottery (New) | Statutory | 40.00 | 40.00 | 0.0% |
| Small Society Lottery (Annual) | Statutory | 20.00 | 20.00 | 0.0% |
| Betting Premises (New) | Statutory | 2,250.00 | 2,250.00 | 0.0% |
| Betting Premises (Annual Fee) | Statutory | 540.00 | 540.00 | 0.0% |
| Family Entertainment Centre (Annual Fee) | Statutory | 500.00 | 500.00 | 0.0% |
| Adult Gaming Centre (New) | Statutory | 1,500.00 | 1,500.00 | 0.0% |
| Adult Gaming Centre (Annual Fee) | Statutory | 900.00 | 900.00 | 0.0% |
| Animal Licensing | | | | |
| Zoo | Discretionary | 660.00 | 660.00 | 0.0% |
| Dangerous Wild Animals (Plus Vet fees) | Discretionary | 326.00 | 326.00 | 0.0% |
| Variation of a licence requiring a re-inspection (Plus Vet fees) | Discretionary | 58.00 | 58.00 | 0.0% |
| Exhibiting animals: | | | | |
| Fees on application | Discretionary | 86.00 | 86.00 | 0.0% |
| Initial rating or re-rating fee | Discretionary | 148.00 | 148.00 | 0.0% |
| Maintenance fee (3 years) | Discretionary | 427.00 | 427.00 | 0.0% |

| Charge Type and description | Discretionary or Statutory | Charges 2023/24 £ | Proposed Charges 2024/25 £ | % Increase 2024/25 |
|---|----------------------------|----------------------|----------------------------------|-----------------------|
| Variation of a licence requiring a re-inspection | Discretionary | 148.00 | 148.00 | 0.0% |
| Copy of licence or change of details not requiring an inspection | Discretionary | 12.50 | 12.50 | 0.0% |
| Selling animals as pets: | | | | |
| Fees on application | Discretionary | 86.00 | 86.00 | 0.0% |
| Initial rating or re-rating fee | Discretionary | 244.00 | 244.00 | 0.0% |
| Maintenance fee: one year | Discretionary | 142.00 | 142.00 | 0.0% |
| two years | Discretionary | 284.00 | 284.00 | 0.0% |
| three years | Discretionary | 427.00 | 427.00 | 0.0% |
| Variation of a licence requiring a re-inspection | Discretionary | 244.00 | 244.00 | 0.0% |
| Copy of licence or change of details not requiring an inspection | Discretionary | 12.50 | 12.50 | 0.0% |
| Riding Establishment: | | | | |
| Fees on application | Discretionary | 86.00 | 86.00 | 0.0% |
| Initial rating or re-rating fee (plus additional vets fee not included) | Discretionary | 49.00 | 49.00 | 0.0% |
| Maintenance fee: one year | Discretionary | 142.00 | 142.00 | 0.0% |
| two years | Discretionary | 284.00 | 284.00 | 0.0% |
| three years | Discretionary | 427.00 | 427.00 | 0.0% |
| Variation of a licence requiring a re-inspection (plus vets fee not included) | Discretionary | 49.00 | 49.00 | 0.0% |
| Copy of licence or change of details not requiring an inspection | Discretionary | 12.50 | 12.50 | 0.0% |
| Dog Breeding: | | | | |
| Fees on application | Discretionary | 86.00 | 86.00 | 0.0% |
| Initial rating or re-rating fee (plus additional vets fee not included) | Discretionary | 49.00 | 49.00 | 0.0% |
| Maintenance fee: one year | Discretionary | 142.00 | 142.00 | 0.0% |
| two years | Discretionary | 284.00 | 284.00 | 0.0% |
| three years | Discretionary | 427.00 | 427.00 | 0.0% |
| Variation of a licence requiring a re-inspection (plus vets fee not included) | Discretionary | 49.00 | 49.00 | 0.0% |
| Copy of licence or change of details not requiring an inspection | Discretionary | 12.50 | 12.50 | 0.0% |
| Animal Boarding: | | | | |
| Fees on application: up to 10 animals | Discretionary | 86.00 | 86.00 | 0.0% |
| Initial rating or re-rating fee | Discretionary | 148.00 | 148.00 | 0.0% |
| Variation of a licence requiring a re-inspection | Discretionary | 148.00 | 148.00 | 0.0% |
| Fees on application: 11- 30 animals | Discretionary | 196.00 | 196.00 | 0.0% |
| Variation of a licence requiring a re-inspection | Discretionary | 196.00 | 196.00 | 0.0% |
| Fees on application: 31-60 animals | Discretionary | 244.00 | 244.00 | 0.0% |
| Variation of a licence requiring a re-inspection | Discretionary | 244.00 | 244.00 | 0.0% |
| Fees on application: 61-99 animals | Discretionary | 293.00 | 293.00 | 0.0% |
| Variation of a licence requiring a re-inspection | Discretionary | 293.00 | 293.00 | 0.0% |
| Fees on application: 100 or more animals | Discretionary | 342.00 | 342.00 | 0.0% |
| Variation of a licence requiring a re-inspection | Discretionary | 342.00 | 342.00 | 0.0% |
| Maintenance fee: one year | Discretionary | 142.00 | 142.00 | 0.0% |
| two years | Discretionary | 284.00 | 284.00 | 0.0% |
| three years | Discretionary | 427.00 | 427.00 | 0.0% |
| Copy of licence or change of details not requiring an inspection | Discretionary | 12.50 | 12.50 | 0.0% |
| Street Trading | | | | |
| 12 month food licence pitch | Discretionary | 2,886.00 | 2,886.00 | 0.0% |
| 12 month retail licence pitch | Discretionary | 2,727.00 | 2,727.00 | 0.0% |
| 8 month food licence pitch | Discretionary | 2,165.00 | 2,165.00 | 0.0% |
| 8 month retail licence pitch | Discretionary | 2,045.00 | 2,045.00 | 0.0% |
| 4 month food licence pitch | Discretionary | 722.00 | 722.00 | 0.0% |
| 4 month retail licence pitch | Discretionary | 682.00 | 682.00 | 0.0% |
| * These charges are shown net of VAT | | | | |
| ** Externally set fees and charges | | | | |
| *** These 20-21 fees have been updated following consultation and differ from those included in the 2020 BSR | | | | |
| Please note that all licensing fees not set by statute were approved at Licensing Committee on 29th January 2024 | | | | |

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

Liberal Democrat Group Amendment to the General Fund Budget

This amendment:

- Refocuses on the true findings from this year's public consultation on the budget and commits to reviewing the consultation process for future years;
- Doubles the City Services' Community Action Days to help reduce fly tipping;
- Restores and expands the Environmental Enforcement Team by two officers;
- Prohibits mopeds, motorcycles and unlicensed e-scooters from council open spaces;
- Funds two acoustic monitoring cameras to deter late night street racers;
- Enables a feasibility study for the replacement/upgrading of the Jesus Green toilets;
- Calls for acceleration of the transformation programme; reviews of market stall holder recruitment and of future steps with the crematorium; and evaluation of income generation from service provision to external organisations in other areas.

The council is channelling a lot of effort into strategy and envisaging big projects, as it should. But in doing so it seems to have stopped listening to the everyday needs of residents - and even stopped asking. It should be capable of doing both things.

The tightness of overall resources, the drive to re-design services and the challenges of the city's growth should not prevent flexing of resources to support improvements in outcomes, capitalising on what already works.

Incredibly the council's public consultation on the budget failed even to ask for feedback on what is actually in the budget. No helpful questions were asked about what could be done - more or less of. It only consisted of a series of abstract propositions. Even the responses to them are misread or misrepresented in the Budget Setting Report.

In describing the outcome of the consultation, the report (p252) completely ignores that the priority considered most important for the city was "essential public services", and instead falsely declares that others were, which actually drew much less support (p297). It also inaccurately states (p265) that responses indicated that people supported "reducing the specification of some services", when precisely the reverse was the actual response, in which they opposed it by a large margin (p306). Apparently Labour councillors were intent on reading the results as what best suited their own thinking, irrespective of what people actually said in the consultation.

The airbrushing of "basic services" from priorities speaks volumes and the erosion of service standards are part of a trend. In the Housing Scrutiny Committee we have already challenged the underperformance of housing maintenance for existing tenants and offered practical measures to start to correct this, only for them to be swept aside, despite little coherent argument against them.

In this General Fund budget we are proposing a series of measures to improve the council's approach to anti-social behaviour – speaking directly to what people are actually telling us is their priority of basic public services and the council's top three most valued services. There is no shortage of evidence of how public nuisance touches people's lives – whether it's fly-tipping, littering, waste management, private property used as a urinal, alarming late-night

noise from street racers, unsafe or illegal use of motorised two-wheelers. These are live concerns across the whole city and they are legitimate ones.

This is not the first time we have raised these issues. But that didn't stop last year's Labour budget cutting back on Environmental Enforcement Officers. And it didn't stop proposals to deter noisy street racers or to take action on e-scooters both being faintly blessed before just disappearing into the long grass. Meantime the council forges on without making a dent in the 2000 reported cases of fly-tipping each year, while at the same time preventing any further public monitoring of trends and performance by scrapping area committees which carried that out. So our amendment this year gives the opportunity to respond positively to try and make more of a difference with a series of practical funded measures. These in no way change the calculus for future financial strategy.

The measures build on community effort, clearer information and education, improving choices for the avoidance of nuisance, as well as making patrolling more intensive across the city.

Anti-social behaviour impacts people right across the social spectrum. But the wellbeing of the frail and the vulnerable is especially affected. It also makes it harder to grow and maintain community pride and cohesion, which we need to build in Cambridge.

On our wider critique of financial strategy, we welcome that plans are finally underway for the refurbishment of the Guildhall which could save ongoing costs and increase ongoing income from our still enormous reserves, potentially helping us avoid cutbacks in services and meet other policy objectives, such as carbon reduction. But our amendment addresses our other unanswered goals: an acceleration of the transformation process which since last year has instead been spread out even longer; a review of those services which are suffering from declining income; and examination of the scope for income generation from service provision to other organisations.

Cllr Karen Young – Liberal Democrat Spokesperson for Finance & Resources

Cllr Tim Bick – Liberal Democrat Group Leader

The amendment to the budget recommendations:

A. On page 238, after “(a) Approve” insert:

“Subject to the following modifications:”

(i) II5222 – City Services increased income

Further increase additional income from City Services, through both variation of fees to organisers of commercial events on council open spaces and of the number of such events so long as within existing policy, without impacting community-led initiatives.

(£30k) recurring

(ii) RI5223 – Reduced income – City Services

Reduce the City Services reductions in income provided for from the market and crematorium. Actions have been referred to in order to turn round these two services from

the succession of annual income reductions, but no organised plan has been shared. The cancellation of a part of the reduced budget for income is designed to intensify and accelerate the actions.

(£30k) recurring

(ii) **S5205 – Central provision review**

Further reduce Central budget provision.

(£30k) recurring

(iii) **NEW – Expansion of Community Action Days**

Doubling the current year City Services programme of 16 Community Action Days, which prompt voluntary neighbourhood clear-ups through the deposit of unwanted materials that are unsuitable for weekly collections - further expanding an acceptable alternative to fly-tipping. The additional budget provision provides for a part-time Band 4 officer in the community engagement team to support planning, co-ordination and staffing of events, enabling full use of the existing unspent budget, as well as meeting costs of the additional events. The expanded programme to explore a mix of increased frequency and new locations across the city and opportunities to increase re-use and recycling.

£18k pa recurring

(iv) **NEW – Additional Public Realm Enforcement Officers**

The creation of two new Public Realm Enforcement Officer positions to increase the capacity of the existing team, which was reduced in last year's budget. The new officers to integrate into all aspects of the patrolling and investigative work of the team, addressing the range of nuisance behaviours including littering and fly tipping and enabling consideration of the council acquiring wider enforcement powers over prohibited vehicles on public open spaces.

£102k pa recurring

(v) **NEW – Prohibition of unauthorised vehicles on council public open spaces**

The City Council to explicitly communicate prohibition of mopeds and motorbikes (however powered) on its public open spaces as well as those e-scooters which are not authorised for use off private land. The bid provides for signage for all the relevant open spaces across the city. (Funded from the General Fund reserve).

£6k one-off

(vi) **NEW Acoustic monitoring cameras**

Funding of two acoustic monitoring cameras to enable joint working with the Police, Highways Authority and the Vision Zero partnership to deter and penalise those breaching the peace on Cambridge roads with anti-social driving and noisy vehicles. This takes forward the motion passed by the city council in November 2021 to take further action with partners on the nuisance which is widely experienced in the city. It is anticipated that the equipment would be operated by the Highways Authority and that penalty income would cover the cost of data management and penalty administration. (Funded from the General Fund reserve.)

£50k one-off

(vii) **NEW – Feasibility study for project to replace public toilets on Jesus Green**

Upgrading or replacement of the Rouse Ball Pavilion has been an agreed need for some years, as the antiquated facilities lack capacity and accessibility to match demand on Jesus Green. They continue to act as a magnet and a driver for anti-social behaviour. This is underlined by the closure of nearest neighbouring public toilets on Chesterton Road and Park Street and restricted opening of those on Midsummer Common. Funding to provide for work with stakeholders to develop actionable designs for inclusion in the council's capital programme or any other identified and available funding source. (Funded from the General Fund reserve.)

£25k one-off

(viii) **NEW – Annual allocation from Fixed Penalty Notice income**

Contribution from fixed penalty income to costs of proposed additional enforcement clear-up activity, which are legally authorised uses. The council has increased fixed penalties following an increase in the permitted ceiling by national government. Income flows to an earmarked reserve.

(£30k) recurring

B: On page 243, after (o) insert:

“(p) Transformation Programme

Increase efforts to accelerate the council's transformation programme to ensure its targets are met, and to avoid poorly evidenced erosion of valued services and short-term use of reserves to support ongoing services.

(q) Future Plans for Major Council Assets

Conduct a critical appraisal of future steps with the crematorium and of plans and options for recruitment of stall holders in the market square – both facilities showing a trend of reduced income – and report for member scrutiny with options before mid-year.

(r) Income generation from council services through provision to third parties

Investigate the model by which some councils provide a number of their services for other organisations on a commercial basis, generating income to contribute to the funding of their own services, and evaluate its potential application to Cambridge, bringing options to a meeting of the Strategy & Resources Scrutiny Committee before mid-year.

(s) Budget Consultation

Revisit the annual public consultation process on the budget, noting in particular the recommendation in the recent independent review of the council's budget process: s4.15 - https://democracy.cambridge.gov.uk/documents/s59728/FINAL_Cambridge_City_Budget_Setting_Process49215.pdf

Summary of budget amendments

| £'000 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|
| Bids and savings | | | | | | |
| II5222 - City Services increased income | | (30) | (30) | (30) | (30) | (30) |
| RI5223 - City Services reduced income | | (30) | (30) | (30) | (30) | (30) |
| S5205 - Central provision review | | (30) | (30) | (30) | (30) | (30) |
| NEW - Expansion of Community Action Days | | 18 | 18 | 18 | 18 | 18 |
| NEW - Additional Public Realm Enforcement Officers | | 102 | 102 | 102 | 102 | 102 |
| Total bids and savings | | 30 | 30 | 30 | 30 | 30 |
| | | | | | | |
| Allocation from earmarked reserve | | | | | | |
| NEW - Annual allocation from Fixed Penalty Notice income | | (30) | (30) | (30) | (30) | (30) |
| Total use of earmarked reserves | | (30) | (30) | (30) | (30) | (30) |
| | | | | | | |
| Use of GF reserve | | | | | | |
| NEW - Prohibition of unauthorised vehicles on council public spaces | | 6 | | | | |
| NEW - Feasibility study for project to replace public toilets on Jesus Green | | 25 | | | | |
| NEW - Acoustic monitoring cameras (capital) | | 50 | | | | |
| Total use of GF reserve | | 81 | | | | |
| | | | | | | |
| Impact on GF reserve | | 81 | 0 | 0 | 0 | 0 |

Impact of Liberal Democrat Group budget amendment on general fund reserves after final settlement adjustments

| GF reserve £'000 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Balance at 1 April (b/fwd) | (28,061) | (22,987) | 668 | 1,718 | 1,768 | 1,818 |
| Contingency funding for adults with multiple disadvantages programme - BSR 2023/23 | 60 | 60 | | | | |
| WREN solar project - approved MTFS 2022 and BSR 2023/24 | 1,470 | 130 | | | | |
| Budgeted contribution to reserves per approved 2023/24 budget | (932) | | | | | |
| 2022/23 Carry forwards | 1,568 | | | | | |
| 2023/24 Funding approved at outturn – Greater Cambridge Impact (£200k)/Place Group Programme Delivery (£218k)/Climate Change Reserve (£80k) | 498 | | | | | |
| Funding approved at MTFS for 2023/24 pay award above 3% assumption in 2023/24 BSR | 651 | | | | | |
| Funding approved at MTFS to complete Our Cambridge transformation programme | 700 | | | | | |
| Restructuring arising from Phase 1 of City Services Review | 548 | | | | | |
| Application of previously approved funding in service budgets for capital projects | 511 | | | | | |
| Transfer to Civic Quarter Development Reserve | | 20,000 | | | | |
| Transfer to Climate Change Fund | | 750 | | | | |
| Contribution to balance 2024/25 budget | | 1,634 | | | | |
| Liberal Democrat Group amendment | | 81 | 0 | 0 | 0 | 0 |
| <i>Indicative funding for further restructuring arising from future phases of Our Cambridge</i> | | 1,000 | 1,000 | | | |
| <i>Indicative funding for the Climate Change Fund (CCF)</i> | | | 50 | 50 | 50 | 50 |
| Balance at 31 March before business rates growth (c/fwd) | (22,987) | 668 | 1,718 | 1,768 | 1,818 | 1,868 |
| Business rates growth – indicative growth element (at risk) | (7,400) | (5,313) | (5,414) | (3,762) | (4,389) | (5,053) |
| Use of business rates growth to fund services | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 |
| Balance at 31 March including business rates growth | (28,887) | (9,045) | (11,909) | (14,121) | (16,960) | (20,463) |

Climate change, equality and anti-poverty implications of the Liberal Democrat Group Amendment to the General Fund Budget

Expansion of community action days

Climate Change impacts – Medium positive impact – because it is likely that doubling the number of Community Action days would lead to an increase in recycling of waste and an associated reduction in carbon emissions.

Equality impacts – Helping to reduce fly-tipping may have a positive benefit in reducing hazards within neighbourhoods. This could have a positive impact around disability in improving access to spaces and reducing likelihood of injury caused by obstructions.

Poverty impacts – Low positive impact – because the increased number of Community Action days would provide increased opportunities for low-income residents to dispose of bulky waste free of charge.

Additional public realm enforcement officers

Climate Change impacts – Nil – because there would be no impact on carbon emissions

Equality impacts – Increasing the number of Public Realm Enforcement Officers to prevent littering and fly-tipping could have a positive benefit around disability by removing hazards, improving access to spaces and reducing likelihood of injury caused by obstructions. A greater presence of Enforcement Officers in open spaces could also help reduce anti-social behaviour, including hate crime. Greater enforcement over prohibited vehicles on public open spaces might reduce the risk of injury to members of the public, which could lead to disability.

Poverty impacts – No impact because does not impact on people's income.

Prohibition of unauthorised vehicles on council public open spaces

Climate Change impacts – Nil – because there would be no impact on carbon emissions

Equality Impacts – Raising awareness that mopeds and e-scooters are not allowed on council public spaces might have a positive impact for improving safety of pedestrians and cyclists on public open spaces, preventing injury that might cause disability.

Poverty impacts – No impact because does not impact on people's income.

Acoustic monitoring cameras

Climate Change impacts – Nil – because there would be no impact on carbon emissions

Equality Impacts - If the acoustic monitoring cameras deter anti-social driving, this could increase public safety and reduce risks of injury that might lead to disability.

Poverty impacts – No impact because does not impact on people’s income.

Feasibility study for project to replace public toilets on Jesus Green

Climate Change impacts – Nil – because there would be no impact on carbon emissions

Equality impacts – The feasibility study itself will not directly have any equality impacts but if recommendations are implemented there will be equality impacts that would need to be subject to an equality impact assessment.

Poverty impacts – No impact because does not impact on people’s income.

Increase in additional income target from city services

Climate Change impacts – Nil – because there would be no impact on carbon emissions

Equality impacts – No impacts have been identified specific to this amendment.

Poverty impacts – No impact because does not impact on people’s income.

Reduced decrease in income target from city services

Climate Change impacts – Nil – because there would be no impact on carbon emissions

Equality impacts – No impacts have been identified specific to this amendment.

Poverty impacts – No impact because does not impact on people’s income.

Further reduction in central budget provision

Climate Change impacts – Nil – because there would be no impact on carbon emissions

Equality impacts – No impacts have been identified specific to this amendment.

Poverty impacts – No impact because does not impact on people’s income

Annual allocation from fixed penalty notice income

Climate Change impacts – Nil – because there would be no impact on carbon emissions

Equality impacts – No impacts have been identified specific to this amendment.

Poverty impacts – No impact because does not impact on people’s income.

Section 25 report

These budget amendments would not require any substantive changes to the existing Section 8 – Section 25 Report. **[Page 285 refers]**

There are two types of amendment:

- General Fund (GF) recurring revenue amendments – increases in spending are balanced by improvements in income and annual allocations from an earmarked reserve. As a result, there are no changes to savings requirements as a result of these amendments. However, there is a risk that the use of £30k p.a. from the Fixed Penalty Notice reserve exceeds the surpluses credited to the reserve, and that income improvements may not be achievable or sustainable.
- One-off revenue and capital amendments - funded by the use of £81k from the general reserve. However, estimates show that the GF reserve remains above the prudent minimum level as assessed in MTFS 2023.

I therefore consider, in relation to the budget resulting from the application of these amendments, the estimates for the financial year 2024/25 to be sufficiently robust and the financial reserves up to 31 March 2025 to be adequate.

Caroline Ryba

Chief Finance Officer

This page is intentionally left blank

Full Council

Thursday 15 February 2024 6pm

A General Budget Commentary by the Green Group

Cllr Naomi Bennett Green Finance Spokes/ Leader

Cllr Jean Glasberg, Green Environment Spokes

Cllr Elliot Tong, Green Alternate Finance Spokes

1 Overview

The Green Group's focus continues to be:

- protecting residents from the cost of living crisis
- protecting residents from the climate emergency
- ensuring that residents voices are heard.

There is not a neat dividing line between these issues. They are closely connected.

Our budget commentary reflects the financial crisis facing the council. Money is short. So we have focussed on those areas where a small amount of money can have a big impact. We have also chosen ideas which have already been considered by other cities so that we can benefit from their experiences.

However, in a time of crisis, it's also important to consider the future we face as well as dealing with present challenges. With Michael Gove's supersize Cambridge proposals attracting so much attention, it is more important than ever to set out our own visions for our city.

2 Access all areas -a more inclusive Cambridge

Why a more inclusive city environment will help future proof shops and services for local residents.

2.1 The problem

Cambridge is a very challenging urban environment for residents and visitors with disabilities and their carers. It is important to understand that this is not just about physical disabilities.

There is a widespread attitude that we have a lot of historic buildings and it's just too difficult to make the public realm more inclusive.

2.2 Is a better public realm possible?

Yet, Chester, an even more historic city than Cambridge, a city with Roman and mediaeval buildings, is the only UK city to win the prestigious EU Access City Award.

Perhaps it isn't our buildings we need to change in Cambridge but our minds?

2.3 Why should we encourage change?

Our hostile public realm does not just exclude residents but it also means that they are more likely to spend their money elsewhere. At a time when hospitality and retail closures are at a 6 year high, the purple pound is more important than ever.

<https://wearepurple.org.uk/the-purple-pound-infographic/> shows how much businesses are missing out if they cannot cater for disabled families and their carers.

This extra income can help businesses survive the cost of living crisis. It's very noticeable when touring Chester, that the high street and hospitality businesses have held up far better than those of its neighbours.

2.4 Tourism

Purple tourism could be particularly important for Cambridge. Visit Britain notes that **a fifth** of all domestic overnight stays

and day trips are made by travellers that include at least one person with an impairment in their party.

<https://www.visitbritain.org/business-advice/make-your-business-accessible-and-inclusive/discover-value-purple-pound>

2.5 A long term project, not a quick fix

How can we work towards a more inclusive Cambridge?

Chester City Council have emphasised the importance of a holistic and thoughtful approach. They are very clear that this is a long term project not a quick fix. Many of the individual steps are small and inexpensive but they all need to fit together to work. Even today, 8 years after winning the EU award, they and their local partners continue to improve their access offer.

<https://towntoolkit.scot/case-studies/disability-and-accessibility-chester>

2.6 Next steps

We ask for senior officers to lead a study of the Chester model and bring back an initial report to Strategy and Resources in January 2025.

We also recommend the following early stage steps. These are:

- Training for councillors. (see our motion)
- Using the access work already done by the city's own property team to build a case study library for businesses
- Partnership working with business groups to encourage them to embrace change
- To approach BID about officers' proposals for better signage of public toilets
- A pause on any further public toilet closures

3 Access all areas -tackling travel troubles

Cost effective ways to remove barriers to active travel.

Councillors will already be aware that while key investments in cycleways has been made, cycling rates have actually declined.

In this section, we explore some suggestions to make active travel more popular and reverse that trend.

3.1 Fix our mobile speed cameras

We know that slower speeds on the roads make active travel safer and more pleasant for all of us. UK Transport Research Laboratory has stated that every 1% drop in urban speed limits means a 6% fall in road casualties. Over the years, councillors have diligently applied for 20 mile limits and mobile speed cameras to encourage drivers to respect those 20 speed limits. This cost the city council £13,000 in contributions to shared costs.

Today, not one of these 13 speed cameras is in working order and the county council has no plans to repair them.

We ask the city council to write to the county council and ask them to either get these 13 mobile speed cameras repaired (or replaced if this is not possible or more cost effective) and state a date by which they will do so. We understand that the problem is a financial one rather than an engineering one.

3.2 Ultra secure cycle parking

We know that another invisible barrier to bicycle use is theft. We welcome that the police have made this a special focus area and have achieved a substantial reduction. However, cycle theft is still a major deterrent to wider bicycle use in Cambridge, particularly for residents on lower incomes.

If the stolen bicycle is specially adapted for disabled use, any replacement has to be built to order and will cost thousands of

pounds, so the impact of theft on cyclists with disabilities is particularly severe.

Residents visiting the Netherlands have praised the fully enclosed cycle cages and other storage provided for a small parking charge or free in Amsterdam, Maastricht and Utrecht. We call upon the council to investigate similar provision in Cambridge

3.3 Potholes, parking and pollution

Another deterrent to active travel comes from potholes. We recognise that potholes are the responsibility of the county council not the city council. However, there is something that we can do to prevent our potholes getting worse.

Not all cars cause the same levels of damage to the highways. We ask that the city council follows the lead shown by Paris and introduces higher parking charges for heavier lifestyle choice cars such as SUVs.

Heavier cars also have higher emissions so encouraging drivers to leave SUVs at home or at the Park and Ride would also protect air quality. More importantly, SUVs involved in a road traffic accident are twice as likely to kill pedestrians as other cars.

3.4 Bat friendly solar lighting on offroad cycle and footpaths

Less confident cyclists particularly enjoy the ability to cycle away from car traffic on off road routes. However, in winter, it gets dark by the time people leave school or work. This forces people back on to busy roads at the second most dangerous time of day. In some cases, this means that they will not commute by bicycle at all.

Some popular cycleways benefit from small areas of bat friendly solar studs such as Midsummer Common. Solar powered motion sensitive lighting can provide additional safety with minimal biodiversity impact. We call upon the city council to confer with partner councils and agree a biodiversity friendly lighting standard for key off road bridleways and cycle routes and institute a rolling lighting installation programme for its parks.

