



Cambridge City Council Notice of Council

Date: Thursday, 26 February 2026

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, 26 February 2026 at 6.00 pm and I hereby summon you to attend.

Dated 18 February 2026

Yours faithfully

Robert Pollock

Chief Executive

Agenda

- 1 Apologies for absence
- 2 Declarations of Interest
- 3 Minutes
To approve the minutes of the meetings held on 20 & 27 November 2025.
- 3a Minutes of the meeting held on 20 November 2025 (Pages 9 - 14)
- 3b Minutes of the meeting held on 27 November 2025 (Pages 15 - 40)
- 4 Mayor's announcements

- 5 Public questions time
- 6 To deal with oral questions
- 7 To consider the recommendations of the Executive for adoption
- 7a Budget Setting Report and Medium Term Financial Strategy 2026-27 (Pages 41 - 320)
Appendix T(b) to the report contains exempt information during which the public is likely to be excluded from the meeting subject to determination by Full Council following consideration of a public interest test. This exclusion would be made under paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.
- 7b Council Tax Reduction Scheme (Pages 321 - 374)
- 8 To consider the recommendations of Committees for adoption
- 8a Pay Policy Statement (Pages 375 - 388)
Note the final recommendation will be presented following a meeting of the Employment Committee prior to the Full Council meeting.
- 8b Review of Statement of Licensing Policy (Pages 389 - 464)
- 9 To consider the following notices of motion, notice of which has been given by:
- 9a Councillor Tong: City of Sanctuary

1 City of sanctuary

This council asserts that it wishes Cambridge to be a city of sanctuary in both name and deed.

This council asserts that this aspiration is shared by its residents, including particularly those who have become Cambridge residents by choice after becoming refugees.

This council wishes to re-affirm its commitment to be a city of sanctuary and take concrete steps to ensure that it plays no part in directly or indirectly financing the warfare and war crimes that force innocent people to flee for their lives.

2 Pension scheme divestment

The council notes with concern that, despite passing a divestment motion and several questions asked by councillors, it has been unable to provide residents, employees and councillors with clear information on whether any of the pension contributions it pays from employees' salaries and council tax are invested in ways that directly finance aggressive acts of war and war crimes. This undermines the credibility of Cambridge's claim to be a city of sanctuary.

This council resolves to write to all other local authorities in their current and expected pension pool to request them to vote for this information to be obtained, circulated and a divestment plan put in place at the earliest possible date.

The council notes that the current pension pool is ACCESS and that this will join the BTCPP pension pool and accordingly proposes to write to members of both as well as the managers and trustees of the pension funds.

3 Barclays Bank

The council reaffirms its commitment to withdraw its accounts from Barclays Bank plc at the earliest date that the contract can be terminated without penalty and find a more ethical banking partner. This is on the grounds that this bank has loaned over £2 billion to companies providing arms to Israel alone.

4 Flag policy

The council commits to reviewing its flag protocol at the next Civic Affairs & Audit meeting and including the flag of the newly recognised state of Palestine in the list of national flags to be flown on appropriate occasions. It also commits to illuminating the Guildhall in the colours of the Palestinian flag on 28 November, the UN's International Day of Solidarity with the Palestinian People.

9b Councillor Dalzell: Unfair Business Rates Increases, Threatening Neighbourhood Shops

This Council notes:

1. That neighbourhood shopping areas across Cambridge are facing dramatic business rates increases from April 2026, with Valuation Office Agency (VOA) data showing particularly severe

impacts in areas outside the city centre including Milton Road (25% increases), Chesterton Road (43-46%), Cherry Hinton High Street (19-25%), Queen Edith's, and Arbury (approximately 20%).

2. That business rates are a nationally controlled tax, the proceeds of which are controlled by central government, with local councils only collecting them on Government's behalf and receiving a small incentive for increases in the total raised in their areas.
3. That these increases coincide with the removal of 40% Retail, Hospitality and Leisure (RHL) relief affecting 230,000 small firms across England, meaning actual bills for neighbourhood shops will increase by several hundred percent over the next three years despite so-called 'transitional protections'.
4. That the Federation of Small Businesses (FSB) has warned of 'three years of business rates misery' with an average 52% hike in bills for small businesses such as cafés, shops and hairdressers, describing this as a 'tax timebomb' that threatens high streets and the jobs and services they provide.
5. That the Government has raised new funds from a high-value multiplier which it has the power to use to support retail, hospitality and leisure sectors but has chosen not to, leaving most of the high street without adequate support.
6. That the VOA operates geographical 'valuation schemes' grouping streets together, with neighbourhood shopping areas serving less affluent communities systematically facing higher increases than city centre areas.
7. That businesses in these neighbourhood areas provide essential local services, affordable goods, and employment to Cambridge's less affluent communities.

This Council believes:

8. That forcing neighbourhood shops to raise prices or close makes the cost of living crisis worse for families across Cambridge who can least afford it.
9. That viable local shopping areas are essential for community cohesion and supporting residents who cannot easily travel to city centre retail.
10. That there is no rational justification for neighbourhood shopping areas serving deprived communities to face massive increases of 20-46%.
11. That the Government has raised new revenue from high-value properties which could be used to support small businesses but

has chosen to provide only limited relief to pubs and music venues while leaving most of the high street without adequate support.

12. That the removal of meaningful RHL relief, combined with aggressive revaluation, threatens the survival of neighbourhood shops across Cambridge.
13. That the Government's transitional protections are wholly inadequate - allowing bills to increase by £800 per year or 15-25% over three years amounts to managed decline of our local high streets.
14. That businesses facing these increases will be forced to raise prices (increasing the cost of living for residents across Cambridge who can least afford it), reduce services, or close entirely.
15. That Labour's handling of business rates reform has been chaotic and poorly communicated, with the Government's own calculator withdrawn after providing incorrect figures, leaving businesses unable to plan with certainty.

This Council resolves:

16. To write to the Chancellor of the Exchequer and Cambridge's Members of Parliament calling on the Labour Government to provide meaningful relief for retail, hospitality and leisure businesses equivalent to the previous 40% support levels, using the new revenue raised from high-value properties, and urging Government to enact meaningful long-term reform by replacing business rates with a Commercial Landowner Levy (CLL) paid by property owners instead of tenants.
17. To write to the VOA demanding an explanation for the geographical disparities in rateable value increases across Cambridge, particularly why neighbourhood shopping areas are facing massive increases of 20-46%, and requesting an urgent review of the methodology used.

9c Councillor Gardiner-Smith: Holiday Voucher Scheme

This Council notes:

- The Cambridgeshire Holiday Voucher Scheme was championed by Labour and introduced in 2023 by the Joint Administration at Cambridgeshire County Council.
- The scheme provides over 20,000 thousand school-aged children with access to nutritious meals during school holidays.

- The scheme makes a very real and practical difference to struggling families — the equivalent of £15 per week per child during the 12 weeks of school holidays for the worst-off households in our county.
- The Liberal Democrat administration at Cambridgeshire County Council proposed and voted through a County Council budget for 2026-27 that scraps this vital lifeline for vulnerable children and their families from September 2026.
 - The cuts came just a month after the UK government confirmed it was increasing direct funding to Cambridgeshire County Council by 28.8%.
 - The cuts are in marked contrast to the food justice work being supported by Cambridge City Council, which includes support for holiday activity and lunch clubs across the city.
- The Liberal Democrat County Councillors sided with Conservative and Reform UK councillors to vote down the Labour group's fully costed amendment, which would have ensured vulnerable families received this vital support until 2029.

This council resolves to:

- Condemn the decision by Cambridgeshire County Council to cut the holiday vouchers scheme and call on the County Council to support Labour's proposal to keep the scheme.
- Thank the many voluntary and community groups who work alongside Cambridge City Council for food justice in Cambridge.

9d Councillor Ashton: Potholes Cambridge

This Council calls on Liberal Democrat-controlled Cambridgeshire County Council, who are in charge of pothole repairs, to take the urgent measures needed to reduce the current death traps Cambridge City residents face daily and to outline how this will be done.

This Council notes:

According to the County Council's own figures, there are currently 5600 potholes needing repair^[1]. They state that they are fixing over 1000 per week. This would mean we should expect the residents of Cambridge to see an end to the current holes in 6 weeks' time.

A survey by go.compare found that Cambridgeshire has the highest number of potholes reported in England and Wales: 22 potholes per mile of road.

The Labour Government is investing £188m in road repairs and resurfacing in Cambridgeshire and Peterborough over the next four years.

This Council resolves:

That the Leader of Cambridge City Council should write to the Leader of Cambridgeshire County Council to highlight this Council's serious concerns for our residents' health and safety when using our roads.

To call on Cambridge's MPs to write to the Leader of the Liberal Democrat-controlled Cambridgeshire County Council to highlight the concerns of our residents.

The Council asks that those City Councillors who also sit on the County Council, representing Queen Ediths and Abbey Wards, ensure that action is taken to prevent the roads becoming even more of a death trap for users.

<https://www.cambridgeshire.gov.uk/news/more-highways-officers-for-pothole-season>

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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.

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- 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.

COUNCIL

20 November 2025

5.30 - 6.45 pm

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

FOR THE INFORMATION OF THE COUNCIL

25/96/CNL Apologies for absence

Apologies were received from Councillors Dryden, Griffin, Howard, Martinelli, McPherson, A. Smith and Thittala.

25/97/CNL Declarations of Interest

The Mayor informed Members that the Monitoring Officer had granted a dispensation for this meeting for those members who were also members of Cambridgeshire County Council, so they could take part in the debate and vote.

Name	Item	Reason
Sheil	25/101/CNL	Personal: Employed by Cambridgeshire County Council

25/98/CNL Mayor's announcements

The Mayor reminded Members that the meeting was to discuss and debate a crucial item on Local Government Reorganisation. This was an important opportunity for Councillors to consider how best to secure effective, efficient, and locally responsive services for the people of an historic city and district as well as all residents who lived, worked and studied in Cambridge.

Whatever the outcome, Members shared priority must be to protect the interests of residents and local identity.

Thanks was given to all Officers and Members who had supported this work.

25/99/CNL Minutes

The minutes of 9 October 2025 were confirmed as a correct record and signed by the Mayor.

25/100/CNL Public questions time

Question 1

In Wales, the reorganisation into unitary authorities in the 1990s promised savings and better services but instead delivered higher costs, cuts and weaker accountability. How can the Council claim that this proposal will save money and improve services when these benefits have historically failed to materialise?

The Leader of the Council responded with the following:

- It was true that the 1996 reorganisation in Wales did not deliver the neat package of quick savings and better services that was promised at the time.
- The level of savings achieved would depend on a variety of factors. For example, in the area, there were significant differences between the projected savings from a two-unitary and a three-unitary model.
- The proposal was based on detailed financial data from each of the existing local councils and from s151 officers, whereas the other proposals for the area were based on projections by consultants.
- It could not be claimed that “reorganisation automatically saves money and improves services”
- Using the base case, the financial analysis demonstrated that Option B would generate annual savings by 2032/33 of £42.8m.

Supplementary Question

Will the Council ensure that residents receive honest evidence-based information before claiming that the public supports reorganisation?

The Leader of the Council responded with the following:

- Many services currently run by the County Council would actually come closer to home for Cambridge residents under our proposed model. In the well-chosen words of the Leaders predecessor, decisions about roads, social care or schools in Cambridge would no longer be taken by Fenland councillors sitting in Alconbury.

- Moreover, having ‘the council’ that fixed the potholes and emptied the bins as the same council, rather than two separate ones, could help residents to have clarity on who was responsible for what.
- There should be some helpful, practical benefits for residents from council services being under one organisation rather than two. Housing and health, for example, would now be under one council, and would hopefully be able to work more closely together as a result.
- At one of our public meetings to discuss Local Government Reorganisation, the Leader was struck by a story from one attendee who lived in Waterbeach, but as a result was unable to access council-organised exercise classes in Cambridge, instead having to take a much further journey all the way round the city, just because he was in South Cambridgeshire and not Cambridge.

Question 2

We hope that our support of Cambs Unitaries Campaign for option B is welcomed.

However, does the Council and Leader feel that having a layer of government between Greater Cambridge and central government add anything? Why does the paper propose this transfer, which will result in less power for Cambridge decision-makers and taking away self-determination on strategic matters, without public consultation or consent?

The Leader of the Council responded with the following:

- Thanked the Cambs Unitaries Campaign for their support for unitarisation and for Option B, and the group’s active engagement in this process.
- There had been a slight misunderstanding -- the paper proposes transfer of the historic, civic Mayoralty of Cambridge and of Cambridge’s city status. This was a very important part of our city’s history and traditions, and it was vital that it was preserved.
- The Mayoralty and city status for Cambridge would not automatically transfer from Cambridge City Council to a Greater Cambridge unitary.
- This proposal recommended that that the Mayoralty was transferred to the successor authority via the Structural Change Order creating that new council. With support from the Crown and Government, Cambridge’s city status could be transferred to the new council through issuance of fresh Royal Letters Patent, which could be resolved as part of the Structural Change Order process.

- On the wider question of the Combined Authority, the Leader had only been involved in the Combined Authority for a short time but thought it did have scope for overseeing strategy for the area.
- He agreed that there could be a tension at times between the needs of the north and south of the area, and in some ways he would hope that our proposal, by creating two areas with similar economic power, could allow two different focuses for the two different unitaries, and the Combined Authority could then focus on more overarching issues.

Supplementary Question

The Cambridgeshire Unitary Campaign is a cross-party organisation with members from all five local parties. Unitarisation would give more clarity for citizens on whole to go to, and bring more accountability.

However, it was felt that to some extent unitization would become a side show to devolution. The devolution Bill, although was predominately about moving strategic decision-making power away from the new council and putting powers in the hands of a single individual likely to be placed 30 to 40 miles away. Therefore, the new council will essentially be a service delivery body and would have little powers to make strategic decisions.

It was felt that the new council should be actively launching discussion about the relevance of having a new layer of government over merely two councils which would be a very strange arrangement especially given the difficulties that Cambridge has. Will the council give thought to this problem.

The Leader of the Council responded:

- Option B did not propose any additional transfer of power from Cambridge (or Greater Cambridge) to the CPCA, beyond that proposed by Government in the White Paper on English Devolution.
- The LGR proposal for Option B would lead to the current 7 constituent local authorities of the CPCA being replaced by two economically balanced new unitary councils (Greater Cambridge and North Cambridgeshire & Peterborough). It was proposed that each new council would have equal representation on the CPCA Board. This would reduce the risk of any potential bias towards either member council in CPCA policy, investment or delivery and it would enable the CPCA to focus on the different strengths and challenges in each council area.

- The Council would be working closely with the CPCA to understand the opportunities and challenges for our working relationship arising from LGR and devolution.

25/101/CNL Local Government Reorganisation (LGR) Proposal

Councillor Sheil recused himself from the item and although present for the discussion took no part and did not vote on the matter

Councillor Thornburrow arrived late at the meeting and did not take part in the discussion or vote on the item.

It was moved by the Leader of the Council, Councillor Holloway, and seconded by Councillor Bick, that the recommendations, as set out in the report on the Council agenda, be approved.

Resolved (31 votes to 2) to:

- i. Note the report, including the options appraisal which scored Option B the highest against government criteria for Local Government Reorganisation (LGR), as well as the annexes which included relevant Council motions
- ii. That the Cabinet be recommended to support the City Council's LGR proposal of Option B.
- iii. Support the submission of Option B to the Secretary of State on behalf of the Council

The meeting ended at 6.45 pm

MAYOR

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COUNCIL

27 November 2025

6.00 - 8.25 pm

Present: Councillors Ashton, Baigent, Bennett, Bick, Bird, Blackburn-Horgan, Clough, Dalzell, Davey, Divkovic, Dryden, Flaubert, Gardiner-Smith, Gawthroe Wood, Glasberg, Griffin, Holloway, Hossain, Howard, Illingworth, Lee, Lokhmotova, 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

25/102/CNL Apologies for absence

Apologies were received from Councillors Hauk and Martinelli.

Councillor Bennett left the meeting after item 6 and did not return.

Councillor Thittala left the meeting during the debate on item 9c and did not return.

25/103/CNL Declarations of Interest

Name	Item	Reason
Lokhmotova	25/111/CNL	Personal and Prejudicial: Directly involved in the Civic Quarter Design and did not take part in the discussion or vote.
Lokhmotova	25/113/CNL	Personal: Directly involved in the Civic Quarter Design. Discretion unfettered.
Tong	25/113/CNL	Personal and Prejudicial: Close relationship with someone involved in the market and did not take part in the discussion or vote.

25/104/CNL Mayor's announcements

Recent events of note in the Mayor's diary had included Remembrance Sunday and Armistice Day, which had been well attended by residents, and the Mayor thanked Councillors who had joined her for these special occasions.

The Mayor had also attended a Student Union event with representatives of both Cambridge and Anglia Ruskin Universities; the 150th anniversary of the Cambridge Corn Exchange to celebrate a collaborative project between the Council's cultural services team and local schools, colleges, universities and community organisations; a Future Champions event to recognise the sporting achievements of young people; the opening of Every Space at Cambridge Central Library; and the unveiling of a plaque for Cambridge philosopher Bertrand Russell.

The Mayor would be taking a tour of Cambridge Crown Court in the coming days and would also attend a performance of the pantomime Sleeping Beauty at the reopening of the Cambridge Arts Theatre.

To mark Thanksgiving in the USA, the Mayor noted that the gavel used by successive Cambridge Mayors had been cleaned and restored, in the process revealing an inscription commemorating the presentation of the gavel to City in 1961. The gavel had been a gift from the honourable Edward Crane, Mayor of Cambridge, Massachusetts, and had been crafted of wood from the original Washington elm tree.

25/105/CNL Public questions time

Question 1:

Is there any plan to reopen the closed toilets in Cambridge city and to renovate the existing ones which are so well used. It has impinged on the dignity of residents and visitors alike and restricted the ability to visit the city for reasons too numerous to mention for many council tax payers.

The Cabinet Member for Nature, Open Space and City Services responded with:

- i. There were not any plans to open toilets that had been closed in the past, with the exception of Silver Street where construction of a brand-new facility was underway.

- ii. The City Council had invested in half a dozen toilets across the city – located at Cherry Hinton Hall, Chesterton Recreation Ground, Coleridge Recreation Ground, Drummer Street, Nightingale Recreation Ground, and Pavilion.
- iii. Over £2 million had been invested in toilets across the city.
- iv. There were currently 10 public toilets, rising to 11 on completion of Silver Street works.
- v. All of the City's toilet provision was free to use.
- vi. Five changing places toilets could be found in the City, and the Council would improve provision further where budgets allow.
- vii. The toilet provision at Jesus Green was under review and proposals would be considered carefully as part of future capital planning.
- viii. The Council had obtained costs for a full update, conversion, and improvement of the Shopmobility toilet at the Grand Arcade so that it could be fully Changing Places compliant
- ix. The Council recognised the importance of accessible, well-maintained public toilets, in places where they were most needed, that would align with public feedback and responsible budget management.

Question 2:

Council documents state that only two options are being considered for the redevelopment of Arbury Court: a plan involving completely dismantling the court, building over the park and playground, reducing parking, and building 217 new units or doing nothing.

Will the Council acknowledge that these are not, in fact, the only two options possible and that a true consultation would involve working with the local community to come up with an alternative, viable option that provides quality homes, improves council housing provision, and acknowledges the unique character of this shared public space alongside the needs of streets like Alex Wood Road and Arbury Road?

The Cabinet Member for Housing responded with:

- i. For Arbury Court and Kingsway the council would need to balance several trade-offs in any proposed design – including an increased number of council homes, certainty for residents and traders, a better park for residents, open shops throughout, a better shopping centre, a new library and retained community facilities, all for best value.
- ii. An early plan had been presented for each site to obtain feedback from tenants, leaseholders, freeholders, community groups, traders and other local stakeholders.

- iii. Council was aware that residents would like any park at Arbury Court to include all the facilities offered by the current park. Cycle lanes crossing the park were not a popular option.
- iv. Other feedback had included concerns about being able to use the shops throughout the building program.
- v. These and other points would help the project team shape the design.
- vi. Residents were encouraged to share feedback so that it could be included in the consultation results.

Supplementary Question:

In the original consultation on North Cambridge, hundreds of respondees, car users, cyclists, and pedestrians noted that local roads are overused, unsafe, and literally cracking under the pressure. Yet, the plans drawn up by the Council will add an additional 180 dwellings on Arbury Road, plus potentially hundreds more on the other side of the road in the coming years. So, despite our feedback, Arbury residents like myself are now presented with a plan that pushes yet more traffic onto Arbury Road, builds over our ever shrinking designated open space, already the lowest in Cambridge, and sets a precedent for cramming taller and taller buildings into North Cambridge, while other areas of the city do not face the same treatment. So does the Council agree that there's a significant risk that the community will stop engaging on consultations if they do not respond to our concerns? And going forward, how will you ensure there's a proper dialogue with the community that addresses the critical infrastructure challenges of these plans?

The Cabinet Member for Housing responded with:

- i. Cars and roads were an issue for the County Council.
- ii. There had been no decision on how tall the buildings would be and this would be made after the consultation had closed.
- iii. Residents should respond to the consultation to have their views heard.
- iv. Meetings and liaison forums would be held with residents, tenants, and all involved with the Arbury and Kingsway areas.

Question 3:

Unsurprisingly this is on the subject of Cambridge City's five-year contract with Re-Gen to take our blue bin recycling 400 miles to their site in Northern Ireland for sorting.

At the last full Council meeting on 9th October you stated that Re-Gen were using HVO fuel (Hydrotreated Vegetable Oil) in order to reduce the impact their lorries had on the climate, by reducing the amount of CO2 emitted. We

were left to infer that they were using this in the lorries that come to Cambridge. This would obviously be very welcome if true.

Unfortunately, according to Re-Gen's own website, it is not true. They are only using HVO for 2 of their 159 lorries (that's 1.2% of them), and only on the short 38-mile trip between Newry and Belfast.

Please could you check and confirm whether this is still the case?

Maybe they are using biodiesel in the lorries that come here? (Biodiesel is available at more petrol stations than HVO. They are not considered to be exactly the same thing.)

Biodiesel can be bought at different strengths. Most vehicles cannot run on 100% biodiesel, so it is usually bought blended with normal diesel, eg 7% strength or 20% strength. Any reduction in emissions of global-warming gases associated with this contract would be better than nothing. Meanwhile we wait for the real solution to this situation, which is the MRF site in England that Re-Gen said would be open by April of this year.

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

- i. Thanked the questioner for their excellent scrutiny of the Council's Waste and Recycling Service and acknowledged that they would welcome Regen using HVO fuel for all of their vehicles collecting our recycling, which was exactly what was happening.
- ii. The reference quoted in the question was to a trial carried out by Regen on HVO usage in their vehicles in November 2024. Due to the success of that trial and the fact that HVO could be universally used by all Regen vehicles with no requirement for modifications, Regen were now using HVO across all of their fleet to replace diesel fuel in line with their commitment to deliver a reduction in carbon emissions from the transportation of materials.
- iii. Regen had confirmed that they did not use biodiesel in the vehicles that collect Cambridge's recycling.

Supplementary Question:

At the City Council meeting on 24th of July, you stated wrongly 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 and so there's not been a failure as has been suggested. Regen signed the contract on 10th of April this year. Cambridge City Council signed it on 2nd of June, but plans for a MRF in

England were known about long before that. It was almost promised in a letter from Regen on 29th of January. The plans were mentioned frequently in Council and in both local papers on 15th of January, in a City Council press release in February, and in the environment and scrutiny committee in March. Anyone who was interested knew about the plans for an English MRF. Why did you say in this chamber the plans for a UK mainland site were only known after the contract was signed?

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

- i. The MRF contract had been signed and agreed based on sending the recycling to Newry in Northern Ireland and that was exactly what had happened.
- ii. The plans to go with Newry and Regen had been worked on since before the expiration of the Waterbeach contract and it could take months to agree these contracts.
- iii. There had been additional delays as recycling lorries could empty their load at Waterbeach, now a transfer station was necessary, where the lorries empty the load and the Regen vehicles could be packed up.
- iv. Regen had won the public sector procurement because they had offered the best service.

Post Meeting note: The Head of Climate, Environment and Waste confirmed the plans to go with Re-GEN in Newry had been worked on before the expiration of the Waterbeach contract in August 2024. The exercise to procure the contract commenced in 2022. Procuring contracts such as these is a protracted process due to its complexity.

Question 4:

The £82m North Cambridge/Arbury development has received unanimous in-principle support from all City Council parties. Council-run information sessions have been well attended, allowing many residents to review plans and raise questions.

1. Present Configuration of Plans

Will the Council confirm that, as stated at the information sessions, the current design of the proposed development is not set in concrete and reconfiguration of the design can be considered for the development.

2. Playpark / Play and Park Area

Will the Council commit to ensuring that the key elements of the existing Arbury Court Play Park will be incorporated into the plans for the proposed development, specifically:

- (a) A secure play area for toddlers and young children of an equivalent or greater area, with enhanced equipment in consultation with local residents and community groups.
- (b) Improved play equipment for older children equivalent to or greater than the current provision, also in consultation with local residents and community groups.
- (c) Open green space in the proposed central area of Arbury Court in at least the same area as the existing courtyard, with a boundary and access points allowing for pedestrian access only so that cycles and scooters are not only prohibited on that space by signage, but are unable to enter or cross the space creating a hazard and danger.

3. Trees, Grass and Greenery

Will the Council confirm that the total greenspace, number of trees, and shrubbery in the final plan will be equal to or greater than which currently exists?

The Cabinet Member for Housing responded with:

- i. The Council had asked for feedback on the current proposals and residents were encouraged to take part in the consultation, which would close on 16th December 2025.
- ii. The Council had committed to creating an enhanced park that would include an improved secure play area for toddlers and young children, improved play equipment for older children, co-design with residents on the equipment and other park furniture, removal of cycle paths indicated as crossing the new park, reprovision of the same amount and more protected open space than the current park.
- iii. Any reprovision of open space would have to be enhanced.
- iv. An indicative design had been presented and would be updated to take into account any feedback.
- v. A park at the centre of the new Arbury Court would likely be used more, would encourage less antisocial behaviour and had the support of planners in the discussions that had taken place. Not moving the park could mean less council housing or taller buildings.

- vi. The Council was trying provide a balanced design that residents and planners would support.

Supplementary Question:

Residents are clearly wishing to have involvement in the project. So you've partly answered this question earlier but I would like it confirmed that a local liaison forum for the Arbury Court, Kingsway and Brackley Court proposals will be established to facilitate further and ongoing engagement with local residents and that community groups will also be involved. Similar to the local liaison forum that was established for Ekin Road so that residents will be involved in the project in the development all the way from go to woah, thank you.

The Cabinet Member for Housing responded with:

- i. Every tenant, resident, community group, trader, etc, would be invited to regular meetings to ensure everybody was kept up to date and to prevent the spread of misinformation.

Question 5:

Proposed Arbury Court redevelopment in the North Cambridge Framework for Change:

Many locals, including myself, are concerned about the current plans for the redevelopment, in particular the building on the current park and the planned re-provisioning of green space.

Arbury Ward already had the least protected open space per capita of any ward in Cambridge as far back as 2011, and the same document – the Open Space and Recreation Strategy, 2011 – says clearly that “The new land or facility should be at least as accessible to current and potential new users and at least of equivalent size, usefulness, attractiveness and quality.” Does the Council feel that this is achieved by the plans shown on the consultation’s information boards, in which the green space includes three strips of land directly alongside the road, and a central green space crossed by cycle paths?

I recognise that Cllr. Bird has publicly assured locals that “We’ve heard concerns about cycle paths crossing the new park but this won’t happen.” (Press release, 12th Nov 2025). Given this, why do the Council’s own information boards show those cycle paths cutting diagonally across the central green space?

And finally – at what stage will the Council consult on alternative plans which do not build on the existing park, given that the requirement to re-provide the green space means no extra space for building will be available from doing so?

The Cabinet Member for Housing responded with:

- ii. Any provisions for open space would have to be enhanced and the Council was committed to this, including a play area for toddlers, play area for older children, and the removal of the cycle paths across the park.
- iii. The designs shown were indicative, and they would be updated to take feedback into account.
- iv. Residents should provide feedback on the current proposal which would close on 16 December.
- v. Plans would have to balance trade-offs. A park at the centre of the new Arbury Court would be more likely to be used, would have less antisocial behaviour, and had the support of planners in the discussions that have taken place.
- vi. Not moving the park could mean losing council housing. For those who support council housing, not building on the park could mean taller buildings.
- vii. The Council hoped to provide a balanced design that residents and planners would support.
- viii. No decisions had yet been made.

Supplementary Question:

Is it intentional that the answer to my question was word for word copied from the answer to question four? In particular, the latter half of question four, because I don't feel hugely listened to when the exact same words are used for more than one of us. But I'll put that to one side. More importantly, the rubric being used for the specific choice of putting the park at the centre, a reduction in antisocial behaviour and an increase in usage. The current park is very widely used by a number of different groups and the antisocial behaviour that I'm sure you're citing is directly data from the consultation which was not talking about the current park but a different area of the development. So besides the reasons you've given for moving the park which don't seem to be rooted in the evidence, that I hope you and I are both reading the same version of, what reason is there to move the park there if you are obliged by statute to provide the exact same area of green space afterwards.

The Cabinet Member for Housing responded with:

- i. Every question directed to the Cabinet Member for Housing at this meeting had been the same – on the subject of the park, the design, and the cycle paths going through the park. The answers had been the same, so that every questioner received all the information.
- ii. The design of the park would be set out at the end of the consultation and the Council would feed back to residents, who would be invited to look at the designs.

Question 6:

Following the dismissal of the appeal to demolish the Hobson Street Cinema by the Planning Inspector last week, please can Cambridge City Council appeal to those supporting the Cambridge Pledge and similar minded persons and institutions to acquire the premises and turn it into a joint town-gown community centre so as to provide spaces for the essential shared conversations needed to shape the future of our city and county. There are a number of town and gown groups that would be interested in establishing a presence in such a facility.

The Cabinet Member for Planning and Transport responded with:

- i. The Council welcomed that the inspector upheld the decision of the planning committee and was hopeful that Hobson Street Cinema would find a suitable future use.
- ii. The building was privately owned and any decision was therefore a matter for the owner, but the Council hoped to explore the issue with them.
- iii. Discussions about options for community use had taken place as part of the process considering the previous application, but until the council and owner had met, there could be no further comment on future possibilities.
- iv. The Council was keen to secure a positive and sustainable future for the site that would benefit the city centre and the wider community.

Supplementary Question

I've been following this case for about 10 years. I've got a video on my YouTube channel of me asking Councillor Bick a question about this from 2016. I was particularly disappointed with the planning inspector's report in actually not raising some of the issues in the evidence that I submitted. But going forward, I think this building is an acid test for those who are backing the Cambridge pledge and who are making a lot of publicity about what they're doing to deal with inequalities in our city. And my plea to the councillors is can they start leaning on the wealthy in our city to try and get that building back

into community use like it was before and have it properly restored and not comprehensively redeveloped.

The Cabinet Member for Planning and Transport responded with:

- i. It had been sad to see the lack of maintenance over the past 10 years and the way the building had been allowed to dilapidate to its current condition.
- ii. The Cambridge pledge idea could be investigated.
- iii. The councillors here had heard your message.

25/106/CNL To deal with oral questions

Question 1:

Councillor Elliot Tong to the Cabinet Member for Communities

I was saddened to see the unprovoked attack on the existence of the Cambridge Community Kitchen by an out-of-town politician in the Cambridge Independent.

Given Cambridge Community Kitchen's five years of demonstrably safe, hygienic and essential work tackling food poverty in Cambridge, how will the City Council ensure that this vital grassroots service is protected rather than disrupted in response to external political pressure?

The Cabinet Member responded with:

The Council had supported and worked closely with community groups across the city to promote food justice, including providing advice and assistance to ensure all relevant standards were met, including food safety requirements which Cambridge Community Kitchen had complied with.

The Council had provided grant funding and support to a number of groups seeking to address food poverty – including the Food Justice Alliance, which brought together food charities and community food projects across Cambridge to strengthen coordination and support.

The Community Kitchen played a valuable role in Cambridge City's food justice work. For example, they were one of very few organizations providing hot meals, including on Christmas Day, without gatekeeping and were serving 750 meals a week.

Over the last 5 years, various Council teams had made multiple offers to engage with the Community Kitchen to understand their needs and to offer support, and that offer would always be open.

The Council had also been working closely with local Market ward councillors and local residents to seek to address any wider issues in the area. The aim had consistently been to assist the Community Kitchen to continue providing safe and valued work in our community whilst also addressing wider issues linked to the building itself.

Question 2

Councillor Karen Young to the Cabinet Member for Safety, Well-being and Tackling Homelessness

Could the Cabinet member describe the current extent of proactive patrolling throughout the city that is currently being undertaken by the environmental enforcement team, how many officers are currently dedicated to this relative to the 7 that were budgeted until recently and over what parts of the week they are deployed to do so?

The Cabinet Member responded with:

The new Public Safety team would bring together the former Public Realm team and the Community Safety team. This integration would strengthen the team. It would be more coherent, more resilient and would ensure that both reactive and proactive work would continue to be delivered to a high standard. The new team structure would provide additional capacity and a broad range of skills supporting proactive activities throughout the week.

Within the team, five staff members would provide regular patrolling of open spaces in neighbourhoods, identifying and resolving issues such as dog control concerns, encampments, fly tipping, littering and so forth. These proactive control patrols would take place across the city every weekday. The wider team would work on a case-by case basis with specific activity related to hotspots.

Creation of the integrated team had increased productive work in areas such as supporting the street life community and responding to illegal encampments. The officers were now able to cover a wider set of enforcement functions throughout the working week and all this was under review.

Reactive work would continue in line with established service standards.

Over the last six months, the team had investigated 390 cases with significant time taken to manage abandoned vehicles and fly tipping in particular.

Question 3

Councillor Cheney Payne to the Cabinet Member for Housing

In July 2025, it was identified that the Council has no knowledge of the condition of half of its council housing. Across the last year, there have been extensive reports of households in Cambridge suffering with high levels of damp and mould which the Labour administration had not addressed. Since then, Awaab's Law was introduced in October 2025, mandating that social landlords investigate reports of damp and mould within 10 working days and begin the necessary work to make the property safe within 5 working days of the investigation. This gives tenants legally enforceable rights to safe housing. Given the significant backlog this Council has created in addressing damp and mould, can the Cabinet Member please outline how the Council is planning to meet the requirements of Awaab's Law?

The Cabinet Member responded with:

Cambridge City Council had a strong record of keeping its homes safe, decent and well-maintained. The Council was 99.5% compliant with the decent home standards - significantly above the national average. Council homes were assessed through maintenance and energy-efficiency programmes and urgent safety issues were acted on immediately.

The Council held detailed information about property condition drawn from a wide range of sources. Layered data could provide clear visibility of issues and emerging risks. It had already proved effective in identifying and addressing damp, mould and repair concerns.

The Council's approach had been tested by the regulator of social housing who had found Cambridge City Council to be compliant. To strengthen insight, the Council was going out to market for a full stock condition survey for every council home. This would supplement the substantial intelligence already available.

Over the past year, a specialist damp and mould team had ensured all reported cases were actively managed. In parallel, preparations were underway for the introduction of Awaab's law by refining and strengthening internal process and increasing staff numbers to align with the new legal requirements.

Since Awaab's law came into effect, the Council had received just over 75 damp, condensation and mould reports, representing a measured increase in levels.

Question 4

Councillor Katie Porrer to the Cabinet Member for Nature, Open Spaces and City Services

Could the Cabinet member please confirm whether there are any tangible plans for the replacement of the public toilets on Jesus Green, either as part of a wider scheme including improvements at the Lido or separately, and if there are, at what stage are these?

The Cabinet Member responded with:

The council aimed to have high quality toilets across the city, including at Jesus Green. Over £2 million had recently been spent on new and improved toilets across the city, all free to use.

There were currently 10 toilets, and the completion of Silver Street would take that to 11. In that provision, there were 5 changing places toilets. Plans for improved facilities at Jesus Green would mean further investment in addition to the £2 million already spent.

Work was underway to look into options, including accessibility, sustainability, and operational upgrades. The work was at an early feasibility and scoping stage and was supported by condition surveys completed earlier this year. Following the completion of feasibility work, plans would be brought forward through the Council's normal decision-making and budget setting processes. Members would be updated as the work progressed.

Question 5

Councillor Dave Baigent to the Leader of the Council

This question is raised regarding the Council's commitment to transparency, equity, and fairness in the context of the £80 million North Cambridge Framework for Change Consultation. Specifically, it is asked whether the leader believes that any meetings held by officers and selected community groups and ruling party councillors, can be closed to other councillors (and some local community groups). Surely officer called meetings on something so important to the whole city, should be open and accessible to all councillors who wish to attend. Especially when they write to ask to be there. The intention behind this question is to ensure that all representatives (be they councillors or local community groups) can be present, observe, and if appropriate

contribute, thereby upholding the principles of openness and inclusivity within council proceedings.

The Leader of the Council responded with:

Council Officers held numerous small meetings with residents on a range of topics. The nature of these meetings was that they were an opportunity to hear from residents generally. It would not be practical to invite all 42 councillors to every resident meeting. In this particular case, there were a small number of residents, some officers, Cabinet Members and ward councillors. If all councillors from across the city had been invited, it would not have given residents the appropriate opportunity to have their voices heard.

There were multiple public meetings taking place as part of the ongoing consultation work on North Cambridge and members were welcome to attend those to hear from residents. There were also briefings for councillors.

25/107/CNL To consider the recommendations of the Cabinet for adoption

No recommendations were submitted to this meeting.

25/108/CNL To consider the recommendations of Committees for adoption

No recommendations were submitted to this meeting.

25/109/CNL To consider the following notices of motion, notice of which has been given by:

25/110/CNL Councillor Ashton: The Guildhall

Councillor Ashton proposed and Councillor Thornburrow seconded the following motion:

This Council recognises the historic and enduring significance of the Guildhall as the ceremonial and democratic heart of Cambridge, having served as the home of local governance and Civic life for over 800 years.

The Council affirms that, notwithstanding the transition to a Unitary Council, the Guildhall shall continue to hold its rightful status as the principal venue for local democracy and civic ceremonies, reflecting its heritage and ongoing role in public life.

Councillor Tong proposed and Councillor Clough seconded the following amendment to the motion (additional text underlined and deleted text ~~struck through~~):

This Council recognises the historic and enduring significance of the Guildhall as the ceremonial and democratic heart of Cambridge, having served as the home of local governance and ~~C~~civic life for over 800 years.

~~The Council affirms that, notwithstanding the transition to a Unitary Council, the Guildhall shall continue to hold its rightful status as the principle venue for local democracy and civic ceremonies, reflecting its heritage and ongoing role in public life.~~

This council recognises that once Local Government Reorganisation takes place, the council will cease to exist and that any decision on the Guildhall and its civic role will be made by the new unitary council that replaces it.

The council recognises that it has no power to bind its successors.

Although ministers have yet to announce their decision on the new unitary council, it is clear that South Cambridgeshire District Council and Cambridge City Council and part of Cambridgeshire County Council will all be part of the same new unitary council.

The council resolves to write to the leaders and chief executives of South Cambridgeshire District Council and Cambridgeshire County Council to open negotiations about where a future local authority comprising Cambridge should be based.

The council resolves to write to the leader and chief executive of any other council that ministers decide to include in the same new council as Cambridge once a decision has been announced to open negotiations about where a future local authority comprising Cambridge should be based.

The amendment was lost by 4 votes to 34 votes

Resolved (by 35 votes to 0, with 3 Abstentions) to:

This Council recognises the historic and enduring significance of the Guildhall as the ceremonial and democratic heart of Cambridge, having served as the home of local governance and Civic life for over 800 years.

The Council affirms that, notwithstanding the transition to a Unitary Council, the Guildhall shall continue to hold its rightful status as the principal venue for local democracy and civic ceremonies, reflecting its heritage and ongoing role in public life.

25/111/CNL Councillor Hossain: Review and Amendment of Parking Policy for Morello Place, King's Hedges

The motion fell as there was no seconder in line with the Council's constitution, 1.13.3 Reference of Motions to Committees or to the Executive.

25/112/CNL Councillor Bick : A Thriving City Centre For All

Councillor Bick proposed and Councillor Payne seconded the following motion:

Our city centre, like others, continues to experience the impact of both increased online retailing and neighbourhood convenience shopping, yet council **NOTES** that:

- Cambridge's city centre is challenged to meet an unusually wide spectrum of needs, as the core of two universities and a magnet for tourism (both important contributors to our local economy), in addition to its local residents who often feel the last to be considered;
- There continues to be a strong aspiration for a 'social crossroads' where all parts of the community can meet a variety of needs - still including physical shopping, but also access to services, employment, leisure and culture at a scale which is not possible in other locations where there is less easy public or active transport connection;
- Although our city centre is not suffering from the economic decline experienced by many others elsewhere, it is widely seen by local residents as imbalanced towards the hospitality and tourism sectors, as not providing for some parts of the community and as dominated by chains at the expense of independent businesses;

- The city council's current plans for full utilisation of the Guildhall, modernisation of the Corn Exchange and refurbishment of the Market Square leverage the council's own assets in expressing confidence in a centre that is for all.

Council **BELIEVES** that:

- There is an opportunity for the council to use the soft power of its 'convening' role for a placemaking initiative beyond the current reach of planning powers, by working with the BID, commercial landlords, the universities, cultural organisations and other public service and transport providers to develop a vision to drive future developments and uses in consultation with the public;
- Stakeholders have a shared interest in maximising value and pride in a city centre which is balanced, inclusive, vibrant, accessible, clean, safe and efficiently managed - and this common interest needs to be activated;
- The basic infrastructure of an inviting high street must be vigilantly protected - including ATMs, banks, Post Office and public toilets – and further developed, considering water fountains, wi-fi, charging points, sympathetic waste collection and reduced highway conflicts;
- A new unitary council, by bringing together all responsibilities for the public realm, offers the chance to develop an integrated city centre management team, and that it would be beneficial now to start early stage thinking about how this might be organised;
- A thriving and inclusive city centre in Cambridge must be complementary to successful neighbourhood centres in existing and new communities in and around the city, which meet equally important needs.

Council therefore **CALLS ON** the Director of Economy and Place to scope out this wider placemaking project and report back to the appropriate part of the council by summer 2026 on the form it might take, and how it could be initiated in the short run and carried forward into a new unitary council.

Councillor Clough proposed and Councillor Howard second the following amendment to the motion (additional text underlined and deleted text ~~struck through~~)

Our city centre, like others, continues to experience the impact of both increased online retailing and neighbourhood convenience shopping, yet council **NOTES** that:

- Cambridge's city centre is challenged to meet an unusually wide spectrum of needs, as the core of two universities and a magnet for tourism (both important contributors to our local economy), in addition to its local residents who often feel the last to be considered;
- There continues to be a strong aspiration for a 'social crossroads' where all parts of the community can meet a variety of needs - still including physical shopping, but also access to services, employment, leisure and culture at a scale which is not possible in other locations where there is less easy public or active transport connection;
- ~~Although Our city centre is not suffering from the economic decline experienced by many others elsewhere, it is widely seen by some local residents as imbalanced towards the hospitality and tourism sectors, as not providing for some parts of the community and as dominated by chains at the expense of independent businesses;~~
- ~~The city council's current plans for full utilisation of the Guildhall, modernisation of the Corn Exchange and refurbishment of the Market Square leverage the council's own assets in expressing confidence in a centre that is for all.~~

Council **BELIEVES** that:

- There is an opportunity for the council to use the soft power of its 'convening' role for a placemaking initiative beyond the current reach of planning powers, by working with the BID, commercial landlords, the universities, cultural organisations and other public service and transport providers to develop a vision to drive future developments and uses in consultation with the public;
- Stakeholders have a shared interest in maximising value and pride in a city centre which is balanced, inclusive, vibrant, accessible, clean, safe and efficiently managed - and this common interest needs to be activated;
- The basic infrastructure of an inviting high street must be vigilantly protected - including ATMs, banks, Post Office and public toilets – and

further developed, considering water fountains, wi-fi, charging points, sympathetic waste collection and reduced highway conflicts;

- A new unitary council, by bringing together all responsibilities for the public realm, offers the chance to develop an integrated city centre management team, and that it would be beneficial now to start early stage thinking about how this might be organised;
- A thriving and inclusive city centre in Cambridge must be complementary to successful neighbourhood centres in existing and new communities in and around the city, which meet equally important needs.

Council therefore **CALLS ON** the Director of Economy and Place to scope out this wider placemaking project and report back to the appropriate part of the council by summer 2026 on the form it might take, and how it could be initiated in the short run and carried forward into a new unitary council.

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

Our city centre, like others, continues to experience the impact of both increased online retailing and neighbourhood convenience shopping, yet council **NOTES** that:

Cambridge's city centre is challenged to meet an unusually wide spectrum of needs, as the core of two universities and a magnet for tourism (both important contributors to our local economy), in addition to its local residents ~~who often feel the last to be considered~~;

There continues to be a strong aspiration for a welcoming 'social crossroads' where all parts of the community can meet a variety of needs - still including physical shopping, but also access to services, good job opportunities, leisure and culture at a scale which is not possible in other locations where there is less easy public or active transport connection.

~~Although our city centre is not suffering from the economic decline experienced by many others elsewhere, it is widely seen by local residents as imbalanced towards the hospitality and tourism sectors, as not providing for some parts of the community and as dominated by chains at the expense of independent businesses;~~

Centre for Cities data shows that Cambridge has the highest high street occupancy rate of any UK city outside London, with 11 of every 12 units occupied.

Independent businesses, hospitality and tourism all play an important role in Cambridge's vibrancy and character, and in sustaining local employment.

Cambridge is safer than many UK cities, and the Council remains committed to continuous improvement in partnership with the police, the universities and local organisations.

~~The city council's current plans~~ The Council's ambitious plans for full utilisation of the Guildhall, modernisation of the Corn Exchange and refurbishment of the Market Square ~~leverage the council's own assets in expressing confidence~~ demonstrate leadership, strategic investment, and confidence in a centre that is for all.

Council further notes the initial work underway with the County Council to convene a joint city centre steering group, recognising shared powers and responsibilities and the benefits of coordinated leadership.

Council recognises the importance of establishing a shared performance monitoring framework to understand the environmental, social and economic 'health' of the city centre, to guide future prioritisation and investment.

Council also notes that delivering meaningful placemaking interventions requires capacity and resources, and that these must be prioritised and sequenced within current budget constraints.

Council welcomes the increased capacity being created through the new Inclusive Economy team to help coordinate partners and activity in the coming year.

Council BELIEVES that:

~~There is an opportunity for the Council to use the soft power of its 'convening' role~~ build on this momentum by using the convening power of the Council for a placemaking initiative beyond the current reach of planning powers, by working with the BID, commercial landlords, the universities, cultural organisations and other public service and transport providers to develop a vision to drive future developments and uses shared vision for the city centre in consultation with the public - shaped by public engagement, working with key partners including the BID, commercial landlords, the universities, cultural organisations, NGOs and transport providers;

Stakeholders have a shared interest in maximising value and pride in a city centre which is balanced, inclusive, vibrant, accessible, clean, safe and efficiently managed - and this common interest needs to be activated;

The basic infrastructure of an inviting high street ~~must be vigilantly protected~~ should be supported – including ATMs, banks, Post Office and public toilets – ~~and further developed~~, while exploring future improvements ~~considering~~ such as water fountains, wifi, charging points, sympathetic waste collection and reduced highway conflicts;

The concept of a Tourist Levy could be explored with partners as a mechanism to help support essential services used by visitors and residents alike;

~~A new unitary council by bringing together all responsibilities for the public realm, offers the chance to develop an integrated city centre management team, could provide a more integrated approach to managing the public realm, and that it would be beneficial now to start early stage thinking about how this might be organised;~~ early work should be undertaken to shape how this could best support a thriving city centre;

A thriving and inclusive city centre in Cambridge must be complementary to successful neighbourhood centres in existing and new communities in and around the city, which meet equally important needs.

Council believes that progress should be realistic, phased, and achievable within available funding, while exploring opportunities for external and partner investment.

Council therefore CALLS ON the Director of Economy and Place to scope out this wider placemaking project and report back to the appropriate ~~part of the council~~ Committee by summer 2026 ~~on the form it might take, and how it could be initiated and how it could be initiated in the short run and carried forward in the short term and taken forward into a new unitary council, -including:~~ partnership governance arrangements, baseline data and monitoring, indicative resourcing, sequencing of activity, and opportunities to leverage external funding (including through GCP), acknowledging the constraints of current budgets.

The Green Group amendment was lost by 3 votes to 34 votes.

The Labour Group amendment was **approved** by 23 votes to 0, with 14 Abstentions.

Resolved by 34 votes to 3 to:

Our city centre, like others, continues to experience the impact of both increased online retailing and neighbourhood convenience shopping, yet council **NOTES** that:

Cambridge's city centre is challenged to meet an unusually wide spectrum of needs, as the core of two universities and a magnet for tourism (both important contributors to our local economy), in addition to its local residents;

There continues to be a strong aspiration for a welcoming 'social crossroads' where all parts of the community can meet a variety of needs - still including physical shopping, but also access to services, good job opportunities, leisure and culture at a scale which is not possible in other locations where there is less easy public or active transport connection.

Centre for Cities data shows that Cambridge has the highest high street occupancy rate of any UK city outside London, with 11 of every 12 units occupied.

Independent businesses, hospitality and tourism all play an important role in Cambridge's vibrancy and character, and in sustaining local employment.

Cambridge is safer than many UK cities, and the Council remains committed to continuous improvement in partnership with the police, the universities and local organisations.

The Council's ambitious plans for full utilisation of the Guildhall, modernisation of the Corn Exchange and refurbishment of the Market Square demonstrate leadership, strategic investment, and confidence in a centre that is for all.

Council further notes the initial work underway with the County Council to convene a joint city centre steering group, recognising shared powers and responsibilities and the benefits of coordinated leadership.

Council recognises the importance of establishing a shared performance monitoring framework to understand the environmental, social and economic 'health' of the city centre, to guide future prioritisation and investment.

Council also notes that delivering meaningful placemaking interventions requires capacity and resources, and that these must be prioritised and sequenced within current budget constraints.

Council welcomes the increased capacity being created through the new Inclusive Economy team to help coordinate partners and activity in the coming year.

Council BELIEVES that:

There is an opportunity for the Council to build on this momentum by using the convening power of the Council to develop a shared vision for the city centre in consultation with the public - shaped by public engagement, working with key partners including the BID, commercial landlords, the universities, cultural organisations, NGOs and transport providers;

Stakeholders have a shared interest in maximising value and pride in a city centre which is balanced, inclusive, vibrant, accessible, clean, safe and efficiently managed - and this common interest needs to be activated;

The basic infrastructure of an inviting high street should be supported – including ATMs, banks, Post Office and public toilets – while exploring future improvements such as water fountains, wi-fi, charging points, sympathetic waste collection and reduced highway conflicts;

The concept of a Tourist Levy could be explored with partners as a mechanism to help support essential services used by visitors and residents alike;

A new unitary council could provide a more integrated approach to managing the public realm and early work should be undertaken to shape how this could best support a thriving city centre;

A thriving and inclusive city centre in Cambridge must be complementary to successful neighbourhood centres in existing and new communities in and around the city, which meet equally important needs.

Council believes that progress should be realistic, phased, and achievable within available funding, while exploring opportunities for external and partner investment.

Council therefore CALLS ON the Director of Economy and Place to scope this wider placemaking project and report back to the appropriate Committee by summer 2026 on how it could be initiated in the short term and taken forward into a new unitary council, including: partnership governance arrangements,

baseline data and monitoring, indicative resourcing, sequencing of activity, and opportunities to leverage external funding (including through GCP), acknowledging the constraints of current budgets.

25/113/CNL Written questions

Members noted the response to the written question.

The meeting ended at 8.25 pm

CHAIR

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CABINET

10 February 2026

5.00 – 6.45pm

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

Other Councillors present: Councillors Bick, Bennett (online), Clough (online), Porrer and Young

Officers Present:

Chie Executive: Robert Pollock

Chief Operating Officer, Corporate Group: Jane Wilson

Head of Finance and Deputy S151 Officer, Corporate Group: Matthew Fernandez-Graham (online)

Joint Director Planning and Economic Development: Stephen Kelly

Assistant Director Development: Ben Binns

Deputy Democratic Services Manager: Claire Tunncliffe

Democratic Services Manager: Dan Kalley

RECOMMENDATION TO COUNCIL

Budget Setting Report and Medium-Term Financial Strategy 2026/27

Recommendations of the Cabinet, which met on 10 February 2026, are outlined below:

Cabinet **resolved unanimously** to approve the recommendations on to Full Council.

Accordingly, Council is recommended to:

Council tax:

- a) Confirm delegation to the Chief Finance Officer of the calculation and determination of the Council Tax base which is set out at Appendix A(a).*
- b) Approve the increase to the city council share of council tax for 2026/27 at 2.99%, and the updated council tax levels as set out at section 10 of the Budget Setting Report 2026/27.*

Housing rents and charges:

- c) Approve an increase in rents for all Social Rent, Social Rent shared ownership and Affordable Rent properties of 4.8% (September 2025 CPI plus 1%), with effect from 1 April 2026.*
- d) Agree to fully implement rent convergence for all Social Rent tenants at a maximum rate of £1 per week from 1 April 2027, then £2 per week from 1 April 2028, in line with recent government announcements, for a period of up to 10 years.*
- e) Approve an increase in rents for Affordable Rent shared ownership properties in line with the maximum permitted in each individual property lease (generally RPI plus 0.5%).*
- f) Approve that garage and parking space charges are increased by up to 4.8%, as set out at section 10 of the Budget Setting Report 2026/27.*
- g) Approve the methodology for calculating Housing Revenue Account service charges and leasehold administration costs as set out at Appendix K, and delegates authority to the Chief Finance Officer to carry out the detailed calculation of 2026/27 charges in line with this methodology, noting that the council will endeavour to limit increases to 4.8% where possible.*

Revenue budgets:

- h) Approve the General Fund revenue proposals shown at Appendix E.*
- i) Approve the Housing Revenue Account revenue proposals shown at Appendix H.*

Capital budgets:

- j) Approve the General Fund capital proposals set out at Appendix F(a) and the revised General Fund capital plan set out at Appendix F(c).*
- k) Approve the Housing Revenue Account capital proposals set out at Appendix I(a) and the revised capital plan set out at Appendix I(b).*

- l) Approve the proposed capital financing plans set out at section 5 (General Fund) and section 7 (Housing Revenue Account) of the Budget Setting Report 2026/27, whilst noting that the constitution delegates all executive decisions on borrowing, investment or financing to the Chief Finance Officer, who is required to act in accordance with CIPFA's Code of Practice for Treasury Management in Local Authorities.*
- m) Note in particular that the council's ambitious Housing Revenue Account investment programme, including the 10-year new homes programme, will require new borrowing of around £483 million over the next 10 years, as set out at section 7 of the Budget Setting Report 2026/27.*

Risks and reserves:

- n) Note the key risks to the council financial standing and sustainability, and mitigations in place, as set out at section 8 of the Budget Setting Report 2026/27.*
- o) Note the impact of the Budget Setting Report 2026/27 on General Fund and Housing Revenue Account reserves, as set out at section 8 of the Report.*
- p) Approve the new allocations to earmarked reserves set out at section 8 of the Budget Setting Report 2026/27, namely:-*
- £2.5 million to a new Local Government Reorganisation Reserve; and*
 - £1.0 million to the Civic Quarter Development Reserve.*
- q) Set the 2026/27 prudent minimum balance at £8.059 million for the General Fund, and £6.801 million for the Housing Revenue Account, with a working target balance of 120% of the prudent minimum balance in each case, in line with the advice of the Chief Finance Officer.*

Medium-Term Financial Strategy:

- r) Approve the council's Medium-Term Financial Strategy for the General Fund and Housing Revenue Account as set out at section 9 of the Budget Setting Report 2026/27.*
- s) Note the key assumptions used in the development of the Medium-Term Financial Strategy at Appendix C, and in particular the*

sensitivity of the Housing Revenue Account 30-Year Business Plan to changes in these assumptions, as set out in detail at Appendix J.

Capital and Treasury Management Strategy:

- t) Approve the Capital Strategy attached at Appendix O.*
- u) Approve the Treasury Management Strategy 2026/27 at Appendix P, including the prudential and treasury management indicators set out at Annexe C.*
- v) Approve an increase in the council's authorised limit for external debt to £650 million in 2027/28, £700 million in 2028/29, £750 million in 2029/30, then £850 million in 2030/31 in order to accommodate the borrowing required to support the new build homes programme.*
- w) Approve an increase in the deposit limit for enhanced money market funds from £5 million per fund to £10 million per fund, and an increase in the deposit limit for money market funds from £15 million per fund to £20 million per fund, as set out at Annexe A to the Treasury Management Strategy 2026/27 (Appendix P).*

Other:

- x) Delegate authority to the Chief Finance Officer to reallocate budgets between services in relation to corporate and/or departmental restructuring, and any reallocation of support service and central costs in accordance with the CIPFA Service Reporting Code of Practice for Local Authorities (SeRCOP) (including where necessary the recalculation of recharges between the General Fund and Housing Revenue Account).*
- y) Delegate authority to the Chief Finance Officer to approve an in-year increase or decrease in the capital budget for Disabled Facilities Grants in any year, in direct relation to any increase or decrease in the capital grant funding available for this purpose, and to determine the most appropriate use of any additional Disabled Facilities Grant funding for the wider benefit of the Shared Home Improvement Agency.*
- z) Delegate authority to the Director of Communities to review and amend the level of fees charged by the Shared Home Improvement Agency for Disabled Facilities Grants and repair assistance grants,*

in line with any recommendations made by the Shared Home Improvement Agency Board.

aa) Note the Equality Impact Assessments undertaken in respect of budget proposals in the General Fund (Appendix S(a)) and Housing Revenue Account (Appendix S(b)).

bb) Approve the schedule of proposed fees and charges for 2026/27 set out at Appendix T(A) and confidential Appendix T(b).

Section 25 report:

cc) Note the Chief Finance Officer's section 25 report, covering the robustness of estimates and adequacy of reserves, included at section 11 of the Budget Setting Report 2026/27.

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Updates to Budget Setting Report 2026/27

Introduction

The government published the final local government finance settlement for 2026/27 on 9 February 2026. Due to the relatively late publication of the final settlement this year, it was not possible to reflect the impact of this within the draft Budget Setting Report which was considered by Cabinet at their meeting the following day. However, the final Budget Setting Report as presented to Full Council has now been updated with the latest information.

Final local government finance settlement

The final local government finance settlement contained no significant changes from the provisional settlement. For this council, the only change impacting core spending power was in relation to the ringfenced consolidated grant for homelessness, rough sleeping and domestic abuse. This grant has increased by £105,000 in 2026/27, £70,000 in 2027/28, and £36,000 in 2028/29. This increase is in recognition of the new burdens placed upon the council's homelessness functions arising from the Renters' Rights Act, and there is likely to be a corresponding reduction in any additional new burdens grant the council will receive in this respect. Therefore, for the purposes of budget setting, no additional overall income has been assumed in this regard.

The table below sets out changes to the council's core spending power for 2026/27 between the provisional and final settlements:-

Core spending power (CSP) (£m)	2025/26 Actual	2026/27 Provisional	2026/27 Final
Business rates	15.637	7.144	7.144
Core government grants	4.374	12.148	12.148
Ringfenced government grants	2.626	2.064	2.169
Council Tax	10.615	11.069	11.069
Transitional protection	-	-	-
Total funding	33.252	32.425	32.530
Change from previous year	11.2%	(2.5%)	(2.2%)

Following the publication of the final settlement, the council's funding advisors have issued an updated funding model which makes some relatively minor changes to some of the assumptions used, for example in relation to future inflation rates, to better reflect the outcomes of the settlement. In addition, our modelling

has been updated to reflect more up to date information now available in respect of forecast business rates income, and the forecast deficit on the Council Tax collection fund.

The impact of all of these changes on the budget projections over the next five years is set out in the following table:-

Final settlement changes (£m)	2026/27	2027/28	2028/29	2029/30	2030/31
Corporate Hub – Increased business rates cost of collection allowance	(0.019)	(0.019)	(0.019)	(0.019)	(0.019)
Total changes to service budgets	(0.019)	(0.019)	(0.019)	(0.019)	(0.019)
Increased business rates baseline	-	(0.037)	(0.057)	(0.078)	(0.100)
Reduced business rates growth	0.112	0.035	0.034	0.105	0.037
Change in non-ringfenced government grants	(0.004)	0.033	0.054	-	-
Total funding changes	0.108	0.031	0.031	0.027	(0.063)
Council share of forecast Council Tax collection fund deficit as at 31 March 2026	0.027	-	-	-	-
Total other changes	0.027	-	-	-	-
Net budget changes before reserve movements	0.116	0.012	0.012	0.008	(0.082)
Additional contributions to / (from) reserves in respect of above	(0.116)	(0.012)	(0.012)	(0.008)	(0.037)
Change to savings requirement	-	-	-	-	(0.119)
Net savings requirement per BSR v2 – cumulative	-	0.375	0.750	1.125	1.492
Revised net savings requirement – cumulative	-	0.375	0.750	1.125	1.373
Revised net savings requirement – new each year	-	0.375	0.375	0.375	0.248

As set out above, the relatively minor changes will slightly reduce the council's five-year savings target from £1.492 million to £1.373 million. The recommended profile of savings in earlier years remains unchanged.

The changes will also slightly reduce contributions to reserves by £185,000 over the next five years – however reserves are still projected to remain comfortably above their target levels.

Car park business permits

There was an error within Appendix T(a) to the Budget Setting Report considered by Cabinet in respect of car park business permits. Whilst it was always intended that the cost of these be increased, unfortunately this was omitted from the draft Budget Setting Report due to administrative error. The correct proposed fees are now included at Appendix T(a), and the relevant table reproduced below:-

Season ticket charges – Business permits			
Queen Anne Terrace and Grafton Centre car parks	Quarterly fee 2025/26 (incl VAT) £	Quarterly fee 2026/27 (incl VAT) £	Change %
24/7 premium Grafton East, Grafton West and Queen Anne Terrace car parks	1,250.00	1,250.00	0.0
Monday-Friday 8am-6pm One car park*	825.00	1,000.00	21.2
Monday-Friday 24/5 One car park*	1,000.00	1,100.00	10.0
Night owl 6pm-8am, 7 nights per week One car park*	530.00	530.00	0.0
* Excluding Grand Arcade and Park Street car parks			

Note that the cost of the 24/7 premium permit has been frozen to increase its attractiveness relative to the other options, which have historically been heavily discounted.

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REPORT TITLE: Budget Setting Report and Medium-Term Financial Strategy 2026/27

To: Cabinet

10 February 2026

Report by:

Jody Etherington, Chief Finance Officer

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

Wards affected:

All

1.	Recommendations
1.1	It is recommended that Cabinet recommends that Full Council:- Council tax: a) <i>Confirms delegation to the Chief Finance Officer of the calculation and determination of the Council Tax base which is set out at Appendix A(a).</i> b) <i>Approves the increase to the city council share of council tax for 2026/27 at 2.99%, and the updated council tax levels as set out at section 10 of the Budget Setting Report 2026/27.</i> Housing rents and charges: c) <i>Approves an increase in rents for all Social Rent, Social Rent shared ownership and Affordable Rent properties of 4.8% (September 2025 CPI plus 1%), with effect from 1 April 2026.</i> d) <i>Agrees to fully implement rent convergence for all Social Rent tenants at a maximum rate of £1 per week from 1 April 2027, then £2 per week from 1 April 2028, in line with recent government announcements, for a period of up to 10 years.</i>

- e) Approves an increase in rents for Affordable Rent shared ownership properties in line with the maximum permitted in each individual property lease (generally RPI plus 0.5%).
- f) Approves that garage and parking space charges are increased by up to 4.8%, as set out at section 10 of the Budget Setting Report 2026/27.
- g) Approves the methodology for calculating Housing Revenue Account service charges and leasehold administration costs as set out at Appendix K, and delegates authority to the Chief Finance Officer to carry out the detailed calculation of 2026/27 charges in line with this methodology, noting that the council will endeavour to limit increases to 4.8% where possible.

Revenue budgets:

- h) Approves the General Fund revenue proposals shown at Appendix E.
- i) Approves the Housing Revenue Account revenue proposals shown at Appendix H.

Capital budgets:

- j) Approves the General Fund capital proposals set out at Appendix F(a) and the revised General Fund capital plan set out at Appendix F(c).
- k) Approves the Housing Revenue Account capital proposals set out at Appendix I(a) and the revised capital plan set out at Appendix I(b).
- l) Approves the proposed capital financing plans set out at section 5 (General Fund) and section 7 (Housing Revenue Account) of the Budget Setting Report 2026/27, whilst noting that the constitution delegates all executive decisions on borrowing, investment or financing to the Chief Finance Officer, who is required to act in accordance with CIPFA's Code of Practice for Treasury Management in Local Authorities.

m) Notes in particular that the council's ambitious Housing Revenue Account investment programme, including the 10-year new homes programme, will require new borrowing of around £483 million over the next 10 years, as set out at section 7 of the Budget Setting Report 2026/27.

Risks and reserves:

n) Notes the key risks to the council financial standing and sustainability, and mitigations in place, as set out at section 8 of the Budget Setting Report 2026/27.

o) Notes the impact of the Budget Setting Report 2026/27 on General Fund and Housing Revenue Account reserves, as set out at section 8 of the Report.

p) Approves the new allocations to earmarked reserves set out at section 8 of the Budget Setting Report 2026/27, namely:-

- £2.5 million to a new Local Government Reorganisation Reserve; and*
- £1.0 million to the Civic Quarter Development Reserve.*

q) Sets the 2026/27 prudent minimum balance at £8.059 million for the General Fund, and £6.801 million for the Housing Revenue Account, with a working target balance of 120% of the prudent minimum balance in each case, in line with the advice of the Chief Finance Officer.

Medium-Term Financial Strategy:

r) Approves the council's Medium-Term Financial Strategy for the General Fund and Housing Revenue Account as set out at section 9 of the Budget Setting Report 2026/27.

s) Notes the key assumptions used in the development of the Medium-Term Financial Strategy at Appendix C, and in particular the sensitivity of the Housing Revenue Account 30-Year Business Plan to changes in these assumptions, as set out in detail at Appendix J.

Capital and Treasury Management Strategy:

- t) *Approves the Capital Strategy attached at Appendix O.*
- u) *Approves the Treasury Management Strategy 2026/27 at Appendix P, including the prudential and treasury management indicators set out at Annexe C.*
- v) *Approves an increase in the council's authorised limit for external debt to £650 million in 2027/28, £700 million in 2028/29, £750 million in 2029/30, then £850 million in 2030/31 in order to accommodate the borrowing required to support the new build homes programme.*
- w) *Approves an increase in the deposit limit for enhanced money market funds from £5 million per fund to £10 million per fund, and an increase in the deposit limit for money market funds from £15 million per fund to £20 million per fund, as set out at Annexe A to the Treasury Management Strategy 2026/27 (Appendix P).*

Other:

- x) *Delegates authority to the Chief Finance Officer to reallocate budgets between services in relation to corporate and/or departmental restructuring, and any reallocation of support service and central costs in accordance with the CIPFA Service Reporting Code of Practice for Local Authorities (SeRCOP) (including where necessary the recalculation of recharges between the General Fund and Housing Revenue Account).*
- y) *Delegates authority to the Chief Finance Officer to approve an in-year increase or decrease in the capital budget for Disabled Facilities Grants in any year, in direct relation to any increase or decrease in the capital grant funding available for this purpose, and to determine the most appropriate use of any additional Disabled Facilities Grant funding for the wider benefit of the Shared Home Improvement Agency.*
- z) *Delegates authority to the Director of Communities to review and amend the level of fees charged by the Shared Home Improvement Agency for Disabled Facilities Grants and repair assistance grants, in line with any recommendations made by the Shared Home Improvement Agency Board.*

	<i>aa)Notes the Equality Impact Assessments undertaken in respect of budget proposals in the General Fund (Appendix S(a)) and Housing Revenue Account (Appendix S(b)).</i> <i>bb)Approves the schedule of proposed fees and charges for 2026/27 set out at Appendix T(A) and confidential Appendix T(b).</i> Section 25 report: <i>cc) Notes the Chief Finance Officer's section 25 report, covering the robustness of estimates and adequacy of reserves, included at section 11 of the Budget Setting Report 2026/27.</i>
2.	Purpose and reason for the report
2.1	Under the council's constitution, the Leader and Cabinet, supported by officers, are required to formulate draft plan or strategy decisions in respect of the council's budget and policy framework for submission to Full Council. Full Council will then either adopt these or inform the Leader of any objections or proposed amendments.
2.2	The attached Budget Setting Report (BSR) and appendices set out the council's draft budget proposals for 2026/27, Medium-Term Financial Strategy for the following five years, 30-Year Housing Revenue Account Business Plan, Capital Strategy and Treasury Management Strategy. These items have been integrated into a single report this year following the recent Group Redesign Programme (which brought together the General Fund and Housing Revenue Account Finance functions) and changes to council governance.
2.3	The draft BSR was scrutinised by the Performance, Assets and Strategy Overview and Scrutiny Committee at its meeting on 27 January 2026. In response to comments raised at the meeting, some of the narratives to support budget proposals set out at appendices E, F(a) and H have been expanded to provide more detail. In addition, the Chair of the Committee will provide comments to Cabinet at its meeting on 10 February 2026. The

	Chair of the Housing Advisory Board will also provide comments to Cabinet in respect of items which fall within the Board's remit.
2.4	This budget has been set in the context of the Budget Setting Context 2026-27 Report, which was agreed by Cabinet in July 2025 and set out the council's savings targets and approach to budget setting.
2.5	The draft BSR includes details of the provisional local government finance settlement for 2026/27. The announcement of the final settlement is expected on 9 February. Officers will provide an update to Cabinet at its meeting on 10 February, and the BSR will be updated with any material changes prior to Full Council consideration.
2.6	The final decision on whether to adopt the budget will be made by Full Council at its meeting on 26 February 2026.
2.7	There is an exempt appendix (Appendix T(b)) attached to this report that is not for publication by reason of paragraph 3 of Schedule 12A of Part 1 of the Local Government Act 1972 because it contains information relating to the financial or business affairs of any particular person (including the authority holding that information). The public interest test has been applied to the information contained within this exempt appendix and it is considered that the need to retain the information as exempt outweighs the public interest in disclosing it.
3.	Alternative options considered
3.1	To not provide a balanced budget would be contrary to the council's legal responsibilities.
4.	Updates following recent government policy announcements
4.1	On 28 January 2026, the day after the Overview and Scrutiny Committee considered the draft budget, the government made several announcements about the future of social and affordable housing, including its plan to implement rent convergence over the next 10 years. These announcements will have a material impact on the council's Housing Revenue Account (HRA) over the life of the 30-Year Business Plan. As such, it has been

	necessary to update the BSR. The most significant announcements are summarised below.
	Rent convergence
4.2	Social rent properties are let with reference to 'formula rent', which in Cambridge is around 40% of market rent. Due to historic below-inflation rent increases, many social tenants are currently paying below formula rent. Government has announced a period of rent convergence to gradually increase rents for these tenants back towards the formula rent level over a number of years. This will ensure greater equity for all council tenants.
4.3	Based on the government's consultation, the draft BSR submitted for scrutiny included an assumption that rent convergence would be implemented at a rate of £2 per week for a 10-year period. The government has now responded to the consultation and decided that rent convergence will be phased in as follows:- • No convergence for 2026/27 • A maximum of £1 per week for 2027/28 • A maximum of £2 per week for 2028/29 and subsequent years (assumed to be up to 2035/36, given the government's preference for a 10-year rent settlement)
4.4	This means that it will take longer for the HRA to realise the benefits of rent convergence. Whereas the original BSR assumed additional rent income of around £2.1 million per year by 2030/31, this figure is now estimated at £1.4 million. This represents a permanent reduction in rental income from that which was previously assumed.
	HRA preferential borrowing rate
4.5	The government has announced an extension to the current preferential PWLB borrowing rate for the HRA for a further year, until 31 March 2027. This will see the HRA continue to be able to borrow at 40bp less than the standard PWLB certainty rate. Since the BSR allows for around £47 million of new HRA borrowing in 2026/27 to support the new-build housing programme, this will lead to a saving in projected interest costs. It is possible that the government could extend this discounted rate further, but since this can not be guaranteed then no further discounts have been modelled beyond 2026/27.

