



Cambridge City Council Notice of Council

Date: Thursday, 9 October 2025

Time: 6.00 pm

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

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

Dear Councillor,

A meeting of Cambridge City Council will be held in the Council Chamber, The Guildhall, Market Square, Cambridge, CB2 3QJ [access the building via Peashill entrance] on Thursday, 9 October 2025 at 6.00 pm and I hereby summon you to attend.

Dated 1 October 2025

Yours faithfully

Robert Pollock

Chief Executive

Agenda

- 1 Minutes of the meeting held on 24 July 2025 (Pages 9 - 40)
- 2 Mayor's announcements
- 3 Declarations of Interest
- 4 Public questions time
- 5 To deal with oral questions
- 6 Appointment of Vice-Chair of the Planning Committee
Full Council is required to make appointments to the Chair and Vice-Chair positions of the formal committees of the Council.

There is currently a vacancy for the position of Vice-Chair of the Planning Committee.

Council is therefore asked to:

1. Agree to an appointment for the position of Vice-Chair of the Planning Committee.

A nomination to the position has been made by the Labour Group, nominating Councillor Katie Thornburrow.

- 7 To consider the recommendations of the Executive for adoption

- 7a Cambridge Civic Quarter Project Update (Pages 41 - 160)

The public appendices for the report can be found here: [Cambridge Civic Quarter: Scrutiny committee and Cabinet reports - Cambridge City Council](#)

This report contains confidential appendices relating to information which following a public interest test the public is likely to be excluded by virtue of paragraph 3 of Schedule 12A of Part 1 of the Local Government Act 1972. Members will need to agree to go into exempt session to discuss these appendices.

- 7b Establishment of new loan facilities for Cambridge Investment Partnership (Pages 161 - 170)

- 7c Annual Treasury Management (Outturn) Report 2024/25 (Pages 171 - 196)

- 8 To consider the recommendations of Committees for adoption
There are none for this meeting.

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

- 9a Councillor Illingworth, Waste Water Plant Relocation: Rethink or our Money Back.

Council **records** its huge disappointment at the government's last minute funding U-turn on the relocation (and expansion) of the Anglian Water waste water treatment plant from North East Cambridge which

will:

- throw away 7 years of work by local councils and of council expenditure in planning and development;
- block the provision of at least 5,600 much-needed new homes on the most sustainable site around the city close to jobs and the provision of new amenities for the shared benefit of new and existing residents in north Cambridge;
- cause alternative development in other less suitable locations to be considered;
- make future waste water treatment capacity a new potential obstacle to all development in our area.

Council is **horrified** that their short-sighted decision is at complete variance with the government's earlier planning approval for the relocation, its wider ambition for Cambridge's future, and the promise of a local partnership approach, and that it will prevent an attractive return to the Treasury from the growth that it would have unlocked.

Council **resolves** accordingly to:

- demand that the government urgently reconsiders its funding decision, so that the waste water plant relocation and the planned development of North East Cambridge can go ahead;
- failing which, ask for the council's money back;
- request the Head of Finance, as a precaution, to prepare a comprehensive costing of all council resources deployed since the Housing Infrastructure Grant was awarded in 2019 and premised on it – including both planning for North East Cambridge and development of the new urban quarter of Hartree;
- urges the responsible government minister to attend our Performance, Assets & Strategy Overview & Scrutiny committee at the earliest opportunity, if invited, to discuss the status and outlook for the other expected financial support to back up its ambition for Cambridge.

9b

Councillor Anna Smith, Anti-Racism Charter

This council notes that whilst it is already undertaking many of the actions in Unison's anti-racism charter, that it has never been more important to make a clear statement of the Council's opposition to racism in all its forms, and of our clear intent to tackle racism.

This council therefore determines to endorse and implement Unison's anti-racism charter in full.

The text of the anti-racism charter is set out below:

Our organisation pledges we will introduce the following ongoing commitments within 12 months of signing:

Our leaders will

- Recognise the need and benefit in championing a racially diverse workforce.
- Challenge racism internally and externally wherever it arises in relation to the organisation.
- Recognise the impact of racism upon staff members' wellbeing.
- Set and regularly review strategy to improve racial equality, diversity and inclusion so that the organisation reflects the communities it serves.

Our organisation will

- Have a clear and visible race equality policy championed by leadership.
- Have a clear and visible anti-racism programme of initiatives and actions.
- Undertake equality impact assessments for all strategic-level decisions.
- Undertake ethnicity pay gap recording and publicly publish results.
- Undertake workforce ethnicity recording and publicly publish results.
- Provide unconscious bias and anti-racism training for all staff members.
- Provide a racism reporting process for notifying, investigating and recording outcomes.
- Provide robust equality training for managers involved in recruiting, promotions and investigating allegations.
- Provide a wellbeing support facility for staff experiencing racism in the workplace.
- Be anti-racist, not just non-racist in all we do

Our equality auditing process will review

- Recruitment processes to identify and address race disparities in equality of opportunity.
- Exit interview results to identify and address race disparities in retention of staff members.
- Promotional processes to identify and address race disparities in equality of opportunity.
- Discipline and grievance to identify and address race disparity in outcomes of comparable cases.
- Policies and research under a duty or commitment to promote solidarity and tackle racism.
- Our mission, values, and support to removing racial discrimination in all its forms.

9c Councillor Glasberg, New Homes & Old Myths

This council notes that:

- Cambridge data on completions of new homes, unused planning permissions and affordability ratios for rents and mortgages demonstrate that “the market” is not solving the city’s housing crisis
- its high housing costs impose severe financial and mental stresses on residents, weaken the night time economy and increase social isolation
- Cambridge’s green spaces and wildlife habitats are essential for resident wellbeing, preserving biodiversity and resilience to climate habitats
- Part 3 of the proposed Planning and Infrastructure Bill would allow developers to continue to destroy habitats and species, providing that they pay into a proposed national nature fund

council believes that:

- biodiversity lost in Cambridge now cannot meaningfully be replaced by potential future projects elsewhere
- market housing cannot on its own address the city’s housing needs

This council requests that:

- the government maintains and increases protection for the environment and biodiversity.
- in particular it urges the government not to pass part 3 of the

proposed Planning and Infrastructure Bill currently going through the House of Lords without significant amendments to improve protection

- it removes excessive restrictions on the use by councils of Right to Buy receipts so that councils have the flexibility to fund the full cost of bringing empty homes back into use, purchasing and repairing existing homes and building new 100% council housing

Accordingly, this council proposes to write to Daniel Zeichner MP, Pippa Heyling MP and Steve Reed MP to share its concerns and make this request.

9d Councillor Baigent, Civic Quarter Project - Council Chamber

Council notes that:

- The jury is still out on if the Civic Quarter Project is to have public support. Certainly at £92,000,000 it is a lot of money.
- One part of that project, the Council Chamber, will be a significant cost. It is being sold as the place where the new Unitary will meet.
- BUT, we do not know the size of the new Unitary. Nor do we know who will lead it, or the amount of councillors, or where it will meet.

Council resolves that:

- Given all these unknowns, work on the chamber should be put on hold until there are answers to these questions.

10 Written questions

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

Emergency Evacuation Procedure

In the event of the fire alarm sounding all persons should vacate the building by way of the nearest escape route and proceed directly to the assembly point in front St Mary's Church. The duty Officer will assume overall control during any evacuation, however in the unlikely event the duty Officer is unavailable, this responsibility will be assumed by the Committee Chair.

Information for the public

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

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

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

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

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

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

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COUNCIL

24 July 2025
6.10 - 9.40 pm

Present: Councillors Ashton, Baigent, Bennett, Bick, Bird, Blackburn-Horgan, Clough, Dalzell, Davey, Divkovic, Dryden, Flaubert, Gardiner-Smith, Gawthrop Wood, Glasberg, Griffin, Hauk, Holloway, Hossain, Illingworth, Lee, Lokhmotova, Martinelli, McPherson, Moore, Nestor, Payne, Porrer, Pounds, Robertson, Sheil, Smart, A. Smith, S. Smith, Swift, Thittala, Thornburrow, Todd-Jones, Tong, Wade and Young

FOR THE INFORMATION OF THE COUNCIL

25/61/CNL Apologies for Absence

Apologies were received from Councillors Hauk, Howard and Swift.

25/62/CNL Declarations of Interest

Name	Item	Reason
Thornburrow	25/66/CNL	Personal: Lived in a shared house which was a form of a HMO when first lived in Cambridge. Daughter had also recently left a similar living arrangement.
	25/74/CNL	Personal: Three-year term sitting on the Cam Conservator which ended in December. Owns a boat moored on the river outside of Cambridge. Discretion Unfettered.
Baigent	All	Personal: Member of Cam Cycle Campaign
Tong	All	Personal: Member of Cam Cycle Campaign
	25/72/CNL	Personal: Cambridgeshire County Councillor.
A Smith	25/72/CNL	Personal: Ad-hoc work for Andrew Pakes, MP for Peterborough. Discretion Unfettered.
Lokhmotova	25/69/CNL	Personal and Prejudicial: Directly involved in the Civic Quarter Design and did not take part in the discussion or vote.

25/63/CNL Mayor's announcements

It was noted that the Mayor's Diary had been exceptionally full, featuring a wide range of charity events, community engagements, and ceremonies celebrating the activism and philanthropy of both organisations and individuals.

Would be observing both the Women's and Men's First Division Races tomorrow evening before presenting trophies to the winning teams at Town Bumps week.

Requested that Councillors join the Mayor to meet on Saturday 9 August, 12pm, outside the Guildhall, to commemorate Hiroshima and Nagasaki Day.

The Mayor's Day Out scheduled for Wednesday, 13 August, marked the 40th anniversary of this trip to Great Yarmouth. It was hoped that many City Councillors and former Mayors would be able to attend. Members were encouraged to contact the Mayor's Office via email for further details.

The 80th Anniversary Commemoration of VJ Day would take place on Friday, 15 August. The civic procession would depart from the Guildhall at 10:45, followed by a commemorative service at Great St Mary's at 11:00. Tea and coffee will be served on the Guildhall landing after the event. Members were warmly encouraged to attend.

Tribute was paid to John Maris, a long-standing elected tenant representative who sat on the City Council's Housing Management Board and later the Housing Scrutiny Committee.

The Mayor then paid tribute to former Mayor and long-serving Councillor, John Hipkin, recognising his significant contributions to the city.

The Mayor invited the Chief Executive to present the Resolution of Thanks to former Mayor, Councillor Thittala; the Resolution had been passed at the Annual Council Meeting in May 2025.

25/64/CNL Re-ordering of the agenda

The Mayor used their discretion to alter the order of the agenda items and move Minute Item 25/73/CNL up the agenda, after Minute Item 27/65/CNL. However, for ease of the reader, these minutes will follow the order of the agenda.

25/65/CNL 4 Day Week - Shared Services South Cambridgeshire District Council

Resolved (36 votes to 1, with 1 Abstention) to:

Approve the inclusion of services hosted by South Cambridgeshire District Council and shared with Cambridge City Council, specifically Greater Cambridge Shared Planning and Shared Waste Services, within South Cambridgeshire District Council's plan and process to become a permanent 32-hour per week, four-day week employer.

25/66/CNL Update on Local Government Reorganisation

Resolved (38 votes to 0) to:

- i. Note the progress to date on Local Government Reorganisation.
- ii. Note that of the proposed geographies, 'Option B' best meets key Ministry of Housing, Communities and Local Government (MHCLG) criteria for Local Government Reorganisation, as outlined at paragraph 4.6 of the Officer's report.
- iii. Agree to hold an Extraordinary Council meeting to discuss the final proposal(s).

25/67/CNL Public questions time**Question 1:**

What measures would the Council take to resolve persistent anti-social behaviour on housing association property where the housing association refuses to bring the behaviour to an end?

The Cabinet Member for Safety, Wellbeing and Tackling Homelessness responded with the following:

- i. Where there was anti-social behaviour in housing association properties, the Council would work together with the housing association and other partners to address this.
- ii. Cases could be referred to the Council's problem-solving group where supportive; preventative or enforcement options could be considered.
- iii. The Council could also assist the housing association over the issuing of community protection warnings and notices, where appropriate.
- iv. Housing associations had regulatory obligations regarding effective anti-social behaviour management, including a formal complaint process.
- v. The community trigger, also known as anti-social behaviour case review, allowed victims of anti-social behaviour to ask for review of their case if

they feel that no or inadequate action has been taken. The anti-social case review can be requested via the city council's website.

Question 2:

From March 2025 Cambridge City Council has had a contract with Re-Gen Ltd, to take all blue bin recycling to Warrenpoint in Northern Ireland for sorting. I object strongly to the length of this trip, 400 miles, and the contribution to global warming of all the diesel that the lorries burn on this trip. In this case, the ends does not justify the means!

On 28th February 2025 Cambridge City Council stated that "The Re-Gen MRF is based in Newry, Northern Ireland, so initially this is where the blue bin recycling will be taken for sorting. However, Re-Gen says that 'within the first half of this year, it will take over a MRF on the UK mainland. This will negate the need to transport the recycling to Northern Ireland.' "

What has happened to this plan for our blue bin recycling to go to a new MRF in England? Please give me updates on progress with this plan.

The Cabinet Member for Climate Action and Environment responded with the following:

- i. Following an extensive competitive public sector tender process for a materials recycling facility (MRF) contract, conducted by all the Cambridgeshire district councils and Peterborough City Council under the umbrella of RECAP, Regen was awarded the contract for Greater Cambridge Shared Waste Service. This contract was based on their facility in Newry, Northern Ireland.
- ii. Regen, a family business, won Team of the Year Award 2024 at the annual national recycling awards in London last year. It is one of the largest MRF providers in Europe and continues to expand its operations in the UK and beyond.
- iii. As part of its expansion plans, Regen intends to commence operations of a MRF on the UK mainland. It is hoped this facility would be suitable and available to cater for the waste from Greater Cambridge Shared Waste.
- iv. The award of the contract to Regen was not based on a UK mainland facility. The procurement process was based on the facility in Newry.
- v. Regen is continuing to pursue the UK mainland MRF, but the Council does not have an update on this facility yet.

Supplementary Question:

In Great Britain only four other councils in Wales and Scotland are sending their blue bin recycling to Regen in Northern Ireland. That's less than 5% of the total and they are all much nearer to Northern Ireland than us. The huge majority of councils use local MRFs. They minimize their CO2 emissions that transporting and recycling material involves. You considered local sites. You inexplicably chose Northern Ireland. You have maximized your CO2 emissions. How did you get your procurement process for recycling so scandalously wrong?

The Cabinet Member for Climate Action and Environment responded with the following:

- i. Regen offered the best option based on costs, quality of processing, compliance and fulfilment of all the Council's requirements.
- ii. Regen accepted the full range and quantity of recyclable materials that were currently collected.
- iii. Because the new MRF had been modernised, compared to the previous provider, up to 20% more blue bin content could be recycled.
- iv. Recycling was a global market and supply chains for the recycler and the finished products could be international. Although transporting recycling to Newry was not ideal, it was just a drop in the ocean of the transportation involved in recycling.
- v. Recycling was better than sending anything to landfill in terms of climate change, use of resources and for nature. However, it is not a panacea to waste issues. Reducing waste should be everyone's priority. Second is reuse and third is recycling.

Question 3:

November 2024 -To the Council, question on the important issue of HMO Motion - actions on report, Article 4, register, SPDs:

Full Council used the provision on the important HMO motion "to move to the next business" thus curtailing debate. If this had not have happened, and Cllr Porrer NOT given the floor, we may have had more answers and action. Action for communities now requesting the need for permitted developed rights to be removed, SPDs to be approved. An Article 4 Report to be produced, with a commitment to get a Landlord Register for HMOs of 2+ units up and running NOW. All with an aim to establish balanced cohesive communities, with a mixed tenure, existing across Cambridge. This would stop areas being ravaged by HMOs, sweeping up all their small family housing, decimating mixed tenure communities.

November 2024: Council was asked and agreed to consider a Register of all Landlords of HMOs, of more than 2 units, via a report on an Article 4 directive produced by the summer of 2025. Where are the agreed actions at - NINE MONTHS LATER?

Having lived in Cambridge for decades, I and people in the communities I talk to are very disappointed in the Council's failures, in relation to HMOs. This is a pivotal part of the housing market, meant to be affordable and a stepping stone on the housing ladder. There also appears to be a lack of protection for tenants' rights in HMOs. Rents as high as £1,030 for a single room per month, living with up to nine strangers. HMO growth is decimating housing tenure and community cohesion in Cambridge. Where is the Council's commitment and enforcement, of balanced neighbourhoods with decent standards and affordable housing for CAMBRIDGE RESIDENTS???

There are national recommendations for decent housing standards. To have no more than 10% of HMOs in a street, and no sandwiching, whereby one HMO is not within 100m, or next door to another HMO (of more than 2+ units). There is massive impact on the communities the HMOs sit within. This is compounded when whole estates and streets are not complying with the 10%, instead have from 30-70% of HMOs across the City of Cambridge.

Surely there is a commitment to good environmental practices to reduce the impacts of waste, parking stress, noise, pollution and anti-social behaviours a possible increase in crime that can be hidden in plain sight. Not to mention the excessive comings and goings of people and vehicles. (Way above those of regular tenured households) A transient population is no guarantee of stability and may not necessarily become part of the community and its cohesion. Many residents in our community want 2 and 3 bed homes, as others seeking to work or settle. They cannot rent or buy such properties, as they are being taken out and turned into 4 -10-unit bed HMOs. No one can compete to either rent or purchase homes, such as a small family or a couple. Housing stock is being removed on mass as HMOs, and there is no accurate record or map of locations as to what is happening within our city. Is Cambridge the city of GREED NOT NEED?

The Council needs to get a grip and control. Make HMOs to a high standard, perhaps encouraging developers to consider the provision of purpose-built HMOs, fit for purpose. This should be part of affordable standard homes delivery. Fair realistic controlled rents, thus stopping the break down and imbalance of Cambridge's communities. They could be based in specific locations where needs arise. This would show a Council commitment to spread HMOs of more than 2 units equally across roads, wards and the city.

So what is the Council doing to stop the decimation of our communities, whilst protecting the most vulnerable and those living in our society who want decent homes. Where is your report, consideration of Article 4 and SPD's for HMOs. Where is The Register of all HMOs Landlords who own 2-10 units at vast profit? This request is for the Council to commit to the actions it agreed to NINE MONTHS AGO and report back to the public by the summer as agreed last November. Awaiting reply with some action and answers on this important issue. PROVE WE ARE A CITY OF NEED NOT GREED - Are we?

The Cabinet Member for Planning & Transport responded with the following:

- i. There are currently 862 licensed HMOs in the city. The Greater Cambridge Shared Planning Service is in the process of comparing data sources on council tax exemptions to identify student homes, along with complaints of noise and refuse, and the locations of the registered HMOs. The aim is to determine a correlation between these data sets which would justify a submission to the Secretary of State for an Article 4 direction removing permitted development for specific parts of the city.
- ii. This follows changes to the national planning guidance preventing the use of a blanket ban that would have had an exemption for the whole city.
- iii. The emerging joint local plan would contain a policy on HMOs where permission is required. Subject to Cabinet agreement, the local plan and its policies would be consulted upon later this year.
- iv. There is currently no scope to introduce an SPD because there is no suitable policy in the adopted local plan justifying an SPD.
- v. A national private rented sector database is part of the measures proposed within the Renters' Rights Bill, which will be enacted in winter 2025/26. It is anticipated that the database will be launched from winter 2026/27. It is proposed that this will help landlords understand their legal obligations and demonstrate compliance, alongside providing better information to tenants to make informed decisions.

Supplementary Question:

Could the Council give a firm commitment to their effective management of HMOs from 2+ units (people) to have safe well maintained and affordable homes.

SPDs Article 4s and a Landlord Register will aid tenants to have decent standards of homes.

In addition, this protection can decrease community breakdown from saturation of HMOs in any one street.

When in 2018 it was estimated over 600, were not registered, how many under 5 units (people) do not meet fire regulations with basic items like lifesaving fire doors in place?

Recent Council enforcement action for those not meeting statutory requirements has protected tenants, how will this be extended across the City? How will Council protect our tenants to have decent affordable homes where they do not live in fear of no-fault eviction or no reference if they ask for repairs!