3.5 Encouraging effective off road policing

The Chisholm trail has been a huge success story and has seen increased numbers on our off-road cycleways and bridleways. However, there has also been an uptake in drug related activity particularly at bridges and other intersections.

Resident groups say that they feel less safe in our green spaces and have begun to curtail their visits. This means that the active travel and health benefits of the £21million Chisholm Trail are reduced.

The purchase of 6 electric bicycles for long term loan to the police would cost under £10,000 and allow an effective second plain clothes patrol to operate over the very large area of green spaces, cycle paths and bridleways in our city.

Although PCC office has expressed enthusiasm for the proposal, they are not permitted to fund operational expenses by statute. A further application has been submitted for police funds. However, because the potential benefit to residents is so great and the cost so small, we ask the city council to consider funding the capital cost themselves should the police be unable to secure funding.

3.6 Be kind signage on parks and green spaces

Councillors will be well aware of resident complaints that walking and active travel in our green spaces has become unpleasant and unsafe because of fast travel by some

motorcycle and high speed hybrid cycles. Residents are also concerned about the impact on the Cambridge cattle.

We ask the council to agree and publish a recommended maximum speed guideline for our parks and green spaces

With the increased numbers expected from the greenways and the extended Chisholm Trail, there is a need to encourage more thoughtful and considerate behaviour.

Although there is no national legal speed limit in parks and green spaces, individual parks elsewhere in the UK have limits. It is still possible to use advisory signage to encourage more considerate behaviour. Some parks do have speed limits although these are generally those with roads going through them.

University of East Anglia studies show a positive impact from well designed advisory signage.

Closer to home, we have also seen the positive impact of the citizens' switch off campaign in Great Shelford against engine idling.

We ask for clear signage asking people to consider the impact on animals and other humans and cycle slowly through our green spaces.

All in all, we recommend these measures as a cost effective combination to remove barriers to active travel and so increase health benefits, tackle anti social behaviour and make Cambridge a better place to live and visit.

4 Preventing financial hardship to residents

In an ideal world, we would be making proposals for a local Universal Basic Income trial. This is not that world. Instead, we present proposals to use the council's spending more effectively to tackle the continued cost of living crisis.

4.1 Support for private tenants

HRA has an excellent financial advice and inclusion service for council tenants. The service is very busy and runs at full stretch. Officers are keen to use podcasts and other social messaging to get their message out to other officers, councillors and tenants and do as much good as possible with their time.

Not only would this create a valuable resource for council tenants, but the materials could be used by housing association and private tenants too.

The cost of living crisis is entering a new year and shows no sign of ending. Helping residents in this way would not reduce the quality and quantity of the service provided to council tenants.

It also helps prevent other residents from falling into debt and homelessness and needing the services of the HRA.

4.2 Fixed Penalty Notices / Volunteering

In October 2023, the council increased the levels of its Fixed Penalty Notices for environmental crimes. The stated aim of this policy was to provide a more effective deterrent.

<https://www.cambridge.gov.uk/news/2023/10/10/council-to-increase-fixed-penalty-notice-for-some-environmental-crimes>

We hope that this is the case in practice.

The problem is in getting the level of the fine right. A Fixed amount can't be right for everyone, particularly in the UK's most unequal city. What is an unpleasant hiccup for a wealthier resident is a financial catastrophe for our poorest residents.

There is no affordability check done before an FPN is issued. Even when the resident's address suggests that they are on a low income. Even when the FPN is issued just before xmas, when financial pressures are increased.

A £500 fine at short notice is enough to cause poorer residents to fall out of creditor payment arrangements or take out a pay day loan. This creates problems both for the resident's family and can increase pressure on council services.

The answer is not to lower the fines and make the deterrent less effective.

It is not to introduce a means test or a sliding scale of fines. This would make the FPN system too slow and too expensive as well as being invasive for residents.

(Studies show that if a penalty is set too low for the culprit, it can actually increase the problem behaviour it is designed to curb.(Source Gneezy and Rustichini experiment <https://www.sciencedirect.com/science/article/abs/pii/S0022103114000675>))

We propose that offenders be given the option of doing community service volunteer work, preferably related to the offence. A typical FPN of £500 would equate to 33 hours litter picking at a notional exchange rate of £15 per hour. A reduction could be agreed for residents who complete their service quickly. In the short term, we propose that the FPN enquiry form be amended to include a prompt to include financial hardship details if desired.

5 Comments on the Budget process

As is the tradition for the Green group, we include comments on the budget and MTFS process.

5.1 Budget presentation

We are pleased to see more use of charts and graphics, but would like to see:

- Bar charts rather than pie charts (easier to interpret)
- Limiting reliance on colour (it gets copied in b&w)
- More labelling/ use of keys (clarity)
- No print smaller than 12 point (inclusion)

5.2 Budget content

Because of the s151 rules, a council must present a legal budget, even if that budget does not address all of the city's anticipated current and future needs.

We would like to see some simple information about some of the most important of those unmet needs.

In the past, the Housing Revenue account has included information on costs of retrofitting its social housing stock. We would like to see this extended to the city's general fund property portfolio and updated each year.

We also would like to see the council publish more of its high level risk assessment and horizon scanning along with the budget and MTFS papers.

A short and simple statement listing key risks, threats and associated costs would help councillors and officers to assess whether the budget and MTFS are fit for the future.

5.3 Basis of audit

We want to query the audit assumptions which include an assertion that the climate emergency has no significant impact

on the city council's finances. Can that assertion still be justified?

5.4 A robust reserves policy

We have a duty of care not just to current residents but to future ones. We should have a robust policy on how we use reserves rather than disbursing them on an ad hoc basis.

Put simply, we should be spending on needs to have, not nice to haves. and have a process in place that ensures we do so.

We take this opportunity to thank officers for their help in researching this report.

5.5 Technical note

This report is a commentary, not an amendment proposal. This reflects normal practice outside Cambridge City Council. Because we have chosen to focus on projects that do not require large sums of funding, if the ruling group chooses to take them up, all of them can be funded through existing budgets or using the virement procedure. A formal amendment is not required.

6 Closing remarks

The voices of our residents, their questions and our case work are the foundation of this report. We also wish to thank officers for their help and advice.

Cllr Naomi Bennett

Cllr Jean Glasberg

Cllr Elliot Tong

5 February 2024

This page is intentionally left blank

General Fund Budget Setting Report (BSR) - Supplementary Information

Council 15 February 2024

Updates for Council

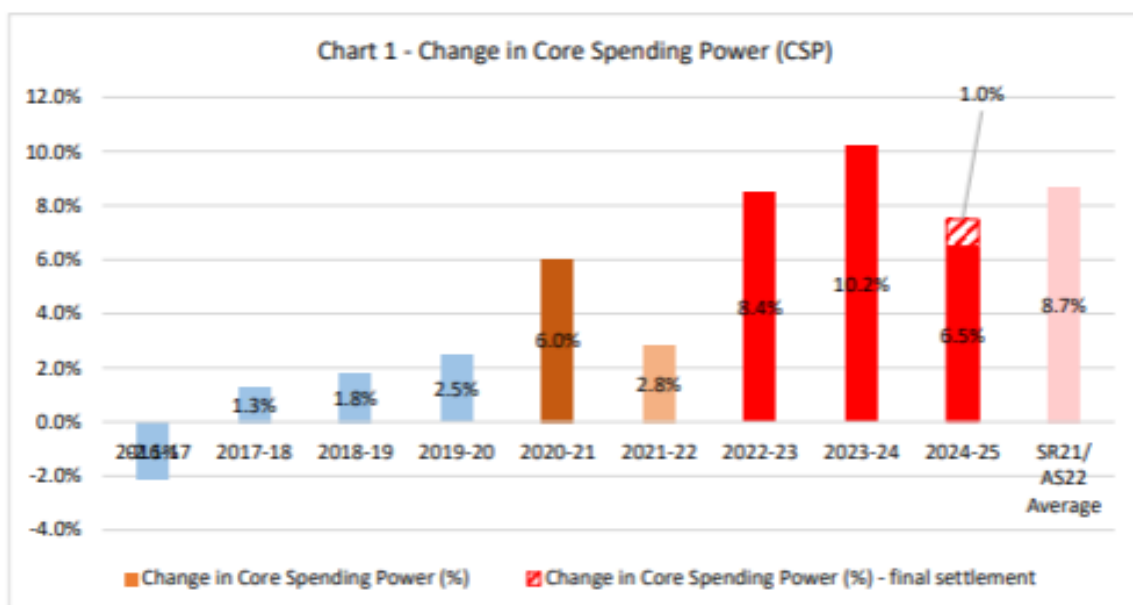
Recommendation 2(c) page 238 – Council Tax Setting – for approval.

The recommendation refers to Appendix A(b), pages 294 and 295 of the agenda. Following approval and formal notification by the preceptors, an updated version of the appendix is attached for approval. Amendments are highlighted and underlined.

Final local government finance settlement

The final local government finance settlement was published on 5 February 2024. As the council's funding has increased as a result, a summary of the changes is included and updated BSR tables provided.

The headline increase in funding for 2024/25 for the local authority sector was £600m. £500m of this was targeted at authorities with social care responsibilities. The overall increase in Core Spending Power (CSP) was 6.5%. The council's increase is 6.12%.



Core Spending Power table - page 260

| Core Spending Power (CSP) - £m | 2023/24 Final finance settlement | MTFS 2023 | 2024/25 Provisional finance settlement | 2024/25 Final finance settlement | Final 2024/25 change from 2023/24 |
|--|----------------------------------|---------------|--|----------------------------------|-----------------------------------|
| Settlement Funding Assessment (SFA), including Revenue Support Grant (RSG) | 4.591 | 4.601 | 4.853 | 4.853 | 5.71% |
| Core funding grants, including funding guarantee | 4.634 | 5.097 | 3.201 | 3.393 | -26.78% |
| New Homes Bonus (NHB) | 0.053 | 0.053 | 1.733 | 1.733 | 3169.81% |
| Council Tax ¹ | 9.712 | 10.306 | 10.173 | 10.173 | 4.75% |
| | 18.990 | 20.057 | 19.960 | 20.152 | 6.12% |

The increase in funding for 2024/25 is £263k, and the outlook for 2025/26 has been increased by £285k as a result.

Future prospects - page 261

| Core Spending Power (£m) | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 |
|-------------------------------|---------------|---------------|---------------|---------------|---------------|
| Business rates income | 9.996 | 10.178 | 8.606 | 9.314 | 10.065 |
| Less: Business rates growth | (5.313) | (5.414) | (3.761) | (4.389) | (5.052) |
| Baseline Funding Level | 4.683 | 4.764 | 4.845 | 4.925 | 5.013 |
| Revenue Support Grant | 0.170 | 0.174 | 2.480 | 2.400 | 2.312 |
| Grants | 5.176 | 4.849 | 0.000 | 0.000 | 0.000 |
| Council Tax | 10.253 | 10.651 | 11.113 | 11.591 | 12.035 |
| | 20.282 | 20.438 | 18.438 | 18.916 | 19.360 |

As a result, contribution from reserves required to balance the 2025/25 budget has reduced by £263k to £1,634k. However, as the medium term outlook on funding remains uncertain, there is minimal impact on the resulting four year budget gap of £9.5m.

Savings requirements - page 268

| Savings requirements - £000 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | Total |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|---------------------|
| Net savings requirement – new each year (MTFS 2022) | 2,339 | 1,028 | 4,589 | 1,846 | 1,251 | 11,053 |
| Net savings requirement – cumulative (MTFS 2023) | 2,339 | 3,367 | 7,956 | 9,802 | 11,053 | |
| Reduced income | 762 | 650 | 650 | 650 | 650 | |
| Bids | 576 | 350 | 350 | 350 | 350 | |
| Savings | (1,172) | (972) | (972) | (972) | (972) | |
| Increased income | (309) | (359) | (229) | (229) | (229) | |
| Net bids and savings | (143) | (331) | (201) | (201) | (201) | |
| Use of business rates growth to fund services | (1,500) | (1,500) | (1,500) | (1,500) | (1,500) | |
| (Increase) / decrease in baseline funding level compared with MTFS 2023 | (82) | (71) | 2,392 | 2,312 | 2,224 | |
| Decrease / (increase) in core grants and RSG compared with MTFS 2023 | <u>(196)</u> | <u>120</u> | <u>(2,480)</u> | <u>(2,400)</u> | <u>(2,312)</u> | |
| 10% NHB transferred to GCP investment and delivery fund | 173 | | | | | |
| Decrease in council tax income - change in tax base and 2.99% increase | 53 | 55 | 55 | 56 | 57 | |
| Collection fund surplus - council tax | (123) | | | | | |
| Collection fund deficit - business rates | 1,237 | | | | | |
| Technical adjustments | (130) | (130) | (130) | (130) | (130) | |
| Contribution from reserves | <u>(1,634)</u> | | | | | |
| Total funding changes | <u>(2,202)</u> | <u>(1,526)</u> | <u>(1,663)</u> | <u>(1,662)</u> | <u>(1,661)</u> | |
| Change to indicative cost of capital financing strategy | 6 | 57 | 137 | 207 | 260 | |
| Total changes to savings requirements | <u>(2,339)</u> | <u>(1,800)</u> | <u>(1,727)</u> | <u>(1,656)</u> | <u>(1,602)</u> | |
| Revised net savings requirement - cumulative | <u>0</u> | <u>1,567</u> | <u>6,229</u> | <u>8,146</u> | <u>9,451</u> | |
| Revised net savings requirement -new each year | <u>0</u> | <u>1,567</u> | <u>4,662</u> | <u>1,917</u> | <u>1,305</u> | <u>9,451</u> |

As a result of this, the forecast balance on the general reserve is £263k higher throughout the period, assuming that net savings are delivered in line with the budget gaps identified.

General reserves - page 278

| GF reserve £'000s | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Balance at 1 April (b/fwd) | (28,061) | (22,987) | 587 | 1,637 | 1,687 | 1,737 |
| Contingency funding for adults with multiple disadvantages programme - BSR 2023/23 | 60 | 60 | | | | |
| WREN solar project - approved MTFs 2022 and BSR 2023/24 | 1,470 | 130 | | | | |
| Budgeted contribution to reserves per approved 2023/24 budget | (932) | | | | | |
| 2022/23 Carry forwards | 1,568 | | | | | |
| 2023/24 Funding approved at outturn – Greater Cambridge Impact (£200k)/Place Group Programme Delivery (£218k)/Climate Change Reserve (£80k) | 498 | | | | | |
| Funding approved at MTFs for 2023/24 pay award above 3% assumption in 2023/24 BSR | 651 | | | | | |
| Funding approved at MTFs to complete Our Cambridge transformation programme | 700 | | | | | |
| Restructuring arising from Phase 1 of City Services Review | 548 | | | | | |
| Application of previously approved funding in service budgets for capital projects | 511 | | | | | |
| Transfer to Civic Quarter Development Reserve | | 20,000 | | | | |
| Transfer to Climate Change Fund | | 750 | | | | |
| Contribution to balance 2024/25 budget | | 1,634 | | | | |
| <i>Indicative funding for further restructuring arising from future phases of Our Cambridge</i> | | 1,000 | 1,000 | | | |
| <i>Indicative funding for the Climate Change Fund (CCF)</i> | | | 50 | 50 | 50 | 50 |
| Balance at 31 March before business rates growth (c/fwd) | (22,987) | 587 | 1,637 | 1,687 | 1,737 | 1,787 |
| Business rates growth – indicative growth element (at risk) | (7,400) | (5,313) | (5,414) | (3,761) | (4,389) | (5,052) |
| Use of business rates growth to fund services | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 |
| Balance at 31 March including business rates growth | (28,887) | (9,126) | (11,990) | (14,201) | (17,040) | (20,542) |

Appendix A (b)

Council Tax Setting 2024/25

1. The Council calculated its Council Tax Base 2024/25 for the whole Council area as **45,490** [Item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended (the "Act")]
2. The Council calculates that the Council Tax requirement for the Council's own purposes for 2024/25 is **£10,252,991.10**.
3. That the following amounts be calculated for the year 2024/25 in accordance with Sections 31 to 36 of the Act:

- | | | |
|-----|------------------------|--|
| (a) | £220,831,839.10 | being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act |
| (b) | £210,578,848.00 | being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act |
| (c) | £10,252,991.10 | being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year. [Item R in the formula in Section 31B of the Act] |
| (d) | £225.39 | being the amount at 3(c) above (Item R), all divided by the amount at 1 above (Item T), calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year. |

4. To note that Cambridgeshire County Council, the Cambridgeshire Police & Crime Commissioner Cambridgeshire & Peterborough Fire Authority, and the Cambridgeshire & Peterborough Combined Authority have issued precepts to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each of the categories of dwellings in the Council's area as indicated in the table below.

5. That the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in the table below as the amounts of Council Tax for 2024/25 for each of the categories of dwellings in the Council's area.

| Dwelling Band | City Council £ | County Council £ | Police & Crime Commissioner £ | Fire Authority £ | Cambridgeshire & Peterborough Combined Authority £ | Aggregate Council Tax £ |
|---------------|-------------------|---------------------|----------------------------------|---------------------|---|----------------------------|
| A | 150.26 | 1,079.88 | <u>190.32</u> | 54.84 | 24.00 | <u>1,499.30</u> |
| B | 175.30 | 1,259.86 | <u>222.04</u> | 63.98 | 28.00 | <u>1,749.18</u> |
| C | 200.35 | 1,439.84 | <u>253.76</u> | 73.12 | 32.00 | <u>1,999.07</u> |
| D | 225.39 | 1,619.82 | <u>285.48</u> | 82.26 | 36.00 | <u>2,248.95</u> |
| E | 275.48 | 1,979.78 | <u>348.92</u> | 100.54 | 44.00 | <u>2,748.72</u> |
| F | 325.56 | 2,339.74 | <u>412.36</u> | 118.82 | 52.00 | <u>3,248.48</u> |
| G | 375.65 | 2,699.70 | <u>475.80</u> | 137.10 | 60.00 | <u>3,748.25</u> |
| H | 450.78 | 3,239.64 | <u>570.96</u> | 164.52 | 72.00 | <u>4,497.90</u> |

The Council determines that, in accordance with Section 52ZB of the Local Government Finance Act 1992, the basic amount of its council tax for 2024/25 is not excessive



PAY POLICY CHANGES AND DRAFT PAY POLICY STATEMENT 2024/2025

To:

Civic Affairs Committee [07/02/2024]

Report by:

Lynsey Fulcher, Head of People

Tel: 07592 384229 Email: lynsey.fulcher@cambridge.gov.uk

Wards affected:

All

1. Introduction / Executive Summary

- 1.1 In 2015, the Secretary of State for Communities and Local Government issued the Local Government Transparency Code 2015. The code sets out the key principles in making local authorities more transparent and accountable to local people. The Council has been, and continues to be, proactive in its compliance with this and the following report provides detail on the Council's pay practices to satisfy the requirements of the code.
- 1.2 Under the Localism Act 2011, Local Authorities are required to prepare a Pay Policy Statement for each financial year. These statements must articulate an authority's own policies towards a range of issues relating to the pay of its workforce, particularly its senior staff (or 'chief officers') and its lowest paid employees.
- 1.3 Attached at Appendix 1, this policy statement must be approved by a resolution of the authority, i.e., full Council, and is required to be published by 31 March.
- 1.4 The pay policy statement outlines the Council's approach to pay and reward for all staff, separating out Chief Officers where necessary to satisfy the requirements of the Localism Act. For Cambridge City Council, the definition of Chief Officer includes the grades of Chief Executive, Director and Assistant Director.
- 1.5 In line with the annual review of the pay policy statement, the HR team have reviewed the additional elements of pay that are outlined in the pay policy and have

developed some pay and policy recommendations for Civic Affairs to consider. The changes proposed are outlined below, and the pay policy statement has been updated to reflect these recommendations.

- 1.6 Section 6 of this report provides a recommendation in a change to the delegation as considered by Employment (Senior Officer) Committee in November 2023.
- 1.7 Additionally, this report updates Civic Affairs Committee on the uplifts applied to City Council pay scales in line with national pay awards.

2. Recommendations

The Civic Affairs Committee is asked to consider the changes and recommendations proposed to pay approaches as outlined in this report, specifically;

- a. The recommendation that all Director and Assistant Director roles are evaluated using the HAY Job Evaluation methodology.
- b. The introduction of an Additional Responsibility Allowance to recompense colleagues for taking on additional responsibility above and beyond their current role.
- c. The increase of the Cambridge Weighting rate from £11.00 per hour to £12.50 per hour.
- d. The inclusion of apprentices into the Real Living Wage and Cambridge Weighting pay, meaning that no apprentice with Cambridge City Council will earn less than £12.50 per hour on 1 April 2024.
- e. The recommendation that the Investors in People accreditation is not renewed in November 2024.
- f. The change in delegation for fixed term non-leadership team Director level roles and to recommend to Council to amend the Constitution in accordance with paragraph 6.3 of this report.
- g. Review and recommend to Council the draft Pay Policy Statement 2024/2025 attached as Appendix 1.
- h. Note the implementation of the nationally negotiated pay awards.

3. Changes to Pay Approaches

3.1 Additional Responsibility Allowance

- 3.1.1 It is proposed that an additional mechanism for rewarding colleagues who take on work above and beyond their current role is introduced in the form of an Additional Responsibility Allowance. Whilst employees are already often rewarded for additional work undertaken, the mechanism currently used is the honorarium

scheme which is better suited for one-off payments to recognise exceptional work or achievements.

3.2 Cambridge Weighting

- 3.2.1 The Council pays a Cambridge Weighting to employees on City Council terms and conditions of employment and related agency workers earning less than the approved rate per hour. The weighting is paid in addition to salary and the Real Living Wage supplement.
- 3.2.2 The Real Living Wage Foundation rate of pay increased in November 2023 to £12.00 per hour, higher than the Council's existing Cambridge Weighting rate of £11.00 per hour. It is proposed that the Cambridge Weighting allowance is increased to £12.50 per hour from 1st April 2024.
- 3.2.3 There are currently 31 employees that would see an increase to pay if the Cambridge Weighting rate was increased to £12.50 per hour on 1st April 2024.

3.3 Apprenticeship Pay

- 3.3.1 The Council's current approach to Apprenticeships is that externally appointed apprentices are offered a fixed term contract for the duration of their apprenticeship, with the need for them to apply to and be successful in securing a permanent role at the end of the fixed term contract.
- 3.3.2 Externally appointed apprentices are paid on apprenticeship level pay, which is below the Real Living Wage and Cambridge Weighting rate that the Council commit to paying to all staff (The Council's lowest paid apprenticeship is paid £9.50 per hour. The current real living wage foundation rate is £12.00 per hour).
- 3.3.3 It is proposed that a new pay approach for apprentices is introduced, making appointment to permanent roles a default and only using fixed term contracts in exceptional circumstances where there is genuinely no established post in the hierarchy.
- 3.3.4 Additionally, it is proposed that the pay for externally appointed apprentices is uplifted to a minimum of the Real Living Wage and Cambridge Weighting rate, or higher depending on the grading for the associated role.
- 3.3.5 It is expected that this change will increase the attractiveness of apprenticeship opportunities with Cambridge City Council and will help the Council take a longer-term view of growing and developing staff into roles.
- 3.3.6 The impact and cost of this change is not significant – of the current 21 apprentices within the Council, only eight are on fixed term contracts and of these only five are paid on apprenticeship rates of pay. Using current apprenticeship data, the current financial cost of this proposal would be no more than £25k per annum.
- 3.3.7 Section 15 of the pay policy statement in Appendix 1 refers to this change.

4. National Pay Awards

- 4.1 Pay awards are nationally determined in accordance with the Joint Negotiating Committee (JNC) for Chief Officers and the National Joint Council for Local Government Services (NJC) for staff on Bands 1-11.
- 4.2 Pay awards for all groups were agreed with effect from April 2023, and paid in line with delegated authority.
- 4.3 The national pay negotiations with effect from April 2024 have not yet concluded.

5. Investors in People Accreditation

- 5.1 The Councils Investors in People (IiP) accreditation is due for reassessment in November 2024. The full reassessment process takes place every three years with an annual interim review. The cost of the accreditation is in the region of £12,500.
- 5.2 Whilst the accreditation is nationally recognised, there is no evidence to demonstrate that this is viewed favourably by applicants, and many organisations are looking at alternative charter marks or accreditations. Other local Councils have also chosen not to seek reaccreditation.
- 5.3 The biggest benefit gained from the accreditation is the staff survey that forms part of the assessment process, however survey questions are aligned with the IiP standards and not to the Councils internal priorities or aspirations.
- 5.4 The Leadership team have discussed IiP accreditation, and support a recommendation that the Cambridge City Council do not seek reaccreditation. Instead, it is proposed that an external research company is engaged to develop and run an all-employee survey, tailored specifically to the Council. This will align to the People Strategy and will help benchmark the less tangible elements of cultural change aspired to within the strategy.
- 5.5 The Councils recognised trade unions have been consulted on this proposal and have no objections.

6. Change in Delegation

- 6.1 The Employment (Senior Officer) Committee have considered a proposal to clarify a point in the Councils Constitution regarding the responsibility for recruitment to fixed term non-Leadership Team Director level roles.
- 6.2 The Employment (Senior Officer) Committee agreed that a proposal should be taken forward to clarify the position in the Constitution that recruitment to temporary fixed term non-Leadership Team roles could be delegated to the Head of Paid Service. The Chair of the Employment (Senior Officer) Committee should be informed in advance of any recruitment commencing, and the Employment (Senior Officer) Committee informed of the appointment through the decision notification process.

- 6.3 If agreed by Civic Affairs, it is recommended that Council approves amendments to the Constitution to include the following wording under Part 4i – Officer Employment Procedure Rules:

Appointment to fixed term Director roles that do not form part of the Councils Leadership Team is the responsibility of the Head of Paid Service or their nominee. The Executive Notification process will be undertaken for these roles.

7. Implications

a) Financial Implications

The Council has made provision in the Medium-Term Financial Strategy for the pay increases for 2024/2025.

Any immediate costs associated with the recommendations above will be met from Group budgets.

b) Staffing Implications

This report relates to the pay and terms and conditions of staff.

c) Equality and Poverty Implications

An equality impact assessment has not been undertaken for this report.

Equality information by grade is reported annually to the Equalities Panel and is available on the Council's website.

Equality impact assessments will be undertaken on any policies that change as a result of these proposals.

d) Net Zero Carbon, Climate Change and Environmental Implications

The proposals in this report have no climate change impact.

e) Procurement Implications

The Living Wage Policy as it relates to contractors is included in the Pay Policy Statement.

f) Community Safety Implications

This report relates to the pay, terms and conditions of staff and does not impact directly on community safety matters.

8. Consultation and communication considerations

The Chief Executive and the Council's Leadership have been consulted on this report and changes to the attached draft Pay Policy Statement.

The Leader of the Council, Executive Councillor for Finance, Resources and Transformation and trade unions, Unison and GMB have been consulted on the proposed changes to the Pay Policy Statement and other recommendations outlined within this report.

This pay policy statement once approved by Full Council will be published on the Council's website.

9. Background papers

Background papers used in the preparation of this report:

- Pay Policy Statement 2022/23
- City Council Pay scales

10. Appendices

Draft Pay Policy Statement

11. Inspection of papers

To inspect the background papers or if you have a query on the report please contact Lynsey Fulcher, Head of People, Tel: 07592 384229, email: lynsey.fulcher@cambridge.gov.uk.

APPENDIX ONE: PAY POLICY STATEMENT 2024/25

Effective from 1st April 2024

1. Introduction

Cambridge City Council is committed to operating consistent, transparent and equitable pay arrangements.