	Right To Buy receipt flexibility
4.6	Although not a new announcement, some further work has been completed to assess the council's projected receipts from the sale of council homes under the Right to Buy (RTB) scheme. Previously, only 40% of the cost of new build properties could be funded from these receipts, but this restriction was recently lifted as part of RTB reforms. In addition, from April 2026, restrictions on combining RTB receipts with other sources of finance (such as Homes England grants) will also be significantly relaxed.
4.7	As such, it has now been assumed that from 2031/32 to 2052/53 inclusive, RTB receipts will fund 50%, rather than 40%, of the future new homes programme (outside of the current 10-year new build programme).
4.8	There may be further opportunities to utilise the council's RTB receipt balances sooner in the capital programme, and this will be examined in more detail prior to submission of the council's bid to Homes England for a strategic partnership under the Social and Affordable Homes Programme (SAHP) – see section 7 of the BSR for more details. If the council can apply RTB receipts earlier, this will have a positive impact on the 30-Year Business Plan by reducing the need to borrow over the next few years.
	Energy efficiency requirements
4.9	Based upon previous government announcements, the draft BSR assumed that the council would have a statutory obligation to improve all of its existing housing stock to at least EPC 'C' rating by 2030/31. The government has now indicated that there may be extensions to the deadline available where the cost per property exceeds £10,000. Further detailed modelling is required to assess how many of the council's properties this may apply to. For the purposes of this BSR the base assumption that the entire stock will need to be improved by 2030/31 has been retained. However, there may be opportunities to defer some of this work to later years should conditions require it, for example if economic conditions worsen from the assumptions made in the BSR.

	Decent Homes Standard																														
4.10	The government has confirmed its intention to apply a new Decent Homes Standard (DHS) to take effect from 2035. It is too early to fully understand or model the likely financial impact of this change. Therefore, for the time being existing assumptions have been retained. Further work will need to be carried out in this area over the coming years, and mitigations put in place for any adverse financial impacts. From a risk perspective, it is worth noting that 2034/35 is the year in which the HRA’s debt headroom begins to increase again as the 10-year new homes programme starts to wind down. This provides a buffer against any additional costs arising from the new DHS. Sensitivity analysis shows that even if currently assumed DHS expenditure were to increase by as much as 50% from 2034/35 onwards, the HRA would still remain financially sustainable based on its key sustainability metric, the interest cover ratio.																														
	Impact on HRA budget and 30-Year Business Plan																														
4.11	Following the recent policy announcements noted above, the HRA financial model, the BSR and 30-Year Business Plan have been updated.																														
4.12	The HRA business model relies upon revenue surpluses being used to fund capital expenditure, to reduce the need for the HRA to borrow for this expenditure. As a result of updating the financial model, the change in the level of revenue surplus available for this purpose is set out in the following table:- <table><tr><th>HRA revenue surpluses available for capital financing (£m)</th><th>2026/27</th><th>2027/28</th><th>2028/29</th><th>2029/30</th><th>2030/31</th></tr><tr><td>Original BSR – Revenue contribution to capital financing</td><td>8.641</td><td>8.756</td><td>9.133</td><td>9.511</td><td>9.563</td></tr><tr><td>Delay to rent convergence – decreased income (net of bad debt provision)</td><td>(0.526)</td><td>(0.778)</td><td>(0.773)</td><td>(0.732)</td><td>(0.549)</td></tr><tr><td>Reduction in net interest cost</td><td>0.151</td><td>0.151</td><td>0.117</td><td>0.086</td><td>0.059</td></tr><tr><td>Other adjustments</td><td>-</td><td>(0.001)</td><td>-</td><td>-</td><td>-</td></tr></table>	HRA revenue surpluses available for capital financing (£m)	2026/27	2027/28	2028/29	2029/30	2030/31	Original BSR – Revenue contribution to capital financing	8.641	8.756	9.133	9.511	9.563	Delay to rent convergence – decreased income (net of bad debt provision)	(0.526)	(0.778)	(0.773)	(0.732)	(0.549)	Reduction in net interest cost	0.151	0.151	0.117	0.086	0.059	Other adjustments	-	(0.001)	-	-	-
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	<table><tr><th>Updated BSR – Revenue contribution to capital financing</th><th>8.266</th><th>8.128</th><th>8.477</th><th>8.865</th><th>9.073</th></tr></table>	Updated BSR – Revenue contribution to capital financing	8.266	8.128	8.477	8.865	9.073
Updated BSR – Revenue contribution to capital financing	8.266	8.128	8.477	8.865	9.073		
4.13	In addition, there are changes to the mix of capital funding assumed over the 30-Year Business Plan. Lower rent income, which will increase the requirement to borrow, is mitigated slightly by the increased use of RTB receipts. The capital financing plan can be seen at section 7 of the BSR. In summary, over the next 10 years:- • Projected use of available revenue surpluses has decreased from £104 million to £94 million. • Projected use of capital receipts has increased from £41 million to £46 million. • The projected borrowing requirement has therefore increased from £478 million to £483 million.						
	Risk and sustainability						
4.14	The key financial sustainability metric applied to the HRA is the interest cover ratio (ICR). This compares the future forecast HRA operating surplus (before interest and revenue financing of capital expenditure) with the future forecast interest costs. An ICR of 1 or greater indicates that the council would have sufficient income to cover future interest costs. However, in order to generate prudent headroom a target ICR of 1.25 has been adopted. This is as recommended by external consultants Savills and is broadly in line with the wider council social housing sector.						
4.15	The original BSR showed that the ICR was projected to reach a minimum of 1.29 in 2033/34, at which the council’s available debt headroom (to remain within target) would be £22.2 million. The impact of the changes above, including lower rental income and a greater need to borrow, mean that this headroom has been reduced significantly. The minimum projected ICR is now 1.25 in 2033/34, with a minimum debt headroom of £1.4 million.						
4.16	Whilst this does increase the inherent risk that the ICR target may be breached in the future, on balance the current HRA plans are still considered affordable, because:- • The use of a target ICR of 1.25, rather than 1, means there is a reasonable degree of						

	prudence already built in to the affordability assessment. For comparison, the borrowing headroom against an ICR of 1 would not drop below £143 million over the life of the 30-Year Business Plan. • Commitments of future capital expenditure for new build development and energy efficiency works will be made over a number of years, and the 30-Year Business Plan will be refreshed on at least an annual basis to support the decisions made. Should economic conditions become unfavourable to the extent that the ICR target was likely to be breached, it would be possible to take mitigating actions for example by reducing or slowing future discretionary capital spend.
4.17	Further information on risks and sensitivities is set out at sections 8 and 9 and Appendix J of the BSR.
5.	Service charges
5.1	Following the completion of a detailed review of service charges in the HRA, amendments have been made to Appendix K to ensure that the 2025/26 charges quoted reflect those actually being charged in the current year. In all except one case, the changes result in a reduction to the previously quoted range of charges. The only charge which has increased is the alarm charge, which has changed from 84p per week to 86p per week. Note that this represents a correction of the previously reported figures to reflect actual charges – this is not an actual change to charges tenants currently receive. The methodology for calculating 2026/27 charges has not changed.
6.	Corporate plan and council vision
6.1	The budget has been set with due consideration to the council's Corporate Plan and vision. Corporate plan 2022-27: our priorities for Cambridge - Cambridge City Council Our vision - Cambridge City Council
7.	Consultation, engagement and communication
7.1	A public consultation on the council's Priorities and Budgets 2026/27 was held between

	7 October and 16 November 2025. The consultation was publicised through a number of digital and offline channels, including outward facing artwork at Mandela House, promotion on the council's website, and social media including paid-for posts. The council received 512 responses, and these have been taken into account in formulating budget proposals. More detail is set out at section 3 of the BSR.
8.	Anticipated outcomes, benefits or impact
8.1	All budget proposals have a number of anticipated outcomes that can be beneficial to the local community or may adversely affect them. The impact of any decision is contained within the BSR and the relevant Equality Impact Assessments (see Appendices S(a) and S(b)).
8.2	A decision not to approve a revenue bid will impact on managers' ability to deliver the service or scheme in question and could have financial, staffing, equality and poverty, environmental, procurement or community safety implications.
8.3	A decision not to approve a capital or external bid will impact on managers' ability to deliver the developments desired in the service areas.
9.	Implications
	Relevant risks
9.1	The significant risks impacting upon the council's financial sustainability are set out at section 8 of the BSR.
	Financial Implications
9.2	Financial implications of budget proposals are set out in detail throughout the BSR.
	Legal Implications
9.3	Approval of the BSR will allow the council to fulfil its legal duty to set a balanced budget.

	Legal implications of budget proposals, where relevant, are summarised in the BSR.
	Equalities and socio-economic Implications
9.4	A consolidated Equality Impact Assessment for the budget proposals is included at Appendix S(a) for the General Fund, and Appendix S(b) for the Housing Revenue Account. Individual Equality Impact Assessments have been conducted to support this where required.
	Net Zero Carbon, Climate Change and Environmental implications
9.5	All budget proposals are assigned a 'climate rating' setting out their impact on climate change – these can be seen alongside each revenue and capital proposal in Appendices E, F(a), H and I(a).
	Procurement Implications
9.6	Any procurement implications are outlined in the BSR.
	Community Safety Implications
9.7	Any community safety implications are outlined in the BSR and the Equality Impact Assessments at Appendices S(a) and S(b).
10.	Background documents
10.1	The following background documents have been used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985: • Quarterly Performance Report • Budget Setting Context 2026-27 • General Fund Budget Setting Report 2025/26 to 2029/30 • HRA Budget-Setting Report (BSR) 2025/26 • General Fund Medium Term Financial Strategy 2025/26 – 2034/35 • Housing Revenue Account (HRA) Medium Term Financial Strategy (MTFS) 2024/25

11.	Appendices
11.1	Budget Setting Report 2026/27 Appendix A(a) – Calculation of Council Tax base 2026/27 Appendix B – Budget 2026/27 consultation responses Appendix C – Key assumptions Appendix D – General Fund expenditure and funding projection Appendix E – General Fund budget proposals – revenue Appendix F(a) – General Fund budget proposals – capital Appendix F(b) – General Fund capital approvals since BSR 2025/26 Appendix F(c) – General Fund capital plan Appendix G – Housing Revenue Account income and expenditure projection Appendix H – Housing Revenue Account budget proposals – revenue Appendix I(a) – Housing Revenue Account budget proposals – capital Appendix I(b) – Housing Revenue Account capital plan Appendix J – Housing Revenue Account sensitivity analysis Appendix K – Service charges Appendix L – Reserves policy Appendix M – Prudent minimum balances Appendix N – Earmarked reserves Appendix O – Capital Strategy 2026/27 Appendix P – Treasury Management Strategy 2026/27 Appendix Q – MUFG interest rate forecast update Appendix R – Savills Housing Revenue Account 30-Year Business Plan commentary Appendix S(a) – Equality Impact Assessment – General Fund Appendix S(b) – Equality Impact Assessment – Housing Revenue Account Appendix T(a) – Fees and charges 2026/27 CONFIDENTIAL Appendix T(b) – Fees and charges 2026/27
11.2	To inspect the background papers or if you have a query on the report please contact Jody Etherington Chief Finance Officer tel: 01223 458130 email: jody.etherington@cambridge.gov.uk

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Budget Setting Report

Incorporating Medium-Term Financial Strategy and HRA 30-Year Business Plan

2026/27



Version control

Version no.	Revised version / updates for:	Items for consideration
1	Performance, Assets and Strategy Overview and Scrutiny Committee (27 January 2026)	Draft budget proposals for scrutiny
2	Cabinet (10 February 2026)	Final budget proposals, incorporating updates relating to housing rent convergence Proposals of the Cabinet
3	Council (26 February 2026)	Final proposals to Full Council, incorporating updates relating to: - final local government finance settlement 2026/27; - business rates; and - Council Tax setting following receipt of county council, police, fire and combined authority precepts
3	Council (Final – if required)	Approved Budget Setting Report incorporating: - decisions of Full Council; and - any other final amendments

Key member decision-making dates

Date	Task
27 January 2026	Performance, Assets and Strategy Overview and Scrutiny Committee considers the budget context and budget proposals
10 February 2026	Cabinet reviews the Budget Setting Report (BSR), including the results and implications of the budget consultation, and recommends the final BSR to Full Council
26 February 2026	Full Council approves the budget and sets the Council Tax and the rent increase for 2026/27

Precept setting dates

Police and Crime Commissioner Cambridgeshire and Peterborough	Cambridgeshire and Peterborough Fire Authority	Cambridgeshire County Council	Cambridgeshire and Peterborough Combined Authority
28 January 2026	12 February 2026	10 February 2026	28 January 2026

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Foreword by the Cabinet Member for Finance and Resources

Introduction

This budget confirms the city council remains on a sustainable financial footing. It also demonstrates the value of having an innovative and effective council that is ambitious for the quality of life of its residents, local economy, and enhancement of the environment.

The council's solid finances provide the means to realise our progressive vision for 'One Cambridge, Fair for all,' by delivering Cambridge Labour's pledges to:

- Protect and enhance local services
- Support residents in need and prevent homelessness
- Tackle the climate and biodiversity emergencies
- Build council homes and invest in community spaces
- Be a strong voice for the people of Cambridge

In the face of 14 years of local government defunding, initiated in 2010 by the Conservative / Liberal Democrat Coalition Government, your Labour Council has worked to balance the budget, accommodate new pressures and deliver continuous improvements in the efficiency and effectiveness of services for residents.

To deliver and build on these achievements, the council invests to change the ways services are delivered; empower partnerships with the public, private, voluntary sectors and local communities; and, when things go wrong, deliver solutions. To improve oversight and accountability, the council's new governance model has strengthened the role of evidence-based non-partisan scrutiny of pre- and post-decision making.

This foreword highlights the background to and implications of the interim local government finance settlement, responses to the consultation on budget-making principles, highlights from the current budget and an overview of the budget proposals for 2026/27.

Local government finance settlement

Governments require local authorities to set a balanced budget within the context of a five-year Medium-Term Financial Strategy (MTFS). The Budget Setting Report for 2025/26 identified a requirement for

cumulative annual savings of £7.2 million by 2030/31.

The Council had anticipated this challenge by investing in a service transformation programme to make best value recommendations for service purposes, design and related new ways of working. The recommendations informed decisions last year to reduce recurring dependence on government funding by £4.9 million per year. The results of these decisions coupled with a more favourable than expected local government finance settlement (LGFS) has reduced the budget gap by £5.8 million to £1.4 million by 2030/31. Of this sum, a reduction of £0.4 million will be needed by 2027/28 after which it is proposed a new unitary council will be established.

The main points arising from the final LGFS are:

- the introduction of a three-year LGFS to provide greater certainty for local government decision making;
- a funding allocation around £1.3 million per year better than anticipated by 2028/29;
- an allocation of £8.4 million in business rates transitional funding over three years which was not previously assumed;
- provision for a 2.99% increase in Council Tax; and
- the prospect of further income from a share of future business rates.

Public consultation

The council thanks those 512 people who responded to the budget consultation on the MTFS which was held between 7 October and 16 November 2025. The consultation invited respondents to answer the following three questions:

1. How should the council approach its six priorities: spend less, spend more, spend the same?

- The priority for 'residents enjoy a high quality of life and exemplar services,' was supported by over 62% of respondents. Respondents gave justified criticism of the priorities as lacking in clarity and measurability.

2. How important is it for the council to spend money on 12 services: very important, slightly important, not very important, not all important?

- Respondents ranked the following priorities as very important: public safety (74%), waste and recycling (68%), and streets and open spaces (66%).

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- In the long answer option 119 respondents referred to a county council matter: the poor condition of the roads, pavements and cycle lanes and made repeated calls for urgent repairs, resurfacing and potholes.
 - Turning to city council matters, there was a call to focus on the basics that benefit all residents: clean streets, open spaces, public toilets and visible environmental upkeep.
 - Housing and homelessness were identified as top priorities with calls for more affordable housing, quicker planning and support for the most vulnerable.
 - There is then some consistencies with last year's consultation respondents who identified their:
 - most important priorities for Cambridge as: affordable housing (112); congestion, greener transport, and buses (112); and address poverty and inequality (85);
 - most valued services as: parks, open spaces, trees and nature reserves (156); waste services (99); and community safety including prevention of anti-social behaviour (92).
3. *Bearing in mind the council's share of Council Tax of £232.13 per year per household, how would you rate the council in terms of value for money for Council Tax payers: excellent, good, acceptable, poor, very poor and no answer?*
- 497 respondents considered the value for money the council delivers to be either excellent/good (41.6%), acceptable (29.9%) or poor/very poor (25.6%).

Residents' responses to budget consultations and comments on the doorstep have informed our previous and current budget proposals:

- **Public safety:** Measures for safer street lighting and for those young people known to the criminal justice system support into employment.
- **Basic services:** New investment to accelerate weed clearance, continued funding for enhanced highway verges and shrub maintenance.
- **Public toilets:** Planned opening of Silver Street toilets, reopening of Quayside toilets and first steps towards renewing Jesus Green toilets.
- **Governance:** A new governance model that is transparent, evidence based and democratic with decision-making processes that are transparent, and subject to effective scrutiny and challenge.
- **Value for money:** The Council works to maximise progressive social, economic and

environmental impacts for the city through prudent stewardship of its budgets and assets and innovative collaborations with public, private, voluntary sector and community partnerships.

General Fund budget 2025/26 highlights

This year's budget is largely business as usual, with the Cambridge Labour council continuing to deliver its five manifesto pledges.

Protecting and enhancing services

- Shared Waste Service: 99.9% bin collection rate.
- Shared Planning Service: an early adopter of AI, winner of the Royal Town Planning Institute Planning Authority of the Year.
- Benefit and Council Tax relief: claims processed on average in two working days.

Supporting residents in need and preventing homelessness

- Discretionary Council Tax relief: provides over £9 million of relief to over 9,000 households in receipt of benefits.
- Discretionary Housing Payments: made 357 awards in 2024/25 with an average value of £471 to help people impacted by welfare reforms (benefit cap, spare room rule and delayed PIP claims) and moving out of temporary accommodation into private rented homes.
- Strategic partnerships: provide three-year unrestricted funding for anchor voluntary organisations, includes Cambridge Sustainable Food which supports community food hubs around the city and Citizens Advice provider of benefits and debt advice and resolution services.

Tackling the climate emergency

- Reduced council's CO2 emissions by 8% in 2025, 52% since 2014.
- Improved air quality through Smoke Control Areas.
- Large scale council homes retrofit programme to reduce emission and heating bills, improve health and quality of life.

Tackling the biodiversity emergency

- Logans' Meadow new nature reserves and nature and urban forest project to increase tree cover and mitigate urban warming.

- Water quality: bathing water designation requires Anglian Water to monitor and improve quality of River Cam.
- Chalk streams: dedicated Chalk Streams Officer, planned restoration of Sheep's Green streams.

Building council homes and investing in community spaces

- Bid for Homes England strategic partnership for 1,340 more new affordable, low energy council homes with secure tenancies as part of ten-year 2,300 homes programme.
- Powering delivery of 304 new homes through £62 million in land acquisition and development finance loans and equity investments.
- Abbey ward: new 3G pitch opened and new community rooms for Abbey People, library, nursery under construction.

Being a strong voice for Cambridge

- Local government reform: Worked with authorities across Cambridgeshire and Peterborough and made a compelling case for a new unitary authority for Cambridge and South Cambridgeshire.
- Greater Cambridge Impact, a social enterprise investor, seeded by the council's £1 million equity investment, has raised £6 million to invest in services to prevent lifelong deprivation among society's most vulnerable, for example, looked after children and those with care experience.
- Infrastructure schemes:
 - Cambridge Heat Network: council leads multi-institution partnership to decarbonise city centre buildings and Parkside Poll
 - Baits Bite and Jesus Green locks: council has brought together stakeholders and provided professional support for Cam Conservators to bring forward proposals to repair the locks.

General Fund budget 2026/27 proposals

This year's budget proposals account for losses and gains in income, new unavoidable pressures and areas of new spending.

- Government policies:** New responsibilities attached to: the Renters' Rights Act which will help 17,000 households; food waste collections (additional staff, nine grant-funded vehicles and expansion of Waterbeach Depot); and increasing regulatory demands, including procurement

along with loss of the Rural Payment Agency grant.

- ii. **Business and consumer environments:** Loss of crematorium income from new providers and online-direct cremation services; decline in retail rents at Lion Yard; inflation in cleaning contract and electoral registration postage costs; changes to the Folk Festival model; and falling business sponsorship for city events.

The council's existing services, operational and property assets are subject to:

- iii. **Additional cost pressures:** New Operational Hub running costs.
- iv. **Continuous improvement:** IT upgrades including cloud computing and cyber security, playgrounds repairs and maintenance, asset management, contract management and performance.
- v. **Fixed and vehicle assets:** On the operational side, renewal and population-driven expansion of the city council and Shared Waste Services fleets and replacement of the car park entry and exit systems.

The improved budget position enables this Labour Council to respond to residents' priorities to:

- i. **Improve the city's appearance and public safety**
 - Funding to enhance the basic statutory standards provided by the Liberal Democrat-controlled county council for highway verges and shrub beds maintenance and street lamp brightness from 10.00pm to 2.00am.
 - Additional resources to accelerate weed clearance across streets and open spaces following the first year of the herbicide free weed clearance programme.
- ii. **Improve public toilets and leisure facilities**
 - Reopening the Quayside toilets in response to representations from residents and Cambridge BID on behalf of neighbouring businesses. This will coincide with the reopening of the Sliver Street toilets.
 - The Jesus Green Lido, phase 1 scheme, to build a coalition of community and funding partners to bring forward proposals that will protect the special setting and character of the lido and provide updated facilities, including replacement of the Jesus Green toilets, for consultation and pre-planning.

iii. **Support residents in need**

- The Skill Mill partnership to improve the employability of vulnerable young people who are known to the criminal justice system and not in work, education, employment and training.
- To reinstate the Taxi Card scheme which provides transport for residents who are elderly, have severe disabilities as positive discussions for the CPCA to assume responsibility were not followed through after the Mayoral election.

iv. **Invest to save**

- Funding to enable homeless charities to transition to Registered Provider status which would enable the Council to recover DWP housing benefit subsidies (up to £469,000 pa) and hence sustain provision of housing benefit payments.

Conclusion

Your Cambridge Labour council privileges prudent stewardship of its funds and assets to ensure continuity of statutory services and discretionary services and funding to meet new pressures.

Through this stewardship role, the council works to maximise revenue and capital receipts from fees and charges alongside generous concessions, commercial property assets and external funding.

To maximise available resources for delivering services and meeting residents' wider needs, the council works with the private, public and voluntary sector and communities to build and sustain innovative partnerships.

In turn these partnerships work to maximise progressive social, economic and environmental impacts for the city.

This budget powers this service model, and I recommend it to the council.

Councillor Simon Smith, Cabinet Member for Finance and Resources

Foreword by the Cabinet Member for Housing

The provision of decent, safe and affordable housing to our tenants is of the utmost importance to this council, particularly in the face of continuing cost of living pressures affecting many of those who live within the city.

The Housing Revenue Account, like others up and down the country, continues to face significant financial challenges as a result of increasing regulation, cost inflation and high interest rates.

However, due to our history of strong financial management, we are able to commit in this budget to significant further investment in our housing stock. This will allow us to continue to provide high quality homes to our existing tenants, whilst also undertaking to deliver over 1,300 new council homes within the next 10 years – making us one of the largest housebuilding councils in the country.

New homes

The council recently completed the 1,000th home built through its equal development partnership with Hill, the Cambridge Investment Partnership (CIP). During 2025/26, 126 council flats have been handed over at Aylesborough Court and the Meadows.

Housing regeneration schemes have started on site at Fanshawe Road (84 homes including 45 council homes), East Barnwell (120 council homes), Newbury Farm (150 homes including 60 council homes) and ATS Murketts (70 homes including 28 council homes). Meanwhile further schemes at Hanover and Princess Courts (165 homes including 72 council homes) and Ekin Road (134 homes including 78 council homes) have now been submitted for planning consideration.

The majority of homes in development are designed to CamStandard (a building standard similar to Passivhaus that focusses on excellent insulation and airtight construction so homes stay warm and comfortable using very little energy), showing our commitment to sustainable development. Additionally, at least 5% of new council homes are wheelchair adapted (M4(2)) and every single home is wheelchair accessible (M4(3)).

The new build development programme has contributed to a significant increase in new lettings this year, with 382 homes let in the year-to-date compared to around 300 in a typical year.

Maintenance and repairs

We are committed to improving the delivery of our housing repairs service so that tenants receive a timely and effective response, and this has seen an improvement in productivity and tenant satisfaction. We work closely across the service to identify opportunities to strengthen how repairs are managed, and ensure staff are properly supported and equipped to carry out their roles. This includes ongoing review of our operating systems and processes to improve efficiency and service performance.

This budget provides sustained investment in housing repairs. It will expand the capacity of our in-house repairs service, strengthen contract management to secure best value for tenants, and further improve asset management and compliance performance. It also includes an additional £750,000 per year to address damp, condensation and mould, supporting full compliance with Awaab's Law.

We are proud of the council's reputation and track record on social housing. We will continue to work hard to delivery more affordable, sustainable and attractive homes for all our tenants, to support homeless people and get them into good housing, and to maintain our properties to the highest standards.

Regulatory inspection

We were inspected by the Regulator of Social Housing in the summer of 2025 and were pleased to receive a C2 grading. The Regulator highlighted our fair and respectful approach to tenants, our strong commitment to working with tenants and partners, the strengthening of our compliance function, and the effectiveness of leadership at both officer and member level. The inspection also noted a positive organisational culture, characterised by openness, transparency, and good self-awareness.

The assessment also recognised the significant progress made over the past two years following our self-referral on rent regulation matters. We continue to work constructively with the Regulator to address any identified areas for improvement and to further strengthen our arrangements.

Rent

Setting rent levels for our tenants is one of the most important elements of the budget process. Last year we raised rents by 2.7%. For 2026/27, rents will rise by 4.8%, equivalent to Consumer Price Index inflation plus 1%, in line with the new Rent Standard issued by the Regulator of Social Housing this year.

In line with recent government announcements on Social Rent, we are also setting out our intention to implement a programme of rent convergence for council tenants who are currently paying below formula rent due to historic below-inflation cost capping, to commence in April 2027.

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Increasing rents is always a difficult decision, and we are mindful of the financial pressures facing our tenants. However, this action is necessary in order to make rents fairer across all our homes and to continue to invest in high quality housing within the city.

Around 65% of our tenants receive some form of support with their housing costs, and the majority of these will see the full amount of any increase covered through either increased housing benefit or universal credit.

Tenant satisfaction

It was great to see 11 out of 12 of our customer satisfaction scores increase in the annual Tenant Satisfaction Measures with the overall satisfaction score and satisfaction with a well-maintained home seeing the greatest improvements.

I would like to take this opportunity to thank council officers and our tenant and leaseholder representatives for their continued commitment and support.

Councillor Gerri Bird, Cabinet Member for Housing

Section 1

Introduction

Purpose

The Budget Setting Report (BSR) is designed to provide an integrated view of the whole of the council's finances and outlook, covering General Fund and Housing Revenue Account (HRA) revenue and capital spending. It now incorporates the Medium-Term Financial Strategy (MTFS), which sets out the financial strategy for the council in light of local context and external factors and the outlook for public sector funding. The Our Cambridge Transformation Programme has integrated the Housing Finance function within the wider council Finance Team. As part of this integration and to reduce duplication, the HRA budget and 30-Year Business Plan is now also included in this single report.

The Budget Setting Context Report to Cabinet in July 2025 reviewed key assumptions and risks, confirming the framework for detailed budget work for 2026/27 and beyond. The final version of the BSR brings together the detailed budget proposals and context scrutinised at Performance, Assets and Strategy Scrutiny Committee on 27 January 2026 and discussed at Cabinet on 10 February 2026, consultation outcomes, business rates and Council Tax calculations and any final adjustments. It sets out detailed recommendations and proposes a budget for the next financial year and indicative budget projections for the following four years. These projections will form the basis for integrating into a new unitary authority following the planned local government reorganisation in Cambridgeshire and Peterborough.

Background

General Fund

The Budget Setting Context Report identified a total net savings requirement for the General Fund of around £3.6 million for the five-year period to 2030/31. This budget gap is significant in the context of the council's current net spending requirement of £27.9 million, and is primarily driven by the following key factors:

- Historic real terms cuts in central government funding over a number of years.

- Changes to local government funding arrangements which will see the council's core spending power reduce by a further 3.9% in cash terms between 2025/26 and 2027/28, with more reductions likely after the next Comprehensive Spending Review.
- New statutory requirements to deliver food waste collection, without full funding from central government for this new burden.
- An expectation that current high levels of income from the council's treasury management investments will significantly reduce over the next two years as the council's excess cash is invested in capital projects, and interest rates continue to fall.

It should also be noted that the council relies heavily upon its own income generation ability to fund services. The 2025/26 budget includes £53.4 million of fees, charges, commercial and investment income, without which the council's net spending requirement would be £81.3 million rather than the current £27.9 million. Whilst this strong income base is a key financial strength of the council, it is often a challenge to increase these income streams in line with inflation. For example, many fees and charges are subject to government regulation and/or market forces, whilst investment and property income is often reliant upon external economic factors.

Against this backdrop, the Budget Setting Context report set revised savings targets with the aim of closing the budget gap on the General Fund by the end of the five-year period, beginning with a target to implement £1.5 million of recurring savings by 2027/28.

Housing Revenue Account

The HRA is the landlord account for the council, operating in the context of a 30-Year Business Plan. The 30-Year Business Plan makes assumptions regarding the level of income available and key risks facing housing service delivery within this timeframe. It shows when current borrowing will be repaid or refinanced whilst delivering the required level of service and is a key tool to assess how much additional borrowing is affordable and sustainable.

The HRA self-financing regime was introduced in April 2012. The council had to take on a significant amount of debt (£213.6 million) in exchange for the right to keep future rental income, replacing the old housing subsidy system. The HRA is now funded through the income received from rents and service charges in relation to its council homes, leasehold properties, garages and a small number of commercial properties. The money is ringfenced to provide all services required by tenants and leaseholders including repairs and maintenance and tenancy management, as well as funding new homes.

The HRA can borrow to invest in housing, but the borrowing must be fully supported by future income generated, for example rent from new council homes. The HRA must be able to meet the need to service a significant level of housing debt whilst also ensuring the ongoing delivery of housing services. On 1 April 2025, the council's net HRA debt stood at £230.4 million, including £213.6 million of external debt relating to self-financing, and the remaining £16.8 million borrowed internally from council cash balances (on which notional interest is paid).

The outturn position for 2024/25 and budget monitoring during 2025/26 showed that there were significant variances between allocated budgets and actual expenditure within the HRA, with an operating overspend of £2.3 million reported in 2024/25, and a further overspend of £3.1 million forecast for 2025/26. These overspends are reflective of wider national pressures within the housing sector, for example increasing regulatory requirements, and a recent focus on a variety of asset compliance issues including fire safety and damp, condensation and mould. Whilst the council's operational performance in these areas has been satisfactory, as evidenced by a recent inspection by the Regulator of Social Housing, this additional focus has brought with it increased costs which are likely to persist in the longer-term. As part of setting the HRA budget for 2026/27, the council therefore decided to conduct a zero-based budgeting exercise with the assistance of external consultants to completely refresh the HRA budget and 30-Year Business Plan. This budget therefore includes significant ongoing investment in a number of areas, which will ensure the council's ability to continue to provide high quality housing in a sustainable manner.

Summary

General Fund and Council Tax

This Budget Setting Report sets out the council's significant progress to date in meeting the ambitious savings targets it has set.

At the outset, the council set a net savings target of £1.5 million by 2027/28. The measures set out in this BSR will contribute £1.1 million, or 75%, of this target in the first year. The five-year budget gap has now been reduced by £2.2 million, from £3.6 million to £1.4 million, as set out in the table below:-

General Fund savings target (£m)	2026/27	2027/28	2028/29	2029/30	2030/31
Net savings requirement – July 2025	0.8	1.5	2.2	2.9	3.6
Impact of BSR 2026	(0.8)	(1.1)	(1.4)	(1.8)	(2.2)
Remaining net savings requirement	-	0.4	0.8	1.1	1.4

It is proposed that the council's band D Council Tax amount increase by 2.99%, from £232.13 in 2025/26, to £239.07 in 2026/27. This is equivalent to an increase of 13p per week.

Housing Revenue Account and rents

For the HRA, the zero-based budgeting exercise and review of the 30-Year Business Plan has resulted in the identification of ongoing bids and pressures totalling £2.2 million. Whilst these will lead to some efficiency savings of around £0.2 million, the primary purpose of this ongoing investment is to ensure that the council has sufficient revenue budget to continue to deliver high quality housing services in the face of increasing costs and regulatory requirements and a development programme which will see the size of the council's housing stock increase significantly over the next decade.

Much of this investment will be funded through rent convergence, which is expected to generate an additional £1.4 million per year by 2030/31. This will see the rents of households who currently pay less than social formula rent gradually increase (over a number of years) until the correct level is met. Further information is set out in section 2.

From April 2026, it is proposed that Social and Affordable Rents increase by 4.8%, which is equivalent to September 2025 CPI plus 1%, in line with the Rent Standard laid out by the Regulator of Social Housing.

Section 2

National and local policy context

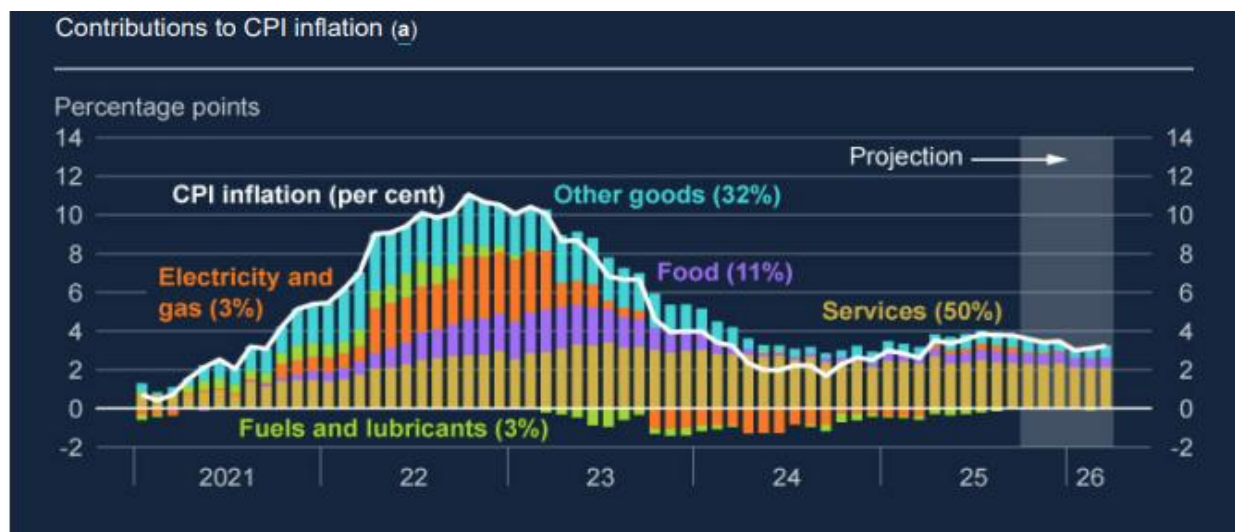
National policy framework

Economic factors

Inflation

Inflation, as measured by the Consumer Price Index (CPI), has fallen significantly from its October 2022 peak of 11.1%, to a low of 1.7% in September 2024, before increasing to 3.8% by September 2025. Since then, it had been on a new downward trend, falling to 3.2% in November 2025, but then rising to 3.4% in December 2025. Domestic inflationary pressures mean that inflation remains above the Bank of England's 2% target.

In its November 2025 Monetary Policy Report, the Bank of England forecast that CPI will continue to decrease. Underlying price and wage pressures have eased, so inflation is likely to fall to close to 3% early in 2026 before gradually returning towards the 2% target over the subsequent year. Some measures announced in the government's Budget, in particular one-off reductions to regulatory costs levied on households' energy bills, and changes to fuel duty, were likely to lower CPI inflation in April 2026 by around 0.5%. The main driver for inflation is now the services sector and pressures in this sector have begun to subside due to lower wage growth. Council budgets are no longer expected to be negatively impacted by substantial energy price rises, which created a severe cost pressure in recent years.



Economic growth

UK gross domestic product (GDP) is projected to have grown by 0.1% in the final quarter of 2025 (October to December). This reflects weaker-than-expected growth in exports to the US, as well as disruption linked to the Jaguar Land Rover cyberattack. Recent growth has been slow, as shown in the chart below:-



The Bank of England's judgement is that activity in the economy is below its potential. This is clear in the UK labour market, where the number of job vacancies has fallen and employment growth has stalled. There is a risk that households and businesses remain cautious about spending and investment, holding back demand and weighing on job prospects further. That could lead to inflation falling below the Bank's target.

Interest rates

The Bank of England has continued slowly to reduce the base rate, from 4.50% in February 2025 to 3.75% in December 2025. The Bank remains clear that its primary concern is meeting its 2% inflation target, and it will not cut interest rates too quickly or too much.

Nevertheless, it is anticipated that interest rates have a little further to fall. The council's treasury advisers, Mitsubishi UFG, are now projecting a Bank of England base rate of 3.25% by the end of 2026, and that this will be the low point for the base rate for the foreseeable future, remaining at this level for the medium term. MUFG forecasts up to March 2029, so the timing of the first eventual increase in rates is expected to be beyond that period and heavily influenced by whether the Bank of England manages to keep to its inflation target.

The Bank of England base rate is only one factor in determining the cost of council borrowing. Local authorities undertake most of their borrowing from the Public Works Loan Board (PWLb), which sets its rates by reference to daily gilt yields. UK gilt yields have remained high throughout 2025 in response to a number

of factors, including persistent inflation, government fiscal policy, and US tariffs. The result is that, by September 2025, PWLB lending rates had hit their highest point since 2007, with the interest rate on a 25-year maturity loan peaking at 6.57%. Rates have since declined slightly, but remain much higher than usual, still over 6% for a 25-year loan.

It is expected that gilt yields will fall throughout 2026, and for the purposes of setting this budget we have assumed average borrowing costs for new lending of 5.55% for 2026/27, falling gradually to 5.20% from 2029/30 onwards, based upon projections provided by Mitsubishi UFG. However, should actual rates remain higher for longer, this is likely to result in the council incurring higher borrowing costs to support its capital plan.

As at 1 April 2025, the Housing Revenue Account (HRA) held external borrowing of £213.6 million in 20 maturity loans from the PWLB, with rates ranging between 3.46% and 3.53% depending upon the term of the loan. The loans have varying maturity dates, with the first £10.7 million due to be repaid on 28 March 2038, and the last payment on 28 March 2057.

Whilst current forecasts assume future borrowing from the PWLB, alternative borrowing routes are also being explored, as the council is required to borrow significantly greater sums from 2025/26 onwards, particularly to fund its HRA new build development programme. Consideration will be given to internal borrowing, inter-authority borrowing, market borrowing and institutional investment.

Local government reorganisation

In December 2024, the government set out plans to reorganise local government, by abolishing all 'two-tier' areas in England. Locally, this means that this council, and all other local authorities in Cambridgeshire and Peterborough, will be replaced by two or three unitary authorities from April 2028. These new unitary authorities will cover the full range of council services currently delivered by both tiers of local government, from road maintenance and bin collections to education, planning, social housing, social care, and support with benefits.

The government invited councils locally to submit proposals for local government reorganisation (LGR) in November 2025. In total, four proposals were submitted for the Cambridgeshire and Peterborough area. Three of these four options ('options B, D, and E') have put forward a new unitary authority for Greater Cambridge, across the area currently administered by Cambridge City Council and South Cambridgeshire District Council. These options have the support of six of the seven local councils, including this council.

Cambridgeshire County Council has put forward an alternative option for two unitary councils ('option A'). The southern unitary would include the Greater Cambridge area as well as the area currently administered

by East Cambridgeshire District Council. That option is not supported by East Cambridgeshire District Council.

The government launched a public consultation on the four options in early February 2026. A formal decision about the government's preferred option is expected in the summer. Parliamentary legislation will be required to implement the decision. Based on the current timetable the first elections for the new authorities, in shadow form, are expected in May 2027. The new unitary authorities will 'go live', or become vested, from 1 April 2028, and all existing authorities will be dissolved.

LGR represents the biggest change to local government in Cambridgeshire and Peterborough for over 50 years. However, implementing reorganisation while continuing to deliver vital services will be challenging. There will also be opportunities to improve and integrate services which can deliver better outcomes for our residents, businesses and voluntary sector, and improve the financial sustainability of the local government sector as a whole.

The proposal supported by this council ('option B') is estimated to deliver around £42.8 million of annual savings by 2032/33, achieved through reduced duplication, digital transformation, and preventative approaches that reduce demand.

In the short-term there will be significant one-off transitional costs. For option B, these are estimated to be around £57.4 million across the whole of Cambridgeshire and Peterborough. Of this, initial estimates suggest around £19.0 million would need to be spent by the predecessor councils prior to vesting day, for example on the costs of setting up the shadow authority, programme management and planning, including ICT integration and other costs. These costs will need to be shared across all seven authorities, and the method for doing this has yet to be agreed. As an early prudent estimate of this council's likely required contribution, this BSR sets aside £2.5 million into an earmarked reserve for local government reorganisation.

Further information about LGR is available on the council's website (<https://www.cambridge.gov.uk/local-government-reorganisation>). This will be updated as new developments come to light.

In the meantime, in the absence of legislation prescribing the dissolution of Cambridge City Council, it is necessary to continue to prepare a balanced budget and Medium-Term Financial Strategy (MTFS) on a going concern basis. This is important to ensure the financial sustainability of a new unitary authority from day one, and also to ensure that this council can continue to provide services on an ongoing basis should LGR for any reason be delayed or aborted.

2026/27 local government finance settlement

The provisional local government finance settlement was published on 17 December 2025. This was the most consequential settlement for many years, as the government have now finally implemented Fair Funding

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reforms that were first mooted back in 2016, with an emphasis on directing funding to those parts of the country that are most deprived. It also reset the business rates system for the first time since it was introduced back in 2013. The settlement set funding for councils for 2026/27 and indicative funding levels for the following two years, which will help with financial planning.

Following consultation, the final finance settlement was published on 9 February 2026. The only change in the final settlement affecting this Council was a slight increase in the ringfenced consolidated grant for homelessness, rough sleeping and domestic abuse. This grant has increased by £105,000 in 2026/27, £70,000 in 2027/28, and £36,000 in 2028/29. This increase is in recognition of the new burdens placed upon the council's homelessness functions arising from the Renters' Rights Act, and there is likely to be a corresponding reduction in any additional new burdens grant the council will receive in this respect. Therefore, for the purposes of budget setting, no additional overall income has been assumed in this regard.

Nationally, core spending power (CSP) will increase by 6.1% in 2026/27, an increase of £4.5 billion compared to 2025/26, and is then set to increase by 4.3% and 4.4.% in 2027/28 and 2028/29 respectively. However, the additional funding has been highly targeted at higher-needs councils and those with social care responsibilities.

The settlement broadly follows the approach set out by the government in the two consultations which were held during 2025. Firstly, each council's 'relative need' is calculated by reference to seven individual funding formulae covering the full range of council services. This informs the council's total funding requirement. Then, a deduction is made for the amount of money which can reasonably be generated through Council Tax, recognising that councils in areas with high property values will be able to generate more income in this way.

Through this formula, the council has benefitted from significant population growth since the last funding review, together with the inclusion of 'daytime population' (commuters and visitors) in the formula, and for the first time a separate formula recognising temporary accommodation costs. However, it has lost out through a refresh of national deprivation data (which saw the council move from the 205th most deprived authority in 2019 to the 255th most deprived in 2025), and a resetting of the business rates system which means significant local business rates growth accumulated since 2013 has now been lost.

The net effect of these factors is that Cambridge has seen its fair funding share decrease from 0.0653% of the national total to 0.0476%, representing a reduction in funding of 27%. However, the government has put significant transitional protections in place for councils most affected by funding reform, including phasing the new fair funding allocations in over three years, and applying a 95% cash floor to the council's 2025/26 CSP (excluding ringfenced grants). These measures mean that the actual change in CSP the council will see

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is -2.2% in 2026/27, -1.7% in 2027/28, then 0.0% in 2028/29. Note that these figures are in cash terms – this represents a real term cut in CSP of around 11.2% over the next three years. However, funding reform has been on the agenda for a number of years now, and the council has planned for this eventuality through delivering significant savings in recent years, and maintaining healthy reserve balances.

Note that the government has significantly widened the scope of which funding is included within the definition of CSP to include a restructuring of many of the council's ringfenced grants (including those relating to homelessness), and to build historic accumulated business rates growth into the 2025/26 baseline for the purposes of calculating transitional protections. Care should therefore be taken in comparisons with figures quoted in previous reports. The table below compares the CSP in the settlement with the previous year on a like-for-like basis:-

Core spending power (CSP) (£m)	2025/26 Actual	2026/27 Final	2027/28 Indicative	2028/29 Indicative
Business rates	15.637	7.144	7.308	7.455
Core government grants	4.374	12.148	10.270	8.309
Ringfenced government grants	2.626	2.169	2.182	2.190
Council Tax	10.615	11.069	11.543	12.036
Transitional protection	-	-	0.665	1.986
Total funding	33.252	32.530	31.968	31.976
Change from previous year	11.2%	(2.2%)	(1.7%)	0.0%

The figures in the CSP calculation above are based upon government projections. In setting the budget and the MTFS, we undertake a detailed exercise to forecast future growth in Council Tax base and business rates, therefore the funding figures in the final budget as set out in this report will differ from the above. Any income additional to the above arises from local growth, rather than additional government funding.

Essentially, the reset of business rates has had the effect of converting some of the council's historic business rates growth into future government grant. In the medium term this provides more certainty, although clearly this income remains subject to future government decisions, particularly beyond the current spending review period.

As expected, 2025/26 was the final year of New Homes Bonus payments, though the funding for this scheme has remained within the overall funding allocated to local government (included within 'core government grants' in the table above).

Business rates

As part of the reset of the business rates retention scheme, the council has been given a new business rates baseline of £7.144 million. This is the amount that the government would expect the council to retain based upon rateable values set by the Valuation Office Agency for all existing business premises as at 1 April 2026. This means that all historic business rates growth has now been reset (and incorporated into the local government finance settlement as set out above), but the council can still benefit for future growth which takes place after 1 April 2026.

However, whilst future growth can be observed and independently verified, the nature of the business rates system means that there can be delays between when a property is first occupied and when it is formally valued for the purpose of determining its liability for business rates. Moreover, the new valuations will result in a large volume of challenges and appeals and the council will need to provide for the impact of successful appeals on its income.

As such, and in the context of the significant uncertainty in the system at present, a decision has been taken not to rely upon anticipated future business rates growth in setting the council's balanced budget or MTFS. Any growth received will be transferred to General Fund reserves, and be subject to future member decisions as to its use.

Collection fund

The business rates collected by the council are distributed between itself, central government, the county council and the fire authority. The council is therefore required to pay all business rates receipts initially into a separate collection fund. Payments are then made out of the collection fund to each of the relevant bodies (including the council's own General Fund), based upon estimates of the amounts due to be received. Surpluses or deficits can arise on the collection fund if the actual business rates receipts are higher or lower than anticipated, and these are again shared proportionally amongst the participating bodies.

As at 31 March 2026, the council's share of the deficit on the business rates collection fund is estimated to be £6.613 million. This comprises £3.756 million brought forward from 2024/25, and a further £2.857 million arising in 2025/26. In the past couple of years, the council has seen significant loss from rating appeals, particularly following the government's deadline for appeals against the 2023 rating list. In anticipation, the council put aside £3.871 million in an earmarked reserve in 2025/26 which will contribute towards meeting this deficit. Going forwards, the provision for business rate appeals has been increased from 2026/27, to around 5% of net rates payable, in light of recent experience and the additional uncertainty generated by the 2026 revaluation. This is a relatively prudent position to take, but this will reduce the risk of significant deficits arising again in the future. The position will be kept under constant review as appeals start to come through

and get settled, and the provision adjusted again should evidence emerge that this is necessary.

Council Tax

Tax base

Each January, the council is required to estimate its tax base for the following year for the purposes of setting Council Tax. The tax base reflects the number of domestic properties in the city expressed as an equivalent number of band D properties, adjusted for various discounts, exemptions and reliefs. Allowances are made for projected growth in the number of dwellings and an estimated deduction for non-collection.

The tax base for 2026/27 has been calculated as 46,562.0. The calculation is presented at Appendix A(a).

Collection fund

Similar to business rates, the council is required to keep a separate collection fund into which income from Council Tax is received, and out of which the relevant precept amounts set for the year are paid to the council and precepting bodies. The council's share of the deficit on the collection fund in respect of Council Tax as at 31 March 2026 is forecast to be £27,000, which will need to be repaid from the General Fund in 2026/27 and is therefore provided for in the budget for next year.

Council Tax thresholds

Under the Localism Act 2011, local authorities are required to hold a local referendum if they propose to increase Council Tax above the relevant limit set by the Secretary of State. For 2026/27, the limit for district councils will be set at 2.99%, or £5 for a band D property, whichever is greater.

It is important to note that the local government finance settlement assumes that all councils will increase their Council Tax level by the maximum permissible amount in each of the next three years. Any decision to apply a lower than maximum increase will result in a further reduction in the council's CSP.

Council Tax level

Financial projections of the Council Tax level made for the July 2025 Budget Setting Context Report assumed a Council Tax income of £11.050 million based on the projected Council Tax base at that time and an increase in Council Tax of 2.99%. Having updated the Council Tax base as part of the budget-setting process, the income from Council Tax in 2026/27 is now estimated at £11.132 million.

Given the financial pressures the council still faces, including a five-year unfunded budget gap of £1.492 million, it is proposed that the council's band D Council Tax level should increase by 2.99%, from £232.13 in 2025/26, to £239.07 in 2026/27. This is equivalent to around 13p per week. Other Council Tax bands will

increase in proportion. The full impact on each Council Tax band is set out in detail at section 11.

Housing policy

Rent Standard

Local authority rents, alongside those of housing associations and other registered providers, are regulated by the Regulator of Social Housing. The amount the council can increase rents by is governed by the Rent Standard which is published by the government to ensure all social housing is affordable and a consistent approach is taken.

Rent increases have been limited to an increase of up to CPI plus 1% each year since April 2020 (based upon CPI at the preceding September). This was originally intended to be for a period of five years but was subsequently extended to cover 2025/26.

Following consultation, the government has directed the Regulator of Social Housing to issue a new rent standard to take effect from 1 April 2026. This will once again provide for annual rent increases of up to CPI plus 1% for at least the next five years. For the purposes of the HRA 30-Year Business Plan, it is assumed that this cap will continue for ten years, as is the stated policy intention of government, before reverting to CPI only from 2036/37 onwards.

It is important to remember that, as a statutory ringfenced account, all rent income collected in the HRA can only be used for the provision of services to tenants and leaseholders, including repairs and maintenance, housing management, energy efficiency works and the development of new build housing. It is not possible to use income from outside of the HRA (for example Council Tax) to fund these vital services. As set out elsewhere in this BSR and in the council's Quarterly Performance Report July to September 2025, the HRA is currently experiencing significant pressure as a result of wider sector challenges, including a national focus on asset compliance, fire safety, and damp, condensation and mould. It is therefore essential that the council seeks to raise rents in a responsible manner, balancing the financial impact on individual tenants against the need to ensure that the city's demand for safe and decent social and affordable housing continues to be met.

The HRA 30-Year Business Plan therefore assumes that rents will continue to rise in line with the cap of CPI plus 1% for the next 10 years. This means that the increase for 2026/27 will be 4.8% (as CPI in September 2025 was 3.8%). This follows an increase of 2.7% last year.

Note that for properties let at Affordable Rent, the council is required to rebase (revalue) the Affordable Rent on each occasion that a new tenancy is issued (or renewed) for a particular property, and ensure that the rent remains at no more than 80% of gross market rent (inclusive of service charges) as of the date the property is relet. However, for the purposes of annual rent uplifts for continuing tenancies, the same cap of CPI plus

1% applies.

Rent convergence

Social Rents for any particular property are calculated using a formula set by the Regulator of Social Housing. This is known as 'formula rent', and for Cambridge is generally set at around 40% of market rent. Whenever a Social Rent property is relet, it should be done at this formula rent level (with an additional flexibility of up to 5% on general stock and 10% on supported housing – this council currently applies these flexibilities in full).

However, the application of annual rent caps has created a situation where many social tenants, particularly those who have been in the same home for a long period of time, are paying rent which is below formula rent, as a result of historic decisions taken by the government and/or the council. For example, CPI inflation in September 2022 was 10.1%. This means that formula rent increased by 11.1% in 2023/24. However, the actual impact on tenants was capped by the government at 7%, and then further capped by the council at 5%, in recognition of the significant cost of living pressures faced by households at the time.

This creates two significant issues. Firstly, it leads to a structural underfunding of the HRA, whereby the income it can generate is less than what the Regulator of Social Housing deems necessary for the provision of safe and decent homes. It is currently estimated that there are around 5,600 social tenants within the city paying less than formula rent, with an average difference of £10.53 per week. This represents a loss of income to the HRA of around £3.1 million per year. Secondly, it creates inequality amongst tenants, whereby identical households living in identical homes could be paying vastly different rents depending solely on the date they moved in.

As a solution to this issue, the government have announced a period of 'rent convergence'. This will allow the council to increase rents by an additional annual amount for those currently paying below the formula rent. This amount will be £1 per week from April 2027, then £2 per week from April 2028 onwards. These additional increases will be applied over and above the core increase of CPI plus 1% allowable each year, until formula rent is reached. Note that convergence will only allow rents to be increased to formula rent – the additional 5% rent flexibility (or 10% for supported housing) can still only be applied upon reletting.

The income generated from rent convergence will be of vital importance over the coming years to fund the ongoing maintenance and improvement of the council's existing housing stock, including delivery of energy efficiency measures which will reduce energy bills for tenants. It will also support the council's ambitious new homes programme, which will see over 1,300 desperately-needed council homes built in the city over the next 10 years.

It should be noted that currently 65% of council tenants receive some form of benefit support, with 55% receiving maximum housing benefit or universal credit housing costs. For most of these households, any rent increase will be fully covered from their benefits, meaning that there will be no net additional cost to the household.

Consumer standards

The Social Housing Regulation Act 2023 significantly enhanced the role of the Regulator of Social Housing and introduced new consumer standards, which came into force on 1 April 2024. The council was inspected by the Regulator during 2025/26 and was given a C2 grading. This is the second highest consumer grade (with C1 being the highest and C4 the lowest), and means that there are some weaknesses in the council delivering the outcomes of the consumer standards and improvement is needed.

Areas for improvement, which the regulator acknowledged have action plans already in place, include:-

- Stock condition surveys: These are property inspections of homes to check their overall condition, identify repairs needed, and plan future maintenance or improvements. The council has already begun to address the backlog and in July 2025, Cabinet approved an acceleration programme to speed up inspections.
- Fire risk assessment remedial actions: The council has been working to further decrease fire risks. The regulator noted the excellent progress the council has made in this area of work to keep tenants safe. Outstanding risks still being addressed are things like clutter in communal areas which can affect fire escape routes, and where there may be missing fire safety signage.
- Data management systems: Some of the technical systems for managing data are slightly outdated. The regulator noted that over the past 18 months these systems have been strengthened. The council has committed to carry out further improvements that will allow data to be managed more efficiently.

The HRA proposals within this BSR have been developed with the above areas in mind and will support the council in ensuring that the necessary improvements are fully delivered.

Awaab's Law

Awaab's Law placed new duties on social landlords with effect from 27 October 2025. The law aims to protect tenants from health risks associated with disrepair issues in social housing, for example relating to damp, condensation and mould. It requires that the council as landlord must:

- complete emergency repairs within 24 hours of them being reported; and

- investigate significant hazards such as damp and mould within 10 working days and start remedial work within 12 weeks.

This BSR includes extensive investment in the council's housing repairs service which will ensure compliance with this new legislation.

Decent Homes Standard

Following a public consultation in 2025, the government has published a new Decent Homes Standard which will apply to the social rented sector from 2035. However, the sector is still awaiting detailed guidance from the government, and therefore it is still too early to assess the impact which this may have on the HRA 30-Year Business Plan in the future. This will be kept under review, and future iterations of the 30-Year Business Plan updated as further information becomes available.

Right to Buy

The Right to Buy (RTB) scheme allows social housing tenants in England to buy their social homes at a discounted price. In the three years from 2021/22 to 2023/24, an average of 26 homes per year were sold by the council through this scheme.

However, in November 2024 the government announced significant changes to RTB, including a reduction in the maximum discount allowed in Cambridge from £102,400 to £34,000. This resulted in a huge spike in applications immediately prior to the changes, with 167 applications received in 2024/25 (compared with 42 in the previous year). Of these, 48 have now completed, with a further 24 still in the legal process. Note that it is common for over half of applications received to be withdrawn or rejected prior to completion.

As at 31 December 2025, 42 RTB completions have taken place during the 2025/26 year to date, of which 24 relate to applications received in 2024/25 as the backlog is cleared. There are a further 10 new applications currently in the legal process.

Going forward, with discounts back at a level last seen in 2012, it is likely RTB applications will slow considerably in future years. As such, the assumption in the HRA Business Plan has been reduced to 15 sales per year from 2026/27 onwards. However, future sales volumes are uncertain and may continue to fluctuate depending upon government policy, changes in house prices, and also the availability and affordability of mortgages for prospective buyers.

The table on the following page highlights the RTB activity over the last 5 years, detailing the mix of houses, flats and bedsits sold through this process:-

Status	Year	Houses	Flats	Bedsits	Total
Actual	2022/23	12	15	1	28
	2023/24	12	3	0	15
	2024/25	17	7	0	24
Estimate	2025/26	33	18	0	51
	2026/27	8	7	0	15
	2027/28	8	7	0	15
	2028/29	8	7	0	15

The receipts generated from RTB sales can only be used for the provision of new homes, either for Social or Affordable Rent, for shared ownership sale, or for sale under the First Homes scheme. Previously, there have been significant restrictions on how RTB receipts can be used, for example it was not possible to combine RTB receipts with Homes England grants. The government has announced that all such restrictions will be lifted with effect from 2026/27, meaning that the council will be free to retain 100% of its receipts, provided that they are spent within five years, and can choose the most effective way to combine these with other funding sources to maximise delivery of new housing.

Welfare reforms

The majority of working age benefit claimants have now transitioned to universal credit in line with government policy. Most working age tenants seeking assistance with their rent for the first time, or currently in receipt of housing benefit but experiencing a relevant change in circumstance, will now need to apply for universal credit through the Department for Work and Pensions (DWP). There are, however, exceptions for tenants placed in temporary accommodation. Furthermore, tenants who have reached state pension age will continue to be entitled to housing benefit for the foreseeable future.

The removal of the spare room subsidy by the previous government (known as the 'bedroom tax') continues to impact residents, with some claimants receiving short-term Discretionary Housing Payments (DHPs) from the council to support them until they are able to gain employment, improve their financial circumstances or move to more suitable accommodation.

Local policy priorities

Council vision

In July 2024, the council adopted a new vision for “**One Cambridge, Fair for All**”. The council is committed to working cooperatively with residents and partner organisations to deliver this vision, which includes the following key objectives:-

Residents enjoy a high quality of life and exemplar public services	Development is sustainable and inclusive
Decarbonisation and sustainability are central to prosperity	Arts, sports, and culture are thriving
Innovation benefits people and planet	Democratic accountability is genuine and accessible

Further information is available on the council's website (<https://www.cambridge.gov.uk/our-vision>).

Corporate Plan 2022-27

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

The corporate plan sets out four priorities:

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

Review of local factors

Local demographic factors impact on the council's financial strategy in terms of their effect on the level of

demand for services, the specific type and nature of services, and the income available to the council through Council Tax, business rates, and fees and charges.

Cambridge had the fastest growing population of any local authority in England between the last two censuses, increasing by 17.6% from around 123,900 in 2011 to 145,700 in 2021. The Office for National Statistics predicts that the population of the city will further increase to around 165,900 by 2032, which will represent an increase of 33.9% over 21 years.

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

The council is already focused on meeting the needs of new communities and residents through better use of technology, joint services with other local authorities and partnership working (through the Greater Cambridge Partnership (GCP) and the Cambridgeshire and Peterborough Combined Authority) in order to lever in funding for infrastructure improvements.

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

Climate and biodiversity emergencies

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

The council will work together with the whole city and its partners across Cambridgeshire to deliver a just transition towards its vision of a net zero Cambridge. Working with South Cambridgeshire District Council, the council has recently jointly consulted with communities to help shape its approach for future years, and an updated Climate Change Strategy will be presented for Cabinet approval in March 2026.

Housing Strategy

The Greater Cambridge Housing Strategy 2024-2029 identifies four key objectives with seven priority actions for housing in the Greater Cambridge area:-

Building the right homes in the right places that people need and can afford to live in	Settled lives
Priority 1: Increasing the supply of new homes, including affordable housing, contributing to healthy and sustainable communities Priority 2: Enabling the housing market to meet a wide range of local housing needs and to support sustainable growth	Priority 5: Promoting health and wellbeing, tackling poverty, and promoting equality and social inclusion. Priority 6: Preventing Homelessness.
High quality, low carbon, energy and water efficient homes	Building strong partnerships
Priority 3: Mitigating and adapting to climate change through good design and quality of new homes. Priority 4: Improving housing conditions, management, safety and environmental sustainability of homes, and making best use of existing homes.	Priority 7: Working with key partners to innovate and maximise resources.

Housing demand

The council's HRA, alongside other registered providers of social housing, provides accommodation for those on the housing register. As at January 2026, the housing register recorded the following applicants by both bedroom need and priority banding:-

Bedroom need	Band A / Emergency	Band B	Band C	Band D	Band D*	Total
1 bedroom	98	191	705	167	190	1,351
2 bedrooms	32	128	108	90	50	408
3 bedrooms	69	231	25	53	24	402
4 bedrooms	41	43	4	7	5	100
5+ bedrooms	3	1	0	0	0	4
Total	243	594	842	317	269	2,265

The table shows that the greatest demand for housing remains 1- and 2-bedroom properties, with these representing 78% of the register.

An update to the council's Housing Strategy approved in June 2024 adopted a revised target affordable housing size mix. Council housing delivery is designed according to this overriding target while being informed by housing register data to ensure it meets core needs. Current metrics are noted below as

identified in the adopted housing delivery portfolio:-

Affordable housing mix across 10-year development programme	1 bedroom	2 bedrooms	3 bedrooms	4 bedrooms
Housing Strategy target	35-45%	30-40%	15-25%	0-10%
Current programme with planning permission	45.7%	39.3%	13.6%	1.4%

Council housing stock

The table below shows the housing stock currently managed within the council's HRA:-

Housing Category	1 April 2025 Actual	1 April 2026 Estimate
General housing – Social Rent	5,980	5,731
General housing – Affordable Rent	966	1,052
Sheltered housing	522	489
Supported housing	14	17
Temporary housing (individual units)	118	123
Temporary housing (HMO's / EA)	21	21
Miscellaneous leased dwellings	18	18
Total rented dwellings	7,639	7,451
Shared ownership dwellings	80	80
Total dwellings	7,719	7,531

The number of properties anticipated to be held by 1 April 2026 is lower than the number held at 1 April 2025, due primarily to a number of ongoing redevelopment schemes which will see a temporary reduction as older homes are demolished to eventually be replaced by new builds.

A breakdown of the housing stock by property type is shown in the table on the following page:-

Property Type	1 April 2025 Actual	1 April 2026 Estimate
Bedsits	100	91
1 bedroom	2,019	2,016
2 bedrooms	2,709	2,600
3 bedrooms	2,244	2,211
4 bedrooms	114	113
5 bedrooms	8	8
6-7 bedrooms	3	3
Sheltered housing	522	489
Total dwellings	7,719	7,531

Transformation

The "Our Cambridge" transformation programme formally concluded in the summer of 2025 after the implementation of the whole council design process, which built on the purpose led approach of the whole programme to create a more efficient, effective and sustainable internal structure.

Our medium-term financial strategy in October 2021 said:

"The Our Cambridge programme will make 'One Cambridge - Fair for all' the reality that underpins all of the council's work, by building on the assets that exist and what already works well; but also ensuring that, as the council adapts to the severe challenges that face us, we consistently put people at the heart of what we do. The council's ambition is to create a prosperous and sustainable future where people are able to get the help and support they need, when they need it; our teams feel valued and part of a council that is investing in the future; and where our financial position enables our ambitions as a council and does not hold them back."

In that 2021 strategy, the target revenue saving had been identified as £4.7 million by 2025/26, and the need to make those savings was the main driver for releasing the one-off funding to run the Our Cambridge programme. As part of that process members agreed that they didn't just want to 'salami slice' to achieve the savings but to use the process to help us modernise and change our culture.

The programme successfully met its core goals of reviewing and updating our internal culture and ways of working, and making a significant contribution to the overall savings target set out at the beginning of the

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programme. As part of the updated council ways of working a strengthened permanent change capacity has been included in the new structure, which is supporting an ongoing programme of improvement. In this way, the investment in the Our Cambridge programme has not only delivered on its goals, but left the council in a better place to manage ongoing change. This will become increasingly important over the coming years as the council moves towards local government reorganisation.

In last year's BSR, the council set aside £3.149 million into a Transformation and Reinvestment Fund to support further transformation and modernisation activity. As at January 2026, £2.712 million of this fund has been allocated. Roughly half of this has been spent on one-off restructuring costs arising from the legacy Our Cambridge programme, whilst the remainder has been allocated to new transformation initiatives including £310,000 on asset compliance and management, £300,000 for initial work on LGR, and £215,000 on a review of the council's homelessness services. Full details on how the fund is being used were set out in a report to Cabinet in January 2026.

In December 2025, the council published its first integrated Quarterly Performance Report, bringing together information about finance, performance and risk. Going forward this report will be presented to Cabinet every quarter, supporting effective strategic oversight, considered decision-making, effective scrutiny and public visibility and accountability.

Section 3

Budget consultation

Public consultation

This Budget Setting Report (BSR) has been informed and shaped by the council's public consultation on Priorities and Budget 2026-27, which was carried out between 7 October and 16 November 2025. Public consultation took place earlier in the budget-setting process this year, to ensure that the results of the consultation could contribute meaningfully towards the strategic direction and individual budget proposals set out within the BSR. This meant a slightly different approach to last year, whereby the public were asked more general questions about the council's vision and where it should prioritise its resources, rather than being asked for their opinion on specific pre-determined budget proposals.