Officer's written response to the supplementary:

- i. Under the Housing Act 2004, the definition of a HMO is a house / flat that is occupied by more than 3 people forming more than one household. Only properties that have more than 5 people are required to be licensed, but we do have the enforcement powers to regulate all HMOs as per the definition.
- ii. The Council proactively identify all types of HMOs and take the necessary action to get them up to a safe and suitable standard, including fire precautions, overcrowding, amenities, reducing hazards, energy, damp and mould.
- iii. The Council respond to all private sector housing complaints and take the necessary enforcement action. Under current legislation tenants are protected from retaliatory eviction if a Housing Act notice has been served for repair/ safety works to be carried out. New legislation coming in under the Renters Rights Act would tighten this up and bring in protection for tenants against non-vault eviction.
- iv. We also investigate harassment and illegal evictions and have taken prosecutions against landlords

Question 4:

I am here to alert all Councillors to issues with public involvement in the Civic Quarter project, particularly in relation to the Market Square. The only 2 advertised public consultation meetings were in an obscure back room of the Guildhall, and in the Coleridge community hall. The trial demountable stalls, on which the Market Square proposals depend, only arrived for the last 2 weeks of the consultation period. There has been continual very misleading information, as one group is told one thing, and another group is told something else. Feedback from the trial stalls, which were instantly revealed to be unfit for purpose, was reported to last week's Traders' meeting, along with a "Work in Progress" revised layout, but not to the Liaison Group earlier the same afternoon. I only know this because, after officers tried to exclude me from the Traders' meeting, the traders unanimously asked me to stay. Cllr Moore was quoted in that morning's Cambridge Independent saying that the

number of permanent stalls would be increased to 44, but this was not disclosed to the Liaison Group. There is still no sign whatever of any viable demountable stalls, yet officers are rushing headlong towards a planning application.

And are Councillors aware that the project intends to sweep away all the existing stalls, and with them, our traditional market? Our change.org petition "Please help us to Save Cambridge's traditional locals' market, and its traders" shows that people do not want to lose the vital services and intangible heritage of their traditional market. Our petition now has nearly 900 signatures, showing that people from near and far want to keep Cambridge's traditional market. We need our Councillors to act to prevent our traditional market from being swept away.

The Cabinet Member for Climate Action and Environment responded with the following:

- i. The proposals for the market committed to a thriving seven-day a week market, with new permanent stalls alongside new demountable stalls to allow the Market Square to be used for other purposes when the demand isn't there from market traders for all stalls to be in use.
- ii. Proposals included more seating, a better surface for accessibility, more greenery, better lighting to improve safety, underground bins to reduce clutter, and restoration of the existing fountain.
- iii. Over 500 people responded to the public consultation and provided feedback on the Council's Civic Quarter plans. The trial of the demountable stalls was planned to be for a fortnight, and traders were informed of that before it started.
- iv. The project team and Cabinet Member had been meeting monthly with the traders to update them on design changes, the business plan, the options for the temporary location of the market while the works are being completed, and to get feedback.
- v. The liaison group and the members' liaison group have been meeting less often but generally the presentations for all three groups have been the same. At the most recent meetings, there were some last-minute changes to the slides for the meeting later in the day, which could have caused some confusion.

Supplementary Question:

The petition that my wife and I have organized has now passed 1,200 signatures of people who are very concerned not only at the loss of the traditional market but the impact of the proposals on the traditional traders, because having a market that will work for the traders is the issue here.

The Cabinet Member for Climate Action and Environment responded with the following:

- i. From the start of the project, it had been made clear that plans were for new flooring, new infrastructure and new stalls, including demountable stalls.
- ii. The first designs included 100% demountable stalls, but following feedback from the traders, the plans now have around half the square covered with permanent stalls.
- iii. The consultation showed that there was overall support for the proposals including maintaining the current size of the market, providing the seating area and restoring the fountain.
- iv. The council intends to provide new stalls which would cover a slightly larger area than now, but with improved facilities for the traders and the public. The number and design of the stalls has not yet been finalised.

Question 5: On behalf of the Cambridge University Labour Club

Earlier this week the Daily Telegraph drew attention to the plight of at least forty Palestinian students - including students with offers to Cambridge University - who are unable to take up offers of scholarships at UK universities because the government is insisting that they complete biometric verification in order to get a visa, despite there being no visa office in Gaza and no possibility for them to travel to neighbouring countries to fulfil the requirement.

Authorities in France, Ireland and Italy have waived the visa requirement to bring students from Gaza but so far neither the Foreign Office nor the Home Office have responded to requests to do so.

One of the students, nineteen-year-old Malak Hani, has a full scholarship to study here in Cambridge, at Downing College. Like the other Gaza students, Malak has overcome unimaginable odds to achieve her place at Cambridge. She has the full support of Professor Graham Virgo, Master of the College, and local MPs including Andrew Pakes, MP for Peterborough, have spoken out in her favour.

As a student at Cambridge University myself, I ask the Council to add its voice to those calling on the government to show its concern and find a way to let Malak and other students from Gaza take up the places they have earned at British universities.

The University, and Cambridge as a whole, will benefit from having her here during her studies, and she will be able to take advantage of the chance of an education that she has worked so hard for.

The Leader of the Council responded with the following:

- i. Expressed congratulations to all students from Gaza who have been awarded places at UK universities for next year and in particular the two students who had gained places at the University of Cambridge.
- ii. The Council fully supports and would be happy to add its voice to recent calls by University of Cambridge academics and MPs for the students' applications to be swiftly considered, and for the Home Office to do all it could to ensure all necessary checks could be completed and assistance provided for students to take up their places in the autumn.
- iii. The Leader and the Chief Executive would write to the Home Office regarding this case.

Supplementary Question

Malac, like her fellow students in Gaza, is living through the most intolerable circumstances under daily bombardment in fear of her life. Some of the students offered places at the UK universities have been killed whilst waiting.

Just this week, over 100 aid agencies warned that mass starvation is spreading across Gaza. And according to the UN, nearly 8,000 children have been killed in Gaza since October 7th. Does the Council agree that the Government should be doing everything in its power to push for an immediate ceasefire and end to all the killing, a release of all hostages, and a surge in humanitarian aid to avoid full-scale famine across Gaza and protect the lives of young students like Malac.

The Leader of the Council responded with the following:

- i. That the Council did agree. The scenes witnessed in the last year and a half in Gaza had been unbearable. No one, and especially no child, should be left without food or forced into starvation, and no innocent civilian should be killed.
- ii. The Council had been calling for an immediate ceasefire in Gaza and across the Middle East for a long time, and was even more urgent now.
- iii. Recognised that many people in Cambridge have been deeply and personally affected by this war.
- iv. Noted that the Council passed a motion calling for an immediate and permanent ceasefire in Gaza, Israel and the West Bank and for the suspension of all UK arms sales to Israel. The Council stood by that motion and reaffirmed its calls.

- v. The Council had also, through cross-party statements, repeatedly condemned the horrific attack by Hamas on the 7th of October. The Council had called for an immediate ceasefire, the return of the hostages, unfettered access for humanitarian aid, peace in the Middle East, international support for a two-state solution, and the upholding of international law.

Question 6:

Following recent concerns raised in the National Media in relation to Uber and many delivery services, and following TFL's decision to revoke Ubers licence to operate on the grounds Safety Violations, Unauthorized Drivers, Impersonation of Drivers, Insurance Issues, Lack of Confidence in Future Safety", What proactive measures do the Council have in place to monitor and remove fraudulent behaviour / persons and offer safety to the public in Cambridge?

The Cabinet Member for Climate Action and Environment responded with the following:

- i. In Cambridge, Uber was treated the same as every other private hire operator. They were inspected annually, which included looking at their records and ensuring their DBS checks were up to date. All drivers were required to have enhanced DBS checks, which were updated every six months.
- ii. Complaints were investigated and appropriate enforcement action would be taken. This could include being called to a sub-committee hearing where their license could be revoked, suspended or not renewed.
- iii. Drivers had equalities training, a knowledge test, a medical test, and a driving test. They must display their badge in the vehicle.
- iv. The licensing team carried out proactive operations, including nighttime operations in conjunction with the police.

Question 7:

Taxpayers Alliance said that they had campaigned rigorously regarding the campaign against Working From Home (WFH).

Was this the case during the Council Elections in May 2024 and any elections in 2025?

When it would seem the PUBLIC had plenty of opportunity to discuss this subject with the Candidates and NOT vote for any who wanted to maintain this WFH regime.

The Leader of the Council responded with the following:

- i. Some staff worked in a hybrid way which allowed them to be more flexible in the way that they worked. Sometimes to avoid long commutes or to meet family commitments.
- ii. A hybrid way of working was appropriate for a modern council that cared about the well-being of its staff and to ensure that the Council provided services to residents in the most effective way possible.

Question 8:

I am a second generation market trader who grew up on the market square. In June of this year in response to the proposed development plans for the market I conducted a survey of market traders to get their thoughts on the type of stall they wished to trade from in the future. I have 59 responses which is half of all traders. The breakdown of the replies were 22 % hot food traders, 52% retail, 8.5% cold food and 17% other, which is very comparable to the breakdown of all traders. Without consideration of eligibility criteria of these 57.9% would be interested in trading from permanent kiosk type structures, only 20.3% would be interested in trading from a dismountable gazebo. The most interesting results are in the fact that 83.1% of all traders if given a preference would wish stalls to stay as they are, with 15.3% preferring kiosks and just 1.6% wishing for a gazebo.

The traders have repeatedly asked for traditional market stalls, as they are now, to be provided in the redeveloped market as they provide the versatility required for all traders, they are robust, proven and weather resistant. The design team has increased the number of permanent stalls in the latest design to 44 which they are calling "market stalls" however this is incredibly misleading as they are in fact permanent structures, which we have been told will have five year leases, be rateable with the additional costs of waste, water and electricity. Analysis of the council's business plan shows that due to the rent being paid over 365 days a year on these units the increase cost to almost all traders will be huge, and this will impact more on the market retail sellers as there is only one that trades seven days a week. For example, The Bike Mans rent, if trading from a kiosk would go up 99%.

We have a petition with 1800 signatures that asks for 54 permanent stalls. We wish to ask that at least half of these stalls are of the traditional style that we have now, and not all kiosks that take away the essence of market trading. Will the chamber recognise the unsuitability of the current proposals to fill two

thirds of the market square with permanent shop type units the project team are currently proposing?

The Cabinet Member for Climate Action and Environment responded with the following:

- i. Thanked the member of the public for the work they have done, including the survey, analysis, and feedback at monthly traders' meetings. The Council had responded already by changing plans for traffic flow in the market based on feedback.
- ii. The Council acknowledged that traders would like to keep the scaffolding type stalls that are permanently affixed to the market square. However, one aspect of the project would be to create an open space when the market is not on, for residents to use.
- iii. An aim of the project would also be to reduce crime and anti-social behaviour, which was facilitated by the permanent stalls.
- iv. In March this year, 17 crimes were recorded by the police on the market square, 5 of which were violent or sexual.
- v. Other successful markets such as Norwich and Spittlefields had permanent stalls. A mix of permanent and demountable stalls would allow the market to expand and contract throughout the week and throughout the seasons.
- vi. The number and the design of the stalls is still being worked on by the civic quarter project team and this survey provides valuable feedback for that.

Supplementary Question:

The member of the public raised concerns about the terms used during the consultation on the market square and in the design feedback. Flexibility had not been demanded by traders. And using the term market stalls was incorrect as the spaces were more like kiosks.

The Cabinet Member for Climate Action and Environment responded with the following:

- i. Clarified that the use of the term demand was related to the demand for hiring a stall on set days.
- ii. Following a suggestion from traders, the team now referred to the stalls as kiosks.
- iii. Acknowledged that the market was not only a vital source of income, but traders felt very passionately about the market.

The meeting broke for 10 minutes at the conclusion of this item.

25/68/CNL To deal with oral questions**Question 1:****Councillor Clough to Cabinet Member for Planning and Transport.**

Our local planning committee is quasi-judicial and follows several rules designed to ensure that it is not only impartial but seen to be impartial. How does the council reconcile this with having our local planning committee make decisions on applications made by its in-house developer, Cambridge Investment Partnership? Is this not the same as marking one's own homework?

The Cabinet Member responded with:

The situation whereby a council applies for planning permission for development was not unique. Across the country, applications were made every day by councils for developments in their own area. The Town and Country Planning Act makes no specific provisions in relation to that process.

Nevertheless, in contemplation of that scenario, this Council's constitution, in line with most other authorities, states that all such applications are considered by the planning committee in public to enable the public to witness the consideration of the item and its decision.

A comprehensive report by officers was prepared to support each application, identifying the material planning considerations and included a recommendation in all such cases. The Council's constitution and code of member conduct also provided for clear declarations around any conflicts of interest amongst committee members. In this way, the process of decision making could take place in the usual way as contemplated by parliament under the Town and Country Planning Act.

Question 2:**Councillor Jean Glasberg to Cabinet Member for Climate Action and Environment.**

I refer you to the question previously raised below by Rostrevor Action Respecting the Environment ("RARE") based near the Re-Gen Materials Recycling Facility ("MRF") in Newry, Northern Ireland. In this they quoted a Cambridge City Council press release dated 28 February 2025. This stated that Re-Gen would take over an existing MRF on the UK mainland in the first half of the year and this would negate the need to transport the need to transport the recycling to Northern Ireland.

We are now in July and there are no signs that a new UK mainland MRF has been acquired by Re-Gen or that such an acquisition is due to take place.

Could the Cabinet Member confirm that Cambridge's recycling is still being sent to Newry?

Would the Cabinet Member share what steps have been taken to investigate this apparent failure?

This appears to be a material misrepresentation of facts on which the council relied upon in making its procurement decision. Would the Cabinet Member take steps to reopen the procurement decision and consider terminating the contract?

The Cabinet Member replied:

Confirmed that recycling from all residents was being sent to Newry in Northern Ireland for sorting. The procurement process was based on the MRF in Newry and it was on that site that Regen won the contract. The plans for a UK mainland site were only known after the contract was signed. Regen was still in the process of acquiring a site on the UK mainland. It was hoped that all of Cambridge City's recycling would be sorted there once that MRF came online.

Question 3:

Councillor Blackburn-Horgan to the Cabinet Member for Planning and Transport

Could the Cabinet Member for Planning and Transport update Council on the report due by Summer 2025 on Article 4 directives that we requested to ensure a fairer and less exploitative HMO rental market in Cambridge, and explain when this would be published?

The Cabinet Member said the following:

Officers in the shared planning service, working with Housing and Environmental Health, were gathering evidence on HMOs in Cambridge. Based on their work, officers would develop a planning policy and evidence paper for inclusion in the draft Greater Cambridge Local Plan. This would be brought forward for consideration by Members in the autumn prior to a public consultation. The evidence would also allow subsequent consideration on whether there are any areas of the city on which a case could be made for an Article 4 directive.

Question 4:**Councillor Illingworth to the Cabinet member for Nature, Open Space and City Services**

The Council aims to remove offensive graffiti within one day of receiving a report, and all other graffiti within five days.

Is the Council keeping up with these standards for removing graffiti and offensive graffiti?

The Cabinet Member responded:

Graffiti was illegal. It spoilt property and could be costly to remove. The Council was responsible for removing graffiti from public property and buildings, monuments and street furniture such as benches. The Council did not have a duty to remove graffiti on private property.

The aim was to remove offensive graffiti within one day of receiving a report and all other graffiti within 5 days. Teams worked between 6:00a.m. and 4:00p.m. every day. Offensive graffiti included anything that might be considered racist, sexist, obscene, or inflammatory. The Council's operations team worked hard to meet these response times and prioritise offensive or hate related graffiti in line with Cambridge City Council's values and enforcement policy.

In the past calendar year, the service had received 1,136 reports of graffiti, of which 283 were classed as offensive. Performance monitoring data indicated that of the 274 offensive graffiti matters, 44% were removed within one working day, and of the 820 detrimental graffiti items, 84% were removed within the five working day limit.

Where graffiti delays had occurred, they were typically due to access issues, graffiti located on private property requiring consent or where specialist removal equipment was needed for surfaces such as brick or historic stonework.

Question 5:**Councillor Bick to the Leader of the Council**

Does the Leader agree with Equalities Minister Bridget Phillipson's statement following the recent Supreme Court judgement, that trans women should only use public toilets for their biological sex?

The Leader replied with the following:

As a Council, we want to support everyone, including trans people to live safely, free from discrimination and with dignity. On this specific question, we

as a public body must follow the law. The legislation on access to single sex services and facilities had not changed. The Council was awaiting legal guidance from the Equality and Human Rights Commission following the Supreme Court ruling.

25/69/CNL To consider the recommendations of Cabinet/Executive for adoption

25/70/CNL Outturn Report 2024/25

Councillor Tong recused themselves from this item.

Resolved (23 votes to 3, with 11 abstentions) to:

- i. Note this 2024/25 outturn report, including the final net underspend on the General Fund of £3.762 million which will be transferred to the Civic Quarter reserve as agreed by council in February 2025.

Resolved (23 votes to 3, with 11 abstentions) to:

- ii. Approve the carry forward of General Fund capital budgets totalling £55.172 million as set out in detail at Appendix A(iv), together with the carry forward of £2.145 million of associated General Fund revenue funding.

Resolved (26 votes to 0, with 12 abstentions) to:

- iii. Approve the carry forward of £280,000 of Housing Revenue Account revenue budget allocated for transformation purposes (see paragraph 5.8).

Resolved (26 votes to 0, with 12 abstentions) to:

- iv. Approve the carry forward of Housing Revenue Account capital budgets totalling £50.941 million as set out in detail at Appendix B(iv).

25/71/CNL To consider the recommendations of Committees for adoption

Civic Affairs & Audit Committee - Proposed Amendments to Member Allowances

Councillor Dalzell proposed and Councillor Porrer seconded the following amendment to the recommendations (additional text underlined and deleted text ~~struck through~~).

The Committee agreed the following recommendations to Council.

- i. Without approval, conveys to the Independent Review Panel for their evidence-based assessment for consideration for 2026-27 the Labour Party's aspiration to The uplift in the Special Responsibility Allowance (SRA) to the Leader to 4 times the basic allowance.
- ii. Without approval, conveys to the Independent Review Panel for their evidence-based assessment for consideration for 2026-27 the Labour Party's aspiration to Amend amend the overall number of SRA's that can be claimed to a maximum of 3.
- iii. Removal of the allowance paid by the City Council to members of the Cambridgeshire and Peterborough Combined Authority (CPCA) for those sitting on the CPCA Overview & Scrutiny and Audit & Governance Committees.

The amendment was **lost by 18 votes to 21, no abstentions**.

Councillor Robertson proposed and Councillor Gawthrope-Wood seconded the proposed amendment to the recommendation (additional text underlined and deleted text ~~struck through~~).

The Committee agreed the following recommendations to Council. Such changes shall take effect from the date of the annual meeting of Council 2025, and any adjustments back-dated on a pro rata basis

- i. The uplift in the Special Responsibility Allowance (SRA) to the Leader to 4 times the basic allowance.
- ii. Amend the overall number of SRA's that can be claimed to a maximum of 3.
- iii. Removal of the allowance paid by the City Council to members of the Cambridgeshire and Peterborough Combined Authority (CPCA) for those sitting on the CPCA Overview & Scrutiny and Audit & Governance Committees.

The amendment was **carried by 21 votes to 17 with 1 abstention**.

Resolved (22 votes to 17, no abstention) to:

The Committee agreed the following recommendations to Council. Such changes shall take effect from the date of the annual meeting of Council 2025, and any adjustments back-dated on a pro rata basis

- iv. The uplift in the Special Responsibility Allowance (SRA) to the Leader to 4 times the basic allowance.
- v. Amend the overall number of SRA's that can be claimed to a maximum of 3.
- vi. Removal of the allowance paid by the City Council to members of the Cambridgeshire and Peterborough Combined Authority (CPCA) for those sitting on the CPCA Overview & Scrutiny and Audit & Governance Committees.

25/72/CNL To consider the following notices of motion, notice of which has been given by:

25/73/CNL Councillor Holloway: Local Government Reorganisation

Councillor Holloway proposed and Councillor Bick seconded the following motion:

This Council notes:

Cambridge is served by two tiers of local government – Cambridge City Council and Cambridgeshire County Council. Each provides different services over different geographies, with some overlapping responsibilities. The Cambridgeshire and Peterborough Combined Authority also serves this area, as does the Greater Cambridge Partnership.

Unitary authorities combine the functions currently carried out by county councils and district-level councils.

On 19 October 2023, Cambridge City Council passed a motion on 'A Unitary Council'¹, asking the Leader and Chief Executive of the Council to:

“... initiate discussions... to identify options for a less fragmented and more cohesive model of Government for Cambridge, that best serves the needs of its residents. These discussions should involve and engage with the people of the city in a meaningful way, thereby recognising the need for our governance structures to reflect the wishes of the people we serve.”

In summer 2024, Cambridge City Council carried out an initial engagement exercise on the 'Future of Local Government for Cambridge'^[1]. Around 60 people attended in-person workshops and over 500 people responded to the online survey. Nearly 83% of respondents thought that a unitary authority for the Cambridge area should be explored.

A report on this engagement exercise was considered at Full Council on 28 November 2024^[2]. Councillors agreed that the Leader should report back about next steps in summer 2025, following discussions with other local leaders and ministers.