This statement details the pay policy and approaches applied to all staff within Cambridge City Pay bands in addition to all Statutory and Non-Statutory Chief Officers, as defined under the Council's constitution, to fulfil the Council's statutory requirements under Chapter 8 of the Localism Act 2011 ("the Act")

This pay policy statement was updated and agreed by Full Council in March 2024.

2. Senior Salaries from 1st April 2023

The salary scales for the Chief Executive, Directors and Assistant Directors following the nationally agreed pay award with effect from 1 April 2023 are shown below.

Progression through the pay grade (a three or four-point scale) is subject to a range of criteria that are assessed via an annual performance review.

| Pay Grade | Point 1 (£) | Point 2 (£) | Point 3 (£) | Point 4 (£) |
|-----------------------------|-------------|-------------|-------------|-------------|
| Chief Executive | 131,735 | 137,012 | 142,330 | 147,609 |
| Director | 101,790 | 105,576 | 109,368 | 113,161 |
| Assistant Director 2 | 89,217 | 91,894 | 94,651 | n/a |
| Assistant Director 1 | 81,556 | 84,095 | 86,618 | n/a |

The Council has an agreement that senior officer pay scales will be reviewed every three years in line with the current market median level pay, this includes Chief Executive, Director and Assistant Director pay grades. The last review was undertaken in 2023 whereby a full redesign of the grades took place. The effectiveness of these scales will continue to be reviewed annually.

3. Annual Pay Awards

For the Chief Executive pay grade, pay awards are nationally determined in accordance with the Joint Negotiating Committee (JNC) for Chief Executives. For Directors and Assistant Director grades, the Joint Negotiating Committee (JNC) for Chief Officers is applied, and the National Joint Council (NJC) determines the pay awards for City Pay Grades 1 – 11.

Pay points within the grades are subject to nationally negotiated pay awards with effect from 1 April 2024 and will increase in line with any nationally agreed award.

4. Chief Officer Terms and Conditions of Employment

The terms and conditions of employment for the Chief Executive, Directors and Assistant Directors within the scope of this pay policy statement are determined in accordance with collective agreements, negotiated from time to time, by the JNC for Chief Executives and the JNC for Chief Officers, as set out in the Scheme of Conditions of Service. These are supplemented by local collective agreements reached with trade unions recognised by the Council and by the rules of the Council.

5. Chief Officer Remuneration on Appointment

Rules governing the recruitment of the Chief Executive, Directors and Assistant Directors are set out in the council's constitution in section; Part 4i, Officer Employment Procedure Rules.

Recruitment to the posts of Chief Executive and Director is undertaken by a committee of Councillors appointed by Council. In the case of the Chief Executive, the appointment is made by Full Council, following a recommendation from the Employment (Senior Officer) Committee.

Appointment to fixed term Director roles that do not form part of the Leadership Team is the responsibility of the Head of Paid Service or their nominee.

Recruitment to posts of Assistant Director will be undertaken by the Chief Executive or a Director. The salary on recruitment will be within the salary range for these posts at that time.

6. Market Supplements

There are occasions when the salary determined by the grading for a post result in an inability to successfully recruit to or retain staff in particular posts or specific occupational areas due to fluctuations in the labour market supply. This is more challenging in the Cambridge area due to the high demand for labour, the high number of vacancies and high cost of housing.

These recruitment and retention problems can affect ability to deliver services. In such cases it may be appropriate to pay a market supplement in addition to the salary where there is evidence to justify that market factors are the "material reason" for the post attracting a higher rate of pay than other posts graded similarly. Any additional market supplement will be made in accordance with the Market Pay Policy.

7. Retention Payments

There may be occasions when due to recruitment and retention difficulties within a specific service area or role, it may be more appropriate to use a recruitment and retention package approach than a market supplement. Such an approach offers a fixed lump sum payment for new appointments or to the staff in identified roles at a given date.

The payment is tied to a defined retention period and must be repaid in full if the person leaves the employment of the Council within the designated period. The aim of this approach is to recruit new staff and retain existing staff where there is evidence of both types of difficulty and a market supplement approach is assessed as less effective.

8. Bonuses

There are no bonus arrangements payable to our Chief Officers or any Council staff.

9. Performance Related Pay

Performance and progression through the pay band is assessed annually for all staff in line with the Council's performance review schemes.

The performance review for Directors is undertaken by the Chief Executive and for the Chief Executive by the Leader and an independent advisor. Performance reviews for all other Officers are undertaken by their line manager.

10. Senior Salary Pay Data

In accordance with the Government's Code of Recommended Practice for Local Authorities on Data Transparency, the Council publishes information on all employees earning £50,000 or above.

Following approval at Full Council of the Draft Pay Policy Statement this updated pay policy statement is published on the Council's website.

11. Expenses

The expenses which may be payable to all Officers, including the Chief Executive, Director and Assistant Directors include:

- car/bicycle/motorcycle allowances at HMRC rates
- re-imbursment of travel and subsistence
- one professional subscription per annum
- payments under the eye-sight tests scheme
- relocation assistance in accordance with the Relocation Scheme

12. Severance Payments

Severance payments are made in accordance with the council's employment policies and are the same for all staff.

Employees with more than two years' service will be entitled to redundancy pay in line with local government guidelines and statutory provisions.

Redundant employees may receive the following elements in their final pay:

- Normal pay up to the agreed leaving date
- Where applicable, payment in lieu of outstanding notice
- Severance payment (where entitled).

Under the council's redundancy scheme a weeks pay will be calculated on the basis of actual weekly pay. Cambridge City Council will not apply the statutory weeks pay definition.

Once an employee is in receipt of early payment of pension benefits, if their total pay and pension benefits together (if reemployed by another employer covered by the Local Government Modification order) exceeds their salary as at the leaving date, the difference may be claimed back from pension payments.

An employee will lose their entitlement to redundancy pay if they take up a post with another body covered by the Redundancy Payments (Local Government) (Modification) (Amendment) Orders within 4 weeks of the date of the redundancy and the offer of the new job has been made before the end of the original contract.

Any proposals with a salary or severance package with a total value over £100k will be reported by the Employment (Senior Officer) Committee to Full Council for decision.

The Chief Executive, Monitoring Officer and Chief Finance Officer can only be dismissed by the Full Council. All other Directors and Assistant Directors can only be dismissed in accordance with the Councils constitution, Part 4i, Officer Employment Procedure Rules.

13. Pension and Pension Enhancements

All employees are entitled to and receive pension contributions under the Local Government Pension Scheme (LGPS). This is a contributory scheme and employees currently contribute between 5.50% and 12.50% of their pensionable pay to the scheme. Chief Officers contributions currently range from 9.90% to 12.50%

The Council's discretions on enhancement of pension are set out in the Pensions Discretion Statement 2022. This policy was approved by the Civic Affairs Committee on 21 September 2022. The policy is reviewed every 3 years and/or in line with changes to the Local Government Pension Scheme (LGPS) as advised by the Local Government Pensions Committee (LGPC) and the Administering Authority (Cambridgeshire County Council).

The next review of the Pensions Discretion Statement is scheduled for 2025.

14. Lowest Paid Staff: Real Living Wage & Cambridge Weighting

The lowest paid staff within the Council's pay structure are on Band 1. The lowest pay point is £22,366 (£11.59 per hour) (April 2023). Cambridge City Council is an accredited Real Living Wage employer and also pays a Cambridge Weighting supplement. This means that the current minimum pay level for staff is £12.00 per hour. This will increase to a minimum of £12.50 per hour from 1 April 2024.

The terms and conditions of employment for Band 1 staff are in accordance with collective agreements, negotiated from time to time, by the National Joint Council for Local Government Services, as set out in the Scheme of Conditions of Service (commonly

known as the Green Book). These are supplemented by local collective agreements reached with trade unions recognised by the Council and by the rules of the Council.

14.1 Real Living Wage

The Council is accredited with the Living Wage Foundation which means it has adopted a Real Living Wage policy for staff, agency workers and contractors engaged through the Council's Procurement processes.

The implementation date for Real Living Wage increase is usually November for staff engaged on city council terms and conditions of employment, following the annual announcement. With effect from November 2023 the Real Living Wage increased to £12.00 per hour.

The Council will pay the Real Living Wage rate for staff engaged on city council pay rates by way of a supplement to pay rates.

The Council will pay the minimum of the relevant Real Living Wage rate to agency workers after 4 weeks of their engagement with the City Council.

The Council will require contractors engaged through the Council's procurement processes to pay at least the Real Living Wage to all their staff who work on the Council's premises (or land maintained by the Council) for two or more hours on any day of the week for eight or more consecutive weeks. The only contracts that will be excluded from the requirement to pay the Real Living Wage are:

- contracts where it would be unlawful to require the payment of the Real Living Wage
- contracts where, following evaluation, it is considered inappropriate to impose the requirement.

14.2 Cambridge Weighting

The Council pays a Cambridge Weighting to employees on city council terms and conditions of employment and related agency workers earning less than the approved rate per hour. The weighting is paid in addition to salary and the Real Living Wage supplement. With effect from 1 April 2024 the rate is £12.50 per hour.

For agency workers the weighting applies in addition to current hourly rates and the Real Living Wage arrangements. The weighting is variable, depending upon the current hourly rate and the Real Living Wage supplement payable at that time.

15. Apprentices

Apprentices are appointed on permanent contracts of employment within Cambridge City Council unless there is a justifiable reason why there is a requirement for a fixed term post.

Apprentices are paid on a salary proportionate to the role that they have been employed to undertake, or the recognised Real Living Wage/Cambridge Weighting rate of pay, whichever is the highest.

The Council also offer apprenticeships to current employees who are paid in accordance with their existing pay arrangements during the apprenticeship.

16. Pay Ratios

The table below shows a number of pay ratios. The Council does not have a policy on maintaining or reaching a specific pay ratio between the lowest and highest paid staff. The highest paid officer of the council is the Chief Executive. The highest pay point on this scale is currently £147,609 (April 2023).

| | Annual Salary | Ratio to Chief Executive highest pay point | Explanation |
|---|----------------------|---|---|
| Real Living Wage Rate of £12.00 (Nov 2023) | £23,151 | 1:5.7 | Chief Executive's salary and 2023/4 Real Living Wage rate. |
| Lowest council pay scale point (£11.59) | £22,366 | 1:5.9 | Chief Executive's salary and lowest council pay scale point |
| 2024/25 Cambridge Weighting rate of £12.50 | £24,110 | 1:5.5 | Chief Executive's salary and £12.50 Cambridge Weighting |
| Median Average salary | £37,366 | 1:3.5 | Chief Executive's salary and current median average salary |

17. Election Fees

The Returning Officer is the person who has the overall responsibility for the conduct of elections. The Returning Officer is an officer of the Council who is appointed under the Representation of the People Act 1983. Although appointed by the Council the role of the Returning Officer is one of a personal nature and distinct and separate from their duties as an employee of the Council. Elections fees are paid for these additional duties and they are paid separately to salary.

The role of Chief Executive is the council's Returning Officer.

The fees for Parliamentary, Police & Crime Commissioner, Euro Elections and national referenda are set by the Government. The fees for County Council elections are set by the County Council. The fees for the Combined Authority Mayoral election are set by the Combined Authority. The fees for Parliamentary and European Elections are pensionable.

Fees for district elections are set locally (mindful of neighbour district council fees) and were last reviewed in April 2010 as £373 per contested ward and £55 per uncontested ward. Fees for district elections are pensionable.

Other officers, including senior officers within the scope of this policy, may receive additional payment for specific election duties.

18. Tax Avoidance and IR35

The Council takes tax avoidance seriously and will seek to appoint individuals to vacant positions using the recruitment procedures on the basis of contracts of employment and apply direct tax and National Insurance deductions from pay through the operation of PAYE.

Where consultants are recruited, the Council will seek to avoid contractual arrangements which could be perceived as being primarily designed to reduce significantly the rate of tax paid by that person, such as paying the individual through a company effectively, controlled by him or her.

These principles will be embedded in contract clauses and guidance for managers when employing consultants.

In addition, workers employed directly by the Council will be assessed to establish whether they fall within scope of the IR35 legislation using the HMRC employment status tool. Workers that fall within scope will have Income Tax and National Insurance contributions deducted and paid over to HMRC.

19. Re-engagement of ex City Council staff

All permanent or fixed term posts are advertised in accordance with the council's recruitment policies and appointment is made on merit.

Interim management appointments are made in accordance with the council's procurement policies and the provisions for contract for services.

The council will not engage an ex-city council member of staff within the scope of this policy outside of these arrangements.

This page is intentionally left blank

LICENSING COMMITTEE

29 JANUARY 2024

10.00 – 11.15am

Present: Councillors McPherson (Chair), Bird, Bennett, Carling, Griffin, Levien, Moore, Pounds, Wade.

RECOMMENDATION TO COUNCIL

Cumulative Impact Assessment

Section 5 of the Licensing Act 2003 requires a licensing authority to prepare and publish a statement of its licensing policy at least every five years. During the five-year period, the policy must be kept under review and the licensing authority may make any revisions to it as it considers appropriate. The existing Statement of Licensing Policy for Cambridge City Council became effective in March 2021. This is attached to the officer's report as Appendix B.

In March 2021, the Cumulative Impact Assessment was published as a stand-alone document and needs reviewing within 3 years.

Whilst drafting the Cumulative Impact Assessment, evidence was provided by Cambridge Constabulary covering the current areas within the Cumulative Impact Assessment.

The draft Cumulative Impact Assessment is attached to the officer's report as Appendix C. The current Cumulative Impact Assessment is attached to the officer's report as Appendix A.

The Licensing Committee unanimously approved the recommendation.

Accordingly, Council is recommended to:

- i. Consider the results of the public consultation exercise as summarised in Appendix D of the officer's report and the information provided by Cambridge Constabulary and Public Health as attached to the officer's report as Appendix E and approve the draft Cumulative Impact Assessment attached to the officer's report as Appendix C.

This page is intentionally left blank

REVIEW OF CUMULATIVE IMPACT ASSESSEMENT

**To:**

Licensing Committee 29/01/2024

Report by:

Yvonne O'Donnell, Environmental Health Manager

Tel: 01223 - 457951 Email: yvonne.odonnell@cambridge.gov.uk

Wards affected:

All

1. Introduction / Executive Summary

- 1.1 Section 5 of the Licensing Act 2003 requires a licensing authority to prepare and publish a statement of its licensing policy at least every five years. During the five-year period, the policy must be kept under review and the licensing authority may make any revisions to it as it considers appropriate. The existing Statement of Licensing Policy for Cambridge City Council became effective in March 2021. This is attached to the report as Appendix B.
- 1.2 In March 2021, the Cumulative Impact Assessment was published as a stand alone document, that needs reviewing within 3 years.
- 1.3 Whilst drafting the Cumulative Impact Assessment, evidence was provided by Cambridge Constabulary covering the current areas within the Cumulative Impact Assessment.
- 1.4 The draft Cumulative Impact Assessment is attached to this report as Appendix C. The current Cumulative Impact Assessment is attached to this report as Appendix A.

- 1.5 The process to review the Cumulative Impact Assessment began in April 2023 and a twelve-week public consultation took place between 21st August 2023 and 12th November 2023.

2. Recommendations

- 2.1 Members are recommended to recommend to Council:

Consider the results of the public consultation exercise as summarised in Appendix D of this report and the information provided by Cambridge Constabulary and Public Health as attached to this report as Appendix E and approve the draft Cumulative Impact Assessment attached to this report as Appendix C;

3. Background

Page: 2

- 3.1. The Policing and Crime Act 2017 amended the Licensing Act 2003 to place Cumulative Impact Assessments on a statutory footing.
- 3.2 We took the opportunity to create a stand-alone Cumulative Impact Assessment on 1st March 2021. This assessment must be reviewed at least every 3 years.
- 3.3 The term ‘Cumulative impact’ is defined in paragraph 14.20 of the Guidance issued under Section 182 of the Licensing Act 2003 as “the potential impact on the promotion of the licensing objectives of a significant number of licensed premises concentrated in one area”.
- 3.4 The guidance further states that a cumulative impact assessment may be published by a licensing authority to help it to limit the number or types of licence applications granted in areas where there is evidence to show that the number or density of licensed premises in the area is having a cumulative impact and leading to problems which are undermining the licensing objectives.
- 3.5 In considering whether to publish a Cumulative Impact Assessment, the authority needs to consider the following:
- Identify concern about crime and disorder; public safety; public nuisance or protection of children from harm in a particular location.

- Consider whether there is good evidence that crime and disorder or nuisance are occurring, or whether there are activities which pose a threat to public safety or the protection of children from harm.
- If there is evidence that such problems are occurring, identify whether these problems are being caused by the customers of licensed premises, or that cumulative impact is imminent.
- Identify the boundaries of the area where problems are occurring (this can involve mapping where the problems occur and identifying specific streets or localities where such problems arise).
- Consult those specified in section 5(3) of the 2003 Act. As with consultations in respect of the licensing policy statement as a whole, it is for each licensing authority to determine the extent of the consultation it should undertake in respect of a CIA (subject to the statutory requirements).

3.6 Ahead of the public consultation, Cambridge Constabulary provided data covering the previous 3 years showing the Alcohol Related Crime and Incidents broke down by wards within Cambridge City.

3.7 With the information provided by Cambridge Constabulary giving different figures for the different wards, the consultation we carried out was specific to each area and asked for people's thoughts on the different areas as well as the Cumulative Impact Assessment as a whole.

3.8 The 12-week public consultation was between 21st August 2023 and 12th November 2023. This was undertaken by directly contacting the relevant responsible authorities and residents' associations and publishing the consultation on our website and in the Cambridge News on Monday 21st August 2023. Additionally, all those holding a premises licence or club premises certificate were directly consulted.

3.9 The issues raised in individual responses to the consultation affecting the review are detailed in Appendix C and D. 51 responses were received as a result of the consultation exercise. All comments were evaluated and no amendments were required to be made to the policy.

3.10 To summarise the 49 responses made by members of the public, from the 7 questions answered, the majority for all 7 were in favour of keeping the Cumulative Impact Assessment and the areas as they are. A more detailed summary can be found attached to this report as Appendix E.

4. Implications

a) Financial Implications

Page: 4

Provision has been made in the Council's budget to review the statement of licensing policy and to publish a Cumulative Impact Assessment, the council will meet the cost of consultation.

b) Staffing Implications

There are no additional staffing implications. Budget provision has been made for the publishing of the assessment.

c) Equality and Poverty Implications

An Equality Impact Assessment (EqIA) has been completed alongside the publishing of this assessment and has been attached to the report as Appendix F.

d) Net Zero Carbon, Climate Change and Environmental Implications

The Act requires the Licensing Authority to carry out its function with a view to promoting the four licensing objectives, one of which is the prevention of public nuisance, to protect the local environment and community.

e) Procurement Implications

Nil

f) Community Safety Implications

Cambridge City Council must fulfil its obligations under section 17 of the Crime and Disorder Act 1998 to do all that it reasonably can to prevent crime and disorder in Cambridge. The assessment promotes that fact and states that any decision by the Licensing Authority will be with a view to promoting the licensing objectives.

5. Consultation and communication considerations

- 5.1 In accordance with Government Code of Practice on consultation, the proposed Cumulative Impact Assessment was submitted for public consultation over a 12-week period between 21st August 2023 and 12th November 2023. Legislation requires that we undertake consultation with bodies prescribed in the Act for the review.
- 5.2 Consultation was undertaken as widely as possible, with approximately 600 letters and emails being sent out, including the Chief Officer of Police and all other parties as required by legislation, including persons/bodies representing holders of premises licences and club premises certificates, businesses and residents associations. The consultation was also available to view and comment on Cambridge City Council website and appeared in the Cambridge News on Monday 21st August 2023.
- 5.3 All comments received are listed in the attached Appendix C, which relates to specific written comments received in response to the proposed assessment. Consideration to all comments has been given in drawing up the assessment.

6. Background papers

Background papers used in the preparation of this report:

- (a) Licensing Act 2003
- (b) Guidance published under section 182 of the Licensing Act 2003
- (c) Policing and Crime Act 2017

(d) Cambridge City Council's Existing Statement of Licensing Policy and existing Cumulative Impact Assessment

7. Appendices

Appendix A – Current Cumulative Impact Assessment

Appendix B – Current Statement of Licensing Policy

Appendix C – Proposed Cumulative Impact Assessment

Appendix D – Responses to consultation from members of the public

Appendix E – Responses to consultation from Responsible Authorities

Appendix F – Equality Impact Assessment

8. Inspection of papers

To inspect the background papers or if you have a query on the report please contact Luke Catchpole, Environmental Health and Licensing Support Team Leader, tel: 01223 - 457818, email: luke.catchpole@cambridge.gov.uk.

Cumulative Impact Assessment

2nd March 2021 to 1st March 2024

Cambridge City Council

NB: The Licensing Authority, when publishing its statement of licensing policy is required to have regard to the Cumulative Impact Assessment. The statement of licensing policy and the statements, provisions and aspirations contained within it are consistent with the approach laid out in the Cumulative Impact Assessment. The statements within the policy are aimed at encouraging best practice; a safe environment for all and most importantly, to actively promote the four licensing objectives. The statements in the licensing policy including the approaches to conditions; hours; enforcement and all other matters will apply to the premises designated with the Cumulative Impact Areas.

1. Cumulative Impact Areas – Background

- 1.1 The concept of Cumulative Impact has been described within the Secretary of State's Guidance since the commencement of the 2003 Act.
- 1.2 Cambridge City Council first adopted a special policy on Cumulative Effect in 2007, with amendments being made to the areas covered in 2008 and 2011.
- 1.3 The special policy formed part of the Statement of Licensing Policy, which was last reviewed in October 2017.
- 1.4 The Policing and Crime Act 2017 amended the Licensing Act 2003 to place 'Cumulative Impact Assessments' on a statutory footing by introducing paragraph 5a of the Licensing Act 2003. This amendment came into force on 6th April 2018.
- 1.5 This Cumulative Impact Assessment is therefore being published under these new provisions of the Licensing Act 2003. The policy will be reviewed no later than every three years from the date it came into force.

2. Consultation

- 2.1 As per section 5a of the Licensing Act 2003, in preparing the Cumulative Impact Assessment the Licensing Authority has consulted with the persons mentioned in section 5(3) of the Licensing Act 2003, namely:
 - the Chief Officer of Police for Cambridgeshire
 - the Chief Officer of the Cambridgeshire Fire and Rescue Service
 - persons/bodies representative of the Local Authority with the function of public health
 - persons/bodies representative of local holders of premises licences
 - persons/bodies representative of local holders of club premises certificates
 - persons/bodies representative of local holders of personal licences
 - persons/bodies representative of businesses and residents in the City of Cambridge
 - persons/bodies representative of Child Protection Services at Cambridgeshire County Council
 - other organisations as appear to the Licensing Authority to be affected by licensing matters, including local community, cultural, educational and entertainment organisations.

2.2 The Licensing Authority have considered the views of all those consulted prior to determining this policy.

3. The cumulative impact of a concentration of licensed premises

3.1 Cumulative impact is the potential impact on the promotion of the licensing objectives of a significant number of licensed premises concentrated in one area e.g. the potential impact on crime and disorder or public nuisance.

3.2 The cumulative impact of licensed premises on the promotion of the licensing objectives is a matter that the Licensing Authority can take into account. This should not, however, be confused with 'need' which concerns the commercial demand for a particular type of premises e.g., a pub, restaurant or hotel. The issue of 'need' is therefore primarily a matter for the market to decide and does not form part of this policy.

3.3 The Licensing Authority can publish a Cumulative Impact Assessment if there is evidence that a significant number of licensed premises concentrated in one area is causing a cumulative impact on one or more of the licensing objectives. The Licensing Authority will keep the situation as to whether an area is nearing this point under review.

3.4 The absence of a Cumulative Impact Assessment does not prevent any responsible authority or other person making representations on a new application for the grant or variation of a licence on the grounds that the premises will give rise to a detrimental cumulative impact on one or more of the licensing objectives in a particular area.

3.5 Following previous consultations and representations received by Cambridgeshire Constabulary, the Licensing Authority had adopted a special policy on cumulative effect that remains in place and is now being published as a Cumulative Impact Assessment.

3.6 In response to these representations the Licensing Authority has undertaken the following steps in considering whether to adopt a Cumulative Impact Assessment:

- Identified concern about crime and disorder or public nuisance
- Considered whether there is good evidence that crime and disorder are happening and are caused by customers of licensed premises and that the risk of cumulative impact is imminent
- Identified the boundaries of the areas where problems are occurring
- Consulted with those specified in section 5(3) of the Licensing Act

2003, on the proposal for a cumulative impact assessment in relation to new applications and variations to existing premises licences and club premises certificates and considered the outcome of the consultation.

- 3.7 Having considered the available evidence and undertaken consultation, the Licensing Authority considers that it is appropriate and necessary to control cumulative impact. The Licensing Authority has published a Cumulative Impact Assessment relating to the areas set out in section 4 below.

4. Cumulative Impact Assessment

- 4.1 The Licensing Authority has published a Cumulative Impact Assessment in relation to the below areas of the City:
- Within the city centre marked on the map at Appendix 1
 - At the Cambridge Leisure Park marked on the map at Appendix 2. This area also includes the section of Cherry Hinton Road opposite the leisure park running from Hills Road to Clifton Road (both sides of the road).
 - The area of Chesterton Road, Milton Road and Mitcham's Corner as highlighted in the map at Appendix 3. The area runs along Chesterton Road from Croft Holme Lane to Ferry Path; Victoria Avenue from the River Cam to Chesterton Road; and Milton Road around Mitcham's Corner and up to Springfield Terrace.
 - The entire length of Mill Road Cambridge (excluding Brookfields)
 - The section of Hills Road running from the city to Purbeck Road (both sides of the road).
- 4.2 The evidence for the Cumulative Impact Assessment has been supplied by Cambridgeshire Constabulary on the grounds of Crime and Disorder and is set out in Appendix 4.
- 4.3 This assessment will apply to all applications for the grant or variation of a premises licence or club premises certificate within the cumulative impact area specified in paragraph 4.1. This includes material variations for increased hours for licensable activity; increased capacity and any other matter that may add to cumulative impact in the cumulative impact area. This will relate to premises carrying on or proposing to carry on the following licensable activities:
- The sale or supply of alcohol on or off the premises;
 - The provision of late-night refreshment;
 - The provision of any regulated entertainment.
- 4.4 Whilst this Cumulative Impact Assessment does not apply directly to Temporary Event Notices, the Guidance issued under section 182 the Licensing Act 2003 states that it is open to the police and Environmental Health officers to refer to this assessment and the evidence contained within it when objecting to a TEN. The Licensing Authority believes this is a right and proper approach as expressed in the Guidance issued under section 182 of the Licensing Act 2003.

Impact Area can have a direct impact on the promotion of the licensing objectives.

- 4.5 This assessment is being published because the Licensing Authority considers that the number of licensed premises and club premises certificates within the areas specified in 4.1 is such that it is likely that granting further licences or variations to licences would be inconsistent with the authority's duty to promote the licensing objectives.
- 4.6 The effect of the Cumulative Impact Assessment is to create a presumption that applications for the grant of a premises licence or club premises certificate or variations to existing licenses or certificates, within the cumulative impact area, will be refused if relevant representations are received.
- 4.7 The contents of the Cumulative Impact Assessment does not change the fundamental ways that decisions are made under the Licensing Act 2003. The Licensing Authority will make all decisions on applications within the cumulative impact area on a case by case basis with a view on how best to promote the licensing objectives.
- 4.8 The Cumulative Impact Assessment does not remove the requirement for a relevant representation to be submitted by a responsible authority or 'other persons' against an application for it to be considered by the Licensing Sub-Committee. An application that does not receive relevant representations is deemed granted under the Licensing Act 2003 (subject to such conditions as are consistent with the operating schedule and any mandatory conditions required by the Licensing Act 2003).
- 4.9 Applicants for a premises licence or club premises certificate, or applications to vary an existing licence or certificate, within the cumulative impact area should address issues of cumulative impact within their applications. Applicants will have to demonstrate that their application and proposed operation is not inconsistent with the Licensing Authority's Statement of Licensing Policy, the Cumulative Impact Assessment and the Licensing Authority's ability to be able to promote the licensing objectives.
- 4.10 Where valid representations are received against an application for a premises licence or club premises certificate or an application to vary an existing licence or certificate, within the cumulative impact area, a hearing of the Licensing Sub-Committee will be held. If during the hearing to determine the application, an applicant is able to demonstrate that there will be no negative impact on the authority's duty to promote the licensing objectives and there will be no increase in the cumulative impact, a licence may be granted. However, if it cannot be demonstrated that an application will not undermine the licensing objectives or demonstrate it will not increase the

cumulative impact with the areas specified in paragraph 4.1, then it shall be the policy of this Licensing Authority to refuse to grant the application.