Promotion and participation

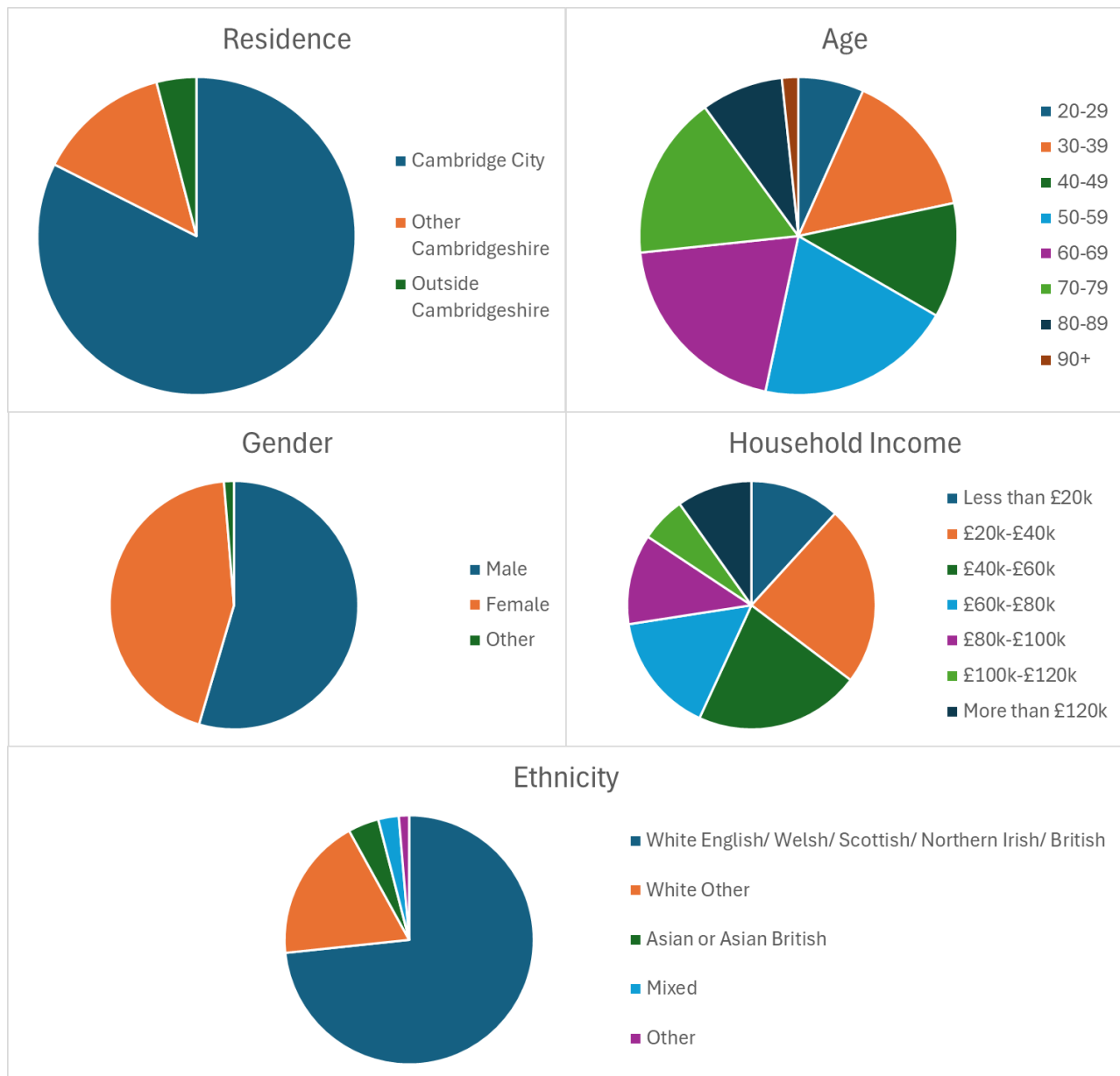
The consultation was run on the council's online engagement platform, in accordance with the Code of Best Practice on Consultation and Community Engagement. However, paper copies of the survey were available upon request.

The consultation was promoted heavily in order to encourage wide participation from a diverse range of stakeholders, including residents and local businesses. Examples of ways in which the consultation was promoted include:-

- Emails were sent to all registered subscribers of the council's online engagement platform (over 7,300 individuals), and a further 57 individual business and voluntary sector stakeholders.
- The consultation was promoted at the top of the council website homepage, and on street-facing digital screens at the front of Mandela House, for three weeks.
- An article on the consultation was included in the autumn 2025 issue of Cambridge Matters, which is delivered to every home in Cambridge.
- Social media posts on the consultation were 'boosted' at a cost of £200, achieving a reach of 89,000 individuals.

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In total, 512 responses to the consultation were received. The demographic profile of respondents is set out in the following charts:-



Note in each of the above charts, those who opted not to provide the relevant demographic data are excluded.

The above represents a reasonably broad mix of respondents, although it is recognised that there remains a bias towards older age groups, particularly in the context of the city's relatively young population. This will be taken into consideration in planning next year's budget consultation.

Results

The detailed results of the consultation are set out at Appendix B, with key highlights summarised below.

Council vision and services

Participants were asked, for each of the six key objectives in the council vision, whether the council should spend more, less, or the same as other objectives. The results were as follows:-

Key objective	Spend more	Spend the same	Spend less
Residents enjoy a high quality of life and exemplar public services	62%	32%	6%
Decarbonisation and sustainability are central to prosperity	34%	34%	32%
Innovation benefits people and planet	20%	47%	33%
Development is sustainable and inclusive	28%	44%	28%
Arts, sports, and culture are thriving	34%	50%	16%
Democratic accountability is genuine and accessible	26%	54%	20%

The consultation shows a clear preference for the council to prioritise its resources towards the first objective, “residents enjoy a high quality of life and exemplar public services”.

In addition, participants were asked for their views on the importance of the council spending money on a variety of its services. The three services with the highest percentage of respondents which rated them as ‘very important’ were:-

- Public safety (75%)
- Waste and recycling (68%)
- Streets and open spaces (67%)

These results have been reflected in this BSR through budget bids to invest in a number of core services, with a clear focus on those of most importance to the public, for example:-

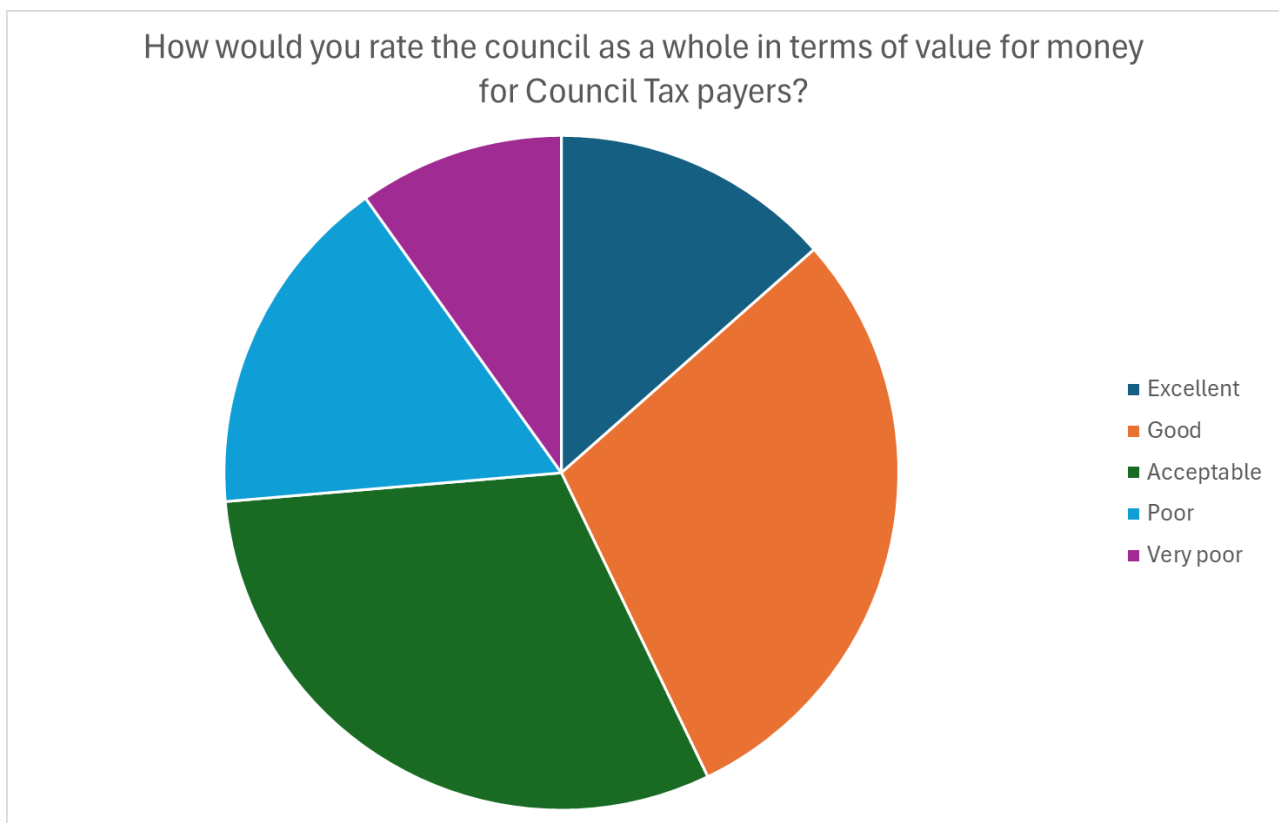
- An ongoing commitment to maintain city street lighting at 80% brightness between 10:00pm and 2:00am, rather than the 60% funded by the county council as the responsible body for street lighting.
- Ongoing investment of £1.387 million per year in the Shared Waste Service, including the introduction of a new food waste collection service.

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- An additional £50,000 per year (bringing the total budget to £253,000 per year) towards day-to-day playground maintenance, including the repair or replacement of damaged equipment.
- An additional £80,000 over two years to fund additional seasonal resource to support weed clearance in the city's streets and open spaces during peak growth periods.
- An additional £165,000 per year commitment to maintaining high cleaning standards for key city assets, such as public toilets and the market square.

Value for money

Overall, 42% of respondents rated the council as 'good' or 'excellent' value for money for Council Tax payers, with a further 30% rating the council 'acceptable':-



Section 4

General Fund revenue budgets

2025/26 outturn

As at the end of September 2025, the forecast outturn for the General Fund in 2025/26 is that we will spend £1.742 million more than planned. This includes a £1.076 million shortfall of income on one of the council's commercial properties (Lion Yard), of which £726,000 is a one-off adjustment. It also includes £640,000 of lost housing benefit subsidy as a result of government restrictions on the subsidy that can be claimed in respect of charitable accommodation. Further information is included in the council's Quarterly Performance Report July to September 2025, and budget bids have been included within this Budget Setting Report (BSR) to address both of these issues going forward.

2026/27 budget setting

Amidst rising cost pressures and decreasing government funding, the Budget Setting Context Report approved in July 2025 identified a budget gap of £3.573 million per year by 2030/31, and set out a plan to address this starting with delivery of £1.5 million of recurring savings over the next two years (2026/27 and 2027/28). These savings are to be delivered through a combination of expenditure reductions, efficiencies and increased income from fees and charges.

Given the council's challenging financial situation and need to make savings, budget proposals with a net cost to the council were only considered this year where they were unavoidable (e.g. due to new statutory responsibilities or statutory demand pressures) or met an important policy objective (e.g. support for vulnerable individuals). Where applicable, proposals are supported by business cases. All proposals have been examined and challenged by the Leadership Team and are subject to scrutiny by the Performance, Assets and Strategy Scrutiny Committee. The impact of each individual budget proposal is set out in detail at Appendix E.

The total net impact of all of the measures in this BSR on the council's five-year savings target is set out in the table on the following page:-

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General Fund savings requirements (£m)	2026/27	2027/28	2028/29	2029/30	2030/31
Net savings requirement – new each year (July 2025)	0.750	0.750	0.700	0.700	0.673
Net savings requirement – cumulative (July 2025)	0.750	1.500	2.200	2.900	3.573
Reverse proposed contributions (to) / from reserves to smooth old savings target	(1.458)	0.062	(0.843)	(0.667)	-
Remove indicative savings and pressures (employer pensions and food waste)	(0.733)	(0.755)	(0.773)	(0.791)	(0.815)
New savings and increased income	(4.808)	(4.442)	(4.150)	(3.916)	(3.728)
New revenue bids and pressures	4.488	4.115	3.603	3.475	3.469
Review of capital programme and financing	2.622	4.605	2.061	(0.030)	(0.486)
Total net pressure/(savings)	1.569	3.523	0.741	(1.262)	(1.560)
Collection fund deficit (net of funding already set aside)	2.883	-	-	-	-
Changes to core funding assumptions per final settlement	(1.379)	(1.385)	(1.285)	(1.400)	(1.595)
Transitional funding	(3.795)	(2.583)	(1.986)	-	-
Changes to business rate growth policy	0.403	1.016	1.500	1.500	1.469
Changes to Council Tax assumptions	(0.082)	(0.100)	(0.101)	(0.100)	(0.099)
Total funding changes	(1.970)	(3.052)	(1.872)	-	(0.225)
Other adjustments and changes to assumptions	(0.491)	(0.961)	0.113	0.086	(0.415)
Contributions to / (from) reserves to smooth current savings target	1.600	(0.697)	0.411	0.068	-
Total changes to savings requirements	(0.750)	(1.125)	(1.450)	(1.775)	(2.200)
Revised net savings requirement – cumulative	-	0.375	0.750	1.125	1.373
Revised net savings requirement – new each year	-	0.375	0.375	0.375	0.248

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As set out at section 2, the final local government finance settlement sees the council around £1.6 million better off than expected in terms of annual core funding by 2030/31, with additional transitional funding of £8.364 million being made available over the current three-year settlement period. The council has been able to apply this transitional funding, together with some historic excess reserve balances, to review its approach to financing its future capital programme. Whilst the previous Medium-Term Financial Strategy (MTFS) anticipated significant borrowing to fund capital expenditure in the future, it is now possible to meet immediate operational commitments over the next few years from revenue reserves. This does result in an increase in the revenue costs associated with the capital programme in the next three years, but over the long term the council will benefit from a reduction in financing costs which can be seen to take effect from 2029/30 onwards.

The net pressures for the years 2026/27 to 2028/29 should therefore been seen in the context of a deliberate approach to reset the council's approach to capital financing, ensuring future borrowing is only undertaken in a targeted way for specific projects where there is a supporting revenue stream (as was the case for the Park Street redevelopment), rather than assuming that borrowing will be required for immediate operational requirements such as asset compliance work or fleet replacement. This is a more sustainable approach to capital financing which will ensure the council continues to live within its means.

The council continues to contribute additional funding for services that are the responsibility of other authorities, e.g. highways grass verge cutting and shrub bed maintenance or street lighting. In this way it can enhance those services for Cambridge residents and visitors beyond the statutory minimum.

As in previous years, the council will use its unallocated General Fund reserves to smooth the delivery of savings targets over time, with a total net contribution to reserves of £1.382 million over the next four years, before allocations for specific projects as set out in section 8 of this report.

Section 5

General Fund capital budgets

Capital strategy

In line with guidance, the council has prepared a separate Capital Strategy for the approval of Full Council alongside the BSR and the Treasury Management Strategy (see Appendix P).

Capital plan

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

Capital proposals

New capital proposals totalling £11.231 million over the next five years have been put forward as part of this BSR, as summarised in the table below and set out in full detail at Appendix F(a):-

General Fund capital plan spending (£m)	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	Total
Approved per BSR 2025	22.725	3.003	2.223	0.865	0.865	0.865	30.546
Carried forward as part of 2024/25 Outturn Report	55.172	-	-	-	-	-	55.172
Approved or amended since BSR 2025 – Appendix F(b)	30.030	0.024	0.112	-	-	-	30.166
New proposals – Appendix F(a)	-	5.770	3.394	0.350	0.200	1.517	11.231
Total capital plan	107.927	8.797	5.729	1.215	1.065	2.382	127.115

The full current capital plan, updated for schemes approved since BSR 2025 and proposals for new schemes, is shown in detail at Appendix F(c).

Capital financing

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

Internal funding includes:

- Earmarked and specific funds (e.g. asset replacement reserve)
- Capital receipts
- Internal borrowing (use of council cash balances)
- Prudential (external) borrowing
- Revenue resources

External funding includes:

- Developer and other contributions
- Grants

Where capital expenditure is funded from internal or external borrowing, a Minimum Revenue Provision (MRP) is charged annually in line with the council's MRP policy. This effectively means that the expenditure is financed from revenue resources over the life of the relevant asset. The MRP policy is presented to Council for approval annually in the Treasury Management Strategy Statement (Appendix P). Where external borrowing is undertaken, interest costs will also be incurred which are charged to revenue.

The table on the following page sets out how the capital plan, including the capital proposals listed in Appendix F(a), is planned to be financed. In addition, in 2025/26 it is proposed to make use of £5.837 million in transitional revenue funding to repay historic unfinanced capital expenditure on the Meadows Community Centre, which will avoid the need to borrow for and therefore reduce future interest and repayment costs.

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General Fund capital plan funding (£m)	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	Total
Developer contributions	(2.102)	-	-	-	-	-	(2.102)
Other sources	(10.496)	(1.174)	(1.163)	-	-	-	(12.833)
Total – External support	(12.598)	(1.174)	(1.163)	-	-	-	(14.935)
Direct Revenue Financing	(2.161)	(3.341)	(2.766)	(1.065)	(1.065)	(1.065)	(11.463)
Appropriations from General Fund reserves	(6.417)	-	-	-	-	-	(6.417)
Earmarked reserves – Capital contributions	(0.146)	-	-	-	-	-	(0.146)
Capital receipts and development surpluses	(17.104)	(4.282)	(1.800)	(0.150)	-	(1.317)	(24.653)
External borrowing – Park Street redevelopment	(32.797)	-	-	-	-	-	(32.797)
Internal and external borrowing – on-lending for capital purposes	(36.704)	-	-	-	-	-	(36.704)
Total – Council resources	(95.329)	(7.623)	(4.566)	(1.215)	(1.065)	(2.382)	(112.180)
Total funding	(107.927)	(8.797)	(5.729)	(1.215)	(1.065)	(2.382)	(127.115)
Capital plan	107.927	8.797	5.729	1.215	1.065	2.382	127.115

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

The table on the following page sets out the forecast balance of capital receipts and development surpluses over the next five years:-

General Fund capital receipts and development surpluses available (£m)	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Brought forward at 1 April	14.883	4.282	-	-	3.450	3.450
Forecast capital receipts and development surpluses	6.503	-	1.800	3.600	-	-
Used for financing of in-year capital plan expenditure	(17.104)	(4.282)	(1.800)	(0.150)	-	(1.317)
Carried forward at 31 March	4.282	-	-	3.450	3.450	2.133

Section 6

Housing Revenue Account revenue budgets

2025/26 outturn

At the end of September 2025, the forecast outturn for the Housing Revenue Account (HRA) in 2025/26 is that we will spend £2.165 million more than planned. Of this, £1.180 million is for higher than budgeted expenditure on housing repairs, including damp, condensation and mould, and £846,000 is for rectifications of damage caused by fire and other incidents, as set out in council's the Quarterly Performance Report July to September 2025.

The original budget for 2025/26 included a contribution of £1.012 million to the HRA balance. The forecast overspend would mean, without further action, that the HRA balance would decrease by £1.153 million, which would take the balance below its target level. This is due to the way in which the HRA is managed, with unallocated reserves deliberately kept as close as possible to the target level, and any excess used to finance capital investment and therefore reduce the need to borrow. In reality, at year-end, any shortfall in the HRA reserve from its target level will be met by reducing the contribution to capital in-year, and this is taken into account within the projections set out in this Budget Setting Report (BSR) and the HRA 30-Year Business Plan.

2026/27 budget setting

Due to the significant recurring overspends and ongoing pressures in the HRA, together with high projected future borrowing to support the council's ambitious new build programme, in 2026/27 we commissioned an external review of the 30-Year Business Plan with the help of external consultants, Savills. This included a review of key assumptions, and benchmarking against other local authorities.

Benchmarking was carried out based upon 2024/25 outturn data, and showed that the average cost per unit of housing management and maintenance (net of service charges) was £2,509, compared with a national average of £2,886. Despite spend per unit which is 13% lower than the national average, the council has continued to provide high quality housing services, as evidenced by the recent inspection by the Regulator of Social Housing which awarded a 'C2' grade against the consumer standards (the second highest grade in

a possible range of C1 to C4).

Nevertheless, the relatively low cost per unit may also explain some of the reason for recent overspends, as the council tries to deliver against increasing regulatory requirements with insufficient revenue budget to do so.

In this context, budget managers were this year encouraged to take a 'zero-based' approach to budgeting, considering the level of resource actually required to continue to provide quality services to tenants and leaseholders. This has seen a substantial level of budget proposals come through this year, with ongoing bids and pressures totalling £2.222 million having been identified. All proposals have been examined and challenged by the council's Leadership Team and are subject to scrutiny by the Performance, Assets and Strategy Scrutiny Committee. Business cases have been prepared where applicable.

The main purpose of this investment is to bring future budgets in line with the council's spending need on statutory requirements, and its ambitions on level and quality of service, therefore reducing the risk of overspends in the future. However, some of this investment will drive future efficiency savings, and this year's BSR identifies £208,000 of ongoing savings in the HRA, against a savings target set in last year's BSR of £218,000 per year for each of the next five years.

A significant portion of the cost of these proposals will be met through the additional income generated by rent convergence, which is expected to reach £1.419 million per year by 2030/31, with further increases in following years. Further information about rent convergence is set out at section 2 of this BSR. The HRA budget proposals are set out in detail at Appendix H.

Following the investment in this BSR, the council's new budgeted management and maintenance cost per unit will be £3,044. This will fall much closer to the national average, which will be around £3,062 in 2026/27 if the 2024/25 figure is inflated using the council's core budget CPI assumptions.

Following the zero-based budgeting exercise, the previous savings target of £218,000 per year has now been removed, and replaced with more specific phased savings linked to the new investment as set out at Appendix H.

The table on the following page shows the HRA financial position over the next five years. The table demonstrates that the HRA revenue budget will be balanced over the medium term and will accommodate the impact of HRA borrowing and support the capital programme:-

HRA revenue budget (£m)	2026/27	2027/28	2028/29	2029/30	2030/31
Dwelling rents	(55.606)	(59.645)	(64.411)	(69.332)	(73.870)
Other income	(5.819)	(6.035)	(6.397)	(6.612)	(6.786)
Total income	(61.425)	(65.680)	(70.808)	(75.944)	(80.656)
Repairs and maintenance	15.301	15.658	16.630	17.291	17.865
Management costs	12.865	13.546	13.820	14.443	14.711
Depreciation	12.254	12.563	13.172	13.655	14.079
Bad debt provision	0.561	0.600	0.588	0.573	0.615
Total operating expenditure	40.981	42.367	44.210	45.962	47.270
Net operating surplus	(20.444)	(23.313)	(26.598)	(29.982)	(33.386)
Net interest cost	12.309	14.934	17.763	20.920	24.130
Revenue contribution to capital financing	8.266	8.128	8.477	8.865	9.073
HRA (surplus) / deficit	0.131	(0.251)	(0.358)	(0.197)	(0.183)

A more detailed ten-year projection of HRA income and expenditure is set out at Appendix G.

Rent income

The approach to setting HRA rents is set out in section 10. The 30-Year Business Plan also takes account of the council's historic and anticipated performance on rent arrears, bad debts and voids.

Rent arrears

Rent collection performance was broadly maintained during 2024/25 despite the challenging economic climate, with a collection rate of 98.9%, consistent with the previous year. As a result of rent not collected, total arrears increased during 2024/25, with current tenant arrears of £1.807 million and former tenant arrears of £1.676 million by 31 March 2025. The position in respect of current arrears has worsened in both monetary and percentage terms during 2025/26, and as at 31 December 2025 current tenant arrears stood at £2.360 million and former tenant arrears at £2.060 million. This increase is largely due to ongoing work on resolving

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historic rent regulation errors which is taking up significant time and resource. Refunds in relation to the historic rent correction have now started to be processed (funded from a provision put aside when the issue was first identified), and thus efforts can be made to bring tenant arrears back down again. The position in respect of rent arrears is summarised in the table below:-

Date	Current tenant arrears	Current tenant arrears as a percentage of gross rent for the year	Former tenant arrears
31 March 2024	£1,688,582	3.37%	£1,269,270
31 March 2025	£1,807,318	4.24%	£1,676,461
31 December 2025	£2,360,474	5.59%	£2,060,175

The Income Management Team works proactively with tenants and financial support providers to mitigate the impact of rent arrears for both tenants and the council. The team use both the Income Analytics and LIFT software systems, which facilitate improved arrears management and access to financial data sets to maximise receipt of financial assistance for the tenants. Proposed investment in these systems, including the implementation of Voicescape which will replace Income Analytics, is expected to result in a lower level of arrears and bad debts in future years.

Bad debt

Debt that is not realistically collectable is recommended for write-off and provision is currently made in the HRA to write off 89.13% of former tenant debt. Any decision to do this is not taken until all avenues for collection have been exhausted. The annual contribution to the bad debt provision for 2025/26, based on 1% of rent due, was set at £527,000 in the HRA budget approved in February 2025.

The annual contribution to the bad debt provision for 2026/27 is proposed to be set at £566,000 (again c. 1% of rent due) based on previous levels of defaults and write-offs. Rent and service charges are handled proactively by the council, but non-recoverable arrears decrease income, impacting upon important services for residents and the council's ability to deliver new housing. This bad debt provision position will be reviewed periodically, as more tenants transition to Universal Credit and the longer-term impact of pressures on household incomes becomes clearer.

Over time, the investment in housing management set out in this BSR is anticipated to lead to improved performance, therefore within the 30-Year Business Plan it has been assumed that bad debt will be at around 0.9% in 2028/29, then around 0.8% from 2029/30 onwards.

Void levels

Empty properties provide no rental income for the council yet still incur costs to secure and maintain. An increase in void properties will decrease income and resources available for service delivery to council residents.

The council has been working hard to improve its void performance, and last year's 30-Year Business Plan included a reduction in the void loss assumption from 1.1% to 1.0% in 2025/26, then to 0.8% from 2027/28.

Following more detailed modelling, the current 30-Year Business Plan now includes a void assumption of 1.08% for 2026/27 but still anticipates an improvement in performance to 0.8% from 2027/28 onwards. This will be supported by the investment proposed within this BSR in both housing management and repairs.

Interest income

The HRA is entitled to claim a proportion of interest earned on cash balances invested by the council. The average rate of interest assumed for 2026/27 is 3.6%. This is based upon the HRA clawing back interest from the General Fund on investments with minimal risk. This recognises that the General Fund bears the risk, but also benefits from the reward, of the higher risk investments made by the Council.

Section 7

Housing Revenue Account capital budgets

Capital strategy

In line with guidance, the council has prepared a Capital Strategy to be presented to Performance, Assets and Strategy Scrutiny Committee and Full Council alongside the Budget Setting Report (BSR) and the Treasury Management Strategy (see Appendix P).

Capital plan

The Housing Revenue Account (HRA) capital plan is designed to maintain and improve existing stock, as well as to deliver new housing within the city. The plan is funded through a combination of capital grants, capital receipts, reserves, contributions from revenue and borrowing.

The total capital investment over the next ten years is expected to be £866.9 million. As part of the review of the 30-Year Business Plan, the capital plan has been updated taking into account actual expenditure for the current year-to-date, and up-to-date forecasts of spend in future years (including any anticipated over- and underspends where appropriate).

The table below sets out the forecast capital spend in the HRA over the next ten years:-

HRA capital plan spending (£m)	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32-2035/36	Total
Investment in existing stock	26.269	25.920	28.428	33.481	31.565	133.157	278.820
Development	59.662	64.939	68.939	65.049	66.968	258.468	584.025
Other capital spend	0.399	0.366	0.375	0.385	0.395	2.131	4.051
Total capital plan	86.330	91.225	97.742	98.915	98.928	393.756	866.896

The table on the following page shows how this capital expenditure will be financed:-

HRA capital plan funding (£m)	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32-2035/36	Total
Major Repairs Reserve	(12.254)	(12.563)	(13.172)	(13.655)	(14.079)	(79.474)	(145.197)
Capital receipts	(5.063)	(4.650)	(1.291)	(1.308)	(1.328)	(32.236)	(45.876)
Capital grants	(13.665)	(16.464)	(11.999)	(11.227)	(9.315)	(36.865)	(99.535)
Revenue contributions	(8.266)	(8.128)	(8.477)	(8.865)	(9.073)	(50.848)	(93.657)
Borrowing	(47.082)	(49.420)	(62.803)	(63.860)	(65.133)	(194.333)	(482.631)
Total funding	(86.330)	(91.225)	(97.742)	(98.915)	(98.928)	(393.756)	(866.896)

Capital proposals

New capital proposals totalling £42,500 are set out at Appendix I(a), while the updated capital investment plan is set out in detail at Appendix I(b). This updated plan takes into account rephasing and updating of budgets for approved projects where required.

Existing stock

Stock condition and Decent Homes Standard

Stock condition surveys ensure the council holds the right information on its homes to inform strategic decision making. This had already been recognised as an area for improvement for the council, and this was also highlighted by the Regulator of Social Housing during our recent inspection.

The council is currently running a procurement process for a contractor to complete both the backlog in stock condition surveys and an ongoing programme of surveys to ensure they are completed every five years.

The Decent Homes Standard ensures that council homes meet the current standards for housing, are safe to live in, are in good repair, have modern facilities and are warm. This standard is being reviewed currently by central government, but under the current standard, 99.5% of the council's homes met the Decent Homes Standard as at 31 March 2025.

Stock investment

Development of an updated HRA five-year Asset Management Strategy has been delayed to allow for both the review of the 30-Year Business Plan and additional data from the stock condition survey programme. It is now the intention to revisit this strategy within the next 12-18 months.

However, the council is continuing to invest in its stock and has a rolling five-year programme of works

ensuring kitchens, bathrooms, windows and doors, boilers, and roofs are replaced in a timely manner. This is typically informed by the age of the item to be replaced but also by stock condition surveys.

The other aspects of the council's stock investment are informed by:

- compliance inspections on the 'big six' areas of fire safety, asbestos, electrical, gas, lifts and water safety;
- damp and mould cases under Awaab's Law; and
- energy efficiency.

Development and acquisitions

New homes programme

The 30-Year Business Plan includes capital expenditure of £584.025 million over the next 10 years on delivering the council's ambitious plans for building new council homes in the city. The council has a strong track record of delivery in this area through its development partnership with Hill – the Cambridge Investment Partnership (CIP). During 2025/26, CIP handed over 56 council flats at the Meadows and 70 more at Aylesborough Court, which included the partnership's 1,000th home.

Housing regeneration schemes have started on site at Fanshawe Road (84 homes including 45 council homes), East Barnwell (120 council homes), Newbury Farm (150 homes including 60 council homes) and ATS Murketts (70 homes including 28 council homes).

Further schemes at Hanover and Princess Courts (165 homes including 72 council homes) and Ekin Rd (134 homes including 78 council homes) have now been submitted for planning consideration. The majority of the homes in development are designed to CamStandard (a building standard similar to Passivhaus that focusses on excellent insulation and airtight construction so homes stay warm and comfortable using very little energy), showing the council's commitment to sustainable development. At least 5% of new council homes are wheelchair adapted with all homes wheelchair accessible.

The council is working with It Takes a City to develop a further four modular homes as part of the council's commitment to dealing with homelessness. There will another bid this year for refugee housing when the new programme opens.

Delivery approach

The council's Housing Development Agency (HDA) manage the delivery of all new homes in the HRA, with a commitment to deliver affordable, sustainable homes which meet tenant expectations. The fees charged by

the HDA are reviewed annually. The proposed level of HDA fees for schemes approved from April 2026 onwards are:

- HRA housing schemes delivered using the Cambridge Investment Partnership – 2%
- HRA housing schemes delivered by the HDA directly – 3%
- HRA S106 or other acquisitions – 1.5%
- An optional 1% can be added to each of the above if the scheme includes community or commercial aspects

Fees are reconciled against actual staffing costs at financial year end and any changes attributed to schemes on a pro rata basis.

When a potential new build scheme is identified, initial feasibility work is carried out, the site is formally identified as a scheme for consideration, detailed feasibility work and formal consultation is carried out and then if applicable a costed scheme is presented to Cabinet for formal consideration and approval. Schemes are then incorporated into the Housing Capital Investment Plan at the next approval opportunity. As the scheme design and planning application progresses, more accurate scheme costs are available, culminating ultimately in a build contract value or affordable housing agreement, which along with any fees and costs to secure vacant possession form the final budget for each scheme. Revised scheme costs are incorporated into the Housing Capital Investment Plan as part of the HRA 30-Year Business Plan updates as each scheme progresses.

Financing

The HRA finances its capital programme from a number of sources, including grants, capital receipts, revenue resources and borrowing.

Homes England funding

The council is currently planning to apply for Social and Affordable Housing Programme (SAHP) partnership status with Homes England. A successful bid would unlock Homes England funding that would enable the council to deliver on its significant ambition to build more council homes between now and 2036.

To be eligible for partnership status, a local authority strategic partnership must deliver a minimum of 800 homes by 31 March 2036 with an initial funding cap of £250 million. Strategic partnership bidding is likely to open in February 2026 and will last for 6 weeks.

The council's Development Team has already identified 535 of the 800 homes that could be eligible, and on this basis this 30-Year Business Plan assumes Homes England funding of £96 million towards the programme. Subject to ongoing financial due diligence, the additional funding would mean the council could deliver a further c. 1,300 council homes which would mean 52% affordable homes on new developments in line with previous commitments.

As set out above, the council has a strong track record of delivering affordable homes. According to Inside Housing, the council was in the top ten of council house builders in the country in 2023 and 2024, and CIP has delivered nearly 75% of all affordable homes in the city of Cambridge in the last few years. Discussions with Homes England have been positive and the Homes England Board have visited Cambridge on a tour of council sites. The council is well positioned to make a strong case for a strategic partnership.

Whilst there is a risk of not securing strategic partnership status, there is a fallback position of applying for funding through other established routes. This would provide less financial certainty and developments would have to progress on a site-by-site basis with no guarantee of grant funding. Should the council not be successful in securing a strategic partnership, the 30-Year Business Plan and new homes programme would need to be reviewed in light of funding constraints.

Other grants and contributions

The council receives other grants and contributions for specific projects. For example, section 106 (S106) monies from developer contributions through the planning system. Unless there are service specific conditions on the use of these contributions, they should be used to support existing council priorities and commitments rather than be allocated to new schemes. Any S106 monies received without a service- or scheme-specific allocation within the planning agreement will be allocated in line with the council's capital scheme priorities.

Capital receipts

Receipts from the sale of HRA dwellings and other assets, including under the Right to Buy (RTB) scheme, can only be used to fund future capital expenditure within the HRA. As explained in section 2, recent government changes to RTB are likely to result in fewer receipts in the future, although this is positive in that it reduces the level of stock lost to RTB. In addition, the government has removed many of the previous restrictions around how RTB receipts could be spent, for example the council is now permitted to utilise these to fund the full cost of building new homes, and from April 2026 will be able to combine them with other funding sources such as Homes England grant which was previously prohibited.

Major Repairs Reserve

The HRA is required to set aside a statutory minimum level of revenue funding for capital expenditure, known as the Major Repairs Reserves (MRR). This must be committed to the upkeep of the existing housing stock and is therefore allocated to fund the planned maintenance programme. The amount required to be allocated to MRR is based on the depreciation calculation for HRA stock. It effectively ensures that a minimum level of investment is made in the existing stock to keep assets fit-for-purpose. If the value of planned maintenance activity is lower than the MRR requirement then the council is permitted to carry forward the balance in the Major Repairs Reserve to fund future works. Over the next 10 years, an average of £14.520 million per annum is estimated to be available for this purpose, but this is subject to updated annual depreciation calculations, which are affected by any changes in asset valuations when they are revalued at the end of each financial year. Note that, where previously the statutory contribution to the MRR was sufficient to cover routine capital works on existing stock, this is no longer the case as a result of recent pressures, sustained high inflation and a need to carry out significant backlog works. Going forward, the shortfall will need to be met from revenue contributions, which will reduce the amount available to support new build development and energy efficiency works.

Revenue contributions

The HRA generates a healthy net revenue surplus each year, budgeted at £8.135 million in 2026/27 (before capital financing). Whilst some of this surplus may be retained in the HRA to ensure the revenue reserve remains above its target level, or earmarked for specific future revenue purposes, the majority is put towards capital expenditure, thus reducing the HRA's need to borrow in the future (and therefore reducing future interest costs).

Over the next 10 years, an average of £9.366 million per annum is estimated to be available for this purpose, but this is subject to future income and expenditure, including rent increases, being in line with the model assumptions.

Borrowing

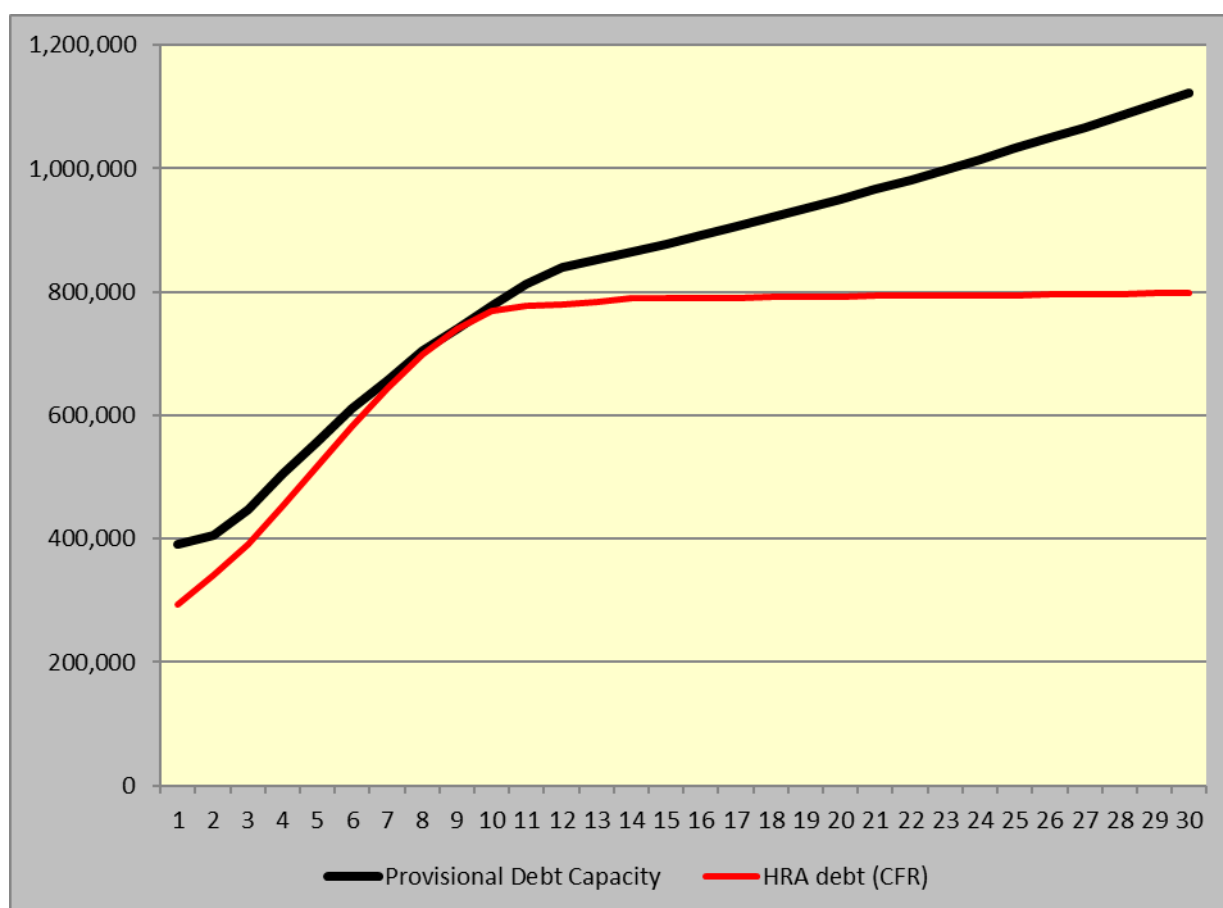
The HRA can borrow to finance its capital programme and not for any other reason. Any capital expenditure not covered through any of the funding streams mentioned above will require borrowing. Borrowing should be undertaken in a sustainable way, with consideration of the HRA's ability to service future interest costs. It stands to reason, therefore, that borrowing should be used primarily for the financing of new housing delivery, where there is an associated additional future rental income stream.

The 30-Year Business Plan currently assumes new borrowing of £482.631 million over the next 10 years, primarily to support the council's £584.025 million development and acquisition programme, but also to

meet the energy improvements required in the existing housing stock. This would result in the HRA having total debt of £798.544 million outstanding by 31 March 2036. Whilst this is a significant amount, modelling by the council's external consultants, Savills, has shown that this level of debt is affordable. However, it is not without risk, which will need to be carefully managed.

Debt affordability is measured by reference to the interest cover ratio, or ICR. This compares the future forecast operating surplus on the HRA (before interest and revenue financing of capital expenditure) with the future forecast interest costs. An ICR of 1 or greater indicates that the council would have sufficient income to cover future interest costs – however in order to generate some prudent headroom a target ICR of 1.25 has been recommended by Savills, which is broadly in line with the wider social housing sector.

The chart below shows the council's projected level of HRA debt over the life of the 30-Year Business Plan (in red), as plotted against the maximum debt permitted to remain above the target ICR of 1.25. This provides assurance that the council's capital plan is affordable – although as above this remains subject to securing the assumed level of external funding through a strategic partnership with Homes England:-



Under the current plans and assumptions, the council's ICR will reach a low point of 1.25 in 2033/34, at which point total debt will be £739.277 million against a calculated maximum debt of £740.979 million, leaving headroom of £1.402 million. After this point, both ICR and headroom will begin to increase again.

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Recent government announcements in respect of the delay and gradual phasing in of rent convergence have significantly reduced the headroom from the earlier forecast of £22.155 million, which was based upon an assumption of £2 per week rent convergence commencing in April 2026. The reduced headroom does increase the inherent risk that the ICR target of 1.25 may be breached in the future. However, the programme is still considered affordable because:-

- The use of a target ICR of 1.25, rather than 1, means there is a reasonable degree of prudence already built in to the affordability assessment. For comparison, the borrowing headroom against an ICR of 1 would not drop below £143 million over the life of the 30-Year Business Plan.
- Commitments of future capital expenditure for new build development and energy efficiency works will be made over a number of years, and the 30-Year Business Plan will be refreshed on at least an annual basis to support the decisions made. Should economic conditions become unfavourable to the extent that the ICR target was likely to be breached, it would be possible to take mitigating actions for example by reducing or slowing future discretionary capital spend.

Section 8

Risks and reserves

Risks and mitigation

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

Risk	Probability	Impact	Overall	Mitigations
Following receipt of local proposals, the government is consulting on options for local government reorganisation (LGR) in two-tier council areas like Cambridgeshire. The council is supporting the option to establish a Greater Cambridge Council. Costs will need to be incurred in preparing for the proposed reorganisation.	High	High	High	Reserve set aside to cover estimated pre-transition costs, monitor developments, maintain prudent reserve balances to cover short-term pressures
The combined effects of inflation, high interest rates and economic stresses may give rise to cost pressures, income reductions, recruitment difficulties, supply issues and other issues that will impact on the demand for and delivery of services	High	High	High	Monitor developments and financial and operational performance, plan delivery of savings and additional income, maintain prudent reserve balances to cover short-term pressures
Assumptions and estimates, such as inflation, pay increases, interest rates, and future growth in Council Tax and business rates, may prove incorrect.	High	High	High	Monitor developments including regular review of Medium-Term Financial Strategy (MTFS) with reference to external data, plan delivery of savings and additional income, maintain prudent reserve balances to cover short-term pressures

Risk	Probability	Impact	Overall	Mitigations
The financial impact of forthcoming waste reforms, including the introduction of food waste collections, is significant. Whilst best estimates have been made, it is possible that actual costs may exceed budget or that further budget bids will be needed in future years. There is also significant uncertainty around the future level of income from Packaging Extended Producer Responsibility payments.	High	High	High	Monitor developments and financial and operational performance, plan delivery of savings and additional income, maintain prudent reserve balances to cover short-term pressures
Future government policy in respect of setting Social and Affordable Rents may differ from the assumptions made.	High	High	High	Monitor developments, annual refresh of HRA 30-Year Business Plan, operate within target interest cover ratio of 1.25 to provide some headroom
The council holds a significant property portfolio including operational and commercial properties and a large stock of council housing. This could give risk to unforeseen expenditure for example due to regulatory changes or the need for major repairs. Despite the rebasing of the housing repairs budget, there is a significant risk that the service continues to overspend to meet statutory pressures.	High	High	High	Senior oversight of asset compliance functions, robust cost control, development of strategic asset plan, monitor developments, hold appropriate level of external insurance
The council may be unable to identify the additional net savings required to meet its savings targets over the next five-years.	High	Medium	High	Robust budget setting process with senior officer challenge and member scrutiny, plan for over-delivery of savings to allow for some new pressures, maintain prudent reserve balances to cover short-term pressures

Risk	Probability	Impact	Overall	Mitigations
Savings plans may not deliver projected savings and/or additional income to expected timescales.	Medium	High	Medium	Proactive budget management, detailed monitoring of financial and operational performance and regular reporting to Cabinet
The council is exposed to several ongoing and potential high-value development projects including the Civic Quarter, district heat network and new homes programme. This comes with inherent risks including cost overruns and project slippage.	Medium	High	Medium	Strong project governance including oversight by Development Board and scrutiny by members, monitoring of financial performance and regular reporting to Cabinet
Despite the three-year local government finance settlement, grants are awarded on an annual basis and there remains a risk that the government could make further funding changes within the settlement period. There is also a high risk of further funding reductions at the end of the three-year period, due to the end of transitional support, and the likelihood of further government efficiency targets.	High	Medium	Medium	Monitor developments, plan delivery of savings and additional income, maintain prudent reserve balances to cover short-term pressures
The government has published a new Decent Homes Standard to apply to social landlords from 2035, but until detailed guidance is published the financial impact of this cannot be reliably estimated.	High	Medium	Medium	Monitor developments, plan delivery of savings and additional income, maintain prudent reserve balances to cover short-term pressures
New legislation, changes to existing legislation, and/or increased demand for services as a result of a fast-growing population may have budgetary impacts.	Medium	Medium	Medium	Monitor developments, maintain prudent reserve balances to cover short-term pressures

Risk	Probability	Impact	Overall	Mitigations
The council is subject to the decisions of the National Joint Council (NJC) in respect of pay and conditions, including the level of future pay awards. Employee costs make up a significant proportion of the council's total expenditure, yet this process is largely outside of the council's control.	Medium	Medium	Medium	Monitor developments, engage with employer side, plan delivery of savings and additional income, maintain prudent reserve balances to cover short-term pressures
The council may be impacted by spending cuts implemented by other agencies.	Medium	Medium	Medium	Monitor developments, engagement with partners, maintain prudent reserve balances to cover short-term pressures

Sensitivity analysis

The budget process addresses these risks by applying the principles of prudence and sustainability throughout. The sensitivity of the budget to estimates and assumptions has been assessed in the Medium-Term Financial Strategy (MTFS) at section 9.

Equality Impact Assessment

As a key element of considering the changes proposed in this Budget Setting Report (BSR), an Equality Impact Assessment has been undertaken covering all budget proposal (see Appendices S(a) and S(b)). Assessing the potential equalities impact of proposed changes to policies, procedures and practices is one of the key ways in which the council can show that it has treated everyone fairly and without discrimination. In addition, all proposals are given climate change ratings, so that the overall climate impact of the proposals can be understood.

Section 25 Report

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

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

This report is presented at section 11.

Reserves

General Fund

The General Fund is a working balance to cushion the impact of uneven cash flows. It acts as a contingency for unexpected emergencies, unforeseen spending or uncertain developments and pressures where the exact timing and value is not yet known and/or within the council's control. The reserve also provides cover for grant and income risk.

The minimum level of the General Fund depends upon the financial risks facing the council, which will vary over time. The prudent minimum balance (PMB) and target level of General Fund reserves have been reviewed and increased this year in the context of the risks currently faced by the council, primarily the uncertainty surrounding local government reorganisation (LGR). The detailed calculations are set out at Appendix M. The proposed levels are set out in the table below:-

General Fund reserve target (£m)	2025/26	2026/27
Prudent minimum balance (PMB)	6.541	8.059
Target level	7.849	9.671

The table on the following page sets out the projected levels of the General Fund for the next five years, assuming that all net savings requirements for 2027/28 and later years are delivered in the year identified:

General Fund reserve projection (£m)	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Balance at 1 April	18.863	14.381	12.481	11.784	12.195	12.263
Net transfer to Transformation and Reinvestment Fund	(1.754)	-	-	-	-	-
Transfer to Greater Cambridge Impact Fund Reserve	(0.800)	-	-	-	-	-
Planned use of reserve to fund one-off Folk Festival proposal	(0.075)	-	-	-	-	-
Forecast use of reserve to balance budget in-year	(5.531)	1.600	(0.697)	0.411	0.068	-
Use of reserve to finance historic capital expenditure	(5.837)	-	-	-	-	-
Transfer to Local Government Reorganisation Reserve	-	(2.500)	-	-	-	-
Transfer to Civic Quarter Development Reserve	-	(1.000)	-	-	-	-
Current year business rates growth	9.515	-	-	-	-	-
Balance at 31 March before future business rates growth	14.381	12.481	11.784	12.195	12.263	12.263
Indicative future business rates growth (at risk)	-	0.217	1.160	1.999	0.230	1.223
Balance at 31 March including future business rates growth	14.381	12.698	13.161	15.571	15.869	17.092

The table shows that the General Fund balance is forecast to remain above the target level for the next five years, although the headroom has reduced significantly from the previous year's BSR, due largely to allocations made from the General Fund over the next two years, including £5.837 million to be applied from the reserve in 2025/26 to fund historic capital expenditure (currently financed from internal borrowing) associated with the construction of the Meadows Community Centre.

Earmarked reserves

The following allocations are proposed to earmarked reserves in 2026/27:-

- It is proposed to allocate £2.5 million to a new Local Government Reorganisation Reserve. This will support the council's share of the costs which are likely to arise prior to the vesting of a new

unitary authority, as the council prepares to transfer its services. This initial amount has been set aside on the basis that other councils within the Cambridgeshire and Peterborough area will also need to contribute to this process, and there are expected to be significant additional set up and transitional costs arising in the new authority after vesting day.

- It is proposed to allocate a further £1.0 million to the Civic Quarter Development Reserve, with the specific aim of funding revenue costs associated with the temporary closure of the Corn Exchange and/or the provision of alternative facilities should the council decide to do so.

A breakdown of the council's earmarked reserves is provided at Appendix N.

Housing Revenue Account

The Housing Revenue Account (HRA) also has a minimum working reserve balance which is held to help it cover in-year risks. These risks include changes in legislative, statutory and regulatory requirements or inflation and interest rates, unanticipated service needs, rent or other income shortfalls, and emergencies such as uninsured damage to the housing stock. In addition, the reserve may be used to support capital investment and, in the short term, to support revenue spending, for example to spread the impact of savings requirements over more than one financial year or to invest up front in a project that is anticipated to pay back over a period of time or deliver future savings.

Like the General Fund, a prudent minimum balance (PMB) and target level are set for the HRA in light of the risks the council faces, and detailed calculations are set out at Appendix M. The levels set for 2026/27 are set out in the table below – note that the increase this year is largely due to the significant ongoing investment in the HRA (since the reserve targets are significantly dependent upon the level of planned income and expenditure):-

Housing Revenue Account reserve target (£m)	2025/26	2026/27
Prudent minimum balance (PMB)	6.161	6.801
Target level	7.393	8.161

Note that within the HRA the working balance is held deliberately close to the target level, so that any excess balances can be used to reduce the council's need to borrow for future capital expenditure. In the event of a revenue shortfall in any given year, the council would have the option to reduce the contribution to capital in that year in order to maintain the HRA balance at or above the target level. The table on the following page summarises the projected movements on the HRA working balance over the next five years:-

Housing Revenue Account reserve projection (£m)	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Balance at 1 April	7.560	8.615	8.484	8.735	9.093	9.290
Projected HRA surplus / (deficit)	1.055	(0.131)	0.251	0.358	0.197	0.183
Balance at 31 March including future business rates growth	8.615	8.484	8.735	9.093	9.290	9.473

Note that the projected surplus for 2025/26 takes into account the latest forecast overspend, but also the need to retain the HRA reserve above the target level going into 2026/27. At year-end, the revenue contribution to capital will be adjusted to ensure that the target reserve level can be maintained.

The HRA also holds earmarked revenue reserves for specific purposes, and the balance on these was £2.688 million as at 1 April 2025. A further breakdown of earmarked reserves can be found at Appendix N.

Financial sustainability and resilience

The MTFS published in October 2024 recognised that, despite the council's healthy reserve levels, there was a significant and growing structural General Fund budget gap (£11.5 million by 2029/30) which needed to be addressed to avoid the council's reserves being entirely depleted in paying for day-to-day services. Through the Our Cambridge transformation programme and other initiatives, the council has taken huge strides in addressing this deficit. The Budget Setting Context Report in July 2025 was able to report that this action had reduced the gap to £3.6 million in 2030/31. Further measures proposed in this budget will reduce the gap to £1.4 million. This is despite new bids and pressures totalling £3.5 million which have had to be absorbed this year.

Nevertheless, the medium-term projection still requires the remaining budget gap to be closed in order for the council to maintain its General Fund balance at or above the target level. In addition, it is likely that further service pressures will arise over the coming years, and significant uncertainty remains in particular about the level of contribution the council will need to make to the costs of LGR.

The current five-year projections are based upon a series of key assumptions (for example future inflation and interest rates) as set out at Appendix C. It is inevitable that actual experience will differ from the assumptions made, and sensitivity analysis within the MTFS (see section 9) considers a range of alternative scenarios with a five-year budget gap of anywhere between £1.4 million and £1.9 million, in addition to the £1.4 million 'best estimate' case. The three-year indicative figures in the local government finance settlement have afforded a greater degree of certainty in formulating the MTFS. The range of outcomes underlines the

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inherent risk in setting an MTFS, and the need for an appropriate level of prudence in setting budgets and target reserve levels.

It is important, therefore, that the council continues to work hard to ensure its ongoing financial sustainability and resilience by:-

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

Section 9

Medium-Term Financial Strategy

Medium-term context

It is always prudent to have a financial plan for the medium term, which is what the Medium-Term Financial Strategy (MTFS) sets out to do. Although the proposed timetable for local government reorganisation (LGR) will see the council dissolved on 1 April 2028, it remains important to plan for the medium term, both to ensure the ongoing sustainability of council services transferring to a new unitary authority, and also to give that authority a solid baseline from which to begin to develop its own strategy in the longer term.

Central government funding for councils has now been set out indicatively for the next three years. There will be a further government Comprehensive Spending Review in 2028, which will define the funding envelope for local government for the following three years. A general election must be called by August 2029 and any new government may adopt alternative spending plans. Based on the announcements in the local government finance settlement, this council will see its core spending power (CSP) decrease by 3.8% in cash terms over the next three years.

In the 2025 Autumn Budget, the Chancellor announced the creation of a new Council Tax surcharge on homes valued at over £2 million to be levied from April 2028. This will be determined by a revaluation of all properties in Council Tax bands F, G and H by the Valuation Office Agency. At the present time, we do not have sufficient information on the scheme, and on what would be done with the money raised, to estimate its impact. However, it is worth noting that for band H, the most likely to attract the surcharge, there are only 267 properties in the city liable to pay 100% Council Tax, so it is not expected to be a source of significant new income.

The government has also indicated that it plans to introduce more frequent resets of the business rates system, in line with the original intention for the scheme. Periodic resets could take place as frequently as every three years, alongside the existing three-yearly revaluation of all properties for rating purposes. As the council has benefited from high business rates growth, it will be impacted significantly by this proposal. Given the high level of uncertainty, this MTFS does not rely upon any future benefit from business rate growth within the city when considering the council's budget position over the medium term. Should any benefit accrue, this will be paid into the General Fund and will be subject to future member decisions on how it

should be spent.

The council will continue to experience cost pressures due to inflation and the increasing population within the city. It is important to note that the cost pressures in this year's budget proposals, combined with inflation, will increase net service budgets by 4.7% per year on average over four years from 2026/27 to 2030/31.

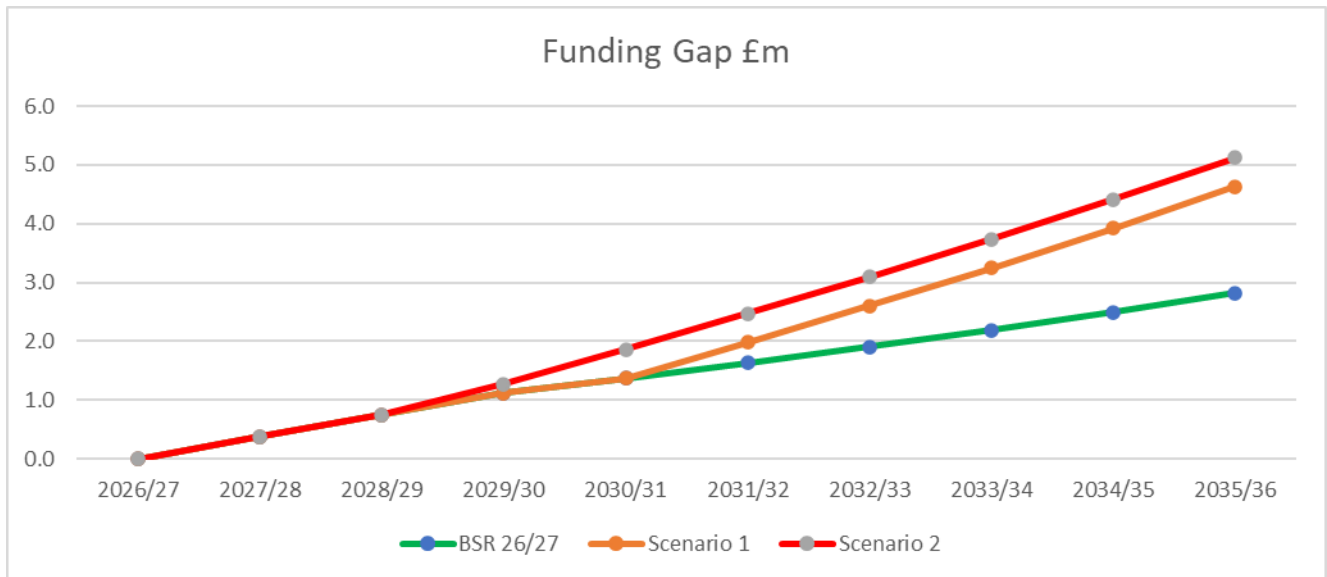
The key assumptions used in setting the budget, the MTFS and the Housing Revenue Account (HRA) 30-Year Business Plan are all set out in Appendix C. This also summarises the impact should assumptions differ from those used.

Future funding scenario modelling

To test the sensitivity of the budget to changes in key variables, two alternative scenarios have been developed for the next 10 years, which are summarised in the table below:-

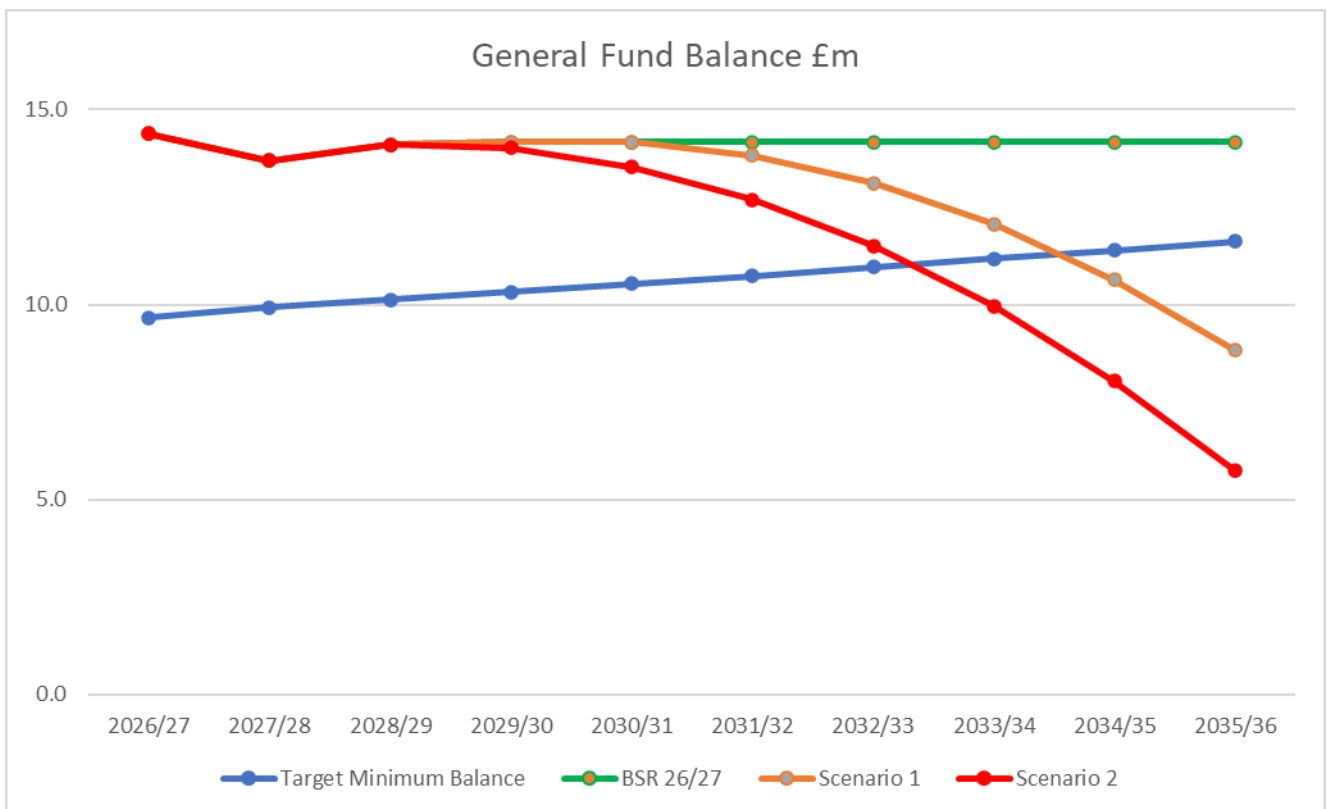
Scenario	Description
Budget 2026/27	The budget figures in the Budget Setting Report (BSR) 2026/27 are projected forward, assuming a 4.7% per year increase in cost pressures due to inflation and demographic change. Our working assumption is that business rates are reset every three years and that growth in business rates is in line with the level expected for the coming three years. The detailed projections are set out at Appendix D.
Scenario 1	This scenario assumes that government funding will be frozen in cash terms with effect from 2031/32, a return to 'austerity'.
Scenario 2	This scenario assumes that government funding will be frozen in cash terms at the next spending review, with effect from 2029/30 to give a worst-case scenario.

The impact of each scenario on the gap between funding available and the cost of delivering services are shown in the chart on the following page. The size of the recurring funding gap after five years is between £1.4 million and £1.9 million and by year 10 this increases to between £2.8 million and £5.1 million:-



Projected General Fund balance

The effect of different scenarios on the level of the General Fund Balance is shown in the chart below (assuming all other parameters remain constant and current savings targets are delivered as planned). These are compared to the target minimum General Fund balance. It is assumed that the target balance will increase roughly in line with inflation:-



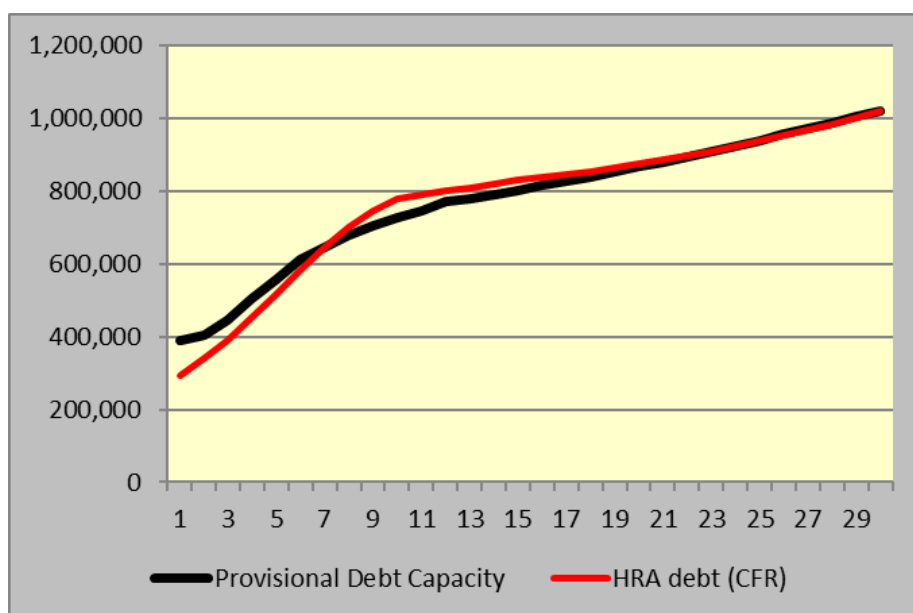
The chart shows that under the base case, the General Fund balance is projected to remain above the target level for the next ten years. This stands to reason, as the council's savings targets are set at a level which is necessary to achieve this. However, under scenario 1 the General Fund balance would fall below the target level in 2034/35, and under scenario 2 this would occur in 2033/34. This highlights the risk which could crystallise should the assumptions made in the development of the MTFS not prove to be accurate. However, in both cases it is noted that the reserves would not fall below the target level until at least three years after the triggering event, which would give time for the council to mitigate the impact, for example through setting and delivering new savings targets.

Housing Revenue Account sensitivity

A similar exercise in modelling different scenarios and their impact on the HRA balance has been carried out by the council's external consultants, Savills, when developing the refreshed 30-Year Business Plan. The outputs of this work are summarised at Appendix J, and Savills' full report can be found at Appendix R.

The sensitivities and stress testing carried out highlight that the 30-Year Business Plan (and therefore future financial viability of the HRA) is particularly sensitive to future rent-setting policy, future movements in interest rates, and the level of investment required to meet current and future energy efficiency standards.

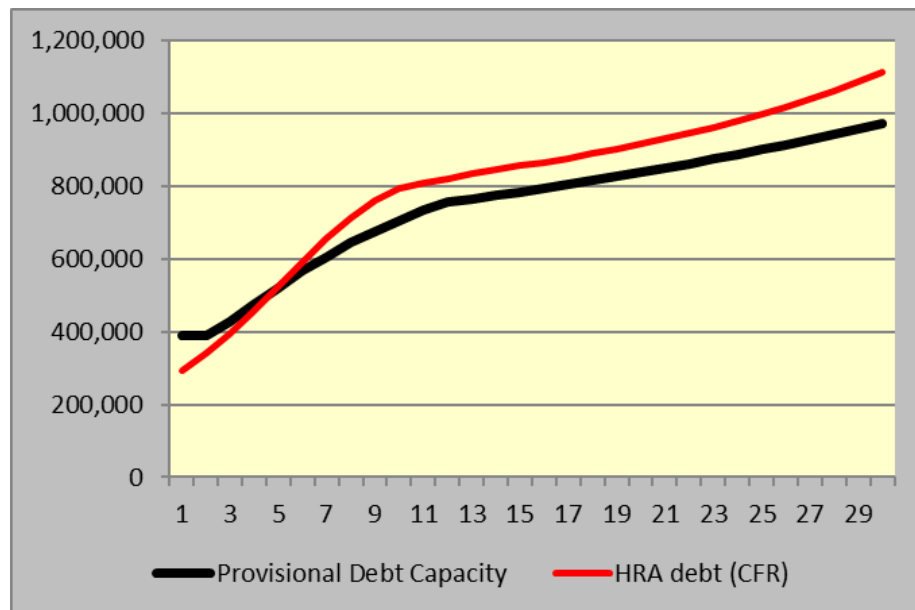
By the time the current 30-Year Business Plan ends in 2055, the HRA is projected to hold total debt of £799 million. This is predicated on an assumption of rent increases of CPI plus 1% for the next 10 years. However, were government in the future to return to CPI only after five years, total debt would increase significantly to £1.022 billion. This would also result in the council breaching the target interest cover ratio (ICR) of 1.25 (and therefore its prudent debt capacity) for a number of years. The effect of this is illustrated in the chart below:-



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In practice, the council would need to take significant mitigating action, for example by reducing and/or slowing down its capital investment, in particular in its new build development programme and/or energy efficiency works to its existing stock.

The 30-Year Business Plan is also particularly sensitive to an increase in interest rates, due to the significant borrowing which the council is planning to undertake over the next 16 years. A 1% increase in the interest rate for all new borrowing would move the plan into a position where borrowing would be at a level above that considered prudent in risk management terms, as the HRA would risk not being able to generate sufficient surplus to cover the higher level of interest payments.