In December 2024, the Government announced that local government in England would be reorganised, inviting proposals for new unitary councils from all two-tier areas^[3]. On the current timetable, new unitary councils for Cambridgeshire and Peterborough would come into being in 2028.

Since the Government's announcement, all seven existing councils in Cambridgeshire and Peterborough have engaged in a collaborative process to explore options for local government reorganisation.

Leaders have set out three geographical options for proposals to be worked up.

A public survey on issues relating to local government reorganisation, agreed by all councils in Cambridgeshire and Peterborough, is running for just over one month, closing on 20 July^[4].

The Local Government Reorganisation item in these meeting papers sets out the current situation, including relevant data and context for deciding which geographical configuration of unitary councils might be most appropriate for Cambridgeshire and Peterborough.

This Council believes:

- That a unitary authority based on the current boundaries of Cambridge City Council and South Cambridgeshire District Council, alongside viable arrangements for the rest of Cambridgeshire and Peterborough, is likely to be the best option for the residents of Cambridge.

This Council resolves:

- To work with other local authorities in Cambridgeshire and Peterborough on a proposal for the whole area that can be submitted to the Government by 28 November 2025.

- To continue to collaborate with all councils across Cambridgeshire and Peterborough, including providing information to support proposals that are not its preferred option.
- To launch a further engagement exercise to better understand Cambridge residents' views on their preferred geography for local government reorganisation.

[1] ¹ <https://engage.cambridge.gov.uk/en-GB/projects/cambridge-local-government>

[2] <https://democracy.cambridge.gov.uk/documents/s67343/241119%20Council%20report%20on%20Future%20of%20Local%20Government.pdf>

[3] <https://www.gov.uk/government/publications/english-devolution-white-paper-power-and-partnership-foundations-for-growth/english-devolution-white-paper>

[4] <https://can-campaigns.co.uk/local-councils-in-cambridgeshire-and-peterborough-are-changing/>

Resolved (by 33 votes to 0, with 3 Abstentions) to approve the motion as worded above.

25/74/CNL Councillor Dalzell: Securing Arbury Court's Future as a Thriving Community Hub

Councillor Wade recused themselves from the item.

Time (9.40pm) Under Council Procedure Rules 1.9.2 as the time allotted for the meeting had concluded Members went straight to the vote on the amendment to the motion. No discussion was held as the meeting time had passed.

All remaining business on the agenda went straight to the vote at this point.

Councillor Dallzell proposed, and Councillor Illingworth seconded the following motion:

This Council notes:

- i. The vital role Arbury Court plays as a community hub serving North Cambridge residents;
- ii. The ongoing 'Shaping North Cambridge' consultation and the positive engagement between officers, local businesses, and the community regarding future redevelopment plans;

- iii. The constructive approach taken by officers in engaging with local businesses and residents during the consultation process;
- iv. Current uncertainty facing existing businesses due to lease arrangements ending in 2030;
- v. The strong preference expressed by local businesses for replacement retail facilities to be built before existing premises are redeveloped, avoiding the need for temporary accommodation;
- vi. That detailed consultation findings and proposals will not be presented to Cabinet until October 2025.

This Council believes:

- i. Local businesses and residents deserve certainty about Arbury Court's future and their role in it now, rather than waiting for final proposals;
- ii. The positive collaborative approach between officers and the community should be formally endorsed and protected;
- iii. Any redevelopment must enhance rather than diminish Arbury Court's function as a community retail hub.

This Council resolves:

- i. That any development proposal for Arbury Court will prioritise the construction of replacement retail facilities before existing businesses are displaced;
- ii. To ensure that existing businesses will receive appropriate lease extensions or firm relocation commitments extending well beyond 2030;
- iii. To ensure the redevelopment enhances retail provision and community facilities rather than diminishing them;
- iv. To establish these principles as non-negotiable parameters for any development brief or partner selection process.

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

This Council notes:

- i. The vital role Arbury Court plays as a community hub serving North Cambridge residents;
- ii. The ongoing 'Shaping North Cambridge' consultation and the positive engagement between officers, local businesses, and the community regarding future redevelopment plans;
- iii. The constructive approach taken by officers in engaging with local businesses and residents during the consultation process;

- iv. Current uncertainty facing existing businesses due to lease arrangements ending in 2030;
- v. The strong preference expressed by local businesses for replacement retail facilities to be built before existing premises are redeveloped, avoiding the need for temporary accommodation;
- vi. That detailed consultation findings and proposals will not be issues raised during the engagement period will be given careful consideration before being presented to Cabinet as soon as possible, in October 2025.
- vii. That, if a recommendation for investment in the North Cambridge Framework for Change work is approved by Cabinet, there will be further consultation with the public on the specific proposals for the area.

This Council believes:

- i. Local businesses and residents deserve certainty to be involved in and informed about ongoing discussion on ~~about~~ Arbury Court's future and their role in it;
- ii. The continuation of the positive collaborative approach between officers and the community ~~should be formally endorsed and protected~~ is vital to the success of this project;
- iii. Any redevelopment must enhance rather than diminish Arbury Court's function as a community retail hub, including, as far as possible, retaining and enhancing independent shops.

This Council resolves:

- i. That any development proposal for Arbury Court will prioritise, as far as practicable, the construction of replacement retail facilities before existing businesses are displaced;
- ii. ~~To ensure that existing businesses will receive appropriate lease extensions or firm relocation commitments extending well beyond 2030~~ The Council will seek to; To seek to maintain business continuity in any proposed redevelopment, allowing, as far as possible, the current retail offer to continue, and to support shopkeepers and existing businesses through the consultation process and any future development process;
- iii. To ensure that, if any redevelopment of Arbury Court goes ahead, it enhances retail provision and community facilities rather than diminishing them;
- iv. To bring forward proposals that will establish ~~these~~ principles that align with those set out in this motion, ~~as non-negotiable parameters for any development brief or partner selection process.~~ to guide any development work carried out at Arbury Court as part of the North Cambridge Framework for Change project.

The amendment was **approved by 20 votes to 15.**

Resolved by 38 votes to 0

This Council notes:

- viii. The vital role Arbury Court plays as a community hub serving North Cambridge residents;
- ix. The ongoing 'Shaping North Cambridge' consultation and the positive engagement between officers, local businesses, and the community regarding future redevelopment plans;
- x. The constructive approach taken by officers in engaging with local businesses and residents during the consultation process;
- xi. Current uncertainty facing existing businesses due to lease arrangements ending in 2030;
- xii. The strong preference expressed by local businesses for replacement retail facilities to be built before existing premises are redeveloped, avoiding the need for temporary accommodation;
- xiii. That issues raised during the engagement period will be given careful consideration before being presented to Cabinet as soon as possible, in October 2025.
- xiv. That, if a recommendation for investment in the North Cambridge Framework for Change work is approved by Cabinet, there will be further consultation with the public on the specific proposals for the area.

This Council believes:

- iv. Local businesses and residents deserve to be involved in and informed about ongoing discussion on Arbury Court's future and their role in it;
- v. The continuation of the positive collaborative approach between officers and the community is vital to the success of this project;
- vi. Any redevelopment must enhance rather than diminish Arbury Court's function as a community retail hub, including, as far as possible, retaining and enhancing independent shops.

This Council resolves:

- v. That any development proposal for Arbury Court will prioritise, as far as practicable, the construction of replacement retail facilities before existing businesses are displaced;
- vi. To seek to maintain business continuity in any proposed redevelopment, allowing, as far as possible, the current retail offer to continue, and to support shopkeepers and existing businesses through the consultation process and any future development process;

- vii. To ensure that, if any redevelopment of Arbury Court goes ahead, it enhances retail provision and community facilities rather than diminishing them;
- viii. To bring forward proposals that will establish principles that align with those set out in this motion, to guide any development work carried out at Arbury Court as part of the North Cambridge Framework for Change project.

25/75/CNL Councillor Tong: The Failure of Jesus Lock Island and Baits Bite Lock Island

Councillor Tong proposed and Councillor Glasberg seconded the following motion:

The River Cam faces an existential threat. The islands of the two locks that maintain a steady water level, Jesus Lock and Baits Bite Lock, are both at risk of failing due to the disrepair. Meanwhile, in their [June update, titled An Organisation in Crisis](#), the Conservators of the River Cam announced that they were in dire financial straits. While the urgent work needed to Baits Bite Lock island has been approved, the Conservators of the River Cam have said that a much-needed rebuild of both lock islands would be impossible given the cost, even without factoring in the fact that Jesus Lock island also requires stabilisation in the short term.

While the damage caused to both the local environment and tourism would be a problem in itself, the harm that this would cause to the local community would be most devastating. [A representative of Cam Valley Forum](#) has acknowledged that if the water level of the river lowered, local residents could be exposed to centuries of waste that has laid buried, posing a significant health risk.

Urgent action must be taken, yet the Conservators of the River Cam do not have the funds to do so, stating that they believe ‘unless specifically instructed by state or court, the necessary funding required by the Conservancy to ensure long-term survival will not be made available.’

The Council resolves to;

- Write to Steve Reed, Secretary of State for Environment, Food and Rural Affairs, explaining the need for the Conservators of the River Cam to receive funding for these essential repairs.
- To also request that responsibility for overseeing the River Cam is transferred to any future unitary authority comprising Cambridge.

Councillor Smart proposed and Councillor Thornburrow seconded the following amendment to the motion (additional text underlined and deleted text struck through)

~~The Failure of Jesus Lock Island and Baits Bite Lock Island~~

~~The River Cam faces an existential threat.~~

~~The islands of the two locks that maintain a steady water level, Jesus Lock and Baits Bite Lock, are both at risk of failing due to the disrepair. Meanwhile, in their June update, titled An Organisation in Crisis [1], the Conservators of the River Cam announced that they were in dire financial straits.~~

~~While the urgent work needed to Baits Bite Lock Island has been approved, the Conservators of the River Cam have said that a much-needed rebuild of both lock islands would be impossible given the cost, even without factoring in the fact that Jesus Lock island also requires stabilisation in the short term.~~

~~While the damage caused to both the local environment and tourism would be a problem in itself, the harm that this would cause to the local community would be most devastating. A representative of Cam Valley Forum has acknowledged² that if the water level of the river lowered, local residents could be exposed to centuries of waste that has laid buried, posing a significant health risk.~~

~~Urgent action must be taken, yet the Conservators of the River Cam do not have the funds to do so, stating that they believe ‘unless specifically instructed by state or court, the necessary funding required by the Conservancy to ensure long-term survival will not be made available.’~~

~~The Council resolves to;~~

~~Write to Steve Reed, Secretary of State for Environment, Food and Rural Affairs, explaining the need for the Conservators of the River Cam to receive funding for these essential repairs.~~

~~To also request that responsibility for overseeing the River Cam is transferred to any future unitary authority comprising Cambridge.~~

The Conservators of the River Cam and their work to maintain river navigation on the Cam

This Council notes

In terms of the management of the River Cam from the Mill Pool in Cambridge to Bottisham Lock near Waterbeach, The Conservators of the River Cam is the statutory and responsible body for river navigation and as such is the organisation responsible for Bait's Bite Lock in South Cambridgeshire and at Jesus Green Lock in Cambridge City.

Both Jesus Green and Bait's Bite locks are affected by structural degradation. Enabling works will soon begin at Bait's Bite. A further condition survey of Jesus Green Lock is due in August 2025 to assess the cost of remediation.

The Conservators of the River Cam was constituted under Acts of Parliament in 1702, 1851 and 1922. Any longer-term reform would likely require new legislation to replace or update the existing statutory framework.

Navigation between the locks is clearly restricted at the current time. The Conservators of the River Cam are working to rectify this situation with support from both Cambridge City Council and other stakeholders.

Cambridge City Council has offered assistance to The Conservators of the River Cam including two senior officers, and funding together with South Cambridgeshire District Council to support the development of a business plan for The Conservators of the River Cam to maintain the locks.

The Conservators of the River Cam is working with other stakeholders including the University of Cambridge, riparian Colleges, and the County Council, Cambridgeshire and Peterborough Combined Authority and the Environment Agency.

This Council believes

The River Cam is central to Cambridge's identity, economy, and public life. From punting to rowing and leisure walks, and much more besides, the River Cam plays a unique and essential role in the city's daily rhythm and visitor experience.

This Council resolves

1. To continue to work in partnership with The Conservators of the River Cam, South Cambridgeshire District Council, Cambridgeshire County Council, the

University of Cambridge, and riparian Colleges, and other stakeholders to support the development and application of a viable business plan relating to the maintenance of the locks at Baits Bite Lock in South Cambridgeshire and at Jesus Green Lock in Cambridge City.

a) Support The Conservators of the River Cam in the delivery of urgent stabilisation works at Baits Bite Lock.

b) Assist with the funding and review of the structural condition survey of Jesus Lock.

c) Strengthen the governance, leadership and operational capability of the Conservators to meet their statutory responsibilities.

d) Support the co-development of a sustainable funding model and a detailed asset management plan.

2. To take into account that while this is a pressing local issue, it reflects a broader national challenge in managing ageing navigation infrastructure. Similar investment needs exist in other places nationwide, for example on the Aire and Calder Navigation, on the River Thames, and across the Canal and River Trust's inland waterways network.

3. To work with the Conservators of the River Cam and other stakeholders and in coordination with local and regional partners, develop a shared and costed case for reform and future investment in the assets, and to engage with national government when appropriate.

The amendment was **carried by 35 votes to 0 with 4 Abstentions.**

Resolved (38 votes to 0)

The Conservators of the River Cam and their work to maintain river navigation on the Cam

This Council notes

In terms of the management of the River Cam from the Mill Pool in Cambridge to Bottisham Lock near Waterbeach, The Conservators of the River Cam is the statutory and responsible body for river navigation and as such is the organisation responsible for Baits Bite Lock in South Cambridgeshire and at Jesus Green Lock in Cambridge City.

Both Jesus Green and Bait's Bite locks are affected by structural degradation. Enabling works will soon begin at Bait's Bite. A further condition survey of Jesus Green Lock is due in August 2025 to assess the cost of remediation.

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Cambridge City Council has offered assistance to The Conservators of the River Cam including two senior officers, and funding together with South Cambridgeshire District Council to support the development of a business plan for The Conservators of the River Cam to maintain the locks.

The Conservators of the River Cam is working with other stakeholders including the University of Cambridge, riparian Colleges, and the County Council, Cambridgeshire and Peterborough Combined Authority and the Environment Agency.

This Council believes

The River Cam is central to Cambridge's identity, economy, and public life. From punting to rowing and leisure walks, and much more besides, the River Cam plays a unique and essential role in the city's daily rhythm and visitor experience.

This Council resolves

- i. To continue to work in partnership with The Conservators of the River Cam, South Cambridgeshire District Council, Cambridgeshire County Council, the University of Cambridge, and riparian Colleges, and other stakeholders to support the development and application of a viable business plan relating to the maintenance of the locks at Baits Bite Lock in South Cambridgeshire and at Jesus Green Lock in Cambridge City.
- a) Support The Conservators of the River Cam in the delivery of urgent stabilisation works at Baits Bite Lock.
- b) Assist with the funding and review of the structural condition survey of Jesus Lock.
- c) Strengthen the governance, leadership and operational capability of the Conservators to meet their statutory responsibilities.

d) Support the co-development of a sustainable funding model and a detailed asset management plan.

- ii. To take into account that while this is a pressing local issue, it reflects a broader national challenge in managing ageing navigation infrastructure. Similar investment needs exist in other places nationwide, for example on the Aire and Calder Navigation, on the River Thames, and across the Canal and River Trust's inland waterways network.
- iii. To work with the Conservators of the River Cam and other stakeholders and in coordination with local and regional partners, develop a shared and costed case for reform and future investment in the assets, and to engage with national government when appropriate.

25/76/CNL Written questions

No written questions were received.

25/77/CNL To consider any other business

The notification of Cabinet portfolios was noted.

The meeting ended at 9.40 pm

CHAIR

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CABINET

Present: Councillors Holloway (Chair), Wade (Vice-Chair), Bird, Moore, Nestor, Smart, S.Smith and Thornburrow

In attendance virtually: Councillors A. Smith and Todd-Jones

FOR ADOPTION BY THE COUNCIL

Civic Quarter Project - Update

Cabinet agreed the following recommendation that requires Full Council approval.

Resolved (Unanimous) to recommend that Council approves:

1. A capital budget of up to £4.4m to be allocated to fund the technical design development, detailed development programme and to finalise the total direct and indirect costs of the project.

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REPORT TITLE: CIVIC QUARTER PROJECT UPDATE

To: Cabinet, Thursday 25th September 2025

Lead Members: Simon Smith, Cabinet Member for Finance and Resources, Rosy Moore, Cabinet Member for Climate Action and Environment and Antoinette Nestor, Cabinet Member for Culture, Economy and Skills

Report by:

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Wards affected:

ALL

Director Approval: Director Lynne Miles confirms that the report author has sought the advice of all appropriate colleagues and given due regard to that advice; that the equalities impacts and other implications of the recommended decisions have been assessed and accurately presented in the report; and that they are content for the report to be put to the Cabinet/Cabinet Member for decision.

1	Recommendations
	It is recommended that Cabinet:
1.1	<ul style="list-style-type: none"> I. agrees to support this transformative project to restore and modernise the Guildhall, Corn Exchange, Market Square and Public Realm in the historic heart of Cambridge. II. agrees to Option 4 to take it forward - that a recommendation is made to Full Council for a capital budget of up to £4.4m to be allocated to fund the technical design development, detailed development programme and to finalise the total direct and indirect costs of the project. III. agrees to develop technical designs with traders and stakeholders IV. delegate authority to the Assistant Director for Development to submit the designs as put forward for the Guildhall, Corn Exchange, Market Square and associated public realm for Planning Consideration; V. delegate authority to the Assistant Director for Development in consultation with the Leader and CEO to approve non-material amendments and/or s73 amendments to the designs as put forward;

	VI. delegate authority to the Director of Economy and Place in consultation with the Chief Finance Officer regarding the disposal of Mandela House.
1.2	<p>That Cabinet notes that:</p> <ul style="list-style-type: none"> I. the Capital Budget is to be allocated from the existing earmarked Civic Quarter Development reserve II. the project is affordable at the current estimated project cost which could be up to £92.3m III. a report will be issued to Cabinet and then to Full Council in September 2026 regarding the final proposals and costs IV. feedback to Cabinet from the Performance, Assets and Strategy Overview and Scrutiny Committee meeting of 9 September 2025 will be issued separately.
2	Exec Summary
2.1	<p>The proposed designs for the Civic Quarter are transformative. They include:</p> <ul style="list-style-type: none"> 1. The most significant investment in public realm in the city centre for 50 years 2. Creating a modern, thriving and inclusive market square to support existing and new business 3. Much needed investment in the Corn Exchange to widen its appeal 4. Modernisation and opening up the Guildhall to the community 5. Providing an option for the headquarters for a new unitary council
2.2	<p>The ambition of the Civic Quarter project is to make the city centre more inclusive and accessible, with better public spaces where people can meet, visit the market, and enjoy cultural events, while also enhancing these heritage sites by reducing water use and carbon emissions. As custodian of these historic sites – including the market - the council needs to invest in their upkeep and plans to do so in a way that will generate income and reduce operational costs, contributing to its wider plans to balance its budget.</p>
2.3	<p>The business case supports the viability of the Civic Quarter project in terms of cost, revenue design and financial implications for the council.</p> <p>Four options have been explored and members need to consider at what point to allocate the full budget for a contract sum – this September or in September 2026 considering having more development certainty by committing to a higher capital budget this September or retaining more financial certainty by committing to the next design stage only.</p>

2.4	<p>The report sets out the latest high-level proposals for the Guildhall, Market, Corn Exchange and associated public realm and financial modelling for the next stage of the project.</p> <p>These designs have evolved since the project was initiated in January 2024 with feedback from two public engagement programmes and stakeholders including council staff, the Civic Quarter Liaison Group and through monthly market trader meetings.</p>
2.5	<p>Proposals for the Guildhall include: conserving and modernising the Grade II listed building to operate at net zero operational carbon; making it accessible to wheelchair users; a new customer service centre for people visiting the council; and a welcoming public café, along with a Changing Places toilet open to the public.</p> <p>Work spaces and meeting rooms are proposed for council staff, as well as work space for commercial tenants, making the Chamber an accessible and multi-functional space usable for different types of events including community events, and able to accommodate an increasing number of councillors following local government reorganisation.</p> <p>The large and small halls will have sensitive modern interventions to deliver high quality multifunctional space improving conference facilities generating income for the council.</p>
2.6	<p>The proposed designs build on the vision for the Market Square that was agreed in March 2022, for a bustling seven-day market which is an accessible, attractive, welcoming, exciting and safe place to visit, shop and gather during the day and into the evening.</p> <p>The setts will be preserved but made accessible, with covered seating provided by parasols and new trees around the fountain which will be brought back into use.</p> <p>A total of 96 new stalls are proposed – comprising 44 fixed stalls and 52 demountable stalls – offering flexibility to accommodate daily trading while also creating opportunities for events and cultural activities to animate the square throughout the year.</p>
2.7	<p>Current proposals are working on the assumption of a shorter decant and construction programme for the setts to minimise disruption for traders and businesses around market square.</p> <p>This will mean the council can offer a decant support package equivalent to at least reducing rents by half. All current traders will have the opportunity to trade on the new market.</p>