4.11 This Cumulative Impact Assessment will not be used:

- As an absolute. The assessment shall always allow for the circumstances of each application to be considered properly and for applications that are unlikely to add to the cumulative impact on the licensing objectives to be granted.
- as a ground for revoking an existing licence or certificate when representations are received about problems with those premises. Where the Licensing Authority has concerns about the effect of activities at existing premises between midnight and 6am on the promotion of the licensing objectives in a specific area, it may introduce an Early Morning Alcohol Restriction Order (EMRO) if there is sufficient evidence to do so.
- to impose quotas based on either the number of premises or the capacity of those premises. This is because quotas that indirectly have the effect of predetermining the outcome of any application would have no regard to the individual characteristics of the premises concerned.

4.12 The Cumulative Impact Assessment will be kept under review and will remain in existence for a period of up to 3 years. It will be subject to review and further consultation before 1st March 2024, or as required by law at which point the licensing authority will consider whether it remains of the opinion set out in this assessment.

5. Other mechanisms for controlling cumulative impact

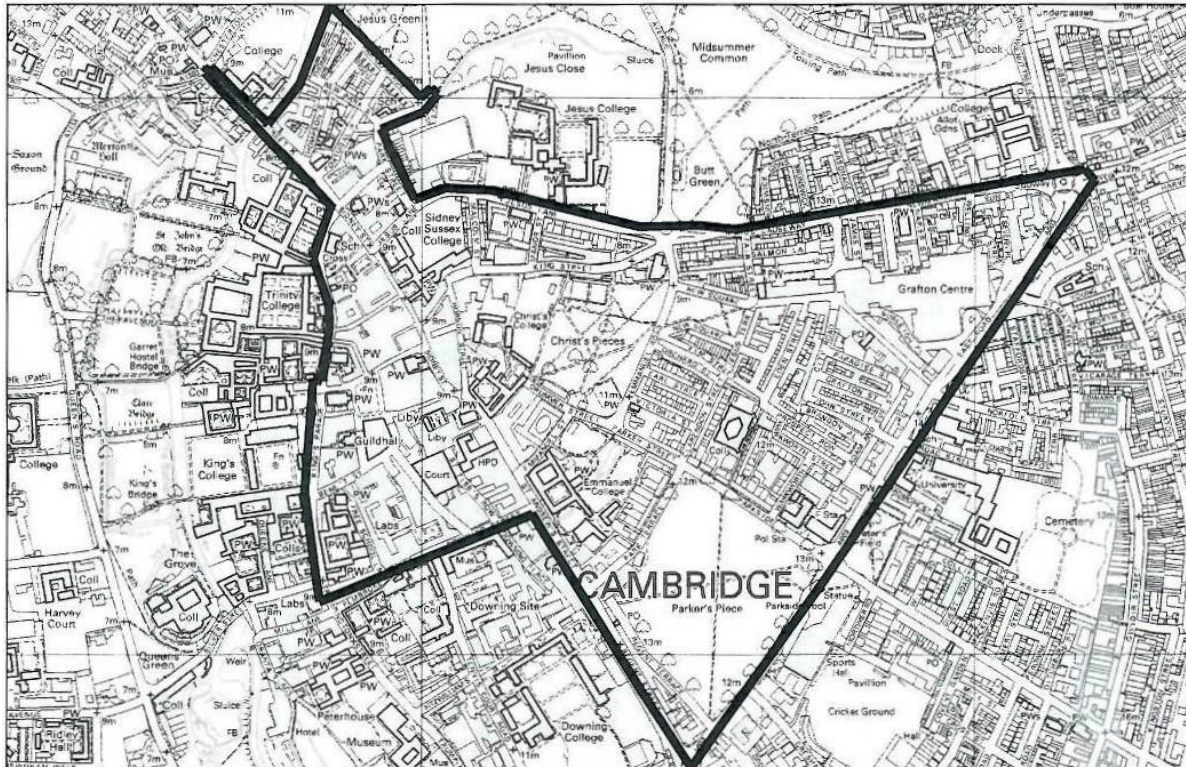
5.1 Once away from the licensed premises, a minority of consumers will behave badly and unlawfully. However, there are other mechanisms, both within and outside the licensing regime, that are available for addressing such issues. For example:

- planning controls
- positive measures to create a safe and clean environment in partnership with local businesses, transport operators and others
- the provision of CCTV, ample taxi ranks, Cambridge BID and CAMBAC (Cambridge Business Against Crime).
- powers to designate parts of the city as places where alcohol may not be consumed publicly. There are currently 3 Public Spaces Protection Order's in place. These are Donkey Common, Mill Road Cemetery and Ditchburn Place.
- confiscation of alcohol from adults and children in designated areas
- police enforcement of the law with regard to disorder and anti-social behaviour, including the issuing of fixed penalty notices

- police powers to close some premises for up to 24 hours on the grounds of disorder, the likelihood of disorder or excessive noise
- the power of police, local businesses or residents to seek a review of the licence or certificate
- enforcement action against those selling alcohol to people who are drunk.

5.2 The above can be supplemented by other local initiatives that similarly address these problems, for example, through the Cambridge Community Safety Partnership in line with the strategic objectives for crime and disorder reduction within the City.

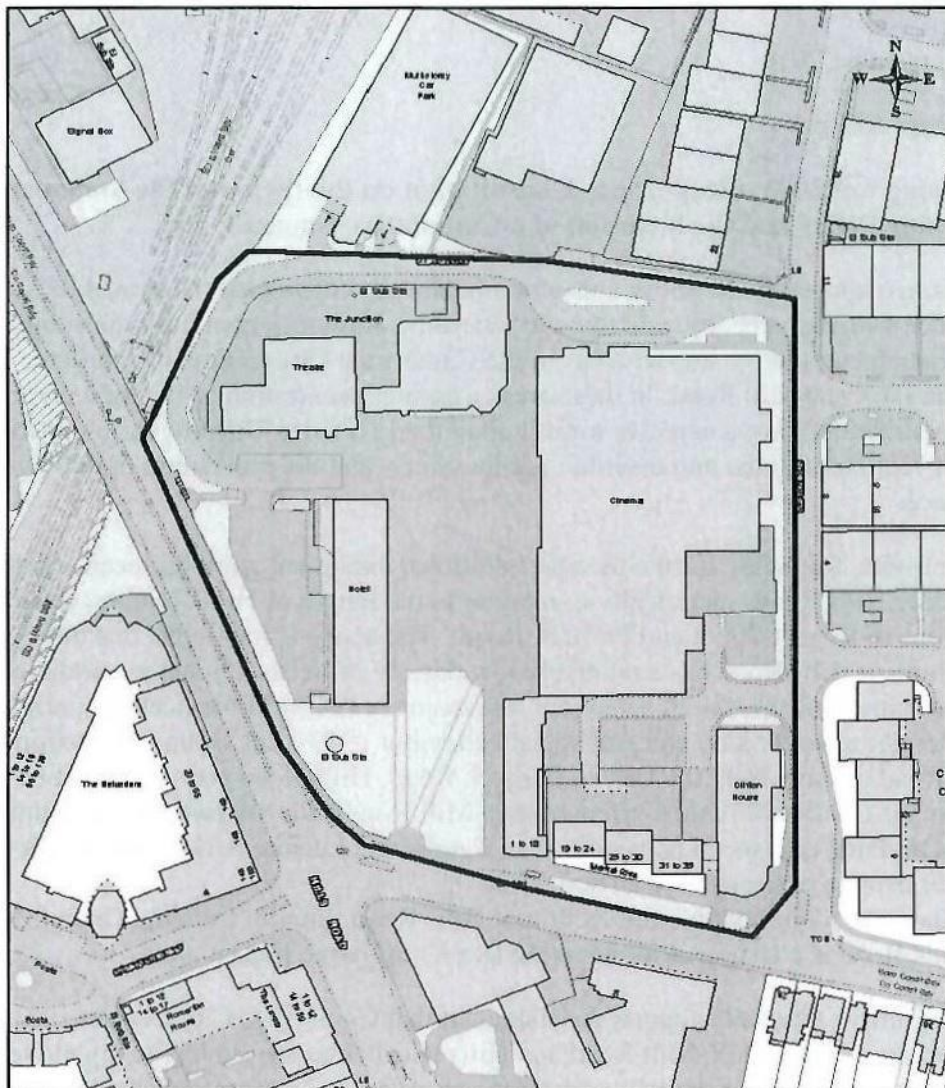
Appendix 1 – Cumulative Impact Area City Centre



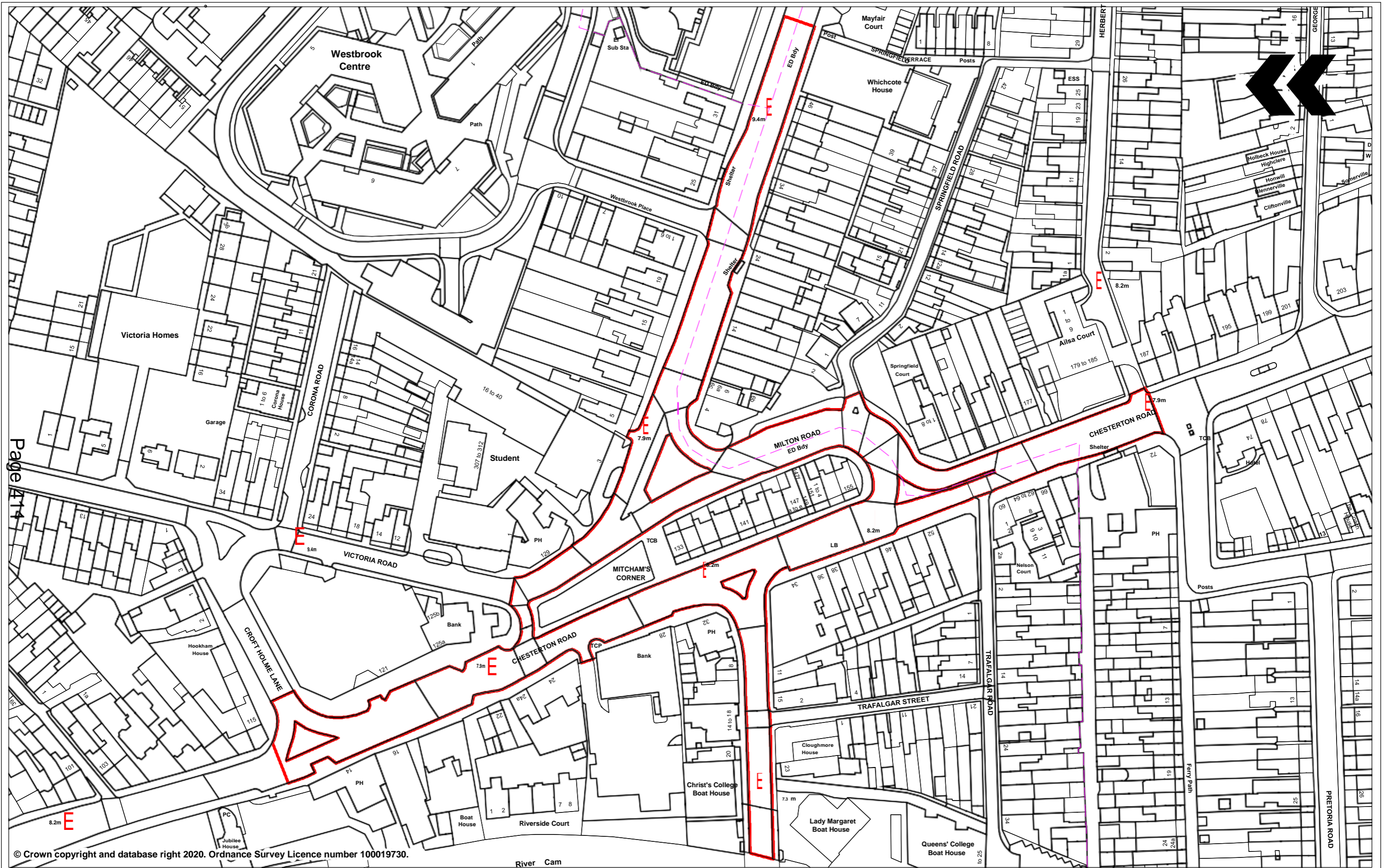
| Streets in Cumulative Impact Area Market Ward | | | |
|--|-------------------|-----------------|---------------------|
| Adam and Eve Street | Eden Street | Malcolm Street | Quayside |
| All Saints Passage | Elm Street | Manor Street | Regent Street |
| Beaufort Place | Emmanuel Street | Market Hill | Regent Terrace |
| Belmont Place | Fair Street | Market Passage | Round Church Street |
| Benet Street | Fitzroy Lane | Market Street | Salmon Lane |
| Brandon Place | Fitzroy Street | Melbourne Place | Severn Place |
| Burleigh Place | Free School Lane | Napier Street | Short Street |
| Burleigh Street | Gonville Place | New Park Street | Sidney Street |
| Clarendon Street | Grafton Street | New Square | St Andrews Street |
| Camden Court | Green Street | Newmarket Road | St Johns Road |
| Causeway Passage | Guildhall Place | Orchard Street | St Marys Street |
| Christ Church Street | Hobson Street | Paradise Street | St Tibbs Row |
| Christs Lane | Hobsons Passage | Park Parade | Sun Street |
| City Road | James Street | Park Street | Sussex Street |
| Corn Exchange Street | Jesus Lane | Park Terrace | Thompson's Lane |
| Crispin Place | John Street | Parkside | Trinity Street |
| Dover Street | King Street | Parsons Court | Warkworth Street |
| Downing Street | Kings Parade | Peas Hill | Warkworth Terrace |
| Drummer Street | Lower Park Street | Petty Cury | Wellington Street |
| Earl Street | Magdalene Street | Portugal Place | Willow Place |
| East Road | Maids Causeway | Prospect Row | Willow Walk |

APPENDIX 2 – CUMULATIVE IMPACT AREA:

CAMBRIDGE LEISURE PARK



APPENDIX 3 – CUMULATIVE IMPACT AREA – MITCHAM'S CORNER, CHESTERTON ROAD AND MILTON ROAD



Page 114

© Crown copyright and database right 2020. Ordnance Survey Licence number 100019730.



Cumulative Impact Area - Mitcham's Corner

Date: 22 July 2020
 Produced by: 3C Shared Services
 Section/Department: Spatial Team
 Scale: 1:1,250 @ A3

APPENDIX 4 - CAMBRIDGE CITY CUMULATIVE IMPACT POLICY REVIEW 2020

Three years data has been analysed, though it should be noted that we are dependent upon crimes and incidents having an 'alcohol' marker which is not reliably the case. Additionally, in May 2018 Cambridgeshire Constabulary converted to a new Crime recording system, which again required an 'alcohol' qualifier to be recorded against a crime for it to be included in these statistics. These figures relate to all alcohol related crimes and incidents recorded within the Cambridge Ward areas that have been identified using the recording systems – 'Crime File', 'Command & Control 3' and 'Athena'.

From the information that is recorded below, it can be seen that in Cambridge there is a general correlation between the ward areas with the highest number of licenced premises and the number of alcohol related crime and incidents.

| Alcohol Related Crime and Incidents | | | | | | |
|--|--------------------------|--------------------|-----------------------------|-----------------------------|-----------------------------|--------------|
| WARD | Licenced Premises | WARD | Apr2017- Mar2018 | Apr2018- Mar2019 | Apr2019- Mar2020 | TOTAL |
| Market | 245 | Market | 1151 | 714 | 813 | 2678 |
| Petersfield | 62 | Petersfield | 254 | 188 | 228 | 670 |
| Trumpington | 51 | Trumpington | 195 | 182 | 228 | 605 |
| Abbey | 33 | King's Hedges | 198 | 133 | 199 | 530 |
| Coleridge | 32 | Abbey | 159 | 160 | 198 | 517 |
| Castle | 32 | West Chesterton | 150 | 157 | 185 | 492 |
| Newnham | 32 | East Chesterton | 158 | 100 | 160 | 418 |
| Romsey | 26 | Arbury | 163 | 121 | 111 | 395 |
| King's Hedges | 24 | Coleridge | 144 | 108 | 141 | 393 |
| Arbury | 24 | Romsey | 104 | 92 | 108 | 304 |
| Cherry Hinton | 22 | Queen Edith's | 126 | 68 | 85 | 279 |
| East Chesterton | 16 | Cherry Hinton | 79 | 59 | 77 | 215 |
| West Chesterton | 14 | Castle | 74 | 53 | 58 | 185 |
| Queen Edith's | 11 | Newnham | 45 | 33 | 37 | 115 |
| TOTAL | 624 | TOTAL | 3000 | 2168 | 2628 | 7796 |

There has been an overall ~12% decrease in the number of alcohol related crimes and incidents recorded in Cambridge between April 2017-March 2018, and April 2019-March 2020.

The table below shows the highest 15 streets in Cambridge for reports of alcohol related crimes and incidents between April 2017 – May 2020. Ten of these streets being located within the existing City Centre Cumulative Impact Zone (CIZ). Hills Road and Mill Road also located in existing CIZs.

| ROAD NAME | Crimes & Incidents April 2017 - May 2020 | WARD |
|-------------------|---|-----------------------------------|
| St Andrews Street | 382 | Market |
| Mill Road | 232 | Petersfield/Romsey |
| Hills Road | 215* | Petersfield/Trumpington/Coleridge |
| Chesterton Road | 211 | West Chesterton/Arbury |
| Sidney Street | 201 | Market |
| Downing Street | 200 | Market |
| Regent Street | 198 | Market |
| Newmarket Road | 165 | Abbey |
| Milton Road | 158 | West Chesterton/Kings Hedges |
| East Road | 143 | Market |
| Parkside | 136 | Market |
| Lion Yard | 117 | Market |
| Guildhall Place | 116 | Market |
| Rose Crescent | 116 | Market |
| Market Hill | 107 | Market |

* excluding alcohol related crimes and incidents recorded at Addenbrookes hospital, Hills Road.

MARKET WARD

The main hot spot areas for alcohol related crime and incidents in Market Ward, are focused on St. Andrews Street, Sidney Street, Downing Street and Regent Street. With St. Andrews Street accounting for 14% of all the alcohol related crime and incidents in Market Ward. Sidney Street, Downing Street and Regent Street all account for approximately ~7% respectively. This shows a continued requirement for the presence of the current city centre CIZ.

COLERIDGE

Coleridge Ward has seen a small reduction of ~7% in the overall alcohol related crime and incidents from the period March 2014- February 2017 to March 2017- February 2020. However, over the same period the percentage of these crimes and incidents occurring on the Cambridge Leisure Park has seen a significant reduced from 30% to only ~9%, indicating that the presence of the current CIZ has been effective.

PETERSFIELD/ROMSEY

Despite the combined figures for these two wards showing a ~5% reduction in the overall alcohol related crime and incidents from the period March 2014- February 2017 to March 2017- February 2020. There are still two 'hotspot' areas, namely; Mill Road and Hills Road.

Mill Road:

- A total of 232 (~22%) of all recorded alcohol related incidents and crimes in Petersfield and Romsey Wards occurs on Mill Road.
- There is a total of 44 Licensed Premises on Mill Road, made up of premises with on-licences, off-licences and both.
- Between 1st March 2019 – 29th February 2020 the police recorded 26 'street based' alcohol related incidents (not crimes) along the Petersfield section of Mill Road. The vast majority of these incidents refer to: street drinkers being abusive to members of the public, concerns for the safety of people 'passed out' on the

path, or persons walking in the road, presenting a danger to themselves and other road users. Additionally, a number of calls to assist ambulance staff who are trying to assess/treat uncooperative, vulnerable persons who are under the influence of alcohol/drugs.

PETERSFIELD AND TRUMPINGTON

Hills Road:

- Over the 3-year period a total of 215 (~12%) of all alcohol related crimes and incidents within the Wards of Petersfield, Coleridge and Trumpington were recorded along Hills Road, not including those recorded as occurring at Addenbrookes hospital, Hills Road.
- The vast majority of these records indicate that the offending party was intoxicated, resulting in violent behaviour, with some leading to an assault, or displaying aggressive behaviour in a public place.

It is evident from the general downward trend in alcohol related crime and incidents that current CIZs are effective and are having a positive impact. However, the previously identified hotspots for these types of crimes and incidents continue to be problematic areas in Cambridge City, and therefore it is recommended that the current Cumulative Impact Zones remain in place.

WEST CHESTERTON

It should be noted that over the last 3 years the statistics show that Chesterton Road is a hotspot area for alcohol related crimes and incidents.

There is a small section of Chesterton Road within Arbury Ward, but its majority is in West Chesterton Ward. Chesterton Road features 4th in the table for the highest alcohol related crimes and incidents which is concerning as it isn't located within any of the existing CIZ. The city centre CIZ borders the southern bank of the River Cam, and Chesterton Road is located just north of the river.

As a comparison with Mill Road, between 1st March 2019 – 29th February 2020 the police recorded 21 'street based' alcohol related incidents (not crimes) along Chesterton Road.

The vast majority of this incidents refer to incidents involving street drinkers being abusive to members of the public and shop staff, begging, fighting amongst themselves. Additionally, as with Mill Road we have recorded a number of calls to assist ambulance staff who are trying to assess and treat unwilling, vulnerable people who are under the influence of alcohol or drugs.

The majority of these reports are centred around the 'Mitcham's Corner' area, and roads leading off it. The areas include; the parade of shops and businesses on Milton Road (as far as Springfield Terrace), the section of Chesterton Road from Croft Holme Lane, along to Ferry Path, and the section of Victoria Avenue, north of the River Cam.

There appears to be disproportional **Page 4 of 4** of alcohol related crimes and incidents in this area of the West Chesterton ward, considering it only has 14 licensed premises.

However, a high percentage of these premises are located within this 'hot spot' area. ~23% of all recorded alcohol related crimes and incidents occur along Chesterton Road. Therefore, consideration should be given to extending the city centre CIZ to include this area, or to create a new CIZ for this relatively small geographical area.

This page is intentionally left blank



**CAMBRIDGE CITY COUNCIL
STATEMENT OF LICENSING POLICY**

| | Page |
|--|-------------|
| The City of Cambridge | 2 |
| Introduction | 3 |
| Objectives | 3 |
| Consultation | 4 |
| Fundamental Principles | 5 |
| The cumulative impact of a concentration of licensed premises | 5 |
| Licensing Hours | 6 |
| Children and Licensed Premises | 7 |
| Licence Conditions | 8 |
| Integrating strategies and the avoidance of duplication | 9 |
| Licence Reviews | 11 |
| Enforcement | 12 |
| Administration, exercise and delegation of functions | 12 |
| Effective date and review | 13 |
| Contact details, advice and guidance | 13 |
| Responsible Authorities | 14 |

CAMBRIDGE CITY COUNCIL STATEMENT OF LICENSING POLICY

Cambridge is a unique blend of market town, sub-regional centre, national and international tourist attraction and centre of excellence for education and research. It is a city of great beauty and is renowned for the qualities of its streets, spaces and buildings.

Cambridge City Council (the Licensing Authority), in association with local partnerships, wants Cambridge to be vibrant, socially mixed, safe, convenient and enjoyable, where all residents feel integrated into the life of the City and a part of its success.

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. This is a vision shared with Cambridge citizens and partner organisations. Our vision includes:

- An international city which celebrates its diversity and actively tackles discrimination on gender, race, nationality, ethnic background, religion, age, disability, gender identity, and sexual orientation.
- A city in which all citizens feel that they are listened to and have the opportunity to influence public decision making, and which values, supports and responds to individual and community initiatives.
- A city where all citizens and organisations appreciate their duties as well as their rights, where people are free to enjoy themselves but also show consideration for others, and where the community works together to reduce harm and nuisance including by education and, where needed, robust enforcement of the law.

The overarching objectives of Cambridge City Council in licensing premises are to:

- Promote the Authority's visions and values
- Protect the rights and health and safety of the general public, workers, residents, businesses, minority and vulnerable groups
- Ensure the principles of consistency, transparency, accountability and the promotion of good standards in licensing
- Demonstrate compliance with statutory responsibilities in relation to procedures and enforcement
- Ensure consistent and transparent decision making

It is recognised that licensed entertainment provides a valuable contribution towards the economy of Cambridge and we seek to balance the needs of local business holders and licensees, whilst protecting those of local residents. The City of Cambridge was awarded purple flag status in September 2019. A Purple Flag helps members of the public to identify

town and city centres offering an entertaining, diverse, safe and enjoyable night out.

1. Introduction

- 1.1 This Licensing Policy Statement has been produced in accordance with the requirements of the Licensing Act 2003 ('the Act') and is in line with guidance issued under Section 182 of the Act.
- 1.2 The policy relates to all those licensing activities identified as falling within the provisions of the Act, namely: -
 - Retail sale of alcohol
 - Supply of alcohol by or on behalf of a club, or to the order to a member of the club
 - The provision of regulated entertainment
 - The provision of late night refreshment
- 1.3 The policy relates to all types of premises covered by the Act.
- 1.4 The Licensing Authority will take the policy into account where its discretion is engaged (i.e. at a hearing following representations).
- 1.5 Nothing in this policy will undermine the right of any individual to apply under the terms of the Act for a variety of permissions and to have any such application considered on its individual merits.
- 1.6 The Licensing Authority may depart from this policy if the individual circumstances of any case merit such a decision in the interest of the promotion of the licensing objectives. Full reasons will be given for departing from the policy.

2. Objectives

- 2.1 The Licensing Authority has a duty under the Act to carry out its licensing functions by promoting the licensing objectives, which are: -
 - The prevention of crime and disorder
 - Public safety
 - The prevention of public nuisance, and
 - The protection of children from harm.

Each objective has equal importance.

- 2.2 In carrying out its licensing functions, the Licensing Authority must also have regard to the licensing objectives, its Policy Statement and any statutory guidance under the Act and is bound by The Human Rights Act 1998. The Council must also fulfill its obligations under section 17 of the Crime and Disorder Act 1998 to do all that it reasonably can to prevent crime and disorder in Cambridge. The Statement of Licensing Policy recognises the Equality Act 2010 places a legal obligation on public authorities to have due regard to the need to eliminate unlawful discrimination, harassment and victimization; to advance equality of opportunity; and to foster good relations, between persons with different protected characteristics.
- 2.3 It is recognised that the licensing function is only one means of securing the delivery of the above objectives and should not be seen as a means for solving all problems within the community. However, the licensing function is an important means of achieving the objectives. The Licensing Authority will continue to work in partnership with its neighbouring authorities, the police, other agencies, local liaison groups, businesses and individuals towards the achievement of the licensing objectives through good practice.
- 2.4 The Licensing Authority will expect individual applicants to address the licensing objectives in their operating schedule having regard to the type of premises, the licensable activities to be provided, the operational procedures, the nature of the location and the needs of the local community. Applicants should include in their operating schedule the steps, which they consider necessary to promote the licensing objectives. If the steps are insufficient, or if the information given in the operating schedule does not enable a responsible authority or any other person to assess whether the steps proposed are satisfactory, it is more likely that relevant representations will be received, usually leading to a hearing.
- 2.5 All responsible authorities (listed in section 15) will have the chance to comment on all applications received and will provide evidence from their own areas of expertise if they believe an application would impact on one or more of the licensing objectives. All evidence provided will be taken into account by the Licensing Authority at any subsequent hearing.