In this situation, debt would continue to rise throughout the 30-year period, reaching £1.115 billion by 2055. It should be noted that, even in this case, the HRA's ICR would remain above 1 for the whole period, so interest payments would still technically be affordable. However the council would be left with very little contingency within its revenue budgets, so the situation is unlikely to be sustainable in the long term. To avoid this situation arising, interest rates will be monitored very closely over the next few years as the new build programme progresses, and the council will work with its treasury management advisers, Mitsubishi UFG, to ensure an appropriate balance between securing the most advantageous interest rates for the HRA and balancing risk. For example, in current markets, short-term loans are cheaper than long-term loans – however taking too much finance in short-term loans opens the council to the risk that interest rates may spike at the point of refinancing. In reality, a mixed approach to borrowing with a range of maturities is likely to present the best balance of outcomes and risk.

Budget strategy and future savings

Having considered possible scenarios for future funding, there are two major changes proposed to the budget strategy from the last MTFS.

Firstly, given the prospect of business rates resets every 3 years, it is no longer considered prudent to use any business rates growth to balance the budget. Previously, £1.5 million of growth per year was employed to help to balance the budget, but from 2026/27 all estimated future growth will be transferred to the General Fund reserve. This is a prudent approach designed to avoid dependence on an unreliable source of income. However, this will be kept under review and should business rates growth exceed expectations over the medium term, the policy will be revisited.

Secondly, to avoid the need to borrow in a relatively high interest environment, it is proposed that capital expenditure on assets such as IT or vehicles with a relatively short useful life are funded from revenue. This will reduce both the costs of interest and the future minimum revenue provision (MRP) required to repay borrowing. Hence, the capital strategy contains no plans to borrow for the General Fund, only for investment in the housing stock and new housing development within the HRA.

Note that General Fund borrowing is likely to be required in respect of large capital projects which are currently under consideration but have not yet progressed to the formal bid stage, including Civic Quarter and the district heat network. Should these projects go ahead, there will need to be a full business case developed which takes into account the cost of financing. In both cases it is currently assumed that there will be no ongoing negative impact on the council's revenue budget – if this is not the case then additional savings will need to be made elsewhere to compensate.

Future targets for savings to be achieved are set in section 4 of this report. The cumulative savings target is £1.373 million by 2030/31. Whilst these savings are not yet identified, the profile of required savings over four years, starting with £375,000 in 2027/28, means the council has time to consider the best way in which to meet these targets. The council will consider in particular where it can invest to save (as demonstrated by the 2026/27 bid to supporting local housing charities to become Registered Providers, which will reduce the council's housing benefit subsidy loss). It is also likely that a further review of council fees and charges may be necessary in the future.

Section 10

Council Tax and rent setting

Council Tax setting

Legal framework

The Local Government Finance Act 1992 sets out the requirements for setting and administering Council Tax. The council collects this tax on its own behalf, but also on behalf of precepting authorities (Cambridgeshire County Council, Cambridgeshire and Peterborough Combined Authority, the Police and Crime Commissioner Cambridgeshire and Peterborough, and the Cambridgeshire and Peterborough Fire Authority), who must all issue a precept before 1 March each year.

The Localism Act 2011 requires that the council determine whether the increase in its Council Tax for the financial year is 'excessive'. For 2026/27, if the increase from the previous year exceeds 2.99% or £5 for a band D property (whichever is the greater), then a local referendum must be held for the council's electors to agree or reject the proposed increase.

Council Tax 2026/27

In light of the continuing budget gap facing the council, it is proposed to increase Council Tax by 2.99% for 2026/27. This would be an increase of £6.94 per year for a Band D property, equivalent to around 13p per week. No referendum would be required.

Based on this increase and the increased tax base for 2026/27 of 46,562.0, the income from Council Tax in 2026/27 is budgeted at £11.132 million.

If the 2.99% increase is approved, then the council's band D Council Tax for 2026/27 will be £239.07 per year with proportionate increases applied to other valuation bands, as shown in the table on the following page:-

Council Tax band	2025/26 (£)	2026/27 (£)	Increase (£)
A	154.75	159.38	4.63
B	180.55	185.94	5.39
C	206.34	212.51	6.17
D	232.13	239.07	6.94
E	283.71	292.20	8.49
F	335.30	345.32	10.02
G	386.88	398.45	11.57
H	464.26	478.14	13.88

Rent setting

Legal framework

The Housing Act 1985 gives the council power to determine the level of rent it charges to tenants or occupants of its homes. The council is additionally required by the 1985 Act to review rents from time to time and make changes as circumstances requires. The council must set rents in accordance with the Rent Standard issued by the Regulator of Social Housing. The council must act reasonably in relation to rent setting, and the decision maker should therefore be satisfied that the increase is reasonable and justified.

Part 2 of the Housing Act 1985 provides that the council has a legal duty to set a balanced budget each year, bearing in mind its fiduciary duties to the taxpayer, and the Housing Revenue Account (HRA) is not allowed to go into deficit. The council is required to produce and make available for public inspection an HRA annual budget and to review and revise the budget, if necessary, from time to time to avoid any deficit. The council is required by the 1985 Act to notify tenants of variations of rent and other charges at least 28 days before the change takes effect. The council must consult with the tenants before notifying them of variations to the terms of a secure tenancy. The Landlord and Tenant Act 1985 sets the basic rules for setting service charges, including the requirements for consultation with leaseholders.

Social Rents

The council is required to set rents for its council dwellings on an annual basis. As rent is the primary source of income for the HRA, it is essential to the sustainability of the HRA that it is set at a level which is appropriate, with reference to the cost pressures experienced. The assumption made in respect of rent increases is

absolutely critical in terms of business planning, and a small variation in percentage terms makes a significant difference in monetary terms over a number of years.

Since April 2020, rent increases have been limited to an increase of up to CPI plus 1% each year (based upon CPI at the preceding September). This was originally intended to be for a period of five years but was subsequently extended to cover 2025/26.

Following consultation, the government has directed the Regulator of Social Housing to issue a new rent standard to take effect from 1 April 2026. This will once again provide for annual rent increases of up to CPI plus 1% for at least the next five years, with a stated policy objective of 10 years (although this will be subject to future government decisions). For the purposes of the HRA 30-Year Business Plan, it is assumed that this cap will continue for 10 years, before reverting back to CPI only increases from 2036/37 onwards.

It is therefore proposed that Social Rents will increase by 4.8% from April 2026 (being the September CPI figure of 3.8% plus 1%). The table below shows the estimated impact of the proposed increases on average weekly rent per property type:-

Average weekly Social Rent (£)	No. of properties	2025/26	2026/27	Increase	% increase
1 bedroom	2,066	110.33	115.63	5.30	4.8%
2 bedrooms	2,180	127.78	133.92	6.14	4.8%
3 bedrooms	2,144	143.17	150.05	6.88	4.8%
4 bedrooms	93	169.11	177.22	8.11	4.8%
5 bedrooms	7	172.38	180.65	8.27	4.8%
6 bedrooms	2	215.57	225.92	10.35	4.8%
HMO	21	119.93	125.69	5.76	4.8%

The government has also announced a period of rent convergence to commence from April 2027. This will, over time, increase the rent for tenants who are currently benefitting from historic below-inflation rent increases, until it is in line with the calculated 'formula rent' for the property (usually around 40% of the open market rent). The rate of convergence will be £1 per week from April 2027, and £2 per week in subsequent years. Further information is set out in section 2.

The Rent Standard allows councils to charge Social Rents at 5% above the formula rent (10% for supported housing). This flexibility is only applied at reletting, so does not impact current tenants. The council began to apply this flexibility with effect from April 2025, recognising the significant additional investment, and

associated borrowing, required across the housing stock to:

- improve the energy efficiency of council homes and reduce energy bills for residents, by achieving EPC'C' by 2030; and
- meet new requirements set in legislation such as the Building Safety Act 2022 and Fire Safety Order.

Affordable Rents

In respect of Affordable Rent homes for existing tenants, the same inflation rates apply as for Social Rent homes and these are also monitored by the Regulator for Social Housing. Rent convergence

does not apply to Affordable Rent, since rent is set by reference to the open market each time a property is relet. Affordable Rents may be set at up to 80% of market rent, and combine both the rent and non-discretionary service charges levied for any property.

The council has two levels of Affordable Rents being applied to new homes, with rents set at either 60% (or the Local Housing Allowance level if this is lower) or 80% of market rent depending upon the nature of the scheme and the proportion of affordable housing being delivered on the site.

Some of the council's older Affordable Rent housing was based on the pre-COVID Local Housing Allowance, which for existing tenants has been inflated annually. When any of these homes become vacant, they are relet at 60% of market rent or the current Local Housing Allowance, whichever is lower.

The table below shows the proposed average Affordable Rents for 2026/27:-

Average weekly Affordable Rent (£)	No. of properties	2025/26	2026/27	Increase	% increase
1 bedroom	414	179.01	187.60	8.59	4.8%
2 bedrooms	525	202.26	211.97	9.71	4.8%
3 bedrooms	94	225.25	236.06	10.81	4.8%
4 bedrooms	16	290.35	304.29	13.94	4.8%
5+ bedrooms	2	320.01	335.37	15.36	4.8%

Shared ownership rents

There are 80 shared ownership properties in the HRA (of which 63 are at Social and 17 at Affordable Rent). Rent increases for Affordable Rent shared ownership properties are determined by the terms of the lease on

the property. For most properties the annual increase is set at RPI plus 0.5%, based upon RPI at the previous January (yet to be published at the date of this report). The rent on Social Rent shared ownership properties is increased in line with other Social Rent properties.

Service charges

Service charges are levied for services that are provided to some tenants, but not necessarily all, depending upon the type, nature and location of a property. Some of these services are eligible for housing benefit or Universal Credit. Service charges must be set at a level that will cover the cost of the service.

Tenant service charges are not affected by the rent setting policy and should be set with the intention of recovering the full cost of providing the service. Service charges will increase with inflationary pressures and changes in usage, so that tenants can see what they are paying for alongside their core rent. For Affordable Rent homes, the tenant pays a total sum for rent and service charges combined.

Service charges are set at a level to recover the full costs of providing those services, but guidance expects providers to endeavour to ensure that service charge increases do not exceed CPI plus 1% (recognising that costs sometimes unavoidably increase by more than this). Providers are required to consult tenants in respect of the introduction of new services or before making any material change to existing services. Therefore, the 30-Year Business Plan assumes an average service charge increase in 2026/27 of 4.8%, based upon the September 2025 CPI of 3.8% plus 1%. The methodology which will be applied to the uplifting of individual service charges is set out in more detail at Appendix K.

Other income

Garages and parking spaces

The HRA currently owns 1,287 residential garages and 423 parking spaces, and manages a further 16 garages and 6 parking spaces on behalf of the General Fund. A few HRA garages and parking spaces are on sites being explored for potential demolition and redevelopment, and so this number may reduce in the medium term.

Of the total garages and parking spaces managed by the HRA, approximately 26.0% (451 garages and parking spaces) are currently void (compared to 21.9% at this time last year). Of these, 143 are garages which have been vacated as the sites have been approved for redevelopment. The voids figure also includes around 200 vacant parking spaces, but a significant proportion of these are on new build sites, where the scheme residents are offered first refusal to rent the parking spaces before they are offered out more widely to other

tenants, residents or commuters into the city.

It is proposed to increase fees for garages and parking spaces by up to 4.8% in 2026/27. The proposed charges for garages and parking spaces in 2026/27 are set out in the table below:-

Garage and parking space weekly charges (£)	2025/26	2026/27	Increase	% increase
Parking space in standard area (tenants*)	8.68	9.10	0.42	4.8%
Parking space in standard area (other city residents**)	11.46	12.01	0.55	4.8%
Garage in standard area (tenants*)	11.16	11.70	0.54	4.8%
Garage in standard area (other city residents**)	14.74	15.44	0.70	4.7%
Garage or parking space in high value / high demand area (tenants*)	21.30	22.32	1.02	4.8%
Garage or parking space in high value / high demand area (other city residents**)	28.12	29.47	1.35	4.8%
Right to park in high value / high demand area (tenants*)	14.91	15.62	0.71	4.8%
Right to park in high value / high demand area (other city residents**)	25.56	26.78	1.22	4.8%
A premium is added to all base rates above when rented for non-city resident, commuter, business or commercial use	12.00 premium	12.58 premium	0.58	4.8%
Parking space in standard area (non-city resident, commuter or business / commercial use)	23.46	24.59	1.13	4.8%
Garage in standard area (non-city resident, commuter or business / commercial use)	26.74	28.02	1.28	4.8%
Garage or parking space in high value / high demand area (non-city resident, commuter or business / commercial use)	40.12	42.05	1.93	4.8%
* A 30% discount will apply for a council tenant with a blue badge in the immediate household				
** Other city residents include council tenants with a garage in a different ward and more than 1.5 miles from their council home				

Commercial property

The level of rental income from commercial property is dependent upon the timing of lease renewals and

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rent reviews for the small portfolio of shops and other business premises that are owned by the HRA. In 2025/26 the gross income generated by the commercial property portfolio is anticipated to be in the region of £610,000. For 2026/27, an income budget of £625,000 is proposed. General occupation of the HRA commercial property portfolio has historically been good, with vacant shop units usually relet within reasonable timescales. However, delays have been experienced in letting the redeveloped shops at Akeman Street, and one unit remains vacant. Rent reviews continue to present challenges, as business owners are facing increased costs across a number of areas.

Section 11

Section 25 report

Introduction

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

The rationale is to ensure that the estimates are sufficient to cover regular recurring costs plus any reasonable risks and uncertainties and, in the event of unexpected expenditure, there are adequate reserves to draw on. The calculations relate to the budget for the forthcoming year and the legal requirement may, therefore, be interpreted as reporting only on the 2026/27 estimates and reserves up to 31 March 2027.

Economic context

The council is subject to significant market uncertainties that make the estimation of costs and income difficult. CPI inflation remains above the Bank of England's 2% target (3.4% at December 2025) and, whilst interest rates have now begun to come down, the future trajectory remains difficult to predict as a result of sustained high inflation and the wider geopolitical situation. Supply chains and the labour market remain challenging. Many service areas within the council are finding staff recruitment and retention difficult, leading to the need to take on agency staff to maintain service delivery. Furthermore, adverse economic conditions over the past few years have led to an increase in service demands. As a result, estimates in this Budget Setting Report (BSR) should be treated with some caution, and consideration given to the alternative scenarios modelled in the Medium-Term Financial Strategy (MTFS).

Governance and financial management

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

Regulation 6(1)b of the Accounts and Audit (England) Regulations 2015. It is reviewed and approved by the Civic Affairs and Audit Committee. The council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. That duty has grown in importance with the reduction in resources being made available for local authorities over recent years. The AGS 2024/25 concludes that the council has in place strong governance arrangements which it is confident protect its interests and provide necessary assurances to its citizens and stakeholders. It also includes the opinion of the Head of Internal Audit that, taking into account all available evidence, reasonable assurance may be awarded over the adequacy and effectiveness of the council's overall internal control environment during the financial year 2024/25.

Robustness of estimates

The council has well established and robust budget setting processes. These have been followed when compiling the 2026/27 budget and medium-term projections. An appropriately prudent approach has been taken to the estimates and assumptions used in the preparation of the Medium-Term Financial Strategy (MTFS). The MTFS sets out the key estimates and assumptions used, including those relating to future inflation, interest rates on investments and borrowing, government funding, business rates and Council Tax.

Scenario planning and unavoidable revenue pressures

The council follows best practice in undertaking scenario modelling to support the MTFS. The five-year net savings requirements identified in the MTFS ranged from £1.4 million to £1.9 million depending upon the scenario chosen. This represents 4-6% of the council's 2026/27 core spending power (CSP).

Whilst every effort has been made to model future revenue pressures, it is impossible to foresee all eventualities, and it is likely that the council will continue to be impacted by additional future pressures which are as yet unknown. In particular there will be significant additional costs arising from preparations for local government reorganisation (LGR) within Cambridgeshire and Peterborough. This Budget Setting Report (BSR) sets aside £2.5 million for the purpose of covering the council's share of pre-transition costs which is considered to be a prudent estimate – nevertheless an inherent risk remains that this will not be sufficient.

Within the Housing Revenue Account (HRA), a full reset of the budget and 30-Year Business Plan has been carried out this year with the assistance of external consultants, Savills. This review provides some assurance over the medium- and long-term viability of the HRA. However, significant uncertainty remains in respect of future government rent setting policy, and the future costs of maintaining the housing stock in the face of high inflation and increasing regulatory demands. Whilst every effort has been made to set a realistic budget,

the risk of further service pressure in this area cannot be ruled out.

The 30-Year Business Plan also assumes significant ongoing borrowing costs within the HRA as a result of the council's significant new build development programme. The council is planning £867 million of capital investment in both existing housing stock and new development over the next 10 years, of which it intends to fund £483 million through new borrowing. External review of the 30-Year Business Plan indicates that this level of borrowing is affordable, based upon current assumptions. However, if future interest rates differ from these assumptions, this could have a significant impact on the HRA. It will be important for the council to continuously monitor the economic forecasts, and to work with its treasury management advisers to develop a borrowing strategy which appropriately balances seeking low interest rates against future refinancing risk, and to consider the need to reduce, slow or pause its new build development programme should economic conditions deteriorate. Furthermore, should there be a detrimental change in respect of government rent policy, there will almost certainly need to be a reduction in the HRA capital programme over the next 10 years to ensure that debt remains affordable.

Estimation and delivery of savings

The Budget Setting Context report in July 2025 identified a net five-year savings requirement of £3.6 million. This budget includes new savings and increased income measures worth an ongoing £3.7 million from a combination of efficiencies, changes to services, increases to fees and charges, and a review of the council's 10-year capital forecasts. However, new pressures have also been identified and the savings requirement has also been impacted by changes to assumptions around local government funding and future business rates growth. As such, the five-year savings requirement overall has reduced from £3.6 million to £1.4 million as a result of this BSR.

Identifying savings through the budget setting process is only the first step. All proposals are subjected to robust scrutiny by officers and members and are considered achievable – however careful budget monitoring will be required on an ongoing basis to ensure delivery. This will be underpinned by quarterly integrated reporting to Cabinet.

Although the savings target has again been reduced, there remains a further £1.4 million of recurring net savings to be delivered over the next five years. The challenge and risk associated with this should not be underestimated, particularly in the context of the significant savings already made, and the wider context around LGR.

Adequacy of reserves

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

A key mitigation for financial risk is the Section 151 officer's determination of a prudent minimum level of reserves. A risk assessment has been undertaken for the MTFS to determine the level of non-earmarked general reserves required by the council. Section 8 of this report recommends updated levels of reserves. In making this recommendation, the Section 151 officer has followed guidance in the CIPFA Bulletin 13 – Local Authorities Reserves and Balances.

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

General (unearmarked) reserves (£m)	General Fund	HRA
Minimum levels (BSR 2026/27)		
Prudent minimum balance (PMB)	8.059	6.801
Target level	9.671	8.161
Forecast levels (BSR 2026/27)		
1 April 2025	14.381	8.615
31 March 2026	12.481	8.484

Within their commentary on the 30-Year Business Plan (see Appendix R), Savills have expressed a view that the target reserve level for the HRA is considered prudent against all metrics, and the council could consider reviewing the reserves policy in future years. Savills have provided a range of alternative benchmarked metrics which would instead see the target level fall somewhere between £5.8 million and £6.9 million. I have carefully considered this advice prior to setting the above target levels. The case for reducing the target level is that it would release reserves for capital investment, thus reducing the HRA's need to borrow and therefore future interest costs. However, it is my opinion that, in the context of the council's unusually large new build development programme and the inherent risks associated with this, the additional prudence afforded by the council's current methodology for calculating the target reserves level is warranted. This will be kept under regular review.

Conclusion

I consider estimates for the financial year 2026/27 to be sufficiently robust and the financial reserves up to 31 March 2027 to be adequate.

However, I draw attention to the fact that:-

- significant uncertainty remains in relation to the impact on the council of local government reorganisation;
- there is significant inherent risk posed by the scale of the council's new homes development programme which will require careful management and mitigation; and
- the council currently does not have detailed plans to meet its five-year savings requirement in full.

Jody Etherington, Section 151 Officer

Appendix A(a) – Calculation of Council Tax base 2026/27

	Band A*	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H	Total
Dwellings on the valuation list	0	4,443	11,150	20,971	10,681	6,084	4,042	3,257	510	61,138
Dwellings treated as exempt	0	(1,343)	(693)	(1,045)	(829)	(509)	(379)	(422)	(198)	(5,418)
Adjustments for disabled relief (i.e. reduced by one band)	0	(2)	(15)	(63)	(36)	(19)	(22)	(20)	0	(177)
	2	15	63	36	19	22	20	0	0	177
Total chargeable dwellings	2	3,113	10,505	19,899	9,835	5,578	3,661	2,815	312	55,720
- where there is a liability to pay 100% council tax	1	1,238	4,436	13,151	7,057	4,160	2,879	2,275	267	35,464
- that are assumed to be subject to a discount or premium	1	1,875	6,069	6,748	2,778	1,418	782	540	45	20,256
Number of dwelling equivalents after applying discounts and premiums	1.8	2,672.5	9,074.2	18,374.8	9,261.7	5,284.0	3,490.2	2,705.3	303.0	51,167.5
Allowance for Local Council Tax Support	(0.8)	(532.7)	(1,919.7)	(2,041.6)	(421.7)	(177.5)	(34.5)	(7.1)	(0.2)	(5,135.8)
Number of dwelling equivalents after applying Local Council Tax Support, discounts and premiums	1.0	2,139.8	7,154.5	16,333.2	8,840.0	5,106.5	3,455.7	2,698.2	302.8	46,031.7
Ratio to Band D	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
Tax base after allowance for Council Tax support – band D equivalents	0.6	1,426.5	5,564.6	14,518.4	8,840.0	6,241.3	4,991.6	4,497.0	605.6	46,685.6
Add estimated net growth in tax base										489.7
Less assumed loss on collection at 1.3%										(613.3)
Tax base for Council Tax and precept setting purposes – band D equivalents										46,562.0
* Band A properties entitled to disabled relief reduction										

Appendix A(b) – Council Tax setting 2026/27

1. The council calculates its Council Tax base for the whole council area for 2026/27 as **46,562.0** [Item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended (the “Act”)].
2. The council calculates that the Council Tax requirement for the council’s own purposes for 2026/27 is **£11,131,577.67**.
3. The council calculates the following amounts for the 2026/27 year in accordance with Sections 31 to 36 of the Act:-

(a)	The aggregate of the amounts which the council estimates for the items set out in section 31A(2) of the Act	£179,619,532.00
(b)	The aggregate of the amounts which the council estimates for the items set out in section 31A(3) of the Act	£168,487,954.33
(c)	The amount by which the aggregate (a) above exceeds the aggregate (b) above, calculated by the council in accordance with section 31A(4) of the Act as its Council Tax requirement for the 2026/27 year [Item R in the formula in section 31B of the Act].	£11,131,577.67
(d)	The amount at (c) above [Item R] divided by the amount at paragraph 1 above [Item T], calculated by the council in accordance with section 31B of the Act, as the basic amount of its Council Tax for the 2026/27 year.	£239.07

4. The council notes that Cambridgeshire County Council, the Police and Crime Commissioner Cambridgeshire and Peterborough, Cambridgeshire and Peterborough Fire Authority, and the Cambridgeshire and Peterborough Combined Authority have issued precepts to the council in accordance with section 40 of the Local Government Finance Act 1992 for each of the categories of dwellings in the council’s area as indicated in the table at paragraph 5 below.
5. The council, in accordance with sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in the table below as the amounts of Council Tax for 2026/27 for each of the categories of dwellings in the council’s area:-

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Council Tax (£)	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
Cambridge City Council	159.38	185.94	212.51	239.07	292.20	345.32	398.45	478.14
Cambridgeshire County Council	1,190.28	1,388.66	1,587.04	1,785.42	2,182.18	2,578.94	2,975.70	3,570.84
Police and Crime Commissioner Cambridgeshire and Peterborough	209.58	244.51	279.44	314.37	384.23	454.09	523.95	628.74
Cambridgeshire and Peterborough Fire Authority	61.44	71.68	81.92	92.16	112.64	133.12	153.60	184.32
Cambridgeshire and Peterborough Combined Authority	24.00	28.00	32.00	36.00	44.00	52.00	60.00	72.00
Aggregate Council Tax	1,644.68	1,918.79	2,192.91	2,467.02	3,015.25	3,563.47	4,111.70	4,934.04

6. The council determines that, in accordance with Section 52ZB of the Local Government Finance Act 1992, the basic amount of its Council Tax for 2026/27 is not excessive.



Priorities and Budget 2026-27

How should the council approach its six priorities moving forward?

512/512 - Matrix - required

	1- Spend more on this	2- Spend the same on this	3- Spend less on this
Residents enjoy a high quality of life and exemplar public services	62.3%	32.03%	5.66%
Decarbonisation and sustainability are central to prosperity	33.98%	33.59%	32.42%
Innovation benefits people and planet	19.92%	46.88%	33.2%
Development is sustainable and inclusive	28.32%	43.95%	27.73%
Arts, sports, and culture are thriving	33.79%	49.8%	16.41%
Democratic accountability is genuine and accessible	25.98%	54.49%	19.53%

Do you have any further comments to make regarding the six priorities in the council's vision?

168/512 - Long answer - optional

The most common theme across responses is a strong desire for the council to focus on “getting the basics right” and prioritising essential services. Many respondents repeatedly mention the poor state of roads and pavements, calling for urgent repairs to potholes and better maintenance of public spaces. Cleanliness, street cleaning, graffiti removal, and more bins are also frequently cited as priorities.

Housing is another major concern, with many calling for more social and affordable housing, and action on homelessness. Many link the cost of living crisis directly to unaffordable housing and insufficient public transport.

There is widespread frustration with the vagueness and perceived lack of clarity or measurability in the six priorities, with several respondents saying the statements are too general, ambiguous, or “tick-box” in nature, making it hard to give meaningful feedback or hold the council accountable. Some feel the survey and consultations themselves are poorly designed or biased.

A significant number of respondents express scepticism or outright opposition to spending on environmental and decarbonisation initiatives, describing them as “vanity projects”, “tick-boxing”, or not relevant to the council’s core responsibilities. Others, however, argue that sustainability and nature protection should be central to the council’s work.

Concerns about overdevelopment, population growth, and the impact on natural resources (especially water) are raised by several respondents, who feel the city is being overwhelmed and its character and environment are being damaged.

There is a strong call for the council to focus spending on residents’ needs rather than tourists, students, or businesses, and to address social inequality and inclusivity.

Many respondents want council tax kept as low as possible, with some calling for tax cuts or a freeze, and for the council to “spend less everywhere” or focus only on essentials.

Transport and accessibility are also recurring issues, with calls for better public transport, integrated transport planning, and improved access for residents from surrounding villages.

A number of respondents mention the need for more and better public toilets, community facilities, and support for arts, culture, and independent businesses, but these are less frequently raised than the above issues.

In summary, the strongest trends are: a demand for focus on core services (especially roads, cleanliness, and housing), frustration with vague or “utopian” priorities, scepticism about environmental spending, concerns about overdevelopment, and a desire for council spending to prioritise residents’ everyday needs and keep taxes low. Calls for better public transport, addressing inequality, and improved community facilities are also present but less dominant.

How important is it for the council to spend money on these services?

511/512 - Matrix - required

	1 - Very important	2 - Slightly important	3 - Not very important	4 - Not at all important
Public Safety	74.76%	20.74%	3.13%	1.37%
Sport and Recreation	32.09%	49.12%	14.87%	3.91%
Streets and Open Spaces	66.73%	28.77%	2.35%	2.15%
Waste and Recycling	68.49%	27.2%	2.94%	1.37%
Community Centres	30.72%	41.88%	20.35%	7.05%
Community Services	35.23%	39.73%	16.63%	8.41%
Cultural Services	22.7%	43.64%	21.14%	12.52%
Grant Support	22.11%	41.49%	25.44%	10.96%
Environmental Health	52.25%	35.03%	9.59%	3.13%



Appendix B Budget 2026-27 consultation responses

	1 - Very important	2 - Slightly important	3 - Not very important	4 - Not at all important
Housing and Homelessness	52.64%	31.51%	10.18%	5.68%
Customer Service Centre	19.77%	41.29%	28.77%	10.18%
Greater Cambridge Planning Service	20.55%	41.88%	24.46%	13.11%

Do you have any further comments to make on how we spend money on council services?

119/512 - Long answer - optional

The most frequently raised concern is the poor condition of roads, pavements, and cycle lanes, with repeated calls for urgent repairs, resurfacing, and pothole fixing. Many feel cycling is unsafe and that the city is becoming less pleasant for pedestrians and cyclists due to neglect and poor maintenance.

A strong theme is the need to focus on “the basics” – clean streets, open spaces, public toilets, waste collection, and visible environmental upkeep. Many respondents are frustrated by what they see as “vanity projects” or “cosmetic” schemes (such as Market Square changes or landscaping) and want resources redirected to essential services.

Housing and homelessness are repeatedly identified as top priorities, with calls for more affordable housing, quicker planning, and support for the most vulnerable. Some feel planning is too slow or restrictive, making it hard for young people to stay in the city.

There is widespread dissatisfaction with the Greater Cambridge Partnership (GCP), with several calling for it to be scrapped or reformed, citing lack of accountability, waste, and a disconnect from residents’ needs.

Concerns about anti-social behaviour, crime, and lack of police presence are common, with some questioning the effectiveness of CCTV and calling for more visible enforcement.

Some want more efficient, transparent, and value-for-money council operations, including better management, less bureaucracy, and more use of technology (such as AI in customer service).

There is a call for more equitable distribution of services across the city, with some feeling that certain areas (especially the north or edges) are neglected compared to the centre or south.

Views on cultural services and events are mixed: some want less spending (especially on fireworks or large events), while others value distinctive community events and want more support for smaller arts initiatives.

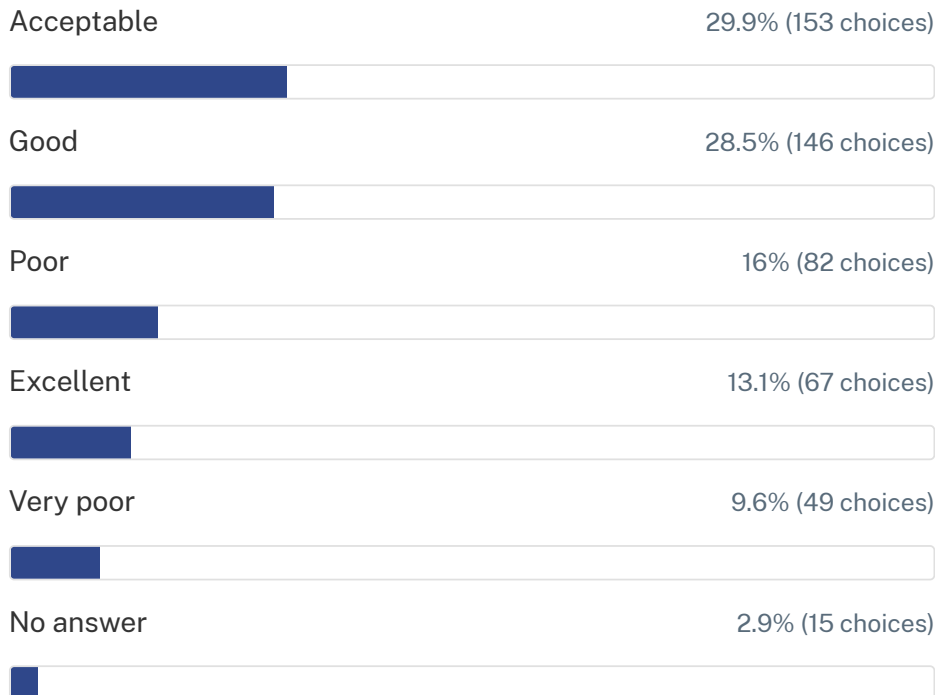
Some respondents suggest charging more for non-essential services, introducing tourist taxes, or making services more self-funding, especially for those who can afford to pay.

A few mention the need for better support for volunteers, youth services, and independent local businesses.

Overall, there is a strong desire for the council to prioritise essential, visible services that benefit all residents, ensure fairness across the city, and avoid wasteful or unpopular projects. Many express frustration with current management, lack of transparency, and a perceived disconnect between council decisions and residents’ needs.

Bearing in mind Cambridge City Council's share of Council Tax of £232.13 per year, how would you rate the council as a whole in terms of value for money for Council Taxpayers?

497/512 - Multiple choice - choose one - optional

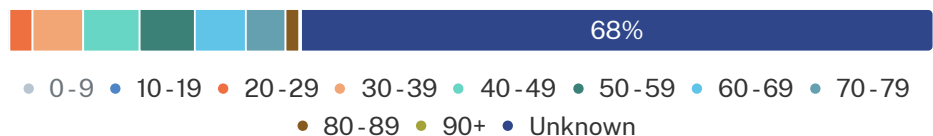


Demographic data

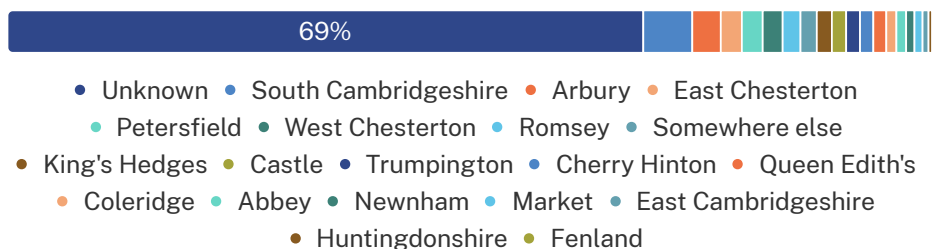
Respondents are invited to share some details about themselves as part of the registration process on our online engagement platform. This helps us better understand how representative the responses are of the people who live and work in Cambridge.

To ensure that the survey is accessible to as many people as possible, we do not make it compulsory to provide this data. The online engagement platform is continually working to improve how it presents this data.

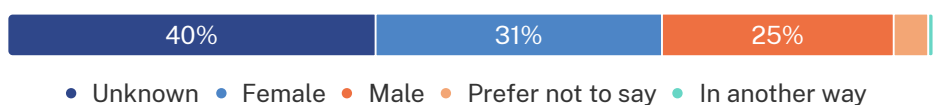
Age



Place of residence



Which of the following describes how you think of yourself? (please select one response from the following)



Appendix C – Key assumptions

Key financial modelling assumptions reflect the economic assessment in section 2 of the Budget Setting Report and other factors specific to the council. These assumptions have been applied to both the General Fund and the HRA except where indicated.

Key area	Assumption	Comment / sensitivity
General inflation	2026/27: 3.5%* 2027/28: 2.6% Subsequent years: 2.0%	Based upon Bank of England forecasts for the next four years, then reverting to the 2% long-term Bank of England target level. This is applied to both general expenditure and fees and charges income, except where better information is available in respect of specific budget lines. *General inflation has only been applied to non-pay expenditure budgets for 2026/27 where it is unavoidable, e.g. there are contracts linked to inflation.
Pay inflation	As general inflation, with specific provision for pay progression on a post-by-post basis	Each additional 1% increase would cost approximately £403,000 per year for the General Fund and £98,000 per year for the HRA.
Building maintenance inflation	2026/27: 3.50% 2027/28: 2.74% 2028/29: 2.59% 2029/30: 2.74% Subsequent years: 2.53%	This is a blended rate applying the Consumer Price Index (CPI) and the Building Cost Information Service (BCIS) All-in Tender Price Index. These have been averaged out on a 50/50 basis to reflect the estimated mix of housing maintenance contracts using these different indices.
New build inflation	2.53% each year	This has been applied on the advice of professional quantity surveyors used by the council.
Social and Affordable Rent Inflation	2026/27: 4.8% 2027/28: 3.6% 2029/30-2035/36: 3.0% Subsequent years: 2.0%	We have assumed that government policy of rents increasing by 1% above CPI inflation will continue for the next 10 years, per the government's stated policy objective. Affordable Rents are reviewed annually in line with rent guidance, ensuring that relets do not breach the Local Housing Allowance, 60% or 80% of market rent, depending upon the tenure.

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Key area	Assumption	Comment / sensitivity
Social Rent Relets	Formula Rent plus 5% (10% for supported housing)	Assume 5% flexibility (10% for supported housing) on formula rent is applied at relet recognising the investment required across the portfolio.
Rent convergence	2027/28: £1 per week Subsequent years: £2 per week	This additional annual increase will apply to new and existing tenants who are currently paying less than formula rent, until formula rent is reached, in line with the recent government announcement. It is assumed to continue until 2035/36.
Void Rates	2026/27: 1.08% Thereafter: 0.80%	Assume a general void rate of 1.08% for 2026/27, then 0.8% ongoing, recognising intended improved void performance.
Pension costs	20.7% employer contribution	In line with the latest actuarial valuation to take effect from 1 April 2026. The next actuarial valuation is due to be received in mid-2029, reflecting valuation at 31 March 2028. This will set the contributions to be made for the three year period from 2029/30 to 2031/32. As at 31 March 2025 the pension fund was in surplus, but this cannot necessarily be assumed to continue.
Investment interest rate	2026/27: 3.6% 2027/28: 3.3% Subsequent years: 3.5%	Investment income built into the Medium-Term Financial Strategy and the 30 Year-Business Plan reflects forecast rates on the cash balance held. The core rates used are adjusted for specific investments where better information is available.
Borrowing interest rate	2026/27: 5.55% 2027/28: 5.35% 2028/29: 5.25% Subsequent years: 5.20%	These are based on forecasts of the 25-year Public Works Loan Board (PWLb) certainty rates provided by our treasury management advisors as outlined at Appendix Q. A discount of 0.4% is available on HRA borrowing until 31 March 2027, and this has been factored into the 30-Year Business Plan.
Annual council tax increase	2.99%	Annual increases are limited by the government's referendum principles. Each additional 1% increase would generate approximately £108,000.
Council Tax base	Based on local housing trajectory forecasts	A net increase of 1,000 homes in the city would generate additional income for the Council of around £236,000.
Local government funding settlement	Based upon the final multi-year figures issued by the government in February 2026, with subsequent years informed by the council's funding consultants	See section 2 of the BSR for full details.

Appendix D – General Fund expenditure and funding projection

General Fund projection (£m)	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36
Chief Executive Office	2.519	2.901	2.976	3.048	3.078	3.139	3.286	3.441	3.602	3.771	3.948
City Services	0.882	0.987	1.314	1.903	2.440	2.919	3.056	3.199	3.349	3.507	3.671
Communities	10.779	10.279	10.929	11.173	11.431	11.698	12.247	12.821	13.423	14.052	14.711
Corporate Hub	6.968	10.895	11.405	11.288	11.500	11.763	12.315	12.892	13.497	14.130	14.793
Economy and Place	(7.834)	(7.151)	(7.050)	(7.002)	(6.917)	(6.834)	(7.154)	(7.490)	(7.841)	(8.209)	(8.594)
Planning and Building Control	1.648	1.607	1.747	1.788	1.829	1.868	1.955	2.047	2.142	2.243	2.348
Revised net savings requirement	-	-	(0.375)	(0.750)	(1.125)	(1.373)	(1.638)	(1.904)	(2.191)	(2.498)	(2.822)
Net service budget	14.962	19.518	20.946	21.448	22.236	23.180	24.067	25.006	25.981	26.996	28.055
Capital expenditure financed from revenue	2.310	3.341	6.416	4.715	2.965	2.965	2.965	2.965	2.965	2.965	2.965
Cost of revised capital financing strategy	3.082	2.716	2.792	2.859	2.939	2.911	2.939	2.939	2.939	2.939	2.939
Collection fund deficit	2.247	6.640	-	-	-	-	-	-	-	-	-
Contributions to earmarked funds	5.290	3.866	0.366	0.365	0.365	0.366	0.365	0.366	0.366	0.366	0.366
Net spending requirement	27.891	36.081	30.520	29.387	28.505	29.422	30.336	31.276	32.251	33.266	34.325
Business rates baseline	(4.750)	(7.144)	(7.308)	(7.455)	(7.603)	(7.752)	(7.917)	(8.082)	(8.252)	(8.428)	(8.612)
Accumulated business rates growth	(8.767)	(0.217)	(1.160)	(1.999)	(0.230)	(1.223)	(2.130)	(0.244)	(1.302)	(2.270)	(0.261)
Non-ringfenced government grants	(4.374)	(12.148)	(10.935)	(10.295)	(8.414)	(8.607)	(8.790)	(8.974)	(9.162)	(9.358)	(9.562)
Council Tax	(10.615)	(11.132)	(11.580)	(12.048)	(12.556)	(13.063)	(13.629)	(14.220)	(14.837)	(15.480)	(16.151)
Appropriations from earmarked funds	(0.711)	(3.757)	-	-	-	-	-	-	-	-	-
Contributions to / (from) reserves	1.326	(1.683)	0.463	2.410	0.298	1.223	2.130	0.244	1.302	2.270	0.261
Total funding	(27.891)	(36.081)	(30.520)	(29.387)	(28.505)	(29.422)	(30.336)	(31.276)	(32.251)	(33.266)	(34.325)

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2026/27 Budget – GF Proposals – by Type

Reference	Item Description	2026/27 Budget £	2027/28 Budget £	2028/29 Budget £	2029/30 Budget £	2030/31 Budget £	Climate Rating	Contact

External bids**Communities**

5411	Renters' Rights staffing costs	160,000	160,000	160,000	160,000	160,000	Nil	Claire Adelizzi

The Renters' Rights Act became law in November and, once implemented, will place additional statutory enforcement responsibilities upon local authorities, thereby strengthening the rights of tenants living in private rented accommodation. In anticipation of these additional enforcement responsibilities, as well as an expected rise in demand from private tenants seeking advice about their situation, this bid is for 3 FTE posts – two Tenancy Relations Officers with responsibility for enforcement, and a Housing Advisor who will specialise in working with private sector tenants seeking advice. These measures will benefit c. 17,000 households currently living in private rented accommodation within the city. It is anticipated that the costs of these posts will be met by new burdens funding being provided by central government (see increased income bid I15475), but the council's exact allocation for 2026 onwards is not yet known.

Total external bids	160,000	160,000	160,000	160,000	160,000

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2026/27 Budget – GF Proposals – by Type

Reference	Item Description	2026/27 Budget £	2027/28 Budget £	2028/29 Budget £	2029/30 Budget £	2030/31 Budget £	Climate Rating	Contact

Reduced income**City Services**

RI5343	Distribution service	20,060	20,200	20,210	20,120	20,030	Nil	Don Blair

This is a corrective budget bid to remove the income target from a service that is currently closed. Although the service itself is not operating, the display boards continue to provide value – Cultural Services use them to support cultural activity across the city, and there is strong interest from community and voluntary groups to access them. The proposal therefore formalises community use of the boards, ensuring they remain an active cultural asset.

RI5356	Crematorium reduced income	300,000	300,000	300,000	300,000	300,000	Nil	Daniel Morgan

Bereavement Services is forecast to deliver a net surplus of £586,000 in 2026/27. The £300,000 recurring bid rebases the budget to reflect this level of actual performance, representing a reduction from the previously assumed surplus of c.£886,000. This assumption has been subject to senior officer scrutiny and reflects a cautious, evidence-based view of future income.

This adjustment reflects intensifying competition in the funerals market, including new providers and online-only direct cremation services, alongside wider cultural and environmental shifts towards lower-cost options. Members should also take account of the associated capital investment set out in bid CAP5441, which focuses on estate and AV improvements and is intended to strengthen the service's overall offer and competitiveness.

There is a draft integrated Bereavement Services Business Plan in development, intended to bring together post-Covid income performance, market positioning, pricing and marketing considerations, alongside the proposed capital investment. Given the increasingly competitive nature of the funerals market, this integrated and explicitly commercial, market-led approach will be important in ensuring that capital improvements are fully aligned to sustaining income and the service's medium-term financial position.

RI5360	Rural Payment Agency grant	14,500	15,400	16,000	16,000	16,000	Nil	Guy Belcher

Grazing on the commons is one of the many attractions that makes Cambridge so special and benefits biodiversity when grazing numbers are appropriate for the site and season. The council now receives only £600 grant under the Basic Payment Scheme which has been reducing year on year. The successor replacement Sustainable Farming Incentive Scheme does not currently make payments for common land but, if this changes, an application would be submitted.

Communities

RI5362	City Events shortfall	25,000	25,000	25,000	25,000	25,000	Nil	Lewis Anderson

This bid recognises the increasingly competitive sponsorship environment for city events. The new target is to be set at £22,000 for the Out of the Ordinary Festival, Fireworks Night, Mayor's Day Out and Music in the Parks. The fundraising effort will involve sponsorship packages for businesses and the introduction of alternative fundraising initiatives.

2026/27 Budget – GF Proposals – by Type

Reference	Item Description	2026/27 Budget £	2027/28 Budget £	2028/29 Budget £	2029/30 Budget £	2030/31 Budget £	Climate Rating	Contact
RI5490	Folk Festival	39,760	33,920	26,470	19,610	16,390	Nil	Frances Alderton

As agreed by Cabinet in July 2025, the revised Folk Festival format will now initially target a breakeven position. This budget bid will remove the small net surplus which was previously budgeted for. It is anticipated that, over a relatively short time period, it will be possible to return the Folk Festival to a position where it can operate at a surplus. This will be kept under constant review, particularly with reference to the outturn of the 2026 Festival which will be the first to run under the new format. If appropriate, an increased income bid will be considered as part of next year's budget setting round.

Economy and Place

RI5371	North East Cambridge commercial properties	149,040	146,240	143,670	140,900	138,070	Nil	James Blott

Under the agreement to progress phase 1 of the Hartree scheme, the council is exercising its rights under the Landlord and Tenant Act 1954 to obtain vacant possession for demolition of Orwell House and Orwell Furlong. It is expected that full vacant possession will be obtained by 31 March 2026. Notwithstanding the decision to stop the Hartree scheme, demolition is required to avoid legal challenge. It will also save future costs arising from vacant business rates and energy efficiency works required before 2028, which are not currently included in the budget.

RI5397	Lion Yard ground rent adjustment	400,000	400,000	400,000	400,000	400,000	Nil	Philip Taylor

The council receives a geared ground rent from Lion Yard Shopping Centre which means the rent varies depending upon a number of factors including head rent income and capital expenditure by the long leaseholder. Rental income has not fully recovered from the pandemic and is now anticipated to settle at a permanently lower level. This bid represents a reduction in anticipated future income from £750,000 per annum to £350,000 per annum.

Total reduced income	948,360	940,760	931,350	921,630	915,490

2026/27 Budget – GF Proposals – by Type

Reference	Item Description	2026/27 Budget £	2027/28 Budget £	2028/29 Budget £	2029/30 Budget £	2030/31 Budget £	Climate Rating	Contact

Unavoidable revenue pressures

Chief Executive Office

B5402	Electoral registration	40,000	40,000	40,000	40,000	40,000	Nil	Vicky Jenner

This bid addresses a number of ongoing pressures within the Electoral Registration service. While we have made significant progress in promoting digital responses and using Council Tax data to reduce unnecessary mailings, we are still required to send printed communications to a large number of households — often with the requirement to include reply-paid envelopes. These mailings are essential to verify residency and ensure the register reflects genuine occupancy. This is impacting on printing and postage budgets, particularly in light of sustained increases in postage costs in recent years. ICT costs are also under increasing pressure due to the ongoing need to support specialist systems and secure, reliable infrastructure for electoral data management.

City Services

B5336	Agency model for leisure contract	20,000	20,000	20,000	20,000	20,000	Nil	Ian Ross

The new agency model for the leisure contract was introduced on 1 August 2025. While projected to deliver £180,000 per year of savings, the actual saving is only £160,000 due to a non-recoverable VAT element.

B5340	Cowley Road Depot and Hub	50,000	50,000	50,000	50,000	50,000	Nil	Sarah Morrell

Operating costs for the new Operational Hub include business rates, utilities, and owner-related charges. Following occupation, business rates have been formally reset and operating and utility costs are now clearer. These costs represent a planned and expected consequence of bringing the facility into use.

Additional funding is required to meet these ongoing obligations. Without this provision, the Council would be unable to fully meet the essential running costs of the facility. Costs will be apportioned between the General Fund and the Housing Revenue Account (HRA); this bid relates solely to the General Fund share.

B5375	Waterbeach Depot expansion	50,000	50,000	50,000	50,000	50,000	Nil	James Elms

As a result of the government's introduction of mandatory weekly food waste collections, Waterbeach Depot has been expanded to accommodate an additional 60 staff members. This expansion also includes the provision of car parking for staff vehicles and space for the new food waste collection vehicles. The upfront capital investment needed for the expansion will be met by the landlord who will recover these costs through an uplift in the cost of the lease agreement in place, which will be shared equally (50/50) between Cambridge City Council and South Cambridgeshire District Council. This bid represents the council's share.

B5376	Waste service contribution	1,336,920	1,336,920	1,336,920	1,336,920	1,336,920	Nil	James Elms

This is the planned increase in the council's share of costs to deliver the Greater Cambridge Shared Waste Service from 2026/27. This includes £978,000 of costs directly related to the introduction of a separate food waste collection service which is a new statutory requirement. The government will provide some funding towards the cost of this service within the local government finance settlement – however this will not be separately identifiable and is unlikely to cover the full cost.

2026/27 Budget – GF Proposals – by Type

Reference	Item Description	2026/27 Budget £	2027/28 Budget £	2028/29 Budget £	2029/30 Budget £	2030/31 Budget £	Climate Rating	Contact

Corporate Hub

B5366	Cambridgeshire and Peterborough Local Resilience Forum (CPLRF) contribution	16,000	16,000	16,000	16,000	16,000	Nil	Dean Feast

To ensure we have a sustainable CPLRF, this funding will support an additional administrative post, additional training and a strengthened programme of realistic exercises. This will underpin both the council's own capacity to meet its statutory responsibilities as a category one emergency responder under the Civil Contingencies Act 2004, and its capacity to work as part of the wider system across Cambridgeshire and Peterborough. Note that our contribution will be used alongside increased contributions from the other CPLRF members.

B5473	Housing benefit subsidy loss	636,000	401,500	167,000	167,000	167,000	Nil	Naomi Armstrong

Bid to reflect housing benefit expenditure which cannot be recovered through subsidy, based upon current experience. Most of this subsidy loss relates to accommodation provided by charitable organisations where the council is required to meet the full rent liability, but the amount which can be reclaimed from DWP is capped at a level determined by the Rent Officer. To remove the barrier to full subsidy recovery, a revenue bid has been made (see bid S5481 below) to help the city's larger charitable organisations to transition to Registered Provider status.

Total unavoidable revenue pressures	2,148,920	1,914,420	1,679,920	1,679,920	1,679,920

2026/27 Budget – GF Proposals – by Type

Reference	Item Description	2026/27 Budget £	2027/28 Budget £	2028/29 Budget £	2029/30 Budget £	2030/31 Budget £	Climate Rating	Contact

Revenue bids

Chief Executive Office

B5367	Members' allowances	211,710	211,710	211,710	211,710	211,710	Nil	Dan Kalley

This bid brings the budget into line with the members' allowances scheme as approved by Full Council. It accounts for the increase in the basic allowance (£61,570), NI contributions (£64,490) and special responsibilities allowances (£85,650) which recognise members' significant time commitments and responsibilities.

B5381	Cloud computing for councillors	30,000	32,000	34,000	-	-	Nil	Dan Kalley

This will fund annual Cloud PC licenses, so that councillors will be able to access a secure, consistent workspace via their own devices.

City Services

B5335	Cleaning contracts	165,450	165,450	165,450	165,450	165,450	Nil	Alistair Wilson

This bid represents an uplifting of budgets for the cleaning of key city public assets to match current spend levels. Over a number of years, annual budget increases in this area have not reflected true inflationary pressures, and this has resulted in a recurring and increasing overspend which has been necessary to maintain service levels. In addition, a key supplier has now introduced a new monthly cost profile, requiring additional funding to maintain current service levels. Without this bid, service quality and compliance with expected standards would be compromised.

B5339	Nature and Urban Forest Project Lead	59,000	59,000	59,000	-	-	Positive / Medium impact	Matthew Magrath

The Nature and Urban Forest Project Lead will provide the capacity needed to turn the council's climate, biodiversity and urban forest ambitions into on-the-ground delivery. The role will coordinate programmes such as DiversiTree, Pollinator Planting, Free Trees for Babies and Nature City Accreditation, ensuring they align with the Urban Forest and Biodiversity Strategies and make best use of funding, staff time and partnerships. It will also strengthen community awareness, skills and involvement, with a focus on neighbourhoods with low tree cover and higher climate risk, helping to ensure the benefits of nature are shared more fairly. By building long-term stewardship and volunteer capacity, the role will support environmental, social and health outcomes while reducing future pressure on council services.

2026/27 Budget – GF Proposals – by Type

Reference	Item Description	2026/27 Budget £	2027/28 Budget £	2028/29 Budget £	2029/30 Budget £	2030/31 Budget £	Climate Rating	Contact
B5341	Playground investments	50,000	50,000	50,000	50,000	50,000	Nil	Ian Ross

Keeping children safe and discharging the Council's duty of care is the primary purpose of this budget bid. The Council's play park estate has continued to grow and now exceeds 100 sites across the city, increasing demand for timely repairs, safety inspections and ongoing maintenance. At the same time, the age and intensity of use of existing equipment has increased, leading to higher levels of reactive repair and replacement.

Bringing this bid forward now ensures that day-to-day maintenance capacity keeps pace with the expanded estate and rising safety obligations. Aligned with the Play Investment Strategy, the funding will allow damaged or unsafe equipment to be repaired or replaced promptly, ensuring parks remain safe, accessible and fully compliant with safety standards. The investment increases routine playground maintenance spending to £253,000 in 2026/27 and is complemented by significant ongoing capital investment in new playgrounds and equipment funded through section 106 contributions.

B5363	City Services operational health and safety capacity	37,890	37,890	37,890	37,890	37,890	Nil	James Elms

This bid strengthens public safety, improves organisational resilience and ensures clear accountability for safety-critical operations across City Services. By closing gaps in our operational health and safety model, it ensures risks are properly monitored and controlled and that safe working practices are applied consistently across our frontline teams. A dedicated role will provide the day-to-day capacity needed to manage operational health and safety activity, supporting a wide range of community-facing services where robust safety management directly protects residents and staff. This bid represents a 50% General Fund contribution, with the remaining 50% funded from the HRA.

B5471	Strengthening Asset and Compliance	77,890	77,890	77,890	77,890	77,890	Nil	Sean Cleary

This bid provides General Fund funding to determine the most effective and best-value way to strengthen Asset and Compliance capacity, informed by sector best practice and a focused review of functions, roles and workflows. It will support more effective management of the Council's General Fund asset base by improving understanding of investment needs across a growing and increasingly complex property portfolio, and by enabling survey, inspection and audit data to be translated into prioritised, deliverable planned maintenance and capital programmes.

The funding enables options to be properly assessed, including potential changes to team structure, job design or capacity, without predetermining the outcome, ensuring any future investment is targeted, proportionate and aligned to regulatory and statutory compliance requirements.

The bid represents the General Fund contribution of 30% of the total cost and is expected to deliver efficiencies in the region of 8-10% by year 3 through more disciplined asset planning, improved processes, and more effective contract letting and contract management, helping to reduce avoidable reactive spend, improve long-term asset performance, and secure better value for money over the life of the council's assets.

2026/27 Budget – GF Proposals – by Type

Reference	Item Description	2026/27 Budget £	2027/28 Budget £	2028/29 Budget £	2029/30 Budget £	2030/31 Budget £	Climate Rating	Contact
B5472	Ensuring delivery and regulatory assurance	56,970	56,970	56,970	56,970	56,970	Nil	Brigitte Wilson

This bid strengthens the council's Asset and Compliance capacity within the General Fund, enabling it to manage a growing corporate property portfolio, provide effective oversight of £74 million of contracts recently approved by Cabinet, and respond to increasing regulatory, safety, and assurance requirements. It ensures the council has sufficient professional capacity to turn expanding volumes of survey, inspection, and audit data into prioritised and planned programmes of work. The benefits are organisational and system-wide. Increased capacity improves the quality and reliability of asset data, strengthens oversight of statutory inspections and certifications, and supports earlier, planned intervention rather than reactive response. Enhanced technical and contract oversight reduces the risk of asset failure, non-compliance, and unplanned expenditure, while providing clearer assurance to members and senior officers that corporate assets and contracts are being managed safely, compliantly, and in line with best value principles. This bid represents the General Fund share of around 15% of the total cost, with the remaining 85% to be funded from the HRA and is expected to deliver efficiencies in the region of 8-10% by Year 3.

B5478	Weed clearance	40,000	40,000	-	-	-	Nil	Alistair Wilson

This bid provides £80,000 over two years to fund additional seasonal resource (likely to be short-term agency staff) to support weed clearance during peak growth periods. It responds to increased demand and resident feedback by enabling existing arrangements to be flexed at key points in the year, helping maintain agreed standards of appearance and safety. The funding does not represent a change in service model or policy, but a time-limited resource uplift to address seasonal pressure.

B5479	Quayside public toilets	25,000	25,000	-	-	-	Negative / Low impact	Don Blair

This bid is for reopening the Quayside public toilets for two years, enabled by the council's better than forecast budget position and in response to representations from local stakeholders. The Quayside area experiences high levels of pedestrian footfall associated with tourism, events, and the evening economy. Reopening the facility would restore a public convenience at a prominent city-centre location, improving amenity provision whilst allowing the council to monitor usage and operational impacts and operating costs to inform any future member decision.

B5480	Jesus Green Lido phase 1	80,000	-	-	-	-	Nil	Ian Ross

This bid seeks funding to progress a phase 1 programme for Jesus Green Lido, focused on preparing a viable, deliverable scheme for future investment while protecting the special character and setting of the lido. Phase 1 would focus on building a coordinated partnership approach involving the council, the Friends of the Jesus Green Lido (a registered charity), and other potential community and funding partners. The aim is to bring forward an agreed scope and outline design for updated facilities that can be consulted on and taken through pre-planning, providing a clear and costed basis for any future decisions. The bid would also support work to align and combine available funding streams. This includes accumulated section 106 contributions for new sports and recreation facilities and replacement public toilets, alongside exploration of third-party investment opportunities, such as a café, where this can be shown to be appropriate and compatible with the site. Funding would be used to commission specialist consultancy advice, working jointly with the Friends of the Jesus Green Lido, to assess external funding opportunities and to consider the governance and legal arrangements required to support partnership delivery and future investment. Approval of this bid would not commit the council to a full redevelopment of the Lido. Instead, it would provide the necessary evidence, partnership arrangements, and funding strategy to inform future decisions, ensuring that any subsequent investment proposals are well developed, affordable, and capable of delivering best value while safeguarding the Lido's heritage and community role.

2026/27 Budget – GF Proposals – by Type

Reference	Item Description	2026/27 Budget £	2027/28 Budget £	2028/29 Budget £	2029/30 Budget £	2030/31 Budget £	Climate Rating	Contact

Communities

B5396	Skill Mill	15,000	80,000	25,000	-	-	Nil	Keryn Jalli

This bid will bring to the city an innovative and award-winning social enterprise that transforms lives by reducing youth offending and boosting employability for NEET young people known to Youth Justice. The council is working closely with the police and other councils and delivering against the Community Safety Partnership objectives. The council's 30% contribution sits alongside an already guaranteed 70% from other contributors, with positive discussions with partners about sharing the financial cost of the programme further.

B5417	Folk Festival marketing	60,000	-	-	-	-	Nil	Frances Alderton

This bid follows consultant's recommendations and a Cabinet decision made in July 2025. This one-off investment will enhance marketing, infrastructure, and local audience and artist development to support the revised Folk Festival format. It is anticipated this will contribute towards the Festival being cost neutral in 2026, and to return to generating surpluses over the medium-term. The timetable for the work started in July 2025 and will be delivered by the 2026 Festival by the Cultural Services team alongside contractors. This investment was set out to support the delivery of a successful reset of the Festival with new audience development and will be measured by both the financial position of the 2026 Festival and audience feedback.

B5420	Public safety – Street lighting	28,000	28,000	28,000	28,000	28,000	Nil	Sarah Steggles

This bid is to keep street lighting at 80% of full brightness (instead of 60%) from 10:00pm to 2:00am which the county council, as the responsible body for street lighting, does not fund.

B5424	LIFT (Low-Income Family Tracker)	26,000	26,000	26,000	26,000	26,000	Nil	Laura Adcock

The Low-Income Family Tracker (LIFT) is a software platform that layers multiple datasets held within the council, alongside some external datasets from HMRC and DWP, and applies modelling to provide insights down to a household level. It allows us to analyse and use this data to help people maximise their incomes, and to better target our support offerings. Campaigns it could support might include the take up of things such as pension credit, healthy starts, free school meals and reduced water tariffs. In addition, it would enable us to target direct support for those at risk of eviction by identifying people in rent arrears, or at risk of their rent becoming unaffordable. We could also support residents at risk of social isolation by way of signposting to local services and groups, help to target health prevention activity and use data to help support audience development for leisure and cultural activities. Currently, while we do have access to LIFT and have used it for some initiatives over the last two years, the lack of staffing resource has been a barrier in our ability to both run co-ordinated campaigns and to evaluate their success. Colleagues at South Cambridgeshire District Council have been able to demonstrate this very effectively. The cost is expected to be shared across the General Fund and HRA – the above amount represents the General Fund share.

2026/27 Budget – GF Proposals – by Type

Reference	Item Description	2026/27 Budget £	2027/28 Budget £	2028/29 Budget £	2029/30 Budget £	2030/31 Budget £	Climate Rating	Contact

Corporate Hub

B5368	Procurement Analyst	17,900	-	-	-	-	Nil	Jane Whiteman- Turl

Request to extend the agreed budget for a fixed term Procurement Analyst to June 2026. This post is supporting a number of critical activities in the context of the new Procurement Act 2023, including the development of a contracts register and repository, the implementation of better tools for budget managers to access real-time spend information, and the ongoing analysis of council spend with a view to delivering cost savings through contract consolidation.

B5377	Discretionary Housing Payments	20,000	20,000	-	-	-	Nil	Naomi Armstrong

Discretionary Housing Payments (DHPs) are a crucial tool to support households who experience a shortfall between housing benefit or Universal Credit and their eligible rent. Whilst these are mostly funded by DWP, the council has always spent slightly more than its government allocation. This bid will ensure funding is available to continue supporting claimants impacted by welfare reforms, supporting families out of temporary accommodation into private rental accommodation, and freeing up council homes for families through the use of removal grants. Examples of support provided last year include providing additional support for households affected by the benefit cap and spare room rules, support for a family facing increased food costs whilst they were waiting for a PIP claim to be processed, and short-term support to cover a shortfall in non-dependent contributions where the household is experiencing health issues. In total, 357 DHP awards were made in 2024/25 with an average value of £471, providing invaluable time-limited support to struggling households at a time of exceptional need, whilst also significantly reducing the risk of homelessness which would likely lead to increased costs for the council.

B5379	Managed Security Operations Centre (SOC)	60,000	60,000	60,000	60,000	60,000	Nil	Jane Wilson

Cyber security is currently a significant inherent risk for all public bodies. 3C ICT have recommended that each partner council invests £60,000 annually to access round-the-clock expert monitoring, rapid breach response, and formal risk tracking to enable stronger cyber assurance and faster progress than relying solely on in-house resources.

B5481	Housing benefit subsidy	60,000	20,000	-	-	-	Nil	Naomi Armstrong

This bid is to provide administrative, financial and legal support for homeless charities to transition to Registered Provider status. Such status would enable the Council to reduce the £636,000 per annum of housing benefit subsidies which cannot currently be recovered from DWP (see unavoidable revenue pressure bid B5473). Dedicated expert support is required to help the charities through the registration pathway.

B5482	Taxi Card	44,850	44,850	-	-	-	Nil	Clarissa Norman

This bid is to continue provision of this service that provides transport for residents who are elderly, have severe disabilities and ill health for a further two years.

2026/27 Budget – GF Proposals – by Type

Reference	Item Description	2026/27 Budget £	2027/28 Budget £	2028/29 Budget £	2029/30 Budget £	2030/31 Budget £	Climate Rating	Contact

Economy and Place

B5483	City centre and visitor economy	65,000	65,000	-	-	-	Nil	Jemma Little

Additional resource to take forward work mandated by council motion 'A Thriving City Centre for All' to develop a shared vision and associated plans (balanced, inclusive, vibrant, accessible, clean, safe and efficiently managed), including capacity to engage stakeholders, as well as associated work to support the development and delivery of a Local Visitor Economy Partnership, Destination Management Plan for Cambridgeshire and Peterborough, the government's plans for a visitor levy and capacity for the existing Destination Management Organisation (Visit Cambridge).

Total revenue bids	1,230,660	1,099,760	831,910	713,910	713,910

Total pressures and bids	4,487,940	4,114,940	3,603,180	3,475,460	3,469,320

2026/27 Budget – GF Proposals – by Type

Reference	Item Description	2026/27 Budget £	2027/28 Budget £	2028/29 Budget £	2029/30 Budget £	2030/31 Budget £	Climate Rating	Contact

Savings

Corporate Hub

S5477	Employer pension contributions	(1,280,140)	(1,280,140)	(1,280,140)	(1,280,140)	(1,280,140)	Nil	Matthew Fernandez-Graham

Savings from a reduction in employer pension contribution rate as agreed with the actuary following triennial valuation. This has arisen as the pension fund is currently overfunded.

Total savings	(1,280,140)	(1,280,140)	(1,280,140)	(1,280,140)	(1,280,140)

2026/27 Budget – GF Proposals – by Type

Reference	Item Description	2026/27 Budget £	2027/28 Budget £	2028/29 Budget £	2029/30 Budget £	2030/31 Budget £	Climate Rating	Contact

Increased income

City Services

II5474	Extended Producer Responsibility for Packaging (pEPR)	(1,828,930)	(1,463,140)	(1,170,510)	(936,410)	(749,130)	Nil	James Elms

Starting from 2025/26, the council now receives income from the Extended Producer Responsibility for Packaging scheme which is used to support the efficiency and effectiveness of dry materials recycling collections. Note that this income is highly variable depending upon the volume and type of waste produced, therefore future income is very difficult to predict accurately – however income is likely to decline as producer behaviour changes. Current assumption is for a year-on-year reduction of 20% up to 2030/31.

II5355	Car park income	(1,400,000)	(1,400,000)	(1,400,000)	(1,400,000)	(1,400,000)	Nil	Daniel Morgan

Car parks continue to generate income above forecast, supported by the annual price increase. This overachievement provides additional revenue to the Council.

Communities

II5475	Renters' Rights new burdens funding	(160,000)	(160,000)	(160,000)	(160,000)	(160,000)	Nil	Claire Adelizzi

New burdens funding assumed in respect of Renters Rights Bill (see linked external bid 5411).

Economy and Place

II5398	Cyrus Way Commercial Rent	(139,040)	(139,040)	(139,040)	(139,040)	(139,040)	Nil	Philip Taylor

New lease for 10 years with Construction Industry Training Board (CITB).

Total increased income	(3,527,970)	(3,162,180)	(2,869,550)	(2,635,450)	(2,448,170)

Total savings and increased income	(4,808,110)	(4,442,320)	(4,149,690)	(3,915,590)	(3,728,310)

Total revenue proposals	(320,170)	(327,380)	(546,510)	(440,130)	(258,990)

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2026/27 Budget – GF Proposals – by Type

Reference	Item Description	2026/27 Budget £	2027/28 Budget £	2028/29 Budget £	2029/30 Budget £	2030/31 Budget £	Climate Rating	Contact

Capital bids**City Services**

CAP5337	Car park entry and exit systems	50,000	1,800,000	150,000	-	-	Nil	Daniel Morgan

This bid supports the replacement of the council's parking management infrastructure, reflecting a planned, once-in-a-decade renewal aligned with asset management plans, sector best practice, and the safe and effective operational lifespan of the existing equipment. The current infrastructure underpins an important income-earning asset for the council, and continued reliability is essential to maintaining income collection, service continuity and public confidence. Much of the existing equipment is approaching the end of its economic and functional life, increasing the risk of system failure, service disruption and escalating maintenance intervention.

The replacement programme is expected to run over a two-year period from inception through to delivery and will be supported by specialist consultancy to advise on available technologies and the most appropriate and compliant route to market. This approach will ensure the Council adopts a solution that is resilient, future-proofed and proportionate to operational and income-protection needs.

While the primary objective is to maintain a safe, reliable and resilient parking service and protect income generation, modernised systems have the potential to reduce ongoing maintenance requirements, ticketing costs and staff time associated with fault resolution, manual intervention and legacy processes. Any efficiencies achieved will depend on final system design and procurement outcomes, but the renewal will place the service on a more sustainable and robust footing for the next operational cycle.

CAP5349	St Andrews Church closed churchyard wall repairs	75,000	-	-	-	-	Nil	Don Blair

Replacement of historical/protected wall which is unsafe. Requires specialist works, not covered by existing budget.

CAP5351	Hand-arm vibration equipment	17,000	-	-	-	-	Nil	Don Blair

This investment protects our frontline workforce — from our street cleansing teams using mechanical tools to manage weed growth to garage colleagues operating workshop equipment to maintain our waste fleet— by ensuring they have safe, modern and compliant monitoring systems. New hand-arm vibration monitoring equipment will replace obsolete kit, meet statutory health and safety requirements, and significantly reduce the risk of ill-health, employee claims and HSE enforcement.

CAP5353	Fleet replacement programme	2,000,000	-	-	-	-	Positive / High impact	Sean Cleary

The evidence base for an estimated £8 million fleet renewal programme will be reported to Cabinet in July 2026. This will include third-party condition assessments of the existing vehicles and replacement profiling, informed by detailed financial, cost, and environmental analyses. This approach is intended to ensure that any future investment decisions are proportionate, evidence-led, and represent best value. In advance of this work, a bid of £2 million for 2026/27 is proposed to address the most immediate operational and asset risk issues. This targeted provision would mitigate the highest risks associated with vehicle failure, service disruption, and escalating maintenance costs, while avoiding premature commitment to the wider programme ahead of the full evidence and Cabinet decision.