2.8	<p>Proposals to improve the Corn Exchange include energy-saving measures (increased insulation and solar panels), accessibility in all areas, and better sound quality and new audio visual systems for events to ensure performances and events meet higher standards for audiences and performers.</p> <p>Also, introducing more concessions and bar areas – including outside in Parson's Court – will enable quicker service and more food and drink options. There is a small increase in standing event capacity.</p>
2.9	<p>The proposals for the public realm for the civic quarter will be the most transformative change in the city centre for 50 years with a shared surface restricting traffic to the civic quarter area. Proposals include increasing Blue Badge Parking from 5 to 6 and cycle parking by 10% to 219 bays and a biodiverse route along Peas Hill and St Mary's Street/ Market Street</p>
2.10	<p>Approval of the recommendations in this report would fix the broad outline of the proposals.</p> <p>Proposals will evolve further and involve trade-offs as technical development, planning and financial constraints are identified. Further engagement with traders, council staff, members and other stakeholders will be essential to ensure the right specifications are included.</p>
2.11	<p>Business Plans have been produced for each of the three assets to test the proposed interventions. These have followed the Treasury's recommended Five Case Model approach, ensuring compatibility with any future funding bid.</p>
2.12	<p>The proposals for the Guildhall unlock new sources of increased income from commercial tenants and the conferencing market, and the business plan suggests that, before the cost of capital, the current £1.24m operational deficit will improve by c. £2m to a £0.87m surplus by year 5.</p>
2.13	<p>The Corn Exchange business plan supports the existing model and combines design interventions with operational measures to project significantly enhanced revenues. The business plan suggests that, before the cost of capital, the £0.674m operational surplus will improve by c. £2m to a £2.63m surplus by year</p>
2.14	<p>Whilst the proposed investment won't improve the operational surplus of the market, the proposals will preserve a vital tradition and support local economic activity. Investment proposals include an increase in operational staff, enabling enhanced cleaning, introduction of security, and establishment of an events schedule designed to complement the market and drive footfall.</p> <p>The business plan suggests that, before the cost of capital, the £0.45m surplus will reduce marginally to a £0.38m surplus by year 5.</p>

2.15	<p>The total projected expenditure for the design, build and associated on costs including decant costs to complete all three projects is as follows:</p> <table border="1" data-bbox="245 353 963 539"> <tr> <td>Guildhall</td><td>£52.160m</td></tr> <tr> <td>Corn Exchange</td><td>£26.491m</td></tr> <tr> <td>Market Square</td><td>£13.624m</td></tr> <tr> <td></td><td></td></tr> <tr> <td>Total</td><td>£92.275m</td></tr> </table> <p>This includes £4.4m required for technical design and the development of contract sum proposals.</p> <p>This is in addition to the £4m already spent/committed to date in bringing forward concept design work (RIBA Stage 2) and detailed design work (RIBA Stage 3)</p>	Guildhall	£52.160m	Corn Exchange	£26.491m	Market Square	£13.624m			Total	£92.275m
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2.16	<p>It is always prudent to consider opportunities to reduce costs through design or phasing changes.</p> <p>The cost plans include a design risk allowance of 5% and a construction risk allowance of 5%.</p> <p>The appointed contractor, Sir Robert McAlpine (SRM), have also identified an optimal programme approach which would enable shared prelims across projects if the projects are delivered concurrently, providing an opportunity for savings in the region of £1m- £1.5m. These need to be explored further and are not yet included in the cost plan.</p> <p>In addition, SRM have identified value and cost efficiencies in the design process and include reviewing:</p> <ul style="list-style-type: none"> • Guildhall 4th floor extension • Roof design of the Guildhall • Tiered chamber • Review of number and specification of lifts and atrium in the Guildhall • Early supply chain engagement • Alternative materials • Alternative phasing – for example Parson Court and/or Corn Exchange at a later date <p>If the project is approved to proceed to the next stage, both opportunities will be included in contract sum proposals as well as reviewing any impact to loss of future revenue.</p>										
2.17	<p>The Financial implications of funding the Civic Quarter work have been reviewed by the Council's Section 151 Officer.</p>										

2.18	<p>Four options have been considered by officers:</p> <ol style="list-style-type: none"> 1) Option 1 Do nothing – project is paused. The council will have to make decisions on compliance with legislation and its current Net Zero policies. These are estimated to be at least £60m 2) Option 2 recommend approval for a capital budget of £92.3m, submit planning for all three assets and associated public realm, continue with technical design to develop a contract sum proposal for Cabinet approval in September 2026 3) Option 3 recommend approval for partial investment – to reduce the scope by excluding one or more of the assets, submit planning for all three assets and associated public realm, continue with technical design to develop contract sum proposals with a reduced scope for approval in September 2026 noting that the council will have to make decisions on compliance with legislation and its current Net Zero policies 4) Option 4 recommend approval for a capital budget of £4.4m only, submit planning for all three assets and associated public realm, continue with technical design to develop a detailed development programme and contract sum proposal for cabinet and Full Council approval in Autumn 2026 <p>Officers do not recommend Option 1 as it would not be possible to take forward the detailed design stage without further investment. The implication of this decision would be to effectively defer any decisions on the future of the Civic Quarter assets to a future unitary authority.</p> <p>Officers do not recommend Option 3 as any savings on the capital budget may be minimal given that the council will still have to invest to meet compliance and its net zero policies. In addition, proceeding with Option 2 or 4 will mean the council can make a final decision with all of the detail in September 2026</p>
2.19	<p><i>There is an exempt annex attached to this report that is NOT FOR PUBLICATION by reason of paragraph 3 of Schedule 12A of Part 1 of the Local Government Act 1972 because it contains commercial letting assumptions for the Guildhall , commercial assumptions for the Corn Exchange and estimated contract sum and design consortia cost information. The public interest test has been applied to the information contained within this exempt annex and it is considered that the need to retain the information as exempt outweighs the public interest in disclosing it.</i></p> <p>The exempt annexes include: Appendix 1: Corn Exchange and Guildhall Business Plan – Carter Jonas and Blue Horizon (Partly redacted) Appendix 3: Calford Seaden Cost and Procurement Report (Fully exempt)</p>

3	Alternative options considered																
3.1	See section 8																
4	Progress to date:																
4.1	<p>This report refers to RIBA Stages. The RIBA is a widely recognized framework established by the Royal Institute of British Architects (RIBA) for Construction work. They organise the process of managing and designing construction projects into eight easy-to-understand stages.</p> <table> <tr> <td>Stage 0 Strategic definition</td><td>Project Brief which outlines key objectives</td></tr> <tr> <td>Stage 1 Preparation and Briefing</td><td>Initial design concepts: The outputs of this stage are the “proof of concept” designs included in the S&R January 2024 report.</td></tr> <tr> <td>Stage 2 Concept Design</td><td>Testing of concepts and public consultation, which culminated in a Stage 2 Report (S&R November 2024 Report) and outcomes of public consultation (July 2024)</td></tr> <tr> <td>Stage 3 Detailed Design</td><td>Design refinement, public consultation 2 and planning submission. This is what is being presented in this report. To ensure deliverability a main contractor was additionally brought on board for this stage to ensure accurate budget setting to inform the Business Case for each of the Guildhall, Corn Exchange and Market Square.</td></tr> <tr> <td>Stage 4 Technical Design</td><td>Technical designs for contractors; often part of the build contract</td></tr> <tr> <td>Stage 5 Construction</td><td>Refurbishment and Build contract</td></tr> <tr> <td>Stage 6 Handover</td><td>Handover to the council with defects period</td></tr> <tr> <td>Stage 7 Use and Maintenance</td><td>Management and operation of the buildings/spaces</td></tr> </table>	Stage 0 Strategic definition	Project Brief which outlines key objectives	Stage 1 Preparation and Briefing	Initial design concepts: The outputs of this stage are the “proof of concept” designs included in the S&R January 2024 report.	Stage 2 Concept Design	Testing of concepts and public consultation, which culminated in a Stage 2 Report (S&R November 2024 Report) and outcomes of public consultation (July 2024)	Stage 3 Detailed Design	Design refinement, public consultation 2 and planning submission. This is what is being presented in this report. To ensure deliverability a main contractor was additionally brought on board for this stage to ensure accurate budget setting to inform the Business Case for each of the Guildhall, Corn Exchange and Market Square.	Stage 4 Technical Design	Technical designs for contractors; often part of the build contract	Stage 5 Construction	Refurbishment and Build contract	Stage 6 Handover	Handover to the council with defects period	Stage 7 Use and Maintenance	Management and operation of the buildings/spaces
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5	Key Project Milestones																
5.1	Development consortium																
5.1.1	The design consortium led by Cartwright Pickard Architects (CPA – for ease, the consortium will be referred to as CPA) and cost consultant and employer’s agent, Calford Seaden were re-appointed by the council for RIBA stage 3 to ensure continuity.																
5.2	Appointment of Business Plan consultants																

5.2.1	Consultants Carter Jonas for the Guildhall, Blue Horizon for the Corn Exchange and Place Partnerships for the Market were appointed by the council and developed, with support from Council Services, operational business plans for each of the assets.
5.3	Appointment of contractor
5.3.1	Following an open tender process, Sir Robert McAlpine Ltd (SRM) were appointed by the council under a Pre-Construction Service Agreement (PCSA), which has enabled early collaboration before the main construction contract is signed. This has covered, design development support, cost planning, risk management and programme development. This key objective under the PCSA is to de-risk the project, refine scope, and ensure readiness for construction when the scheme is approved/achieves planning approval.
5.3.2	If this report is approved, then SRM will develop proposals for a fixed price contract sum for further approval in September 2026. If cabinet and Council approves the fixed price contract sum SRM's appointment will be extended to deliver the works.
5.4	2nd Consultation in May-June 2025
5.4.1	<p>A second public consultation took place between 12th May and 22Nd June.</p> <p>Concurrently, the consortium engaged in a Planning Performance Agreement with Greater Cambridge Shared Planning Services, ensuring significant feedback from planning officers during Stage 3. In addition, both staff and Councillors provided additional feedback on the designs and proposals.</p>
5.4.2	The consortium's Engagement specialists, ECF Communications developed the second public engagement programme that was delivered between 12 May and 22 June 2025, inviting feedback on updated designs for the Civic Quarter, which had been developed building on feedback from 2024 and early 2025. Appendix 4 Cambridge Civic Quarter Phase 3 Engagement Report July 2025 highlights the designs that were put forward for consultation and the consultation report.

5.4.3	<p>During the engagement period, 543 survey responses, through the Council's online consultation portal, were received.</p> <p>As part of the community engagement programme 9 pop-ups were organised across Cambridge, and 100+ people were engaged. 2 Community drop in events with a workshop element were also held.</p> <p>3 themed 1-2-1 stakeholder meetings were also held on Youth (Cambridge Students' Union), Accessibility (Access Officer and Camsight) and Heritage (Museum of Cambridge).</p> <p>Approximately 70+ market trader interactions engaged through pop-ups, surveying and online engagement. This included seven meetings, four pop-ups, three surveys and the demountable stall trials.</p>
6	Proposed Designs for planning submission
6.1	<p>The proposed designs for the Civic Quarter are transformative. They include:</p> <ol style="list-style-type: none"> 1) The most significant investment in public realm in the city centre for 50 years 2) Creating a modern, thriving and inclusive market square to support existing and new business 3) Transforming the Corn Exchange to widen its appeal 4) Opening up the Guildhall to the community 5) Providing an option for the headquarters for a new unitary council
6.2	<p>The Civic Quarter project has evolved since the project was initiated in January 2024 with feedback from two public engagement programmes, as well as stakeholders including the Civic Quarter Liaison Group and monthly Traders Meetings</p>
6.3	Guildhall
6.3.1	<p>Appendix 5 Planning Executive Summary Pages 2-4 and Appendix 6 outlines proposed designs.</p> <p>The proposal is to conserve the Grade II listed building while enabling it to operate at net zero operational carbon, using EnerPHit principles (the Passivhaus standard for retrofit) to reduce energy use and installing Air Source Heat Pumps and solar panels.</p>
6.3.2	<p>Integral to the design is to make it accessible to wheelchair users. The Ground Floor would feature a new customer service centre for people visiting the council, a welcoming public café, along with a Changing Places toilet open to the public. Work spaces and meeting rooms are proposed for council staff, as well as work space for commercial tenants, and publicly bookable rooms for meetings or events, spanning the other floors.</p>

6.3.3	<p>The Council Chamber currently has fixed furniture and an uneven floor which makes the space difficult to access, and inflexible in terms of how it can be used, with wheelchair users forced to sit in gaps between furniture making participation in meetings difficult.</p> <p>While considering the Chamber's heritage status, the latest proposals would see the fixed furniture removed (while retained and refurbished for use in other parts of the Guildhall) in order for the Chamber to become accessible and multi-functional space usable for different types of events including community events, and able to adapt to changing requirements such as increasing number of councillors following local government reorganisation. Designs include an accessible level floor that can tiered for council meetings.</p>
6.3.4	The large and small halls will have sensitive modern interventions to deliver high quality multifunctional space improving conference facilities generating income for the council.
6.4	<p>Market Square</p> <p>The proposed designs build on the vision for the Market Square that was agreed in March 2022, for a bustling seven-day market which is an accessible, attractive, welcoming, exciting and safe place to visit, shop and gather during the day and into the evening. Appendix 5 and Appendix 7 outlines proposed designs.</p>
6.4.1	Resurfacing the whole area to make it more accessible , while preserving the Victorian granite setts. Currently the pavement, road and setts on and around the market prevent people from accessing the market if they are wheelchair or pushchair users.
6.4.2	Traffic Management. While vehicular access for blue badge holders and emergency vehicles is maintained, the shared surface approach, promotes and prioritises greater pedestrian use. Section 6.6.1 outlines proposals for extending the Traffic Regulation Orders (TROs) to manage this pedestrianisation and restriction of traffic.
6.4.3	Retaining and refurbishing the existing fountain to make it fully functioning, with covered seating provided by parasols around the fountain. The proposals respond to feedback about wanting to retain the fountain, and about antisocial behaviour taking place in the current market which is hidden from CCTV cameras by the vacant stalls
6.4.4	Replacing the current stalls with 96 new stalls, including 44 fixed stalls, and 52 demountable stalls. Traders who trade most often will benefit from new lockable stalls, while the demountable stalls will make it possible to create a more flexible space to allow events on the square when there isn't the demand from traders to have all 96 stalls in use. This is a similar approach to other markets across the UK and Europe which also use demountable stalls to create flexibility

6.4.5	Increased biodiversity, by introducing trees around the fountain and the edge of the market square to provide shelter and shade.
6.4.6	Renovating and retaining the toilets in the Market Square basement to support traders, together with an above ground accessible toilet.
6.4.7	New underground bin facilities to significantly improve waste storage and collection processes
6.5	Corn Exchange Appendix 5 and Appendix 8 outlines proposed designs.
6.5.1	<p>The proposal is to improve the venue with energy-saving measures (including insulation and solar panels), accessibility in all areas, and better sound quality and new audio visual systems for events to ensure performances and events meet higher standards for audiences and performers.</p> <p>Also, introducing more concessions and bar areas – including outside in Parson's Court – to enable quicker service and more food and drink options. There is a small increase in standing capacity.</p>
6.6	Public Realm The proposals for the public realm for the civic quarter will be the most transformative change in the city centre for 50 years. Appendix 5 and Appendix 5 outlines proposed designs. Proposals include:
6.6.1	<p>Traffic Management. While vehicular access for blue badge holders and emergency vehicles is maintained, the shared surface approach, promotes and prioritises greater pedestrian use through the use of TROs including:</p> <ol style="list-style-type: none"> 1) Expanding the existing TRO for market square to include Sunday 10am-4pm 2) implementing a new TRO to prohibit vehicles other than permit holders between 10am - 4pm Monday – Sunday for Corn Exchange Street/ Wheeler Street/ Guildhall Street/ Bene't Street 3) Ban the right turn out of the Grand Arcade car park, applied to all users with no exceptions or permit holders, 24/7 Monday - Sunday.
6.6.2	Increased cycle parking and blue badge parking. Proposals include increasing Blue Badge Parking from 5 to 6 and cycle parking by 10% to 219 bays. There will also be 131 additional cycle spaces in the Guildhall, for office users.
6.6.3	Increased biodiversity, green spaces and seating areas. Proposals include creating a green route along Peas Hill, St Mary's Street and Market Street linking together green spaces with seating outside the churches as well as connecting to other green spaces and street trees within the historic area.

6.7	<p>Decant Arrangements</p> <p>Work has been developed on the impact of closing the Guildhall and Corn Exchange and relocating the market during works.</p> <p>There is a monthly traders meeting where decant options are being worked through and Guildhall and Corn Exchange Decant Working Groups have been set up to develop plans.</p>
6.7.1	<p>Guildhall</p> <p>Plans are being developed to decant the Guildhall into Mandela House during works. Other council assets, particularly community centres will be considered for planning, council, cabinet and committee meetings.</p>
6.7.2	<p>Corn Exchange</p> <p>The impact of the closure the of the Corn Exchange has been estimated and advice has been provided on options to consider temporary alternative venues. The business plan for the future operation of the Corn Exchange assumes a closure of 18-24 months and a recovery period to year 5.</p> <p>In addition, there is a cost of closure of c.£2m/annum. The impact of the closure period remains a key risk from both a financial and cultural perspective. BHV have undertaken a high level study of options that mitigate the cultural and financial loss and recommend progressing with an alternative to the default 'mothball' option. However, these all require investment in their own right which is not currently incorporated into the project's financial models. This analysis is included at Appendix 9.</p>

6.7.3	<p>Market Square Decant and Support Package</p> <p>Current proposals are working on the assumption of a shorter decant and construction programme for the setts than previously proposed, which has the following advantages:</p> <ol style="list-style-type: none"> 1) Less disruption for traders and shops around the market 2) A quicker return to the market square 3) With a shorter programme this option is more cost effective 4) Due to the savings, the council can offer a decant support package of at least the equivalent of reducing rents by half. <p>There has been extensive engagement with traders and the most up to date proposals on the decant location was shared with traders on August 21st. Peas Hill, Guildhall Street, Petty Cury, Sidney Street and King's Parade are identified as locations that could house market stalls during the decant period.</p> <p>The next steps are to work with traders and stakeholders to develop details around servicing, waste and ensuring requisite permissions are agreed and tested. Consideration will need to be given to engagement with local businesses as part of the development of the decant approach.</p> <p>The option for the market to move 'off-site' further away from market square to another location in the city during the works is not being considered. Traders have expressed a strong preference to remain close to the Market Square and the council is committed to working with traders to find a workable solution.</p>
6.7.4	<p>Support will also include:</p> <ol style="list-style-type: none"> 1) upgrading the market web site – this is already underway with market trader representatives assisting the council's communication and market management teams 2) signage to assist shoppers 3) Business support advice
7	<p>Business Case</p> <p>Business Plans have been produced for each of the three assets to test the proposed interventions. These have followed the Treasury's recommended Five Case Model approach, ensuring compatibility with any future funding bid. The Strategic, Economic, Commercial, Financial and Management cases have been assessed, and the full Business Plans are included at Appendices 1-3.</p>
7.1	<p>Guildhall revenue projections</p>

7.1.1	<p>Currently, the Guildhall and Mandela House have a combined deficit of £1.12m per annum.</p> <p>There is a clear strategic case for investment In the Guildhall with the project aligning with the Council’s net zero ambitions and future civic and office requirements.</p> <p>The proposals unlock new sources of increased income from commercial tenants and the conferencing market, and the business plan suggests that the £1.24m deficit will improve by c £2m to a £0.87m surplus by year 5.</p> <p>The Commercial Case reviewing revenue assumptions from commercial tenants has been robustly tested with recent leased and managed space transactions, underpinning the core revenue assumptions, notably £450/desk for managed desk space, and £50/sq ft for leased office areas.</p>
7.1.2	<p>The business plan also assumes an increased use of the Guildhall Halls and subsequent revenue uplift from the current position. While there is a risk that the reduced availability of the committee rooms and break out spaces may reduce the opportunity for the Guildhall to host weddings and large-scale conferences, the analysis suggests any loss will be mitigated by a greater variety of events and smaller conferences, attracted by the enhanced facilities offered.</p>
7.1.3	<p>With a number of different tenants in the building: council officers, the community, conferencing attendees and commercial tenants, the Business Plan recommends that an operator takes management responsibility for the communal areas, ensuring a consistency and quality of facilities management for the various proposed occupiers.</p>
7.2	<p>The Corn Exchange revenue projections</p>
7.2.1	<p>The 24/25 Corn Exchange surplus is £0.67m showing an improvement on the previous year.</p> <p>The Corn Exchange business plan supports the existing dry-hire model and combines design interventions with operational measures to project significantly enhanced revenues. In particular, the Food and Beverage offer is improved, with an increase from two to four bars resulting in significantly higher spend per person. The reduction in servicing ‘dark days’, facilitated by new equipment also enables additional programming days across the year, while a significant increase in marketing allowance is a further driver in the improved financial position. The business plan suggests that the £0.67m surplus will improve by c. £2m to a £2.63m surplus by year 5.</p>
7.3	<p>Market Revenue Projections</p>