3. Consultation

- 3.1 In preparing this policy statement the Licensing Authority has consulted with the following:
- the Chief Officer of Police for Cambridgeshire
 - the Chief Officer of the Cambridgeshire Fire and Rescue Service
 - persons/bodies representative of the Local Authority with the function of public health
 - persons/bodies representative of local holders of premises licences
 - persons/bodies representative of local holders of club premises

certificates

- persons/bodies representative of local holders of personal licences
- persons/bodies representative of businesses and residents in the City of Cambridge
- persons/bodies representative of Child Protection Services at Cambridgeshire County Council
- other organisations as appear to the Licensing Authority to be affected by licensing matters, including local community, cultural, educational and entertainment organisations.

3.2 We have considered the views of all those consulted prior to determining this policy.

4. Fundamental Principles

4.1 Licensing is about regulating licensable activities on premises, such as qualifying clubs, pubs and temporary events which fall within the terms of the Act. Any conditions imposed will focus on matters that individual licensees and others in possession of relevant authorisations are able to control.

4.2 In addressing these matters, the Licensing Authority will primarily focus on the direct impact the activities taking place at the licensed premises will have on those living, working or engaged in normal activity in the area concerned.

4.3 Licensing law is not the primary mechanism for the general control of nuisance and anti-social behaviour by individuals once they are away from the licensed premises and, therefore, beyond the direct control of the individual, club or business holding the licence, certificate or permission concerned. Nonetheless, it is a key aspect of such control and licensing law will always be part of a holistic approach to the management of the evening and night-time economy in Cambridge.

5. The cumulative impact of a concentration of licensed premises

5.1 Cumulative impact is the potential impact on the promotion of the licensing objectives of a significant number of licensed premises concentrated in one area e.g. the potential impact on crime and disorder or public nuisance.

5.2 The cumulative impact of licensed premises on the promotion of the licensing objectives is a matter that the Licensing Authority can take into account. This should not, however, be confused with 'need' which concerns the commercial demand for a particular type of premises e.g., a pub, restaurant or hotel. The issue of 'need' is therefore primarily a matter for the market to decide and does not form part of this licensing policy statement.

- 5.3 The Licensing Authority can only publish a Cumulative Impact Assessment if there is evidence that a significant number of licensed premises concentrated in one area is causing a cumulative impact on one or more of the licensing objectives. The Licensing Authority will keep the situation as to whether an area is nearing this point under review.
- 5.4 The absence of a Cumulative Impact Assessment does not prevent any responsible authority or other person making representations on a new application for the grant or variation of a licence on the grounds that the premises will give rise to a detrimental cumulative impact on one or more of the licensing objectives in a particular area.
- 5.5 Following previous consultations and representations received by Cambridge Constabulary, the Licensing Authority has adopted a special policy on cumulative effect that remains in place and is now the Cumulative Impact Assessment.
- 5.7 Having considered the available evidence and undertaken consultation, the Licensing Authority considers that it is appropriate and necessary to control cumulative impact. The Licensing Authority has adopted a Cumulative Impact Assessment, which is separate to this Statement of Licensing Policy. Further information on the Cumulative Impact Assessment and the areas which it covers can be found in the Cumulative Impact Assessment document.

6. Licensing Hours

- 6.1 Flexible licensing hours for the sale of alcohol can help to ensure that concentrations of customers leaving premises simultaneously are avoided. This can help to reduce the potential for disorder and disturbance. Licensing hours should not inhibit the development of a thriving and safe evening and night-time economy. This is important for investment, local employment, tourism and local services associated with the night-time economy. Providing customers with greater choice and flexibility is an important consideration but should always be balanced carefully against the duty to promote the four licensing objectives and the rights of local residents to peace and quiet.
- 6.2 Subject to the policies regarding cumulative impact in the areas of the City specified in paragraph 5.8, shops, stores and supermarkets will generally be permitted to provide sales of alcohol for consumption off the premises at any times when the retail outlet is open for shopping, unless representations raise good reasons based on the licensing objectives, for restricting those hours, for example, a limitation may be appropriate following police representations in the case of shops known to be a focus of disorder and disturbance.

6.3 The Licensing Authority will deal with the issue of licensing hours on the individual merits of each application. When issuing a licence, following receipt of relevant representations, stricter conditions on noise control are likely to be imposed in the case of premises that are situated in predominantly residential areas. However, this should not limit opening hours without regard to the individual merits of any application.

7. Children and Licensed Premises

7.1 Cambridge City Council will consider its Safeguarding for Children and Vulnerable Adults Policy when determining licensing applications. We are committed to safeguarding and promoting the welfare of children, young people and vulnerable adults.

7.2 It is an offence under the 2003 Licensing Act to:

- Permit children under the age of 16 who are not accompanied by an adult to be present on premises being used exclusively or primarily for supply of alcohol for consumption on those premises under the authorisation of a premises licence, club premises certificate or where that activity is carried on under the authority of a TEN; and
- To permit the presence of children under 16 who are not accompanied by an adult between midnight and 5am at other premises supplying alcohol for consumption on the premises under the authority of any premises licence, club premises certificate or TEN.

7.3 There are a great variety of premises for which licences may be sought including theatres, cinemas, restaurants, pubs, nightclubs, cafes, take away, community halls and schools. Access by children to any premises will not be limited unless it is considered necessary for the prevention of physical, moral or psychological harm to them.

7.4 Conditions requiring the admission of children to any premises cannot be attached to licences or certificates. Where no licensing restriction is necessary, this should remain a matter for the discretion of the individual licensee or club or person who has been given a temporary event notice.

7.5 When deciding whether to limit access to children, the Licensing Authority will consider each application on its merits. Particular areas that will give rise to concern in respect of children, would include premises –

- where entertainment or services of an adult or sexual nature are commonly provided
- where there is a strong element of gambling on the premises
- with a known association with drug taking or dealing
- where there have been convictions of members of the current staff at

the premises for serving alcohol to minors or with a reputation for underage drinking

- where the supply of alcohol for consumption on the premises is the exclusive or primary purpose of the services provided at the premises.
- where there is a known association with the provision of illicit tobacco and alcohol
- where the supply of alcohol is in close proximity to services where young vulnerable people may frequent

7.6 The range of alternatives which may be considered for limiting access to children where that is necessary for the prevention of harm to children are:

- restrictions on the hours when children may be present
- age restrictions (below 18)
- restrictions or exclusions on the presence of children under certain ages when particular specified activities are taking place
- restrictions or exclusions when certain activities are taking place
- requirements for accompanying adults
- full exclusion of those people under 18 from the premises when any licensable activities are taking place
- restrictions on the parts of premises to which children may have access.

7.7 In the case of premises which are used for film exhibitions Cambridge City Council will expect licence holders or clubs to include in their operating schedules arrangements for restricting children from viewing age-restricted films classified according to the recommendations of the British Board of Film Classification or, in specific cases, a certificate given to the film by the Council itself.

7.8 The Licensing Authority recognises the Child Protection Services of Cambridgeshire County Council as being competent to advise on matters relating to the protection of children from harm.

7.9 The Licensing Authority commends the Portman Group Code of Practice on the Naming, Packaging and Promotion of Alcoholic Drinks. The Code seeks to ensure that drinks are packaged and promoted in a socially responsible manner and only to those who are 18 years old or older.

8. Licence Conditions

8.1 A key concept of the Act is for conditions to be attached to licences and certificates, which are tailored to the individual style and characteristics of the premises and events concerned. This is essential to avoid the imposition of disproportionate and overly burdensome conditions on premises where there is no need for such conditions.

- 8.2 The Licensing Authority cannot attach conditions to premises licences and club premises certificates unless they are considered appropriate for the promotion of the licensing objectives. The Licensing Authority may only attach conditions (except for statutory mandatory conditions and conditions drawn from the operating schedule) if relevant representations have been received. Conditions will generally be considered unnecessary if they are already adequately covered by other legislation. Blanket standard conditions will not be imposed without regard to the merits of the individual case.
- 8.3 Conditions attached to premises licences and club premises certificates under prevention of crime and disorder will, so far as possible, reflect local crime prevention strategies.
- 8.4 In deciding what conditions should be attached to licences and certificates to promote the licensing objectives, the Licensing Authority will be aware of the need to avoid measures which might deter live music, dancing or theatre by imposing indirect costs of a substantial nature. Only appropriate conditions will be imposed on such events. Where there is any indication that such events are being deterred by licensing requirements, the policy will be revisited with a view to investigating how the situation might be reversed.
- 8.5 Applicants should consider the measures which they propose to control noise nuisance from the premises or from departing customers. Depending on the individual circumstances, this may include:
- Sound limitation devices
 - Acoustic lobbies
 - Acoustic double glazing
 - Noise insulation
 - Specifying non amplified or acoustic music only
 - Notices requesting customers to leave quietly
 - A dedicated taxi service
 - Use of door supervisors at exit points
 - A winding down period during which music is turned down and lights up, alcohol service ceases and sales of food and hot and cold soft drinks continues, and requests are made for customers to leave quietly.

9. Integrating Strategies and the avoidance of duplication

- 9.1 By consultation and liaison, the Licensing Authority will secure the proper integration of this licensing policy with local crime prevention, Cambridgeshire Health & Wellbeing Strategy, planning, transport, tourism, equality schemes, cultural strategies and any other plans introduced for the management of the city and the night-time economy. Many of these

strategies are not directly related to the promotion of the licensing objectives, but indirectly impact upon them.

- 9.2 Where any protocols to be agreed with the police identify a particular need to disperse people from the city swiftly and safely to avoid concentrations which could lead to disorder and disturbance, the Licensing Authority will aim to inform those responsible for providing local transportation so that arrangements can be made to reduce the potential for problems to occur.
- 9.3 The Council's Licensing Committee will receive, when appropriate, reports on:
- the needs of the local tourist economy for the area to ensure that these –are reflected in their considerations
 - the employment situation in the area and the need for new investment and employment where appropriate.
- 9.4 Planning, building control and the licensing regimes will be separated to avoid duplication and inefficiency. Licensing applications will not be a re-run of the planning application and will not cut across decisions taken by the planning committee or following appeals against decisions taken by that committee. When a terminal hour has been set as a condition of planning permission that is different from the licensing hours, the applicant must observe the earlier of the two closing times.
- 9.5 So far as is possible, the policy is not intended to duplicate existing legislation and regulatory regimes that already place obligations on employers and operators.
- 9.6 The Licensing Authority will monitor the impact of licensing on the provision of regulated entertainment, and particularly live music and dancing. As part of implementing cultural strategies, proper account will be taken of the need to encourage and promote a broad range of entertainment, particularly live music, dancing, circus activity, street art and theatre, including the performance of a wide range of traditional and historic plays for the wider cultural benefit of the community which also balances the evening economy. The Licensing Authority will balance the prevention of disturbance in neighbourhoods with these wider cultural benefits, particularly cultural benefits for children. Only appropriate conditions will be imposed on such events.
- 9.7 The absence of cultural provision in any area can lead to young people being diverted into anti-social activities that damage local communities and the young people involved themselves.
- 9.8 Cambridge City Council has an important role in coordinating events in the City and to ensure that cultural diversity thrives. The Council currently has five licensed open spaces. These are: Parkers Piece; Jesus Green; Midsummer Common; Coldhams Common and the grounds of Cherry Hinton Hall.

- 9.9 The Equality Act 2010 places a legal obligation on public authorities to have due regard to the need to eliminate unlawful discrimination, harassment and victimization; to advance equality of opportunity; and to foster good relations, between persons with different protected characteristics.
- 9.10 Applicants will be encouraged to make themselves aware of any relevant planning and transportation policies, tourism and cultural strategies or local crime prevention strategies and to have taken these into account, where appropriate, when formulating their operating schedule.
- 9.11 The Licensing Authority will have regard to equality and will expect an applicant to meet their statutory obligations in this area and not unlawfully discriminate or refuse service on grounds of age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation or display discriminatory signs.

10. Licence Reviews

- 10.1 The process set out in the Licensing Act 2003 for reviewing premises licences represents a key protection for the community where problems associated with the licensing objectives are occurring after the grant or variation of a premises licence.
- 10.2 Responsible authorities (including the Licensing Authority) and other parties can apply for the review of a licence.
- 10.3 The Licensing Authority will work in partnership with other responsible authorities to achieve the promotion of the licensing objectives and will give Licence or Certificate holders early warning of any concerns identified at a premises. The Licensing Authority will also encourage other responsible authorities to do the same.
- 10.4 When a review has been requested the role of the Licensing Authority will be to administer the process and determine its outcome at a hearing. Where the Licensing Authority has applied to review an authorisation, there will be a clear separation of responsibilities to ensure procedural fairness and eliminate conflicts of interest. (See paragraph 12.3).
- 10.5 The Licensing Authority may decide that no action is necessary if it finds that the review does not require it to take any appropriate steps to promote the licensing objectives. In appropriate cases the Authority may issue an informal warning to the licence holder and/or recommend improvement within a particular period of time. Any warnings or recommendations will be issued in writing.

- 10.6 Where the Licensing Authority considers that action under its statutory powers is appropriate it may take any of the following steps:
- to modify the conditions of the premises licence (which includes adding new conditions or any alteration or omission of an existing condition);
 - to exclude a licensable activity from the scope of the licence;
 - to remove the designated premises supervisor;
 - to suspend the licence for a period not exceeding three months;
 - to revoke the licence.
- 10.7 In cases where the crime prevention objective is being undermined the Licensing Authority will give serious consideration to revoking the licence even in the first instance.

11. Enforcement

- 11.1 The Licensing Authority intends to establish protocols with the police and any other relevant enforcement body on enforcement issues. These protocols will provide for the targeting of agreed problem and high-risk premises, which require greater attention, while providing a lighter touch approach in respect of low risk premises which are well run.
- 11.2 In general, action will only be taken in accordance with the Council's enforcement policy, as adopted at the time, which reflects the Council's obligations relating to enforcement and is consistent with the Regulators Compliance Code. To this end, the key principles of consistency, openness, proportionality, clear standards and practices, courtesy and helpfulness and training will be maintained.
- Cambridge City Council's enforcement policy is available on our website www.cambridge.gov.uk/content/enforcement-policy

12. Administration, exercise and delegation of functions

- 12.1 The functions of the Licensing Authority under the Act may be carried out by the Licensing Committee, by a Sub-Committee or by one or more officers acting under delegated authority.
- 12.2 Many of the decisions and functions will be largely administrative in nature. In the interests of speed, efficiency and cost-effectiveness these will, for the most part, be delegated to officers as set out in the Cambridge City Council Constitution
- 12.3 In determining applications where the Licensing Authority has acted as a responsible authority, there will be a clear separation of responsibilities to ensure procedural fairness and eliminate conflicts of interest. This will be achieved by allocating distinct functions to different Officers within the

authority, so the Officer presenting the report to the Sub-Committee and advising the Members will be a different individual to the Officer who is acting as the responsible authority. The Officer acting as the responsible authority will not be involved in the decision-making process.

13. Effective Date and Review

- 13.1 This policy statement will take effect from 2nd March 2021.
- 13.2 The policy statement will be kept under review and will remain in existence for a period of up to 5 years. It will be subject to review and further consultation before 1st March 2026, or as required by law.

14. Contact details, advice and guidance

- 14.1 Applicants can obtain further details about the licensing and application processes, including application forms and fees from:

website: www.cambridge.gov.uk

e-mail: commercial@cambridge.gov.uk

telephone: 01223 457879

fax: 01223 457909

post: Commercial & Licensing, –Environmental Services,
Cambridge City Council, PO Box 700,
Cambridge, CB1 0JH

in person: Customer Service Centre, Mandela House, 4,
Regent Street, Cambridge, CB2 1BY (Monday to
Friday 09:00- 17:15)

- 14.2 The Licensing Authority has also published further documents to accompany this policy containing additional details about each type of application and the review process. These can be viewed at <https://www.cambridge.gov.uk/guidance-for-applicants>
- 14.3 This policy can be made available in large print on request and similarly translations can be made available in a variety of languages. Please contact us for further help or assistance.
- 14.4 The Council, Police and Fire Authorities will be willing to give advice and guidance to applicants.
- 14.5 Informal discussion is encouraged prior to the application process in order to resolve any potential problems and avoid unnecessary hearings and appeals.

15. **Responsible Authorities** are:

The Licensing Authority

Commercial & Licensing, Environmental Services, Cambridge City Council,
PO Box 700, Cambridge, CB1 0JH

Tel: 01223 457879 Fax: 01223 457909 e-

mail: commercial@cambridge.gov.uk

The Chief Officer of Police

The Chief Officer, Cambridgeshire Constabulary, Southern Division,
Police Station, Parkside, Cambridge, CB1 1JG

Telephone: 01223 823397 Fax: 01223 823232

The Fire Authority

Fire Protection, Cambridge Fire Station, Parkside, Cambridge, CB1 1JF

Email: danny.hans@cambsfire.gov.uk

Planning

Environment & Planning, Cambridge City Council, The Guildhall,
Cambridge, CB2 3QJ

Telephone: 01223 457100

e-mail: planning@cambridge.gov.uk

Environmental Health

The Environmental Health Manager, Environmental Services, Cambridge
City Council, PO Box 700, Cambridge, CB1 0JH

Telephone: 01223 457890 Fax: 01223 457909 e-

mail: commercial@cambridge.gov.uk

Child Protection

Child Protection Services, Licensing Applications, OCYPS, PO Box 144, St
Ives, Cambs, PE27 9AU

Telephone: 03450455203

Referralcentre2.children@cambridgeshire.gov.uk

Trading Standards

Cambridgeshire County Council, PO Box 450, Great Cambourne,
Cambridge, CB23 6ZR

e-mail: trading.standards@cambridgeshire.gov.uk

Public Health

The Director of Public Health, C/O Head of Public Health Programmes, Cambridgeshire County Council, Scott House Box No, SC0 2213, 5 George Street, Huntingdon, PE29 3AD

Home Office – Immigration Enforcement

Alcohol Licensing Team, Lunar House, 40 Wellesley Road, Croydon, CR9 2BY

In addition, for vessels:

Environment Agency

The Team Leader, Great Ouse & Stour Waterways, The Environment Agency, Kingfisher House, Goldhay Way, Orton Goldhay, Peterborough, PE2 5ZR.

Telephone: 01733 464072

e-mail: enquiries@environment-agency.gov.uk, quoting Great Ouse & Stour Waterways

Conservators of the River Cam

The River Manager

Conservators of the River Cam

Baits Bite Lock, Fen Road, Milton, Cambridge, CB24 6AF

Telephone/Fax 01223 863785

e-mail river.manager@camconservators.org.uk

Maritime & Coastguard Agency

Surveyor in Charge, Harwich Marine Office, Maritime & Coastguard Agency, East Terrace, Walton-on-Naze, Essex, CO14 8PY

This page is intentionally left blank

Appendix C

Cumulative Impact Assessment

Draft Version Cambridge City Council

NB: The Licensing Authority, when publishing its statement of licensing policy is required to have regard to the Cumulative Impact Assessment. The statement of licensing policy and the statements, provisions and aspirations contained within it are consistent with the approach laid out in the Cumulative Impact Assessment. The statements within the policy are aimed at encouraging best practice; a safe environment for all and most importantly, to actively promote the four licensing objectives. The statements in the licensing policy including the approaches to conditions; hours; enforcement and all other matters will apply to the premises designated with the Cumulative Impact Areas.

1. Cumulative Impact Areas – Background

- 1.1 The concept of Cumulative Impact has been described within the Secretary of State's Guidance since the commencement of the 2003 Act.
- 1.2 Cambridge City Council first adopted a special policy on Cumulative Effect in 2007, with amendments being made to the areas covered in 2008, 2011 and 2021.
- 1.3 The special policy previously formed part of the Statement of Licensing Policy until 2021.
- 1.4 The Policing and Crime Act 2017 amended the Licensing Act 2003 to place 'Cumulative Impact Assessments' on a statutory footing by introducing paragraph 5a of the Licensing Act 2003. This amendment came into force on 6th April 2018.
- 1.5 This Cumulative Impact Assessment was first published in 2021 under these new provisions of the Licensing Act 2003. The policy will be reviewed no later than every three years from the date it came into force.

2. Consultation

- 2.1 As per section 5a of the Licensing Act 2003, in preparing the Cumulative Impact Assessment the Licensing Authority has consulted with the persons mentioned in section 5(3) of the Licensing Act 2003, namely:
 - the Chief Officer of Police for Cambridgeshire
 - the Chief Officer of the Cambridgeshire Fire and Rescue Service
 - persons/bodies representative of the Local Authority with the function of public health
 - persons/bodies representative of local holders of premises licences
 - persons/bodies representative of local holders of club premises certificates
 - persons/bodies representative of local holders of personal licences
 - persons/bodies representative of businesses and residents in the City of Cambridge
 - persons/bodies representative of Child Protection Services at Cambridgeshire County Council
 - other organisations as appear to the Licensing Authority to be affected by licensing matters, including local community, cultural, educational and entertainment organisations.
- 2.2 The Licensing Authority have considered the views of all those consulted prior to determining this policy.

3. The cumulative impact of a concentration of licensed premises

- 3.1 Cumulative impact is the potential impact on the promotion of the licensing objectives of a significant number of licensed premises concentrated in one area e.g. the potential impact on crime and disorder or public nuisance.
- 3.2 The cumulative impact of licensed premises on the promotion of the licensing objectives is a matter that the Licensing Authority can take into account. This should not, however, be confused with 'need' which concerns the commercial demand for a particular type of premises e.g., a pub, restaurant or hotel. The issue of 'need' is therefore primarily a matter for the market to decide and does not form part of this policy.
- 3.3 The Licensing Authority can publish a Cumulative Impact Assessment if there is evidence that a significant number of licensed premises concentrated in one area is causing a cumulative impact on one or more of the licensing objectives. The Licensing Authority will keep the situation as to whether an area is nearing this point under review.
- 3.4 The absence of a Cumulative Impact Assessment does not prevent any responsible authority or other person making representations on a new application for the grant or variation of a licence on the grounds that the premises will give rise to a detrimental cumulative impact on one or more of the licensing objectives in a particular area.
- 3.5 Following previous consultations and representations received by Cambridgeshire Constabulary, the Licensing Authority had adopted a special policy on cumulative effect that remains in place and is published as a Cumulative Impact Assessment.
- 3.6 In response to these representations the Licensing Authority has undertaken the following steps in considering whether to adopt a Cumulative Impact Assessment:
- Identified concern about crime and disorder or public nuisance
 - Considered whether there is good evidence that crime and disorder are happening and are caused by customers of licensed premises and that the risk of cumulative impact is imminent
 - Identified the boundaries of the areas where problems are occurring
 - Consulted with those specified in section 5(3) of the Licensing Act 2003, on the proposal for a cumulative impact assessment in relation to new applications and variations to existing premises licences and club premises certificates and considered the outcome of the consultation.
- 3.7 Having considered the available evidence and undertaken consultation, the Licensing Authority considers that it is appropriate and necessary to control cumulative impact. The Licensing Authority has published a Cumulative Impact Assessment relating to the areas set out in section 4 below.

4. Cumulative Impact Assessment

- 4.1 The Licensing Authority has published a Cumulative Impact Assessment in relation to the below areas of the City:
- Within the city centre marked on the map at Appendix 1
 - At the Cambridge Leisure Park marked on the map at Appendix 2. This area also includes the section of Cherry Hinton Road opposite the leisure park running from Hills Road to Clifton Road (both sides of the road).
 - The area of Chesterton Road, Milton Road and Mitcham's Corner as highlighted in the map at Appendix 3. The area runs along Chesterton Road from Croft Holme Lane to Ferry Path; Victoria Avenue from the River Cam to Chesterton Road; and Milton Road around Mitcham's Corner and up to Springfield Terrace.
 - The entire length of Mill Road Cambridge (excluding Brookfields)
 - The section of Hills Road running from the city to Purbeck Road (both sides of the road).
- 4.2 The evidence for the Cumulative Impact Assessment has been supplied by Cambridgeshire Constabulary on the grounds of Crime and Disorder and is set out in Appendix 4.
- 4.3 This assessment will apply to all applications for the grant or variation of a premises licence or club premises certificate within the cumulative impact area specified in paragraph 4.1. This includes material variations for increased hours for licensable activity; increased capacity and any other matter that may add to cumulative impact in the cumulative impact area. This will relate to premises carrying on or proposing to carry on the following licensable activities:
- The sale or supply of alcohol on or off the premises;
 - The provision of late-night refreshment;
 - The provision of any regulated entertainment.
- 4.4 Whilst this Cumulative Impact Assessment does not apply directly to Temporary Event Notices, the Guidance issued under section 182 the Licensing Act 2003 states that it is open to the police and Environmental Health officers to refer to this assessment and the evidence contained within it when objecting to a TEN. The Licensing Authority believes this is a right and proper approach as extension of hours within the Cumulative Impact Area can have a direct impact on the promotion of the licensing objectives.
- 4.5 This assessment is being published because the Licensing Authority considers that the number of licensed premises and club premises certificates within the areas specified in 4.1 is such that it is likely that granting further licences or variations to licences would be inconsistent with the authority's duty to promote the licensing objectives.
- 4.6 By publishing a Cumulative Impact Assessment, the Council is setting down a strong statement of intent about its approach to considering applications for grant and variations of premises licences or club premises certificates in the area's set out.

- 4.7 The contents of the Cumulative Impact Assessment does not change the fundamental ways that decisions are made under the Licensing Act 2003. The Licensing Authority will make all decisions on applications within the cumulative impact area on a case by case basis with a view on how best to promote the licensing objectives. Each application will be considered on its own merits.
- 4.8 It is open for the Council to grant an application where it is considered appropriate and where the applicant can demonstrate on the operating schedule that they would not be adding to the cumulative impact. Applications in the areas covered by the Cumulative Impact Assessment should therefore give consideration to potential cumulative impact issues when setting out the steps that will be taken to promote the licensing objectives.
- 4.9 An applicant wishing to obtain a new licence or vary a licence for premises, within the cumulative impact area, will be expected to demonstrate through the operating schedule, the steps that they intend to take so that the Council and responsible authorities can be satisfied that granting a new or varied licence will not add to the cumulative impact already being experienced.
- 4.10 The onus is on the applicant to demonstrate to the responsible authorities the suitability of how their proposal will not add to the cumulative impact. To assist this process the Council recommends speaking to the relevant responsible authorities ahead of submitting any application.
- 4.11 The Cumulative Impact Assessment does not remove the requirement for a relevant representation to be submitted by a responsible authority or 'other persons' against an application for it to be considered by the Licensing Sub-Committee. An application that does not receive relevant representations is deemed granted under the Licensing Act 2003 (subject to such conditions as are consistent with the operating schedule and any mandatory conditions required by the Licensing Act 2003).
- 4.12 Where valid representations are received against an application for a premises licence or club premises certificate or an application to vary an existing licence or certificate, within the cumulative impact area, a hearing of the Licensing Sub-Committee will be held. If during the hearing to determine the application, an applicant is able to demonstrate that there will be no negative impact on the authority's duty to promote the licensing objectives and there will be no increase in the cumulative impact, a licence may be granted. However, if it cannot be demonstrated that an application will not undermine the licensing objectives or demonstrate it will not increase the cumulative impact with the areas specified in paragraph 4.1, then it shall be the policy of this Licensing Authority to refuse to grant the application.
- 4.13 Where relevant representations are received and the Council determines to grant an application, reasons for granting the application will be given to the applicant, the Chief Officer of Police and all parties who made a relevant representation.