2026/27 Budget – GF Proposals – by Type

Reference	Item Description	2026/27 Budget £	2027/28 Budget £	2028/29 Budget £	2029/30 Budget £	2030/31 Budget £	Climate Rating	Contact
CAP5405	Waste vehicle replacement programme	2,026,000	1,394,000	-	-	1,317,000	Positive / High impact	James Elms

The Shared Waste Service is seeking to purchase 27 new vehicles during the years 2026/27, 2027/28 and 2030/31. These will comprise: 16 replacement refuse vehicles; 2 additional refuse vehicles to support housing growth; and a further immediate requirement to purchase 9 new vehicles for the new weekly food waste collection service. The total programme cost of £7.324 million will be funded from a £1.266 million DEFRA grant for the food waste collection vehicles, £1.321 million slippage and a new allocation of £4.737 million. To support the council's commitment to achieving its net zero target, all new vehicles will operate using either electricity or hydrotreated vegetable oil (HVO). To secure best value, the expenditure will be profiled in line with a replacement and servicing plan. This will draw together condition assessments of the existing vehicles, replacement profiling informed by detailed financial, cost, and environmental analyses, the availability of the WREN scheme to charge electric vehicles and housing growth data to confirm when the two additional vehicles will be required.

CAP5441	Bereavement service deferred capital works	1,000,000	-	-	-	-	Positive / Low impact	Daniel Morgan

This investment programme will modernise and safeguard our Bereavement Services estate, addressing the most urgent health and safety risks while supporting the service to grow income and remain financially sustainable. The programme prioritises works that protect visitors and staff — such as repairs to roofs, paths, lighting and car parks — alongside improvements that enhance the customer experience and enable future income, including upgraded audio-visual systems and memorial grounds improvements.

Communities

CAP5422	Planned maintenance works at community centres	436,000	200,000	200,000	200,000	200,000	Nil	Richard Brown

Capital works identified through Potter Raper through to 2026/27 and not identified in any existing capital programme (excluding any decarbonisation projects). This work across older community facilities would cover general planned works, including fire doors and heating systems. The annual recurring capital budget is to cover ongoing maintenance across a now large portfolio of community facilities, for which there is currently no provision in the budget.

Corporate Hub

CAP5427	Geographic Information System (GIS) upgrade	10,000	-	-	-	-	Nil	Jane Wilson

An upgrade to the corporate Geographic Information System (GIS), powered by ESRI. The total cost is £30,000 split between the three partner councils within the 3C ICT service.

CAP5428	Corporate application upgrade	6,000	-	-	-	-	Nil	Jane Wilson

A number of corporate systems will require upgrading during 2026/27. Systems and vendors covered by this bid are NEC, Idox and TLC.

2026/27 Budget – GF Proposals – by Type

Reference	Item Description	2026/27 Budget £	2027/28 Budget £	2028/29 Budget £	2029/30 Budget £	2030/31 Budget £	Climate Rating	Contact
CAP5429	Datacentre mid-life update	30,000	-	-	-	-	Nil	Jane Wilson

The 3C datacentre is reaching mid-life. This bid seeks to secure budget for continued operation after its initial funded five years, and funding for 2026/27 for upgrades. Sizing for the datacentre was planned on static growth, with some resources moving to cloud, but assessment of usage now sees an increase in resource usage of the hosted systems and this bid seeks to address that with some investment in processing.

CAP5431	Cloud backup	70,000	-	-	-	-	Nil	Jane Wilson

To implement a cloud-based backup solution for Microsoft 365 services – covering emails, documents, SharePoint, OneDrive, and Teams.

CAP5432	Multifunction Devices (MFD)	50,000	-	-	-	-	Nil	Jane Wilson

The current MFD contract ends in 2026. The new contract will need to consider transition of our print servers to the cloud among other improvements.

Total capital bids	5,770,000	3,394,000	350,000	200,000	1,517,000

Appendix F(b) – General Fund capital approvals since BSR 2025/26

Capital approvals since BSR 2025/26 (£m)	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	Total
Loans to CIP to progress schemes at Newbury Farm, Histon Road and Fanshaw Road	23.177	-	-	-	-	-	23.177
Development of the Civic Quarter	4.400	-	-	-	-	-	4.400
Warm Homes: Local grant	1.834	-	-	-	-	-	1.834
Food waste implementation programme	0.464	-	-	-	-	-	0.464
Other minor projects, individually less than £250k	0.155	0.024	0.112	-	-	-	0.291
Total capital approvals	30.030	0.024	0.112	-	-	-	30.166

Appendix F(c) – General Fund capital plan

General Fund capital plan (£m)	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	Total
Park Street development	32.797	-	-	-	-	-	32.797
Loans to CIP to progress schemes at Newbury Farm, Histon Road and Fanshaw Road	23.177	-	-	-	-	-	23.177
Loan to CIP to purchase land south of Cambridge	13.527	-	-	-	-	-	13.527
Development of the Civic Quarter	6.417	-	-	-	-	-	6.417
Waste vehicle replacement programme	1.374	2.026	1.394	-	-	1.317	6.111
Sustainable Warmth Grant - Home Upgrade Grant 2	4.638	-	-	-	-	-	4.638
East Barnwell new centre	3.449	0.677	0.172	-	-	-	4.298
Operational Hub	3.495	-	-	-	-	-	3.495
Mandatory Disabled Facilities Grants	1.148	0.808	0.808	-	-	-	2.764
Administrative buildings maintenance	0.587	0.400	0.400	0.400	0.400	0.400	2.587
Commercial property repair and maintenance	0.527	0.300	0.300	0.300	0.300	0.300	2.027
Car park entry and exit systems	-	0.050	1.800	0.150	-	-	2.000
Fleet replacement programme	-	2.000	-	-	-	-	2.000
Warm Homes: Local grant	1.834						1.834
Clay Farm remedial works	1.669	-	-	-	-	-	1.669
WREN solar project at Waterbeach	1.482	-	-	-	-	-	1.482
Planned maintenance works at community centres	-	0.436	0.200	0.200	0.200	0.200	1.236
Subtotal carried forward to next page	96.121	6.697	5.074	1.050	0.900	2.217	112.059

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General Fund capital plan (£m)	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	Total
Subtotal brought forward from previous page	96.121	6.697	5.074	1.050	0.900	2.217	112.059
Decarbonisation works at Abbey Pool and Parkside Pool	1.156	-	-	-	-	-	1.156
Bereavement Service deferred capital works	-	1.000	-	-	-	-	1.000
Structural repairs at car parks	0.165	0.165	0.165	0.165	0.165	0.165	0.990
Repairs assistance	0.522	0.195	0.195	-	-	-	0.912
Domestic energy efficiency and low carbon heating	0.905	-	-	-	-	-	0.905
Essential repairs to Jesus Green riverbank	0.845	-	-	-	-	-	0.845
3G artificial pitch at Abbey Leisure Complex	0.839	-	-	-	-	-	0.839
Development of land at Clay Farm	0.804	-	-	-	-	-	0.804
Recommended maintenance at Abbey Pool and Parkside Pool	0.367	0.175	-	-	-	-	0.542
Food waste implementation programme	0.464	-	-	-	-	-	0.464
Redevelopment of Silver Street toilets	0.382	-	-	-	-	-	0.382
Laptop and desktop replacement	0.109	0.100	0.100	-	-	-	0.309
Decarbonisation programme phase 1	0.027	0.111	0.160	-	-	-	0.298
Environmental Improvements Programme (EIP) options	0.285	-	-	-	-	-	0.285
Other minor projects, individually less than £250k	4.936	0.354	0.035	-	-	-	5.325
Total General Fund capital plan	107.927	8.797	5.729	1.215	1.065	2.382	127.115

Appendix G – Housing Revenue Account income and expenditure projection

Housing Revenue Account projection (£m)	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36
Dwelling rents	(52.758)	(55.606)	(59.645)	(64.411)	(69.332)	(73.870)	(79.012)	(84.225)	(88.622)	(93.168)	(97.880)
Other rents	(1.471)	(1.504)	(1.544)	(1.697)	(1.731)	(1.766)	(1.801)	(1.837)	(1.874)	(1.912)	(1.950)
Service charges	(2.885)	(3.030)	(3.173)	(3.355)	(3.510)	(3.621)	(3.789)	(3.961)	(4.064)	(4.170)	(4.277)
Other income	(1.269)	(1.285)	(1.318)	(1.345)	(1.371)	(1.399)	(1.427)	(1.456)	(1.485)	(1.514)	(1.545)
Total income	(58.383)	(61.425)	(65.680)	(70.808)	(75.944)	(80.656)	(86.029)	(91.479)	(96.045)	(100.764)	(105.652)
Repairs and maintenance	15.985	15.301	15.658	16.630	17.291	17.865	18.660	19.480	20.192	20.925	21.679
Management	11.956	12.865	13.546	13.820	14.443	14.711	15.361	16.032	16.601	17.188	17.791
Bad debt provision	0.557	0.561	0.600	0.588	0.573	0.615	0.663	0.712	0.753	0.794	0.837
Depreciation	12.254	12.254	12.563	13.172	13.655	14.079	14.869	15.368	15.880	16.407	16.949
Total operating expenditure	40.752	40.981	42.367	44.210	45.962	47.270	49.553	51.592	53.426	55.314	57.256
Net operating surplus	(17.631)	(20.444)	(23.313)	(26.598)	(29.982)	(33.386)	(36.476)	(39.887)	(42.619)	(45.450)	(48.396)
Net interest cost	7.915	12.309	14.934	17.763	20.920	24.130	27.392	30.411	32.880	34.748	35.741
Revenue contribution to capital financing	8.661	8.266	8.128	8.477	8.865	9.073	8.979	9.369	9.543	10.503	12.453
HRA (surplus) / deficit	(1.055)	0.131	(0.251)	(0.358)	(0.197)	(0.183)	(0.105)	(0.107)	(0.196)	(0.199)	(0.202)

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2026/27 Budget – Housing Revenue Account Proposals – by Type

Reference	Item Description	2026/27 Budget £	2027/28 Budget £	2028/29 Budget £	2029/30 Budget £	2030/31 Budget £	Climate Rating	Contact

Unavoidable revenue pressures

City Services

B5464	Damp, condensation and mould (DCM) repairs	750,000	750,000	750,000	750,000	750,000	Nil	Peter Gale

This bid seeks a recurring annual allocation of £750,000 to align the damp, condensation and mould (DCM) repairs budget with the sustained increase in demand observed since October and following the introduction of Awaab's Law. It does not represent a service expansion, but a rebasing of the budget to reflect actual delivery pressures now being experienced. The forecast is grounded in live operational data, including the volume, duration and complexity of DCM cases managed to date, which show a materially higher and more resource-intensive workload than previously assumed. Given the complexity of dealing with DCM, this function will be delivered by a third-party provider and forms part of the procurement pipeline. While there is some inherent risk around the ongoing spending pressure given the evolving regulatory and compliance environment, the evidence available supports the level of provision proposed. For tenants, this investment will support faster responses, more thorough investigation, and earlier preventative intervention, improving living conditions, reducing long-term damp and mould issues, and supporting better health and wellbeing across the housing stock.

B5467	Increased gas servicing of sustainable energy appliances	34,080	34,080	34,080	34,080	34,080	Nil	Peter Gale

This bid requests an annual uplift of £34,080 to reflect the higher servicing costs associated with the increasing number of sustainable energy appliances being installed in new build council homes. These technologies, while supporting the council's carbon reduction objectives, require more frequent and specialised servicing than traditional gas systems and therefore create an unavoidable upward pressure on revenue budgets. The proposed adjustment ensures statutory compliance, maintains safety standards, and provides the resources needed to service a modernising asset base without adverse impact on tenants or operational delivery.

B5468	Building Assessment Certificates	125,000	125,000	-	-	-	Nil	Peter Gale

This bid proposes a two-year allocation of £125,000 per annum to meet new statutory duties under the Building Safety Act 2022, which requires all landlords to obtain Building Assessment Certificates for high- and medium-rise residential buildings. Due to the specialist expertise required to carry out this work safely and in compliance with statutory deadlines, the council will need to commission external contractors. The proposed funding ensures full compliance, safeguards residents, and prevents legal and regulatory exposure, with no adverse service impact.

B5469	External wall insulation (EWI) inspections	60,000	80,000	100,000	100,000	100,000	Nil	Peter Gale

This bid introduces a recurring budget to meet the council's warranty obligations for external wall insulation (EWI), which require regular inspections to ensure system integrity, safety, and continued warranty validity. No budget currently exists for this activity, despite the expansion of EWI across the housing stock. The proposed phased allocation of £60,000 in 2026/27, rising to £100,000 per annum from 2028/29 onward, provides a realistic provision for ongoing inspection cycles and the specialist expertise required. Regular inspection not only protects the council's assets and avoids future remediation liabilities but also underpins the performance of EWI systems that are critical to the council's carbon-reduction objectives. Well-maintained insulation reduces heat loss, lowers energy consumption, and supports tenants with warmer, more efficient homes, reinforcing the council's wider sustainability commitments.

2026/27 Budget – Housing Revenue Account Proposals – by Type

Reference	Item Description	2026/27 Budget £	2027/28 Budget £	2028/29 Budget £	2029/30 Budget £	2030/31 Budget £	Climate Rating	Contact
B5470	Cowley Road Depot and Hub	50,000	50,000	50,000	50,000	50,000	Nil	Sarah Morrell

Operating costs for the new Operational Hub include business rates, utilities, and owner-related charges. Following occupation, business rates have been reset and operating and utility costs are now clearer. These costs represent a planned and expected consequence of bringing the facility into use.

Additional funding is required to meet these ongoing obligations. Without this provision, the council would be unable to fully meet the essential running costs of the facility. Costs will be apportioned between the General Fund and the Housing Revenue Account (HRA); this bid relates solely to the HRA share.

Total unavoidable revenue pressures	1,019,080	1,039,080	934,080	934,080	934,080

2026/27 Budget – Housing Revenue Account Proposals – by Type

Reference	Item Description	2026/27 Budget £	2027/28 Budget £	2028/29 Budget £	2029/30 Budget £	2030/31 Budget £	Climate Rating	Contact

Revenue bids

City Services

B5442	City Services operational health and Safety Capacity	37,890	37,890	37,890	37,890	37,890	Nil	James Elms

This bid strengthens public safety, improves organisational resilience and ensures clear accountability for safety-critical operations across City Services. By closing gaps in our operational health and safety model, it ensures risks are properly monitored and controlled and that safe working practices are applied consistently across our frontline teams. A dedicated role will provide the day-to-day capacity needed to manage operational health and safety activity, supporting a wide range of community-facing services where robust safety management directly protects residents and staff. This bid represents a 50% HRA contribution, with the remaining 50% funded from the General Fund.

B5443	Strengthening Asset and Compliance	181,740	181,740	181,740	181,740	181,740	Nil	Sean Cleary

This bid provides funding to determine the most effective and best-value way to strengthen Asset and Compliance capacity, informed by sector best practice and a focused review of functions, roles and workflows. It will support more effective asset management by enabling the council to better understand the investment needs of a growing property portfolio, and to translate increased survey, inspection and audit data into prioritised, deliverable planned maintenance and capital programmes. The funding allows options to be properly assessed, including potential changes to team structure, job design or headcount, without predetermining the outcome, ensuring any additional investment is targeted, proportionate and aligned to regulatory demand. The bid reflects the HRA share of 70% of the total cost, with the remaining 30% funded from the General Fund, and is expected to generate efficiencies in the region of 8–10% by year 3 through more disciplined asset planning, improved processes, and more effective contract re-letting and contract management, helping to reduce avoidable reactive spend, improve long-term asset performance, and secure better value for money over the life of the stock.

B5444	Ensuring Delivery and Regulatory Assurance	398,190	355,370	312,540	312,540	312,540	Nil	Brigitte Wilson

This bid strengthens the council's Delivery Assurance Team (DAT) to provide the governance, contract management, data quality and regulatory assurance required across the housing and public buildings portfolio. Enhanced capacity is essential to meeting RSH Consumer Standards, Health and Safety Executive requirements, DCM obligations and Awaab's Law. For tenants, the impact is direct. A stronger DAT will improve oversight of safety certifications, contractor performance, and the governance of planned and reactive works. Better data and controls will also enable more effective management of damp, condensation and mould, supporting quicker action, higher quality repairs, and reduced recurrence. This leads to safer, healthier homes and greater regulatory protection. The bid reflects the HRA share of around 85% of total cost, with the remaining 15% from the General Fund, and is expected to generate 8–10% efficiencies by year 3.

B5445	Housing Repairs function	103,220	206,440	206,440	206,440	206,440	Nil	Peter Gale

For tenants, the investment protects the reliability and responsiveness of day-to-day repairs. Without it, the service faces increasing risks of slower response times, reduced satisfaction, heavier use of external contractors, and less capacity for supervision, quality assurance, and proactive maintenance. Strengthening the base budget ensures the council can maintain consistent repair standards, reduce delays, and continue to provide a dependable service as the housing portfolio expands. This bid provides an additional £206,440 per year (with 50% in the first year to allow time for recruitment) to ensure the Housing Repairs service is properly resourced following a 7% increase in council housing stock over the past five years. The size and complexity of the asset base have grown and this bid matches staffing, reducing the pressure on the in-house team.

2026/27 Budget – Housing Revenue Account Proposals – by Type

Reference	Item Description	2026/27 Budget £	2027/28 Budget £	2028/29 Budget £	2029/30 Budget £	2030/31 Budget £	Climate Rating	Contact
B5465	Housing disrepair claims and compensation costs	197,200	-	-	-	-	Nil	Peter Gale

This bid seeks a one-off £197,200 budget uplift in 2026/27 to align provision with the current volume and cost of housing disrepair claims. It does not represent a headcount increase or a service expansion. The level of provision is based on recent actual claims experience, including the number of live and settled cases, average settlement values, and associated legal costs incurred to date. Claims are currently estimated at around 40 cases per year, with an average exposure of £5,000–£10,000 per claim. While the Council has become more successful in defending and winning cases, overall expenditure has continued to rise due to significant escalation in legal costs incurred by both parties and increased activity from claims management companies encouraging tenants to pursue claims, rather than any underlying service failure. The uplift provides a realistic provision for these pressures while improvement work continues to strengthen record-keeping, enhance first-time fixes, and embed more robust processes. These measures are expected to reduce the number and severity of future claims over time, but not immediately, making a one-year adjustment necessary to maintain financial control without impacting service delivery.

B5466	Increased cost of void repairs	393,510	300,000	200,000	100,000	-	Nil	Peter Gale

This bid seeks an increase to the 2026/27 void repairs budget to align provision with current, evidenced costs. It does not represent a headcount increase or service expansion. The uplift is driven primarily by sustained inflationary pressures on construction materials, plant and labour, which have materially increased the cost of bringing void properties back into lettable condition. This is evidenced by recent actual void repair costs and contractor pricing, compounded by higher levels of disrepair at tenancy termination. Aligning the budget to this level supports the timely turnaround of empty homes, helping to reduce waiting times and maintain standards for incoming tenants and maximising rental income into the HRA by reducing void periods. The planned stepped reduction in funding in later years reflects anticipated moderation of inflation and expected savings from procurement improvements, standardised specifications, strengthened contractor performance, and increased in-house delivery secured through related bids. Without this rebasing, structural overspends would persist, undermining financial control and service reliability.

Communities

B5453	Housing Management Teams	338,250	538,250	538,250	538,250	280,250	Nil	Anna Hill

Benchmarking data indicates we have significantly less Housing Management (Tenancy and Income Management) employees than other similar housing providers. Our Housing Officers manage an average patch of 1,500 homes, with the industry standard being 700-800 homes. Benchmarking also shows that the council is well below other housing providers in cost per unit for its provision of resident involvement resource. The team faces rising demand and complexity due to economic pressures, reduced external support, and the final phase of Universal Credit migration, all requiring more intensive casework. Housing stock growth and new regulatory obligations, such as fire safety plans and enhanced resident engagement have further added to the workload. Expanding tenancy audits to 20-25% annually, and shifting legal work in-house, would also increase operational demands, alongside a proactive approach to arrears prevention and fraud detection. Without extra resources, the team risks service delays, non-compliance, higher arrears, and staff burnout, making additional staffing essential to maintain resilience and deliver statutory and strategic objectives.

This bid will increase staffing balanced across general housing management and tenancy sustainment. This will include enhanced capacity to deliver a larger programme of tenancy audits in the short to medium term to better understand our tenants. Once we have developed a full understanding of the needs of all of our tenants, it is anticipated that the level of resource required to maintain this understanding will decrease from year 5.

2026/27 Budget – Housing Revenue Account Proposals – by Type

Reference	Item Description	2026/27 Budget £	2027/28 Budget £	2028/29 Budget £	2029/30 Budget £	2030/31 Budget £	Climate Rating	Contact

B5454	Universal Credit Bot	36,750	36,750	36,750	36,750	36,750	Nil	Anna Hill

Bid to implement a robotic process automation (RPA) system (UC Bot) through Enterprise in collaboration with Orchard MRI. The bot will automate Universal Credit (UC) rent verifications (as required by DWP), validate details, update housing systems, and process alternative payment arrangements without human intervention. The current manual verification process for UC rent claims is highly time-consuming, costing thousands of pounds annually and diverting staff from critical tasks. With claim volumes expected to rise significantly due to managed migration, automation will save time, reduce errors, and improve customer service by preventing delays during peak periods.

B5455	Voicescape	88,500	88,500	88,500	88,500	88,500	Nil	Anna Hill

A bid to implement a digital platform called Voicescape Caseload Manager which is designed to support Income Officers in improving rent collection and reducing arrears. It does this through automation, streamlined workflows and earlier engagement with tenants. This will enable us to target high arrears cases which up until now have had limited action. Financially, it delivers strong returns through reduced arrears, fewer evictions, and lower administrative costs (see s below). Case studies of the system show significant impact. This bid is for the ongoing revenue licensing cost – there is a separate capital bid for one-off implementation costs of £17,500 (see CAP5458).

B5456	MRI Customer Central	55,000	55,000	55,000	55,000	55,000	Nil	Anna Hill

The council's Housing service currently lacks a dedicated CRM system, resulting in fragmented customer data and inefficient processes. MRI Customer Central provides a single source of truth, enabling staff to access real-time customer information, collaborate effectively, and manage cases with clear action plans. Its dashboards and analytics improve service delivery, ensure GDPR compliance, and support mobile working, ultimately enhancing tenant satisfaction and operational efficiency. Some of the cost of this bid will be recovered through a saving in Income Analytics (see saving S5487 below).

B5459	Locata case management module	33,000	33,000	33,000	33,000	33,000	Nil	Anna Hill

The current system (MRI Orchard) does not support robust case management, leading to duplication, reliance on spreadsheets, and poor audit trails. The Locata HRS module offers integrated case recording, automated workflows, and outcome tracking, improving visibility and compliance. Leveraging existing Locata infrastructure reduces costs and enables future integration, while dashboards and reporting tools enhance operational oversight and strategic planning. This bid is for the ongoing revenue licensing cost – there is a separate capital bid for one-off implementation costs of £25,000 (see CAP5460).

B5461	LIFT (Low-Income Family Tracker)	42,000	42,000	42,000	42,000	42,000	Nil	Anna Hill

LIFT helps identify financially vulnerable households early, preventing crises such as debt and homelessness. Continued investment enables proactive outreach and benefits campaigns, delivering strong return on investment (up to £400 per £1 spent) and reducing demand for costly reactive services. Beyond financial gains, LIFT promotes social equity and resilience by ensuring families receive entitled support, improving life chances and reducing inequalities across Cambridge.

B5463	City Homes Legal Costs	14,000	14,000	14,000	14,000	14,000	Nil	Anna Hill

Increased legal costs due to more complex cases. Recent secured tenancies are increasing need for a higher legal budget. Requirement to support city services with non-access services, and also refocus on income related enforcement.

2026/27 Budget – Housing Revenue Account Proposals – by Type

Reference	Item Description	2026/27 Budget £	2027/28 Budget £	2028/29 Budget £	2029/30 Budget £	2030/31 Budget £	Climate Rating	Contact
B5462	LGR Planning	150,000	-	-	-	-	Nil	Sam Scharf

Bid for resource to support the early phases of planning for the future of the HRA after local government reorganisation (LGR).

Total revenue bids	2,069,250	1,888,940	1,746,110	1,646,110	1,288,110

Total pressures and bids	3,088,330	2,928,020	2,680,190	2,580,190	2,222,190

2026/27 Budget – Housing Revenue Account Proposals – by Type

Reference	Item Description	2026/27 Budget £	2027/28 Budget £	2028/29 Budget £	2029/30 Budget £	2030/31 Budget £	Climate Rating	Contact

Savings

City Services

S5486	Efficiencies for increased capacity	(313,920)	(439,000)	(65,160)	(65,160)	(65,160)	Nil	James Elms

The increased capacity within Asset and Compliance (see bid B5443), the Delivery and Assurance Team (see bid B5444) and Housing Repairs (see bid B5445) will drive efficiencies in a number of areas. This includes improved turnaround of certification and asset performance monitoring, improved contract control and risk management, better scheduling of inspections and works with reduced duplication, improved document management, improved data management to support planned asset programme, improved repair turnaround times, reduced contractor call-off, lower average cost per repair through increased productivity and in-house delivery, and sustained cost avoidance and improved asset condition through timely repairs and planned maintenance integration.

Communities

S5487	Income Analytics	(22,630)	(22,630)	(22,630)	(22,630)	(22,630)	Nil	Anna Hill

The implementation of Voicescape (see bid B5455) will allow the decommissioning of Income Analytics.

Corporate Hub

S5488	Debt recovery	-	-	(58,200)	(118,420)	(120,340)	Nil	Samantha Shimmon

Investment in Housing Management capacity (see bid B5453), along with technology such as Voicescape (see bid B5455), will allow the council to reduce the level of non-recoverable debt over time.

Total savings	(336,550)	(461,630)	(145,990)	(206,210)	(208,130)			

2026/27 Budget – Housing Revenue Account Proposals – by Type

Reference	Item Description	2026/27 Budget £	2027/28 Budget £	2028/29 Budget £	2029/30 Budget £	2030/31 Budget £	Climate Rating	Contact

Increased income

Communities

II5489	Rent convergence	-	(238,160)	(678,900)	(1,071,800)	(1,419,040)	Nil	Samantha Shimmon

Additional rental income to be generated from convergence of current rent back to formula rent at a rate of £2 per week for affected properties, in line with government policy. This recognises the fact that there are currently inconsistencies between the rent paid by tenants depending upon when they moved into their property, caused by historic below-inflation caps on rent increases. Convergence will, over time, restore rents to their 'correct' formula rent levels, whilst protecting tenants through a cap on how quickly this can be achieved. It is necessary to converge rents in this way to ensure that funding is available to support the significant investment required to maintain a high-quality housing stock, as set out in the revenue budget proposals above.

Total increased income	-	(238,160)	(678,900)	(1,071,800)	(1,419,040)

Total savings and increased income	(336,550)	(699,790)	(824,890)	(1,278,010)	(1,627,170)

Total revenue proposals	2,751,780	2,228,230	1,855,300	1,302,180	595,020

2026/27 Budget – Housing Revenue Account Proposals – by Type

Reference	Item Description	2026/27 Budget £	2027/28 Budget £	2028/29 Budget £	2029/30 Budget £	2030/31 Budget £	Climate Rating	Contact

Capital bids

Communities

CAP5458	Voicescape	17,500	-	-	-	-	Nil	Anna Hill

A bid to implement a digital platform called Voicescape Caseload Manager which is designed to support Income Officers in improving rent collection and reducing arrears. It does this through automation, streamlined workflows and earlier engagement with tenants. This will enable us to target high arrears cases which up until now have had limited action. Financially, it delivers strong returns through reduced arrears, fewer evictions, and lower administrative costs (see associated saving above). Case studies of the system show significant impact. This bid is for the capital implementation cost – there is a linked revenue bid for the ongoing licensing cost of £88,500 per year (see B5455).

CAP5460	Locata case management module	25,000	-	-	-	-	Nil	Anna Hill

The current system (MRI Orchard) does not support robust case management, leading to duplication, reliance on spreadsheets, and poor audit trails. The Locata HRS module offers integrated case recording, automated workflows, and outcome tracking, improving visibility and compliance. Leveraging existing Locata infrastructure reduces costs and enables future integration, while dashboards and reporting tools enhance operational oversight and strategic planning. This bid is for the capital implementation cost – there is a linked revenue bid for the ongoing licensing cost of £33,000 per year (see B5459).

Total capital bids	42,500	-	-	-	-	-		

Appendix I(b) – Housing Revenue Account capital plan

Housing Revenue Account capital plan (£m)	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36	Total
Decent Homes												
Kitchens	2.012	0.703	1.311	1.175	2.977	2.977	2.977	2.977	2.977	1.962	1.963	24.011
Bathrooms	1.215	0.182	0.112	0.343	0.459	0.459	0.459	0.459	0.459	0.526	0.526	5.199
Central heating / boilers	2.226	2.309	1.333	1.656	2.693	2.693	2.693	2.693	2.693	2.360	2.360	25.709
Insulation / energy efficiency / wall finishes	0.257	0.834	0.072	1.034	0.570	0.570	0.570	0.570	0.570	0.897	0.897	6.841
External doors	0.956	0.072	0.017	0.083	0.188	0.188	0.188	0.188	0.188	0.170	0.170	2.408
PVU windows	2.981	0.380	0.316	1.092	0.999	0.999	0.999	0.999	0.999	1.200	1.200	12.164
Wall structure	1.239	0.119	0.564	0.781	0.998	0.998	0.998	0.998	0.998	0.912	0.912	9.517
External painting	0.408	0.382	0.382	0.382	0.382	0.382	0.382	0.382	0.382	0.382	0.382	4.228
Roof structure	0.320	0.300	0.300	0.300	0.300	0.300	0.300	0.300	0.300	0.300	0.300	3.320
Roof covering (including chimneys)	2.564	0.699	1.037	0.770	0.704	0.704	0.704	0.704	0.704	0.657	0.657	9.904
Electrical / wiring	0.607	0.258	0.004	0.019	0.882	0.882	0.882	0.882	0.882	1.912	1.912	9.122
Sulphate attacks	0.109	0.109	0.109	0.109	0.109	0.109	0.109	0.109	0.109	0.109	-	1.090
HHSRS contingency	0.678	0.107	0.107	0.107	0.107	0.107	0.107	0.107	0.107	0.107	0.107	1.748
Other health and safety works	0.053	0.053	0.053	0.053	0.053	0.053	0.053	0.053	0.053	0.053	0.053	0.583
Capitalised officer fees - Decent Homes	0.540	0.540	0.540	0.540	0.540	0.540	0.389	0.389	0.389	0.389	0.389	5.185
Decent Homes backlog	5.610	6.800	6.799	6.278	6.279	6.279	-	-	-	-	-	38.045
Decent Homes planned maintenance contractor overheads	1.521	0.699	0.629	0.870	1.257	1.257	1.257	1.257	1.257	1.274	1.262	12.540
Subtotal carried forward to next page	23.296	14.546	13.685	15.592	19.497	19.497	13.067	13.067	13.067	13.210	13.090	171.614

OFFICIAL

Housing Revenue Account capital plan (£m)	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36	Total
Subtotal brought forward from previous page	23.296	14.546	13.685	15.592	19.497	19.497	13.067	13.067	13.067	13.210	13.090	171.614
Decent Homes new build allocation	2.431	-	-	-	-	-	-	-	-	-	-	2.431
Total Decent Homes	25.727	14.546	13.685	15.592	19.497	19.497	13.067	13.067	13.067	13.210	13.090	174.045
Other spend on existing stock												
Garage improvements	0.107	0.107	0.107	0.107	0.107	0.107	0.107	0.107	0.107	0.107	0.107	1.177
Asbestos removal	0.053	0.053	0.053	0.053	0.053	0.053	0.053	0.053	0.053	0.053	0.053	0.583
Disabled adaptations	0.928	0.830	0.830	0.830	0.830	0.830	0.830	0.830	0.830	0.830	0.830	9.228
Communal areas uplift	0.103	0.103	0.103	0.103	0.103	0.103	0.103	0.103	0.103	0.103	0.103	1.133
Communal electrical installations / fire systems / communal lighting	0.917	0.156	0.156	0.156	0.156	0.156	0.156	0.156	0.156	0.156	0.156	2.477
Communal entrance / enclosure doors and glazing	0.446	0.130	0.128	0.146	0.151	0.151	0.151	0.151	0.151	0.177	0.177	1.959
Fire prevention / fire safety works	0.855	0.052	0.052	0.052	0.052	0.052	0.052	0.052	0.052	0.052	0.052	1.375
Hard surfacing - health and safety works	0.231	0.231	0.231	0.231	0.231	0.231	0.231	0.231	0.231	0.231	0.231	2.541
Communal areas floor coverings	0.107	0.107	0.107	0.107	0.107	0.107	0.107	0.107	0.107	0.107	0.107	1.177
Lifts and door entry systems	0.121	-	-	0.040	0.016	0.016	0.016	0.016	0.016	0.008	0.008	0.257
Estate Investment Scheme	1.072	-	-	-	-	-	-	-	-	-	-	1.072
Capitalised officer fees - other existing stock spend	0.122	0.122	0.122	0.122	0.122	0.122	0.122	0.122	0.122	0.122	0.122	1.342
Other spend on existing stock planned maintenance contractor overheads	0.480	0.190	0.194	0.201	0.198	0.198	0.198	0.198	0.198	0.196	0.196	2.447
Subtotal carried forward to next page	5.542	2.081	2.083	2.148	2.126	2.126	2.126	2.126	2.126	2.142	2.142	26.768

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Housing Revenue Account capital plan (£m)	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36	Total
Subtotal brought forward from previous page	5.542	2.081	2.083	2.148	2.126	2.126	2.126	2.126	2.126	2.142	2.142	26.768
Energy (stock to EPC 'C')	8.402	9.815	9.815	9.815	9.815	-	-	-	-	-	-	47.662
Net zero carbon contribution	-	-	-	-	-	7.200	7.200	7.200	7.200	7.200	7.200	43.200
Total other spend on existing stock	13.944	11.896	11.898	11.963	11.941	9.326	9.326	9.326	9.326	9.342	9.342	117.630
New build / redevelopment												
Kendal Way	0.007	0.372	0.081	-	-	-	-	-	-	-	-	0.460
Meadows and Buchan Street	1.133	0.004	-	-	-	-	-	-	-	-	-	1.137
Colville Road phase III	0.215	-	-	-	-	-	-	-	-	-	-	0.215
Argon Close	0.037	-	-	-	-	-	-	-	-	-	-	0.037
Spinkville Close	(0.074)	-	-	-	-	-	-	-	-	-	-	(0.074)
Ayresborough Close	3.933	0.008	-	-	-	-	-	-	-	-	-	3.941
St Thomas's Road	0.002	1.196	0.511	0.001	-	-	-	-	-	-	-	1.710
Paget Road	0.006	1.254	0.508	0.002	-	-	-	-	-	-	-	1.770
Fanshawe Road	4.363	3.286	0.108	-	-	-	-	-	-	-	-	7.757
Princess and Hanover	4.535	7.533	5.646	4.685	0.006	-	-	-	-	-	-	22.405
Eddeva Park	2.404	1.072	4.892	-	-	-	-	-	-	-	-	8.368
East Barnwell	12.454	13.383	6.590	11.092	6.792	-	-	-	-	-	-	50.311
Newbury Farm	10.234	4.283	1.470	-	-	-	-	-	-	-	-	15.987
ATS, Histon Road	4.440	2.266	0.386	0.004	-	-	-	-	-	-	-	7.096
Ekin Road	3.481	5.016	7.896	7.894	1.579	0.024	-	-	-	-	-	25.890
Stanton House	1.833	2.195	4.809	1.094	0.002	-	-	-	-	-	-	9.933
Davy Road	1.876	5.858	6.449	2.571	0.024	-	-	-	-	-	-	16.778
Subtotal carried forward to next page	50.879	47.726	39.346	27.343	8.403	0.024	-	-	-	-	-	173.721

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Housing Revenue Account capital plan (£m)	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36	Total
Subtotal brought forward from previous page	50.879	47.726	39.346	27.343	8.403	0.024	-	-	-	-	-	173.721
Kingsway / Arbury Court	0.629	6.556	9.256	16.599	18.450	17.237	12.485	-	-	-	-	81.212
Acquisition (incl. for new build)	1.610	-	-	-	-	-	-	-	-	-	-	1.610
Compensation costs	0.148	-	-	-	-	-	-	-	-	-	-	0.148
10-year new homes programme (unallocated)	0.045	3.606	12.768	18.782	30.664	40.283	42.925	43.557	33.276	23.243	7.750	256.899
Future new homes programme (unallocated)	-	-	-	-	-	-	8.750	8.750	8.750	8.750	8.750	43.750
Total new build / redevelopment	53.311	57.888	61.370	62.724	57.517	57.544	64.160	52.307	42.026	31.993	16.500	557.340
Other capital spend												
Office replacement / mobile working	0.072	-	-	-	-	-	-	-	-	-	-	0.072
Corporate IT investment	0.024	0.024	0.024	0.024	0.024	0.024	0.024	0.024	0.024	0.024	0.024	0.264
Shared ownership repurchase	0.600	0.300	0.300	0.300	0.300	0.300	0.300	0.300	0.300	0.300	0.300	3.600
Commercial and administrative property	0.133	0.032	0.032	0.032	0.032	0.032	0.032	0.032	0.032	0.032	0.032	0.453
Voicescape	-	0.018	-	-	-	-	-	-	-	-	-	0.018
Locata case management module	-	0.025	-	-	-	-	-	-	-	-	-	0.025
Total other capital spend	0.829	0.399	0.356	0.356	0.356	0.356	0.356	0.356	0.356	0.356	0.356	4.432
Total capital spend at base year prices												
Total capital spend at base year prices	93.811	84.729	87.309	90.635	89.311	86.723	86.909	75.056	64.775	54.901	39.288	853.447
Inflation allowance and stock adjustment for future years												
Inflation allowance and stock adjustment for future years	2.455	1.601	3.916	7.107	9.604	12.205	15.165	15.455	15.577	14.952	11.678	109.715
Total capital spend	96.266	86.330	91.225	97.742	98.915	98.928	102.074	90.511	80.352	69.853	50.966	963.162

Appendix J – Housing Revenue Account sensitivity analysis

Sensitivity analysis on key assumptions is carried out to demonstrate that short-term risks and shocks can be managed, and to show the potential impact on HRA resources (and ability to deliver services and capital programmes) of changes to assumptions over the 30-Year Business Plan.

Area	Assumption	Key sensitivity modelled	Financial impact compared to baseline (over 30 years)
General Inflation	2026/27: 3.5% 2027/28: 2.6% Subsequent years: 2.0%	Assume inflation is higher from 2027/28: 2027/28: 3.0% 2028/29: 3.0% Subsequent years: 2.0%	Borrowing increases by £24 million by the end of the 30-Year Business Plan.
Social and Affordable Rent Inflation	CPI plus 1%, i.e. 2026/27: 4.8% 2027/28: 3.6% 2028/29-2035/36: 3.0% Subsequent years: 2.0%	Government policy changes and limits rent increases to CPI only from year 6 of the plan rather than year 11	Borrowing increases by £224 million by the end of the 30-Year Business Plan.
Borrowing interest rate	2026/27: 5.15% 2027/28: 5.35% 2028/29: 5.25% Subsequent years: 5.20%	Borrowing rates are 1% higher for all new borrowing from 2026/27 onwards.	Borrowing increases by £316 million during the life of the plan.

Appendix K – Service charges

Charge description	Range of charges 2025/26	Charge basis	Category
General stock			
Caretaking charge	£4.86 to £6.71	Per Week	A
Building cleaning	£1.83 to £3.16	Per Week	A
Window cleaning	£0.01 to £0.61	Per Week	A
Estate Services Champion	£0.27 to £0.82	Per Week	A
Door entry	£0.08 to £4.42	Per Week	A
Passenger lifts	£0.20 to £3.38	Per Week	A
Digital TV aerial charge	£0.27	Per Week	A
Grounds maintenance	£0.06 to £3.65	Per Week	A
Communal electricity	£0.37 to £6.73	Per Week	A
Disabled adaptation charge	£2.38 to £10.40	Per Week	A
General sheltered schemes			
Premises charge	£1.83 to £50.49	Per Week	A
Communal heating / lighting	£1.20 to £16.71	Per Week	A
Individual heating / lighting	£11.29 to £54.36	Per Week	A
Water	£1.53 to £12.89	Per Week	A
Grounds maintenance	£0.06 to £3.65	Per Week	A
Sheltered support charge	£6.54 to £8.13	Per Week	B
Alarm charge	£0.86	Per Week	A
Landlord emergency contact	£0.53	Per Week	A
Sheltered Hall Hire**	£10.00 (Mon-Fri) £20.00 (Sat/Sun)	Per Hour	C
**Reduced hourly rate of £5.45 for events which council sheltered residents can attend			

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Charge description	Range of charges 2025/26	Charge basis	Category
Ditchburn Place			
Premises charge	£1.83 to £50.49	Per Week	A
Flat cleaning / laundry charge (1 person)	£43.26	Per Week	A
Communal heating / lighting	£1.20 to £16.71	Per Week	A
Individual heating / lighting	£11.29 to £54.36	Per Week	A
Water	£1.53 to £12.89	Per Week	A
Catering (1 person)	£35.95 to £134.38	Per Week	A
Grounds maintenance	£0.06 to £3.65	Per Week	A
Sheltered support charge	£6.54 to £8.13	Per Week	B
Alarm charge	£0.86	Per Week	A
Landlord emergency contact	£0.53	Per Week	A
Launderette – wash / dry / iron	£10.00	Per Load	C
Cleaning	£10.00	Per 30 Mins	C
Temporary Accommodation			
Premises charge	£24.40 to £76.13	Per Week	A
Individual heating / lighting	£11.29 to £54.36	Per Week	A
Water	£1.53 to £12.89	Per Week	A
Grounds maintenance	£0.06 to £3.65	Per Week	A

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Charge description	Range of charges 2025/26	Charge basis	Category
Leasehold charges for services (quoted exclusive of VAT which is charged at the prevailing rate where applicable)			
Solicitors' pre-sale enquiries	£150.00	Per Request	C
Copy of lease / document provision	£30.00	Per Request	C
Remortgage enquiry / copy of insurance schedule	£30.00	Per Request	C
Notice of assignment / notice of charge	£100.00	Per Request	C
Deed of variations administration plus council solicitor fee and own solicitor fee	£50.00 £580.00+	Per Request	C
Home improvement administration	£30.00	Per Request	C
Home improvement survey	£125.00	Per Request	C
Retrospective consent for improvements	Above +£25.00	Per Request	C
Registering sub-let details	£75.00	Per Request	C
Advice interview for prospective purchasers	£50.00	Per Request	C
Legal fees			
Right of first refusal – s156a certificate	£160.00	Per Request	C
Deed of postponement	£200.00	Per Request	C
Lease extensions			
Legal costs (unless matter becomes protracted)	£600.00	Per Request	C
Valuation fee	£750.00	Per Request	C
Surveyor's fee	£250.00	Per Request	C
Housing fee	£100.00	Per Request	C
Other charges for services			
Land acquisition enquiry fee	£100.00	Per Request	C

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Category	Basis for Setting Charges
A	Proposal to recover the full estimated cost of providing these services in 2026/27, recognising the council should endeavour to limit increases to 4.8% where possible (equivalent to September 2025 Consumer Price Index plus 1%).
B	Charges levied for support activities will be reviewed to recover the full estimated cost of providing these services in 2026/27, after taking into account any services being funded through the support service for older people with the county council.
C	Charges for 2026/27 to remain the same as 2025/26. To be reviewed annually.

Appendix L – Reserves policy

Introduction

This policy establishes a framework within which decisions will be made regarding the level of reserves held by the council and the purposes for which they will be used and maintained.

Sections 32 and 43 of the Local Government Finance Act 2003 require local authorities to have regard to the level of resources needed to meet estimated future expenditure when calculating the annual budget requirement.

Regard should be had to the best practice guidance published by the Chartered Institute of Public Finance and Accountancy (CIPFA) in CIPFA Bulletin 13 Local Authority Reserves and Balances.

Definitions

Reserves are sums of money held by the council to meet future expenditure. There are two principal types of reserves: -

- General – non-specific reserves which are kept to meet short-term, unforeseeable expenditure needs and to enable significant changes in resources or expenditure to be properly managed over the period of the council's Medium-Term Financial Strategy (MTFS). The council's general revenue reserves are held in the General Fund reserve balance. The Housing Revenue Account (HRA) general balance is ringfenced and is available for use only by the HRA.
- Earmarked – held for specific purposes and which are established either by statute or at the discretion of the Council. They remain legally part of general reserves.

A summary of all reserves, including in-year movements and year-end balances are contained in the council's Statement of Accounts.

General Fund and Housing Revenue Account reserves

The council's Financial Regulations state that it is the responsibility of the Chief Finance Officer to advise Cabinet and Full Council on prudent levels of reserves for the council.

The council will maintain an adequate level of General Fund and HRA reserves to:

- Provide a working balance to cushion the impact of uneven cash flows and avoid unnecessary

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short-term borrowing.

- Provide a contingency to cushion the impact of unexpected events or emergencies.
- Plan for potential major items of expenditure.

The appropriate level of reserves for this purpose will be determined by the council's MTFS, which will be reviewed annually and will be subject to approval by Full Council. However, the council will not maintain levels of general reserve and HRA balances that are excessive compared with appropriate minimum levels. In this context, "excessive" will be assessed and reviewed annually in the MTFS with regard to:

- the projected level of General Fund balance at the end of the MTFS, less the appropriate minimum level;
- the projected level of HRA balance in the 30-Year Business Plan;
- the annual planned use of reserves in each year of the MTFS and HRA 30-Year Business Plan; and
- the impact of sudden large changes in the annual use of balances on services, tenants and leaseholders, rents or Council Tax levels.

The adequacy of the general reserve balance and the HRA balance will be determined by assessing the financial risks associated with meeting continuing obligations to provide services. This risk assessment will be reviewed annually.

CIPFA provides guidance on the factors which should be taken into account in determining the overall level of reserves and balances. These are:

- assumptions regarding inflation and interest rates;
- estimates of the level and timing of capital receipts;
- treatment of demand-led pressures;
- treatment of planned efficiency savings / productivity gains;
- risks inherent in any new partnerships, major outsourcing arrangements or major capital developments;
- the financial standing of the council, including the level of borrowing, debt outstanding, and

capacity to manage budget pressures;

- the general financial climate to which the council is subject; and
- the impact of major unforeseen events and the likely level of government support following such events.

The general reserve and HRA balances will be reviewed and projections on future balances will be made at key points during the financial year, namely as part of the budget setting process and update of the MTFS. In exceptional circumstances, the actual level of the council's balance may fall below the level which is considered appropriate. This is consistent with the need to meet short-term unforeseen expenditure. However, the actual level will be monitored against balances outlined in the MTFS. If the balance falls below the agreed target level, a plan will be agreed by the council to restore balances to the appropriate level.

Earmarked reserves

Earmarked reserves are not available to the council for use in setting its ongoing base budget. They are required for specific purposes and are a means of building up funds to meet known or predicted liabilities or future commitments.

Creation of such reserves must be approved by the Chief Finance Officer, with Full Council approval required for major policy led funds (see below).

Each earmarked reserve will have a clear protocol setting out:-

- the reason for / purpose of the reserve;
- how and when the reserve can be used; and
- procedures for the reserve's management and control.

Balances should be reasonable for the purpose held and must be used for that purpose only. Reserves will be reviewed annually for continuing relevance and adequacy. If the reserve is no longer required for its original purpose, or no longer required at its current level, the balance will transfer to the General Fund reserve balance, following approval.

Earmarked reserves are analysed as follows: -

Type of earmarked reserve	Reason for holding
Major policy-led funds	Established to manage corporate priorities including transformation and cross-group policy issues
Asset replacement funds (R&R)	Funds set aside for specific asset renewal and replacement
Statutory and accounting reserves	As required, for example to hold the unspent balance of specific revenue grants or any surplus / deficit on services which are required to break even over time
Shared / partnership funds	Retained for use by shared services / partnerships
Other	As required for specific issues – limited time reserves to be closed once committed balances are spent

Appendix M – Prudent Minimum Balance

General Fund

Operational risk			
Description	Level of risk	Amount at risk (£)	Risk (£)
Employee costs	Low	40,285,590	80,571
Premises costs	Medium	10,744,350	48,350
Transport costs	Medium	724,150	4,345
Supplies and services	Medium	28,452,530	85,358
Grants and transfers	Low	29,467,060	29,467
Grant income	Low	43,554,720	43,555
Other income	Variable	42,653,351	1,141,744
Total one-year operational risk			1,433,390
Allowing three years cover on operational risk (rounded)			4,300,000
General and specific risks	Amount (£)	Probability (%)	Risk (£)
Unforeseen events	1,000,000	30%	300,000
Legal action - counsel's fees	100,000	50%	50,000
Data protection breach	500,000	30%	150,000
Capital project overruns	750,000	50%	375,000
Project failure / delays to savings realisation	4,800,000	33%	1,584,000
Cover for lower level of earmarked and specific reserves	1,000,000	30%	300,000
Local government reorganisation uncertainty	4,000,000	25%	1,000,000
General and specific risks			3,759,000
Prudent Minimum Balance (PMB)			8,059,000
Target (PMB + 20%, rounded)			9,671,000

Housing Revenue Account

Operational risk			
Description	Level of risk	Amount at risk (£)	Risk (£)
Employee costs	Medium	9,761,880	43,928
Premises costs	High	12,207,580	976,606
Transport costs	Low	287,660	575
Supplies and services	Medium	8,155,170	24,466
Grants and transfers	High	147,930	5,917
Other income	High	64,847,270	648,473
Support services	Medium	5,646,430	25,409
Total one-year operational risk			1,725,374
Allowing three years cover on operational risk (rounded)			5,176,000
General and specific risks	Amount (£)	Probability (%)	Risk (£)
Unforeseen events	1,000,000	30%	300,000
Insurance loss	250,000	50%	125,000
Legal action - counsel's fees	100,000	50%	50,000
Data protection breach	500,000	30%	150,000
Capital project overruns	10,000,000	10%	1,000,000
General and specific risks			1,625,000
Prudent Minimum Balance (PMB)			6,801,000
Target (PMB + 20%, rounded)			8,161,000

Appendix N – Earmarked reserves

General Fund

General Fund earmarked reserves (£m)	Balance at 1 April 2025
Civic Quarter reserve	21.778
Development reserve	7.509
Transformation reserves (including Our Cambridge)	1.604
A14 mitigation fund	1.500
Insurance fund	0.729
Climate change and energy funds	1.320
Depot relocation programme	1.000
Greater Cambridge Impact Fund	0.180
Total major policy-led funds	35.620
Asset replacement funds (R&R)	0.148
Specific revenue grants	7.961
Collection fund deficit reserve	3.871
Other statutory and accounting reserves	0.561
Total statutory and accounting reserves	12.393
3C Building Control	1.445
Shared planning reserves	0.607
Other shared / partnership funds	1.188
Total shared / partnership funds	3.240
Other – to be closed once committed balances are spent	0.889
Total earmarked General Fund reserves	52.290

Housing Revenue Account

Housing Revenue Account earmarked reserves (£m)	Balance at 1 April 2025
Asset replacement funds (R&R)	2.619
Other – to be closed once committed balances are spent	0.069
Total earmarked Housing Revenue Account reserves	2.688

Appendix O – Capital Strategy 2026/27

Introduction

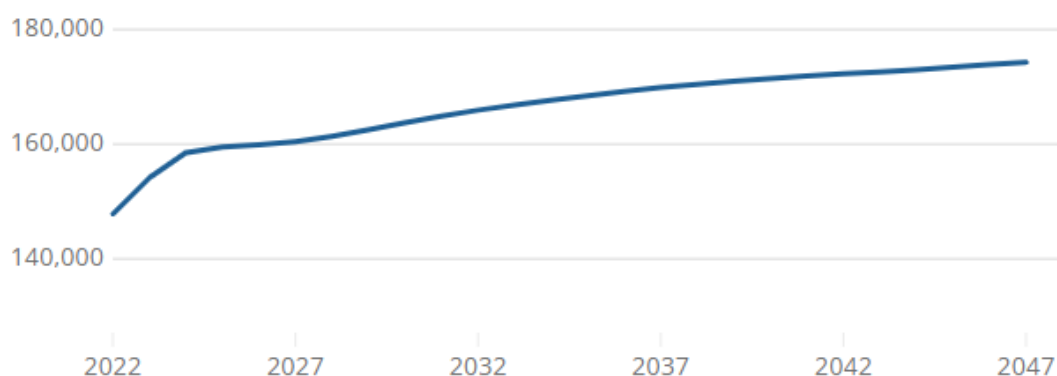
The CIPFA Prudential Code for Capital Finance in Local Authorities 2021 ('the Prudential Code') requires that councils have a Capital Strategy that demonstrates that the council takes capital expenditure and investment decisions in line with organisational priorities and takes account of stewardship, value for money, prudence, sustainability and affordability. The Strategy should set out the long-term context in which capital expenditure and investment decisions are made and give due consideration to both risk and reward and the impact on outcomes.

As local authorities become increasingly complex and diverse it is important that those charged with governance understand the long-term context in which investment decisions are made and the financial risks to which the council is exposed.

The Strategy maintains a strong and current link to the council's priorities and to other key strategy documents including the Treasury Management Strategy, the Medium Term Financial Strategy ('MTFS') and the council's Vision and Corporate Plan.

By its very definition the Capital Strategy is a document developed in the context of a long-term planning horizon. The population of Cambridge is one of the fastest growing in the U.K. and has now reached around 150,000. The success of our universities means that we welcome 15,000 new residents each year with a similar number moving out of the city.

Population change in Cambridge Projected total population, 2022 to 2047



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

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

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

More broadly, the council continues to engage with central government on the future growth of the city, which has been identified as a vital contributor to the economic growth of the UK, particularly through investment in the technology and science sectors. In order to unlock this growth, there will need to be significant provision of new housing, including affordable housing, within the city and on its fringes.

The local economic context in which the council operates continues to evolve. Over the medium term the council will invest its own resources to redevelop assets it already owns and increase the provision of housing through its Housing Revenue Account (HRA). The council will also continue to work to facilitate investment in the city by the public and private sectors. Whatever form these investments take they will ultimately impact service provision. The council will need to understand and forecast that impact whilst at the same time reviewing its approach to service delivery to achieve the savings required to close the budget gap identified in the MTF5.

Continued capital investment in the council's priorities will leave the city well placed in the face of forthcoming local government reorganization in 2028, and allow the council to pass on a strong legacy to the successor unitary authority.

Objective

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

to enable the organisation to achieve its corporate objectives.

Scope

The Capital Strategy specifically focusses on the key areas of:-

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

It also considers:

- Other long-term liabilities
- Knowledge and skills

Capital Expenditure

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

- **Investments for service purposes** (or service investments) are taken or held primarily and directly for the delivery of public services (including housing, regeneration and local infrastructure) or in support of joint working with others to deliver such services. Service investments may or may not involve financial returns; however, obtaining those returns will not be the primary purpose of the investment.
- **Investments for commercial purposes** (or commercial investments) are taken or held primarily for financial return and are not linked to treasury management activity or directly part of delivering services. This includes non-financial assets such as commercial property, where they are held primarily for financial return. Commercial in this context refers to the purpose of the investment. Commercial investments are not taken to meet treasury management cash flow needs, and do not result from treasury risk management activity to prudently manage the risks, costs or income from existing or forecast debt or treasury investments. They are additional investments voluntarily taken primarily to generate net financial return or profit.

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

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

The council embraces its 'place-making' responsibilities. The most specific articulation of this responsibility is reflected in its priorities of 'building a new generation of council and affordable homes and reducing homelessness' and 'tackling poverty and inequality and helping people in the greatest need'. Taken together, these objectives will often necessitate capital investment which involves acquiring, improving or creating assets. The financial and non-financial impact of such investments are appraised through the budget-setting process based on the type of proposal under consideration. There is an expectation that future investment in existing property assets to modernise, develop and, in some cases, repurpose those assets could be significant over the medium term.

The council acknowledges that local authorities are no longer permitted to make new investments in commercial property primarily for yield although investment in an existing portfolio is permitted. The council retains a significant portfolio of investment properties which were funded from council resources without the need for specific external borrowing. Existing capital plans acknowledge the need for specific and periodic investment in these assets to retain tenants and deliver against the council's priority to achieve net zero by 2030 and its vision to support a thriving local economy in which businesses can develop and provide local employment and training opportunities for the city's residents. The sale of individual properties would generate one-off capital receipts that postpone the need to borrow externally to fund the council's overall capital programme. However, disinvestment of this nature may inhibit the achievement of the council's long-term vision and associated priorities.

Local authorities are permitted to treat as capital various types of expenditure which do not create or enhance council-owned assets provided that spending creates an asset which would be classified as capital expenditure in another entity's accounts. The council has used these powers to deliver against its priorities by establishing joint ventures, making loans available to enable other entities to undertake capital investment and providing capital grants to individuals and third parties. In the case of shared services such flexibility can involve the council contributing to the cost of assets being constructed by third parties, which the council

will benefit from. Examples include the Waterbeach Renewable Energy Network (WREN) facility which South Cambridgeshire District Council is constructing using contributions from its own resources, the city council and Cambridgeshire and Peterborough Combined Authority.

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

Debt, Borrowing and Treasury Management

The CIPFA Prudential Code includes the following definition:-

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

The council has both external borrowing from the Public Works Loan Board (PWLb) and commercial loans, and 'internal' borrowing from cash balances. This borrowing is managed alongside the investment of cash balances as part of the council's treasury management function.

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

The council holds an investment for treasury management purposes in a pooled property fund. This investment was originally undertaken to provide diversity within the portfolio, mitigating interest rate risk without exposing the council to undue risks relating to the liquidity and security of the amounts invested. In accordance with CIPFA guidance, the composition of the portfolio and the rationale supporting the use of pooled property funds is subject to regular review and scrutiny to ensure it is justified in the context of the council's medium-term and long-term financial strategy.

The council has borrowed £85 million in total from a financial institution to fund the redevelopment of the Park Street multi-storey car park. The option to use similar types of financing will continue to be examined as an avenue which might be available to the council. The learning gathered from securing funding for Park Street will assist the council in exploring non-PWLB sources of finance for other projects.

Decisions regarding external borrowing are undertaken with reference to the Prudential Code which requires that capital expenditure be 'affordable, prudent and sustainable'. In practice, the council recognises that this means that without other sources of finance it may not be possible to achieve its corporate priorities. The impact of expected future borrowing is built into the Medium-Term Financial Strategy for both the General Fund and HRA and reflected in the savings targets which need to be achieved.

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

Decision making frameworks

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

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

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

All bids for new General Fund capital projects that require funding from the council's own resources (as opposed to those which are externally grant funded) are reviewed by the Leadership Team prior to a

recommendation to Full Council for a capital budget to be approved.

Decisions relating to the HRA are taken with reference to the HRA's budget-setting process which runs in parallel to the General Fund as defined in the council's constitution. Legislation prevents General Fund resources from being used to fund HRA activities and vice versa. Recognising the impact of HRA on the council's overall Capital Strategy forms an essential part of understanding how the council works with its partners to deliver council priorities benefiting the city as a whole and not just current council tenants. New build HRA projects are supported by specialists from the council's in-house Development Team.

The council has sought to embrace opportunities to engage in activities outside day-to-day provision of statutory and non-statutory council services which benefit the local area. These have included the establishment of joint ventures with the Hill Group, funded by a combination of council-backed loans and equity, to bring forward housing developments across the city using a combination of purchased land and sites owned by the council. Such approaches are supported by central government which acknowledges that public-private partnerships can provide appropriate vehicles to deliver new homes. Guidance issued by HM Treasury specifically states that schemes which deliver housing are not restricted by the prohibition that would normally prevent 'debt for yield' schemes from being included in council's capital plan. Similarly, whilst the government no longer permits PWLB borrowing to support the acquisition of new commercial properties where those properties are bought primarily for yield, HM Treasury explicitly permits PWLB borrowing to fund expenditure to maintain and enhance commercial properties acquired before the current guidance came into effect. The council has an active pipeline of projects of this nature. More details can be found in the 'Commercial activity' section of this Strategy.

The council will continue to explore the use of innovative approaches to deliver capital investment recognising that its track record of working with the private sector can help leverage interest from companies interested in establishing new partnerships to the benefit of the city and its residents.

Asset management planning

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

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

OFFICIAL

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

The council is delivering its Office Accommodation Strategy through a work programme that includes the Civic Quarter Project, which includes refurbishing and retaining the Guildhall as its main administrative base, and refurbishing the Corn Exchange, Market Square, and the surrounding public realm. Members approved a budget in October 2025 to develop further the detailed designs for the three Civic Quarter areas so that planning permission can be sought and a final decision on whether to proceed can be made in autumn 2026. As part of the funding for this scheme, the council is considering how best to maximise the value of its existing office accommodation at Mandela House.

The HRA has a 5-Year Asset Management Strategy, which was last approved in autumn 2019. In July 2025, Cabinet approved a strategy to clear the backlog of stock condition surveys during 2026/27. This will then provide the evidence base needed to review the Asset Management Strategy. The 30-year capital forecasts for the HRA are based on the status of the asset management database, which includes significant provision for backlog expenditure which has been allocated over the next five years.

Current stock condition data, along with lifecycle costing, has been analysed to identify the level of investment required to deal with any backlog repairs and planned maintenance, and to ensure the council

continues to achieve and maintain the Decent Homes Standard.

In accordance with its HRA Asset Management Strategy, the council has been working to improve the energy efficiency of its housing stock recognising the impact of higher fuel bills on its tenants as well as the council's commitments to achieve net zero.

For non-property assets the ongoing maintenance costs of retaining and/or replacing assets will be considered carefully as part of remodelling of service delivery across the council. For example, the council has its own fleet garage located in Waterbeach which is responsible for the maintenance of vehicles and keeps detailed records against each asset. Annual budgets will include provision for the maintenance of assets and service managers are able to make bids and offer savings in maintenance funding as part of the annual budget-setting round.

Financing Capital Expenditure

Until recently the strength of the council's General Fund balance sheet meant that it was able to fund capital expenditure from existing balances without needing to undertake external or internal borrowing.

During 2025/26, the council drew down the remaining tranches of a total of £85 million of commercial borrowing arranged to fund the redevelopment of the Park Street car park. The associated borrowing costs and MRP charges will be more than covered by the returns generated by the project.

Following significant revenue savings identified during the 2025/26 and 2026/27 budget-setting rounds, the current MTFS once again assumes that future capital expenditure in the General Fund will for the most part be financed from revenue and capital resources, without recourse to borrowing. Borrowing will be required only for significant projects where the debt can be serviced from an associated future revenue stream (for example the Civic Quarter Project), and in these cases the financing cost will be incorporated into the relevant business case.

Forecasts of capital expenditure are set out in Annexe 1, which also sets out the underlying need to borrow based on forecast capital expenditure.

Regulations state that the council must set limits on the amount of external borrowing it undertakes. The council must confirm that it has complied with these limits on an annual basis. Further details can be found in the Treasury Management Strategy and the annual Treasury Management Outturn Report. The council's constitution requires that both these documents be approved by Full Council.

Disposals

Proceeds from the sale of assets can provide an important source of funding for the capital programme.

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

Use of capital receipts

Capital receipts may only be used for capital purposes. The council will also ensure that it observes the ringfence between General Fund and HRA resources.

Right to Buy

Tenants in council dwellings have the "Right to Buy" their home if eligibility criteria are met. The purchase price is discounted but generates a capital receipt for the HRA. This receipt must be used to fund the delivery of a replacement affordable home under the terms of the 1-4-1 agreement held with the Ministry of Housing, Communities and Local Government (MHCLG). The rules require receipts to be applied within five years (with unspent receipts returned to HM Treasury with interest). Local authorities are now able to keep 100% of receipts from sales of council homes purchased under the Right to Buy (RTB) scheme. Previously, local authorities had to give a proportion of the receipt from any sale to HM Treasury. This change means that the council will retain more money to reinvest directly back into replacement housing stock. Recent changes to RTB discounts and eligibility criteria are expected to result in reduced RTB sales, which would mean that our stock levels would be better retained going forwards, although RTB receipts will also decrease.

The council aims to be around 12 months ahead of the profile for return of monies, but this is critically dependent on the progress of housing developments that may be affected by factors outside the council's control. If the council is unable to use receipts within the five-year timeframe, it will either acquire existing properties on the open market or look to pass receipts on to a registered provider to deliver affordable housing in the city.

Commercial activity

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

does for investment in financial assets.

Specifically, in relation to non-financial assets:-

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

The definition of commercial activity in the context of the council is broader than the non-financial assets the council owns. The council recognises that it is well-placed to benefit from the provision of services on a commercial basis. This opportunity arises from, amongst other factors, Cambridge's strength economically and its popularity as a tourist destination. The council has retained assets which enable discretionary services to be provided in a competitive market. The council considers commercial activity to include:-

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

Where services are income generating the need for capital investment will be appraised as part of the service

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

The council's transformation programme recognised that the council has the resources to enter new markets and provide additional services on a commercial footing. In accordance with relevant legislation, this may require setting up arms-length corporate entities as local authorities elsewhere have done successfully. In some cases, additional capital investment may be required to enable the council to enter those markets. Such investments will be appraised as part of the General Fund capital decision-making cycle explained above. Where decisions are taken to access new markets the rationale behind entering that market and the extent to which it complements and/or facilitates the achievement of council priorities will form part of the council's business case.

Reporting against key indicators relating to commercial activity is included in the quarterly financial management reports produced by the finance team, now incorporated into the quarterly integrated Performance Report to Cabinet. These indicators provide an early warning of any risk that the council's commercial activities might not provide the expected contribution to the General Fund budget. The council's risk management processes are also structured to look at risks relating to individual services that might result in lower profitability of commercial services.

Investment in commercial properties

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

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

through the private sector.

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

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

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

The council will develop commercial land and property it already owns together with evaluating the most appropriate future use of its operational and administrative buildings. The scope of the council's Housing Development Agency, which works alongside Cambridge Investment Partnership (CIP) to deliver new residential property, now incorporates commercial and residential schemes.

Monitoring portfolio performance

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

The table on the following page sets out the portfolio KPIs which continue to be used:-

Measure	Target / Baseline	Comment	Frequency
Commercial property income to net service expenditure	<50%		Annually
Ratio of investments to the resources of the council	<30%	Fair value of investment property as a % of the council's net assets	Annually
% outside jurisdiction	<25%	To maintain Cambridge focus and bring economic benefits to the city, but also benefit from diversification and achieve stronger yield	Annually
Net income return	>5% on current capital value	To maintain income levels	Annually
Average unexpired lease term	>5 years	Target is income security	Annually
% investment grade property	>80%	Generally lower expenditure	Annually
Voids	<£100,000 income loss	To maintain income levels	Quarterly
Largest lot size (excluding Lion Yard)	<10% of portfolio	To reduce specific stock risk	Annually
Sector	No more than 50% in any sector, retail to trend downwards towards 30%	To diversify sector risk	Annually

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

The total value of investment properties as at 31 March 2025 was £169.8 million. The council considers that the investment property portfolio retains sufficient value (measured using the fair value model) to provide security of investment.

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

Investment property performance (£m)	2020/21	2021/22	2022/23	2023/24	2024/25
Rental income net of direct costs (£'000)	9.315	8.739	8.133	9.681	8.720
Fair value at year end (£'000)	158.594	160.682	161.708	164.421	169.840
Rental yield	5.9%	5.4%	5.0%	5.9%	5.1%
Gain / (loss) in fair value in year (£'000)	(4.128)	2.088	1.026	6.049	4.684

Proportionality of commercial property holdings

Following significant activity in the commercial property market by local authorities, concern has been expressed by MHCLG and CIPFA about the size of some property holdings, particularly where significant external borrowing has been undertaken to invest in property. The council has used reserves and internal borrowing to fund purchases, with the exception of the Park Street redevelopment whose primary purpose was reprovision of an end-of-life operational asset (the car park) and wider regeneration, and the business case clearly demonstrates that the financing costs will be more than met by the future revenue streams generated.

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

The council is aware of the range of risks associated with investment in commercial property and works to ensure appropriate due diligence and prudence. These risks include the over-reliance on income from commercial properties to fund council services. It has also sought to provide greater diversification of risk through its more recent portfolio acquisitions in terms of property type, location, management costs and covenant strength.

The HRA holds a small number of investment properties, which are mainly retail units linked to council housing, for example shops with flats above. These properties were valued at £7.5 million as at 31 March 2025, and have an estimated gross rental income of around £610,000 per annum.

Other long-term liabilities

From time to time the council may take on liabilities associated with the provision of operational services. Examples include financial guarantees, including those given in respect of subsidiaries or joint ventures. Where decisions are made for service purposes, these may be outside of normal commercial terms, including liquidity, security and/or yield.

Where such liabilities are taken on the council will ensure that financial risks are clearly identified and quantified along with any implied subsidy as part of the decision-making process. Consideration will also be given to the impact of IFRS 16 (the new accounting standard for all leases effective from 2024/25) in respect of new lease agreements which the council may enter.