7.3.1	<p>The 24/25 Market surplus is £0.45m</p> <p>The Market Business Plan confirms the importance of a thriving market to the city and validates the existing balance of trade. However, the case for investment includes taking the opportunity to address some deep-rooted problems through the proposed works, including Anti-Social Behaviour, poor accessibility and very limited shading and biodiversity.</p> <p>While the proposed design interventions do not result in an uplift to the financial surplus to the market in the short term, the fundamental fragility to the market's viability is addressed through the long-term investment that delivers the vision for the market. This includes an increase in operational staff, enabling enhanced cleaning and setting up and taking down of demountable stalls, introduction of security, and establishment of an events schedule designed to complement the market and drive footfall.</p> <p>The business plan suggests that the £0.45m surplus will reduce marginally to a £0.38m surplus by year 5 and continue to rise thereafter.</p>
7.4	<p>Costs</p> <p>A detailed cost plan has been produced by Calford Seaden. This has been developed iteratively over the Stage 3 period to respond to the evolved design. The cost plans are included in Appendix 3. In addition to construction costs, associated design and on-costs for each project have been considered. The following summary sets out the key cost components for the project.</p>
7.4.1	<p>RIBA Stage 4 – Technical Designs and development of a contract sum for all three assets and associated public realm including surveys, designs, employer's agent fees and other on costs is estimated to be £4.4m</p> <p>This figure represents the total required to complete RIBA stage 4 and develop a full contract sum for approval. The majority of this expenditure would be post planning approval, minimising risk of abortive spend ahead of determination.</p>
7.4.2	<p>Guildhall and associated public realm Technical Design, Construction and required on-costs is estimated to be £52.16m</p>
7.4.3	<p>Corn Exchange and associated Technical Design, Construction and required on-costs is estimated to be £26.49m</p> <p>Cost of closure costs excluded currently – commentary on this and mitigation options included above in Business Plan section</p>
7.4.4	<p>Market Square and associated public realm Technical Design, Construction and required on-costs is estimated to be £13.62m</p>

7.4.5	<p>Therefore, the total projected expenditure to complete all three projects is as follows:</p> <table border="1" data-bbox="245 353 963 539"> <tr> <td>Guildhall</td><td>£52.160m</td></tr> <tr> <td>Corn Exchange</td><td>£26.491m</td></tr> <tr> <td>Market Square</td><td>£13.624m</td></tr> <tr> <td></td><td></td></tr> <tr> <td>Total</td><td>£92.275m</td></tr> </table>	Guildhall	£52.160m	Corn Exchange	£26.491m	Market Square	£13.624m			Total	£92.275m
Guildhall	£52.160m										
Corn Exchange	£26.491m										
Market Square	£13.624m										
Total	£92.275m										
7.4.6	<p>Cost Risks and Opportunities</p> <p>As part of the Stage 3 Process, the appointed contractor, Sir Robert McAlpine (SRM), have also undertaken an initial cost estimate. Overall construction costs sit within 5% of Calford Seaden's cost estimate. SRM have also identified an optimal programme approach which would enable shared prelims across projects if the projects are delivered concurrently, providing an opportunity for savings in the region of £1m- £1.5m. This approach will be finalised during RIBA stage 4 and will form part of the fixed price contract sum development. The engagement with SRM during Stage 3 has provided additional reassurance that current budget estimates are appropriate.</p> <p>Key construction risks remain in relation to asbestos remediation. Allowances have been included within the Guildhall and Corn Exchange cost plans based on the Management Surveys. However, this remains a key project risk. The cost plans include a design risk allowance of 5% and a construction risk allowance of 5%.</p>										
7.4.7	<p>Opportunities to reduce costs through design changes or phasing changes</p> <p>SRM have already identified value and cost efficiencies in the design process which, if the project is approved to proceed to the next stage, will be further developed.</p> <p>Areas under consideration include:</p> <ul style="list-style-type: none"> • 4th floor extension (Noting linked loss of revenue) • Roof design of the Guildhall • Early supply chain engagement • Review of number and specification of lifts and atrium • Alternative materials • Alternative phasing – for example Parsons Court and/or Corn Exchange at a later date 										
7.5	Programme										

7.5.1	<p>The indicative programme for delivery of the Civic Quarter, subject to further work on phasing and transitional arrangements and to September 2026 Cabinet and Full Council approval is set out below:</p> <table border="1" data-bbox="244 336 1406 1133"> <thead> <tr> <th data-bbox="244 336 868 405">Milestone</th><th data-bbox="868 336 1406 405">Date</th></tr> </thead> <tbody> <tr> <td data-bbox="244 405 868 474">Cabinet approval for Stage 4</td><td data-bbox="868 405 1406 474">September 2025</td></tr> <tr> <td data-bbox="244 474 868 544">Planning and Listed Building submission</td><td data-bbox="868 474 1406 544">October 2025</td></tr> <tr> <td data-bbox="244 544 868 613">Planning and Listed Building Consent</td><td data-bbox="868 544 1406 613">March 2026</td></tr> <tr> <td data-bbox="244 613 868 683">Contract sum approval</td><td data-bbox="868 613 1406 683">September 2026</td></tr> <tr> <td data-bbox="244 683 868 801">Earliest Decant of Guildhall and Corn Exchange complete</td><td data-bbox="868 683 1406 801">November 2026</td></tr> <tr> <td data-bbox="244 801 868 871">Earliest Decant of Market complete</td><td data-bbox="868 801 1406 871">January 2027</td></tr> <tr> <td data-bbox="244 871 868 940">Start on Site</td><td data-bbox="868 871 1406 940">January 2027</td></tr> <tr> <td data-bbox="244 940 868 1133" rowspan="2">Completion (assuming concurrent construction across all three sites)</td><td data-bbox="868 940 1406 1043">November 2027- January 2028 (Market)</td></tr> <tr> <td data-bbox="868 1043 1406 1133">December 2028 (Guildhall and Corn Exchange)</td></tr> </tbody> </table> <p>The programme is subject to the target date of planning consent being achieved, and a firm decant and construction programme will form part of the outputs of the Stage 4 work.</p>	Milestone	Date	Cabinet approval for Stage 4	September 2025	Planning and Listed Building submission	October 2025	Planning and Listed Building Consent	March 2026	Contract sum approval	September 2026	Earliest Decant of Guildhall and Corn Exchange complete	November 2026	Earliest Decant of Market complete	January 2027	Start on Site	January 2027	Completion (assuming concurrent construction across all three sites)	November 2027- January 2028 (Market)	December 2028 (Guildhall and Corn Exchange)
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	December 2028 (Guildhall and Corn Exchange)																			
7.6	Funding																			
7.6.1	<p>The proposed Funding sources for delivery of the three projects for option 2 are set out below:</p> <p>£23m from General Fund earmarked reserve £1.5m from restricted A14 mitigation £6m from sale of Mandela House £1.5m Cambridgeshire & Peterborough Combined Authority (CPCA) grant for Market Square; £60.3m external borrowing Total: £92.3m</p> <p>For Option 4 £4.4m will be funded from earmarked reserves</p>																			

7.6.2	<p>Further Funding options</p> <p>Securing further funding sources, such as additional grant, philanthropic funding or venue sponsorship/naming rights will reduce the level of borrowing required. These options will continue to be explored during Stage 4. Securing planning across all three assets will also increase the attractiveness of the project to funding bodies.</p>
8	<p>Options</p> <p>The Financial implications of the Civic Quarter work are set out below and have been reviewed by the Council's Section 151 Officer.</p>
8.1	<p>Officers have explored four options:</p> <ol style="list-style-type: none"> 1) do nothing 2) full investment 3) partial investment 4) commit to technical design
8.2	<p>Option 1: Do Nothing - £0 for this project but rising to at least £60m to meet compliance</p>
8.2.1	<p>The Do Nothing option assumes that the council writes off the initial investment in design and considers an alternative direction. No planning submission will be made.</p> <ol style="list-style-type: none"> 1) Finances – the council will not be able to able to capitalise the £4m spent to date 2) LGR – the current Guildhall chamber does not have enough seats for a unitary Council 3) Asset compliance – all assets will not be compliant nor meet the council's Net Zero Policy or accessibility. The council will be unable to let these premises. 4) Reputational impact – the council may have reduced funding opportunities due to this project being stalled

8.2.2	<p>The Council will need to make the following choices:</p> <p>To make a commitment to investment to ensure the four assets meet the minimum compliance standards and/or the Council policies by March 2030,</p> <p>OR</p> <p>to sell the Corn Exchange, Guildhall, Mandela and consider third party management of the market</p> <p>High level cost estimates to meet compliance for the four assets assume:</p> <p>Guildhall c.£42m</p> <p>Mandela House c.£7-10m</p> <p>Corn Exchange c. £6-7m</p> <p>Market c. £5.5m</p> <p>The projected revenue will also be significantly impacted.</p> <p>This option is not recommended by officers</p>
8.3	Option 2: Full investment: £92.3m

8.3.1

Option 2 assumes that the council funds the £92.3m from £32m reserve funding, property sale and capital reserves, and £60.3m from borrowing, submits planning for all three assets and proceeds to technical design to develop a fixed price contract sum. £4.4m will be earmarked to develop proposals for such a contract sum to be approved by Cabinet and Council in Autumn 2026.

- 1) Finances – the Council will need to commit a capital budget. There is a risk that contract sum may be higher (it could also be lower) due to the heritage risks that this project has.

This option provides greater development certainty, however, levels of borrowing are high, and members will need to consider the trade-offs of lower reserves and less revenue in the first five years to finance the level of debt. The level of external borrowing required would be £60.3m.

Current financial modelling shows that the council's revenue budgets would be in a worse position than currently for the first 6 years following completion of the projects, as it would take time for commercial revenue streams, particularly from the Corn Exchange, to reach their full potential. In addition to the capital cost of the project, it is estimated that a total of £12.3m would need to be set aside in an earmarked reserve to cover the revenue losses over this period. This amount would be fully recovered by year 19, and over a 30 year period the project would generate a net positive revenue impact of £36.283m. In real terms (taking into account the effect of future inflation) the net benefit over 30 years would be £7.863m.

The approval to commit to a contract sum in 2026 allows the council to make a final decision with more detailed proposals.

Option 2	Current Net Revenue	Net Revenue following works pre-Finance (5 year position)	Annual cost of Finance (5 year position)	Net Revenue following works post Finance (5 year position)	30 year revenue position (in real terms)
Guildhall	-£1.238m	£870k			
Corn Exchange	£676k	£2.634m			
Market	£446k	£382k			
Combined	£-116k	£3.886m	(£4.183m)	-£297k	£7.863m

- 2) LGR – investment will ensure that the Guildhall chamber will be fit for purpose for a Unitary Council. Approval to commit to a contract sum in 2026 allows the council to make a final decision with the knowledge of the impact of LGR.
- 3) Asset compliance – all assets will be compliant and meet the council's Net Zero Policy

	4) Reputational impact – the council is more likely to have increased funding opportunities due to this project being shovel/investment ready.
8.4	Option 3: partial investment £60m-92m
8.4.1	<p>Option 3 assumes the council commits a capital budget for a reduced scope – larger than £60m but less than £92m, submit planning for all three assets and associated public realm, continue with technical design (£4.4m) to develop contract sum proposals for a reduced scope for approval by Cabinet in September 2026:</p> <p>1) Finances – the council will need to commit a capital budget. There is a risk that contract sum may be higher (it could also be lower) due to the heritage risks that this project has. The capital budget will be lower than option 2, and therefore lower risk.</p> <p>Levels of borrowing would be lower than option 2 leaving more reserves and more revenue for the council however, depending on the reduced scope there will be a negative impact on projected revenues making the project less viable.</p> <p>Officer advice on this option is that it is too early to confirm a reduced scope and that a final decision on the contract sum should be made in September 2026</p> <p>2) LGR – investment will ensure that the Guildhall chamber could be fit for purpose for a Unitary Council. Approval to commit to a contract sum in 2026 allows the council to make a final decision with the knowledge of the impact of LGR.</p> <p>3) Asset compliance – all assets will be compliant and may meet the council's Net Zero Policy.</p> <p>4) Reputational impact – the council is more likely to have increased funding opportunities due to this project being shovel ready.</p> <p>This option is not recommended by officers.</p>
8.5	Option 4: commit to technical design £4.4m

8.5.1	<p>Option 4 assumes that the council commits to £4.4m to submit planning for all three assets and proceed to technical design to develop a detailed development programme and contract sum and to seek approval from Cabinet and Full Council for a contract sum in Autumn 2026</p> <ol style="list-style-type: none"> 1) Finances – the council will need to commit a much smaller budget - £4.4m. The business case supports the viability of the project as a whole as detailed in 8.3.1 for option 2. <p>Option 4 provides less development certainty, however, it is more financially cautious with a commitment to investing £4.4m and to return to cabinet and the council with more detailed contract sum proposals so that the council can allocate the right capital budget to allow the council to enter into a contact to proceed with the works.</p> <ol style="list-style-type: none"> 2) LGR – investment will ensure that the Guildhall chamber design will be fit for purpose for a unitary Council. The design is flexible enough to allow the entire Guildhall to be used for a unitary council. Approval to commit to a contract sum in 2026 allows the council to make a final decision with the knowledge of the impact of LGR. 3) Asset compliance – all assets will be designed to be compliant and have the potential to meet the council’s Net Zero Policy 4) Reputational impact – the council is more likely to have increased funding opportunities due to this project being shovel ready.
9	Corporate plan

9.1	<p>The decision to proceed to the next stage of the Cambridge Civic Quarter project continues to demonstrate strong alignment with the Council's Corporate Plan. Most specifically the Civic Quarter directly addresses three out of the Council's 4 key priorities:</p> <p>Priority 1: Leading Cambridge's response to the climate and biodiversity emergencies and creating a net zero council by 2030</p> <p>Priority 2: Tackling poverty and inequality and helping people in the greatest need</p> <p>Priority 4: Modernizing the council to lead a greener city that is fair for all</p> <p>The strategic objectives for each priority which are directly addressed by bringing forward the regeneration of the civic quarter are expressed below:</p> <p>Priority 1: Leading Cambridge's response to the climate and biodiversity emergencies and creating a net zero council by 2030</p> <ul style="list-style-type: none"> • reduce carbon emissions from council buildings, land, vehicles and services to net zero by 2030, • reduce energy consumption and carbon emissions from homes and buildings in Cambridge • reduce consumption of resources, increase recycling and reduce waste; • support Council services, residents and businesses to thrive and adapt to the impacts of the climate change emergency; • mainstream our approach to biodiversity to secure a measurable net gain in biodiversity across the City by 2025 and support the Natural Cambridgeshire Doubling Nature Vision by 2030 • to ensure that biodiversity is considered by all council service functions and projects • maximise the potential of our buildings, parks, open spaces, watercourses and tree stock to support biodiversity, whilst balancing their multifunctional needs • Plan for the sustainable development of Cambridge and support the creation of vibrant, integrated and inclusive new communities. Specifically, to develop and implement a new Local Plan for Greater Cambridge that: <ul style="list-style-type: none"> • enhances biodiversity and green spaces, • increases wellbeing and social inclusion, • provides for great places (including by safeguarding our unique heritage and landscapes), • encourages a wide range of jobs, • plans for the right infrastructure in the right places at the right times to
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serve our growing communities.

Priority 2: Tackling poverty and inequality and helping people in the greatest need

- strengthen families and communities and support people who are more likely to experience poverty, inequality and vulnerability.
- make sure that everyone shares in our city's success by promoting an inclusive economy, by raising skills, and by improving access to a range of employment opportunities for people on low incomes.
- work towards a situation where all residents have equal access to public activities and spaces in Cambridge and are able to participate fully in the community and in making decisions about the places where they live

Priority 4: Modernizing the council to lead a greener city that is fair for all

- develop co-operative, collaborative ways of working with our communities and partners, increasing our collective ability to achieve the council's vision and improve the quality of life and wellbeing of everyone in the city
- use innovation, including new technologies, to provide high quality services continuously improve the services we provide so that they best meet the needs of those who use them
- run our services in an efficient way, generating income where appropriate to reinvest into other council services
- review our assets to ensure they are delivering optimum value to the Council and wider community, increasing social capital

10	Anticipated outcomes, benefits or impact
10.1	Reference to other sections of the report
11	Implications
11.1	Relevant risks
11.1.1	<p>Project Costs</p> <p>Risk: Failure to deliver project objectives due to a non-viable business case, resulting in potential termination, sunk costs, and reputational impact.</p> <p>Mitigation: Extensive surveys have been completed across all assets to improve cost and scope certainty. A structured gateway approach ensures the project is regularly assessed for viability, with business plans developed for each component to align with the strategic goals outlined in the November 2024 Strategy & Resources Report. Crucially, the Council is not committed to further expenditure beyond September 2026 unless viability is confirmed, allowing for a controlled and informed decision-making process.</p>
11.1.2	<p>Asbestos</p> <p>Risk: The failure to identify and manage asbestos early may pose health risks to employees, tenants, contractors, and visitors. It can delay design development, leading to unforeseen works during construction, increased costs, project delays, operational disruption, loss of income, and reputational damage.</p> <p>Mitigation: Extensive surveys have been carried out across all the assets, to provide greater certainty on what refurbishment work is required and provide assurance on costs. Contractor to confirm arrangements for asbestos removal works post stage RIBA Stage 3 completion. Service areas to ensure business continuity plans are up to date in the event of an unplanned building/part closure.</p>
11.1.3	<p>Local Government Reorganisation (LGR)</p> <p>Risk: Local Government Reorganisation / devolution impacting project governance, brief, funding and timelines for implementation.</p> <p>Mitigation: Early identification of potential impacts of LGR including changes to funding, shifts in project priorities or alterations in regulatory requirements. Build in flexibility to the design and use of the Guildhall. Cross Party Member Steering Group is integral part of project governance. Crucially, the Council is not committed to further expenditure beyond September 2026 unless viability is confirmed, allowing for a controlled and informed decision-making process.</p>

11.1.4	<p>Planning</p> <p>Risk: Risk of failure to meet project objectives around sustainability, public realm and the design for the flexible use of Council Chamber in the Guildhall due to conflict of views from statutory bodies and key stakeholders. Potential risk of 'Call-in' to objections on planning proposals where requirements conflict.</p> <p>Mitigation: Pre-application advice has been sought from Greater Cambridge Planning Service and Historic England. Heritage and Planning consultancy advice from Design Consortia. Designs have been critiqued through the Design Review Panel.</p>
11.1.5	<p>Works Programme Delivery</p> <p>Risk: Delays in programme delivery due to interdependencies between enabling works, planning approvals, funding decisions, and contractor mobilisation may impact overall project timelines and cost.</p> <p>Mitigation: A detailed programme with critical path analysis, supported by gateway reviews and contingency planning. Regular progress monitoring and escalation protocols to address emerging risks. Procurement and mobilisation strategies are aligned with funding and planning milestones to maintain momentum.</p>
11.1.6	<p>Stakeholder Engagement</p> <p>Risk: The project touches upon a wide range of stakeholders, many with a significant interest and if not effectively managed there is a risk that future changes are not well received nor meet needs and that emotive risks around the project will emerge.</p> <p>Mitigation: - Key role for communications consultancy in the design consortium, working alongside Council's Communications team. Communications Strategy and comprehensive stakeholder list in place. Project governance includes the continuing of key groups, Civic Quarter Liaison and Market Traders Groups. 121's with Market Traders scheduled at key stages of the project. Meetings with key stakeholders to highlight project progress and work through issues.</p>