4.14 This Cumulative Impact Assessment will not be used:

- As an absolute. The assessment shall always allow for the circumstances of each application to be considered properly and for applications that are unlikely to add to the cumulative impact on the licensing objectives to be granted.
- as a ground for revoking an existing licence or certificate when representations are received about problems with those premises. Where the Licensing Authority has concerns about the effect of activities at existing premises between midnight and 6am on the promotion of the licensing objectives in a specific area, it may introduce an Early Morning Alcohol Restriction Order (EMRO) if there is sufficient evidence to do so.
- to impose quotas based on either the number of premises or the capacity of those premises. This is because quotas that indirectly have the effect of predetermining the outcome of any application would have no regard to the individual characteristics of the premises concerned.

4.15 The Cumulative Impact Assessment will be kept under review and will remain in existence for a period of up to 3 years. It will be subject to review and further consultation before 1st March 2024, or as required by law at which point the licensing authority will consider whether it remains of the opinion set out in this assessment.

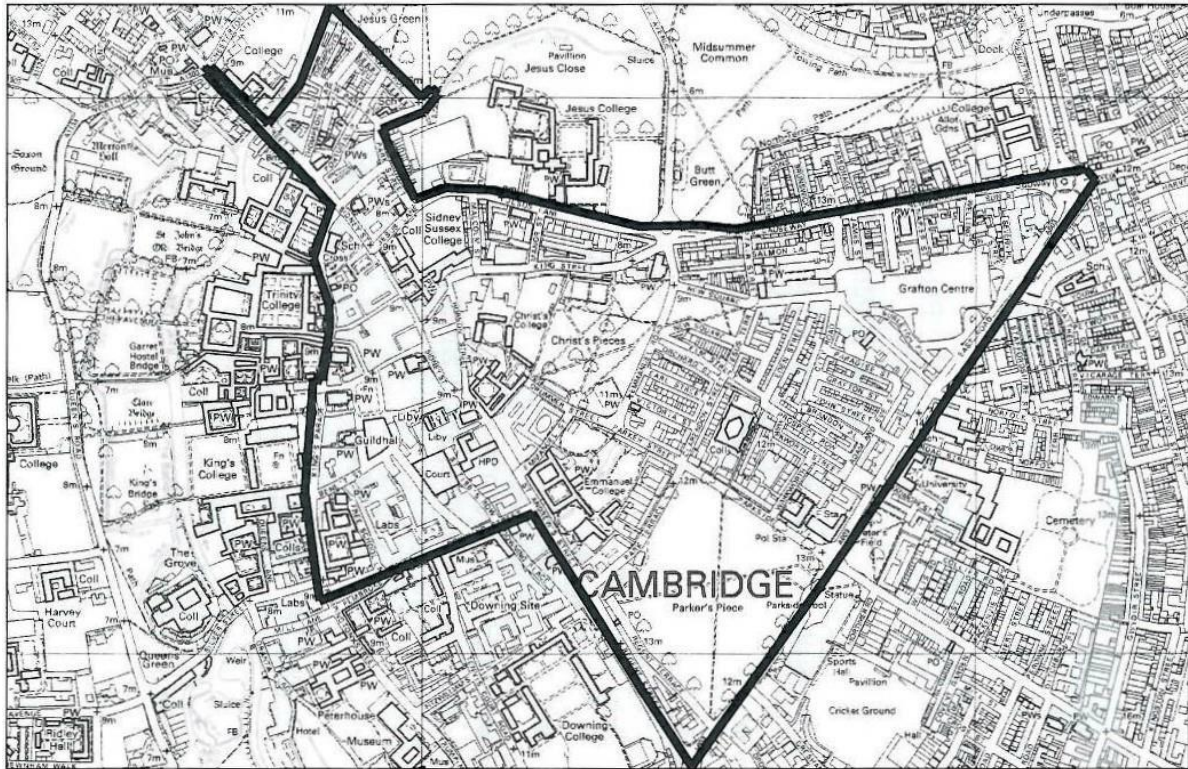
5. Other mechanisms for controlling cumulative impact

5.1 Once away from the licensed premises, a minority of consumers will behave badly and unlawfully. However, there are other mechanisms, both within and outside the licensing regime, that are available for addressing such issues. For example:

- planning controls
- positive measures to create a safe and clean environment in partnership with local businesses, transport operators and others
- the provision of CCTV, ample taxi ranks, Cambridge BID and CAMBAC (Cambridge Business Against Crime).
- powers to designate parts of the city as places where alcohol may not be consumed publicly. There are currently 3 Public Spaces Protection Order's in place. These are Donkey Common, Mill Road Cemetery and Ditchburn Place.
- confiscation of alcohol from adults and children in designated areas
- police enforcement of the law with regard to disorder and anti-social behaviour, including the issuing of fixed penalty notices
- police powers to close some premises for up to 24 hours on the grounds of disorder, the likelihood of disorder or excessive noise
- the power of police, local businesses or residents to seek a review of the licence or certificate
- enforcement action against those selling alcohol to people who are drunk.

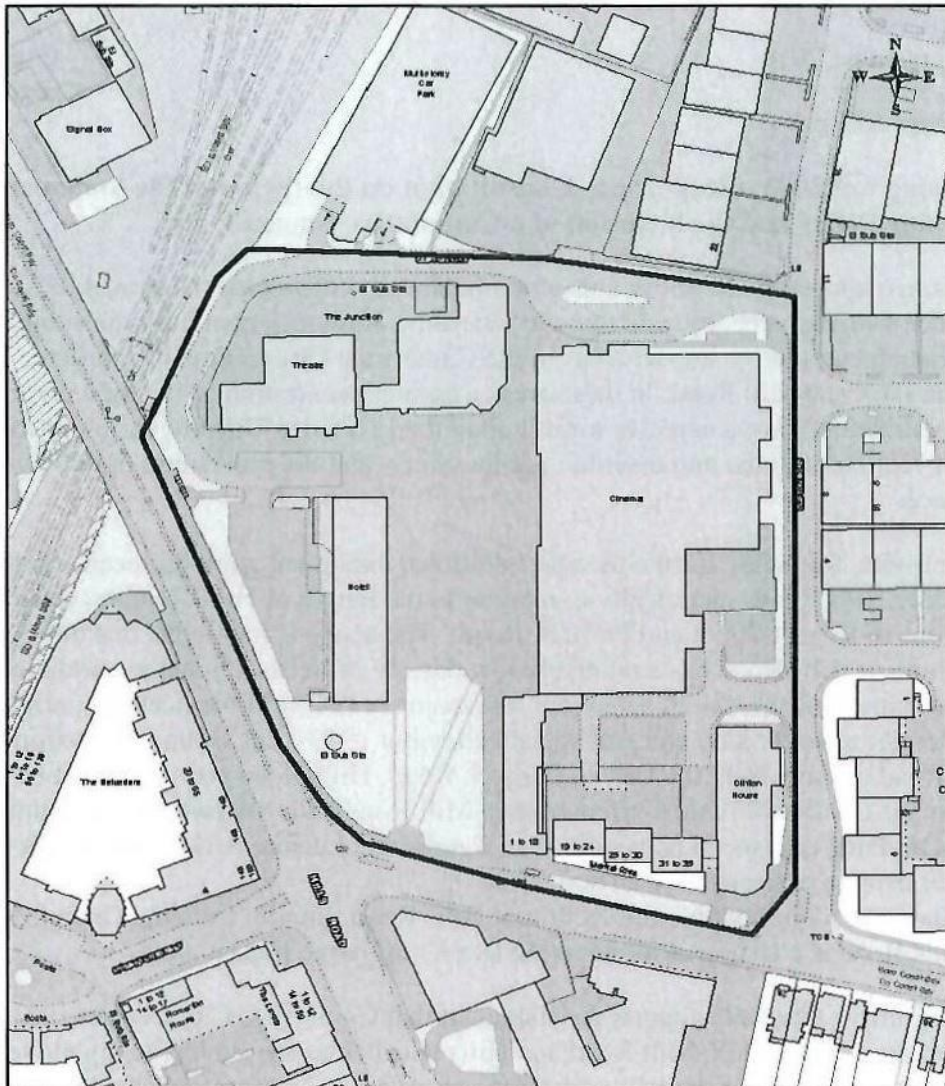
5.2 The above can be supplemented by other local initiatives that similarly address these problems, for example, through the Cambridge Community Safety Partnership in line with the strategic objectives for crime and disorder reduction within the City.

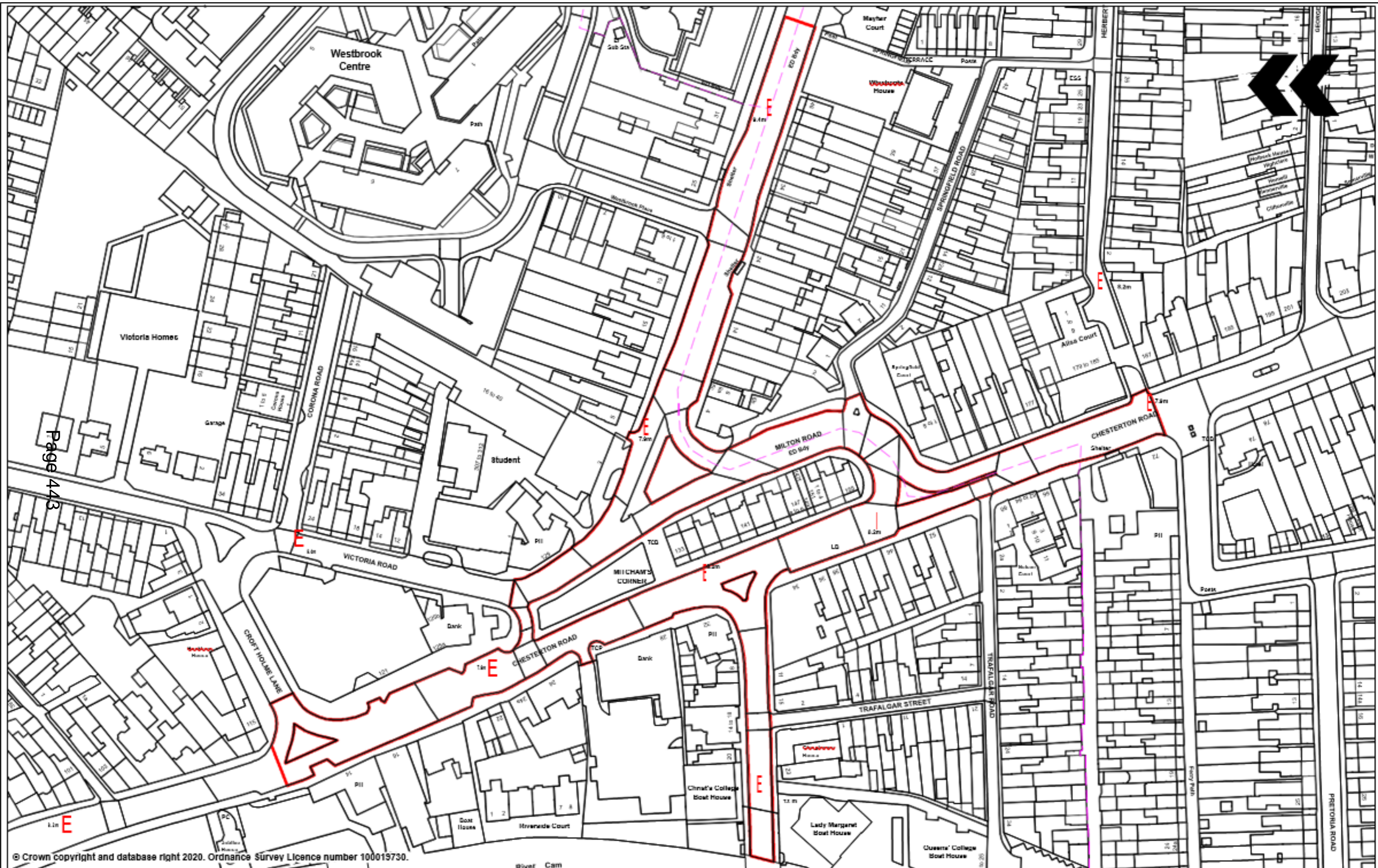
APPENDIX 1 – CUMULATIVE IMPACT AREA CITY CENTRE



| Streets in Cumulative Impact Area Market Ward | | | |
|--|-------------------|-----------------|---------------------|
| Adam and Eve Street | Eden Street | Malcolm Street | Quayside |
| All Saints Passage | Elm Street | Manor Street | Regent Street |
| Beaufort Place | Emmanuel Street | Market Hill | Regent Terrace |
| Belmont Place | Fair Street | Market Passage | Round Church Street |
| Benet Street | Fitzroy Lane | Market Street | Salmon Lane |
| Brandon Place | Fitzroy Street | Melbourne Place | Severn Place |
| Burleigh Place | Free School Lane | Napier Street | Short Street |
| Burleigh Street | Gonville Place | New Park Street | Sidney Street |
| Clarendon Street | Grafton Street | New Square | St Andrews Street |
| Camden Court | Green Street | Newmarket Road | St Johns Road |
| Causeway Passage | Guildhall Place | Orchard Street | St Marys Street |
| Christ Church Street | Hobson Street | Paradise Street | St Tibbs Row |
| Christ's Lane | Hobsons Passage | Park Parade | Sun Street |
| City Road | James Street | Park Street | Sussex Street |
| Corn Exchange Street | Jesus Lane | Park Terrace | Thompson's Lane |
| Crispin Place | John Street | Parkside | Trinity Street |
| Dover Street | King Street | Parsons Court | Warkworth Street |
| Downing Street | Kings Parade | Peas Hill | Warkworth Terrace |
| Drummer Street | Lower Park Street | Petty Cury | Wellington Street |
| Earl Street | Magdalene Street | Portugal Place | Willow Place |
| East Road | Maids Causeway | Prospect Row | Willow Walk |

APPENDIX 2 – CUMULATIVE IMPACT AREA: CAMBRIDGE LEISURE PARK





Page 4/13

© Crown copyright and database right 2020. Ordnance Survey Licence number 100019730.

Cumulative Impact Area - Mitcham's Corner

| | |
|---------------------|--------------------|
| Date: | 22 July 2020 |
| Produced by: | 3C Shared Services |
| Section/Department: | Spatial Team |
| Scale: | 1:1,250 @ A3 |



APPENDIX 4 – CUMULATIVE IMPACT POLICY REVIEW 2023

The document below was produced by Cambridgeshire Constabulary.

CAMBRIDGE CITY CUMULATIVE IMPACT POLICY REVIEW 2023

Introduction and Scope

This document aims to provide quantitative data on the prevalence of alcohol-related incidents and crimes across Cambridge City that have been recorded by Cambridgeshire Constabulary, and whether or not these correlate to the presence of licensed premises. This is being produced to assist Cambridge City Council with their three-year review of their Cumulative Impact Assessment Policy.

Methodology

This report has compared two time periods to try and ensure best data comparison, discounting periods of time where the data would have been heavily influenced by the Covid Pandemic, and the various lockdown periods, where 'business as normal' was not possible due to restrictions being imposed on licensed and hospitality premises.

For the purpose of this report, the two time periods being compared are:

1st April 2019 – 31st March 2020 and **1st April 2022 – 31st March 2023**.

Both Crime and Incident data has been extracted using various applications including Cambridgeshire Operational Briefing Tool, Athena and Command & Control 3. The Crime data used covers all Cambridge City crimes using the following criteria: All Crime Types, which either have an Alcohol related keyword or a 'Street Drinking' or 'Drunken Behaviour' category. The incident data used also covers all Cambridge City incidents with the criteria: All type incidents and has an 'Alcohol' marker attached.

It should be noted that these figures are dependent upon both crimes and incidents having had the relevant 'alcohol' marker and keyword attached to it by the person recording the crime or incident, which is not always reliably the case.

Additionally, when on the occasions an alcohol related incident has firstly been recorded on the Command and Control 3 as an incident, and this has then resulted in a crime being recorded there will be duplication in the figures. Over recent years the way in which crimes have been recorded has been streamlined, with many more incidents now being recorded straight onto Athena rather than first being recorded on Command and Control as an incident. Therefore, it can be assumed the second data set will have less duplication, but this reduction is not quantifiable.

Due to data limitations, it has not been possible to provide specific figures for the existing Cumulative Impact Areas. However, the data maps included in this report provide a visual representation of the general locations of the occurrences of the crimes and incidents within the ward areas containing the Cumulative Impact Areas (CIA).

Results and Recommendations

In general alcohol related crime and incidents have decreased across the city by 14.8%.

| Ward Name | Current no. Licensed Premises | Alcohol Related Incidents | | | | Alcohol Related Crimes | | | |
|-------------------------------------|-------------------------------|---------------------------|-------------------|-------------|--------------|------------------------|-------------------|-------------|--------------|
| | | Apr 2019-Mar 2020 | Apr 2022-Mar 2023 | Change | % change | Apr 2019-Mar 2020 | Apr 2022-Mar 2023 | Change | % change |
| Arbury | 16 | 59 | 61 | 2 | 3.4 | 46 | 54 | 8 | 17.4 |
| East Chesterton | 16 | 83 | 66 | -17 | -20.5 | 51 | 42 | -9 | -17.6 |
| King's Hedges | 15 | 97 | 75 | -22 | -22.7 | 68 | 54 | -14 | -20.6 |
| West Chesterton | 49 | 106 | 68 | -38 | -35.8 | 45 | 50 | 5 | 11.1 |
| Castle | 21 | 33 | 33 | 0 | 0.0 | 16 | 19 | 3 | 18.8 |
| Newnham | 50 | 21 | 21 | 0 | 0.0 | 10 | 11 | 1 | 10.0 |
| Abbey | 35 | 101 | 80 | -21 | -20.8 | 80 | 58 | -22 | -27.5 |
| Coleridge | 42 | 69 | 51 | -18 | -26.1 | 47 | 32 | -15 | -31.9 |
| Petersfield | 79 | 131 | 77 | -54 | -41.2 | 54 | 69 | 15 | 27.8 |
| Romsey | 33 | 62 | 58 | -4 | -6.5 | 30 | 24 | -6 | -20.0 |
| Cherry Hinton | 18 | 40 | 29 | -11 | -27.5 | 24 | 22 | -2 | -8.3 |
| Queen Edith's | 13 | 41 | 43 | 2 | 4.9 | 34 | 25 | -9 | -26.5 |
| Trumpington | 18 | 133 | 94 | -39 | -29.3 | 77 | 72 | -5 | -6.5 |
| Market | 254 | 441 | 371 | -70 | -15.9 | 293 | 294 | 1 | 0.3 |
| Total | 659 | 1417 | 1127 | -290 | -20.5 | 875 | 826 | -49 | -5.6 |
| Total Crimes & Incidents | | | | | | 2292 | 1953 | -339 | -14.8 |

The table below shows all of the Ward areas within Cambridge together with the amount of licensed premises and the number of alcohol related crimes and incidents.

| Wards in order of no. of licenced premises | Licensed Premises | Alcohol related Incs. & crimes |
|--|-------------------|--------------------------------|
| Market | 254 | 665 |
| Petersfield | 79 | 146 |
| Newnham | 50 | 32 |
| West Chesterton | 49 | 118 |
| Coleridge | 42 | 83 |
| Abbey | 35 | 138 |
| Romsey | 33 | 82 |
| Castle | 21 | 52 |
| Trumpington | 18 | 166 |
| Cherry Hinton | 18 | 51 |
| Arbury | 16 | 115 |
| East Chesterton | 16 | 108 |
| King's Hedges | 15 | 129 |
| Queen Edith's | 13 | 68 |

As expected, Market Ward has the highest volume of alcohol related incidents and crimes, as (apart from one) this is where all the city's night clubs are located. This area also includes other licensed premises which have extended trading hours into the early hours of the morning, and where many Late-Night Refreshment licensed establishments are concentrated.

The table below shows the top 15 streets in Cambridge for Alcohol Related Crimes over the compared time periods.

| | Road Name | Apr19-Mar20 Crimes | Relevant existing CIA | Road Name | Apr22-Mar23 Crimes | Relevant existing CIA |
|----|--------------------|--------------------|-----------------------|----------------------|--------------------|-----------------------|
| 1 | St. Andrews Street | 55 | Market | St. Andrews Street | 50 | Market |
| 2 | Downing Street | 29 | Market | Sidney Street | 39 | Market |
| 3 | Hills Road | 29 | Hills Road | Market Passage | 28 | Market |
| 4 | Sidney Street | 29 | Market | Drummer Street | 24 | Market |
| 5 | Chesterton Road | 22 | West Chesterton | Chesterton Road | 22 | West Chesterton |
| 6 | Newmarket Road | 22 | Market | Hills Road | 21 | Hills Road |
| 7 | Market Hill | 17 | Market | Milton Road | 21 | West Chesterton |
| 8 | Milton Road | 17 | West Chesterton | Mill Road | 20 | Mill Road |
| 9 | East Road | 15 | Market | Newmarket Road | 17 | Market |
| 10 | Lion Yard | 14 | Market | Market Hill | 14 | Market |
| 11 | Mill Road | 13 | Mill Road | Cherry Hinton Road | 13 | Leisure Park |
| 12 | Rose Crescent | 12 | Market | Corn Exchange Street | 12 | Market |
| 13 | Regent Street | 11 | Market | Market Street | 12 | Market |
| 14 | King Street | 10 | Market | Regent Street | 11 | Market |
| 15 | Cherry Hinton Road | 9 | Leisure Park | Rose Crescent | 11 | Market |

Ten streets in the 1st April 2022 – 31st March 2023 period are located within the existing Market (City Centre) CIA, including the top four streets.

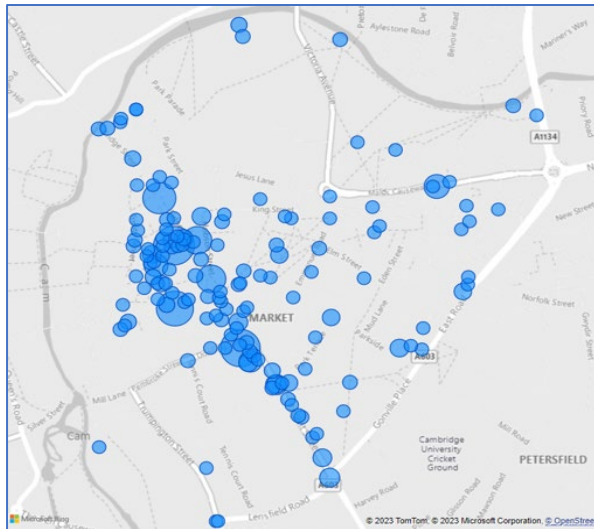
The majority of the streets are named in both the compared time periods, with all those mentioned either partially or fully located within an existing CIA. This indicates the existing CIAs cover those areas that are experiencing the highest rates of recorded alcohol related crimes.

City Centre/Market Ward

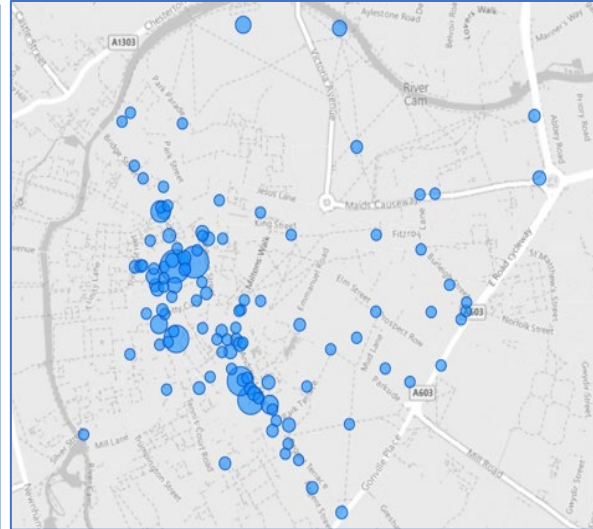
Though the boundary delineation for Market Ward does not exactly mirror the current City Centre CIA, the locations of most of the recorded crimes and incidents are included within both areas.

The maps below show the location of recorded incidents and crimes between 1st April 2022 and 31st March 2023. The blue circles denote crime and incident locations, (the larger the circle the higher the number recorded at that specific location).

Market Ward Incidents



Market Ward Crimes



The maps clearly show the concentration of incidents and crimes within the central area of the Market Ward CIA, which corresponds with the centrally located night-time economy licensed premises and Late-night Refreshment establishments.

Analysing the reported incidents (not just those with an 'alcohol' marker) but those with a marker for 'violence', 'concern (for person)' or 'street drinking' between 1st April 2022 and 31st March 2023 just within Market Ward, revealed there were 1001 of these types of incidents within that year period.

243 of these incidents (24.3%) occurred within just a 16-hour period between 21:00hrs Friday – 05:00hrs Saturday, and 21:00hrs Saturday – 05:00hrs Sunday. Meaning 24.3% of incidents were concentrated into only 9.5% of the entire week.

These peak demand hours see additional pressures put on police resources, and other emergency services. In response to this increased demand, Cambridgeshire Constabulary has undertaken a long-running, night-time economy operation on a Friday and Saturday, and other high demand dates, called Operation Connect. The purpose of this is to provide an uplift in officer numbers who conduct proactive patrols within the city centre, and deal with any issues that occur.

It is recommended that the current Market Ward Cumulative Impact Area remains in place due levels of alcohol related crimes and incidents remaining constant between 1st April 2019 – 31st March 2020 and 1st April 2022 – 31st March 2023.

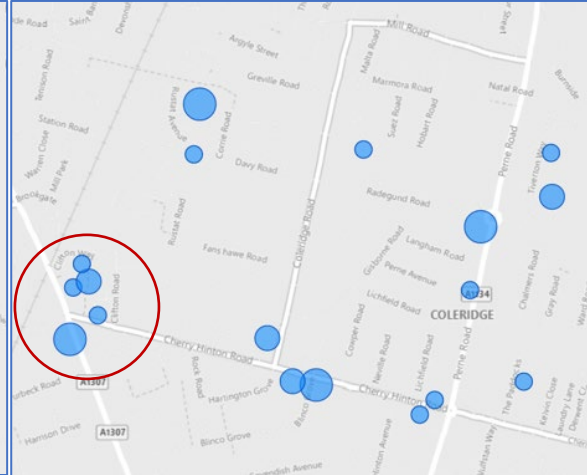
Cambridge Leisure Park/Coleridge Ward

The leisure park is located within Coleridge Ward. The maps below show the location of incidents and crimes between 1st April 2022 and 31st March 2023.