Knowledge and skills

Section 151 Officer

The council's Section 151 Officer is required to report explicitly on the affordability and risk associated with the Capital Strategy. The Section 151 Officer is an experienced CCAB qualified accountant with statutory responsibilities for the proper administration of the council's financial affairs and for advising the council on budgetary matters. As such the Section 151 Officer oversees the council's capital expenditure and investment activities and ensures that professional advice is obtained where the council does not have the necessary skills in house.

Treasury management

Treasury management activity is undertaken within the council's Finance Team, under the supervision of a CCAB qualified accountant with the support of the Deputy Section 151 Officer, also a CCAB qualified accountant.

The team has many years of treasury management experience and has demonstrated that it has the skills to opt up to professional status under the MiFID II reforms.

The CIPFA Treasury Management in the Public Services: Code of Practice 2021 requires the officer responsible to ensure that members and officers are adequately trained in treasury management. Training is arranged as required and is regularly reviewed.

Property assets

The council's investment property is managed by its Property & Asset team, an experienced team of five staff. The team includes four chartered surveyors each with over 25 years of property experience in both the private and public sector. This extensive experience includes dealing with a mix of property types and professional work including professional services, landlord and tenant, statutory valuations, acquisitions and disposals, and commercial and residential property management. They have extensive knowledge of the Cambridge property market with most of the team having worked in and around Cambridge for the past 10 years or so, some much longer.

The Property & Asset team also work with external agents where specialist expertise is required to deal with

properties or resources are not available to deal with matters in a timely way. Examples of where external advice is used include agency, valuation, building surveying, and planning work.

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

External advice

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

Annexe 1 – Estimated capital programme and reserves

10-year capital projections (£m)	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36
General Fund capital expenditure	107.927	8.797	9.379	4.865	2.965	4.282	2.965	2.965	2.965	2.965	2.965
Housing Revenue Account capital expenditure	96.266	86.330	91.225	97.742	98.915	98.928	102.074	90.511	80.352	69.853	50.966
General Fund year-end reserves	14.381	12.481	11.784	12.195	12.263	12.263	12.263	12.263	12.263	12.263	12.263
Housing Revenue Account year-end reserves	8.615	8.484	8.735	9.093	9.290	9.473	9.578	9.685	9.881	10.080	10.282
Capital financing requirement (CFR)	467.416	513.235	561.379	622.888	685.438	749.244	810.597	861.814	902.040	930.131	936.709

Note that the projected capital expenditure shown above reflects both the approved programme, and estimates of other capital spend which will come forward for approval in due course.

The capital financing requirement shows the council's underlying need to borrow. This includes £213.572 million for in respect of the original HRA self-financing debt taken on when the housing stock was transferred to the council in 2012.

Treasury Management Strategy 2026/27

Appendix P

1 Executive summary

- 1.1 Full Council is required to approve the council's Treasury Management Strategy on an annual basis, covering:-
- capital plans (including prudential indicators);
 - a Minimum Revenue Provision policy which explains how unfinanced capital expenditure will be charged to revenue over time;
 - the Treasury Management Strategy (how investments and borrowings are to be organised) including treasury indicators; and;
 - a Treasury Management Investment Strategy (the parameters on how investments are to be managed).
- 1.2 The statutory framework for the prudential system under which local government operates is set out in the Local Government Act 2003 and Capital Financing and Accounting Statutory Instruments. The framework incorporates four statutory codes. These are:
- the Prudential Code (2021 edition) prepared by CIPFA;
 - the Treasury Management Code (2021 edition) prepared by CIPFA;
 - the Statutory Guidance on Local Government Investments prepared by the Ministry of Housing, Communities & Local Government (MHCLG) (effective 1 April 2018); and
 - the Statutory Guidance on Minimum Revenue Provision prepared by MHCLG (effective 1 April 2025).
- 1.3 The council's Section 151 Officer has considered the deliverability, affordability and risk associated with the council's capital expenditure plans and treasury management activities. The plans are affordable. Where there are risks such as the slippage of capital expenditure, or reductions in investment values or income, these have been reviewed and mitigated at an acceptable level. The council has access to specialist advice where appropriate.
- 1.4 Treasury management reports are required to be adequately scrutinised before being recommended to Full Council. This role is

undertaken by the Performance, Assets and Strategy Overview and Scrutiny Committee.

2 Treasury management activities

- 2.1 The council is required to have regard to the relevant CIPFA and MHCLG guidance when carrying out its treasury management activities (see paragraph 1.2). The council is required to set prudential and treasury indicators, including an authorised limit for borrowing, for a minimum of a three-year period and should ensure that its capital plans are affordable, prudent and sustainable.
- 2.2 The Prudential Code states that, where appropriate, the Section 151 Officer should have access to specialised advice to enable them to reach their conclusions in respect of affordability and risk. As such, the Council has retained Mitsubishi UFG (MUFG) as its specialist treasury management advisors.
- 2.3 MUFG's specialist services include the provision of advice to the council on developments and best practice in treasury management, the creditworthiness of potential counterparties, deposit and borrowing interest rates, and the performance and outlook of the wider economy.
- 2.4 The council recognises that its non-treasury investments mean that it may need to consult with specialists in other areas, particularly commercial property. Arrangements are in place to ensure that the Section 151 Officer and relevant senior managers can access appropriate expertise in respect of the council's commercial activities.

3 Borrowing policy statement

- 3.1 The council is permitted to borrow under the framework, introduced with effect from 1 April 2004.
- 3.2 At present the only debt held by the authority relates to:-
 - twenty loans from the Public Works Loan Board (PWLB) for self-financing of the Housing Revenue Account (HRA), totalling £213.6 million (taken out in 2012); and
 - commercial borrowing to fund the Park Street development, totalling £84.2 million.

- 3.3 The Park Street borrowing is in the form of three annuity loans. The council has benefitted from forward-fixing the interest rates on the Park Street borrowing at a weighted average rate of 1.67% - significantly below the rates currently available from PWLB or on the commercial market.
- 3.4 If the council is to deliver its ambitious 10-year new homes programme in the city, the HRA will need to take on additional borrowing in the future to part finance this spend.
- 3.5 It is also assumed that further borrowing will be required to fund General Fund capital expenditure over the next 10 years, in particular in relation to the Civic Quarter project, should this receive the approval of Full Council later in the year.
- 3.6 The council will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward-approved Capital Financing Requirement estimates and will be considered carefully to ensure that value for money can be demonstrated and that the council can ensure the security of such funds.
- 3.7 The government has announced a further one year extension to the arrangement whereby a concessionary PWLB loan rate is available to authorities wishing to take out borrowing for the purpose of financing capital expenditure in their HRA. This arrangement is now in place until March 2027 and enables the Council to borrow at 0.4% lower than would be the case for PWLB borrowing to fund General Fund capital expenditure. As the deadline for the end of the concessionary rate approaches, work will be undertaken to identify the extent to which external borrowing should be undertaken.
- 3.8 The council has set a prudential indicator for the maturity of new borrowing, which requires 100% of new borrowing to have a maturity of at least 5 years. This will allow some flexibility in achieving a portfolio of borrowing which meets the councils long-term cashflow needs, whilst seeking an appropriate balance of refinancing risk against borrowing cost.
- 3.9 Considering the council's need to borrow, the required maturity profile has been reviewed by reference to the council's liability benchmark. This shows the borrowing need in the General Fund

decreasing gradually over the next 20 years or so.

4 Minimum Revenue Provision (MRP) policy statement

- 4.1 Minimum Revenue Provision (MRP) is the revenue charge that the council is required to make for the repayment of debt, as measured by the underlying need to borrow, rather than actual debt. The underlying debt is needed to finance capital expenditure which has not been fully financed by revenue or capital resources. As capital expenditure is generally expenditure on assets which have a life expectancy of over one year, it is prudent to charge an amount for the repayment of debt over the life of the asset or some similar proxy figure.
- 4.2 The Local Authorities (Capital Finance and Accounting) regulations require local authorities to calculate for the financial year an amount of MRP which is considered to be 'prudent'.
- 4.3 There is no requirement to charge MRP where the Capital Financing Requirement (CFR) is nil or negative at the end of the preceding financial year.
- 4.4 The Housing Revenue Account share of the CFR is not subject to an MRP charge.
- 4.5 There is no requirement to make an MRP charge on an asset until the financial year after that asset becomes operational.
- 4.6 The government issues statutory guidance on the calculation of MRP. The council is required to have regard to the guidance based on the underlying principle that the provision should be linked to the life of the assets for which the borrowing is required.
- 4.7 However, the guidance is clear that differing approaches can be considered as long as the resulting provision is prudent.
- 4.8 In general, the council will make a minimum revenue provision charge based on the equal instalment method, amortising expenditure equally over the estimated useful life of the asset for which the borrowing is required. However, no provision will be made in respect of expenditure on specific projects where the Chief Financial Officer determines that capital receipts will be generated by the project to repay the debt. Specifically, in respect of the current

capital programme:

- The council has made a loan to a company (which is classed as capital expenditure) to enable it to let intermediate-rent properties. This will be financed from internal borrowing. As this loan is to a wholly-owned subsidiary company and is secured on assets, no MRP will be set aside. However, to ensure that this policy is prudent, the council will review this loan annually and if the loan is renegotiated. Where there is evidence which suggests that the full amount of the loan may not be repaid or is not secured on assets of appropriate value, it will be necessary to reassess the need to commence MRP to recover the impaired amounts from revenue.
- The council continues to make capital contributions and loans to the Cambridge Investment Partnership (CIP) – a joint venture and deadlock partnership in which the Council has a 50% stake – to facilitate the development of new housing within the city. These payments are classed as capital expenditure. As the payments are appropriately covered by assets in the CIP and as there are detailed plans to demonstrate that all investment in the CIP will be recovered in less than five years with a significant surplus, no MRP will be set aside. However, to ensure that this policy is prudent, the Council will review the position regularly. Where there is evidence which suggests that the finance provided may not be repaid, it will be necessary to reassess the need to commence MRP to recover the impaired amounts from revenue.
- No MRP will be required on bond investments which are treated as capital expenditure under regulation where those bonds are appropriately secured. This security will be reviewed at least annually.

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

4.10 The council has borrowed via the money markets to fund the redevelopment of the Park Street car park site. The borrowing comprises three annuity loans. These loans require the council to make a fixed cash repayment every six months comprising interest and repayment of principal over the life of the loans. Over the life of

each loan the interest portion of the repayment reduces as the balance outstanding reduces. As permitted by the relevant statutory guidance, the council has determined that the annuity method is an appropriate approach to provide MRP for Park Street. A hybrid interest rate based on the rates for the agreed loans will be used to calculate MRP.

- 4.11 The council has agreed to finance an element of the capital cost of a new community centre at Clay Farm from internal borrowing. Using the asset life method MRP would normally be made over an asset life of 40 years. However, the element of capital cost funded from internal borrowing will effectively be repaid over a shorter period from receipts of rental income from the tenant and subsidy from the site developer. The Council has decided to make MRP on this accelerated basis in respect of this asset, in line with the receipts generated.
- 4.12 The Council is required to report whether it has made any voluntary payments over and above that required to comply with its Minimum Revenue Provision policy. The Council can confirm that it made a voluntary overpayment of MRP of £9.545 million in the 2019/20 financial year.

5 Capital expenditure and financing 2026/27 to 2030/31

- 5.1 The council undertakes capital expenditure on long-term assets. These activities may either be:
- financed immediately through the application of capital or revenue resources (capital receipts, capital grants, developer contributions, revenue contributions, reserves, etc), which has no resultant impact on the council's borrowing need; or;
 - if insufficient financing is available, or a decision is taken not to apply other resources, the funding of capital expenditure will give rise to a borrowing need.
- 5.2 Estimates of capital expenditure forms one of the required prudential indicators. The table on the following page shows the estimated capital expenditure for the next 5 years. Please note that this includes expenditure already approved, proposed for approval in the 2026/27 Budget Setting Report, and also a forecast of future expenditure not yet brought forward for formal approval.

Capital expenditure estimates (£m)	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
General Fund	107.927	8.797	9.379	4.865	2.965	4.282
Financed from:						
Capital receipts	(17.104)	(4.282)	(1.800)	(0.150)	-	(1.317)
Other contributions and balances	(21.322)	(4.515)	(7.579)	(4.715)	(2.965)	(2.965)
General Fund prudential borrowing	(69.501)	-	-	-	-	-
HRA	96.266	86.330	91.225	97.742	98.915	98.928
Financed from:						
Capital receipts	(11.598)	(5.063)	(4.650)	(1.291)	(1.308)	(1.328)
Other contributions and balances	(20.915)	(34.185)	(37.155)	(33.648)	(33.747)	(32.467)
HRA prudential Borrowing	(63.753)	(47.082)	(49.420)	(62.803)	(63.860)	(65.133)
Total capital expenditure financed from prudential borrowing	133.254	47.082	49.420	62.803	63.860	65.133

6 Prudential and treasury management indicators

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

CFR and borrowing estimates (£m)	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Capital financing requirement (CFR) at 31 March						
- General Fund	173.311	172.049	170.772	169.478	168.168	166.842
- HRA	294.105	341.186	390.607	453.410	517.270	582.402
Total CFR	467.416	513.235	561.379	622.888	685.438	749.244
Movement in CFR	127.980	45.819	48.144	61.509	62.550	63.806
External gross debt	370.710	416.529	464.673	526.182	588.732	652.538
Authorised Limits						
- External debt	600.000	600.000	650.000	700.000	750.000	850.000
- Other long-term liabilities	2.000	2.000	2.000	2.000	2.000	2.000
Operational Boundary						
- External debt	477.416	523.235	571.379	632.888	695.438	759.244
- Other long-term liabilities	1.237	1.173	1.109	1.045	1.481	1.417

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

6.3 Two additional indicators continue to be reported in Annexe B in accordance with the latest Prudential Code. The council is required to disclose its actual and estimated net income from commercial and service investments as a proportion of its net revenue stream. This indicator is important in the context of understanding the contribution commercial income makes to the council's net budget,

recognising that the council has a significant portfolio of investment properties. The council's Capital Strategy defines the activities which the council classifies as being commercial in nature. This includes car parking and bereavement services, as well as income from investment properties.

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

investment benchmark exists where borrowing exceeds balances required to fund the capital programme. The investment benchmark is expressed as a negative amount. The amount the council has available to invest will reduce as the borrowing agreed is used to fund new schemes identified in future capital plans approved as part of the budget setting process. This will be reflected in updates to the liability benchmark presented in future iterations of this document.

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

7 Investment Strategy

- 7.1 MHCLG and CIPFA define 'investments' as including both financial and non-financial investments. This report deals solely with treasury (financial) investments, (as managed by the treasury management team). Non-financial investments, essentially the purchase of income yielding assets and service investments, are covered in the Capital Strategy.
- 7.2 The council's investment policy has regard to the following: -
- MHCLG's Guidance on Local Government Investments ("the Guidance");
 - CIPFA Treasury Management in Public Services Code of

Practice and Cross Sectoral Guidance Notes 2021 (“the Code”);
and

- CIPFA Treasury Management Guidance Notes 2021

- 7.3 The council’s investment priorities will be security first, portfolio liquidity second and then yield (return). The council will aim to achieve the optimum return (yield) on its investments commensurate with proper levels of security and liquidity and with regard to the council’s risk appetite.
- 7.4 In the current economic climate, it is considered appropriate to maintain a degree of liquidity to cover cash flow needs but to also consider “laddering” investments for periods up to 12 months with high credit rated financial institutions, whilst investment rates remain elevated, as well as other pooled funds which may meet the council’s needs.
- 7.5 The above guidance from the MHCLG and CIPFA places a high priority on the management of risk. This council has adopted a prudent approach to managing risk and defines its risk appetite by the following means:-
- a) Minimum acceptable credit criteria are applied in order to generate a list of highly creditworthy counterparties. This also enables diversification and thus avoidance of concentration risk.
 - b) The key ratings used to monitor counterparties are the short-term and long-term ratings.
 - c) Other information: ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To achieve this the council will engage with its advisors to maintain a monitor on market pricing such as “credit default swaps” and overlay that information on top of the credit ratings.
 - d) Other information sources used will include the financial press, share prices and other such information pertaining to the financial sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.
 - e) This council has defined the list of types of investment instruments that the treasury management team are authorised

to use. There are two lists in Annexe A under the categories of 'specified' and 'non-specified' investments.

- f) Specified investments are those with a high level of credit quality and subject to a maturity limit of less than one year.
- g) Non-specified investments are those which could have less high credit quality, may be for periods in excess of one year, and/or are more complex instruments which require greater consideration by members and officers before being authorised for use.
- h) Lending limits (amounts and maturity) for each counterparty will be set through applying the matrix table set out in Annexe A.
- i) Transaction limits are set for each type of investment in Annexe A.
- j) This council sets a limit for its investments which are invested for longer than 365 days.
- k) Investments will only be placed with counterparties from countries with a specified minimum sovereign rating.
- l) The council has engaged external consultants (Mitsubishi UFG) to provide expert advice on how to optimise an appropriate balance of security, liquidity and yield, given the risk appetite of the council in the context of the expected level of cash balances and need for liquidity throughout the year.
- m) All investments will be denominated in sterling.

- 7.6 Information regarding the performance of the council's investments will be provided to the Leadership Team and Cabinet as part of the quarterly budget monitoring process. Benchmark information is also collected and used for comparison purposes.

8 Financial asset counterparties

- 8.1 The full listing of approved counterparties is presented at Annexe A, showing the category under which each counterparty has been approved, the appropriate deposit limit, and current duration limit.
- 8.2 There is no or very low risk to the capital invested (other than the risk of failure of the financial institution) for fixed term deposits and constant net asset value money market funds. Considering this very low level of risk, it is proposed to increase the maximum that can be invested in a single fund by £5 million for enhanced money

market funds (from £5 million to £10 million) and money market funds (from £15 million to £20 million) as set out at Annexe A so that the Council can hold more in the higher yielding funds.

- 8.3 The council continually reviews its investment policy. Recently, the economic climate has created considerable uncertainty. This has impacted asset pricing. The council holds investments in commercial property, both directly owned and through the CCLA Local Authorities' Property Fund. The pricing of both asset types has been particularly impacted. Further volatility in capital values is anticipated over the economic cycle.
- 8.4 The council will continue to monitor the total return generated by its investment in funds, all of which are actively managed by professional fund managers. In this context, it is important to recognise that the income distributions the council receives will not necessarily be subject to the same volatility as capital values. The council recognises the need for it to be able to continue to justify retaining these assets. This is important as one of the consequences of doing so is to bring forward the date when the council will need to borrow to fund its capital programme.
- 8.5 The council has made a loan of £7.5 million to Cambridge City Council Housing Company, a wholly owned subsidiary. This loan earns 2.02% and is secured on the properties owned by the company. The loan is kept under review and the loan facility is periodically renewed.
- 8.6 The council has continued to make loans available to Cambridge Investment Partnership, a joint venture – see paragraph 4.8 for further details.
- 8.7 The council invests in local business bonds issued by Allia Limited. The bonds are secured on the Allia Future Business Centre. The authorised counterparty limit for such investments as set out at Annexe A is £5 million in respect of long-term (5 year) bonds.
- 8.8 The council recognises that there is continuing debate about how best to capture information about the environmental, social and governance (often known as 'ESG') implications of investing decisions taken by the Council.
- 8.9 The council continues to work with MUFG to understand

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

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

9 Interest rates and interest received

- 9.1 In support of effective forecasting the council needs to be aware of the potential influence of interest rates on its treasury management activities. The council is provided with regular interest rate forecasts by its treasury advisors, MUFG.
- 9.2 Total interest and dividends of £2.5 million are due or have been received in respect of the council’s deposits for the period from 1 April to 30 November 2025 at an average rate of 4.50%. The equivalent rate for the eight months to 30 November 2024 was 4.99%. These figures relate solely to the council’s traditional treasury management deposits, and exclude interest earned on investments in the CCLA property fund, local bonds, and loans made to the connected entities.
- 9.3 On 18 December 2025, the Bank of England cut base rate by 0.25% to 3.75%. The vote was 5-4 in favour of the cut, but the language used by the MPC emphasised a “gradual downward path” for future interest rates, with the MPC wanting to assess evidence on labour market activity and wage growth before making further cuts.

Annexe A – Treasury Management Annual Investment Strategy

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

Current Counterparty List

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

Name	Council's Current Deposit Period	Category	Limit (£)
All UK Passenger Transport Authorities	N/A	Passenger Transport Authority	20m
All UK Police Authorities	N/A	Police Authority	20m
All UK Fire Authorities	N/A	Fire Authority	20m
Debt Management Account Deposit Facility	N/A	DMADF	Unlimited
Enhanced Cash Funds (Standard & Poor's: AAAf/S1, Fitch: AAA/S1)	Up to 1 year	Financial Instrument	10m (per single counterparty)
Enhanced Money Market Funds (not below AAf) - VNAV	Up to 1 year	Financial Instrument	10m (per fund)
Money Market Funds (AAAf) – CNAV, VNAV & LVNAV	Liquid Rolling Balance	Financial Instrument	20m (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

Name	Council's Current Deposit Period	Category	Limit (£)
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
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: AAA/S1)	Over 1 year and up to 5 years	Financial Instrument	10m (per single counterparty)
Enhanced Money Market Funds (not below AAf) - VNAV	Over 1 year and up to 5 years	Financial Instrument	5m (per fund)
Commercial Property Investments funded from cash balances	Over 1 year	Commercial Property	25m (in total)
Municipal Bonds Agency	N/A	Pooled Financial Instrument Facility	50,000

Name	Council's Current Deposit Period	Category	Limit (£)
Secured Local Bond – Allia Limited	N/A	Local Business Bond	Up to 5m in total
Supranational Bonds – AAA	Using MUFG's Credit Criteria	Multi-lateral Development Bank Bond	15m
UK Government Gilts	Over 1 year & up to 30 Years	Financial Instrument	15m

Note: In addition to the limits above, the total non-specified items over 1 year **(excluding balances with related parties*)** will not exceed £50m.

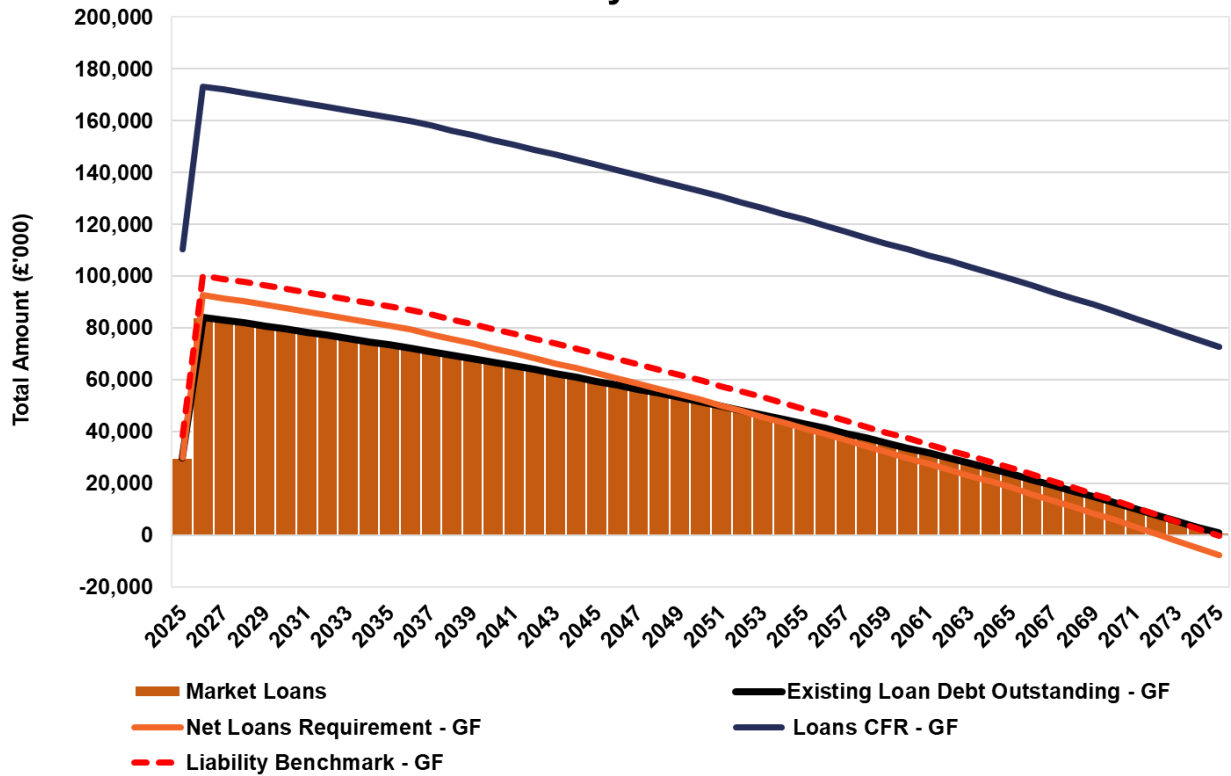
Annexe B – Prudential and Treasury Management Indicators

Prudential Indicator Estimates (£m)	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Capital expenditure						
- GF	107.927	8.797	9.379	4.865	2.965	4.282
- HRA	96.266	86.330	91.225	97.742	98.915	98.928
Total	204.193	95.127	100.604	102.607	101.880	103.210
Capital Financing Requirement (CFR) as at 31 March						
- GF	173.311	172.049	170.772	169.478	168.168	166.842
- HRA	294.105	341.186	390.607	453.410	517.270	582.402
Total	467.416	513.235	561.379	622.888	685.438	749.244
Movement in CFR	127.980	45.819	48.144	61.509	62.550	63.806
External gross debt as at 31 March	370.710	416.529	464.673	526.182	588.732	652.538
Ratio of net financing costs to revenue stream						
- GF %	(4.85)	1.38	1.24	1.21	1.20	0.98
- HRA %	12.36	20.04	22.74	25.09	27.55	29.92
Net income from commercial and service investments						
- GF	17.537	18.425	18.608	18.492	18.322	18.222
- HRA	0.621	0.625	0.641	0.777	0.792	0.808
Ratio of net income from commercial and service investments to net revenue stream						
- GF %	60.06	60.13	60.06	58.16	63.61	59.46
- HRA %	1.07	1.02	0.98	1.10	1.04	1.00

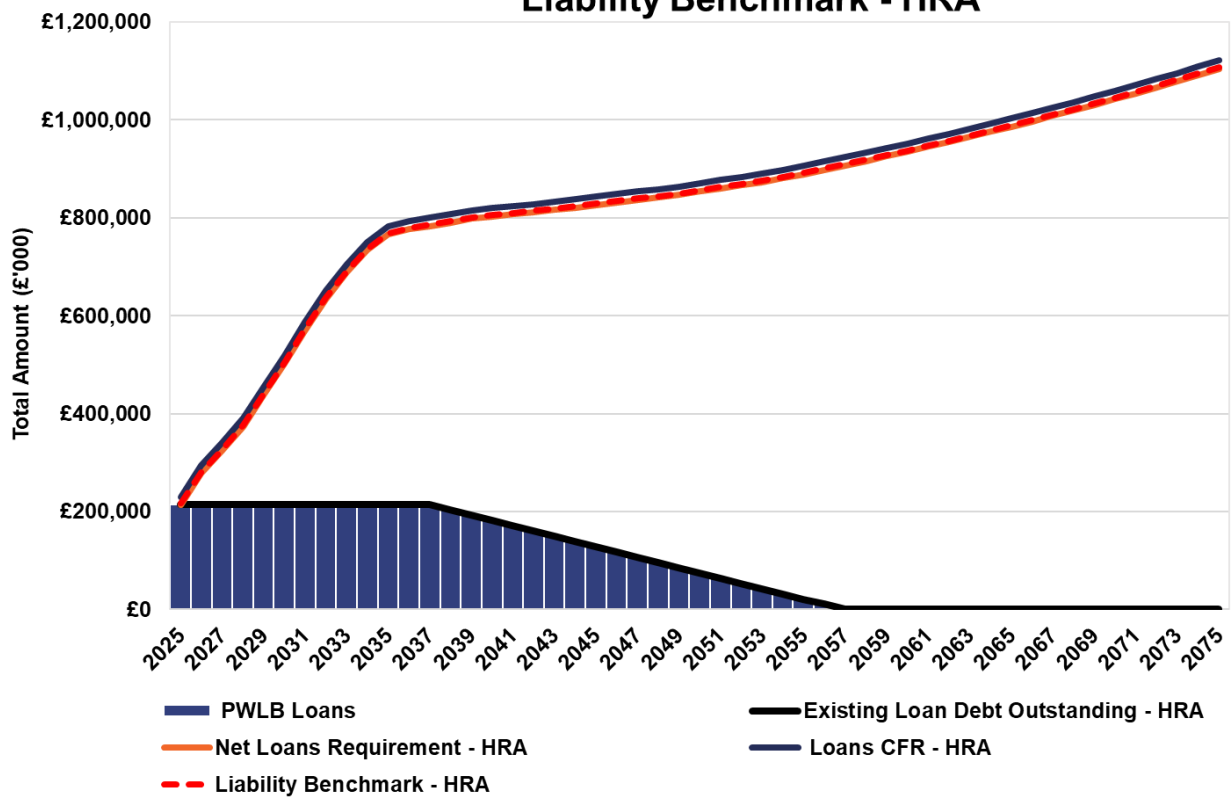
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Treasury Indicator Estimates (£m)	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Authorised limit						
- Borrowing	600.000	600.000	650.000	700.000	750.000	850.000
- Other long-term liabilities	2.000	2.000	2.000	2.000	2.000	2.000
Operational boundary						
- Borrowing	477.416	523.235	571.379	632.888	695.438	759.244
- Other long-term liabilities	1.237	1.173	1.109	1.045	1.481	1.417
Upper limit for total principal sums deposited for over 364 days and up to 5 years	50.000	50.000	50.000	50.000	50.000	50.000
Analysis of exposure to fixed and variable interest rates						
- Net interest on fixed rate borrowing/deposits	11.311	14.264	16.892	19.847	23.107	26.417
- Net interest on variable rate borrowing/deposits	(1.675)	(1.532)	(1.574)	(1.699)	(1.843)	(1.986)
Maturity structure of new fixed rate borrowing – 5 years and above						
- Upper limit	100%	100%	100%	100%	100%	100%
- Lower limit	100%	100%	100%	100%	100%	100%

Liability Benchmark - General Fund



Liability Benchmark - HRA



Annexe C – 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 (CFR)	A measure of the council's underlying borrowing need, i.e. it represents the total historical outstanding capital expenditure which has not been paid for from either revenue or capital resources
Certificates of Deposit (CDs)	Low risk certificates issued by banks which offer a higher rate of return
CIP	Cambridge Investment Partnership
CIPFA	Chartered Institute of Public Finance and Accountancy
Corporate bonds	Financial instruments issued by corporations
Counterparties	Financial institutions with which funds may be placed
Credit risk	Risk of borrower defaulting on any type of debt by failing to make payments which it is obligated to do
Enhanced cash funds	Higher yielding funds typically for investments exceeding 3 months
Eurocurrency	Currency deposited by national governments or corporations in banks outside of their home market
External gross debt	Long-term liabilities including Private Finance Initiatives and finance leases
Government CNAV	Highly liquid sovereign stock based on a Constant Net Asset Value (CNAV)
HRA	Housing Revenue Account - a ringfenced account for local authority housing where a council acts as landlord

Term	Definition
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 Agency of HM Treasury from which local authorities and other prescribed bodies may borrow at favourable interest rates
Quantitative Easing (QE)	A financial mechanism whereby the central bank creates money to buy bonds from financial institutions, which reduces interest rates, leaving businesses and individuals to borrow more. This is intended to lead to an increase in spending, creating more jobs and boosting the economy
Ring Fenced Bank (RFB)	Government and Bank of England rules apply to all UK Banks which have to split their business into 'core' retail and investment units known as Ring and Non Ring Fenced Banks
Sterling Over Night Index Average	SONIA is a widely used benchmark based on actual transactions and reflects the average of the interest

Term	Definition
(SONIA)	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

MUFG CORPORATE MARKETS INTEREST RATE FORECAST

Updating of our forecasts 22 December 2025

Comparison of forecasts for Bank Rate today v. previous forecast

Bank Rate	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27	Jun-27	Sep-27	Dec-27	Mar-28	Jun-28	Sep-28	Dec-28	Mar-29
22.12.25	3.75	3.50	3.50	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25
11.08.25	3.75	3.75	3.50	3.50	3.50	3.50	3.25	3.25	3.25	3.25	3.25	-	-
Change	0.00	-0.25	0.00	-0.25	-0.25	-0.25	0.00	0.00	0.00	0.00	0.00	-	-

- Our last interest rate forecast update was undertaken on 11 August. Since then, a combination of tepid growth (0.2% q/q GDP for Q2 and 0.1% q/q GDP for Q3), falling inflation (currently CPI is 3.2%), and a November Budget that will place more pressure on the majority of households' income, has provided an opportunity for the Bank of England's Monetary Policy Committee to further reduce Bank Rate from 4% to 3.75% on 18 December.
- Surprisingly, to most market commentators, the recent steep fall in CPI inflation in one month from 3.6% to 3.2% did not persuade most "dissenters" from the November vote (Lombardelli, Greene, Mann and Pill) to switch to the rate-cutting side of the Committee. Instead, it was left to Bank Governor, Andrew Bailey, to use his deciding vote to force a rate cut through by the slimmest of margins, 5-4.
- Given the wafer-thin majority for a rate cut it was not unexpected to hear that although rates would continue on a "gradual downward path", suggesting a further rate cut or cuts in the offing, MPC members want to assess incoming evidence on labour market activity and wage growth. Indeed, with annual wage growth still over 4.5%, the MPC reiterated that the case for further rate cuts would be "a closer call", and Governor Bailey observed there is "limited space as Bank Rate approaches a neutral level".
- Accordingly, the MUFG Corporate Markets forecast has been revised to price in a rate cut in Q2 2026 to 3.5%, likely to take place in the wake of a significant fall in the CPI inflation reading from 3% in March to 2% in April (as forecast by Capital Economics), followed by a short lull through the summer whilst more data is garnered, and then a further rate cut to 3.25% in Q4.
- As in August, nonetheless, threats to that central scenario abound. What if wage increases remain stubbornly high? There are, after all, several sectors of the domestic economy, including social care provision and the building/construction industries, where staff shortages remain severe. Moreover, by May 2026, following the local elections, we will have a better handle on whether or not the Starmer/Reeves team is going to see out the current Parliament or whether they face a Leadership Challenge from within their own party. If so, how will gilt markets react to these variables...and will there be additional geo-political factors to also bake in, particularly the Fed's monetary policy decisions in 2026 and the ongoing battle to lower rates whilst inflation remains close to 3%.
- Accordingly, our updated central forecast is made with several hefty caveats. We are confident, as we have been for some time, that our forecast for Bank Rate and the 5-year PWLB Certainty Rate is robust, and we have marginally brought forward the timing of the next rate cut(s). But for the 10-, 25- and 50-years part of the curve, the level of gilt issuance, and the timing of its placement, will be integral to achieving a benign trading environment. That is not a "given", and additionally, the inflation outlook and political factors domestically and, crucially, in the US, are also likely to hold sway. Matters should be clearer by June in the UK, but the US mid-term elections are scheduled for November.
- Our revised PWLB rate forecasts below are based on the Certainty Rate (the standard rate minus 20 bps) which has been accessible to most authorities since 1 November 2012. Please

note, the lower Housing Revenue Account (HRA) PWLB rate started on 15 June 2023 for those authorities with an HRA (standard rate minus 60 bps) and is set to prevail until at least the end of March 2026. Hopefully, there will be a further extension to this discounted rate announced in January.

MUFG Corporate Markets Interest Rate View 22.12.25													
	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27	Jun-27	Sep-27	Dec-27	Mar-28	Jun-28	Sep-28	Dec-28	Mar-29
BANK RATE	3.75	3.50	3.50	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25
3 month ave earnings	3.80	3.50	3.50	3.30	3.30	3.30	3.30	3.30	3.30	3.30	3.30	3.30	3.30
6 month ave earnings	3.80	3.50	3.50	3.40	3.30	3.30	3.30	3.40	3.40	3.40	3.40	3.40	3.40
12 month ave earnings	3.90	3.60	3.60	3.50	3.40	3.50	3.50	3.50	3.50	3.50	3.60	3.60	3.60
5 yr PWLB	4.60	4.50	4.30	4.20	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10
10 yr PWLB	5.20	5.00	4.90	4.80	4.80	4.70	4.70	4.70	4.70	4.60	4.60	4.60	4.70
25 yr PWLB	5.80	5.70	5.60	5.50	5.50	5.40	5.30	5.30	5.30	5.20	5.20	5.20	5.20
50 yr PWLB	5.60	5.50	5.40	5.30	5.30	5.20	5.10	5.10	5.10	5.00	5.10	5.00	5.00

- Money market yield forecasts are based on expected average earnings by local authorities for 3 to 12 months.
- The MUFG Corporate Markets forecast for average earnings are averages i.e., rates offered by individual entities may differ significantly from these averages, reflecting their different needs for borrowing short-term cash at any one point in time.

Gilt yields and PWLB rates

The overall longer-run trend is for gilt yields and PWLB rates to fall back over the timeline of our forecasts, but the risks to our forecasts are generally to the upsides. Our target borrowing rates are set **two years forward** (as we expect rates to fall back) and the current PWLB (certainty) borrowing rates are set out below: -

PWLB borrowing	Current borrowing rates as at 22.12.25 p.m. %	Target borrowing rate now (end of Q4 2027) %	Target borrowing rate previous (end of Q4 2027) %
5 years	4.81	4.10	4.20
10 years	5.39	4.70	4.70
25 years	6.01	5.30	5.30
50 years	5.78	5.10	5.10

Borrowing advice: Our long-term (beyond 10 years) forecast for the neutral level of Bank Rate remains at 3.5%. As all PWLB certainty rates are still above this level, borrowing strategies will need to be reviewed in that context. Overall, better value can be obtained at the shorter end of the curve (<5 years PWLB maturity/<10 years PWLB EIP) and short-dated fixed LA to LA monies should also be considered. Temporary borrowing rates will, generally, fall in line with Bank Rate cuts.

Our suggested **budgeted earnings rates for investments** up to about three months' duration in each financial year are set out below.

Average earnings in each year	Now %	Previously %
2025/26 (residual)	3.80	3.90
2026/27	3.40	3.60
2027/28	3.30	3.30
2028/29	3.30	3.50
2029/30	3.50	3.50
Years 6-10	3.50	3.50
Years 10+	3.50	3.50

We will continue to monitor economic and market developments as they unfold. Typically, we formally review our forecasts following the quarterly release of the Bank of England's Monetary Policy Report but will consider our position on an ad-hoc basis as required.

Our interest rate forecast for Bank Rate is in steps of 25 bps, whereas PWLB forecasts have been rounded to the nearest 10 bps and are central forecasts within bands of + / - 25 bps. Naturally, we continue to monitor events and will update our forecasts as and when appropriate.

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Appendix R

Cambridge City Council

Housing Revenue Account Business Plan 2025/26 for 2026/27 Report and Commentary

January 2026



savills

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1. Introduction

1.1 Background

Cambridge City Council has retained Savills Affordable Housing Consultancy to support officers in the production of the annual Housing Revenue Account (HRA) Business Plan.

This report summarises the business plan outputs in preparation for the 2026/27 budget year and sets out the financial capacity and capability of the HRA to deliver on the Council's objectives in respect of the delivery of landlord services, stock investment, regeneration and new supply.

Savills have worked with officers to prepare the HRA business plan using the Savills platform for the first time, with the plan commencing financial year 2025/26.

In developing the plan and preparing this report, we have taken account of key economic and inflationary drivers, both national and local, as well a number of policy and related changes at a national level, introduced as a result of, and alongside, the Spending Review in June 2025, subsequent housing policy related consultations during the summer of 2025 and the Autumn Budget in November 2025.

In summary these include:

- High capital investment costs in the existing stock due to high levels of inflation in recent years, updated stock condition data and enhanced investment and building safety standards.
- Significantly increased operating costs based upon a commitment to improve data quality and service delivery standards.
- Increased development costs due to high levels of inflation in recent years, coupled with skills shortages in some areas alongside other market driven pressures.
- Continued high levels of interest rates available from the PWLB, albeit with discounts currently applied for HRA borrowing.
- Potential for continuing pressures on current operating costs which could outweigh income growth in the short-term.
- Government consultations on changes to the Decent Homes Standard and the introduction of a Minimum Energy Efficiency Standard (MEES), both of which inform business planning subject to confirmation by government, expected next year.
- A government consultation on the rate and pace at which rent convergence may be reintroduced, with the outcome now announced.
- Changes to the Right to Buy (RTB), following an extensive government consultation in late 2024, the outcome of which is to restrict access to the RTB whilst also providing a greater degree of flexibility for the reinvestment of RTB receipts, including some measures which are subject to primary legislation yet to be introduced.

At this stage, the plan is based on 2025/26 forecast outturn expenditure and income, and proposed budgets for 2026/27. The plan is therefore subject to further change for in-year variations and budgetary amendments, if these arise, as the business plan goes through the formal approval process.

1.2 Approach

This report sets out our findings as follows:

1. The outputs from the latest HRA business plan model in the light of the latest market conditions, national policy changes, local policy initiatives and other factors (as set out above).
2. Outputs from financial modelling and sensitivity testing (where appropriate) to establish alternative delivery scenarios for the business plan.
3. The impact on the metrics and indicators which can form the basis of future investment management and planning decisions for the HRA.

2. Business plan model - Baseline

2.1 Introduction

The HRA Business Plan financial model, the “baseline” plan, has been developed from information provided by officers, based upon the forecast outturn position for the 2025/26 financial year, and proposed budgets for 2026/27, with the baseline plan model providing the basis for this report.

The model has been developed via a series of meetings with officers to agree the methodology and assumptions.

2.2 Overview of methodology and assumptions

Overall

The plan is based on overarching principles as set out below.

- 30-year projections launched from 2025/26, based on the forecasts for 2025/26 and proposed budgets for 2026/27.
- Core inflation (subject to scenario testing) projected at:
 - 2.6% for 2027/28
 - 2.0% from 2028/29 onwards.
- Rents increasing at:
 - Rent increases of CPI plus 1.0% for 10 years, in line with the current rent settlement, before reverting to CPI only from April 2036
 - Homes relet at formula rent including the full rent flexibility, with a 3% annual turnover rate assumed.
 - Rent convergence for existing tenants assumed at £1 per week, from April 2027 and £2 per week from April 2028, for the remainder of the rent settlement period.
- Voids levels assumed to be 1.08% in 2026/27, reducing to 0.8% from 2027/28, relying upon improved performance following additional financial investment into the service during 2026/27.
- Bad debts assumed at 1% for 2026/27 and 2027/28, reducing to 0.9% by 2028/29 and 0.8% from 2029/30 onwards, with investment in both staff and IT anticipated to improve collection performance.
- Salary costs assumed to increase at 3.5% in 2027/28, 3.4% in 2028/29 and 2.6% from 2029/30 ongoing, which also takes account of anticipated incremental progression.
- Recharges and overheads assumed to increase by CPI plus 0.6% recognising a significant element of employee related costs are included.
- Outsourced repairs and capital maintenance costs are assumed to increase by 2.74% in 2027/28, 2.59% in 2028/29, 2.74% in 2029/30 and 2.53% from 2030/31 ongoing, which represents a blended rate using a mix of CPI and forecast building cost inflation (BCIS).
- Provision for depreciation increasing at CPI throughout.
- Capital maintenance of the existing tenanted stock (subject to Right to Buy sales) is initially modelled at a total of £515.8m (at today's prices before any adjustment) over 30 years from 2025/26; this provides for the existing capital programme for year 1, before moving to the Stock Condition Survey investment data from year 2, with the Decent Homes backlog assumed to be delivered across the first 6 years. An additional sum of £180m is also incorporated towards delivering Net Zero Carbon (NZC) investment in the housing stock, with this investment beginning in 2030/31 once EPC 'C' has been achieved.
- The overall stock investment profile (excluding the NZC uplift) equates to £67,070 per property, which is broadly in line with national average benchmarks based upon LGA research undertaken in 2024 (which were in the region of £62,000 nationally), but with these averages rising as more condition surveys are completed, to around £69,000 in 2025/26.

- Inclusion of an extensive development programme, with the delivery of an estimated 1,694 homes across the first 11 years of the plan as part of an anticipated programme, reliant on the receipt of significant Homes England Grant through a Strategic Partnership arrangement, to make the programme financially viable.
- To facilitate the delivery of the 1,694 homes, the assumption is made that 414 homes will be demolished across the same timeframe as part of regeneration schemes, a number of which are already vacant or are actively being decanted.
- Inclusion of a long-term programme of acquisition or new build homes at 25 per annum, assumed to deliver a further 575 homes from year 8 and throughout the remainder of the plan, to ensure that future Right to Buy receipts can be appropriately re-invested.
- Interest calculations based upon a portfolio of loans totalling £213.6m attributed to the HRA, with an opening HRA Capital Financing Requirement (CFR) of £230.4m, with interest charged on the internal borrowing of £16.8m at a rate of at 5.50% in 2025/26, 5.15% in 2026/27, 5.35% in 2027/28, 5.25% in 2028/29 and 5.20% from 2029/30 on an ongoing basis.
- New borrowing assumed at a rate of 5.50% in 2025/26, 5.15% in 2026/27, 5.35% in 2027/28, 5.25% in 2028/29 and 5.20% from 2029/30 on an ongoing basis.
- Interest received on HRA cash balances at 3.90% in 2025/26, 3.60% in 2026/27, 3.30% in 2027/28 and 3.50% from 2028/29 ongoing.

The overall methodology within the plan is founded on the following key approaches:

- Borrowing for acquisitions and investment in the existing stock is approximately £760.4m over the life of the plan (£568.3m net new borrowing, with the balance replacing existing loans as they mature), with this currently assumed to be predominantly in respect of development, but with a degree of borrowing required for investment in the existing housing, more so in the first 5 years whilst EPC 'C' is achieved and the Decent Homes backlog is delivered.
- The assumption is made that debt will be repaid during the life of the business plan, as loans reach maturity, but with these repayments currently assumed to be subject to replacement borrowing to maximise the resource available for investment in both new homes and in future energy improvements to the existing housing stock.

We have set out below further details in respect of some of the key inputs and assumptions.

Rents

Rents follow current guidance with relets to new tenancies at the relevant formula rent, including the discretionary rent flexibility (rather than the outgoing rent).

Void levels are incorporated into the financial model at 1.08% for 2026/27, reducing to 0.80% in 2027/28 on an ongoing basis. This assumes improved voids performance, as a result of planned investment in services in 2026/27, which will need to be carefully monitored to ensure delivery.

The annual contribution to the bad debt provision has been modelled at 1.00% for 2026/27 and 2027/28, reducing to 0.90% in 2028/29 and 0.80% from 2029/30 on an ongoing basis. This assumes improved collection performance in the coming years as a result of investment in both staff and IT systems, which will again need to be carefully monitored.

Rents are assumed to increase annually by CPI plus 1.0% (based upon the preceding September's CPI rate) from April 2026 for 10 years, in line with the current rent settlement announced in June 2025. The rate of inflation as measured by CPI in September 2025 was 3.8%, giving rise to a 4.8% rent increase from April 2026, and this assumption has been incorporated into the baseline business plan.

As part of the Spending Review in June 2025, the government confirmed its intention to reintroduce rent convergence, and in July 2025, issued a consultation paper on the rate and pace of this. The consultation sought views on closing the gap between actual and formula rents each year by either £1 or £2 per week, on

top of the standard CPI plus 1.0% increases, and on whether it should be implemented from April 2026 and should span the full 10 years of the current rent settlement period. The outcome of the consultation is now known, with a delay in implementation, and the reintroduction of rent convergence at £1 per week from April 2027 and £2 per week from April 2028, for the remainder of the rent settlement period.

The reintroduction of rent convergence had initially been assumed in the baseline model at the rate of £2 per week from April 2026, in advance of the announcement from government. Now that the announcement has been made, the business plan has been updated to reflect the confirmed policy change. The original assumption of being able to reintroduce rent convergence at £2 per week from April 2026 has been modelled as a sensitivity, to show the impact of the change in assumption.

Any decision not to reintroduce rent convergence as announced, would be expected to negatively impact the HRA business plan, as would any national decision not to maintain rent increases at a minimum of CPI plus 1.0% for the next 10 years. We have modelled both as sensitivities to demonstrate the potential impact.

Right to Buy sales volumes

The level of sales is modelled at 40 in 2025/26, whilst the Council works its way through the influx of applications received in the first three weeks of November 2024 following the government announcement of a return to the pre-2012 maximum discount levels from 21 November 2024.

The discount changes have reduced the maximum discount from £102,400 to £34,000, and as a result the estimated number of future sales has been reduced, with 15 sales per annum forecast from 2026/27, with the potential for this to reduce further once activity levels with the lower discounts are clear.

Estimated sales over the next 30 years account for a stock loss of 6.2% over the plan period (excluding any disposal or regeneration schemes). We have made adjustments to rents and future capital investment assumptions to reflect the stock losses incorporated, but not to management or maintenance costs, as the numbers are not material in terms of the impact on the plan, particularly in the long-term.

Capital works to existing properties

The model reflects the proposed capital programme, which is driven by the Stock Condition Survey data from the Councils' Asset Management System. The data for this iteration of the plan has not been updated from data used 12 months ago (but has simply been inflated), as there is currently an exercise in progress to fully refresh the Stock Condition Survey data, which is expected to provide updated assumptions as part of the next iteration of the plan.

This carries a degree of risk in the short-term, but the view that a reasonable level of resource has been incorporated into the plan whilst refreshed Stock Condition Survey data is awaited is borne out by the fact that the level of investment per property over 30 years is £67,070 (excluding the NZC uplift), compared to national sector benchmarks that are currently in the region of £69,000 per property. This provides some comfort that the plan is not significantly under-provided in this area.

The stock investment data currently used to inform the baseline plan is summarised in the table below:

Table 2.1 – Stock Investment Requirements derived from Asset Management System, including energy uplift (base year prices)

	Years 1 to 5	Years 6 to 10	Years 11 to 15	Years 16 to 20	Years 21 to 25	Years 26 to 30	Total
Decent Homes (Codeman)	48,284,495	59,285,148	56,700,525	46,202,661	47,803,009	49,956,772	308,232,611
Other HRA Stock Capital Works	7,032,326	5,164,793	5,106,212	5,416,505	5,976,854	6,396,650	35,093,340
Estate Investment Fund	1,072,000	0	0	0	0	0	1,072,000
Energy (Stock to EPC 'C')	47,662,000	0	0	0	0	0	47,662,000
Backlog	32,682,310	6,498,978	0	0	0	0	39,181,288
CCC Fees and External Professional Fees	3,402,680	2,800,710	2,644,425	2,644,425	2,644,425	2,644,425	16,781,090
Decent Homes Contractor Overheads (11%)	6,386,130	7,545,994	7,255,241	6,134,608	6,372,285	6,655,376	40,349,635
Disabled Adaptations	4,248,000	4,150,000	4,150,000	4,150,000	4,150,000	4,150,000	24,998,000
New Build Decent Homes	2,431,000	0	0	0	0	0	2,431,000
Net Zero Carbon Contribution	0	36,000,000	36,000,000	36,000,000	36,000,000	36,000,000	180,000,000
	153,200,942	121,445,622	111,856,403	100,548,199	102,946,573	105,803,224	695,800,963

The total level of investment anticipated over 30 years is £695.8m, including £180m of resource towards the delivery of Net Zero Carbon from year 6 onwards. This level of investment in Net Zero Carbon will in no way meet this standard across the entire portfolio, with the full cost estimated to be in the region of £418m (in addition to what will be spent to achieve EPC 'C').

New Build, Regeneration and Acquisition assumptions

The plan provides for an extensive development programme, with the delivery of an estimated 1,694 homes as part of this programme across the first 11 years of the plan. The programme assumes a significant contribution in the form of Homes England grant (from the Social and Affordable Homes Programme), with £120,000 per eligible home incorporated into the assumptions, assuming the Council is able to secure a Strategic Partnership arrangement with Homes England. The programme will need to be fundamentally reviewed if this is not achieved, and grant will instead need to be sought on a scheme by scheme basis through the continuous market engagement process.

To facilitate the delivery of the 1,694 homes, the assumption is made that 414 homes have either been vacated and removed from the stock during 2025/26, or will be, in the coming months and years, to allow demolition as part of regeneration schemes. These properties have been removed from the business plan, with both rental income and capital investment assumptions adjusted accordingly. Management and revenue repair costs have not been adjusted, as many of the homes have already been vacated.

A long-term programme of new homes is incorporated at 25 per annum, assumed to deliver a further 575 from year 8 and over the remainder of the plan, to ensure that future Right to Buy receipts can be appropriately re-invested. The assumption is made that these homes will be delivered using 50% Right to Buy receipt funding (40% in the last 2 years) and 50% HRA resource or borrowing (60% in the last 2 years), to ensure that the Council continues to deliver more homes than would otherwise be provided if Right to Buy receipts were to be the only source of funding.

New homes are assumed to be introduced at a mix of social and affordable rents, with affordable rents at up to 80% of market rent.

Provision for management, revenue repair and capital maintenance costs for new build homes on a marginal basis is currently made within the plan, recognising that the number of new homes being delivered will be greater than the number either sold under the Right to Buy or demolished as part of regeneration schemes, and that the new homes will be built to higher standards, which will require additional future investment.

Interest rates

The Council operates a two-pool approach to managing debt, with a portfolio of loans totalling £213.6m attributed directly to the HRA, with a HRA Capital Financing Requirement of £230.4m leaving notional internal borrowing of £16.8m, with interest charged to the HRA based upon a rate of 5.50% in 2025/26, 5.15% in

2026/27, 5.35% in 2027/28, 5.25% in 2028/29 and 5.20% from 2029/30 onwards, for the remainder of the term of the plan.

New borrowing is assumed at the same market rates, which anticipate longer-term borrowing from the Public Works Loan Board (PWLb) and the ability to re-finance existing borrowing at similar levels, adopting forecasts from the Council's treasury advisors. The HRA preferential rate with the PWLB is now assumed to apply until March 2027, following an announcement of its extension in late January 2026.

The plan currently assumes repayment of debt at loan maturity, but also assumes new borrowing to replace a significant proportion of this to allow investment into the delivery of enhanced services, improvement works to the existing stock and new homes within the HRA.

Internal lending is assumed at an interest rate of 3.90% in 2025/26, 3.60% in 2026/27, 3.30% in 2027/28 and 3.50% from 2028/29 onwards in line with advice from the Council's treasury management function.

2.3 HRA Business Plan Projections - Baseline

As set out above, we have modelled the capacity of the business plan not only to meet existing and future service costs, but also to invest in existing homes to ensure stock is maintained at the Decent Homes Standard and to deliver new homes, whilst also demonstrating overall financial sustainability. In doing so, a starting minimum balance for the HRA of £7.4m has been applied, increased to £8.2m from 2026/27.

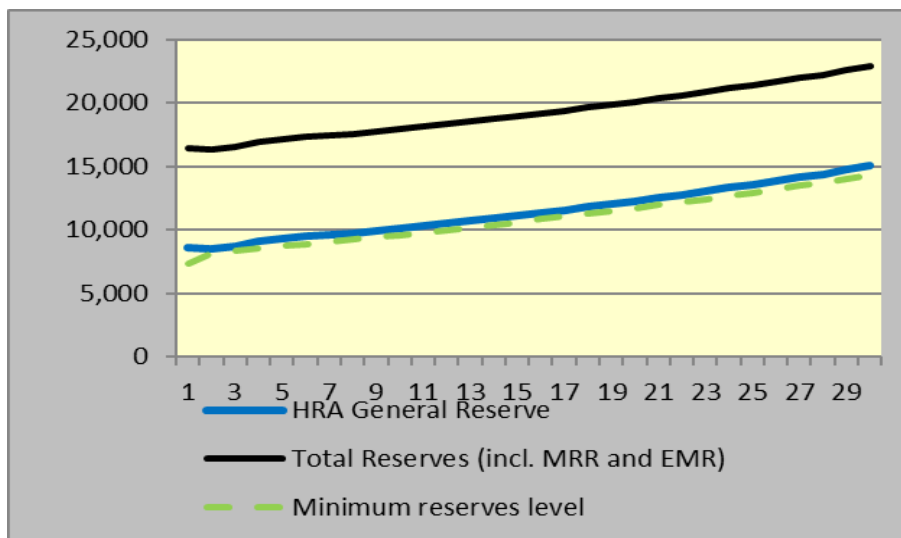
Various methodologies can be applied for arriving at a minimum reserve balance:

1. Equivalent to a period of gross expenditure. In the case of Cambridge £8.2 million is equivalent to 2.4 months of expenditure; elsewhere we have seen 1.7 months set as a basis.
2. A percentage of turnover is also adopted at other LA's, with authorities we have worked with having set the target limit at minimum 10% of turnover, which if adopted by Cambridge, would be £6.1m, in place of the current £8.2m.
3. Finally, a straightforward allowance per unit could be used, which equates to £1,072 per unit whereas values closer to £900 per unit are modelled elsewhere.

Having considered the above benchmarks, the 2026/27 level of minimum reserves of £8.2m included in the business plan is considered prudent against all metrics, and as a result, the Council could consider reviewing the reserves policy in future years.

The chart below shows the projection for HRA reserves, maintaining reserves at, or marginally above the minimum level, with the starting level of £7.4m increased to £8.2m for 2026/27, then inflated annually in line with CPI, with all available remaining resource in the HRA utilised to finance the capital programme.

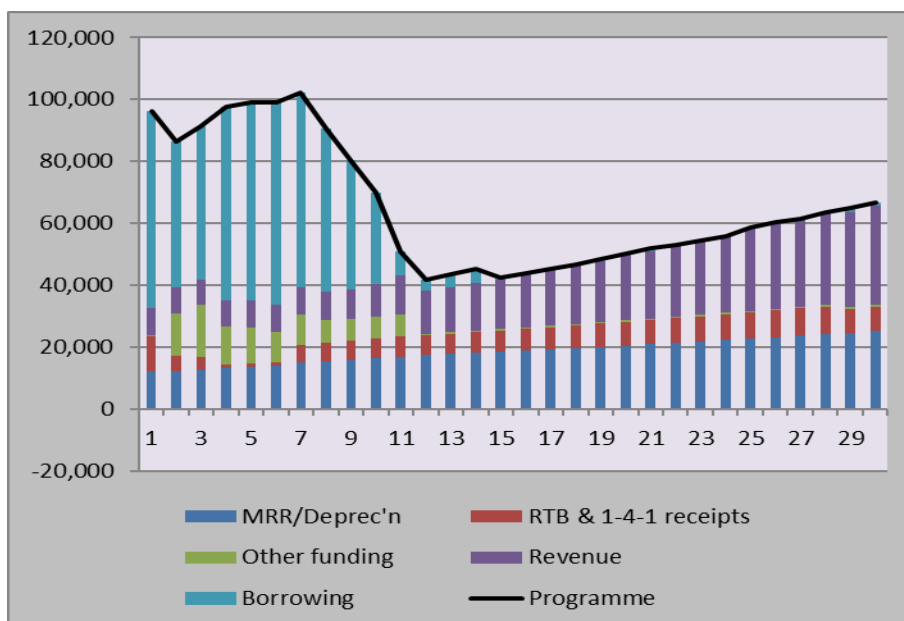
Chart 2.1 – Projected HRA balances (£'000s)



These projections demonstrate that the HRA reserves are able to be maintained at, or above the minimum level set throughout the life of the plan, with any revenue surplus above this level utilised as revenue contributions to capital outlay (RCCO) to fund the capital programme, reducing the need to borrow further. The model maximises available revenue contributions to capital throughout the 30 years, whilst maintaining balances within the HRA revenue reserve at, or above, the agreed level.

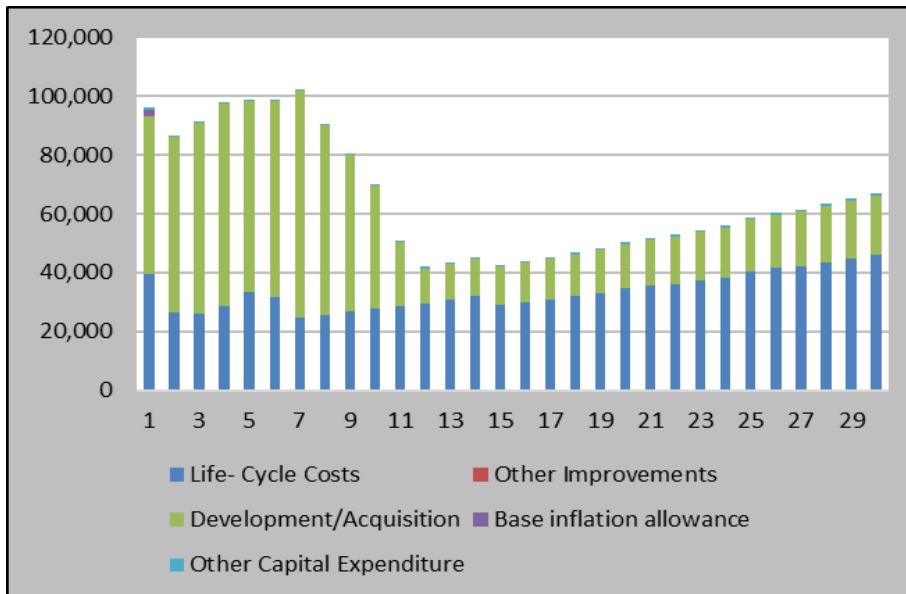
The Council could reduce the use of revenue surpluses to directly finance the capital programme, instead providing for additional expenditure on services, utilising the resource to support additional borrowing, or alternatively setting aside resource to allow repayment of an element of HRA debt. This would however require a review of the proposed capital investment programme, to either reduce investment, or to utilise alternative funding sources.

Chart 2.2 – Projected capital expenditure and financing (£'000s)



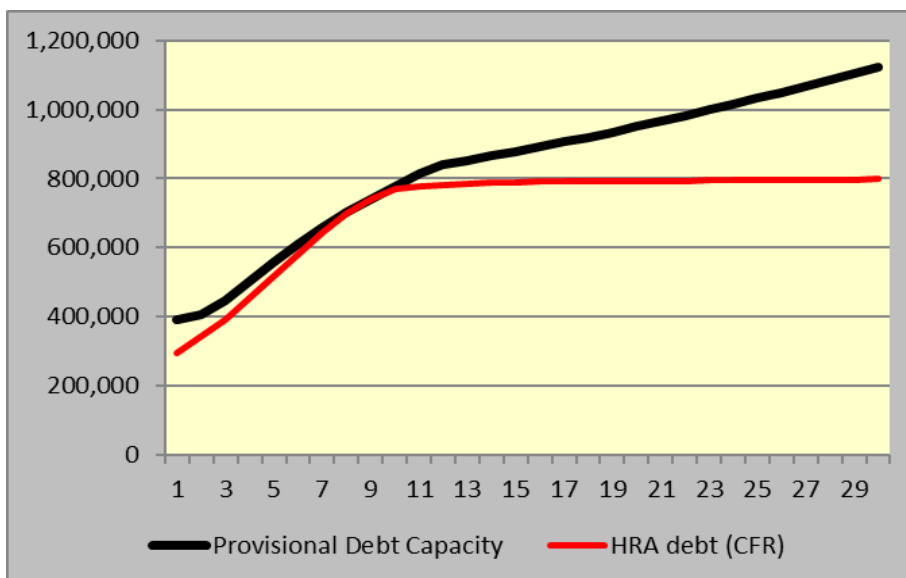
Capital expenditure is fully financed throughout the 30 years as demonstrated by the horizontal black line, with net new borrowing required throughout, to facilitate the delivery of the ongoing programme of new homes, alongside energy improvements to the existing housing stock.

Chart 2.3 – Projected Capital Expenditure Analysis (£'000s)



In order to assist in financing the levels of capital expenditure demonstrated above (charts 2.2 and 2.3) the projected debt (HRA CFR) is demonstrated in the graph below.

Chart 2.4 – Projected debt profile (HRA CFR) and Notional debt capacity “golden rule” (£'000s)



Borrowing is projected to increase across the life of the plan, to a total of £799m by 2054/55, with a degree of net new borrowing required to continue to deliver new homes, alongside taking out new loans in place of existing loans as they mature.

The notional debt capacity in the chart above is measured on the basis of the Interest Cover Ratio¹ (ICR) which sets out one basis for setting a prudent limit on borrowing based upon the underlying net income generated within the plan. Borrowing sits within this measure of debt capacity, as measured by an interest cover ratio of 1.25 throughout the life of the plan, with additional borrowing capacity available, beginning to build from year 11 onwards, once the current development programme, which utilises a significant amount of the capacity in the early years, comes to an end.

The business plan carries risk in terms of the level of borrowing required, particularly across the first 10 years, as the development programme is delivered and the required energy improvements are made to the existing housing stock. During this period there is far less capacity to respond to unforeseen events or to invest elsewhere if the need arises. Borrowing can be supported by available revenue resources but will require careful risk management and regular review to ensure that costs are controlled and new homes are delivered both on time and budget.

The ICR is calculated as operating surplus divided by interest costs, and represents the cover that the HRA has against its interest cost liabilities in any year after taking into account transfers from the HRA to the Major Repairs Reserve (MRR) for depreciation, which in turn is then used to finance the capital programme.

This approach to ICR recognises that the Council has flexibility in the way it uses any HRA net income after depreciation – it can either use this surplus revenue to top up depreciation to the MRR, use surplus revenue as revenue contributions to the capital programme (RCCO), use surplus revenue to borrow against, or use surplus revenue to pay down debt.

The ICR is set to a “golden rule” which provides comfort that if there were a sudden drop in income or increase in operating costs, there would be sufficient headroom to continue to cover debt interest. For housing associations, the usual definition of operating surplus is EBITDA-MRI (Earnings before Interest, Tax, Depreciation and Amortisation – Major Repairs Included) – which is a measure that takes into account all of the costs associated with future stock maintenance. For the HRA, there is a split between future costs which are charged to revenue and future costs which are charged to capital hence it is appropriate to draw the “net income” level after depreciation.

There are financial pressures within the housing association sector that are parallel to those affecting local authorities and Cambridge City Council. The average ICR for the HA sector in 2024/25 was 0.91 although this captures all capital as well as revenue expenditure; typical lending covenants vary between 1.10 and 1.50 depending on the size and nature of the HA, with 1.25 being a typical “golden rule” expectation. Until the last two years, the ratio has not dropped to below 1 since 2007/08 and highlights that housing associations have had to accept that interest cover will dip below minimum levels in the short-medium term (effectively requiring a “carve out” from their funder covenants in the short-term). In other words, they are having to use some net income to borrow to invest in their stock applying a degree of flexibility in the same way that councils are able to do within the HRA.

For the HRA, operating surplus is best defined as:

- Turnover (dwelling rents, other rents, service charges, contributions)
less
- Operating Costs (general management, special management, other management, repairs & maintenance, depreciation transfers).

The above definition of ICR works in the HRA context as it determines the revenue surplus before interest, appropriations, and other “below the line” adjustments, and already takes into account a significant element of costs relating to major repairs before comparing to debt interest capacity.

¹ We draw ICR at Net Operating Income (i.e. turnover less management, maintenance and depreciation); this reflects the resource accounting nature of the HRA and flexibility with which to utilise surplus revenue below that level

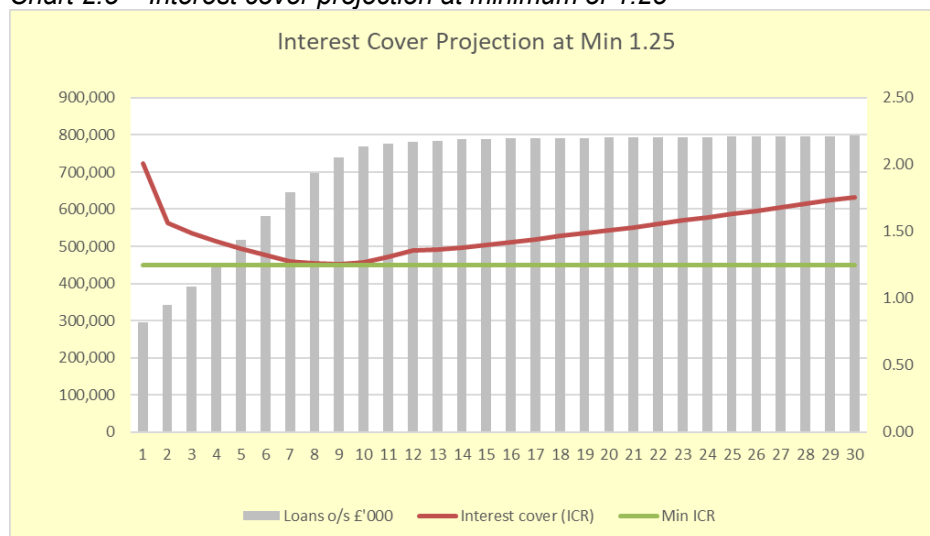
The net operating surplus determining the availability of revenues to cover interest payments can also be expressed in %age terms as “operating margin”. The operating margin within the baseline plan starts at around 30% and rises to circa 44% over the long-term. Margins are considerably above national benchmarks throughout, when compared with other local authorities, and improve further as rents increase at a greater pace than costs and new homes are delivered with higher rents and marginal operating costs assumed for these.

Chart 2.4 shows the provisional debt capacity (prudential borrowing) which is set at the “golden rule” of interest cover ratio (as defined above) at a minimum of 1.25, with borrowing headroom available throughout, but not to any great significant degree until year 11 and throughout the remainder of the life of the plan.