11.1.7	<p>Future Income Risk</p> <p>Risk: The financial viability of the project depends heavily upon future commercial income streams from the Guildhall and Corn Exchange. For the Guildhall, it assumes full letting of commercial space for most of the time, with only short void periods between lettings and inflationary rent uplifts every 5 years. For the Corn Exchange, it assumes net revenue of £2.6m per year by year 4, compared to the current £0.6m per year, again with future inflationary increases. There is a risk to council finances in the future should the income not meet expectations. If this were the case, significant external financing costs (£3.4m per year) would still need to be paid, which could put pressure on council services.</p> <p>Mitigation: Financial models have been developed with the support of external specialist advice. The position will be reviewed throughout the next 12 months to ensure that the assumptions used remain valid at the point of contractual commitment.</p>
11.1.8	<p>Financing Risk</p> <p>Risk: The high level of borrowing required means that the project finances are extremely sensitive to the interest rates assumed, which are currently based upon forecasts. A 1% increase in interest rates, for example, would increase initial revenue losses from £12.3m to £15.7m, defer the point at which these losses were recovered in cash terms from year 19 to year 25, and move the 30 year revenue impact of the project (in real terms) from a net benefit of £7.9m to a net loss of £1.8m.</p> <p>Mitigation: Should the project go ahead, the council would work with its treasury advisers to explore the most advantageous approach to borrowing. It may be possible to secure lower rates by fixing borrowing for a shorter period, but this needs to be balanced against the risk that rates may have increased further at the point that borrowing needs to be refinanced.</p>
11.1.9	<p>Impact on General Fund reserves</p> <p>The council's latest financial projections show a General Fund balance of £23.4m at 31 March 2028, against a forecast target level of £8.5m, i.e. a headroom of £14.9m. This project would fully utilise the council's Development Reserve, and would reduce the forecast headroom on the General Fund to £11.1m. There may be other unavoidable capital pressures which emerge over the next few years, and there will also be a need to ensure that a new unitary authority has sufficient reserves to be financially sustainable following Local Government Reorganisation. A decision to proceed with Civic Quarter is therefore likely to severely restrict the level of funding which may be available for other capital projects for the next several years at least.</p>
12	<p>Financial Implications</p>

12.1	<p>The Financial implications of the Civic Quarter work are set out below and has been reviewed by the Council's Section 151 Officer.</p> <p>See sections 8 and 11.17-11.19</p>
13	Legal Implications
13.1	<p>The roof of the Guildhall currently holds telecommunications equipment. An 18 month Notice has been served on the operator Cornerstone to remove equipment. This will continue to be monitored.</p>
14	Equalities and socio-economic Implications
14.1	<p>Three separate Equalities Impact assessments have been completed covering The Guildhall, Corn Exchange and Market Square.</p> <p>The recent community engagement has shaped the detailed design stage work. The impact assessments will also continue to be “live” documents and reviewed at key stages during the project.</p> <p>The sections below highlight the key impacts. See Appendix 10 for the Equalities Impact Assessments</p>
14.2	<p>The Guildhall</p> <p>The Guildhall redevelopment brings significant positive impacts, especially for:</p> <ul style="list-style-type: none"> • Disability – provision of a wellness room protecting mental wellbeing of staff members; a quiet/low stimulation area for the public protecting wellbeing, a changing places toilet for anyone to use; provision of platform lifts and step free access to the building; evacuation lifts, automated doors; hearing loops; and improved lighting. • Gender reassignment and sex in the provision of gender neutral, women’s and men’s toilets available for all users. • Marriage and civil partnership - improvements to the large and small halls could increase the wedding market. • Pregnancy and maternity – provision of breastfeeding room open to the public and baby changing facilities. • Religion or belief – provision of a prayer room. <p>The creation of a welcoming “Heart Space” and flexible civic areas encourages broader public engagement across age groups and backgrounds.</p> <p>However, potential negative impacts include concerns about affordability and access for low-income and marginalised groups, particularly if commercial uses dominate community access. Improvements around safeguarding and safety considerations for groups that might be subject to hate crime/harassment have been flagged for further attention in technical design stages.</p>

14.3	<p>Corn Exchange</p> <p>Positive impacts of the proposals include:</p> <ul style="list-style-type: none"> • Aspects improving accessibility, especially for disabled people, such as improved lighting that will benefit people with visual impairments and improved audio equipment that will especially benefit people with hearing impairments. There will be benefits for people with mobility impairments like step free access throughout the venue, three new lifts, 1% auditorium capacity for wheelchair users and accessible dressing room and showers backstage. Accessible toilets shall also be provided on multiple floors. • Toilet provision will be improved, especially benefitting women by providing more women-only toilets to help address historic under-provision for women in the venue which has caused queueing during show intervals. • Improvements to the Parsons Court area that will help reduce anti-social behaviour that may benefit groups who experience hate crime/incidents. <p>In the next stage of the design consideration needs to be given to accessibility of auditorium space for people using prams and buggies (of benefit relating to maternity). Also, a potential negative impact of the designs is lack of gender-neutral toilets on the auditorium for use by transgender and non-binary people. Concerns were also raised in the consultation about ticket affordability, especially for low-income groups, and the risk that upgrades could lead to higher prices and reduced access.</p>
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14.4	<p>Market Square</p> <p>The most significant benefits of the market square redesign include:</p> <ul style="list-style-type: none"> • Improving accessibility through exploration of levelling historic setts, improving pedestrian safety, alignment of stalls, signage, lighting and increasing variety of seating options (including canopied seating). This will be of benefit for disability and pregnancy and maternity especially. • Reducing ASB (that may especially impact on groups who experience hate crime and have an impact on reducing gender-based violence) through design features such as improving sight lines, lighting and use of CCTV. • Blue badge parking provision, and spaces increase from 5 to 6 • Provision of accessible toilet at ground level for market traders. <p>The market's diverse offer and civic space will support multicultural events (enabling some of space in the square to be used for other functions by removing some demountable stalls on quieter trading days) and low-income communities</p> <p>However, negative impacts include not providing a gender-neutral toilet facilities for market traders, potential barriers for mobility-impaired individuals due to stall density, safety concerns for people who may be subject to harassment and in relation to gender-based violence at night were raised and clear communication and processes relating to permits for blue badge holders</p>
15	<p>Net Zero Carbon, Climate Change and Environmental implications</p>

15.1	<p>One of the restricting factors at commencement of design was the absence of an agreed Net Zero standard. Therefore, delivering to Enerphit standards - which can be characterised as Passivhaus for existing buildings – was agreed with the Planning Officer as the appropriate tool to drive the required improvements to existing buildings. Subsequently, the team was additionally successful in receiving an agreement for the Guildhall to be incorporated into the UK Net Zero Carbon Building Pilot Study.</p> <p>Energy</p> <p>Through the application of Enerphit principles it has been shown that it should be possible to reduce the energy consumption of the Guildhall by approximately 66%. A decision to verify the project as Net Zero Carbon can only be made once the first version of the Standard has been released, however based on the definition contained within the draft Standard, the Guildhall would be defined as a Net Zero Carbon (in operation) building without the need for any Carbon offsetting.</p> <p>The Guildhall's existing building water usage baseline is 4945m³/year. Through the use of water efficiency fittings and water recycling, it is proposed that the refurbishment will result in a decrease in potable water usage despite an increase in building use intensity.</p> <p>The Corn Exchange presents a larger set of challenges than the Guildhall due to the decorative features present internally and externally. Given constraints, focus has been on the roof, floor, extension and the MEP systems. Coupling numerous measures together PV installation, modelling shows that a 61-79% reduction in energy use is possible.</p> <p>The refurbishment of the Market Square proposes the mixed use of collapsible and permanent market stalls. The permanent market stalls therefore have the opportunity for mounted photovoltaics (PVs) to provide renewable energy generation. These PVs will be placed on the side of the market stalls pitched roofs with the highest irradiance to maximize benefit.</p> <p>Water</p> <p>Using the BREEAM Wat01 calculator and proposed sanitaryware information, we currently forecast achieving 5/5 credits with a 55% improvement over baseline potable water usage for the Guildhall.</p> <p>For the Market Square and the Corn exchange the modelling is not as advanced. Design commitments include water efficiency fitting installations in line with BREEAM Wat01 targeting 5/5 credits to reduce water consumption (if thought not technically achievable, 4 Wat 01 credits)</p>
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Component	Performance levels (quoted numbers are minimum performance required to achieve the targeted level)		
	4 Credits	5 Credits	Unit
WC (effective flush)	3.5	3	Litres
Wash hand basin tap	3.5	3	Litres/min
Shower	4	3	Litres/min
Communal Kitchen Sink	5	5	Litres/min
Domestic Washing Machine	35	30	Litres/use
Domestic Dishwasher	11	10	Litres/cycle
Rainwater harvesting	50%	75%	% of buildings flushing demand

BREEAM Wat 01 Performance Levels

Further investigation into recycling water (rainwater and condensate recycling) remains ongoing and will be implemented if found to be feasible.

Biodiversity

The Council continues to be committed to a targeted 20% Biodiversity net gain across the Civic Quarter

15.2	Climate Change rating Climate Change assessment rating has been assessed as Medium Positive overall. See Appendix 11 for Climate Change Assessments concluded for the Guildhall, Corn Exchange and Market Square
16	Procurement Implications
16.1	See sections 5.1-5.3 and Appendix 3
17	Community Safety Implications
17.1	<p>Whilst Cambridge is a safe city, violence against the person offences accounted for 27% of crimes. Market ward, which is the focus of Cambridge's nighttime economy, has higher rates of both violent crime and drug offences.</p> <p>The project team met with the Designing Out Crime Officers, Cambridgeshire Police and the Council's Senior ASB Officer as part of the stage 3 design work.</p> <p>We have also been working with the Community Safety team to ensure that crime prevention principles are key to the Civic Quarter redevelopment and are captured within the Cambridge Community Safety Plan (2025-27).</p>
18	Community Wealth Building
18.1	<p>The Civic Quarter Project integrates Community Wealth Building principles by prioritising inclusive design shaped by community input, enhancing public access and democratic participation, and creating spaces for cultural and social use.</p> <p>The main contractor will employ 20% local labour, when we reach the construction phase of the project, and work with the Council and partner with schools, colleges and universities to provide work experience and apprenticeship opportunities.</p> <p>No community ownership or management is planned at this stage.</p> <p>See Appendix 12 for the full assessment</p>
19	Project Interdependencies
19.1	The District Heating Feasibility Study and the proposals for the Guildhall have been designed to enable future connection to the District Heating Network.
20	Background documents Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985

20.1	<ul style="list-style-type: none"> 1) S&R Report November 2024 Civic Quarter Project Update 2) S&R January 2024 Civic Quarter Project 3) S&R October 2022 Future Office Accommodation Strategy 4) Environment and Community Scrutiny Committee March 2022 Proposed Improvement to Market Square
21	Appendices
21.1	<p>Link to appendices can be found here – Cambridge Civic Quarter: Scrutiny committee and Cabinet reports - Cambridge City Council</p> <p>Appendix 1: Corn Exchange and Guildhall Business Plan – Carter Jonas and Blue Horizon</p> <p>Appendix 2: Business Case for Securing the Future of Cambridge City Market – Place Partnerships</p> <p>Appendix 3: Calford Seaden Cost and Procurement Report</p> <p>Appendix 4 Cambridge Civic Quarter Phase 3 Engagement Report August 2025</p> <p>Appendix 5 Planning Executive Summary</p> <p>Appendix 6 Draft Guildhall Design and Access Statement</p> <p>Appendix 7 Draft Market Design and Access Statement</p> <p>Appendix 8 Draft Corn Exchange Design and Access Statement</p> <p>Appendix 9 Corn Exchange options for continuity of service</p> <p>Appendix 10 Equalities Impact Assessments for Guildhall, Market Square and Corn Exchange</p> <p>Appendix 11 Climate Change Assessments</p> <p>Appendix 12 Community Wealth Building</p>
21.2	<p>Exempt</p> <p>Appendix 1: Corn Exchange and Guildhall Business Plan – Carter Jonas and Blue Horizon (Partial)</p> <p>Appendix 3: Calford Seaden Cost and Procurement Report</p>
21.3	<p>To inspect the background papers or if you have a query on the report please contact Ben Binns, Assistant Director, Development: email: ben.binns@cambridge.gov.uk</p>

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

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

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PRESENT: Councillors Katie Porrer (Chair), Jenny Gawthrope Wood (Vice Chair), Jamie Dalzell, Dinah Pounds, Tim Griffin, Hugh Clough, Patrick Sheil

Officers: Matthew Stickley, Sarah Michael, Ben Binns, Tom Conlon, Lynne Miles, Sean Cleary, Jane Whiteman-Turl, Jody Etherington

Other: William Rooke, Julian Russell, Esther Warboys (all consultants for item 6 - Civic Quarter)

In attendance: Councillors Cameron Holloway, Martin Smart, Karen Young, Tim Bick, Rachel Wade, Rosy Moore, Richard Swift

The Chair welcomed those present, giving particular welcome to Councillor Dinah Pounds, newly appointed member of the committee. The Chair thanked Councillor Dave Baigent, previous member of the committee, for his service to the committee.

The Chair advised the committee that she would reorder the agenda to take item 7 - Work Programme - prior to item 6 - Civic Quarter.

Apologies

There were no apologies for absence.

Declarations of interest

There were no declarations of interest.

Minutes

RESOLVED: that the minutes of the previous meeting held on 10 June 2025 were agreed as an accurate record.

Public Questions

There were no public questions.

Budget-setting consultation

Councillor Simon Smith, Cabinet Member for Finance and Resources, introduced the report.

Officers explained that the draft consultation was still being finalised but would be circulated to members before publication. Members expressed concern that the Overview and Scrutiny Committee had not yet seen the draft questions, though reassurance was given that any proposals requiring further consultation would be subject to additional scrutiny in due course.

The Committee noted that:

- The Council was ahead of its savings targets, having achieved £4.9m against a two-year requirement of £6m.
- Updated government proposals on the fair funding review, reflecting population growth and changes in the balance of funding streams, placed the Council in a stronger financial position than previously anticipated.
- The consultation would be high-level, accessible and strategic, with scope for bespoke consultations to follow if required.

RESOLVED:

1. To note the progress towards the Council's medium-term savings targets.
2. To request that Cabinet ensure Overview and Scrutiny Committee members are consulted on draft consultation questions at an earlier stage.
3. To recommend that Cabinet draw upon lessons from last year's consultation process to inform this year's design.
4. To recommend that Cabinet provide assurance that any budget bids requiring additional consultation will be subject to further scrutiny.

5a Procurement at Cambridge City Council

Jane Whiteman-Turl, Chief Procurement Officer, gave a presentation.

The Committee noted:

- More notices would now be required at certain thresholds (7–12 compared with 3 previously).
- Publication of a procurement pipeline was a requirement of the new procurement regime.
- The new regime increased administrative requirements and oversight, while in some instances EU law obligations remained.
- Around 200 contracts had been let in the previous year.

Members discussed the usefulness of:

- An overview to be available to councillors on the Council's procurement activity.
- Training and development opportunities for members on procurement processes.

The Chair noted that the Services, Climate and Communities Overview and Scrutiny Committee might consider the subject of Community Wealthbuilding in the future, and noted that this may include reference to the council's intentions to secure social value through its procurement processes.

RESOLVED:

1. To note the update on the new procurement regime.
2. To request that officers provide councillors with an overview of procurement activity.
3. To recommend that Cabinet consider member training opportunities on procurement and contract oversight, including for non-Cabinet members.

5b Cabinet: Strategic Procurement Pipeline for Repairs, Maintenance, and Compliance Contracts

Sean Cleary, Strategic Delivery Manager, presented the report.

Officers explained that an internal procurement dashboard was in place and that a KPI reporting process was being developed.

In discussion, the Committee raised:

- The need for clarity on success criteria and measurable metrics.
- The importance of customer experience in service delivery.
- The ability of the Council to amend or terminate contracts where performance was unsatisfactory. Officers confirmed that termination clauses were included in all contracts.
- That KPI models and parameters should be shared with members. Officers confirmed that a workshop on the subject would be provided in the autumn with members being able to shape the design of the performance management dashboard.
- That wider sharing of KPI data (for example with the Housing Board) would be valuable.

RESOLVED:

1. To note the report and broadly support the proposed procurement pipeline.
2. To recommend that Cabinet ensure that:
 - Clear and measurable KPIs are established and shared with members, with models and parameters circulated at the earliest opportunity.
 - Customer experience outcomes are given appropriate weight in monitoring performance.
 - Contract provisions remain flexible to allow amendment or termination in cases of underperformance or new requirements.
3. To request that officers explore options for wider sharing of KPI data (for example, with the Housing Board).

The meeting was adjourned from 19:02 - 19:15. Councillor Dinah Pounds left the meeting at 19:27.

6 Cabinet: Civic Quarter

Councillor Simon Smith (Cabinet Member for Finance and Resources), Jody Etherington (Chief Finance Officer - Section 151 Officer), and Ben Binns (Assistant Director of Development) presented the report supported by external consultants.

Open Session

The Committee discussed:

- The importance of full consultation with Camcycle cycling charity and Living Streets Cambridge pedestrian charity.
- Ensuring that bus services were rerouted appropriately and that Traffic Regulation Orders (TROs) provided for traders, taxi access and disabled users.

- Strong support for a circular horseshoe chamber with tiered seating, and full accessibility.
- The need for demountable stalls in the market to be fit for purpose; confirmation was provided that there remained time to refine designs after planning permission.
- Broad support for submitting the scheme to planning, which could unlock grant funding.
- Opportunities for the Guildhall to better showcase the city's history, including potential partnership with the Museum of Cambridge.
- The need for improved ventilation in the Guildhall's chamber and meeting rooms.
- That the "Do Nothing" option would still require expenditure of around £60m while delivering fewer returns.

The Committee noted that the consultants considered their cost estimates and project viability to be strong and felt the information provided to the committee was robust.

Closed Session

The Committee resolved to exclude the press and public under paragraph 3 of Schedule 12A of the Local Government Act 1972 in order to consider exempt financial information.

The Committee considered detailed financial modelling and business cases. Officers confirmed that borrowing would not affect service provision.

In discussion:

- A majority of members supported Option 4 as the preferred approach.
- Members emphasised the importance of the Guildhall as the civic heart of the city, particularly in the context of potential local government reorganisation.
It was noted that the project represented an investment rather than a cost, with opportunities for revenue from the Corn Exchange and from high-quality office accommodation.
- There was majority support for the use of the Guildhall as the heart of any future local authority following local government reorganisation, and members supported ensuring flexibility of design and use to accommodate a future unitary chamber.

RESOLVED:

1. To support the principle of proceeding to the planning stage of the Civic Quarter project, recognising that this may unlock future funding opportunities.
2. To recommend that Cabinet:
 - Ensure full consultation with Camcycle, Living Streets and other key stakeholders.
 - Safeguard bus service provision in Traffic Regulation Orders (TROs) and provide for adequate wayfinding and space in the market area.
 - Confirm that demountable stalls are fit for purpose and that their design can be refined post-planning.
 - Retain the chamber in a horseshoe layout with tiered seating, ensuring it remains accessible and central to the city's civic life.
 - Deliver improved ventilation and accessibility within the Guildhall.

- Develop opportunities for celebrating the civic history of the Guildhall, including potential collaboration with the Museum of Cambridge.
- 3. To note that while some reservations were expressed about aspects of the scheme, the majority of members supported Option 4, recognising the proposals as financially resilient even in the context of local government reorganisation.

7 Work Programme

The Committee reviewed the work programme. Members agreed to:

- Note that Peter Freeman, Chair of the Cambridge Growth Company, had accepted an invitation to the committee's 4 November 2025 meeting.
- Consider the Local Plan at either the 4 November 2025 meeting or a meeting close to that date, subject to confirmation of the dates the Local Plan would be presented to the Cabinets of both Cambridge City and South Cambridgeshire District Councils.
- Hold a Member workshop on KPIs in October, with formal review in the new year.
- Establish a Task and Finish group on Housing in due course.
- Note that a review of the 3CICT improvement plan would be scheduled for March 2026.

RESOLVED:

1. To agree the updated Work Programme as set out above.

The meeting ended at 21:05.

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CABINET

Present: Councillors Holloway (Chair), Wade (Vice-Chair), Bird, Moore, Nestor, Smart, S.Smith and Thornburrow

In attendance virtually: Councillors A. Smith and Todd-Jones

FOR ADOPTION BY THE COUNCIL

Establishment of new loan facilities for Cambridge Investment Partnership

Cabinet agreed the following recommendation that requires Full Council approval.

Resolved (Unanimous) to recommend that Council approves:

1. A capital budget totalling £18.5 million for the provision of three new development loan facilities to Cambridge Investment Partnership LLP in respect of regeneration activities and new build development at Newbury Farm, ATS/Murketts Histon Road, and Fanshawe Road.
2. The setting of fixed interest rates applicable to the above loans at 3.5% per annum above the prevailing 5 year UK gilt rate (to be set no later than the date of each drawdown).
3. A capital budget totalling £4.677 million for the provision of equity loan facilities to Cambridge Investment Partnership LLP in respect of the same three schemes, noting that such equity will be matched by an equal investment by Hill Investment Partnerships LLP.
4. The delegation of authority to the council's Chief Finance Officer to agree the full and detailed terms of the loan with Cambridge Investment Partnership LLP, after taking appropriate professional advice and with due regard to relevant statutory requirements.