Coleridge Ward Incidents



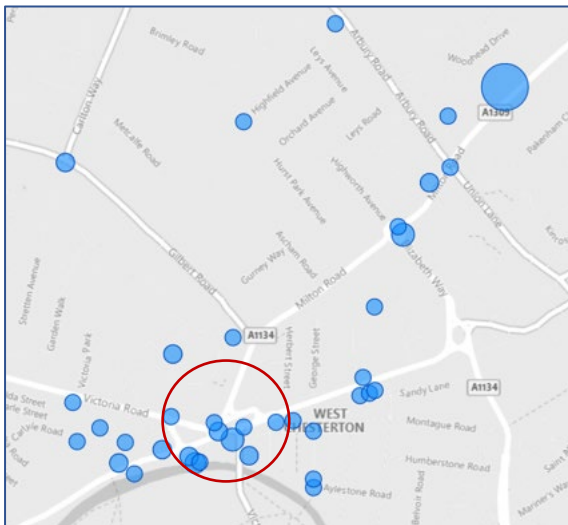
Coleridge Ward Crimes



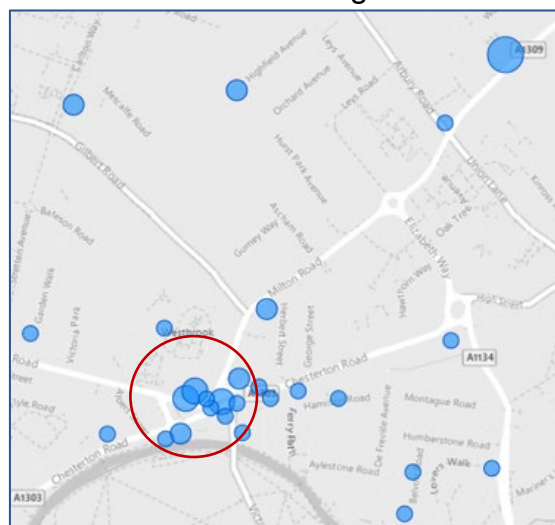
Both figures for alcohol related crimes and incidents in Coleridge Ward decreased between 26% and 32% respectively between the two time periods. Despite this the maps still show clusters of crimes and incidents both within, and also in the immediate vicinity of the Leisure Park (red circle), where there is a concentration of licensed premises. Requests for police attendance to the leisure park increases during weekends, where general anti-social behaviour continues to be an ongoing issue. The reduction in reported alcohol related crimes and incidents figures could be down to a number of factors, including the fact that the leisure park has its own security team who are on hand to deal with emerging issues proactively to minimise the need for police intervention, or because the CIA is having a positive effect in that area.

West Chesterton

West Chesterton Ward Incidents



West Chesterton Coleridge Ward Crimes



Whilst the figure for reported alcohol related incidents saw a reduction of ~36% over the two time periods, the respective crime rate increased by 11%. Despite this both

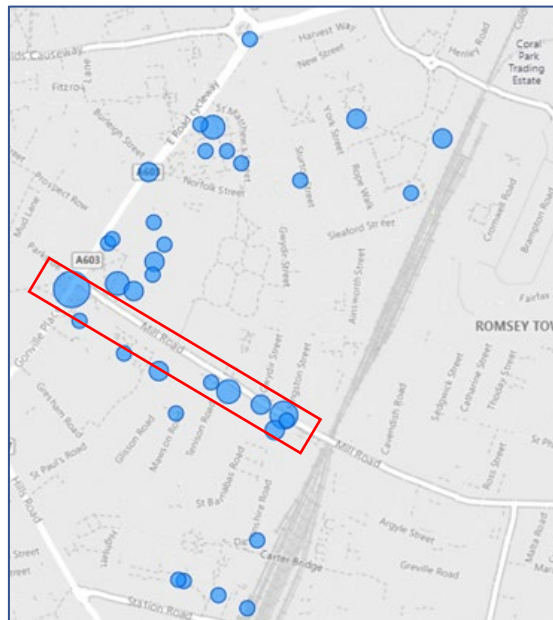
maps still show the clusters of alcohol related crime and incidents within the West Chesterton CIA (red circle), indicating there is still a correlation between these figures and the concentration of licensed premises, which may be justification for the existing CIA to be retained.

Mill Road/Petersfield

Petersfield Ward Incidents



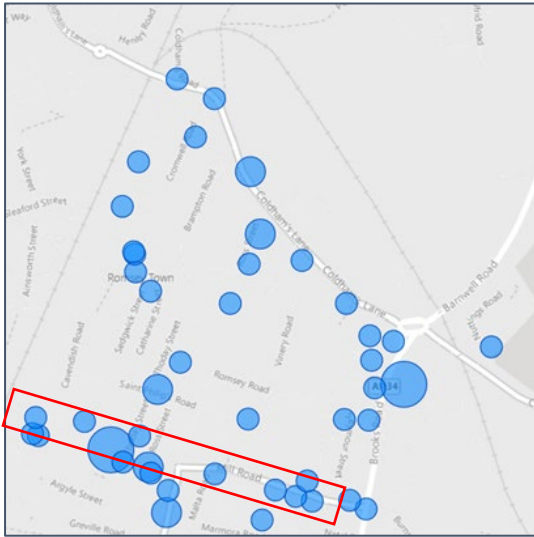
Petersfield Ward Crimes



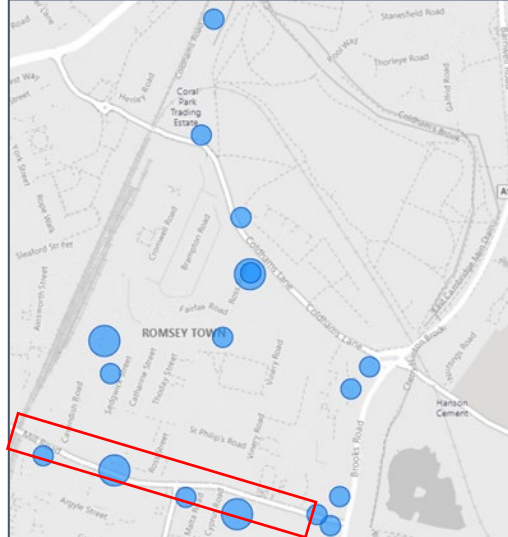
Whilst reported alcohol related incidents saw a reduction of ~41% over the two time periods, the respective crime rate increased by 28%. One reason behind the significant reduction in incident rates could be due to the streamlining of crime recording mentioned earlier in the report. There is a varied spread of incident locations reported within the ward area. A proportion of incidents and crimes are still occurring within the Petersfield CIA which covers Mill Road (area outlined in red) where many of the licensed premises are located, which may be justification for the existing CIA to be retained.

Mill Road/Romsey

Romsey Ward Incidents



Romsey Ward Crimes

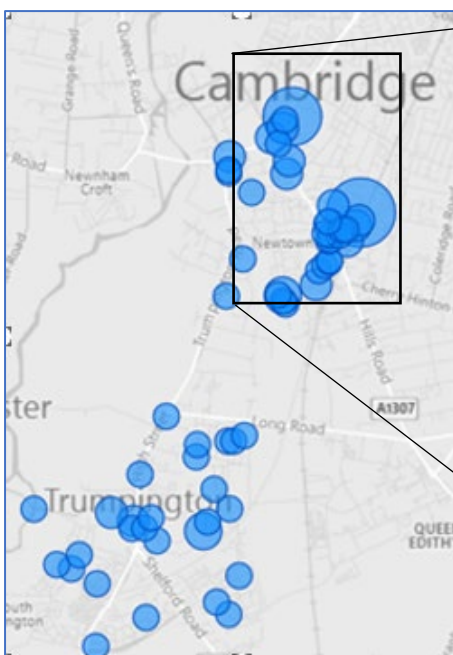


The reported alcohol related incidents saw a reduction of ~6.5% over the two time periods, and crime rate reduction of 20%. Again, within this ward area there is general spread of reported incident locations. The mapping shows incidents and crimes still occurring within Mill Road section (area outlined in red) of the Romsey CIA. Mill Road is where some of the licensed premises are concentrated, again which may justify retention of the existing CIA.

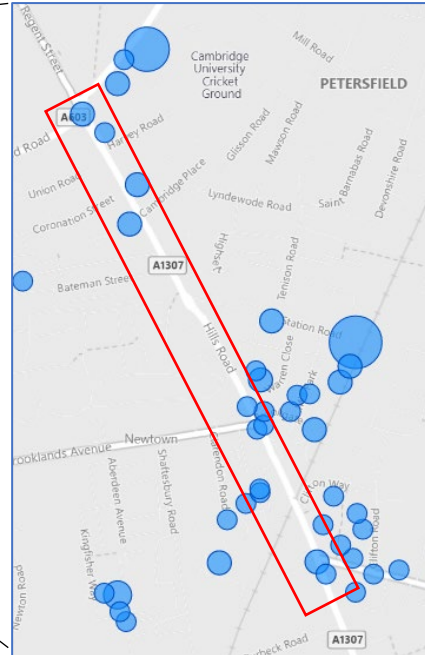
Hills Road/Trumpington

The current Hills Road CIA extends through Trumpington and slightly into Coleridge ward areas.

Trumpington Ward Incidents

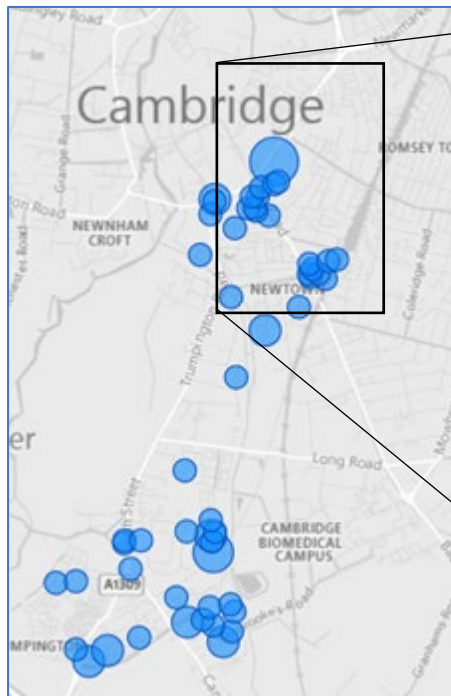


Focusing on Hills Road CIA

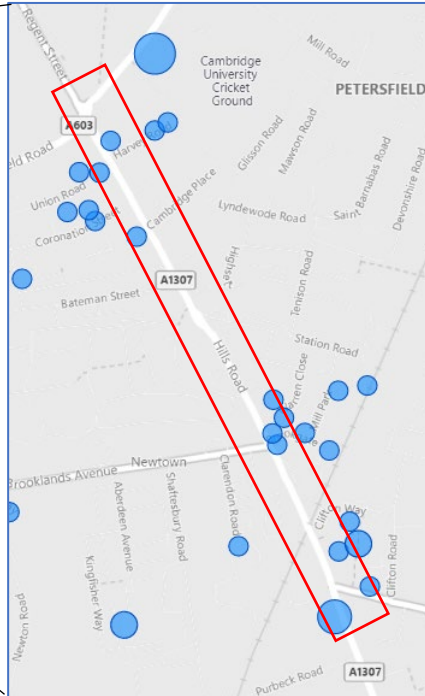


The above incident location map for Trumpington Ward has been enlarged to focus upon the existing Hills Road CIA. For completeness the incidents within Coleridge ward in the immediate vicinity of Hills Road CIA have also been shown.

Trumpington Ward Crimes



Focusing on Hills Road CIA



The above crime location map for Trumpington Ward has also been enlarged to focus upon the existing Hills Road CIA. Again the crimes within Coleridge Ward in the immediate vicinity of Hills Road CIA have also been shown.

The figures show that Trumpington Ward has seen a reduction of 29% in reported alcohol related incidents and a 6.5% reduction in alcohol related crime between the two time periods. The alcohol crimes have only fallen by 5 from 77 to 72 which still sees Hills Road being placed 6th in the streets experiencing the highest alcohol related crimes. The clusters of both alcohol related incidents and crimes occurring along Hills Road are in the general locality of the licenced premises, which again which may justify retention of the existing CIA.

Appendix D - Responses and comments made by the public

| Should this area remain in the Cumulative Impact Assessment | Number of responses | Yes | No | Don't Know |
|--|----------------------------|------------|------------|-------------------|
| Market | 49 | 38 – 77.6% | 3 – 6.1% | 8 – 16.3% |
| Leisure Park | 49 | 34 – 69.4% | 6 – 12.2% | 9 – 18.4% |
| Chesterton Road/Mitchams Corner | 49 | 26 – 53.1% | 9 - 18.4% | 14 – 28.6% |
| Petersfield stretch of Mill Road | 49 | 35 – 71.4% | 11 – 22.4% | 3 – 6.1% |
| Romsey Stretch of Mill Road | 49 | 30 – 61.2% | 12 – 24.5% | 7 – 14.3% |
| Hills Road | 49 | 24 – 49% | 10 – 20.4% | 15 – 30.6% |
| | | | | |

A final question was asked: Are there any other comments you wish to make in regards the CIA?

Only 19 of the 49 responded to this. 13 were in favour of the Cumulative Impact, 5 were against it and 1 comment wasn't applicable.

Comments made regarding Market Ward:

It already feel a bit drunken and unsafe at night

Little experience of the area in the evenings when issues more likely to arise

Cambridge is an international city and should have amenities to match. There are already laws to shutdown unruly and problematic establishments so why should the majority suffer because of the behaviour of a few.

If they continue to cover this it should be made up of a group of people who represent the city, proportional to the population, not just minorities for the sake of box ticking. Within this group it MUST include young people who need places to go out and meet people.

As a Mill Road resident I saw the great improvement the CIA there made. However, the CIA MUST BE OBSERVED AND ENFORCED. The exception inexplicably made by the licensing committee to the NEWLY RENEWED Mill Road CIA in favour of the large Co-op on the Mill Road Covent Garden corner has led to constant 24 hour drinking, sleeping out, and anti-social behaviour just outside the shop. Yes - RENEW - and KEEP TO IT!

There are already more than enough shops with licences to sell alcohol and evidence of alcohol related incidents and crimes in this area.

This is a central tourist zone, and the CIA is appropriate here.

Drinking in public and drunken behaviour is unpleasant to be around.

I do not believe in the existence of the CIA. The problem is about people who do anti social behaviour not the vast majority of the people who live in the area who use the licensed premises. Some of the retailers are at fault but these do not include Tesco, Co-op, Sainsbury's..its the small shops selling high alcohol and illegal tobacco

The number of incidents of violence and intimidation by intoxicated people in the are has increase significantly. It sometimes feels unsafe to walk down the street even in daylight. Alcohol drinkers carry on in parks that prohibit drinking, yelling at passersby and littering on door steps, and in many cases urinating in public.

Too much drunken disturbance especially at night

Cambridge attracts a large number of outsiders, tourists, language students, homeless. There needs to be régulation and, by and large, I think the CIA is working.

The top 4 of the 15 streets in Cambridge for Alcohol Related Crimes fall within the Cambridge City Centre area - as evidenced in the Cumulative Impact Assessment Draft Version Cambridge City Council report. This level of alcohol related crime is unacceptably high. It is therefore essential that the area remains in the CIA area in order to assist in reducing such crime.

My experience of the market area of Cambridge in the evening is that there are almost always drunk people behaving in an anti-social manner. I find it intimidating to be there on my own and uncomfortable even when I am with some one.

Comments made regarding Leisure Park:

Little experience of the area in the evenings when issues more likely to arise

If they continue to cover this it should be made up of a group of people who represent the city, proportional to the population, not just minorities for the sake of box ticking. Within this group it MUST include young people who need places to go out and meet people.

There are already more than enough shops with licences to sell alcohol and evidence of alcohol related incidents and crimes in this area.

This is where a lot of young people hang out - it would feel safer for my kids if there was less alcohol being consumed publicly here.

I am not familiar with this area so should not comment

I do not believe in the existence of the CIA. The problem is about people who do anti social behaviour not the vast majority of the people who live in the area who use the licensed premises. Some of the retailers are at fault but these do not include Tesco, Co-op, Sainsbury's..its the small shops selling high alcohol and illegal tobacco

The number of incidents of violence and intimidation by intoxicated people in the are has increase significantly. It sometimes feels unsafe to walk down the street even in daylight. Alcohol drinkers carry on in parks that prohibit drinking, yelling at passersby and littering on door steps, and in many cases urinating in public.

Cambridge Leisure Park falls within the top 15 streets in Cambridge for Alcohol Related Crimes - as evidenced in the Cumulative Impact Assessment Draft Version

Cambridge City Council report. This level of alcohol related crime is unacceptably high. It is therefore essential that the area remains in the CIA area in order to assist in reducing such crime.

For the same reason I gave above about the market area. (My experience of the market area of Cambridge in the evening is that there are almost always drunk people behaving in an anti-social manner. I find it intimidating to be there on my own and uncomfortable even when I am with some one.)

Comments made regarding Chesterton Road/Mitchams Corner

Little experience of the area in the evenings when issues more likely to arise

There isn't enough places to serve the population in these areas as it is. There should be less barriers to business in these area.

There are already more than enough shops with licences to sell alcohol and evidence of alcohol related incidents and crimes in this area.

This is a residential area, and residents should be able to access alcohol in their local shops.

I am not familiar with this area so should not comment

I do not believe in the existence of the CIA. The problem is about people who do anti social behaviour not the vast majority of the people who live in the area who use the licensed premises. Some of the retailers are at fault but these do not include Tesco, Co-op, Sainsbury's..its the small shops selling high alcohol and illegal tobacco

Chesterton Road, Milton Road and Mitcham's Corner falls within the top 15 streets in Cambridge for Alcohol Related Crimes - as evidenced in the Cumulative Impact Assessment Draft Version Cambridge City Council report. This level of alcohol related crime is unacceptably high. It is therefore essential that the area remains in the CIA area in order to assist in reducing such crime.

Comments made regarding Petersfield area of Mill Road

I am a resident and would find it very disturbing if the zone changed.

There are a lot of pubs and antisocial behaviour

I live in this area and use local shops and pubs to buy alcohol. I rarely see issues that appear to be alcohol related, but have done so a few times lately, when people who may be homeless and so live on the local streets appear affected by alcohol or other drug consumption and are shouting in an abusive way.

AND LICENSING COMMITTEE MUST RESPECT THIS! SEE ABOVE! This area DEFINITELY needs to be covered by the CIA but EXCEPTIONS MUST NOT BE MADE, as for the Co-op, less than a year after renewal, who employed extremely expensive long-winded lawyers to argue their case against representations made by large numbers of local residents, the ward councillors and the police. In no way did the licensing committee's decision in this case respect democracy and the wishes of local people!

There are already more than enough shops with licences to sell alcohol and evidence of alcohol related incidents and crimes in this area.

Don't mess with mill rd open that bridge .

this 'yes' answer is in fact a bit of a nonsense. I made representations and attended the licensing committee meeting when it considered the application for the co op at 44 Mill Road to sell alcohol. The representative for the applicants ran rings round the City legal and licensing officers. He in effect took over the discussion and told the committee members what they could do or not do. The City officers were supine and the Councillors badly informed about the Cumulative Impact Police or any of the problems associated with excessive drinking on Mill Road. When Councillor Robertson appealed the decision I attended the court in Colchester and it was depressing to see the City Council employ an expensive barristers to counter the appeal which was in effect trying to support the Councils own policy. It was a farce. Given the result of the Co op appeal even if the Council decides to implement this zone again it is in effect easily challenged and in my view not worth the paper it is printed on unless the Councillors on the licensing committee making the decisions are properly briefed and informed .

Alcohol related crime has risen significantly - see your own stats above. The claims that other measures should be used first are shameful given the lack of policing presence in the area. The CIA clearly should be renewed as Mill rd is the second most popular eating/shopping area in the city attracting high numbers. It's also got a high population of young children, who use the walking route through the Mill Rd cemetery to school and this needs to be kept free of drinkers and safe. Renewing the CIA would assist in this.

This is a residential area, and residents should be able to access alcohol in their local shops. I am a resident in Petersfield, and I would strongly oppose the restriction

of alcohol sales in my locality. I want to be able to buy some beer or a bottle of wine at my convenience!

I like to live and shop locally and think the availability of alcohol in our area contributes to the vibrancy of our locality. As a Data Scientist I am suspicious of attempts to correlate alcohol related crimes with the number of retailers selling alcohol without attempting to control for other factors (such as distance from the city centre - I think we can expect central locations to have more incidents because of the greater number of people moving through and socialising in the city centre). Not everyone wants to live in the sober wasteland of Newnham.

I see too much drinking in public and drunkenness with associated unpleasant, even threatening behaviour in the area.

I do not believe in the existence of the CIA. The problem is about people who do anti social behaviour not the vast majority of the people who live in the area who use the licensed premises. Some of the retailers are at fault but these do not include Tesco, Co-op, Sainsbury's..it's the small shops selling high alcohol and illegal tobacco. The new Co-op is not the reason for the increase in Mill Road it is the lack of law enforcement.

I believe that alcohol abuse has a detrimental effect on a place's quality of life, and that the Petersfield area of Cambridge suffers disproportionately compared with the rest of Cambridge. I was deeply shocked to see that the new Co-op on Mill Road was granted a licence in 2021, despite the numerous alcohol-related problems on Mill road and the surrounding area despite the number of premises that were already licenced. The shop has had severe alcohol related incidents and crimes, which has contributed to the decline of Mill Road's amenity value for local residents. This is borne out by consultation reports which show a 27.8% rise of alcohol-related incidents and crimes in the Petersfield area, the highest increase in the city. This is appalling and every effort should be made to reverse this increase.

I am a resident of Mill street which backs onto Co-op. Since Co-op had opened its premises street drinking and drug taking has increased dramatically in my area. The cafe across the street - 5 blends is now a hangout for a group of individuals which intimidate passers by. I have been harassed by males whilst walking past and as a result I do not go to co-op after dark. My son who attends Parkside has stopped walking to and from school alone as he is intimidated going past the corner. I have seen staff members at co-op be subject to abuse and one woman had a bike thrown at her in the store by an intoxicated male. I have lived on this street for 7 years and I no longer feel safe. I don't think banning the sale of alcohol from co-op is going to help as the majority of stores still sell alcohol down mill road. Removing the seating area outside 5 blends may stop the incidents as it will no longer be a hangout during

the day. What I think would help is increased police presence on mill road especially in the afternoons and evenings. Many of these people are clearly battling alcohol and drug addiction, along with some mental health issues. Is there not street workers who can support these individuals??

In addition to my comments above I would like to say as a resident of Petersfield that it has become one of the most affected areas in Cambridge. - The number of incidents of violence and intimidation by intoxicated people in the area has increase significantly. It sometimes feels unsafe to walk down the street even in daylight. Alcohol drinkers carry on in parks that prohibit drinking, yelling at passersby and littering on door steps, and in many cases urinating in public.

I cannot comment on the other areas of Cambridge but I do know that there has been a significant increase in incidents of antisocial behaviour, littering and aggressive begging at the Petersfield end of Mill Road. This is concentrated particularly outside the Sainsbury's local, the coop and the cemetery. Also the alleyway behind Mill Road, next to the mosque is often used as a toilet. There has been an increase in noticable drug dealing in and around the cemetery during the daytime. As I'm sure you are aware there are also several individuals regularly sleeping in doorways along Mill Road. Over the summer there were tents erected in the entrance to the cemetery and the doorway of the old building society building. Please note that there are very obvious unmet health and mental health needs amongst the Mill road beggars and street drinkers, which need to be urgently addressed. It is not in anyway supportive to allow these people to congregate in large numbers along Mill Road. It has got to the point where I do not feel it is safe for our teenage daughter to go round the corner from our house to Sainsbury's, on her own after dark. Two weeks ago my husband and daughter witnessed a very distressing incident outside Sainsbury's local. A man begging became completely out of control after being turned down for money. He was extremely upset, screaming, shouting and throwing things. The police quickly arrived and he was arrested. At the very least this individual needs urgent treatment for his teeth and mental health support. (He has talked to us a little bit about his situation). In summary, the current situation is not tolerable for residents. As well as reintroducing the Cumulative Impact Zone there needs to be well thought out programme of interventions such as has been used in Milton Keynes.

I live there and have suffered drunken and aggressive street people in and around Mill Road and large numbers of young people making their way noisily to the station after a night out in Cambridge, many of them having topped up their alcohol in shops on Mill Road. As I live in Tenison Road - now very much a family residential street, as it used not to be when I moved here in (1978) - I have found it particularly bad. There is still periodic noise from groups of drunken young people but the order has improved things a lot on both counts, especially concerning street people, and I

would be extremely sorry to see it go. I note the considerable rise in incidents after the Co-op licence was granted.

I live off Mill Road, close to Parker's Piece, and see daily quite how disorderly this stretching of Mill Road is. Unregulated parking on the pavement, begging, public drunkenness, cyclist and e-bike riders using the pavement with no attempt to stop that illegal activity, food delivery drivers who know nothing of the Highway code and care less.

Street drinking is a continuing problem causing anti social behaviour, crime and a poor environment

This is my neighbourhood and there are lots of issues with alcohol & street drinking here

A rise (relative to 2019/20) in alcohol crime of circa 30% in the Petersfield area of Mill Road has been recorded - as evidenced in the Cumulative Impact Assessment Draft Version Cambridge City Council report. This level of alcohol related crime is unacceptably high. It is therefore essential that the area remains in the CIA area in order to assist in reducing such crime.

I live in this area and think that there are far too many shops selling alcohol. I find beer cans and bottles tossed into my front garden every week, which I have to clear up. People even cycle along the road drinking from beer cans, which is dangerous for them and for everyone else.

We had a great deal of trouble some years ago. Also, there are too many licensed shops and the area is full of restaurants where drinks can be purchased. The CIA helped greatly to clear this up. For full details (many pages) see court case in Colchester last year and consult Councillor Richard Robertson who has been great on all this. We are at the sharp end and I cannot emphasize strongly enough that we need CIA continuation in our area.

There are far too many alcohol outlets in Mill Road. Several years ago we had many alcohol and drug related problems and the CIA helped us tremendously since we obtained it.

I live in Petersfield. The number of anti-social behaviour incidents I have witnessed - in the daytime as well as the evening - is high enough that I avoid the area as much as I can. The opening of the Coop on the corner of Covent Garden and Mill road changed my life. There are intoxicated men hanging around there quite a lot. Their language is abusive and their behaviour threatening. I am a severely sight impaired woman and I simply do not feel safe in this area.

Comments made regarding Romsey area of Mill Road

There are a lot of pubs and antisocial behaviour

As above re Mill Road - as I often walk home a former Ukrainian girl (<18) who we hosted, who now lives in Romsey rather than Petersfield - I live in this area and use local shops and pubs to buy alcohol. I rarely see issues that appear to be alcohol related, but have done so a few times lately, when people who may be homeless and so live on the local streets appear affected by alcohol or other drug consumption and are shouting in an abusive way.

There are already more than enough shops with licences to sell alcohol and evidence of alcohol related incidents and crimes in this area.

Difficult to judge but on balance it makes sense to include the whole of Mill rd

This is a residential area, and residents should be able to access alcohol in their local shops.

I like to live and shop locally and think the availability of alcohol in our area contributes to the vibrancy of our locality. As a Data Scientist I am suspicious of attempts to correlate alcohol related crimes with the number of retailers selling alcohol without attempting to control for other factors (such as distance from the city centre - I think we can expect central locations to have more incidents because of the greater number of people moving through and socialising in the city centre). Not everyone wants to live in the sober wasteland of Newnham.

I see too much drinking in public and drunkenness with associated unpleasant, even threatening behaviour in the area.

I do not believe in the existence of the CIA. The problem is about people who do anti social behaviour not the vast majority of the people who live in the area who use the licensed premises. Some of the retailers are at fault but these do not include Tesco, Co-op, Sainsbury's..its the small shops selling high alcohol and illegal tobacco

I believe that alcohol abuse has a detrimental effect on a place's quality of life, and that the Petersfield area of Cambridge suffers disproportionately compared with the rest of Cambridge. I was deeply shocked to see that the new Co-op on Mill Road was granted a licence in 2021, despite the numerous alcohol-related problems on Mill road and the surrounding area despite the number of premises that were already licenced. The shop has had severe alcohol related incidents and crimes, which has contributed to the decline of Mill Road's amenity value for local residents. This is

borne out by consultation reports which show a 27.8% rise of alcohol-related incidents and crimes in the Petersfield area, the highest increase in the city. This is appalling and every effort should be made to reverse this increase.

I am less familiar with behaviour in this area but, especially at night, but, given its proximity to the station and number of reasons for street people to come to the area, would rather that Mill Road as a whole was included.

I live off Mill Road, close to Parker's Piece, and see daily quite how disorderly this stretching of Mill Road is. Unregulated parking on the pavement, begging, public drunkenness, cyclist and e-bike riders using the pavement with no attempt to stop that illegal activity, food delivery drivers who know nothing of the Highway code and care less.