The plan shows a position that is financially viable in terms of HRA revenue projections, with reserves maintained at, or above, minimum levels throughout. The plan is not, however, without risk. The level of debt to be taken on is significant, but critically sits within levels that would be considered “prudent” in risk management terms. The impact on the “golden rules” for setting prudential limits is affected in terms of:

- Forecast levels of debt (HRA CFR) increase throughout the life of the plan predominantly to support the planned investment in the delivery of new homes, but also the investment required in the existing housing stock in the first 5 years.
- There is resource available for debt repayment in later years, but the plan currently assumes this is reinvested in the delivery of energy improvements to the existing housing stock and in the delivery of new homes.
- Forecast borrowing is within the interest cover “golden rule” of 1.25 throughout, with an ICR of 2.01 in 2025/26, reducing to as low as 1.25 in year 9, before rising to 1.76 by year 30, indicating a financially viable position, but with inherent risks that will need to be managed and little additional investment capacity for some time. This is clearly demonstrated in the chart below:

Chart 2.5 – Interest cover projection at minimum of 1.25



A 10-year rent settlement at CPI plus 1.0% in addition to the assumption that rent convergence will be reintroduced at £1 per week from April 2027 and £2 per week from April 2028 are essential to support the interest payments on the borrowing within the plan and to ensure that borrowing remains at levels that are considered “prudent” in risk management terms, particularly over the first 10 years. It is also critical that costs are controlled during the first 10 years of the plan, as the investment capacity is fully committed over this period based upon the expenditure assumptions within the baseline plan.

2.4 Comparison to benchmarks

The table below compares data from the Draft Statement of Accounts for Cambridge City Council to that of the majority of other local authorities with a Housing Revenue Account, using available 2024/25 data.

Table 2.2– Statement of Accounts Benchmarking Data 2024/25

	Cambridge	Eastern Region	National
Management cost gross per unit	1,329	2,022	2,393
Maintenance cost gross per unit	2,126	1,653	1,680
M&M gross per unit	3,455	3,675	4,073
M&M net of non-rent income per unit	2,509	2,842	2,886
Depreciation per unit	1,575	1,380	1,196
Operating costs per unit (net of non-rent income)	4,083	4,222	4,082
Debt per unit	29,994	24,260	20,039
M&M rent £	0.39	0.50	0.53
Depn rent £	0.24	0.24	0.21
Financing rent £	0.15	0.15	0.14
Surplus/deficit rent £	0.22	0.11	0.12
Rent	130.61	113.25	109.05

Management and maintenance costs combined are lower than benchmark particularly after netting off non-rent income (i.e. service charges)

Individually management costs are lower than benchmark and maintenance costs are higher, but Cambridge report repairs administration costs in repairs whilst some local authorities report it in management, hence a combined measurement is a more useful comparison.

Depreciation is marginally above benchmarks, both regionally and nationally.

The debt per unit (predominantly resulting from the 2012 Self-Financing Settlement) is high, but so is the rent per unit supporting it, when compared to both regional and national averages.

Represented as a proportion of the rent £, management and maintenance costs are far lower than benchmarks, with rents and operating margins being high, leaving significant surpluses available for RCCO, investment in services or debt repayment. All available resource is currently committed as RCCO to the capital programme to finance investment in the stock, energy improvements and new build.

Increases to budgets from 2026/27 will see the gross management and maintenance cost increase from £3,455 in 2024/25 to an estimated £3,814 – an increase of over 10%, which (given rent increases across the country of 4.8%) is likely to be a higher revenue cost increase than for many authorities.

The management and maintenance cost, net of non-rent income, will increase from £2,509 to £3,042, an increase of over 20%.

These increases are affordable within the business plan, in part as a result of the assumption that rent convergence is reintroduced at £1 per week from April 2027 and £2 per week for April 2028. Any local decision not to reintroduce this, will adversely impact the business plan.

3. Sensitivity and Stress Testing

Given the ongoing economic and policy uncertainty in respect of cost inflation, interest rates, rent convergence and the impact of proposed changes to Decent Homes Standard alongside the introduction of a Minimum Energy Efficiency Standard, we have specifically reviewed some sensitivities in respect of the impact of these.

The sensitivities considered are set out in the sections below, with a summary in the set of graphs at the end of the section. These measure the impact of each sensitivity against the closing level of debt, the closing level of HRA reserves and the closing interest cover ratio at the end of the plan.

3.1 Interest Rate Risk

Due to the increased levels of borrowing in the business plan in order to facilitate both development and the investment required in the existing housing stock, the level of interest rates will have an impact on the plan. Any requirement for the Council to refinance existing debt will also impact the plan.

The interest rates supplied for use within the plan are based on the Council's view of the treasury sector, with borrowing rates of 5.50% in 2025/26, 5.15% in 2026/27, 5.35% in 2027/28, 5.25% in 2028/29 and 5.20% from 2029/30 onwards, for the remainder of the term of the plan, but the markets, and particularly Government gilts, are difficult to predict.

At the time of writing, PWLB maturity loan rates vary from 4.57% to 6.19% depending upon the term of the loan. The current reduced HRA rate at 60 basis points below the standard PWLB lending rates is now applicable until at least March 2027, following an announcement in late January 2026 of a single year extension. Outside of this, the PWLB certainty rate of 20 basis points below the standard rate will still apply. Therefore the 5.50% rate currently is not considered unrealistic, and is reflective of the rates available to the HRA for longer-term borrowing in the current market place.

However, by way of example, we have demonstrated the impact of:

- Increasing borrowing rates for all new borrowing by 1.00% from 2026/27 onwards
- Reducing borrowing rates for all new borrowing by 1.00% from 2026/27 onwards.

The rates modelled for 2025/26 remain unchanged in both scenarios.

3.2 Cost Inflation Risk

Within the plan, we have used inflation indicators as agreed with Cambridge, which assume the Bank of England's core target for inflation of 2% is achieved by 2028/29, with a rate of 2.60% assumed for 2027/28.

Considering both the Bank of England (BoE) and Office of Budget Responsibility (OBR) forecasts for the next 3 years for CPI, this assumption is considered wholly reasonable and is in line with the assumptions being made by a number of other councils.

According to the Bank of England's Monetary Policy Report of Augst 2025 inflation was expected to be:

- 3.8% Quarter 3 2025
- 2.7% Quarter 3 2026
- 2.0% Quarter 3 2027

In December 2025, the Bank of England reduced the base rate to 3.75%, and confirmed that they anticipated the fall back to the 2% inflation target would be quicker.

The Office of Budgetary Responsibility Economic and Fiscal Outlook of November 2025 also supports the view that inflation will return to 2% during 2027, supporting the assumption that this could be the rate assumed for budgets from 2028/29.

To test the impact of varying inflation on the plan we have modelled two scenarios in respect of cost inflation and non-rental income inflation only, as detailed below:

Higher general cost and non-rental inflation (CPI)

In this scenario we have modelled inflation for 2027/28 and 2028/29 at 3%, before returning to 2% from 2029/30.

Lower general cost and non-rental inflation (CPI)

In this scenario we have modelled inflation falling to below the government's long-term target, with 1% assumed for both 2027/28 and 2028/29, before returning to 2% from 2029/30.

3.3 Future Rent Policy (possible risks and “upside”)

We have considered the impact of changes in both cost and non-rental inflation and interest rates, and now have some certainty over base rent increases for the next 10 years, with the basis for the reintroduction of rent convergence now confirmed.

The Council's baseline position now assumes CPI plus 1% for 10 years from April 2026, with rent convergence assumed to be reintroduced at the rate of £1 per week from April 2027, increasing to £2 per week from April 2028, for the remainder of the 10-year rent settlement period.

To demonstrate the impact on the plan of alternative scenarios, we have modelled two alternative scenarios as detailed below:

- Rent convergence at £2 per week from April 2026, as was assumed in the business plan prior to the recent government announcement
- Rent convergence not being introduced at all

We have modelled the impact of the earlier assumption that rent convergence would be reintroduced at £2 per week from April 2026, to demonstrate the positive impact that this would have had.

We have also modelled rent convergence not being implemented at all, demonstrating the impact of a local decision not to proceed with rent convergence.

This has the potential to make a significant “downside” difference to the resources available in the HRA, which will otherwise allow the Council to consider additional investment to meet repair liabilities and building safety requirements, to meet energy efficiency targets, and to deliver additional new homes.

From a further downside perspective, we have also modelled the impact of early cessation of the 10-year rent settlement, assuming a change in government policy reverts rent increases to CPI only after the first 5 years, recognising that rent policy has been revisited a number of times in the past.

3.4 Include Full Net Zero Carbon Investment

The baseline financial model assumes achievement of the EPC ‘C’ standard by 2030, and then provides for additional investment of £180m, at £7.2m per annum from year 6 towards achieving Net Zero carbon standards across the housing stock.

We have modelled an alternative scenario that assumes a higher level of investment, aimed at achieving Net Zero Carbon across the life of the plan, based upon the Net Zero Carbon costs provided to the Council by Fielden and Mawson a number of years ago.

We have also modelled the impact of removing this additional investment completely, to demonstrate the impact of capital investment that does not bring with it an increased revenue stream, as the delivery of new homes does, for example.

3.5 Resulting Sensitivity Impact

The graphs below demonstrate the impact of each sensitivity modelled against the interest cover “golden rule” of 1.25 at year 30, the closing debt position at year 30 and the closing HRA reserves position at year 30.

Chart 3.1: Closing ICR modelled against above sensitivities

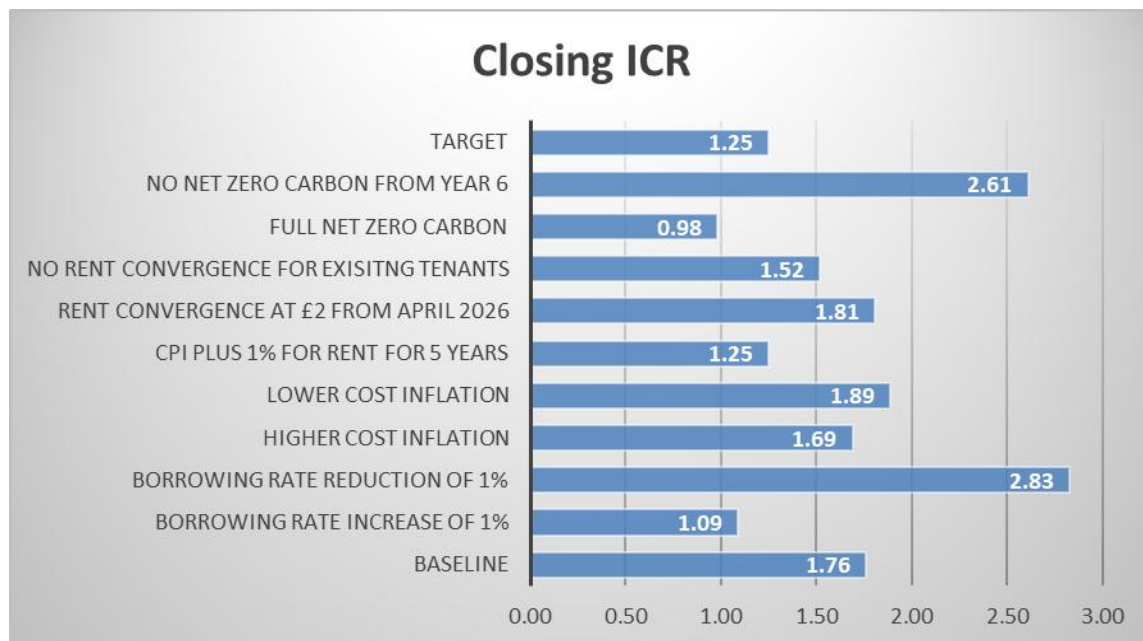


Chart 3.2: Closing HRA Debt modelled against above sensitivities

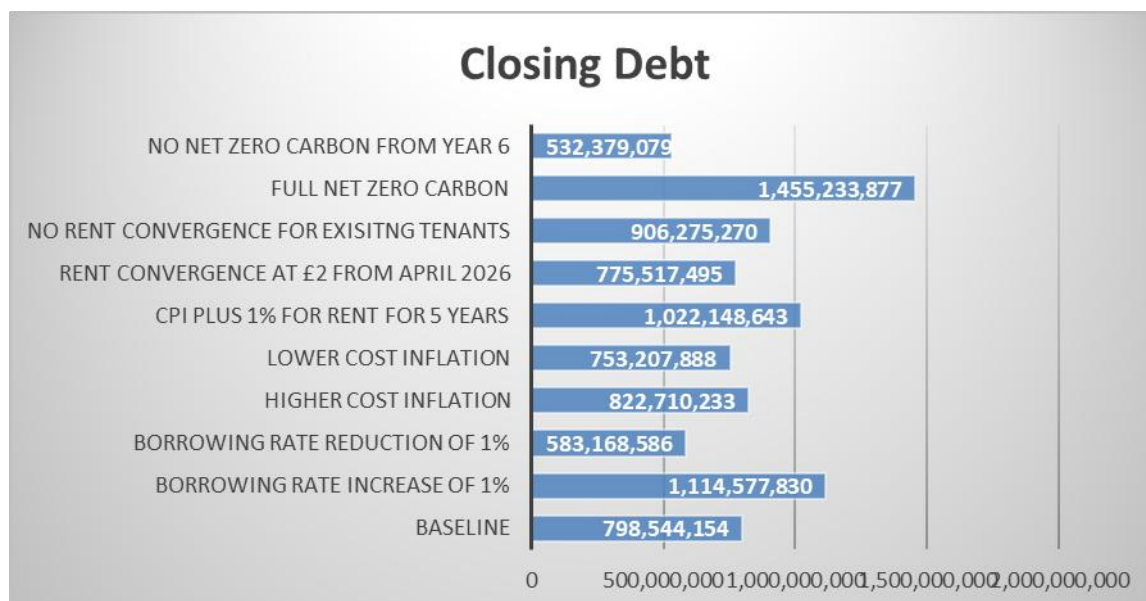
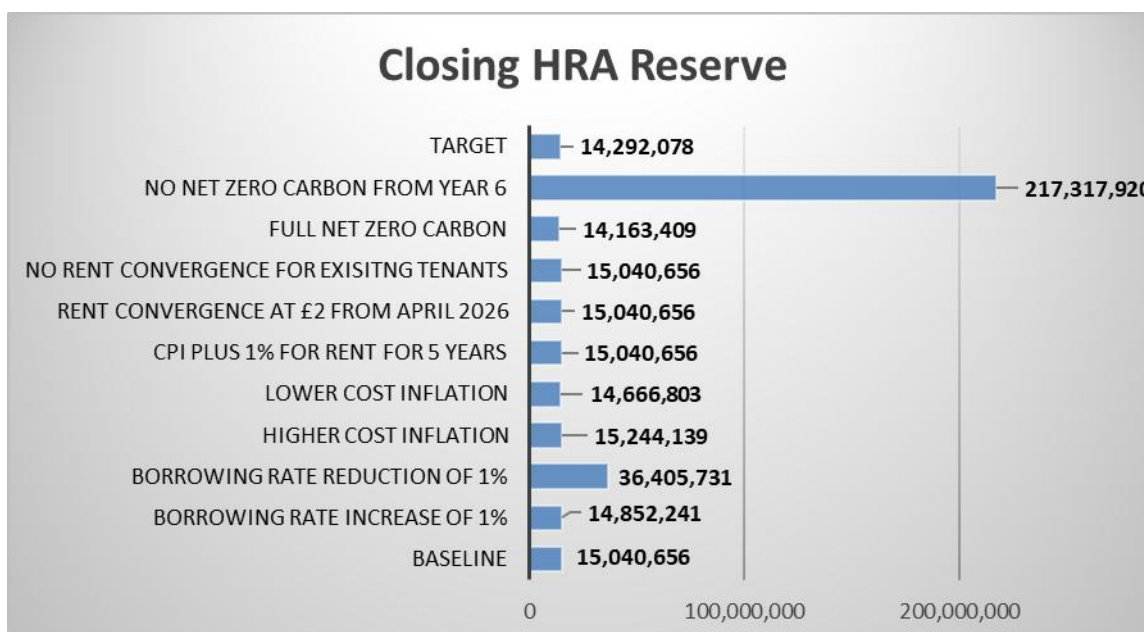


Chart 3.3: Closing HRA Reserves modelled against above sensitivities



As expected, the sensitivities and stress testing exemplified in the charts above highlight that the business plan (and therefore future financial viability of the HRA) is particularly sensitive to future rent setting policy across all elements of the plan, to future movements in interest rates as a result of new borrowing to be undertaken within the plan, and to the level of investment required to meet Net Zero Carbon standards.

Any local decision not to reintroduce rent convergence would increase the closing debt in the plan from £799m to £906m, and would result in borrowing moving to a level considered to be outside of what might be considered “prudent” in risk management terms in years 7 to 11, highlighting the importance of rent convergence to manage the risk in the baseline business plan.

It is evident that the business plan is particularly sensitive to an increase in interest rates, with significant borrowing required over the next 30 years. A 1 % increase in the interest rate for all new or re-financed borrowing would move the plan into a position where borrowing would be at a level above that considered “prudent” in risk management terms, with an ICR of 1.09 by year 30.

It is also clear that there is currently insufficient resource, or available borrowing capacity within a reasonable degree of risk management, to consider the full level of investment to achieve Net Zero Carbon standards across the existing housing stock. However, removal of the Net Zero Carbon investment from year 6 significantly reduces risk and increases capacity for alternative investment, potentially in additional development of new homes. Securing grant towards this investment would also have a positive impact, and should be fully explored.

The Council will, of course, need to keep the plan under close and regular review to ensure that costs are controlled and the delivery of services and investment are able to be maintained over the longer-term, particularly as additional borrowing is committed to.

4. Summary

1. The HRA business plan forecast as set out in our modelling for Cambridge shows projections for reserve balances, forecast debt (HRA CFR) and future potential borrowing capacity.
2. The baseline version of the financial model demonstrates a plan that is financially viable, but not without risk, particularly in the early years. There is the ability to maintain a minimum level of HRA reserves throughout, with any surplus revenue resources assumed to be available as revenue funding for the capital programme. Net new borrowing is required throughout the plan, with this predominantly relating to the delivery of new homes, but also to meet the investment need in the existing stock in the early years.
3. The baseline plan is constructed on a sound financial basis but given the inherent potential for changes in respect of rent increases, inflation and interest rates, we have run a number of scenarios which could potentially develop over the coming months.
4. This report is therefore very much a position statement (as of January 2026), and we would expect the plan to develop in the coming months. It is important that the Council continue to keep the plan under regular and rigorous review, particularly given recent government announcements (rent convergence, HRA borrowing rates, changes to the Decent Homes standard, MEES) and the need to borrow extensively, particularly in the early years.
5. The level of investment in the existing stock is included at £67,070 per property over 30 years, excluding the Net Zero Carbon uplift, but it is recognised that the Stock Condition data is now 12 months out of date and that refreshed data is awaited. The level of investment incorporated into the plan is however, in line with national benchmark levels, providing some comfort that there is not a significant under-provision until improved data is available.
6. The Council has reviewed the business plan projections to take account of the announcement on 28 January 2026 in respect of rent convergence, with the delay, and phasing of implementation reducing the resource that was previously assumed to be available. It should also be recognising that the reduced additional income now incorporated into the baseline plan is subject to the Council agreeing to implementation of the policy.
7. The Council will need to borrow extensively to meet both the ambitious development plans and to allow the required investment in the existing housing stock. We have identified how the level of borrowing compares to provisional “golden rules”, with the plan identifying that proposed borrowing would be within levels that are considered “prudent” against standard sector benchmarks throughout. Careful management will still be required to ensure that development delivery is monitored both in terms of cost and timescales and additional risks are identified and mitigated where possible. The anticipated receipt of Homes England Grant towards the delivery of new homes will also need to be carefully monitored, with proposals reviewed if this assumption changes significantly.
8. Financing and interest costs are able to be met from existing reserves and revenues generated within the plan throughout, with HRA reserves maintained at, or above, the desired minimum level. Using the “golden rule”, with an interest cover ratio of 1.25 of net operating income after depreciation, the baseline plan demonstrates that there is little additional investment capacity until after year 10 of the plan, with the ICR falling to 1.25 in year 9, demonstrating that all of the investment capacity is already being utilised across this period, to maximise the delivery of new homes. This metric is only one way to consider the risk associated with borrowing in the HRA, and the Council will continue to need to carefully manage the

borrowing proposed in future years, taking account of any changes in internal or external factors that may introduce additional risk.

9. The business plan reflects operating margins which are well above benchmark at the outset, and improve further as rents increase at a faster pace than costs and new homes are assumed to be delivered with the addition of marginal operating costs. The operating margin increases from 30.2% at the outset to 44.4% by the end of the plan period. It is still imperative that income is received as anticipated and costs are controlled, particularly in the first 10 years whilst borrowing is maximised, as the ability to support the borrowing is predicated upon the income and expenditure assumptions within the plan.
10. The sensitivities modelled show that a reduction in interest rates or positive changes in rent increases would reduce financial risks and add to long-term capacity. Conversely, an increase in interest rates, or constrained rent increases will add pressure to use up that capacity. Any decision not to reintroduce rent convergence will cause borrowing to move to a position above that which might be considered “prudent” in risk management terms for a period of time, reinforcing the view that careful risk management will be required over the short to medium-term.

Savills

January 2026

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Cambridge City Council Equality Impact Assessment (EqIA)

This tool helps the Council ensure that we fulfil legal obligations of the [Public Sector Equality Duty](#) to have due regard to the need to –

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Guidance on how to complete this tool can be found on the Cambridge City Council intranet. For specific questions on the tool email Helen Crowther Equality and Anti-Poverty Officer at equalities@cambridge.gov.uk or phone 01223 457046.

Once you have drafted the EqIA please send this to equalities@cambridge.gov.uk for checking.

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

General Fund Budget 2026/27 proposals

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

[Agenda for Performance, Assets and Strategy Overview and Scrutiny Committee on Tuesday, 27th January, 2026, 5.30 pm - Cambridge Council](#)

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

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

An EqIA is undertaken on the budget proposals each year. The budget proposals enable the City Council to set a balanced budget for 2026/27 that reflects the Council's vision and takes into account councillors' priorities in its proposals for achieving the savings required.

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

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

The 2026/27 budget proposals that are considered as part of this impact assessment are:

- B5363 City Services Operational Health and Safety Capacity
- B5396 Skill Mill
- CAP5337 Car Park Entry and Exit Systems
- CAP5351 Hand Arm Vibration Equipment
- B5335 Cleaning Contracts
- CAP5422 Planned maintenance works at Community Centres
- B5420 Public Safety - Street Lighting
- B5377 Discretionary Housing Payments
- B5424 LIFT (Low-Income Family Tracker)
- B5471 Strengthening Asset and Compliance
- CAP5441 Bereavement Service Capital Works
- B5341 Playground Investments
- TBC Taxi Card

4. Responsible Team and Group

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

5. Who will be affected by this strategy, policy, plan, project, contract or major change to your service? (Please tick all that apply)	☒ Residents ☒ Visitors ☒ Staff
Please state any specific client group or groups (e.g. City Council tenants, tourists, people who work in the city but do not live here): N/a	

6. What type of strategy, policy, plan, project, contract or major change to your service is this?	Each of the proposals identified will change the level of service to be delivered.

7. Are other departments or partners involved in delivering this strategy, policy, plan, project, contract or major change to your service? (Please tick)

☒ Yes

☐ No

If 'Yes' please provide details below:

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

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

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

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

9. Potential impacts

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

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

B5363 City Services Operational Health and Safety Capacity

The creation of a new Health and Safety Manager role would add capacity to support things like personal risk assessments and fire evacuation plans, to support safety at work of people with disabilities/impairments. The likelihood of mobility, visual and hearing impairments increases with age.

B5396 Skill Mill

This programme aims to reduce youth reoffending by providing paid environmental work placements and mentoring to high-risk young people who are not in education, employment or training referred by Youth Justice. This is for young people aged 16-18 so

would specifically benefit them. They are able to gain paid employment, and qualifications, and reoffending rates for those participating in Skill Mill are low at 8.5%. It therefore reduces youth crime, while boosting employability.

CAP5337 Car Park Entry and Exit Systems

This proposal is for updating parking equipment with a more digitalised system. To mitigate a potential negative impact for older users, who are more likely to experience digital exclusion, cash and card payment machines would still be retained.

CAP5351 Hand Arm Vibration Equipment

New Hand Arm Vibration, Whole Body Vibration, and noise monitoring equipment will help older members of staff as they may be more susceptible to vibration-related injuries or hearing loss.

B5335 Cleaning Contracts

This funding is required to maintain current service levels and hygiene standards across public toilets; maintaining high cleaning standards supports hygiene and accessibility for all users, and especially for groups who are likely to use toilet facilities more including:

- Families with young children: Parents, especially those with babies and young children, may require public toilets with baby-changing facilities.
- Older people: Older individuals are more likely to have medical conditions, such as incontinence, that necessitate easy access to toilets.

B5420 Public Safety - Street Lighting

This funding would increase lighting levels resulting in an increased sense of safety for young people more likely to engage in the nighttime economy. Moreover, improved lighting might especially benefit older people who are more likely to have visual and mobility impairments and be at risk of trips and falls.

B5377 Discretionary Housing Payments

This proposal is to increase the council's ability to award Discretionary Housing Payments (DHPs) to prevent homelessness in residents who are in receipt of housing benefit or Universal Credit where housing support is included. DHPs do not take account of age but seek to support sustainable tenancies by funding shortfalls for recipients who are of working age. Young care leavers and previous hostel dwellers may be entitled to higher Local Housing Allowance rates but may still need DHPs as they are less likely to have other sources of financial support.

B5341 Playground Investments

This bid is to invest in repairing and replacing broken and damaged play equipment. The equipment is used by children and young people, so maintaining it ensures parks remain safe, enjoyable and accessible. Equipment that is not maintained is a safety risk to children that may cause injury, and also reduces the overall play experience.

(b) Disability

B5363 City Services Operational Health and Safety Capacity

The creation of a new Health and Safety Manager role would add capacity to support improved risk management and maintenance, which can help to prevent injury leading to disability and can improve access issues in public spaces. Moreover, this would increase capacity for undertaking personal risk assessments and fire evacuation plans, to support safety at work of people with existing disabilities/impairments.

CAP5337 Car Park Entry and Exit Systems

The proposed updated car parking equipment would take into account needs of disabled users, looking at the possibility of loaded accounts or prepayment to allow barriers to automatically raise on entrance and exit which would minimise the need to visit payment machines that might benefit people who are less mobile. Moreover, to mitigate negative impacts on people who are digitally excluded (which is more likely to be experienced by disabled people), cash and card payment machines would be retained.

CAP5351 Hand Arm Vibration Equipment

New Hand Arm Vibration, Whole Body Vibration, and noise monitoring equipment would help to prevent disability and sickness by detecting harmful levels of vibration and noise early, allowing action to be taken before lasting damage occurs. By reducing exposure, it would help prevent conditions such as Hand Arm Vibration Syndrome, back pain, and hearing loss, supporting long-term employee health and wellbeing.

B5396 Skill Mill

This programme aims to reduce youth reoffending by providing paid environmental work placements and mentoring to high-risk young people referred by Youth Justice who are not in education, employment or training. According to the Youth Justice Legal Centre, in England and Wales 80% of children cautioned or sentenced within the youth justice system have Special Educational Needs and Disabilities or are neurodivergent, so the programme is likely to benefit these groups.

B5335 Cleaning Contracts

This bid would ensure that the council maintains hygiene standards in public toilets ensuring they remain safe and hygienic, thereby preventing long-term illness and disability. Moreover, this benefits disabled users who may use toilets more frequently such as people with gastrointestinal disorders like Crohn's disease and colitis.

B5420 Public Safety - Street Lighting

This funding would increase lighting levels resulting in an increased sense of safety for people with disabilities, with enhanced visibility benefits for people with visual impairments and mobility challenges to prevent trips and falls. People with disabilities are also at-risk of hate crime so better visibility may be beneficial here. There is a need to ensure that lighting does not create glare or disorientation for people who are neurodiverse.

B5377 Discretionary Housing Payments

This proposal would increase the amount that the council has to award Discretionary Housing Payments (DHPs) that are used to prevent homelessness in residents who are in receipt of housing benefit or Universal Credit where housing support is included. DHPs cannot be awarded if these benefits are not in payment. Disabled households may benefit from receiving DHPs as they may be affected by Local Housing Allowance and Spare Room Subsidy restrictions but they also may be unable to secure more appropriate accommodation due to lack of supply. People may be supported with a Discretionary Housing Payment for lengthy periods of time.

B5471 Strengthening Asset and Compliance

This bid is to ensure compliance in managing the council's property portfolio. It would ensure the council's assets are maintained, supporting those who have disabilities or health needs. People with physical disabilities may be more affected by maintenance issues as each individual may have specific and unique needs, which could include access needs. Disrepair can be a health and safety issue and exacerbate some health conditions, including mental health issues so maintaining council homes would positively impact these issues.

CAP5441 Bereavement Service Deferred Capital Works

This bid is for an investment programme of works in the Bereavement Services estate. This includes work such as resurfacing car parks and pathways, replacing flooring and updating exterior lighting, all of which would support those with physical disabilities or access needs to better access bereavement services.

TBC Taxi Card

This bid would continue to provide support towards taxi costs for residents who are disabled and on low-income for a further two years. It directly supports disabled residents to travel and access services.

(c) Gender reassignment**B5420 Public Safety**

This funding would increase lighting levels resulting in an increased sense of safety for transgender and non-binary people who may experience increased levels of harassment at night linked to hate crime.

(d) Marriage and civil partnership

No impacts have been identified specific to this equality group.

(e) Pregnancy and maternity**B5335 Cleaning Contracts**

This bid would ensure that the council maintains hygiene standards in public toilets. This would particularly benefit pregnant individuals who require more frequent use of toilets, people who might use public toilets for privacy when breastfeeding or attending to their child's needs, and those with babies and infants requiring public toilets with baby-changing facilities.

CAP5422 Planned maintenance works at Community Centres

This funding would maintain the Browns Field and Trumpington Pavilion Community Centres which are used by pre-natal NCT classes and cooking classes for teenage parents

B5377 Discretionary Housing Payments

This proposal would increase the amount that the council has to award Discretionary Housing Payments (DHPs). DHPs are used to prevent homelessness in residents who are in receipt of housing benefit or Universal Credit where housing support is included. They may be awarded to mothers who are unable to work during pregnancy. Expectant families are also sometimes affected by Local Housing Allowance and Spare Room Subsidy restrictions until the child/ren are born. DHPs can support these households during this time.

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

B5396 Skill Mill

This programme aims to reduce youth reoffending by providing paid environmental work placements and mentoring to high-risk young people referred by Youth Justice who are not in education, employment or training. Children from Black, Asian and mixed ethnic backgrounds make up half of those in the youth justice secure estate (YOI, secure children’s homes and secure training centres) (Roe, 2022). Working with young people within the justice system will benefit those who are from diverse backgrounds.

B5420 Public Safety

This funding would increase lighting levels resulting in an increased sense of safety for people of all ethnic groups, may reduce fear of racial harassment at night relating to hate crime.

B5377 Discretionary Housing Payments

This proposal would increase the amount that the council has to award Discretionary Housing Payments (DHPs). DHPs are used to prevent homelessness in residents who are in receipt of housing benefit or Universal Credit where housing support is included. UK statistics find that Bangladeshi and Pakistani families have experienced much greater rates of poverty than all other ethnic groups and this has been the case for 20 years, which means they may especially benefit from DHPs. Poverty rates are higher among all ethnic minority groups compared with those among the majority White British, therefore it could be that there are proportionally higher numbers of claims from some ethnic minority groups than others when compared to the proportion in population.

(g) Religion or belief

B5335 Cleaning Contracts

This proposal is to maintain hygiene standards in public toilets. Clean and accessible facilities are important for cultural and religious reasons related to hygiene and dignity.

CAP5422 Planned maintenance works at Community Centres

This funding is required to maintain the Browns Field and Trumpington Pavilion Community Centres which are used by an African and a Brazilian Church.

B5420 Public Safety

This funding would increase lighting levels resulting in an increased sense of safety for people travelling to and from religious events at night, and people who may feel unsafe due to risk of hate crime associated with hatred towards someone's religion or belief.

Bereavement Service Deferred Capital Works

This bid is for an investment programme of works in the Bereavement Services estate. It includes work to add a pathway to the Islamic and Jewish sections of the burial ground. Currently this is the only section of the cemetery where there is no pathway so it will make access fairer for people of these faiths.

(h) Sex

B5420 Public Safety

This funding would increase lighting levels resulting in an increased sense of safety for women travelling to and from events at night. Women are much more unlikely to feel safe at night than men ([New data shows extent to which women feel unsafe at night | End Violence Against Women](#)).

B5377 Discretionary Housing Payments

This proposal would increase the amount that the council has to award Discretionary Housing Payments (DHPs). DHPs are used to prevent homelessness in residents who are in receipt of housing benefit or Universal Credit where housing support is included. Single parents are more likely to be at risk of poverty so require DHPs ([DWP figures show two in five single parents are living in poverty](#)) and women are generally more likely to be single parents (90%) according to ONS 2019. Locally, when looking at Council Tax Reduction (which will cover both housing benefit and Universal Credit claims) of the 1,549 single parent households, 1,463 are women.

(i) Sexual orientation

CAP5422 (Planned maintenance works at Community Centres)

This funding is required to maintain the Browns Field and Trumpington Pavilion Community Centres which are used by a LGBTQ+ youth group.

B5420 Public Safety

This funding would increase lighting levels resulting in an increased sense of safety for LGBTQ+ people at night relating to hate crime.

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

- **Low-income groups or those experiencing the impacts of poverty.**
- **People of any age with care experience – this refers to individuals who spent part of their childhood in the care system due to situations beyond their control, primarily arising from abuse and neglect within their families. The term “Care experience” is a description of a definition in law, it includes anyone that had the state as its corporate parent by virtue of a care order in accordance with the Children Act 1989 and amendments.**
- **Groups who have more than one protected characteristic that taken together create overlapping and interdependent systems of discrimination or disadvantage. (Here you are being asked to consider intersectionality, and for more information see: https://media.ed.ac.uk/media/1_159kt25q).**

People of any age with care experience

B5377 Discretionary Housing Payments

This proposal is to increase the council’s ability to award Discretionary Housing Payments (DHPs) to prevent homelessness in residents who are in receipt of housing benefit or Universal Credit where housing support is included. Young care leavers may be entitled to higher Local Housing Allowance rates but may still need DHPs as they are less likely to have other sources of financial support.

Low-income groups or those experiencing the impacts of poverty

Some groups are more likely to experience poverty than others. Some ethnic minority groups, disabled people and those claiming income-related benefits are disproportionately likely to experience poverty ([JRF](#)).

B5396 Skill Mill

Skill Mill provides paid employment to high risk young people who are not in education, employment or training, directly addressing poverty and improving social mobility by providing both qualifications and experience of employment.

CAP5337 Car Park Entry and Exit Systems

Reduction in cash payment machines could negatively impact low-income users as they are more likely to rely on cash ([Research Note: An empirical analysis of characteristics associated with cash reliance in the UK | FCA](#)). To mitigate, we will not remove all cash payment machines from any site.

B5424 LIFT (Low-Income Family Tracker)

This bid is for a dashboard that would help identify households who will benefit from additional support around income-maximisation and prevent crises such as debt and homelessness. Targeted support will help to reduce poverty amongst the most vulnerable households experiencing low-income and poverty.

TBC Taxi Card

This bid would continue to provide support towards taxi costs for residents who are disabled and on low-income for a further two year. It supports those who are disabled and on a low-income to travel and access services.

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

N/a

11. Do you have any additional comments?

This EqIA includes main equality impacts as identified at the time of budget bid submission. As bids are approved and work undertaken, further equality impacts need to be captured by services in individual EqIAs as appropriate.

12. Sign off

Name and job title of lead officer for this equality impact assessment: Graham Lewis and Lily Simmonite, Community Equity Officers

Names and job titles of other assessment team members and people consulted: Helen Crowther, Equity and Community Power Manager; James Elms, City Services Director; Keryn Jalli, Strategic Resettlement and Community Equity Lead; Daniel Morgan, Operations Manager (Crematorium & Parking Services); Don Blair, Senior Operations Manager; Wendy Johnston, Operations Team Leader - Street Cleansing; Richard Brown, Strategic Community Facilities Lead; Sarah Steggles, Team Manager, Public Safety; Naomi Armstrong, Benefits Manager; Laura Adcock, Strategic Health and Wellbeing Lead; Sean Cleary, Assistant Director Homes & Commercial; Ian Ross, Recreation Development Manager; Clarissa Norman, Customer Support Manager.

Date of EqlA sign off: 16th January 2026

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

Date to be published on Cambridge City Council website: 19 January 2026

Cambridge City Council Equality Impact Assessment (EqIA)

This tool helps the Council ensure that we fulfil legal obligations of the [Public Sector Equality Duty](#) to have due regard to the need to –

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Guidance on how to complete this tool can be found on the Cambridge City Council intranet. For specific questions on the tool email Helen Crowther Equality and Anti-Poverty Officer at equalities@cambridge.gov.uk or phone 01223 457046.

Once you have drafted the EqIA please send this to equalities@cambridge.gov.uk for checking.

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

Housing Revenue Account (HRA) budget proposals 2026/27

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

[Agenda for Performance, Assets and Strategy Overview and Scrutiny Committee on Tuesday, 27th January, 2026, 5.30 pm - Cambridge Council](#)

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

This EqIA considers equality impacts of budget proposals for the HRA at the point that they go to the Performance, Assets and Strategy Overview and Scrutiny Committee.

An EqIA is undertaken on the proposals in order to enable the City Council to set a balanced Housing Revenue Account budget for 2026/27 that reflects the Council's vision and takes into account councillors' priorities in its proposals for achieving the efficiency savings required to allow the strategic reinvestment of resource into new areas.

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

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

The 2026/27 budget proposals that are considered as part of this impact assessment are:

- B5463 City Homes Legal Costs
- B5466 Increased Cost of Void Repairs
- B5464 Damp, Condensation and Mould (DCM) Repairs
- B5469 External Wall Insulation (EWI) Inspections
- B5442 City Services Operational Health and Safety Capacity
- B5445 Housing Repairs Function
- B5443 Strengthening Asset and Compliance
- B5454 Universal Credit Bot
- B5455 Voicescape
- B5461 Low Income Family Tracker (LIFT)
- B5453 Housing Management Teams

4. Responsible Team and Group

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

5. Who will be affected by this strategy, policy, plan, project, contract or major change to your service? (Please tick all that apply)	☒ Residents ☒ Visitors ☒ Staff
Please state any specific client group or groups (e.g. City Council tenants, tourists, people who work in the city but do not live here): This EqIA specifically considers any equalities impact for City Council tenants and leaseholders, or for staff associated in delivery of services to this client group.	

6. What type of strategy, policy, plan, project, contract or major change to your service is this?	Each of the proposals identified will change the level of service to be delivered.

7. Are other departments or partners involved in delivering this strategy, policy, plan, project, contract or major change to your service? (Please tick)	☒ Yes ☐ No
If 'Yes' please provide details below:	

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

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

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

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

9. Potential impacts

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

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

B5464 Damp, Condensation and Mould (DCM) Repairs

This bid would fund work to help prevent damp and mould. Prolonged exposure to mould can lead to respiratory conditions that have substantial and long-term impacts on individuals, which can result in disability as defined by the Equality Act 2010. Some protected characteristic groups are especially likely to benefit from this work if they are at greater risk of severe health impacts from damp and mould, including older people, and children and young people whose organs are still developing and are therefore more likely to suffer from physical conditions such as respiratory problems ([Understanding and addressing the health risks of damp and mould in the home - GOV.UK](#)).

B5442 City Services Operational Health and Safety Capacity

The creation of a new Health and Safety Manager role would add capacity to support things like personal risk assessments and fire evacuation plans, to support safety at work of people with disabilities/impairments. The likelihood of mobility, visual and hearing impairments increases with age, which may mean there is especially a positive impact of this bid for older people.

B5469 External Wall Insulation (EWI) Inspections

This bid is to meet the council's obligations for external wall insulation (EWI) which requires regular inspection. Regular inspection and maintenance of external wall insulation systems ensures that these systems continue to function as intended, and supports tenants with warmer, more energy efficient homes. This can have a positive impact for reducing fuel poverty, which disproportionately affects specific groups. Older people are affected by the health impacts of cold homes, as are children and young people. Households with dependent children have the highest prevalence of fuel poverty ([instituteofhealthequity.org](https://www.instituteofhealthequity.org)).

(b) Disability**B5463 City Homes Legal Costs**

This bid is for increased legal costs to cover rising numbers of complex cases and an anticipated increase in the need for enforcement action. Some complex cases are due to mental health issues and a deepening vulnerability amongst tenants, so additional support and legal advice is needed to ensure that we have explored every aspect (including making reasonable adjustments where appropriate) and complied fully with our Public Sector Equality Duty (PSED) as well as adhering to pre-court protocols before taking possession action.

Disabled people are generally more likely to be in poverty ([JRF](#)) and therefore could be more affected by enforcement action. Debt is also linked to mental health issues, both as a cause and an outcome ([Debt and mental health | Mental Health Foundation](#)). Advice for staff at an earlier stage on complex cases could offer alternative courses of action that might prevent further debt for the tenant, and may potentially prevent court action. To mitigate potential negative impacts, possession is a last resort after other avenues to support and work with the tenant have been exhausted.

B5466 Increased Cost of Void Repairs

This bid is for increased budget to deliver void repairs. Properties are increasingly in disrepair at tenancy termination. It would ensure properties are ready and maintained for new tenants, and turnaround is delivered in good time, which supports those on the housing list due to disability as they may be more likely to be on the priority list for social housing.

B5464 Damp, Condensation and Mould (DCM) Repairs

This bid would fund work to help prevent damp and mould. Prolonged exposure to mould can lead to respiratory conditions that have substantial and long-term impacts on individuals, which can result in disability as defined by the Equality Act 2010. The presence of damp and mould can also affect tenants' mental health. This could be due to worries about the health impacts, unpleasant living conditions, and destruction of property and belongings, for instance. Moreover, some protected characteristic groups are at greater risk of severe health impacts from damp and mould, including people with pre-existing long-term health conditions or disabilities at risk of their condition worsening, people with existing mental health conditions, and people who have mobility issues making it more difficult for them to get out of a home with damp and mould and into fresh air. ([Understanding and addressing the health risks of damp and mould in the home - GOV.UK](#))

B5442 City Services Operational Health and Safety Capacity

The creation of a new Health and Safety Manager role would add capacity to support improved risk management and maintenance, which can help to prevent injury leading to disability and can improve access issues in public spaces. Moreover, this would increase capacity for undertaking personal risk assessments and fire evacuation plans, to support safety at work of people with existing disabilities/impairments.

B5445 Housing Repairs Function

This bid is to ensure repairs can be carried out on council housing units. It would ensure properties are maintained for tenants of council homes. Living in a well-maintained home has positive impacts on physical and mental health for council tenants, thereby preventing disability or preventing the exacerbation of existing conditions.

B5443 Strengthening Asset and Compliance

This bid is to ensure compliance in managing the council's property portfolio. It would ensure the council's assets are maintained, supporting those who have disabilities or health needs. People with physical disabilities may be more affected by maintenance issues as each individual may have specific and unique needs, which could include access needs. Disrepair can be a health and safety issue and exacerbate some health conditions, including mental health issues so maintaining council homes would positively impact on people with existing health conditions/disabilities.

B5469 External Wall Insulation (EWI) Inspections

This bid is to meet the council's obligations for external wall insulation (EWI) which requires regular inspection. Regular inspection and maintenance of external wall insulation systems ensures that these systems continue to function as intended, and supports tenants with warmer, more energy efficient homes. This can have a positive impact for reducing fuel poverty, which disproportionately affects specific groups. Disabled people are more likely to experience fuel poverty, due to lower income, higher living costs, and higher energy bills related to additional needs and spending more time at home (instituteofhealththequity.org p.15).

(c) Gender reassignment

No impact has been identified specific to this equality group.

(d) Marriage and civil partnership

No impact has been identified specific to this equality group.

(e) Pregnancy and maternity**B5464 Damp, Condensation and Mould (DCM) Repairs**

This bid would fund work to help prevent damp and mould. Prolonged exposure to mould can lead to respiratory conditions that have substantial and long-term impacts on individuals, which can result in disability as defined by the Equality Act 2010. Some protected characteristic groups are especially likely to benefit from this work if they are at greater risk of severe health impacts from damp and mould, including pregnant women, their unborn babies and women who have recently given birth, who may have weakened immune systems ([Understanding and addressing the health risks of damp and mould in the home - GOV.UK](#)).

(f) Race – Note that the protected characteristic ‘race’ refers to a group of people defined by their race, colour, and nationality (including citizenship) ethnic or national origins.**B5463 City Homes Legal Costs**

This bid is for increased legal costs to cover rising numbers of complex cases and anticipated increase in enforcement action.

Possession action may disproportionately negatively impact people from some ethnic minority groups as they are more likely to be in poverty. For instance, according to UK statistics 56% of people in Bangladeshi and 49% of people in Pakistani households are in poverty, as well as 40% of households headed by people from Black African backgrounds ([JRF](#)).

B5469 External Wall Insulation (EWI) Inspections

This bid is to meet the council’s obligations for external wall insulation (EWI) which requires regular inspection. Regular inspection and maintenance of external wall insulation systems ensures that these systems continue to function as intended, and supports tenants with warmer, more energy efficient homes. This can have a positive impact for reducing fuel poverty, which disproportionately affects specific groups. Black households are the more likely than other ethnicities to be fuel poor (15%) ([Households in fuel poverty - GOV.UK Ethnicity facts and figures](#)).

(g) Religion or belief

No impact has been identified specific to this equality group.

(h) Sex**B5469 External Wall Insulation (EWI) Inspections**

This bid is to meet the council's obligations for external wall insulation (EWI) which requires regular inspection. Regular inspection and maintenance of external wall insulation systems ensures that these systems continue to function as intended, and supports tenants with warmer, more energy efficient homes. This can have a positive impact for reducing fuel poverty, which disproportionately affects specific groups. Single parent families are more likely to be in fuel poverty than other household types ([Annual Fuel Poverty Statistics report 2025](#)), and single-parent families are more likely to be lone-mother ([Families and households in the UK - Office for National Statistics](#)).

B5453 Housing Management Teams

This bid is to expand the Housing Management team, providing additional staffing resource. Greater capacity for Housing Officer Teams via tenancy audits allows tenant issues to be picked up proactively and dealt with in a timely manner such as where tenants are experiencing domestic abuse. This could particularly benefit women who are more likely to experience domestic abuse of all kinds ([Gov.uk](#)).

(i) Sexual orientation

No impact has been identified specific to this equality group.

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

- Low-income groups or those experiencing the impacts of poverty.
- People of any age with care experience – this refers to individuals who spent part of their childhood in the care system due to situations beyond their control, primarily arising from abuse and neglect within their families. The term “Care experience” is a description of a definition in law, it includes anyone that had the state as its corporate parent by virtue of a care order in accordance with the Children Act 1989 and amendments.
- Groups who have more than one protected characteristic that taken together create overlapping and interdependent systems of discrimination or disadvantage. (Here you are being asked to consider intersectionality, and for more information see: https://media.ed.ac.uk/media/1_159kt25q).

Low-income/poverty**B5463 City Homes Legal Costs**

This bid is for increased legal costs to cover rising numbers of complex cases and anticipated increase in enforcement.

Possession action may negatively impact those who are on low-incomes and or in receipt of benefits. The poverty rates of people claiming income-related benefits are much higher than the national average poverty rate ([JRF](#)).

Tenants will understandably prioritise food, heat and other bills above paying the rent during times of crisis so engaging with tenants at an early stage is imperative if we are to avoid court action. However, when court action becomes unavoidable we need to ensure we have robust processes in place and are able to give sound advice and make appropriate assessments. Additional funding would support this.

B5466 Increased Cost of Void Repairs

This bid is for increased budget to deliver void repairs. Properties are increasingly in disrepair at tenancy termination. It would ensure properties are ready and maintained for new tenants, and turnaround is delivered in good time, which supports those on the housing list due to low income.

B5469 External Wall Insulation (EWI) Inspections

This bid is to meet the council's obligations for external wall insulation (EWI) which requires regular inspection. Regular inspection and maintenance of external wall insulation systems ensures that these systems continue to function as intended, and supports tenants with warmer, more energy efficient homes. This can have a positive impact for reducing fuel poverty, which disproportionately affects specific groups. Those renting from local authorities are more likely than other tenure types to be in fuel poverty ([Who are the fuel poor 2025.pdf](#)).

B5454 Universal Credit Bot

This bid is to implement a system to automate Universal Credit rent verifications and other related processes to save staff time. Making the process more efficient would be beneficial to all tenants who require support with their rent account as it would free up officer time to provide that support.

B5455 Voicescape

This bid is to implement a digital caseload manager which would improve rent collection and reduce arrears. Reduced arrears and fewer evictions will have a positive impact on the most vulnerable. Some ethnic minority groups, disabled people and those claiming income-related benefits are disproportionately likely to experience poverty ([JRF](#)).

B5461 Low Income Family Tracker (LIFT)

This bid is for a dashboard that would help identify households who will benefit from additional support around income-maximisation and prevent crises such as debt and homelessness. Targeted support will help to reduce poverty amongst the most vulnerable households experiencing low-income and poverty.

Some groups are more likely to experience poverty than others. Some ethnic minority groups, disabled people and those claiming income-related benefits are disproportionately likely to experience poverty ([JRF](#)).

B5453 Housing Management Teams

This bid is to expand the Housing Management team with additional resource. Capacity for Housing Officer Teams via tenancy audits allows tenant issues to be picked up proactively and dealt with in a timely manner, which can have a positive impact on tenant wellbeing. Capacity in resident engagement would allow for us to hear from more diverse voices and increase our offer to tenants who wish to be more involved with our delivery of services.

Capacity for tenancy sustainment can support tenants who are in arrears or facing other tenancy related issues such as hoarding that may put their tenancy at risk. Some groups are more likely to experience poverty than others. Some ethnic minority groups, disabled people and those claiming income-related benefits are disproportionately likely to experience poverty ([JRF](#)).

Note on impacts relating to intersectionality and care experience

Many of the bids have a positive impact for people experiencing low income and poverty, and as indicated above for individual bids, some groups are more likely to experience poverty than others including disabled people, some ethnic groups and single parents (who are more likely to be women). People with care experience are also more likely to experience poverty and/or low-income so will benefit from many of these bids.

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

N/a

11. Do you have any additional comments?

This EqlA includes main equality impacts as identified at the time of budget bid submission. As bids are approved and work undertaken, further equality impacts need to be captured by services in individual EqlAs as appropriate.

12. Sign off

Name and job title of lead officer for this equality impact assessment: Graham Lewis and Lily Simmonite, Community Equity Officers

Names and job titles of other assessment team members and people consulted: Helen Crowther, Equity and Community Power Manager; Samantha Shimon, Assistant Director Housing & Health; Anna Hill, Strategic Housing Management Lead; Sue Amner, Income Manager; James Elms, City Services Director; Brigitte Wilson, Delivery Assurance Manager; Peter Gale, Senior Operations Manager; Sean Cleary, Assistant Director Homes & Commercial.

Date of EqlA sign off: 18th December 2025

Date of next review of the equalities impact assessment: EqlAs are produced for HRA budget proposals annually.

Date to be published on Cambridge City Council website: 19 January 2026

Fees and Charges 2026/27

The general inflation assumption (target) for income and charges is 3.5% for 2026/27. All areas are required to review fees and charges (including property rental income based on detailed projections and rent reviews) and, if any specific review results in material additional or reduced income, then these are identified and included in the Budget Setting Report (BSR) as budget proposals.

Group	Charges	Contacts
Communities	Environmental Services	Yvonne O'Donnell
	HMOs, Enforcement	
	Control of Dogs	
City Services	Parking	Daniel Morgan
	Parking (Open Spaces)	Anthony French
	Moorings	
	Allotments	
	Markets	Tim Jones
	Taxi Testing	Peter Birch
	Parks & Open Spaces Lettings	Ashley Read
	Grazing	Guy Belcher
	Bill Posting	Don Blair
	Trolley Collection	
	Sports and Recreation	Ian Ross
Corporate	Guildhall Lettings	Dan Kalley
Shared Waste Service	Shared Waste	Bode Esan
Shared Planning	Land Charges	Charlene Harper
All Licensing	Business Licensing	Yvonne O'Donnell
	Taxi Licensing	
	Licensing & Gambling Act	
	Animal Licensing	
	Scrap Metal Dealers	
	Street Trading	Tim Jones
HRA	Parking Permits	Anna Hill
	Access Licences	
	Electric Vehicle Charging	Jo Ashton

Communities

Charge Type and description	Discretionary or Statutory	Charges 2025/26 £	Proposed Charges 2026/27 £	% Increase 2025/26
Environmental Health and Public Safety				
Pest Control Treatments for Residential, (rats, mice & cockroaches) - initial visit and up to 2 re-visits. (Charge applicable to those not in receipt of benefits). Please Note - Inclusion of this line is subject to approval.	Discretionary	96.00	100.00	4.2%
Pest Control Treatments for Residential (wasp nest)	Discretionary	N/A	75.00	-
Pest Control Treatments for Residential (other)	Discretionary	N/A	Actual Costs	
Pest Control Treatments for Businesses / Commercial per hour (minimum half hour)	Discretionary	117.19	121.25	3.5%
House / Car Alarms (fee includes administration costs)	Discretionary	Actual Costs	Actual Costs	-
Food Surrender and Disposal	Discretionary	Actual Costs	Actual Costs	-
Food Register - entire register printed	Discretionary	1,069.00	1,106.50	3.5%
Online Highfield Courses	Discretionary	33.00	34.00	3.0%
Examination following on-line courses	Discretionary	Actual Costs	Actual Costs	-
Tailored Training	Discretionary	Actual Costs	Actual Costs	-
Mentoring Training per hour	Discretionary	90.00	93.00	3.3%
Primary Authority Partnership Scheme per hour	Discretionary	90.00	93.00	3.3%
Contaminated Land (per Enquiry/Polygon)	Discretionary	259.71	268.80	3.5%
Food Hygiene Ratings (FHRS) Rescore	Discretionary	228.00	236.00	3.5%
Smoke Control Areas CPN	Statutory	Case by case basis using agreed matrix, maximum of £300	Case by case basis using agreed matrix, maximum of £300	-
Statutory Fee for all stray dogs**	Statutory	25.00	25.00	0.0%
Collection and transportation cost of stray dogs in normal office hours	Discretionary	84.05	87.00	3.5%
Kennels registration and vet checking fee	Discretionary	65.60	67.90	3.5%
Daily kennel charges	Discretionary	20.50	21.20	3.4%
** Externally set fees and charges				

Communities - Housing General Fund

Charge Type and description	Discretionary or Statutory	Charges 2025/26 £	Proposed Charges 2026/27 £	% Increase 2026/27
Licences:				
HMO Licences - New Applications	Discretionary	1,094.81	1,133.00	3.5%
HMO Licence - Renewals	Discretionary	1,094.81	1,133.00	3.5%
HMO Licence - Renewals - if submitted at least 8 weeks prior to expiry of current licence	Discretionary	985.01	1,000.00	1.5%
Assisted application	Discretionary	Cost	Cost	0.0%
Enforcement Activity*				
Financial penalty for non compliance (not belonging to one of the approved Property Redress schemes).	Statutory	Double the monthly Local Housing Allowance Rate for the property, up to a maximum of £5,000	Double the monthly Local Housing Allowance Rate for the property, up to a maximum of £5,000	0.0%
Subsequent offences	Statutory	5,000.00	5,000.00	0.0%
Financial penalty for non compliance with the Smoke and Carbon Monoxide Regulations.	Statutory	Double the monthly Local Housing Allowance Rate for the property, up to a maximum of £5,000	Double the monthly Local Housing Allowance Rate for the property, up to a maximum of £5,000	0.0%
Fixed penalty for failure to produce an Energy Performance Certificate, EPC, as per the requirements of the Energy Act 2016	Statutory	200.00	200.00	0.0%
Financial Penalty for failure to comply with The Energy Efficiency (Private Rented Property) (England & Wales) Regulations 2015, MEES	Statutory	Maximum financial penalty of up to £5,000 taking into account the fine criteria and individual maximum penalties specified under Regulation 40 on a case by case basis.	Maximum financial penalty of up to £5,000 taking into account the fine criteria and individual maximum penalties specified under Regulation 40 on a case by case basis.	0.0%
Financial Penalties for: "relevant housing offences" Housing Act 2004 as amended by the Housing and Planning Act 2016. Breaches of Regulation 3 of The Electrical Safety Standards in the Private Rented Sector (England) Regulations 2020 sections (4), (5a), (6).	Statutory	Case by case basis using reviewed Civil Penalties Matrix, maximum of £30,000 per offence, (inc's 15% discount in original calculated penalty if paid in 28 days).	Case by case basis using reviewed Civil Penalties Matrix, maximum of £30,000 per offence, (inc's 15% discount in original calculated penalty if paid in 28 days).	0.0%
Charge for the service of an Improvement Notice under the Housing Act 2004	Statutory	404.35	418.50	3.5%
Charge for the service of a Prohibition Order under the Housing Act 2004	Statutory	366.35	379.17	3.5%
Charge for the service of an Emergency Remedial Action Notice under the Housing Act 2004	Statutory	343.12	355.13	3.5%
Charge for the review of Suspended notices or orders served under the Housing Act 2004	Statutory	122.47	126.76	3.5%
Training and other services				
Delivering training and other discretionary services for landlords and agents (Includes development, promotion, overheads and associated costs)	Discretionary	At Cost	At Cost	0.0%
Landlord training (per delegate)	Discretionary	At Cost	At Cost	0.0%

*Note - Awaiting the commencement of the majority of enforceable provisions of the Renters Rights Act 2025 from 1st May 2026 which will include further provisions that we as a council can issue Financial / Civil Penalties to those responsible for private rented sector housing in the city as an alternative to prosecution as well as the maximum statutory penalty amounts increasing for each breach or offence to £7,000 / £40,000 as applicable.

City Services - Parking

All fees are Discretionary

Daytime tariff applies between the following hours:

8am to 6pm Monday to Saturday

10am to 6pm on Sundays

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

MULTISTOREY CAR PARKS (Pay on foot)	2025/26		2026/27		2026/27 from 2025/26	
	Monday to Friday	Saturday & Sunday	Monday to Friday	Saturday & Sunday	Comparisons % Change	
Grand Arcade	Weekdays	Weekends	Weekdays	Weekends	Weekdays	Weekends
1hr	£3.60	£4.60	£3.70	£4.70	2.8%	2.2%
2hrs	£7.20	£9.20	£7.40	£9.40	2.8%	2.2%
3hrs	£10.80	£13.80	£11.10	£14.10	2.8%	2.2%
4hrs	£15.70	£18.90	£16.00	£19.20	1.9%	1.6%
5hrs	£26.40	£29.40	£26.80	£29.70	1.5%	1.0%
over 5 hrs	£33.10	£36.10	£33.50	£36.50	1.2%	1.1%
evenings & overnight (per hour)	£1.50	£1.50	£1.80	£1.80	20.0%	20.0%

Queen Anne Terrace	Weekdays	Weekends	Weekdays	Weekends	Weekdays	Weekends
1hr	£2.30	£3.00	£2.60	£3.30	13.0%	10.0%
2hrs	£4.60	£6.00	£5.30	£6.60	15.2%	10.0%
3hrs	£6.90	£9.00	£8.00	£9.90	15.9%	10.0%
4hrs	£9.20	£11.30	£10.70	£13.00	16.3%	15.0%
5hrs	£11.50	£13.60	£13.40	£15.60	16.5%	14.7%
6hrs	£15.60	£18.00	£18.00	£21.00	15.4%	16.7%
over 6 hrs	£21.00	£24.00	£24.00	£26.00	14.3%	8.3%
evenings & overnight (per hour)	£0.00	£0.00	£0.00	£0.00	0.0%	0.0%

Park Street	Weekdays	Weekends	Weekdays	Weekends	Weekdays	Weekends
1hr	£3.60	£4.60	£3.70	£4.70	2.8%	2.2%
2hrs	£7.20	£9.20	£7.40	£9.40	2.8%	2.2%
3hrs	£10.80	£13.80	£11.10	£14.10	2.8%	2.2%
4hrs	£15.70	£18.90	£16.00	£19.20	1.9%	1.6%
5hrs	£26.40	£29.40	£26.80	£29.70	1.5%	1.0%
over 5 hrs	£33.10	£36.10	£33.50	£36.50	1.2%	1.1%
evenings & overnight (per hour)	£1.50	£1.50	£1.80	£1.80	20.0%	20.0%

Grafton East	Weekdays	Weekends	Weekdays	Weekends	Weekdays	Weekends
1hr	£3.00	£3.90	£3.10	£4.00	3.3%	2.6%
2hrs	£6.00	£7.80	£6.20	£8.00	3.3%	2.6%
3hrs	£9.00	£11.70	£9.30	£12.00	3.3%	2.6%
4hrs	£14.00	£16.60	£14.40	£17.00	2.9%	2.4%
5hrs	£23.00	£26.00	£23.50	£26.50	2.2%	1.9%
over 5 hrs	£30.00	£33.00	£30.60	£33.70	2.0%	2.1%
evenings & overnight (per hour)	£1.20	£1.20	£1.30	£1.30	8.3%	8.3%

Grafton West	Weekdays	Weekends	Weekdays	Weekends	Weekdays	Weekends
1hr	£3.00	£3.90	£3.10	£4.00	3.3%	2.6%
2hrs	£6.00	£7.80	£6.20	£8.00	3.3%	2.6%
3hrs	£9.00	£11.70	£9.30	£12.00	3.3%	2.6%
4hrs	£14.00	£16.60	£14.40	£17.00	2.9%	2.4%
5hrs	£23.00	£26.00	£23.50	£26.50	2.2%	1.9%
over 5 hrs	£30.00	£33.00	£30.60	£33.70	2.0%	2.1%
evenings & overnight (per hour)	£1.20	£1.20	£1.30	£1.30	8.3%	8.3%

SURFACE CAR PARKS					
ADAM AND EVE STREET Pay & Display	Monday to Saturday 8am to 6pm Sunday 10am to 6pm				
Maximum stay 2 hours	2025/26	2026/27	Evenings and overnight		
Charges	£1.40 for 30 mins (£2.80/hr)	£1.50 for 30 mins (£3.00/hr)	Free		
					% change
					7.1%

CASTLE HILL CAR PARK Pay & Display		Monday to Saturday 8am to 6pm Sunday 10am to 6pm		
Charges	2025/26	2026/27	Evenings and overnight	% change
Up to 2 hours	£2.80	£3.20	Free	14.3%
2-4 hours	£5.60	£6.40		14.3%
over 4 hours	£8.90	£10.00		12.4%
Sunday - all day charge	£4.50	£5.00		11.1%
Weekly ticket (7 days)	£42.00	£45.00		7.1%

GWYDIR STREET CAR PARK Pay & Display		Monday to Saturday 8am to 6pm		
Maximum stay 2 hours	2025/26	2026/27	Evenings and overnight	% change
Charges	£1.20 for 30 mins (£2.40/hr)	£1.30 for 30 mins (£2.60/hr)	Free	8.3%

RIVERSIDE CAR PARK Pay & Display		Monday to Saturday 8am to 6pm		
Maximum stay 8 hours	2025/26	2026/27	Evenings and overnight	% change
Charges	£1 for 30 mins (£2/hr)	£1 for 30 mins (£2/hr)	Free	0.0%

Lammas Land Pay & Display		1 April to 31 October: Charges apply from 8am to 6pm – the barrier closes at 10pm 1 November to 31 March: Charges apply from 8am to 6pm, then parking is free until the barrier closes at 9pm		
Monday - Friday	2025/26	2026/27	Evenings	% change
Up to 2 Hours	£2.80	£2.90	Free	3.6%
Up to 4 Hours	£6.50	£6.70		3.1%
Up to 5 Hours	£13.00	£13.30		2.3%
Up to 8 Hours (Maximum allowed)	£25.00	£25.50		2.0%
Saturday - Sunday	2025/26	2026/27	Evenings	% change
Up to 2 Hours	£2.80	£2.90	Free	3.6%
Up to 4 Hours	£6.50	£6.70		3.1%
Up to 5 Hours (Maximum allowed)	£12.00	£12.30		2.5%

Cherry Hinton Hall Pay & Display		Charges for parking between 10am and 3pm Maximum five-hour stay, no return within two hours Free at all other times		
Monday to Friday	2025/26	2026/27	Evenings and overnight	% change
Up to 1 Hour	£1.00	£1.10	Free	10.0%
Up to 2 Hours	£2.50	£2.70		8.0%
Up to 3 Hours	£4.00	£4.30		7.5%
Up to 4 Hours	£5.50	£5.90		7.3%
Up to 5 Hours	£7.00	£7.50		7.1%
Saturday - Sunday	2025/26	2026/27	Evenings and overnight	% change
Up to 1 Hour	£1.00	£1.10	Free	10.0%
Up to 2 Hours	£2.00	£2.20		10.0%
Up to 3 Hours	£3.00	£3.30		10.0%
Up to 4 Hours	£4.00	£4.40		10.0%
Up to 5 Hours	£5.00	£5.50		10.0%

SEASON TICKET CHARGES - Business Permits				
Queen Anne Terrace & Grafton Centre car parks	Quarterly Fee 2025/26 inc VAT	Quarterly Fee 2026/27 inc VAT		% change
24/7 Premium (Grafton East, Grafton West & Queen Anne Terrace car parks)	£1,250.00	£1,250.00		0.00%
Monday-Friday 8am -6pm (one car park*)	£825.00	£1,000.00		21.21%
Monday-Friday 24/5 (one car park*)	£1,000.00	£1,100.00		10.00%
Night owl 6pm to 8am, 7 nights a week (one car park*)	£530.00	£530.00		0.00%

Note * excluding Grand Arcade & Park Street car parks

DISABLED BADGE HOLDERS

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

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

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

City Services

Charge Type and description	Discretionary or Statutory	Charges 2025/26 £	Proposed Charges 2026/27 £	% Increase 2026/27
Taxi Vehicle Testing by the Garage				
Mechanical Fitness Test (Twice Yearly)	Discretionary	74.83	74.83	0.0%
Re-test if works carried out at a separate garage and returned within 10 days	Discretionary	37.93	37.93	0.0%
Re-test if works carried out at a separate garage and returned after 10 days	Discretionary	79.95	79.95	0.0%
Markets				
Cambridge Retail Market				
Monday - Tuesday rents				
General Market Weekday Premium	Discretionary	22.25	23.00	3.4%
General Market Weekday Standard	Discretionary	12.50	13.00	4.0%
Wednesday - Friday rents				
General Market Weekday Premium	Discretionary	22.25	23.00	3.4%
General Market Weekday Standard	Discretionary	18.50	19.20	3.8%
General Market Weekend Premium	Discretionary	45.00	46.70	3.8%
General Market Weekend Standard	Discretionary	38.00	39.45	3.8%
Hot Food Premium	Discretionary	8.50	8.80	3.5%
Casual Trading Premium	Discretionary	7.50	7.50	0.0%
*Storage Units	Discretionary	18.40	19.10	3.8%
All Saints Craft Fair				
Monday - Friday rents	Discretionary	20.00	20.00	0.0%
Saturday rent	Discretionary	38.00	39.45	3.8%
All Markets - Administration Fees				
Variations Fee - applicable for any changes that result in the production of a new licence.	Discretionary	35.00	35.00	0.0%
Mooring Fees*				
Tariff Class 30 - vessel up to 5 metres	Discretionary	1,093.00	1,130.00	3.4%
Tariff Class 32 - vessel under 3 metres	Discretionary	1,093.00	1,130.00	3.4%
Tariff Class 33 - Vessel 3 to 5 metres	Discretionary	1,093.00	1,130.00	3.4%
Tariff Class 34 - Vessel 5 to 7.5 metres	Discretionary	1,166.00	1,206.00	3.4%
Tariff Class 35 - Vessel 7.5 to 10 metres	Discretionary	1,239.00	1,281.00	3.4%
Tariff Class 36 - Vessel 10 to 12.5 metres	Discretionary	1,312.00	1,356.00	3.4%
Tariff Class 37 - Vessel 12.5 to 15 metres	Discretionary	1,385.00	1,432.00	3.4%
Tariff Class 38 - Vessel 15 to 20 metres	Discretionary	1,458.00	1,508.00	3.4%
Tariff Class 39 - Vessel over 20 metres	Discretionary	1,605.00	1,660.00	3.4%
Tariff Class 51 - Any other vessel	Discretionary	1,605.00	1,660.00	3.4%
<i>* All charges are subject to VAT.</i>				
** Externally set fees and charges				