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REPORT TITLE: Establishment of new loan facilities for Cambridge Investment Partnership

To:

Cabinet

25 September 2025

Lead Cabinet Member: Cllr Simon Smith Cabinet Member for Finance and Resources

Report by:

Jaques van der Vyver, Senior Development Manager

Tel: 01223 457218 Email: jaques.vandervyver@cambridge.gov.uk

Wards affected:

All

Director Approval: Chief Finance Officer Jody Etherington confirms that the report author has sought the advice of all appropriate colleagues and given due regard to that advice; that the equalities impacts and other implications of the recommended decisions have been assessed and accurately presented in the report; and that they are content for the report to be put to the Cabinet for decision.

1. Recommendations

1.1 It is recommended that Cabinet recommend to Full Council:

1. The approval of a capital budget totalling £18.5 million for the provision of three new development loan facilities to Cambridge Investment Partnership LLP in respect of regeneration activities and new build development at Newbury Farm, ATS/Murketts Histon Road, and Fanshawe Road.
2. The setting of fixed interest rates applicable to the above loans at 3.5% per annum above the prevailing 5 year UK gilt rate (to be set no later than the date of each drawdown).
3. The approval of a capital budget totalling £4.677 million for the provision of equity loan facilities to Cambridge Investment Partnership LLP in respect of the same three schemes, noting that such equity will be matched by an equal investment by Hill Investment Partnerships LLP.
4. The delegation of authority to the council's Chief Finance Officer to agree the full

and detailed terms of the loan with Cambridge Investment Partnership LLP, after taking appropriate professional advice and with due regard to relevant statutory requirements.

2. Purpose and reason for the report

- 2.1 Cambridge Investment Partnerships LLP (CIP) requires financing in order to progress the approved development sites at Newbury Farm, ATS/Murketts Histon Road, and Fanshawe Road. HRA capital budgets in respect of the council's purchase of affordable housing on these sites has already been allocated.
- 2.2 In line with past schemes, including Cromwell Road and Mill Road, it is proposed that the council contributes towards this financing requirement through the provision of both development and equity loans. These are explained in more detail at section 4.
- 2.3 Under the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003, loans given by the council for capital purposes are to be treated as capital expenditure. The council's constitution provides that budget for new capital expenditure can only be allocated by full council.

3. Alternative options considered

- 3.1 The council could choose not to provide loan financing to CIP. In this case, CIP would need to secure alternative financing from a third party, which would likely add time and administration costs to the project. The council would also lose the modest return to the General Fund that the loans will generate. This option is therefore not recommended.

4. Background and key issues

- 4.1 Loans to CIP have to date been enacted for developments at Cromwell Road, Mill Road at Orchard Park L2, and for land acquisitions at ATS/Murketts and Newbury Farm.
- 4.2 Separate Approvals by the Executive Councillor for Housing have already been

received for:

- the council acquisition of affordable homes at ATS/Murketts, Newbury Farm, and Fanshawe Road from CIP.
- Disposal of the land at Fanshawe Road to the CIP for the purposes of housing redevelopment.

- 4.3 Having received favourable planning resolution, CIP have now commenced development works on site, and approval is herewith sought to establish loan facilities, to be utilised solely for the purposes of housing delivery, and covering regeneration activities and new build development at Newbury Farm, ATS/Murketts Histon Road, and Fanshawe Road.
- 4.4 The development loan facilities sought to be established will amount to a maximum allowable drawdown of £5.5 million at Fanshawe Road, £6 million at Newbury Farm, and £7 million at ATS/Murketts. Loans will be secured by way of a charge against the assets of CIP.
- 4.5 There has been considerable change in public sector lending rules since prior funding arrangements were agreed between the council and CIP, including changes set out in the Subsidy Control Act 2022. Given the above, the Council in late 2024 appointed its treasury management advisers, MUFG Corporate Markets, to complete a review of proposed development funding, to evaluate the subsidy control implications, and to highlight other factors which need to be considered in the provision of financial assistance to CIP, to ensure compliance. The resulting advice has been reviewed by the council's Chief Finance Officer, and Freeths acting for the council.
- 4.6 In line with this advice, it is proposed that interest rates on the development loan facilities are set at a margin of 3.5% above the prevailing 5 year UK gilt rate, to be set no later than the date of each drawdown.
- 4.7 Development loan facilities will be subject to a covenant, to the effect that any funds drawn down are to be utilised solely for the purposes of housing delivery on the three sites, including regeneration activities, new build development and delivery of affordable

housing.

- 4.8 Linked to the development loan facility is a requirement for 50:50 equity funding of the project by each CIP joint venture partner, being the council and Hill Investment Partnerships LLP. Such equity funding reduces the interest burden on the development, thus lessening overall cost of delivery and facilitating overall financial viability. Current modelling assumes a combined equity funding requirement of £9,352,405 which will precede any development loan facility drawdown and be equally sourced from each JV partner.
- 4.9 Budget approval is therefore requested for £4.677 million for the council share of the equity investment, which will be subject to priority repayment as sales of market housing progress. Since this is an equity investment and each partner contributes equally, interest is charged at a notional rate of 5%. This ensures that a reasonable cost of capital is assumed when developing CIP scheme appraisals; although clearly any interest paid on equity loans will reduce the level of profits available for distribution to partners at scheme close, so the interest rate charged on equity loans does not affect the total return to the council.
- 4.10 Following approval by full council, the council's Chief Finance Officer will work with CIP to agree the exact terms of the loan, for example drawdown and repayment arrangements, interest charging periods and payment dates, and the source and timing of the UK gilt rate to be used for the purposes of setting interest rates. The loan agreements themselves will be in a form as advised by Freeths.

5. Corporate plan

- 5.1 [Corporate plan 2022-27: our priorities for Cambridge - Cambridge City Council](#)

Priority 3:

- increasing the delivery of homes, and in particular affordable housing, including Council homes, to meet housing need
- diversifying the housing market and accelerating housing delivery

- working with key partners to innovate and maximise available resources

Priority 4:

- run our services in an efficient way, generating income where appropriate to reinvest into other council services

5.2 The Council as a 50/50 Partner in the Cambridge Investment Partnership benefits directly from:

- joint equity funding of the joint venture operations, ensuring risk sharing while facilitating large scale housing delivery within the city;
- the ability to offer loan facilities which provide a modest return; and
- the ability as a joint venture to make use of preferential financial terms for borrowing repayment.

6. Consultation, engagement and communication

6.1 Specialist external treasury and legal advice has been sought which confirms the council approach to setting of borrowing rates.

6.2 This report has been reviewed by the council's Chief Finance Officer in line with his statutory capacity as Section 151 Officer.

7. Anticipated outcomes, benefits or impact

7.1 Provision of financing to CIP will support the timely delivery of three mixed tenure housing schemes in the city, including 133 affordable units for purchase by the HRA. This is the primary purpose of the loan.

7.2 As a secondary and incidental benefit, the General Fund will make a modest gain from investment income on the loan balances at a rate higher than that achieved by other council investments, whilst still representing a fair commercial rate for CIP.

8. Implications

Relevant risks

- 8.1 Any investment of this nature carries an inherent risk of default on future loan repayments, as reflected in the interest rate charged. However, this is significantly mitigated by the following factors:-
- The development loans will be secured by way of a charge against the assets of CIP.
 - Loan facilities will fund development works which are capital in nature, so as the loan is drawn down and spent, the value of assets against which it is secured can be expected to increase.
 - The council is a 50:50 partner in CIP, with representation on the Board and equal decision-making powers.

Financial Implications

- 8.2 The loan facilities will have a modest net positive impact upon the council's General Fund. Both the development and equity loans will generate interest income at rates higher than the council's current average investment return rate. In accordance with agreed past practice, any additional interest income generated over and above the average investment return rate will be transferred to an earmarked reserve for use to fund other development activity within the city. However, the principal purpose for making the loans is to support the delivery of mixed-tenure housing in the city, not to generate a financial return for the council.

Legal Implications

- 8.3 External legal advice has been sought and supports the council's approach to making of the loan and setting the applicable interest rates.

Equalities and socio-economic Implications

- 8.4 Each of the three schemes to be supported through the loan financing had their own Equalities Impact Assessment (EqIA) which accompanies the relevant reports approved by the Executive Councillor for Housing. The EqIAs mainly highlight the benefits of the council retaining direct control of new housing development itself, ensuring a focus on the delivery of housing which meets a diverse range of housing needs. The assessments underline the need for affordable housing to help those most likely to suffer poverty as well as ways in which new affordable housing will directly save money for tenants, such as energy saving measures and reducing the impact of fuel poverty.

Net Zero Carbon, Climate Change and Environmental implications

- 8.5 Climate Rating Tool assessments were completed for each scheme at approval stage. Schemes were assessed as net low positive (Fanshawe, Newbury Farm) and net medium positive (ATS/Murketts).

All schemes meet or exceed Local Plan requirements for sustainability, with water usage designed to be below 100l per person per day, and with Fanshawe Road affordable housing designed to CamStandard as adopted through the council's Sustainable Housing Design Guide.

Procurement Implications

- 8.6 None identified.

Community Safety Implications

- 8.7 None identified.

9. Background documents

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985

9.1 None

To inspect the background papers or if you have a query on the report please contact Jaques van der Vyver, Senior Development Manager, tel: 01233 457218, email: jaques.vandervyver@cambridge.gov.uk

CABINET

Present: Councillors Holloway (Chair), Wade (Vice-Chair), Bird, Moore, Nestor, Smart, S.Smith and Thornburrow

In attendance virtually: Councillors A. Smith and Todd-Jones

FOR ADOPTION BY THE COUNCIL

Annual Treasury Management (Outturn) Report 2024/25

Cabinet agreed the following recommendation that requires Full Council approval.

Resolved (Unanimous) to recommend that Council approves:

1. The Annual Treasury Management Outturn report 2024/25, which includes the council's actual Prudential and Treasury Indicators for 2024/25.

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REPORT TITLE: Annual Treasury Management (Outturn) Report 2024/25

To:
Cabinet

25 September 2025

Lead Cabinet Member: Cllr Simon Smith, Cabinet Member for Finance and Resources

Report by:

Francesca Griffiths, Chief Accountant

Tel: 01223 458126 Email: francesca.griffiths@cambridge.gov.uk

Wards affected:

All

Director Approval: Jody Etherington, Chief Finance Officer, confirms that the report author has sought the advice of all appropriate colleagues and given due regard to that advice; that the equalities impacts and other implications of the recommended decisions have been assessed and accurately presented in the report; and that they are content for the report to be put to the Cabinet for decision.

1. Recommendations

1.1 It is recommended that Cabinet:

- recommend this report to Full Council, which includes the council's actual Prudential and Treasury Indicators for 2024/25.

2. Purpose and reason for the report

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

This report meets the requirements of both the CIPFA Treasury Management in the Public Services: Code of Practice 2021 (the 'Code') and the CIPFA Prudential Code for Capital Finance in Local Authorities 2021 (the 'Prudential Code') in respect of 2024/25.

The Code specifies the following reports in respect of treasury management for the

2024/25 financial year:-

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

Under the revised Constitution approved by Full Council on 22 May 2025, this annual report is presented to Cabinet for recommendation to Council.

3. Alternative options considered

- 3.1 The Cabinet could choose not to recommend this report to Full Council, however failing to present a treasury management outturn report to Full Council would represent a breach of statutory guidance to which the council is required to have regard.

4. Background and key issues

4.1 Background

This report summarises:

- capital expenditure and financing activity during the year;
- the impact of capital spending on the council's 'need to borrow';
- the council's compliance with prudential and treasury indicators;
- the treasury management position as at 31 March 2025 (Appendix A);
- the council's treasury management advisors' view on UK interest and investment rates (Appendix B);
- the actual prudential and treasury indicators (Appendix C);
- the counterparty List (Appendix D); and
- a glossary of terms and abbreviations (Appendix E).

4.2 Highlights and key messages

- Total capital expenditure in 2024/25 was £115.068 million, which was less than the budgeted £220.192 million, largely as a result of slippage on projects.
- Financing sources were:

- Capital receipts: £16.049 million
- Other contributions: £45.127 million
- External borrowing (Park Street): £30.000 million
- Internal borrowing/cash balances: £23.892 million
- Total external debt as of 31 March 2025 was £243.379 million, giving headroom of £306.621 million against the authorised borrowing limit.
- Deposit balances decreased to £46.588 million due to the use of cash balances to fund capital expenditure (internal borrowing).
- Average rate of return on deposits was 4.81% (up from 4.48% in 2023/24)
- Total interest/dividends earned were £4.705 million, exceeding budget by £1.157 million, driven by high interest rates and cash balances.
- The council complied with all Prudential Indicators during the year.

5. Capital Expenditure and Financing 2024/25

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

- financed immediately through the application of capital or revenue resources (capital receipts, capital grants, developer contributions, revenue contributions, reserves etc.), which has no resultant impact on the Council's borrowing need; or
- if insufficient financing is available, or a decision is taken not to apply other resources, the funding of capital expenditure will give rise to a borrowing need.

5.2 Capital Expenditure

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

	2023/24 £'000 Actual	2024/25 £'000 Budget¹	2024/25 £'000 Actual
General Fund capital expenditure	36,374	112,444	57,890
HRA capital expenditure	71,043	107,748	57,178
Total capital expenditure	107,417	220,192	115,068

Resourced by:			
• Capital receipts	(16,016)	(19,446)	(16,049)
• Other contributions	(65,340)	(57,866)	(45,127)
Total available resources for financing capital expenditure	(81,356)	(77,312)	(61,176)
Financed from cash balances and borrowing	26,061	142,880	53,892

¹. As per Treasury Management Strategy report (TMSS) to full Council approved on 15 February 2024, adjusted to reflect changes approved in year.

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

6.1 Minimum revenue provision (MRP)

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.

6.2 The Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 require local authorities to calculate for the financial year an amount of MRP which is considered to be 'prudent'.

The Council's MRP policy for 2024/25 was set out in the Annual Treasury Management Strategy agreed by Council on 15 February 2024. In accordance with this policy, the minimum revenue provision charged to the General Fund in 2024/25 was £326,000.

6.3 Local authorities are also permitted to make additional voluntary revenue provision charges in order to accelerate the financing of underlying debt and reduce annual MRP charges in the future.

No voluntary revenue provision charges were made during 2024/25. As at 31 March 2025, the cumulative total of voluntary revenue provision charges made in previous

years was £9,545,000.

6.4 **Borrowing during 2024/25**

During 2024/25, the council used external borrowing to finance capital expenditure on the Park Street hotel and car park development. This was pre-arranged at the start of the project. During the year, £30 million of external borrowing was drawn down for this purpose, with a further £55 million pre-arranged to be drawn down in 2025/26. The remaining financing of capital expenditure from cash balances of £23.892 million shown in the above table was met using internal borrowing. This includes amounts lent to the Cambridge Investment Partnership LLP, which will be repaid when the relevant housing schemes are completed, and amounts relating to HRA capital expenditure.

6.5 **External Debt as at 31 March 2025**

The table below shows the Council's outstanding debt and headroom (the amount of additional borrowing that is possible without breaching the Authorised Borrowing Limit) as at 31 March 2025:

	Principal (£'000)
Authorised Borrowing Limit – agreed by Council on 15 February 2024	550,000
PWLB Borrowing (for HRA Self-Financing)	213,572
Other external borrowing	29,807
Total current headroom	306,621

As at 31 March 2025, the debt held by the council related to twenty loans from the PWLB for self-financing the HRA, and a pre-arranged annuity loan from a financial institution in order to finance the development of the Park Street hotel and car park.

7. **Treasury Position as at 31 March 2025**

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

Management Practices and regular reporting to Members.

- 7.2 The table below provides a comparison of deposit activity and outturn for 2024/25 against 2023/24:

Deposit Type	2024/25		2023/24	
	Average Deposits (£m)	Average Rate of Return	Average Deposits (£m)	Average Rate of Return
Fixed Rate Deposits	31.32	5.23%	77.85	4.86%
Call/Overnight Accounts	15.92	4.46%	11.82	4.56%
Money Market Funds	29.56	5.01%	31.09	4.98%
CCLA Local Authorities' Property Fund and Enhanced Cash Funds	24.29	4.58%	24.39	3.48%
Bond	2.80	2.20%	4.37	2.27%
Overall Deposit Return	103.89	4.81%	149.52	4.48%

A summary of deposits is shown at Appendix A.

- 7.3 Total interest on treasury investments and dividends from managed funds of £4.705 million have been earned on the council's deposits during 2024/25 at an average rate of return of 4.81% (4.48% in 2023/24). (Note that the interest earned does not exactly equal the average rate of return multiplied by the average invested balance, as the rates of return above also take into account fair value movements on the principal invested where applicable – these movements are reversed out of the General Fund under statutory requirements). This has resulted in an overall over-achievement on the budget of £1.157million. This was substantially driven by continuing high interest rates and higher cash balances being held on deposit than assumed at the time the budget was set.

8. Interest Rate Update

- 8.1 In support of effective forecasting the council needs to be aware of the potential influence of market interest and investment rates. The council is provided with regular commentary on current market conditions by its treasury advisors (MUFG), and the commentary as at 31 March 2025 including trends observed in 2024/25 is presented at Appendix B.
- 8.2 The Bank of England's Monetary Policy Committee cut the base rate by 0.25% to 4% in August 2025. In the light of this decision, our treasury advisors updated their forecast for future interest rates and this forecast is included in Appendix B.

MUFG have revised their previous forecast for a November rate cut, instead pushing that back to February 2026, on the basis that CPI inflation should have peaked by then and will be on a slow downwards trajectory back to 2% by 2027. Further gradual reductions in Bank Rate to 3.25% are then anticipated, with the important proviso that this is only if inflation and employment data are supportive of such cuts.

9. Prudential and Treasury Indicators

- 9.1 During the financial year the council operated within the 'authorised' and 'operational' borrowing limits contained within the Prudential Indicators set out in the council's Treasury Management Strategy Statement. The outturn for Prudential and Treasury Indicators is shown in Appendix C.
- 9.2 MUFG continues to revise its recommendations on counterparties and appropriate durations. The Council follows MUFG's recommendations as reflected in the current Counterparty List at Appendix D. Note that the limit for lending to Cambridge Investment Partnership LLP (CIP) has been increased to £65 million in order to accommodate proposed loans in respect of approved developments at ATS/Murketts, Newbury Farm and Fanshawe Road, subject to separate approval of an associated capital budget by Full Council.

10. Corporate plan

- 10.1 Effective management of the Council's cashflows, investments and borrowing supports all aspects of the Council's Corporate Plan. Interest received from investments and interest paid on debt are important factors when considering how best to deliver on the priorities set out in the Plan.

[Corporate plan 2022-27: our priorities for Cambridge - Cambridge City Council](#)

11. Consultation, engagement and communication

- 11.1 None required.

12. Anticipated outcomes, benefits or impact

- 12.1 Regular monitoring of performance against Prudential and Treasury Indicators enables timely action to be taken to address any issues highlighted.
- 12.2 Reporting of financial information to Cabinet leads to greater transparency of decision making.

13. Implications

Relevant risks

- 13.1 Prudent management of the Council's cash balances reduces the risk of financial loss.

Financial Implications

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

Legal Implications

13.3 None

Equalities and socio-economic Implications

13.4 None

Net Zero Carbon, Climate Change and Environmental implications

13.5 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.

The council continues to work with MUFG to understand developments within financial markets which offer the opportunity to have regard for ESG criteria when placing investments. The relevant CIPFA guidance asserts the primacy of 'security, liquidity and yield' considerations when managing the treasury portfolio and the council is required to adhere to that guidance.

Where the council invests for the longer term, there are opportunities to invest in products or counterparties which align with council objectives. Currently, this is reflected in the substantial fixed-term deposits with other local authorities and investments in the CCLA Local Authority Property Fund. The CCLA Property Fund provides investors with regular updates about its work to reduce the carbon footprint of its property portfolio and increase the EPC rating of individual properties it owns.