As above, though to a lesser extent - Street drinking is a continuing problem causing anti social behaviour, crime and a poor environment

A rise (relative to 2019/20) in alcohol crime of circa 30% in the Petersfield area of Mill Road has been recorded - as evidenced in the Cumulative Impact Assessment Draft Version Cambridge City Council report. This level of alcohol related crime is unacceptably high. It is therefore essential that the area remains in the CIA area in order to assist in reducing such crime.

What happens here is often germane to what follows on our side. Alcohol and drugs are a curse on our society so why create soft spots for them.

Comments made regarding Hills Road

Little experience of the area in the evenings when issues more likely to arise

There are already more than enough shops with licences to sell alcohol and evidence of alcohol related incidents and crimes in this area.

This is a residential area, and residents should be able to access alcohol in their local shops.

I am not familiar with this area so should not comment.

I do not believe in the existence of the CIA. The problem is about people who do anti social behaviour not the vast majority of the people who live in the area who use the licensed premises. Some of the retailers are at fault but these do not include Tesco, Co-op, Sainsbury's..its the small shops selling high alcohol and illegal tobacco

Hills Road falls within the top 15 streets in Cambridge for Alcohol Related Crimes - as evidenced in the Cumulative Impact Assessment Draft Version Cambridge City Council report. This level of alcohol related crime is unacceptably high. It is therefore essential that the area remains in the CIA area in order to assist in reducing such crime.

Up to station road could impact our area. Glisson Road will comment on this.

There are many alcohol outlets in Hills Road up to Purbeck Road not far from schools, a Sixth Form College and the Glisson Residential Area.

I live on Glisson Road and walk from there to the station down Hills Road and virtually every day down Glisson Road down Hills Road into the centre. The anti-social behaviour I encounter is usually around the Tesco on the corner of Glisson Road and Hills Road. It seems to me that the number of drunk men hanging around there has increased markedly during the last few years. It isn't an easy corner for me to avoid but I can't say that I feel safe there. Quite the reverse.

Other comments made in regards the Assessment

It's good that the council is looking into this, though I would not want draconian measures introduced that interfere with the otherwise good atmosphere in the parts of the city I've commented above.

Cambridge is an international city and should have amenities to match. There are already laws to shutdown unruly and problematic establishments so why should the majority suffer because of the behaviour of a few.

PLEASE continue to issue CIAs AND respect them! LISTEN to residents and the police!

There are already more than enough shops with licences to sell alcohol and evidence of alcohol related incidents and crimes in these areas.

Regulation assists authorities in keeping citizens safe, especially vulnerable ones. Communities need help and the CIA is a useful tool to use.

I really resent whatever busybodies are trying to restrict alcohol sales in the Mill Rd Co-op. I live here, and want to be able to live a normal life and access amenities, groceries and beer/wine conveniently - I chose to live in a city centre for the buzz, business and culture.

I imagine I would have the same opinion concerning the areas I don't know as I do for the ones I do know. I feel alcohol is too accessible for the good of a lot of people.

I do not believe in the existence of the CIA. The problem is about people who do anti social behaviour not the vast majority of the people who live in the area who use the licensed premises. Some of the retailers are at fault but these do not include Tesco, Co-op, Sainsbury's..its the small shops selling high alcohol and illegal tobacco

I have responded yes to all locations. The reason for responding yes is that unless there is a consistency of approach to all areas , then the problem will move around to the areas of least resistance. I live close to Mill Road Railway Bridge and regularly walk up and down Mill Road. It is an uncomfortable experience to step across the drunks sleeping outside the Sainsbury Local , to put up with the abuse from their begging . I do not feel safe at night. Any increase in shops selling alcohol will exacerbate this situation

Not renewing the CIA is unthinkable but even if it remains in effect, it needs to be strictly enforced-which is not the case at the moment (as we see everyday on Petersfield Park.

This current situation feels quite out of control. It cannot just be ignored in the hope that it will go away. It won't!

Once there are a number of outlets selling alcohol, I don't see what difference one or more doing it would really make. The real problem with Mill Road is the persistent begging (some of which can become quite aggressive) and the drug dealing which goes on [REDACTED].

They are a very good idea!

The CIA is necessary, but it is only effective if it is enforced. The policy of policing Mill Road with glorified traffic wardens who refuse to stop people cycling on the pavement, drinking, dealing drugs, or threatening others is a disaster. The policy of treating police concerns about alcohol with derision, as evidenced in 2021, not only makes the situation on Mill Road worse, it damages relations between the police and the City Council. The policy of making Councillor Robertson pay costs to Reward the overpaid lawyers retained by the Coop is utterly despicable, and the City Council owes him an apology and payment of his costs.

You need to find a way to tackle homelessness and drug abuse in Mill Road as well as alcohol.

There are more than enough outlets selling alcohol in Cambridge. There needs to be a clear policy in place to control unnecessary further expansion of alcohol sales, no more "just one more" applications

Where I have indicated don't know it is because I do not know the area well enough. Overall I believe CIA's are a good thing.

We need it. Full stop.

I am disappointed that, even with a CIA, there are so many licensed premises on Hills Road a Mill Road. The alcohol related crime incidents and anti-social behaviour incidents create a stressful environment for a woman to go about her daily business. I cannot help but feel that the City Council has not considered with due seriousness how the very large number of licensed premises affects daily living, especially for women, in this area. Our freedom of movement is curtailed and our stress levels are high in what ought to be a safe environment. Being both disabled and female, I feel particularly vulnerable.

This page is intentionally left blank

Please reply to: Superintendent Adam Gallop
Southern Area Commander
Telephone 101
E-mail:



13 October 2023

Commercial & Licensing Team
Environmental and Public Health
PO Box 700
Cambridge
CB1 0JH

Dear Sir or Madam

RE: **Licensing Policy Consultation Response**

I write in my capacity as Area Commander of Cambridge Police.

I have read the Cambridge City Cumulative Impact Policy Review 2023 Policy prepared by our Licensing Department. I am pleased that this makes suitable consideration around the key objectives of Prevention and Detection of Crime and Disorder, Public Safety, Prevention of Public Nuisance and Preventing Children from Harm.

It is my view that the Cumulative Impact Policy is both necessary and proportionate to prevent crime, disorder and nuisance, promote public safety and prevent children from harm. Unfortunately, violent crime and alcohol related anti-social behaviour remains a significant issue for both the Police and Local Partners to address. We continue to spend considerable time, effort and resource tackling this. The Special Policy on Concentration of Premises is seen as a vital tool in preventing further escalation of crime and disorder levels.

I have taken note of the recommendations in relation to parts of Market Ward being identified as a hot spot area for alcohol related crime and incidents. Data provided has shown over the last 3 years that this area continues to be a hotspot. This is particularly evident between the hours of 2100-0500 at weekends. This ties in with local demand in relation to night time economy which affects not only us but other emergency services and businesses in the area. It also has an effect on those living in the vicinity and those out enjoying all Cambridge has to offer. The recommendations submitted are supported in relation to this area.

My conclusion is that the data and my experience of policing the City in recent years does not present a meaningful reason for change. In particular in relation to Market Ward which I believe most certainly should form part of the City Councils Statement of Licensing Policy. It is of course for the City Council to decide whether they wish to retain Market Ward and the other Cumulative Impact Areas in their Licensing Policy.

Yours sincerely



Superintendent Adam Gallop
Area Commander South

This page is intentionally left blank

Public Health Directorate
New Shire Hall
Emery Crescent
Enterprise Campus
Alconbury Weald
Huntingdon
PE28 4YE

10th November 2023

Dear Luke,

Thank you for the opportunity to review the current Cambridge City Licensing Cumulative Impact Policy.

As you will be aware, since April 2013, Directors of Public Health (DPH) have been included as Responsible Authorities under the Licensing Act 2003. Although the protection of public health is not a discrete licensing objective, it can be pertinent to each of the licensing objectives. The role of the DPH is to help promote the health and wellbeing of the local populations they serve. Promotion of the licensing objectives, which collectively seek to protect the quality of life for those who live and work in the vicinity of licensed premises and those who socialise in licensed premises is an important contribution to this.

The impact of alcohol on health and wellbeing of Cambridge residents:

The impact of alcohol on health and wellbeing of Cambridge residents: Public Health England's review of the impact of alcohol and the effectiveness of alcohol control policies (1) states that alcohol is now the leading risk factor for ill health, premature death and disability in people aged between 15 and 49, the fifth leading risk factor for ill-health across all age groups. Alcohol is known to be a contributory factor in over 200 health conditions and has a number of social negative impacts, including loss of earnings or unemployment, family or relationship problems and problems with the law. Many of these harms affect both the drinker and those around them, including families, friends, and strangers.

These harmful effects place a considerable economic burden on the government and health, criminal justice and social care systems and budgets, individuals affected and their families; the Cabinet Office estimate placed the economic costs of alcohol in England at around £21 billion in 2012. Whilst there are no up to date cost figures, the lack of a National Strategy on Alcohol and signs of increased drinking during the global pandemic would indicate the burden is still considerable.

There are inequalities associated with alcohol-related harm, with children, women and people with lower socioeconomic status all experiencing higher levels of alcohol related harm.

- (1) Public Health England, 2016. The Public Health Burden of Alcohol and the Effectiveness and Cost- Effectiveness of Alcohol Control Policies – an evidence review.
- (2) National Institute for Health and Care Excellence, 2010. Public Health Guideline (PH24) – Alcohol-use disorders: prevention & National Institute for Health and Care Excellence, 2014. Evidence update 54 – a summary of selected new evidence relevant to NICE public health guidance 24
- (3) Alcohol outlet density and alcohol related hospital admissions in England: a national small-area level ecological study
- (4) Public Health England, 2018. Local Authority Health Profile – Cambridge.

The link between alcohol outlet density and alcohol-related harms:

Cambridge is a world-renowned city and a centre for tourism, commerce, and study, with a global reach. Over recent years the hospitality and entertainment industry has continued to thrive and whilst this brings jobs and opportunities it also brings its own challenges and has impacts on the local community. There are a total of 659 licensed premises in Cambridge of which over half 357 fall in the small area of the CIZ zones. A considerable body of research examines the relationship between alcohol outlet density (AOD) and alcohol-related harms.

The relationship between Alcohol Outlet Density (AOD) and alcohol-related harms has been well researched. There is strong evidence for a relationship between AOD and problems associated with social disorder. Historically the studies focussing on the relationship between AOD and alcohol; related harm have been international. There is good evidence now from an English study which found “higher densities of on-trade outlets (pubs, bars and nightclubs; restaurants licensed to sell alcohol; other on-trade outlets) and convenience stores were associated with higher admission rate ratios for acute and chronic wholly attributable conditions”.

In addition, the National Institute for Health, and Care Excellence (NICE) public health guideline on the prevention of alcohol-use disorders (2), concludes that reducing the number of outlets selling it in a given area and the days and hours when it can be sold, is an effective way of reducing alcohol-related harm. The guidelines recommend that a cumulative impact policy should be used where an area is saturated with licensed premises and the evidence suggests that additional premises may affect the Licensing Objectives (2).

The need to for CIP areas in Cambridge

Public health is in support of the continued CIP and zones in Cambridge in line with the following objectives:

(i) Protection of crime and disorder.

There is a high density of premises selling alcohol in Cambridge and the majority of them concentrated in the CIZ Zones. There is strong evidence for a relationship between AOD and problems associated with social disorder (1) which affects the health and wellbeing of a local population.

(ii) Public safety:

Alcohol-related hospital admissions are a very significant issue in Cambridge with many of the associated public health indicators being worse in Cambridge than the England average. This demonstrates that alcohol is affecting the health of Cambridge residents. Table 1 below illustrates that out of the 14 wards in Cambridge, 8 of them have hospital admissions for alcohol attributable conditions higher than the England average. As a City as well overall Cambridge has higher rates of admissions than England.

- (1) Public Health England, 2016. The Public Health Burden of Alcohol and the Effectiveness and Cost- Effectiveness of Alcohol Control Policies – an evidence review.
- (2) National Institute for Health and Care Excellence, 2010. Public Health Guideline (PH24) – Alcohol-use disorders: prevention & National Institute for Health and Care Excellence, 2014. Evidence update 54 – a summary of selected new evidence relevant to NICE public health guidance 24
- (3) Alcohol outlet density and alcohol related hospital admissions in England: a national small-area level ecological study
- (4) Public Health England, 2018. Local Authority Health Profile – Cambridge.

TABLE 1. Hospital admissions for alcohol attributable conditions (Broad definition), 2016-17 to 2020-21

| Area | Ratio | Lower CI | Upper CI |
|-----------------|-------|----------|----------|
| Abbey | 173.1 | 162.6 | 184 |
| King's Hedges | 164.9 | 154.8 | 175.6 |
| East Chesterton | 148.5 | 139.1 | 158.3 |
| Coleridge | 140.6 | 131.3 | 150.4 |
| Romsey | 125.3 | 115.6 | 135.5 |
| Cherry Hinton | 123.2 | 114.7 | 132.2 |
| Arbury | 122.5 | 114.1 | 131.3 |
| Petersfield | 115.5 | 107.1 | 124.3 |
| West Chesterton | 106.6 | 99.2 | 114.5 |
| Trumpington | 97.7 | 89.4 | 106.7 |
| Market | 91.1 | 82.7 | 100.2 |
| Queen Edith's | 79.8 | 73.2 | 86.9 |
| Castle | 63.7 | 53 | 75.9 |
| Newnham | 53.7 | 47.8 | 60.2 |
| Cambridge | 117.8 | 115.4 | 120.2 |
| England | 100 | 99.9 | 100.1 |

Source: *fingertips.phe.org.uk*

| | |
|--|---|
| | Statistically significantly lower than England average |
| | Statistically similar to the England average |
| | Statistically significantly higher than England average |

Note: An indirectly age standardised ratio is used for this indicator. This is based on a comparison of observed to expected numbers of events or cases, achieved by applying age-specific rates from a 'standard population' to the population of interest. A ratio greater than 100.0 indicates that more admissions have occurred than would have been expected, whereas a rate lower than 100.0 indicates that less admissions have occurred than expected.

I have also reviewed the data available on the types of alcohol related conditions residents of Cambridge are admitted to hospital for, see table 2 below.

TABLE 2

| Alcohol-related indicators for Cambridge, RAG-rated against England | | | |
|---|---------|------------------|---------|
| Indicator | Period | Rate per 100,000 | |
| | | Cambridge | England |
| Admission episodes for mental and behavioural disorders due to use of alcohol (broad) (Persons) | 2021/22 | 454 | 404 |
| Admission episodes for mental and behavioural disorders due to use of alcohol (broad) (Male) | 2021/22 | 694 | 587 |
| Admission episodes for alcoholic liver disease (broad) (Male) | 2021/22 | 281.1 | 213.1 |
| Admission episodes for mental and behavioural disorders due to use of alcohol (narrow) (Persons) | 2021/22 | 86.9 | 67.2 |
| Admission episodes for mental and behavioural disorders due to use of alcohol (narrow) (Male) | 2021/22 | 152.9 | 96 |
| Admission episodes for alcohol-related conditions (narrow) - Over 65s (Persons) | 2021/22 | 961 | 810 |
| Admission episodes for alcohol-related conditions (narrow) - Over 65s (Male) | 2021/22 | 1,667 | 1,275 |
| Source: Fingertips (Calculated by OHID, based on NHS Digital Hospital Episode Statistics (HES) data and Population estimates from Office for National Statistics (ONS)) | | | |
| Significantly worse than England | | | |

The table highlights a total of 7 separate alcohol related indicators where residents of Cambridge have admissions significantly worse than England. Admissions for alcoholic liver disease indicate long exposure to alcohol with a cumulative impact over time. We are also seeing high rates of admissions for the over 65's and in particular males. Higher rates of drinking among this age group is likely to impact on other health conditions and increase the risk of falls and injury impacting on independent living. This is also clearly a link between excessive alcohol use and mental health leading to associated admissions and behaviours.

- (1) Public Health England, 2016. The Public Health Burden of Alcohol and the Effectiveness and Cost- Effectiveness of Alcohol Control Policies – an evidence review.
- (2) National Institute for Health and Care Excellence, 2010. Public Health Guideline (PH24) – Alcohol-use disorders: prevention & National Institute for Health and Care Excellence, 2014. Evidence update 54 – a summary of selected new evidence relevant to NICE public health guidance 24
- (3) Alcohol outlet density and alcohol related hospital admissions in England: a national small-area level ecological study
- (4) Public Health England, 2018. Local Authority Health Profile – Cambridge.

As well as the health impacts of alcohol use in Cambridge I am also aware alcohol related violence and incidents in Cambridge. Table 3 below highlights this at a ward level. Market Ward where which has the highest concentration of pubs and clubs, has the highest number of incidents illustrating the link between the number of premises and incidents and crimes.

TABLE 3

| Wards in order of no. of licenced premises | Licensed Premises | Alcohol related Incs. & crimes |
|--|-------------------|--------------------------------|
| Market | 254 | 665 |
| Petersfield | 79 | 146 |
| Newnham | 50 | 32 |
| West Chesterton | 49 | 118 |
| Coleridge | 42 | 83 |
| Abbey | 35 | 138 |
| Romsey | 33 | 82 |
| Castle | 21 | 52 |
| Trumpington | 18 | 166 |
| Cherry Hinton | 18 | 51 |
| Arbury | 16 | 115 |
| East Chesterton | 16 | 108 |
| King's Hedges | 15 | 129 |
| Queen Edith's | 13 | 68 |

(iii) The protection of children from harm:

Children and young people are more vulnerable to alcohol related harm. Families may be affected by alcohol in a variety of ways including violence, financial problems, absenteeism from school and disrupted relationships, and there is a strong relationship between alcohol misuse and child maltreatment (1). A number of studies have identified that higher levels of AOD are associated with greater alcohol related consumption and alcohol-related harm, including those that affect children, such as violence.

The National Institute for Health and Care Excellence (NICE) public health guideline on the prevention of alcohol-use disorders(2), concludes that reducing the number of outlets selling it in a given area and the days and hours when it can be sold, is an effective way of reducing alcohol-related harm. The guidelines recommend that a cumulative impact policy should be used where an area is saturated with licensed premises and the evidence suggests that additional premises may affect the licensing objectives. Cambridge is already saturated with premises.

- (1) Public Health England, 2016. The Public Health Burden of Alcohol and the Effectiveness and Cost- Effectiveness of Alcohol Control Policies – an evidence review.
- (2) National Institute for Health and Care Excellence, 2010. Public Health Guideline (PH24) – Alcohol-use disorders: prevention & National Institute for Health and Care Excellence, 2014. Evidence update 54 – a summary of selected new evidence relevant to NICE public health guidance 24
- (3) Alcohol outlet density and alcohol related hospital admissions in England: a national small-area level ecological study
- (4) Public Health England, 2018. Local Authority Health Profile – Cambridge.

Given the health impacts across all of Cambridge, with alcohol related admissions being statistically significantly worse than the England average, and the fact that the majority of premises are concentrated in the current CIZ zones. As Director of Public Health, I would like to support the continuation of the current CIZ arrangements in place.

Summary:

Alcohol can have significant negative health, social and economic impacts on communities, many of which are heightened in areas of high alcohol outlet density, such as Cambridge. In addition, there are health inequalities associated with alcohol-related harm, with Cambridge receiving statistically higher hospital admission across all measures than the English average. Area experiencing greater levels of harms. In line with the licensing objectives outline above, I therefore support the continuation of the Cumulative Impact Policy in Cambridge and the zones as currently in place.

Your Sincerely,

A black rectangular redaction box covering the signature of the Director of Public Health.

Jyoti Atri (Director of Public Health)

- (1) Public Health England, 2016. The Public Health Burden of Alcohol and the Effectiveness and Cost- Effectiveness of Alcohol Control Policies – an evidence review.
- (2) National Institute for Health and Care Excellence, 2010. Public Health Guideline (PH24) – Alcohol-use disorders: prevention & National Institute for Health and Care Excellence, 2014. Evidence update 54 – a summary of selected new evidence relevant to NICE public health guidance 24
- (3) Alcohol outlet density and alcohol related hospital admissions in England: a national small-area level ecological study
- (4) Public Health England, 2018. Local Authority Health Profile – Cambridge.

This page is intentionally left blank

Cambridge City Council Equality Impact Assessment (EqIA)

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

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

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

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

| |
|--|
| 1. Title of strategy, policy, plan, project, contract or major change to your service |
| Cumulative Impact Assessment |
| 2. Webpage link to full details of the strategy, policy, plan, project, contract or major change to your service (if available) |
| Licensing overview - Cambridge City Council |

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

To enable the council to exercise its functions under Section 5a of the Licensing Act 2003.

If the Council chooses to publish a cumulative impact assessment it must be produced, adopted and published.. The assessment must be reviewed every 3 years. This is the first review of the assessment and only minor changes have been made

4. Responsible service

Environmental Services

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

(Please tick all that apply)

- Residents
- Visitors
- Staff

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

[Click here to enter text.](#)

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

- New
- Major change
- Minor change

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

- Yes
- No

Responsible authorities play a part in delivering the assessment, these include the Police and Public Health.

The proposed publishing of the Assessment has been sent to responsible authorities, those directly affected by the assessment and has been open to a public consultation. All responses received have been considered when producing the assessment.

| |
|--|
| |
|--|

| |
|---|
| 8. Has the report on your strategy, policy, plan, project, contract or major change to your service gone to Committee? If so, which one? |
| Is going to Licensing Committee on 29 th January 2024 and then Full Council in February 2024 |

| |
|--|
| 9. What research methods/ evidence have you used in order to identify equality impacts of your strategy, policy, plan, project, contract or major change to your service? |
| The assessment has been subject to a 12 week public consultation. The assessment recognises the Equality Act 2010 which places a legal obligation on public authorities to have due regard to the need to eliminate unlawful discrimination, harassment and victimisation; to advance equality of opportunity; and to foster good relations, between persons with different protected characteristics. |

| |
|---|
| 10. Potential impacts |
| For each category below, please explain if the strategy, policy, plan, project, contract or major change to your service could have a positive/ negative impact or no impact. Where an impact has been identified, please explain what it is. Consider impacts on service users, visitors and staff members separately. |

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

One of the licensing objectives is the protection of children from harm. The assessment helps support this objective. The Child Protection Services of Cambridgeshire County Council is a responsible authority and is recognised as being competent to advise on matters relating to the protection of children from harm.

They were consulted as a responsible authority and no response was received.

The safeguarding for children and vulnerable adults policy of Cambridge City Council will also be considered when determining licensing applications.

(b) Disability

We do not believe that the assessment will impact negatively on this target group. The assessment has been open to a public consultation and no responses have been received in regards to the assessment impacting on those with a disability.

The Licensing Authority will have regard to equality and will expect an applicant to meet their statutory obligations in this area and not unlawfully discriminate or refuse service on grounds of disability.

(c) Gender reassignment

We do not believe that the assessment will have an impact on this target group. The assessment has been open to a public consultation and no responses have been received in regards to the assessment impacting on gender.

The Licensing Authority will have regard to equality and will expect an applicant to meet their statutory obligations in this area and not unlawfully discriminate or refuse service on grounds of gender.

(d) Marriage and civil partnership

We do not believe that the assessment will impact negatively on this target group. The assessment has been open to a public consultation and no responses have been received in regards to the assessment impacting on marriage or civil partnership.

(e) Pregnancy and maternity

We do not believe that the assessment will impact negatively on this target group. The assessment has been open to a public consultation and no responses have been received in regards to the assessment impacting on pregnancy or maternity.

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

We do not believe that the assessment will impact negatively on this target group. The assessment has been open to a public consultation and no responses have been received in regards to the assessment impacting on race.

The Licensing Authority will have regard to equality and will expect an applicant to meet their statutory obligations in this area and not unlawfully discriminate or refuse service on grounds of race

(g) Religion or belief

We do not believe that the assessment will impact negatively on this target group. The assessment has been open to a public consultation and no responses have been received in regards to the assessment impacting on religion.

The Licensing Authority will have regard to equality and will expect an applicant to meet their statutory obligations in this area and not unlawfully discriminate or refuse service on grounds of religion.

(h) Sex

We do not believe that the assessment will impact negatively on this target group. The assessment has been open to a public consultation and no responses have been received in regards to the assessment impacting on gender.

The Licensing Authority will have regard to equality and will expect an applicant to meet their statutory obligations in this area and not unlawfully discriminate or refuse service on grounds of gender.

(i) Sexual orientation

We do not believe that the assessment will impact negatively on this target group. The assessment has been open to a public consultation and no responses have been received in regards to the assessment impacting on sexual orientation.

The Licensing Authority will have regard to equality and will expect an applicant to meet their statutory obligations in this area and not unlawfully discriminate or refuse service on grounds of sexual orientation.

(j) Other factors that may lead to inequality – in particular, please consider the impact of any changes on:

- **Low-income groups or those experiencing the impacts of poverty**
- **Groups who have more than one protected characteristic that taken together create overlapping and interdependent systems of discrimination or disadvantage. (Here you are being asked to consider intersectionality, and for more information see: https://media.ed.ac.uk/media/1_l59kt25q).**

The assessment will have no impact on any other factors that may lead to inequality.

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

The assessment will be kept under review and will remain in existence for a period of up to 3 years. It will be subject to review and further consultation before February 2027 or as required by changes in law or other policies.

12. Do you have any additional comments?

None

13. Sign off

Name and job title of lead officer for this equality impact assessment: Luke Catchpole, Environmental Health and Licensing Support Team Leader

Names and job titles of other assessment team members and people consulted: N/A

Date of EqlA sign off: 5th January 2024

Date of next review of the equalities impact assessment: February 2027

Date to be published on Cambridge City Council website: January 2024

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

Council 15 February 2024 Written Questions and Answers

5. Cllr Elliot Tong

To Councillor Wade the Executive Councillor for Communities

What steps has the council taken to investigate the adoption of a Leeds style negotiated stopping places <https://www.negotiatedstopping.co.uk/> for the GRT communities?

Response:

Cambridge City and South Cambridgeshire District Councils have commissioned Arc4 to carry out an assessment of accommodation needs of Gypsies, Travellers, Travelling Show people and caravan & houseboat dwellers. Work started around March 2023. We are expecting a draft report shortly, with a final report in the spring. We will need to assess the draft to understand whether there is further work to be done.

Officers have been looking at how a negotiated stopping approach might work locally and have also been working with Planning colleagues on how permanent sites might be brought forward through the planning process.

A Steering Group is in place with a remit to identify potential accommodation sites, and to work together to find solutions where it is found that there is a lack of legal sites and stopping places. The Steering Group includes an elected Member from each of Cambridge City, South Cambridgeshire and Cambridgeshire County Councils.

Work through these groups has been put on hold temporarily but will start again once the results of the assessment are known, subject to what need is identified.

This page is intentionally left blank

Cambridge City Council

Record of Officer Urgent Decision

Cambridgeshire and Peterborough Combined Authority- Appointment of the Council's Overview and Scrutiny Committee reserve (substitute) member

Decision taken: To appoint the reserve member for the City Council on the CPCA Overview & Scrutiny Committee.

Decision of: Chief Executive

Reference: 24/OfficerUrgent/SR/01

Date of decision: 1 February 2024

Matter for Decision: To appoint Councillor Cameron Holloway as the City Council's reserve (substitute) member on the Cambridgeshire and Peterborough Combined Authority Overview and Scrutiny Committee.

Any alternative options considered and rejected: None

Reason for the decision including any background papers considered: Normally an appointment by Full Council (which next meets on 15 February 2024), an urgent decision under Section 9 paragraph 2, Council Procedure Rules was necessary to enable the reserve (substitute) member to attend a CPCA meeting before the next Full Council meeting.

Conflict of interest and dispensation granted by Chief Executive: None.

Comments: None

Contact for further information: Robert Pollock, Chief Executive.
Robert.Pollock@cambridge.gov.uk

This page is intentionally left blank