Procurement Implications

13.6 None

Community Safety Implications

13.7 None

14. Appendices

14.1 Appendix A – Treasury Management position as at 31 March 2025

Appendix B – MUFG’s opinion on UK interest and investment rates

Appendix C – Prudential and Treasury Management indicators

Appendix D – Current Counterparty List

Appendix E – Glossary of Terms and Abbreviations

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

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Appendix A

TREASURY MANAGEMENT POSITION AS AT 31 MARCH 2025

CURRENT DEPOSITS

The council's deposits as at 31 March 2025 are shown in the table below:

Counterparty	% Rate	Remaining Duration	Principal (£'000)
Fixed Term Deposits			
Great Yarmouth Borough Council	4.70	5 months	6,000
Blackpool Council	4.80	16 days	5,000
Northumberland County Council	4.85	2 days	5,000
Allia Ltd	2.20	21 months	2,800
Total Fixed Term Deposits			18,800
Counterparty	% Rate	Minimum Duration	Principal (£'000)
Variable Rate Notice Accounts			
Barclays Bank PLC	4.00	Same day	12,788
CCLA Local Authorities Property Fund	4.47	90 days	15,000
Total Variable Rate Notice Accounts			27,788
TOTAL			46,588

Appendix B

MUFG'S OPINION ON UK INTEREST AND INVESTMENT RATES AS AT 31 MARCH 2025

UK Economy

UK inflation has proved somewhat stubborn throughout 2024/25. Having started the financial year at 2.3% y/y (April), the CPI measure of inflation briefly dipped to 1.7% y/y in September before picking up pace again in the latter months. The latest data shows CPI rising by 2.8% y/y (February), but there is a strong likelihood that figure will increase to at least 3.5% by the Autumn of 2025.

Against that backdrop, and the continued lack of progress in ending the Russian invasion of Ukraine, as well as the potentially negative implications for global growth as a consequence of the implementation of US tariff policies by US President Trump in April 2025, Bank Rate reductions have been limited. Bank Rate currently stands at 4.5%, despite the Office for Budget Responsibility reducing its 2025 GDP forecast for the UK economy to only 1% (previously 2% in October).

Moreover, borrowing has become increasingly expensive in 2024/25. Gilt yields rose significantly in the wake of the Chancellor's Autumn Statement, and the loosening of fiscal policy, and have remained elevated ever since, as dampened growth expectations and the minimal budget contingency (<£10bn) have stoked market fears that increased levels of borrowing will need to be funded during 2025.

The table below provides a snapshot of the conundrum facing central banks: inflation pressures remain, labour markets are still relatively tight by historical comparisons, and central banks are also having to react to a fundamental re-ordering of economic and defence policies by the US administration.

	UK	Eurozone	US
Bank Rate	4.50%	2.5%	4.25%-4.5%
GDP	0.1%q/q Q4 (1.1%y/y)	+0.1%q/q Q4 (0.7%y/y)	2.4% Q4 Annualised
Inflation	2.8%y/y (Feb)	2.3%y/y (Feb)	2.8%y/y (Feb)
Unemployment Rate	4.4% (Jan)	6.2% (Jan)	4.1% (Feb)

The Bank of England sprung no surprises in their March meeting, leaving Bank Rate unchanged at 4.5% by a vote of 8-1, but suggesting further reductions would be gradual. The Bank of England was always going to continue its cut-hold-cut-hold pattern by leaving interest rates at 4.50% but, in the opposite of what happened at the February meeting, the vote was more hawkish than expected. This suggested that as inflation rises later in the year, the Bank cuts rates even slower, but the initial impact of President Trump's tariff policies in April 2025 on the financial markets underpin our view that the Bank will eventually reduce rates to 3.50%.

Having said that, the Bank still thinks inflation will rise from 2.8% in February to 3¾% in Q3. And while in February it said “inflation is expected to fall back thereafter to around the 2% target”, this time it just said it would “fall back thereafter”. That may be a sign that the Bank is getting a bit more worried about the “persistence in domestic wages and prices, including from second-round effects”. Accordingly, although we expect a series of rate cuts over the next year or so, that does not contradict the Bank taking “a gradual and careful” approach to cutting rates, but a tepid economy will probably reduce inflation further ahead and prompt the Bank to cut at regular intervals.

From a fiscal perspective, the increase in businesses’ national insurance and national minimum wage costs from April 2025 is likely to prove a headwind, although in the near-term the Government’s efforts to provide 300,000 new homes in each year of the current Parliament is likely to ensure building industry employees are well remunerated, as will the clamp-down on immigration and the generally high levels of sickness amongst the British workforce. Currently wages continue to increase at a rate close to 6% y/y. The MPC would prefer a more sustainable level of c3.5%.

As for equity markets, the FTSE 100 has recently fallen back to 7,700 having hit an all-time intra-day high 8,908 as recently as 3rd March. The £ has also endured a topsy-turvy time, hitting a peak of \$1.34 before dropping to \$1.22 in January and then reaching \$1.27 in early April 2025.

USA Economy

Despite the markets willing the FOMC to repeat the rate cut medicine of 2024 (100 basis points in total), the Fed Chair, Jay Powell, has suggested that the Fed. Funds Rate will remain anchored at 4.25%-4.5% until inflation is under control, and/or the economy looks like it may head into recession as a consequence of President Trump’s tariff policies.

Inflation is close to 3% and annualised growth for Q4 2024 was 2.4%. With unemployment just above 4%, and tax cuts in the pipeline, the FOMC is unlikely to be in a hurry to cut rates, at least for now.

Eurozone Economy

The Eurozone economy has struggled throughout 2024 and is flat lining at present, although there is the promise of substantial expenditure on German defence/infrastructure over the coming years, which would see a fiscal loosening. France has struggled against a difficult political backdrop, but with a large budget deficit it is difficult to see any turn-around in economic hopes in the near-term. With GDP currently below 1% in the Eurozone, the ECB is likely to continue to cut rates, although the headline inflation rate is still above 2% (2.3% February 2025). Currently at 2.5%, a further reduction in the Deposit Rate to at least 2% is highly likely.

Updated Interest Rate Forecast following Base Rate Cut in August 2025

MUFG Corporate Markets Interest Rate View 11.08.25													
	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27	Jun-27	Sep-27	Dec-27	Mar-28	Jun-28	Sep-28
BANK RATE	4.00	4.00	3.75	3.75	3.50	3.50	3.50	3.50	3.25	3.25	3.25	3.25	3.25
3 month ave earnings	4.00	4.00	3.80	3.80	3.50	3.50	3.50	3.50	3.30	3.30	3.30	3.30	3.30
6 month ave earnings	4.00	3.90	3.70	3.70	3.50	3.50	3.50	3.50	3.30	3.30	3.40	3.40	3.40
12 month ave earnings	4.00	3.90	3.70	3.70	3.50	3.50	3.50	3.50	3.30	3.40	3.50	3.60	3.60
5 yr PWLB	4.80	4.70	4.50	4.40	4.30	4.30	4.30	4.20	4.20	4.20	4.20	4.10	4.10
10 yr PWLB	5.30	5.20	5.00	4.90	4.80	4.80	4.80	4.70	4.70	4.70	4.70	4.60	4.60
25 yr PWLB	6.10	5.90	5.70	5.70	5.50	5.50	5.50	5.40	5.40	5.30	5.30	5.30	5.20
50 yr PWLB	5.80	5.60	5.40	5.40	5.30	5.30	5.30	5.20	5.20	5.10	5.10	5.00	5.00

Appendix C

PRUDENTIAL AND TREASURY MANAGEMENT INDICATORS

	Actual 2023/24 £'000	Budget¹ 2024/25 £'000	Actual 2024/25 £'000
PRUDENTIAL INDICATORS			
Capital expenditure			
- General Fund	36,374	112,444	57,890
- HRA	71,043	107,748	57,178
Total	107,417	220,192	115,068
Capital Financing Requirement (CFR) as at 31 March			
- General Fund	70,806	147,014	109,084
- HRA	215,136	292,735	230,352
Total	285,942	439,749	339,436
Change in the CFR ²	15,993	153,807	53,494
Deposits at 31 March	90,191	82,706	46,588
External Gross Debt	213,572	322,778	243,379
Ratio of financing costs to net revenue stream			
-General Fund	(17.73%)	(2.97%)	(20.72%)
-HRA	10.09%	19.39%	11.49%
Net income from commercial and service investments to net revenue stream			
-General Fund	10,626	11,679	10,404
-HRA	494	413	631
% of net revenue stream			
-General Fund	42.67%	40.93%	41.98%
-HRA	0.96%	0.74%	1.11%

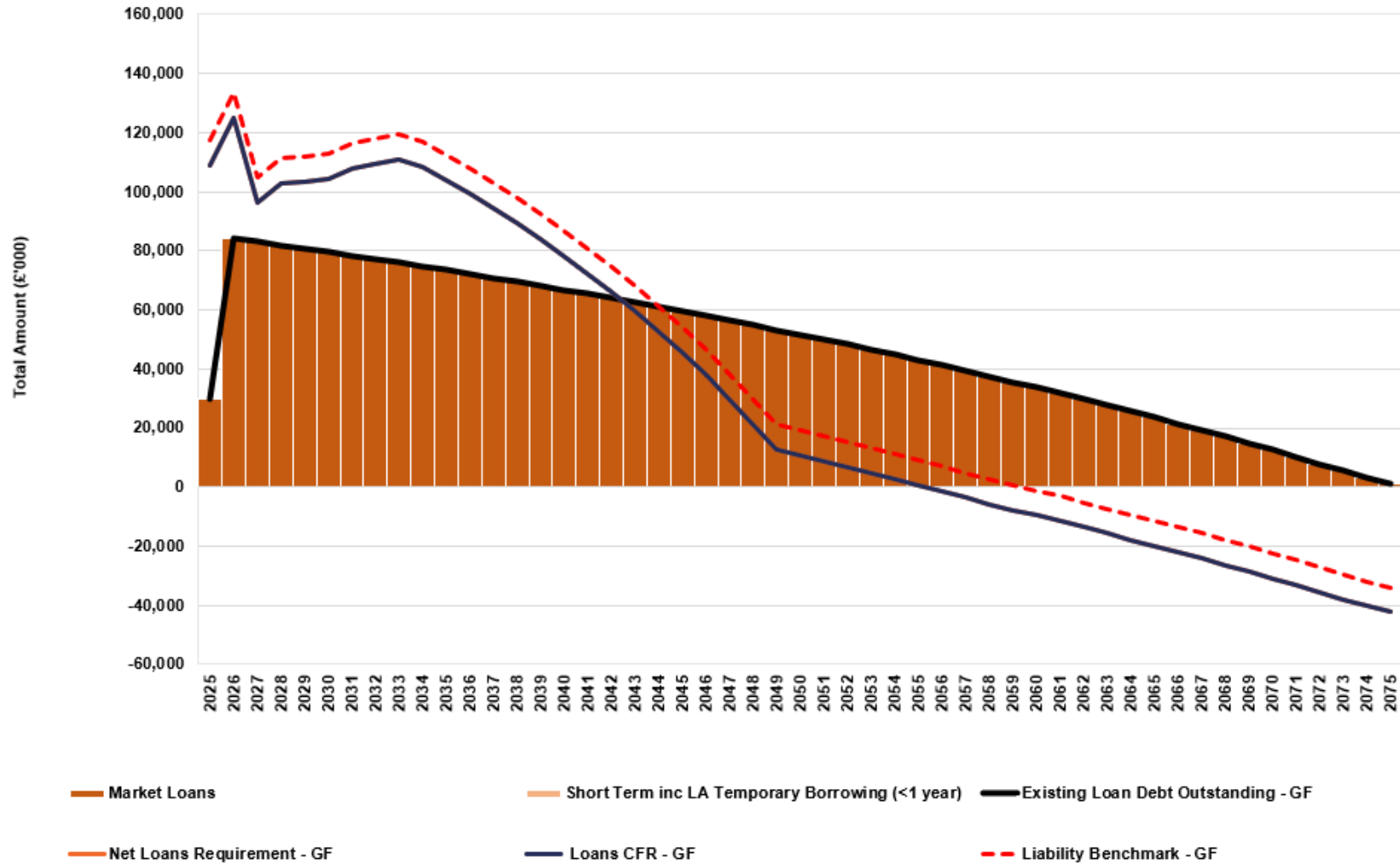
1. As per Treasury Management Strategy report (TMSS) to full Council approved on 15 February 2024, updated for changes to capital programme approved in year

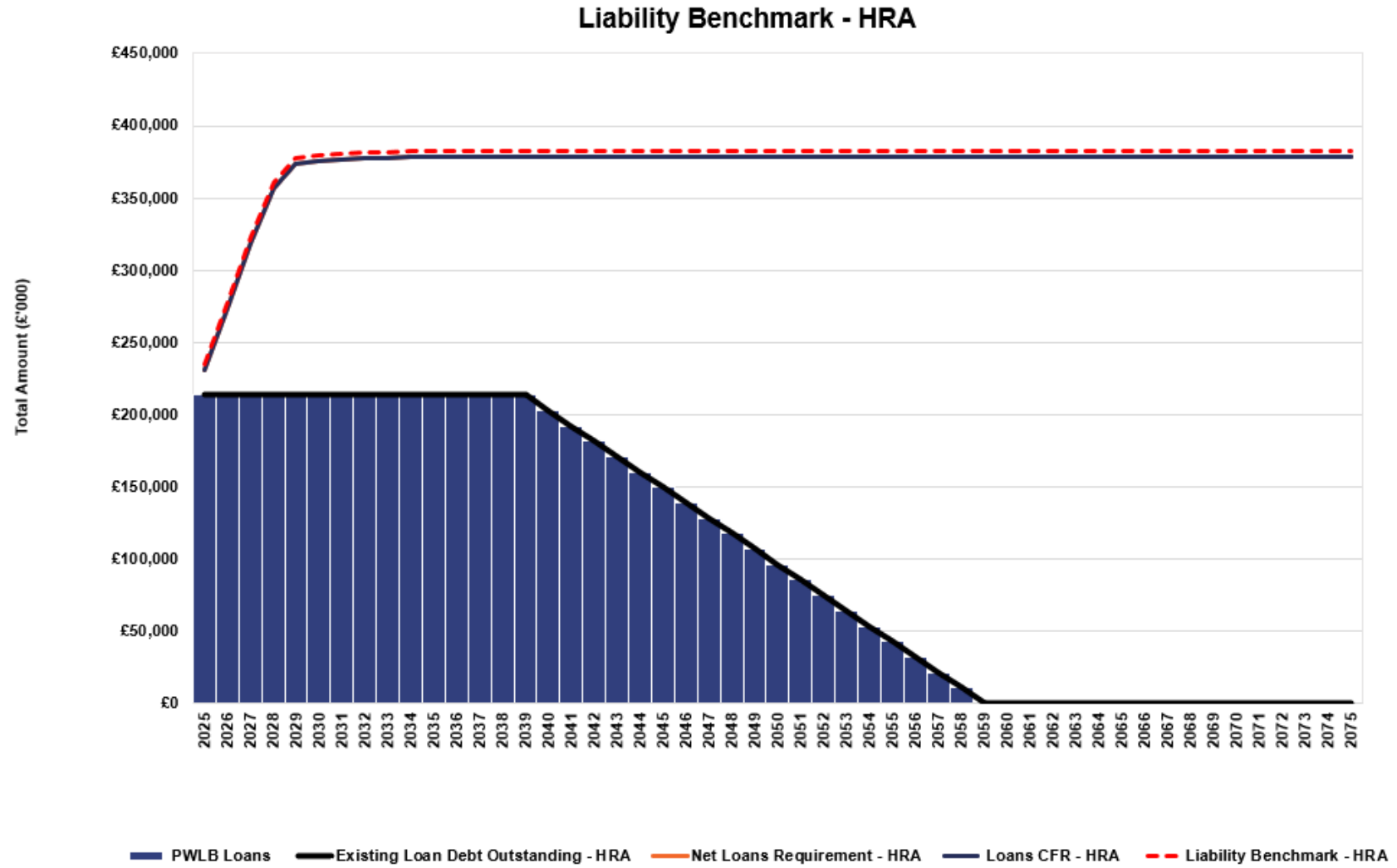
2. After accounting for MRP charge and voluntary revenue provision

	Actual 2023/24 £'000	Budget¹ 2024/25 £'000	Actual 2024/25 £'000
TREASURY INDICATORS			
Authorised limit			
for borrowing	550,000	550,000	550,000
for other long term liabilities	2,000	2,000	2,000
Total	552,000	552,000	552,000
Operational boundary			
for external borrowing	332,461	451,249	434,867
for other long term liabilities	1,500	1,500	1,500
Total	333,961	452,749	436,367
Upper limit for total principal sums deposited for over 364 days & up to 5 years	50,000	30,000	30,000
Upper limit for fixed & variable interest rate exposure			
Net interest on fixed rate borrowing/deposits	3,600	9,613	5,716
Net interest on variable rate borrowing/deposits	(3,122)	(1,773)	(3,681)
Maturity structure of new fixed rate borrowing	Upper Limit	Lower Limit	
10 years and above (PWL borrowing for HRA Reform)	100%	0%	

¹ Per Annual Treasury Management Strategy Report agreed by Council on 15 February 2024. This is considered the appropriate point of reference since it reflects limits in place from the start of the financial year.

Liability Benchmark - General Fund





Appendix D

Current Counterparty List

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

MUFG 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

Name	Council's Current Deposit Period	Category	Limit (£)
All UK Police Authorities	N/A	Police Authority	20m
All UK Fire Authorities	N/A	Fire Authority	20m
Debt Management Account Deposit Facility	N/A	DMADF	Unlimited
Enhanced Cash Funds (Standard & Poor's: AAAf/S1, Fitch: AAA/S1)	Over 3 months and up to 1 year	Financial Instrument	10m (per single counterparty)
Enhanced Money Market Funds (not below AAf) - VNAV	Over 3 months and up to 1 year	Financial Instrument	5m (per fund)
Money Market Funds (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 MUFG's Credit Criteria	UK Banks and UK Nationalised Banks	40m
Non-Specified Investments: -			
All UK Local Authorities – longer term limit	Over 1 year and up to 5 years	Local Authority	Up to 35m (in total)
Cambridge City Council Housing (CCHC) Working Capital Loan	Up to 1 year	Loan	200,000
Cherry Hinton Community Benefit Society	Up to 1 year	Loan	50,000
CCHC Investment*	Rolling Balance	Loan (Asset Security)	7,500,000
Cambridge Investment Partnership*	Rolling Balance	Loan (Asset Security)	65m
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

Name	Council's Current Deposit Period	Category	Limit (£)
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: AAAf/S1, Fitch: AAAs/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.

Appendix E

Treasury Management – Glossary of Terms and Abbreviations

Term	Definition
Authorised Limit for External Borrowing	Represents a control on the maximum level of borrowing
Capital Expenditure	Expenditure capitalised in accordance with regulations i.e. material expenditure either by Government Directive or on capital assets, such as land and buildings, owned by the Council (as opposed to revenue expenditure which is on day to day items including employees' pay, premises costs and supplies and services)
Capital Financing Requirement	A measure of the Council's underlying borrowing need, i.e. it represents the total historical outstanding capital expenditure which has not been paid for from either revenue or capital resources
Certificates of Deposit (CDs)	Low risk certificates issued by banks which offer a higher rate of return
CIP	Cambridge Investment Partnership
CIPFA	Chartered Institute of Public Finance and Accountancy
Corporate Bonds	Financial instruments issued by corporations
Counterparties	Financial institutions with which funds may be placed
Credit Risk	Risk of borrower defaulting on any type of debt by failing to make payments which it is obligated to do
Enhanced Cash Funds	Higher yielding funds typically for investments exceeding 3 months
Eurocurrency	Currency deposited by national governments or corporations in banks outside of their home market
External Gross Debt	Long-term liabilities including Private Finance Initiatives and Finance Leases
FOMC	Federal Open Market Committee - the Federal Reserve Committee responsible for setting U.S. monetary policy

Term	Definition
Government CNAV	Highly liquid sovereign stock based on a Constant Net Asset Value (CNAV)
HRA	Housing Revenue Account - a ringfenced account for local authority housing where a council acts as landlord
HRA Self-Financing	A new funding regime for the HRA introduced in place of the previous annual subsidy system
Liquidity	A measure of how readily available a deposit is
Low Volatility Net Asset Value (LVNAV)	Highly liquid sovereign stock based on a Constant Net Asset Value (CNAV)
MPC	Monetary Policy Committee - The Bank of England Committee responsible for setting the UK's bank base rate
Minimum Revenue Provision (MRP)	Revenue charge to finance the repayment of debt
Non Ring Fenced Bank (NRFB)	Government and Bank of England rules apply to all UK Banks which have to split their business into 'core' retail and investment units known as Ring and Non Ring Fenced Banks
Non-Specified Investments	These are investments that do not meet the conditions laid down for Specified Investments and potentially carry additional risk, e.g. lending for periods beyond 1 year
Operational Boundary	Limit which external borrowing is not normally expected to exceed
PWLB	Public Works Loans Board - an Executive Government Agency of HM Treasury from which local authorities and other prescribed bodies may borrow at favourable interest rates
Quantitative Easing (QE)	A financial mechanism whereby the Central Bank creates money to buy bonds from financial institutions, which reduces interest rates, leaving businesses and individuals to borrow more. This is intended to lead to an increase in spending, creating more jobs and boosting the economy

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

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