City Services - Open Spaces

Charge Type and description	Discretionary or Statutory	Charges 2025/26 £	Proposed Charges 2026/27 £	% Increase 2026/27
Allotments				
Standard size is 10 rods (300 m2)				
Allotment Full size	Discretionary	78.00	80.75	3.5%
Allotment Half size	Discretionary	39.00	40.50	3.8%
Allotment starter plot	Discretionary	28.00	29.00	3.6%
Parks, Commons & Open Spaces				
Grazing				
Cows	Discretionary	75.00	77.70	3.6%
Cows - 10 or more (per beast)	Discretionary	45.00	46.60	3.6%
Parks & Open Spaces Lettings				
Application Fee - all applicants (may be returnable for local events if criteria met) (Plus VAT)	Discretionary	150.00	155.00	3.3%
Filming on parks and open spaces (Non Commercial)	Discretionary	Free	Free	0.0%
Filming on parks and open spaces (Commercial)	Discretionary	Negotiable	Negotiable	0.0%
Daily Hire - Fairs #	Discretionary	600.00	621.00	3.5%
Daily Hire - Circuses #	Discretionary	500.00	518.00	3.6%
Setting up/Pulling down days (For events where hire fee is more)	Discretionary	280.00	290.00	3.6%
Ongoing business use e.g. fitness classes (per quarter)	Discretionary	440.00	455.00	3.4%
Non Commercial Public Events ‡	Discretionary	350.00	365.00	4.3%
National Charities ‡	Discretionary	265.00	275.00	3.8%
Local events / demos ‡	Discretionary	Free	Free	0.0%
Fun Runs and Charity Walks (Local Charity Run/100% beneficiary)(under 500 participants)	Discretionary	Free	Free	0.0%
Commercial Public Events on City Centre Parks: ‡	Discretionary	Negotiable	Negotiable	0.0%
- minimum charge for lettings up to and over 1,000 sq. metres	Discretionary	1,125.00	1,170.00	4.0%
- additional charge per square metre for lettings over 1,000 sq. metres	Discretionary	2.50	2.60	4.0%
Commercial Public Events on Other Parks & Open Spaces: ‡	Discretionary	Negotiable	Negotiable	0.0%
- minimum charge for lettings up to and over 1,000 sq. metres	Discretionary	590.00	610.00	3.4%
- additional charge per square metre for lettings over 1,000 sq. metres	Discretionary	2.50	2.60	4.0%
Use of a Premises Licence for external event providers	Discretionary	At Pro rata cost per day of total licence fee	At Pro rata cost per day of total licence fee	0.0%
Provision of Wi-Fi facility for commercial events	Discretionary	Free Where Existing	Free Where Existing	0.0%
Internal Event/Cambridge Live - No Fees	Discretionary	160.00	165.50	3.4%
Internal Event/Cambridge Live - Fee Paying	Discretionary	215.00	222.50	3.5%
Bill Posting				
A4 size poster	Discretionary	7.20	7.45	3.5%
A3 size poster	Discretionary	8.20	8.50	3.7%
A2 size poster	Discretionary	11.20	11.60	3.6%
A1 size poster	Discretionary	15.40	15.95	3.6%
A0 size poster	Discretionary	49.20	50.95	3.6%
Trolley Collection				
Trolleys-Council collection and delivery of trolley back to store immediately	Discretionary	75.85	78.50	3.5%
Council collection and storage of trolleys collected 1st Week	Discretionary	82.00	84.85	3.5%
Council collection and storage of trolleys collected 2nd Week	Discretionary	104.55	108.25	3.5%
Council collection and storage of trolleys collected 3rd Week	Discretionary	127.10	131.50	3.5%
Council collection and storage of trolleys collected 4th Week	Discretionary	148.63	153.85	3.5%
Council collection and storage of trolleys collected 5th Week	Discretionary	174.25	180.35	3.5%
Council collection and storage of trolleys collected 6th Week	Discretionary	192.70	199.50	3.5%
Council collection and storage of trolleys disposed of after 6 weeks	Discretionary	194.75	201.50	3.5%

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

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

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

City Services - Sport & Recreation

Charge Type and description	Charges 2025/26 £	Proposed Charges 2026/27 £	% Increase 2026/27
Sports & Recreation Charges (including VAT)			
Sports Facilities			
Cricket			
Adult Per pitch	52.75	54.50	3.3%
Including Pavilion	68.75	71.00	3.3%
Junior per pitch (Under 16's)	33.25	34.25	3.0%
Including Pavilion	41.00	42.25	3.0%
Football & Rugby			
Per pitch including Pavilion	67.75	70.00	3.3%
Junior per pitch including Pavilion (Under 16's)	37.00	38.25	3.4%
8-a-side pitch	27.50	28.50	3.6%
American Football			
Per pitch (including 4 changing rooms)	118.50	122.50	3.4%
Junior (Under 16's) per pitch (including 4 changing rooms)	59.00	61.00	3.4%
Rounders			
Per Pitch	28.75	29.75	3.5%
Per Pitch - Junior (Under 16's)	14.75	15.25	3.4%
Tennis			
Court hire for 45 minutes per court			
Peak Time - Mon-Sun 12:00-14:30 & 18:00 - 20:00			
Jesus Green & Christs Pieces - Hire per court - Peak	5.00	3.00	(40.0%)
Jesus Green & Christs Pieces - Hire per court - Off Peak	2.00	3.00	50.0%
Nightingale, Lammas Land, Coleridge, Cherry Hinton, Trumpington	FREE	FREE	0.0%
Abbey 3G Pitch			
Match Rate - (2hours full pitch)	130.00	135.00	3.8%
Full Pitch - Peak	67.50	69.50	3.0%
Full Pitch Weekend/Off Peak	57.50	59.50	3.5%
Half Pitch - Peak	45.50	47.00	3.3%
Half Pitch Weekend / Off Peak	40.00	41.50	3.8%
1/4 Pitch - Peak	25.00	25.80	3.2%
1/4 Pitch Weekend / Off Peak	21.00	21.75	3.6%
Partner / Concessionary Rates			
Full Pitch - Peak	62.50	64.50	3.2%
Full Pitch Weekend/Off Peak	52.50	54.50	3.8%
Half Pitch - Peak	40.00	41.50	3.8%
Half Pitch Weekend / Off Peak	32.00	33.00	3.1%
1/4 Pitch - Peak	21.00	21.75	3.6%
1/4 Pitch Weekend / Off Peak	18.00	18.75	4.2%
Changing Room Hire - Per Game			
Additional Changing Room (per room)	16.00	16.50	3.1%
Swimming Services*			
The charges relating to the swimming services are the HEADLINE prices			
These charges are the MOST the Leisure Contractor can charge for an activity			
The Leisure Contractor can REDUCE any or all of the activity prices BELOW the headline price if they wish.			
Parkside Pools Hires			
Main Pool Hire - per hour (Non Commercial)	160.50	165.00	2.8%
Main Pool Hire - per hour (Commercial)	430.00	450.00	4.7%
Lane Hire	29.75	30.50	2.5%
Diving Pool - per hour (Non Commercial)	92.50	95.00	2.7%
Diving Pool - per hour (Commercial)	134.00	140.00	4.5%
Children's Pool Hire - per hour (Non Commercial)	60.00	62.00	3.3%
Children's Pool Hire - per hour (Commercial)	75.00	78.00	4.0%
Flumes	72.00	74.00	2.8%
Non-City LEA School Swim	2.30	2.35	2.2%
Abbey Pool Hires			
Pool Hire - per hour (Non Commercial)	106.00	110.00	3.8%
Pool Hire - per hour (Commercial)	134.50	140.00	4.1%
Learner Pool Hire - per hour (Non Commercial)	53.00	55.00	3.8%
Learner Pool Hire - per hour (Commercial)	75.00	78.00	4.0%
Gala Hire - per hour (City Clubs)	195.50	200.00	2.3%
Gala Hire - per hour (Commercial)	295.00	310.00	5.1%
Non-City LEA School Swim	2.30	2.35	2.2%

Charge Type and description	Charges 2025/26 £	Proposed Charges 2026/27 £	% Increase 2026/27
Kings Hedges Pool Hires			
Pool Hire - per hour - Non Commercial	49.50	51.00	3.0%
Pool Hire - per hour - (Commercial)	75.00	78.00	4.0%
Jesus Green Outdoor Pool Hires			
Pool hire per Hour - Non Commercial	137.50	142.50	3.6%
Pool hire per Hour - (Commercial)	376.00	395.00	5.1%
Health Suites			
Abbey Pool			
Sauna & Swim	9.50	9.75	2.6%
Exercise Referral			
Client Assessment - Outside of Healthwise facilities	11.25	11.50	2.2%
Community Class (Healthy You PLUS) - Outside of Healthwise facilities	4.40	4.50	2.3%
Community 5 Class Pass (Healthy You PLUS) - Outside of Healthwise facilities	20.00	21.00	5.0%
Community 10 Class Pass (Healthy You PLUS) - Outside of Healthwise facilities	40.00	42.00	5.0%
Annual Membership Cards			
Adult Residents (up to 20% discount)	15.50	16.00	3.2%
Adult Students (up to 30% Discount)	10.50	11.00	4.8%
Adult Concessions (up to 50% Discount)	6.00	6.20	3.3%
Junior Residents (up to 20% discount)	6.00	6.20	3.3%
Junior Concessions (up to 50% Discount)	3.00	3.10	3.3%
Non City Residents - Adults (upto 20% Discount)	50.00	55.00	10.0%
Non City Residents - Juniors (Upto 20% Discount)	25.00	27.50	10.0%
Cherry Hinton Village Centre			
Activity			
Main Hall per Hour - Adult	56.50	58.00	2.7%
Main Hall per Hour - Junior (17yr & Under)	32.75	33.50	2.3%
Large Meeting Room per hour - (Community)	25.50	26.00	2.0%
Large Meeting Room per hour - (Commercial)	37.00	38.00	2.7%
Small Meeting Room per hour - (Community)	13.50	14.00	3.7%
Small Meeting Room per hour - (Commercial)	22.50	23.25	3.3%
Admission on Sports Bookings per person	0.30	0.30	0.0%
Badminton Court per hour - Adult	16.00	16.50	3.1%
Badminton Court per hour - Junior (17yr & Under)	9.25	9.50	2.7%

Corporate

Charge Type and description	Discretionary or Statutory	Charges 2025/26 £	Proposed Charges 2026/27 £	% Increase 2026/27
Guildhall Meeting Rooms, Committee Rooms Council Chamber and Members Lounge				
Guildhall Meeting Rooms (per hour)	Discretionary	17.00	17.00	0.0%
Committee Room (s)	Discretionary	35.00	35.00	0.0%
Council Chamber	Discretionary	115.00	115.00	0.0%
Members Lounge	Discretionary	17.00	17.00	0.0%
Exhibition area	Discretionary	12.00	12.00	0.0%
Internal City Council Hirer - Office hours	Discretionary	No charge	No charge	0.0%
Internal City Council Hirer - Out of office Hours, bank holiday and weekends	Discretionary	Actual Cost of staffing	Actual Cost of staffing	0.0%
Shared Services/Greater Cambridge Partnership - Office hours up to half a day	Discretionary	No charge	No charge	0.0%
Shared Services/Greater Cambridge Partnership - Other times - per hour*	Discretionary	Hourly Rate as above	Hourly Rate as above	0.0%
Public Sector Partner - Office hours up to half a day **	Discretionary	No charge	No charge	0.0%
Public Sector Partner - Other times - per hour **	Discretionary	Hourly Rate as above	Hourly Rate as above	0.0%
Community & Voluntary Sector - Office hours up to half a day **	Discretionary	No charge	No charge	0.0%
Community & Voluntary Sector - Other times - per hour **	Discretionary	Hourly Rate as above	Hourly Rate as above	0.0%
Commercial Hires - per hour **	Discretionary	Hourly Rate as above	Hourly Rate as above	0.0%
**Includes Staffing charge				
All customers will pay for additional costs of refreshments plus the cost of external Audio Visual use support				

Charge Type and description	Discretionary or Statutory	Charges 2025/26 £	Proposed Charges 2026/27 £	% Increase 2026/27
Shared Waste Service				
Hazardous domestic collections				
Per Item (Fridge / Freeze / CRT Monitor / TV / Microwaves etc.)	Discretionary	31.00	32.50	4.8%
Domestic collections - Bulky Collections				
One to three items (excluding hazardous items)	Discretionary	38.00	40.00	5.3%
More than three items (per item and maximum 9 items)	Discretionary	6.20	6.50	4.8%
Charge to empty contaminated bin / additional empty (per bin)	Discretionary	37.00	39.00	5.4%
Clearance of rubbish from bin stores	Discretionary	By quote	By quote	0.0%
Bins				
Delivery of bin(s) for new property	Discretionary	96.00	100.00	4.2%
Additional approved black bin - Large families etc.	Discretionary	61.00	63.50	4.1%
Replacement of any damaged bin	Discretionary	FREE	FREE	0.0%
Replacement of any lost bin	Discretionary	30.00	30.00	0.0%
Additional blue bin charge (in excess of 2 bins in total) per bin	Discretionary	30.00	30.00	0.0%
Additional green bin charge - per additional bin (October to October)	Discretionary	50.00	52.00	4.0%
Additional garden waste capacity for flats (per 1100l bin)	Discretionary	91.00	95.00	4.4%

Charge Type and description	Discretionary or Statutory	Charges 2025/26 £	Proposed Charges 2026/27 £	% Increase 2026/27
Land Charges				
LLC1 Official Search in respect of one parcel of land	Discretionary	46.00	47.00	2.2%
Residential Search *				
CON29R	Discretionary	154.00	156.00	1.3%
LLC1 and CON29R (Full Residential Search)	Discretionary	200.00	203.00	1.5%
Additional Parcels of Land	Discretionary	19.00	25.00	31.6%
Additional Parcels of Land LLC1	Discretionary	1.00	3.00	200.0%
Commercial Search				
CON29R**	Discretionary	280.00	285.00	1.8%
LLC1 and CON29R (Full Commercial Search)	Discretionary	326.00	332.00	1.8%
Additional Parcels of Land	Discretionary	31.00	30.00	(3.2%)
Additional Parcels of Land LLC1	Discretionary	1.00	3.00	200.0%
Additions				
Additional Enquiries *	Discretionary	29.00	30.00	3.4%
Historic File Request (per address)	Discretionary	50.00	52.00	4.0%
Invalid planning applications**	Discretionary	10% of application fee for closed or withdrawn applications	10% of application fee for closed or withdrawn applications	0.0%
Hard copy planning applications handling fee - Major applications (per application)**	Discretionary	105.58	105.58	0.0%
Hard copy planning applications handling fee - General & Other applications (per application)**	Discretionary	52.79	52.79	0.0%
CON290 (Optional Enquiries) *				
Q4 - Road Proposals	Discretionary	19.00	20.00	5.3%
Q5 - Advertisements	Discretionary	19.00	20.00	5.3%
Q6 - Completion Notices	Discretionary	19.00	20.00	5.3%
Q7- Parks & Countryside	Discretionary	19.00	20.00	5.3%
Q8 - Pipelines	Discretionary	0.00	0.00	0.0%
Q9 - House in Multiple Occupation	Discretionary	19.00	20.00	5.3%
Q10- Noise Abatement and other Nuisances	Discretionary	19.00	20.00	5.3%
Q11 - Urban Development Areas	Discretionary	19.00	20.00	5.3%
Q12 - Enterprise Zones	Discretionary	19.00	20.00	5.3%
Q13 - Inner Urban Development Areas	Discretionary	19.00	20.00	5.3%
Q14 - Simplified Planning Zones	Discretionary	19.00	20.00	5.3%
Q15 - Land Maintenance Notices	Discretionary	19.00	20.00	5.3%
Q16 - Mineral Consultation Areas***	Discretionary but set by County Council	15.68	15.68	(0.0%)
Q17 - Hazardous Substance Consents	Discretionary	19.00	20.00	5.3%
Q18 - Environmental & Pollution Notices	Discretionary	19.00	20.00	5.3%
Q19 - Food Safety Notices	Discretionary	19.00	20.00	5.3%
Q20 - Hedgerow Notices	Discretionary	19.00	20.00	5.3%
Q21 - Flood Defence and Land Drainage Consents***	Discretionary but set by County Council	15.68	15.68	(0.0%)
Q22 - Common Land, Town and Village Greens***	Discretionary but set by County Council	31.37	31.37	0.0%
Discretionary services (including Pre-application work and Planning and Performance Agreements (PPAs)) will be charged for on a case by case basis. This charge will be based on full recovery of the cost of delivering the agreed work. Officer time will be charged at the following rate according to the officer band:				
Executive Director	Discretionary	340.00	357.00	5.0%
Grade 10 Assistant Director	Discretionary	217.00	228.00	5.1%
Grade 9	Discretionary	192.00	201.00	4.7%
Grade 8	Discretionary	181.00	189.00	4.4%
Grade 7	Discretionary	170.00	177.00	4.1%
Grade 6	Discretionary	142.00	149.00	4.9%
Grade 5	Discretionary	131.00	137.00	4.6%
Grade 4	Discretionary	118.00	123.00	4.2%
Grade 3	Discretionary	98.00	102.00	4.1%
Grade 2	Discretionary	90.00	93.00	3.3%
The full direct cost of any external consultants, contractors or agency staff incurred by the Planning Service in the delivery of the discretionary service will also be included in any fees charged for the work done. Agency hourly rates charged at agency rates plus £28/hour overhead.				

Notes

* Includes VAT

**These are existing fees. Awaiting legal agreement to confirm the new fees

***These fees are set by the County Council and are provisional pending them being set in February

Licensing

Charge Type and description	Discretionary or Statutory	Charges 2025/26 £	Proposed Charges 2026/27 £	% Increase 2026/27
Skin Piercing				
Skin Piercing – Premises	Discretionary	175.00	181.00	3.4%
Skin Piercing - Practitioners	Discretionary	63.50	65.50	3.1%
Sex Establishments				
Sexual Entertainment Venues (new & variation)	Discretionary	3,616.00	3,742.00	3.5%
Sexual Entertainment Venues (renewal)	Discretionary	1,070.00	1,107.00	3.5%
Sexual Entertainment Venues (transfer)	Discretionary	1,070.00	1,107.00	3.5%
Sex Shop / Sex Cinema (new & variation)	Discretionary	3,350.00	3,467.00	3.5%
Sex Shop / Sex Cinema (renewal)	Discretionary	1,070.00	1,107.00	3.5%
Sex Shop / Sex Cinema (transfer)	Discretionary	1,070.00	1,107.00	3.5%
Drivers				
Disclosure & Barring Service Check (DBS) *	Discretionary	49.50	49.50	0.0%
Knowledge Test	Discretionary	100.00	105.00	5.0%
New Licence Fee	Discretionary	310.00	300.00	(3.2%)
Annual Renewal Fee	Discretionary	200.00	225.00	12.5%
3 Yearly Renewal Fee	Discretionary	305.00	270.00	(11.5%)
Replacement Badges	Discretionary	28.00	30.00	7.1%
DVLA Data Check * (New service provider)	Discretionary	6.75	6.85	1.5%
DVLA Data Check * (New service provider) 3 year licence	Discretionary	20.25	20.55	1.5%
Change of Details	Discretionary	25.00	25.00	0.0%
Replacement Licence	Discretionary	28.00	24.00	(14.3%)
Knowledge Test Retest	Discretionary	80.00	75.00	(6.3%)
Vehicles				
Hackney Carriage Licence (new)	Discretionary	310.00	300.00	(3.2%)
Private Hire Licence (new)	Discretionary	260.00	250.00	(3.8%)
Hackney Carriage Ultra Low Emission Vehicle (new)	Discretionary	155.00	150.00	(3.2%)
Private Hire Ultra Low Emission Vehicle (new)	Discretionary	130.00	125.00	(3.8%)
Hackney Carriage Zero Emission Vehicle (new)	Discretionary	0.00	0.00	0.0%
Private Hire Zero Emission Vehicle (new)	Discretionary	0.00	0.00	0.0%
Hackney Carriage Licence Renewal	Discretionary	235.00	215.00	(8.5%)
Private Hire Licence Renewal	Discretionary	220.00	200.00	(9.1%)
Hackney Carriage Ultra Low Emission Vehicle (renewal)	Discretionary	117.50	107.50	(8.5%)
Private Hire Ultra Low Emission Vehicle (renewal)	Discretionary	110.00	100.00	(9.1%)
Hackney Carriage Zero Emission Vehicle (renewal)	Discretionary	0.00	0.00	0.0%
Private Hire Zero Emission Vehicle (renewal)	Discretionary	0.00	0.00	0.0%
Plate Deposit	Discretionary	45.00	45.00	0.0%
Hackney Carriage Replacement Plate	Discretionary	45.00	45.00	0.0%
Private Hire Replacement Plate	Discretionary	50.00	50.00	0.0%
Change of Ownership	Discretionary	100.00	100.00	0.0%
Crest - self adhesive	Discretionary	18.00	20.00	11.1%
Crest - magnetic	Discretionary	20.00	23.00	15.0%
Replacement Licence	Discretionary	28.00	24.00	(14.3%)
Change of Details	Discretionary	25.00	25.00	0.0%
Non - Driver Proprietor renewal	Discretionary	30.00	35.00	16.7%
Non - Driver Proprietor	Discretionary	New	45.00	-
Change of Vehicle registration PHV	Discretionary	50.00	50.00	0.0%
Change of Vehicle resgistration HCV	Discretionary	45.00	45.00	0.0%
Operators Licence				
Private Hire Operators Licence (New)	Discretionary	315.00	416.00	32.1%
Private Hire Operators Licence (Renewal - 1 Year)	Discretionary	300.00	365.00	21.7%
Private Hire Operators Licence (renewal - 5 Year)	Discretionary	1,165.00	1,370.00	17.6%
Replacement Licence	Discretionary	28.00	24.00	(14.3%)
Change of Details	Discretionary	25.00	25.00	0.0%
Training				
Highfield Level 2 Award for Personal Licence Holders	Discretionary	105.00	109.00	3.8%
Licensing Act 2003 (**Statutory Set)				
Personal Licence	Statutory	37.00	37.00	0.0%
New Premises Licence (or full variation)	Statutory	Various	Various	0.0%
Annual Fee	Statutory	Various	Various	0.0%
Minor Variation	Statutory	89.00	89.00	0.0%
Temporary Event Notice	Statutory	21.00	21.00	0.0%
Change of Designated Premises Supervisor	Statutory	23.00	23.00	0.0%
Pavement Licensing				
Pavement Licence - New	Statutory	370.00	383.00	3.5%
Pavement Licence - Renewal	Statutory	155.00	160.00	3.2%

Charge Type and description	Discretionary or Statutory	Charges 2025/26 £	Proposed Charges 2026/27 £	% Increase 2026/27
Gambling Act 2005 (**Statutory Set)				
Bingo Club (New)	Statutory	2,625.00	2,625.00	0.0%
Bingo Club (Annual Fee)	Statutory	900.00	900.00	0.0%
Small Society Lottery (New)	Statutory	40.00	40.00	0.0%
Small Society Lottery (Annual)	Statutory	20.00	20.00	0.0%
Betting Premises (New)	Statutory	2,250.00	2,250.00	0.0%
Betting Premises (Annual Fee)	Statutory	540.00	540.00	0.0%
Family Entertainment Centre (Annual Fee)	Statutory	500.00	500.00	0.0%
Adult Gaming Centre (New)	Statutory	1,500.00	1,500.00	0.0%
Adult Gaming Centre (Annual Fee)	Statutory	900.00	900.00	0.0%
Animal Licensing				
Zoo	Discretionary	700.00	724.00	3.4%
Dangerous Wild Animals (Plus Vet fees)	Discretionary	345.00	357.00	3.5%
Variation of a licence requiring a re-inspection (Plus Vet fees)	Discretionary	61.50	63.50	3.3%
Exhibiting animals:				
Fees on application	Discretionary	91.00	94.00	3.3%
Initial rating or re-rating fee	Discretionary	155.50	161.00	3.5%
Maintenance fee (3 years)	Discretionary	451.00	466.00	3.3%
Variation of a licence requiring a re-inspection	Discretionary	156.00	161.00	3.2%
Copy of licence or change of details not requiring an inspection	Discretionary	13.50	14.00	3.7%
Selling animals as pets:				
Fees on application	Discretionary	91.00	94.00	3.3%
Initial rating or re-rating fee	Discretionary	257.00	266.00	3.5%
Maintenance fee: one year	Discretionary	150.00	155.00	3.3%
two years	Discretionary	300.00	310.50	3.5%
three years	Discretionary	451.00	466.00	3.3%
Variation of a licence requiring a re-inspection	Discretionary	257.00	266.00	3.5%
Copy of licence or change of details not requiring an inspection	Discretionary	13.50	14.00	3.7%
Riding Establishment:				
Fees on application	Discretionary	91.00	94.00	3.3%
Initial rating or re-rating fee (plus additional vets fee not included)	Discretionary	51.00	53.00	3.9%
Maintenance fee: one year	Discretionary	150.00	155.00	3.3%
two years	Discretionary	300.00	310.50	3.5%
three years	Discretionary	451.00	466.00	3.3%
Variation of a licence requiring a re-inspection (plus vets fee not included)	Discretionary	51.00	53.00	3.9%
Copy of licence or change of details not requiring an inspection	Discretionary	13.50	14.00	3.7%
Dog Breeding:				
Fees on application	Discretionary	91.00	94.00	3.3%
Initial rating or re-rating fee (plus additional vets fee not included)	Discretionary	51.00	53.00	3.9%
Maintenance fee: one year	Discretionary	150.00	155.00	3.3%
two years	Discretionary	300.00	310.50	3.5%
three years	Discretionary	451.00	466.00	3.3%
Variation of a licence requiring a re-inspection (plus vets fee not included)	Discretionary	51.00	53.00	3.9%
Copy of licence or change of details not requiring an inspection	Discretionary	13.50	14.00	3.7%
Animal Boarding:				
Fees on application: up to 10 animals	Discretionary	91.00	94.00	3.3%
Initial rating or re-rating fee	Discretionary	156.00	161.00	3.2%
Variation of a licence requiring a re-inspection	Discretionary	156.00	161.00	3.2%
Fees on application: 11- 30 animals	Discretionary	207.00	214.00	3.4%
Variation of a licence requiring a re-inspection	Discretionary	207.00	214.00	3.4%
Fees on application: 31-60 animals	Discretionary	257.00	266.00	3.5%
Variation of a licence requiring a re-inspection	Discretionary	257.00	266.00	3.5%
Fees on application: 61-99 animals	Discretionary	310.00	321.00	3.5%
Variation of a licence requiring a re-inspection	Discretionary	310.00	321.00	3.5%
Fees on application: 100 or more animals	Discretionary	360.00	372.00	3.3%
Variation of a licence requiring a re-inspection	Discretionary	360.00	372.00	3.3%
Maintenance fee: one year	Discretionary	150.00	155.00	3.3%
two years	Discretionary	300.00	310.50	3.5%
three years	Discretionary	451.00	466.00	3.3%
Copy of licence or change of details not requiring an inspection	Discretionary	13.50	14.00	3.7%
Scrap Metal Dealers				
Site Licence	Discretionary	540.00	559.00	3.5%
Conversion to collector's licence	Discretionary	65.50	68.00	3.8%
Change of licensee name	Discretionary	65.50	68.00	3.8%
Addition of site	Discretionary	540.00	559.00	3.5%
Removal of site	Discretionary	65.50	68.00	3.8%
Change of Site Manager	Discretionary	159.00	164.50	3.5%
Replacement of lost or damaged licence	Discretionary	59.50	61.50	3.4%
Collector's licence	Discretionary	232.00	240.00	3.4%
Conversion to site licence	Discretionary	467.00	483.00	3.4%
Change of name (e.g. status)	Discretionary	65.60	68.00	3.7%
Replacement of lost or damaged licence	Discretionary	59.50	61.50	3.4%
Street Trading				
12 month food licence pitch	Discretionary	2,886.00	2,886.00	0.0%
12 month retail licence pitch	Discretionary	2,727.00	2,727.00	0.0%
8 month food licence pitch	Discretionary	2,165.00	2,165.00	0.0%
8 month retail licence pitch	Discretionary	2,045.00	2,045.00	0.0%
4 month food licence pitch	Discretionary	722.00	722.00	0.0%
4 month retail licence pitch	Discretionary	682.00	682.00	0.0%
* These charges are shown net of VAT				
** Externally set fees and charges				
Please note that all licensing fees not set by statute were approved at Licensing Committee on 26th January 2026				

Housing Revenue Account (HRA)

Charge Type and description	Discretionary or Statutory	Charges 2025/26 £	Proposed Charges 2026/27 £	% Increase 2026/27
HRA				
Resident Parking Permits for City Homes	Discretionary	30.00	31.00	3.3%
Visitor Parking Permits for City Homes	Discretionary	30.00	31.00	3.3%
Replacement Resident/ Visitor Parking Permits for City Homes	Discretionary	12.00	12.40	3.3%
Temporary Resident Permit	Discretionary	12.00	12.40	3.3%
Access Licences on Housing Land	Discretionary	Variable - Minimum £20	Variable - Minimum £20	0.0%
Electric Vehicle Charges on Pod Point App - Member (per kwh)	Discretionary	0.37	0.38	3.5%
Electric Vehicle Charges on Pod Point App - Public (per kwh)	Discretionary	0.50	0.52	3.5%
* These charges are shown VAT Inclusive				

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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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Cabinet

16 December 2025

5.00 - 7.15 pm

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

Officers Present:

Chief Executive: Robert Pollock

Chief Operating Officer: Jane Wilson

Chief Finance Officer: Jody Etherington

Biodiversity Manager: Guy Belcher

Benefits Manager, Revenues and Benefits: Naomi Armstrong

Democratic Services Manager: Dan Kalley

Deputy Democratic Services Manager: Claire Tunnicliffe

Other Councillors present:

Councillors Bick, Hauk, Payne and Porrer

RECOMMENDATION TO COUNCIL

Recommendations of the Cabinet, which met on 16 December 2026, are outlined below.

Recommendation 5 was presented to Cabinet at the meeting.

Accordingly, Council is recommended:

1. Universal Credit Scheme Up-rating

To uprate the income bands and contribution levels within the Council Tax Reduction Scheme for households in receipt of Universal Credit in line with the annual percentage increase in the National Minimum Wage and better equalise earnings disregards.

2. Non-Universal Credit Working-Age Scheme

To retain a Council Tax Reduction Scheme for working-age households not in receipt of Universal Credit, and to apply:

(a) Department for Work and Pensions applicable amounts and premiums where these continue to be published; or

(b) where such figures are unavailable, to uprate scheme allowances annually in accordance with the September Consumer Price Index (CPI).

3. Council Tax Liability Basis

That 100% of the Council Tax liability shall continue to be used as the starting point for the calculation of entitlement under both Council Tax Reduction Schemes.

4. Delegated Authority and Duration

To delegate authority to the Chief Finance Officer to carry out the annual review and uprating of the Council Tax Reduction Schemes in Page 149 Agenda Item 8 accordance with legislative changes and the uprating principles set out above; and to confirm that the Schemes shall remain in operation (subject to any such annual uprating) until 31 March 2029.

- 5.** Where the household was on universal credit to retain a flat rate scheme for non-dependence of £8.36 for 2026/27 with an annual uprating in accordance with the September consumer price index and annually increased by September CIP thereafter. Non-dependents who received disability income or pension credit or a war pension or armed forces independent payment or were the charge payer and or partner have a disability or receive a carer's benefit will not have a non-dependent deduction.

REPORT TITLE: Council Tax Reduction – April 2026 to March 2029

To: Cabinet 16 December 2025

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

Report by:

Naomi Armstrong

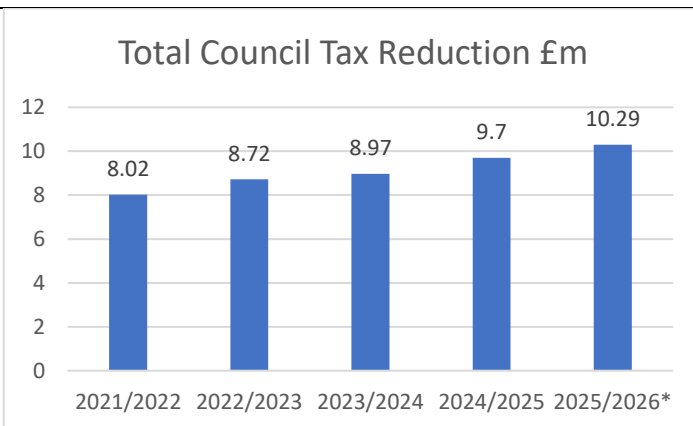
Tel: 01223 457752 Email: naomi.armstrong@cambridge.gov.uk

Wards affected: ALL

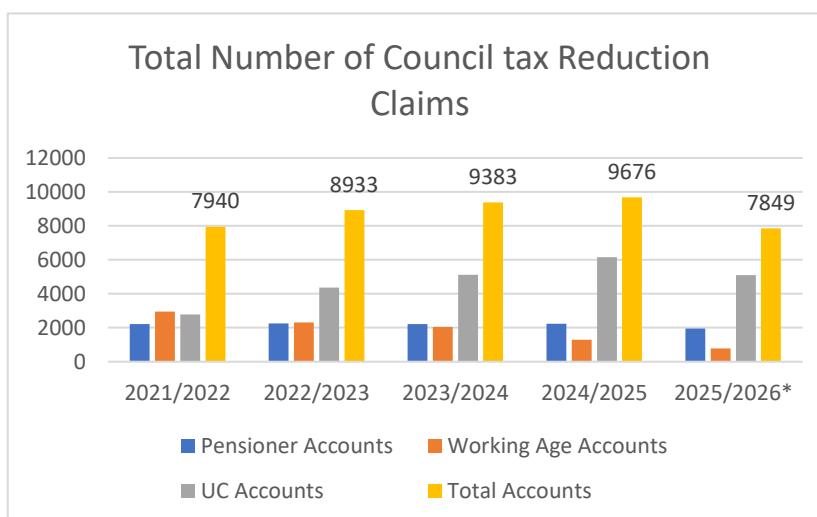
Director Approval: Director Jane Wilson confirms that the report author has sought the advice of all appropriate colleagues and given due regard to that advice; that the equalities impacts and other implications of the recommended decisions have been assessed and accurately presented in the report; and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

1.	Recommendations
1.1	It is recommended that Cabinet agree: 1. Universal Credit Scheme Up-rating To up-rate the income bands and contribution levels within the Council Tax Reduction Scheme for households in receipt of Universal Credit in line with the annual percentage increase in the National Minimum Wage and better equalise earnings disregards. 2. Non-Universal Credit Working-Age Scheme To retain a Council Tax Reduction Scheme for working-age households not in receipt of Universal Credit, and to apply: (a) Department for Work and Pensions applicable amounts and premiums where these continue to be published; or (b) where such figures are unavailable, to up-rate scheme allowances annually in accordance with the September Consumer Price Index (CPI). 3. Council Tax Liability Basis That 100% of the Council Tax liability shall continue to be used as the starting point for the calculation of entitlement under both Council Tax Reduction Schemes. 4. Delegated Authority and Duration To delegate authority to the Chief Finance Officer to carry out the annual review and up-rating of the Council Tax Reduction Schemes in

	accordance with legislative changes and the uprating principles set out above; and to confirm that the Schemes shall remain in operation (subject to any such annual uprating) until 31 March 2029.
2.	Purpose and reason for the report
2.1	A national 'Prescribed' scheme is in place for pensioner households and is not subject to local changes. Councils are required to review their working age Council Tax Reduction scheme annually and determine whether to revise it or not, to ensure it meets the needs of residents and contributes towards Corporate objectives. Council Tax Reduction is funded by a reduction to the tax base and impacts all preceptors. The costs of the scheme has varied over the years, particularly during Covid 19 and the cost-of-living crisis, when there was an increase in applicants. However, the main cause for increase, has been the increase in Council Tax liability itself. Costs fall to local preceptors and are based on their percentage of the Council Tax levied. Cambridge City Council's share of the cost is currently approximately 9.86%. Universal Credit is in the final stages of national rollout and will be completed by March 2026. Council Tax Reduction, when calculated, is credited for the financial year; having a banded scheme for Universal Credit means that the number of changes are reduced during the year. Total spend does not vary much from the start of the financial year to the end of the year because similar numbers of households stop getting Council Tax Reduction, as new households apply. Total spend indicated below is generally driven by the increase in Council Tax liability.



The graph below highlights the shift in claims with households on UC increasing year on year, Working Age not on UC reducing and pensioner households decreasing slightly.



*The current year caseload figures are low but will likely mirror 2024/2025 by the end of this year.

The Council ran a consultation during August, September and October asking for feedback on the following:

- Limiting the starting point for the calculation of Council Tax Reduction. Whilst this could save the Council and the other preceptors, it does create a significant number of modest debts that are difficult to collect from households on means tested incomes. The cost of collection, which is met from total Council Tax income, can often be more than the debt itself. Details of the possible options considered are at point 3.1. Three quarters of respondents fully

	supported not limiting the starting point. Only 12% disagreed. • Having two schemes, one for households on Universal Credit and one for households not on Universal Credit. Both schemes are fully set up so there are no set up and administration costs in continuing with two. We have seen few, less than 20 households, who for whatever reason do not wish to claim Universal Credit, even though they would be better off. Removing the non-Universal Credit scheme would push these few households to having to claim Universal Credit. Some would only benefit by a few pounds as they are already working, others would be much better off and the Council is looking at supporting them to maximise their incomes. In the consultation, nearly 2/3rds either agreed or strongly agreed to keep two schemes. • The next point is how we keep the schemes uprated. For the Universal Credit scheme, where only earnings are taken in to account, the proposal is to uprate the bands and the contribution levels by the increase in national minimum wage. Just over half agreed to this and only 19.5% said no. There was some confusion over what this meant as some comments were concerned that this was not in line with inflation. Universal Credit is uprated by CPI and this income is ignored in the Council Tax Reduction scheme, so there is some protection against inflation with total household income increasing. • For the non-Universal Credit scheme, if DWP do not issue working age allowances and premiums, which is a possibility as they are winding down non-Universal Credit working age benefits, the proposal is to use September CPI to uprate current allowances and premiums for the very small number of claims. 42% of respondents agreed with only 18.9% disagreeing. Again, there was some

confusion about what this meant in practice but the approach will maintain similar levels of support in the absence of DWP figures.

- The final area was equalising of earnings disregards. When the local Council Tax Scheme for Universal Credit households was initially designed, a disregard was put in place, ignoring the first £5-£20 of earned income. This is similar to pensioner and non-working claims. However, it did not take into account that Universal Credit already has it's own earning disregards that positively affect the calculation of Universal Credit giving rise to more Universal Credit, which is ignored in our scheme, meaning increased household income. Applying a second disregard in our scheme means the three schemes, Pensioner, non-Universal Credit and Universal Credit are not equal for working households. This has been difficult to explain in the consultation, however, 45% did agree or strongly agree to remove the disregard and therefore equalize support across schemes. Only just over 16% disagreed.

Universal Credit Scheme

This scheme uses extensive data from the Department for Work and Pensions, and is beneficial for both the household and the Council in terms of reducing the administration burden.

As soon as a Universal Credit claim is made, this information is passed to the Council and used to set up a claim for Council Tax Reduction. No additional claim is required. This supports households at an often difficult time when circumstances have changed and they require financial support.

Once the Universal Credit claim has been processed, the information is again passed to the Council and entitlement to Council Tax Support is calculated using verified earnings and characteristics of non-dependants living in the property.

There will be 6 contribution levels, depending on the band. The values below are *indicative* and based on the current 2025/2026 National Minimum Wage.

Net Earnings	From	To	Weekly Contribution
£0.00	£92.04	£0.00	
£92.05	£158.72	£7.50	
£158.73	£238.09	£15.00	
£238.10	£317.45	£22.50	
£317.46	£396.82	£30.00	
£396.83	£476.18	£37.50	
£476.19	£555.55	£45.00	
£555.56		No Award	

Net Earnings		Monthly Contribution
From	To	
£0.00	£398.84	£0.00
£398.85	£687.79	£32.50
£687.80	£1,031.72	£65.00
£1,031.73	£1,375.62	£97.50
£1,375.63	£1,719.55	£130.00
£1,719.56	£2,063.45	£162.50
£2,063.46	£2,407.38	£195.00
£2,407.39		No Award

The proposal is to increase the bands and contribution levels based on the percentage increase of National Minimum wage effective from 1 April 2026, and annually thereafter. For example, if the national minimum wage increases by 2%, the above bands and contribution levels will increase too.

Using this metric for uprating, ensures that the scheme going forward is clear. Whilst a change in earnings could mean changing contribution bands, a small increase of just one hour per week employment, will more than cover that increase.

Earnings disregard

Earnings disregards are designed to help working households with the additional costs associated with working such as commuting, clothing etc. Universal Credit has its own earnings disregard it is proposed to remove the earnings disregard in the Council Tax Reduction scheme calculation. This makes the schemes more equal, as pensioners and working age earners only get the one disregard.

Non-Dependants

A non-dependant is an adult who lives in the household but who is not liable for the Council Tax. Often, adult children, friends or relatives. It is reasonable that these people should contribute to the household finances by contributing towards the Council Tax. Councils do not receive this information from the Department for Work and Pensions, therefore to

	reduce the burden of asking for this information on a regular basis, a flat rate applies. Currently, this is £8.05 and is increased by the September CPI figure. This arrangement could continue in the next iteration of the scheme, or be set for the 3 years. A suggestion is that this is £10 per person, per week. Non-dependants who receive a disability income, Pension Credit or are in receipt of a War Pension or Armed Forces Independence Payment, will not be asked to contribute. Additionally, no deductions will be made where the applicant or partner have a disability or receive a carers benefit. This recognises that these individuals may have limited ability to work or increase their incomes.
3.	Alternative options considered
3.1	Limiting Liability Placing a limit on the Council Tax liability used in the calculation or expecting a flat rate contribution across all households is something that some other Councils have done. Cambridge City Council uses 100% of the Council Tax liability for both of its working-age schemes. The national scheme for pensioners also uses 100% of the liability as the starting point in calculating entitlement. This recognises that households who receive means tested benefits find it difficult to find even relatively small amounts of money from their benefits. Allowing 100% of the liability frees these households from worry and means that the Council is not chasing small, difficult to recover, debts. Details of the impact of limiting this are below. Flat rate Asking households to make a flat rate contribution, for example £5 per week. This would place a cost to all working age households of £260 per year. 2402 of these households have dependant children; 4674 children in total. Most of those without dependant children have disabilities or caring responsibilities. This restriction would mean the loss of Council Tax Reduction for households currently with entitlement below £5.00. Percentage cap

Modelling entitlement based on 80% liability, would save £1.48m across all preceptors and would save Cambridge City Council £145,928 per year.

This change would leave an average of £251 to be paid by households. It may also mean that some households would no longer be entitled to Council Tax Reduction. These relatively small annual bills take more resources to collect and therefore prove to be more expensive.

Cap to Council Tax band

Capping liability to Council Tax Band D would affect 245 households, 176 of these households have a total of 431 dependant children. Of the remaining households, overwhelmingly they have a disabled household member or have caring responsibilities. Enacting this change would result in £125k reduction in total Council Tax Reduction spend, and Cambridge City Council would benefit by £12,325. This restriction would impact families more as they tend to be in bigger properties that have a higher Council Tax Band.

Any of these changes would lead to additional sums to be collected, but with reduced chance of collection without significantly affecting households. Not applying restrictions to particularly vulnerable households such as those with dependant children, disability or carer incomes will reduce the impact but will also not make significant changes as 2,500 have children and 2,400 have a disability benefit income out of 5,891 working age households.

Council Tax Reduction is a benefit that leads to entitlement to discounted swim and play cards. Council Tax Reduction also enables applications for Taxi Cards and Discretionary Council Tax Reduction. If any of the above restrictions ultimately reduces entitlement to Council Tax Reduction, entitlement to these additional benefits, designed to support low-income households, could also be removed.

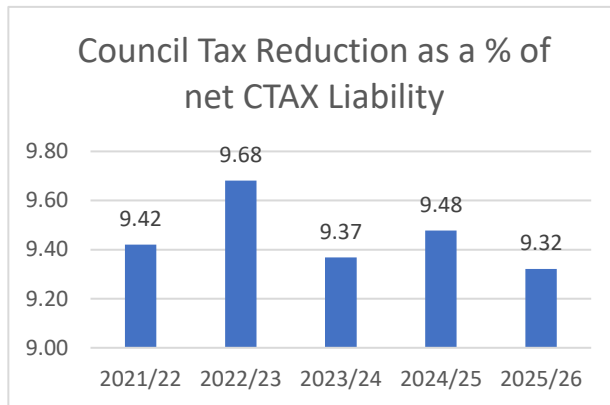
Penalties for non-payment, especially due to any the above changes, can

	easily overwhelm financially vulnerable households without any real financial benefit to the preceptors, especially if the cost of collection is factored in. Court costs are currently £70 and Enforcement Agent fees can be substantially more than this.
4.	Background and key issues
4.1	The current two schemes have worked well, providing clear mechanisms for support that work sympathetically with Universal Credit and non-Universal Credit claims. Easy to understand rules for entitlement, clear earnings bands and contribution levels, flat rate deductions for some other adults living in the property and no complex lists of vulnerable groups has been supported by advice agencies, housing providers and the public. Utilising secure data from the Department for Work and Pensions to set up claims where possible and maintain them has significantly enhanced the number of days it takes to get entitlement credited to accounts. It also means that the schemes can be operated in a cost-effective way. Over the past 6 years, there have been no complaints or appeals against the structure of the schemes in place.
5.	Corporate plan
5.1	<i>Explain how the decision links to the Councils Corporate Plan</i> Corporate plan 2022-27: our priorities for Cambridge - Cambridge City Council Tackling poverty and inequality and helping people in the greatest need Cambridge City has some of the highest disparities in the UK, the Local Council Tax

	Reduction schemes seeks to continue the level of support by retaining 100% liability within the calculation, not placing high administration burdens on households by utilising secure data already given to the Council.
6.	Consultation, engagement and communication
6.1	Consultation was carried out during August, September and October 2025, and in addition to general social media, Council publications and promotion on the website, the following groups were specifically invited to comment: • All current working age Council Tax Reduction recipients. • A sample of pensioners currently receiving Council Tax Support via the national prescribed scheme. • Partnership meetings with Cambridge Citizen's Advice Department for Work and Pensions, financial inclusion organisations and third sector organisations. • Engagement with internal stakeholders. • A sample of Council Tax payers not receiving Council Tax Reduction. • Council Tax Precepting Authorities. • Groups representing those with protected characteristics. There were a number of questions in the consultation and some of them were quite technical which resulted in some higher than desired 'don't know' responses. Particularly, the need for a non-Universal Credit scheme and why was support given to households who were not maximising their entitlement. There are some households, at the margins of Universal Credit, who do not wish to undertake the claiming process for only a little Universal Credit. Also, there are some households who really are struggling to face claiming Universal Credit and whilst this cohort would benefit from making a claim and have been receiving support in their Universal Credit journey, are refusing to make a claim. Supporting them in reducing their Council Tax costs when their incomes are generally only disability benefits is one way to help this group. The scheme and software is already set up so there are no additional set up costs and linking the uprating to either Department for Work and Pensions rates or September CPI will keep the schemes relevant. It is anticipated that less than 20 households will be supported

	under this particular scheme as most working age households will be on Universal Credit. Another area was increasing the Universal Credit income bands by the percentage increase in the National Minimum Wage. If the national minimum wage increased above CPI but the bands increased by CPI, people may be moved to the next band and have to pay more towards their Council Tax. Conversely if national minimum wage increased less than CPI but the bands increased, this could make the scheme more expensive to administer as more people would be entitled to more support. Universal Credit generally increases by CPI, and this income is ignored in the Council Tax Reduction scheme, therefore total net household income will still afford some protection against inflation.
7.	Anticipated outcomes, benefits or impact
7.1	Maintaining support for low-income households meets key objectives for Cambridge City Council. It benefits the wider community by encouraging healthy lifestyles by protecting family incomes and ensuring maximum entitlement to other Cambridge City Council healthy lifestyles activities.
8.	Implications
8.1	Relevant risks
	None, because maximising Council Tax Reduction will assist households pay their rent, and any residual Council Tax liability and utility bills. As a housing provider itself, maximising income will help with rent collection and reduce household debt which can be a factor in the causes of homelessness.
	Financial Implications
8.2	Although the actual cost of the schemes currently, including the prescribed scheme for pensioners, has increased from £8.02 in 2021/2021 to an estimated £10.29m in 2025/26, due to the increasing tax base and the

ongoing work of the Local Taxation Team in reviewing Council Tax discounts, the percentage loss due to Council Tax Reduction has reduced slightly.



This indicates that maintaining the structure of support is sustainable as growth in the City is forecast to continue.

Grant funding for the administration of Council tax Reduction is no longer separately identifiable but is included in the overall General Fund grant. The local schemes, which rely heavily on automation of available information from the Department for Work and Pensions in the calculation, make the most of the funding from central government.

The restructure of the Revenues and Benefits Teams in 2021, relied on this automation to achieve the savings it did. To move away from a highly automated, banded scheme, will necessitate additional assessment staff and increase costs, while not delivering a better, balanced scheme, that has been well received by applicants since 2020.

Having a less favourable scheme will create small debts that are difficult and expensive to recover and will encourage applications to the Discretionary Council Tax Reduction (S13A). The financial burden of which falls solely to Cambridge City Council and not spread across preceptors.

Legal Implications

8.3

Councils must have set their working age schemes by 11 March each year

	and schemes cannot change during the financial year. The schemes must be agreed by Full Council. Schemes must be reviewed annually and if changes are to be made, consultations must take place. Having schemes with linked uprating, with delegation for reviews to Chief Finance Officer, helps achieve a level of transparency and reduces administration and a three-year reset allows for a structural review and wide-ranging consultation.
	Equalities and socio-economic Implications
8.4	An Equality Impact Assessment is attached.
	Net Zero Carbon, Climate Change and Environmental implications
8.5	None.
	Procurement Implications
8.6	None.
	Community Safety Implications
8.7	None.
9.	Background documents
9.1	<i>None.</i>
10.	Appendices

10.1	• Equality Impact Assessment • Consultation outcomes and AI generated synopsis of responses - PDF • Consultation outcomes and comments - Excel
	To inspect the background papers or if you have a query on the report please contact Naomi Armstrong, naomi.armstrong@cambridge.gov.uk , 01223 457752.

Reference	Are you currently receiving Council Tax Reduction?	Which of the following best describes you?	Type your answer	Do you or someone in your household have a disability or caring responsibilities?	What is your age bracket?	Which of the following best describes your sexual orientation?	Type your answer	What is your gender?	Type your answer	Do you agree with this approach?	Do you have any further comments to make about this approach?	Do you support this proposal?	Do you have any further comments to make about this proposal?	Do you agree with this method of updating the Universal Credit scheme?	Do you have any further comments to make about this method?	Do you agree with this proposal?	Do you have any further comments to make about this proposal?	Do you agree with removing the additional earned income disregard for Universal Credit claimants?	Do you have any further comments to make about this?	Do you believe the proposed scheme is fair and supports those most in need?	Do you have any other comments or suggestions about the proposed Council Tax Reduction Scheme?	Submitted at	Place of residence	
1	No	Resident		No	45-65	Gay man		Male		Strongly agree		Yes		Yes		Yes		Strongly agree		Yes			13/08/25	South Cambridgeshire
2	No	Resident		No	45-65	Other	Female	Female		Strongly agree	Council tax increase is too high for ordinary families	No		No	If one gets a salary increase and the council tax also increases, then people's life will never get better. Council should charge businesses which make big profit not ordinary residents	No		Agree		No			13/08/25	Romsey
3	No	Resident		No	Over 65	Heterosexual/straight		Male		Agree		No		Not sure		Not sure		Neutral		No			13/08/25	South Cambridgeshire
4	Prefer not to say	Resident		No	45-65	Heterosexual/straight		Female		Agree		Yes		Yes		Not sure		Disagree		Not sure			13/08/25	East Chesterton
5	No	Resident		No	Over 65	Heterosexual/straight		Male		Strongly agree		Yes		Yes		Yes		Strongly agree		Yes			13/08/25	Castle
6	No	Resident		No	25-45	Heterosexual/straight		Male		Strongly agree	Those who don't want to take universal credit and still need help should be helped out if they're not taking advantage so yes we need two systems. The council tax should come down in total to help everyone in cambridge which in turn will help every business as people have more money to spend going out for drinks and dinner and shopping.	Yes		Not sure		No		Strongly agree		Not sure		13/08/25	Trumpington	
7	Yes	Resident		Yes	45-65	Heterosexual/straight		Male		Neutral	I don't have any knowledge of the reasons given to support a household that does not wish to claim Universal Credit so I cannot provide an informed opinion either way	Yes		Yes		Yes		Agree		Yes		13/08/25	West Chesterton	
8	No	Resident		No	25-45	Gay man		Male		Disagree	Unnecessarily complex to administer a scheme for people who choose not to claim UC	Yes		Not sure		No		Neutral		Not sure		13/08/25	Petersfield	
9	No	Resident		No	25-45	Heterosexual/straight		Male		Strongly agree		Yes		Yes		Yes		Neutral		Yes			13/08/25	Queen Edith's
10	Yes	Resident		Yes	45-65	Heterosexual/straight		Female		Strongly agree		Yes		Yes		No	i believe we all should be able to make a choose	Agree		Yes	yes look to reduce the council tax for single people who are struggling with large bills	13/08/25	South Cambridgeshire	

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11	No	Resident		No	25-45	Prefer not to say		Male		Neutral		Yes		Yes		Yes	Agree		Yes		13/08/25	Trumpington	
12	No	Resident		No	45-65	Prefer not to say		Prefer not to say		Agree		No		No	Inflation should be taken into account to avoid penalising those with low incomes.	Yes	Agree		Not sure		13/08/25	East Chesterton	
13	Prefer not to say	Resident		Yes	Over 65	Prefer not to say		Female		Disagree		Not sure		Not sure		No	Disagree		Not sure		13/08/25		
14	No	Resident		No	25-45	Bisexual		Female		Neutral		Yes		Not sure		Yes	Agree		Not sure		13/08/25	East Chesterton	
15	Prefer not to say	Other	Rough Sleeper	Prefer not to say	25-45	Heterosexual/straight		Male		Neutral	I need to know more before I form a conclusive opinion.	Not sure		Not sure		Not sure	Neutral	Only if it's beneficial and not detrimental and easily explained to the disadvantaged pensioners.	Not sure	As long as it's beneficial i.e., more in the individuals' pocket, then it is good thing.	13/08/25	Arbury	
16	No	Resident		No	Over 65	Heterosexual/straight		Female		Neutral		Yes		Not sure		Not sure	Neutral		Not sure	I would welcome a reduction in Council tax for myself. I am applying for social housing.	13/08/25	Arbury	
17	No	Resident		No	25-45	Heterosexual/straight		Male		Disagree	If households aren't claiming UC then why do they need support?	Not sure		No	Don't lose out on council tax!	No	Stop the non universal credit schemes	Strongly agree	More fair system by not removing income twice	Not sure		13/08/25	Castle
18	No	Resident		Yes	25-45	Heterosexual/straight		Male		Strongly agree	It makes sense to support people in hardship regardless of their UC status.	Yes		No	You should freeze increases from residents, and focus on business rate increases. Many people are struggling enough already.	Yes	Strongly disagree	Why don't you give the disregard to the other groups?	No	Yes. Stop focusing on this. Focus instead on increasing business rates; the businesses in this city have a lot of money and they aren't going anywhere. Turn the screws on business. Use that to offer reductions on tax, as well as invest in the city.	13/08/25	Newnham	
19	Yes	Resident		Yes	25-45	Heterosexual/straight		Female		Neutral		Not sure		No		Not sure	Disagree		Not sure		13/08/25		
20	No	Resident		Yes	Over 65	Heterosexual/straight		Male		Agree		Yes		Yes		Not sure	Neutral		Yes		14/08/25		
21	No	Resident		Yes	45-65	Heterosexual/straight		Male		Disagree	If people are entitled to Universal credit and choose not to claim they should not have any additional premiums used to calculate their council tax support as they are choosing not to maximise their income entitlement	Yes		Yes		No	Disagree		No	More rigorous scrutiny of claims is needed. Pension credit is often not looked at carefully enough and is open to fraud more so than UC as there are no real checks on changes in household or circumstances.	14/08/25	Castle	
22	Yes	Resident		No	45-65	Prefer not to say		Prefer not to say		Strongly agree		Yes		Yes		Not sure	Agree		Yes		14/08/25	Castle	

42	Yes	Resident		Prefer not to say	25-45	Prefer not to say		Female		Agree	I am very grateful to be in receipt of the CT reduction for UC claimants at the moment. However as a self-employed person with a fluctuating income, I find that it is very unpredictable how much I pay each month. The notification letters are complex and don't tell me directly how much will be taken from my account at the next DD. I would like to be able to overpay and put my account in credit some months, to make the payments more regular, and I would like to just know, at a glance, how much the DD will be.	Not sure		Not sure	It is not clear how this compares to what is done at present.	Not sure		Agree		Not sure	This survey did not explain the changes very clearly, so your results could easily not represent people's actual views.	21/08/25	Castle
43	Yes	Resident		No	25-45	Heterosexual/straight		Female		Agree		Yes		Not sure		Not sure		Agree		Not sure		21/08/25	Somewhere else
44	Yes	Resident		No	25-45	Bisexual		Female		Strongly agree		Yes		Yes		Yes		Neutral		Yes		21/08/25	West Chesterton
45	Yes	Resident		Yes	45-65	Heterosexual/straight		Female		Strongly agree		Yes		Not sure		Not sure		Agree		Yes		21/08/25	Cherry Hinton
46	Yes	Resident		No	25-45	Heterosexual/straight		Female		Strongly agree		Yes		Yes		Not sure		Strongly agree		Yes		21/08/25	
47	Yes	Resident		Yes	Over 65	Heterosexual/straight		Male		Strongly agree		Yes	Just that we are on disability reduction of 25% council tax relief	Not sure		Not sure		Neutral		Not sure		21/08/25	East Chesterton
48	Yes	Other	One person household	Yes	45-65	Prefer not to say		Prefer not to say		Strongly disagree	Non UC recipient does not mean you don't need the reduction	Not sure	Don't understand	No	Living cost rises also	No	Transparency!!! Shame on you and these proposals	Strongly disagree	A trick question. Just give to pensioners more to make it fair!!! This is a leading question	No	Do not take from people already poor and trick them into agreeing via this biased consultation. Very disappointed	21/08/25	Romsey
49	Yes	Resident		No	25-45	Heterosexual/straight		Male		Strongly agree		Yes	I strongly support this proposal.	Yes		Yes		Agree		Yes	None	21/08/25	Somewhere else
50	Yes	Resident		No	25-45	Heterosexual/straight		Female		Strongly agree		Yes		Yes		Not sure		Strongly agree		Not sure		21/08/25	King's Hedges
51	Yes	Resident		Yes	25-45	Heterosexual/straight		Female		Disagree	The current scheme works well. I am unsure how separating the schemes would help people when it just adds to confusion	Yes		Not sure		Not sure		Agree		Not sure		21/08/25	Trumpington

59	Yes	Resident		No	45-65	Heterosexual/ straight		Female		Agree			Not sure		Yes		Not sure		Neutral		Yes	Thank you for your support circumstances at present.	21/08/25	East Cambridges hire
60	Yes	Resident		Yes	Over 65	Heterosexual/ straight		Female		Neutral			No		Not sure	Those on benefits must be taken into consideration	Yes		Agree		Not sure		21/08/25	South Cambridges hire
61	No	Landlord or housing provider		No	25-45	Heterosexual/ straight		Female		Strongly agree			Yes		Yes	Can you have more income brackets for people show earn about £2500 a month? Maybe to also consider extra allowance for more income if people are carers (for disabled children and or adults). These people will likely have limitations on how much they can work and so their earning potential is not as others. Yet they still have to contribute the same amount.	Not sure	No idea what this means.	Agree		Yes		21/08/25	
62	Yes	Resident		Yes	45-65	Heterosexual/ straight		Male		Agree			Yes		Not sure		Yes		Neutral		Not sure		21/08/25	East Chesterton
63	Yes	Resident		Prefer not to say	45-65	Heterosexual/ straight		Female		Agree			Yes		No	Simplicity and Predictability 🏠: Linking income bands directly to the National Living Wage (NLW) provides a clear, transparent, and predictable mechanism for annual increases. Households and local authorities would know exactly how support levels will change, simplifying financial planning and administration. Keeps Pace with Income 📈: The proposal ensures that council tax support keeps pace with the earnings of the lowest-paid workers. As the NLW increases, so does the level of support, preventing a situation where low-income households are forced to pay more council tax despite their earnings only rising by a small amount. Administrative Efficiency ⚙️: This method automates the process of updating income bands and contribution levels. Instead of a new calculation or a lengthy review each year, the change is a simple percentage increase, reducing the administrative burden on the council. Arguments Against the Proposal 🚫 Disregards Inflation and Cost of Living 📊: The primary flaw is that the NLW is not solely linked to inflation. While it aims to reflect the median wage, it doesn't always keep pace with the actual cost of living, particularly housing, food, and energy costs. If inflation outpaces the NLW increase, low-income households could see their real-term financial situation worsen, despite their council tax support going up. Not a Holistic Approach ✖️: The proposal only considers one factor: the NLW. A more comprehensive approach would also consider other economic indicators like the Consumer Price Index (CPI) and regional variations in the cost of living. A 3% increase might be appropriate in one area but insufficient in a high-cost urban area. Potential for Inequity 🏡: The NLW is a single national figure. The cost of living varies	Yes		Strongly agree		Yes		21/08/25	Cherry Hinton
64	Yes	Resident		Yes	Over 65	Heterosexual/ straight		Male		Agree			Yes		Yes		Yes		Agree		Yes	THECOUNCIL TAX IS AN UNNECESSARY BURDEN. BRITAIN IS RICH ENOUGH FOR THIS TAX. PLEASE CANCEL IT.	21/08/25	Trumpington

[illegible]

80	Yes	Resident		Prefer not to say	25-45	Prefer not to say		Prefer not to say		Neutral	As a single person, I am on full job-seeking Universal Credit, I receive Single Persons Discount and reduction also. this suits my financial needs currently.	Not sure	You need to make it easy to understand what it means financially. People need positive incentives to motivate them to want to work, anything that effects finances negatively deters unemployed job seekers from truly wanting a job and they will just do what they have to so as to keep getting their income supported otherwise.	Not sure	If i was using the a.i i would ask the A.Ito explain it to me like I was 9. Make it simple to understand.	Not sure		Strongly disagree	It disincentivise s people from trying to work part time while on Universal Credit, if I understand it correctly. it seems you would charge them more, so why would they want a job If they lose more money?	Not sure	Make it so you don't deduct anything from part time workers on Universal Credit. Otherwise they might not want to keep working.	22/08/25	
81	Yes	Resident		Yes	45-65	Heterosexual/straight		Male		Strongly agree		Yes		Yes		Yes		Disagree		Yes		22/08/25	Coleridge
82	Yes	Resident		Yes	45-65	Heterosexual/straight		Male		Agree		Yes		Yes		No		Strongly agree		Yes		22/08/25	Abbey
83	Yes	Resident		Yes	45-65	Heterosexual/straight		Male		Neutral		No		No		Not sure		Agree		Not sure	Yes I think these bands is incorrect	22/08/25	Arbury
Page 345	84	Yes	Resident	No	45-65	Heterosexual/straight		Female		Strongly agree		Yes	People who do not work and claim Universal Credit as their income should not pay Council Tax.	Not sure		Not sure		Neutral		Yes	I don't work due to an ongoing gynaecological health condition and get Council Tax Reduction. I don't really understand this survey.	22/08/25	Petersfield
	85	No	Resident	Yes	45-65	Heterosexual/straight		Female		Agree		Yes		Yes		Yes		Neutral		Yes		22/08/25	Trumpington
	86	Yes	Resident	No	25-45	Heterosexual/straight		Female		Agree		Yes		Yes		Yes		Agree		Yes		23/08/25	Trumpington
	87	Yes	Resident	No	25-45	Heterosexual/straight		Female		Strongly agree		Yes		Not sure		Yes		Neutral		Not sure		23/08/25	Arbury
	88	Yes	Resident	Yes	25-45	Heterosexual/straight		Female		Strongly agree		Yes		Not sure	It's not clear as you haven't provided a contrast with current figures - so this survey fails to be transparent and support informed decisions	Yes		Strongly disagree		No		23/08/25	Arbury
89	Yes	Resident		No	45-65	Prefer not to say		Female		Neutral		Yes		Yes		Yes		Neutral		Yes		25/08/25	Cherry Hinton
90	Yes	Resident		Yes	45-65	Heterosexual/straight		Female		Strongly agree		Yes		Yes		Yes		Neutral		Yes		25/08/25	
91	No	Resident		Yes	25-45	Heterosexual/straight		Male		Agree		Yes		Yes		Yes		Agree		Not sure		25/08/25	Abbey

104	Yes	Resident		No	45-65	Prefer not to say		Female		Neutral	I currently receive UC but still have been charged the full amount of council tax. I think that needs to change.	Not sure	I think there would need to be specific lived experience examples to be able to comment on this. My experience is I am still charged the full amount, even though I receive UC	No	Cost of living is outstripping any very minor increases in UC or other benefits/wages. It's just taking away more from those who already have less	Not sure	Nope	Neutral	Not sure what you mean so can't comment on this	No	Take into consideration the constantly increasing cost of living, particularly impacting lower earners or those who can't work. My bills are currently way more than any slight annual increase in salary and UC, which means I'm actually not benefitting from this at all. I expect many others are in the same position.	03/09/25	King's Hedges
105	Yes	Resident		Yes	25-45	Heterosexual/straight		Female		Agree		Yes		Yes		Yes		Disagree		Yes	Proposed Council Tax Reduction Scheme For sure its very good an idea and help for single family with child, some one just part time to work then need to looking after child single mother or father. And help the disabled. It can help us feel less anxious.	07/09/25	West Chesterton
106	No	Representative of a community or voluntary organisation		No	45-65	Prefer not to say		Prefer not to say		Neutral		Yes		No	It would be better to link it to the % increase of UC	No	The % increase should be linked to the UC increase	Agree	I agree, but only if the other bandings increase are linked with UC % increase - see previous questions	Not sure		09/09/25	Castle
107	Yes	Resident		Yes	45-65	Heterosexual/straight		Female		Agree		Yes		Yes		Not sure		Disagree		Yes		10/09/25	
108	Yes	Resident		Yes	45-65	Heterosexual/straight		Female		Strongly agree		Yes		Yes		Not sure		Neutral		Yes		10/09/25	East Chesterton
109	Yes	Resident		Yes	25-45	Heterosexual/straight		Female		Disagree		Not sure		Not sure		Yes		Agree		Not sure		10/09/25	Cherry Hinton
110	No	Resident		Yes	25-45	Heterosexual/straight		Male		Strongly agree		No		No		Yes		Neutral		Not sure		12/09/25	South Cambridgeshire
111	No	Resident		No	Over 65	Heterosexual/straight		Female		Strongly agree		Yes		Yes		Yes		Neutral		Yes	I am pleased that the Council are retaining the existing scheme (more or less) as it's fair and reasonably equitable.	13/09/25	Petersfield
112	No	Resident		No	45-65	Heterosexual/straight		Female		Agree		Yes		Yes		Yes		Agree		Yes		15/09/25	
113	No	Resident		No	45-65	Heterosexual/straight		Male		Disagree		Yes		Yes		Yes		Strongly agree		Yes		15/09/25	Arbury

114	No	Resident		No	45-65	Heterosexual/straight		Female		Strongly agree	Need to help people who do not claim universal credit but just above cut off point. Expensive to live in Cambridge	Not sure		Yes		Not sure		Agree		Not sure	Definitely want to see this made available to non working family credit people. Need a cambridge allowance for lower earners to keep up with their bills.	15/09/25	
115	No	Resident		No	45-65	Heterosexual/straight		Female		Strongly agree		Yes		Yes		Yes		Neutral		Yes		16/09/25	Coleridge
116	No	Resident		No	45-65	Heterosexual/straight		Male		Agree		Yes		Yes		Yes		Strongly agree		Yes		17/09/25	West Chesterton
117	No	Resident		No	Over 65	Heterosexual/straight		Male		Agree	Attempt to help Universal Credit Claimant back to a working life	No	Not Applicable	Yes		No	All data must be mde available to the public	Agree		Yes		20/09/25	West Chesterton
118	No	Resident		Yes	25-45	Prefer not to say		Female		Agree		Yes		Yes		Yes		Agree		Yes		22/09/25	
119	No	Resident		No	25-45	Heterosexual/straight		Male		Strongly agree		Yes		Yes		Not sure		Strongly agree		Not sure		23/09/25	Cherry Hinton
120	No	Resident		Yes	45-65	Other	I refuse to engage in this trans mafia rubbish. let me do the survey without this crap.	Male		Neutral		No	people that do not declare their earnings claim will be rewarded for their tax evasion by getting discounts they do not deserve , at everybody else's expense.	No	the scale is too long. smaller discount for fewer people would be more sensible.	Not sure		Agree		No	The council should go back to working five proper days work a week for the money we pay them. The amount of money wasted on political hair brained schemes and massive pension contributions for council staff could lower council tax for everybody, unemployed (supposedly) and employed alike.	24/09/25	Cherry Hinton
121	No	Resident		No	Over 65	Gay man		Male		Strongly agree		No	everyone should make some contribution to council services however small	Yes		Yes		Strongly agree		Yes	most residents should pay something	24/09/25	Trumpington
122	No	Resident		No	45-65	Gay man		Male		Strongly agree		Yes		Yes		Yes		Strongly agree		Yes		25/09/25	West Chesterton
123	Yes	Resident		No	45-65	Heterosexual/straight		Female		Agree		Yes		Yes		Yes		Agree		Yes		25/09/25	Coleridge
124	No	Resident		No	45-65	Heterosexual/straight		Male		Strongly agree		Not sure		No		No		Neutral		Yes		25/09/25	

125	No	Resident		No	Over 65	Heterosexual/straight		Female		Strongly agree		Yes		Yes		No		Strongly agree		No	For married pensioners over 70 years old on JOINT fixed incomes, say below £25k per household, I think there should be a reduction in council tax, say 25% per household. The cost of living crisis is hugely affecting this income bracket. In effect, this would mean they only pay the single person council tax	27/09/25	
126	No	Resident		No	45-65	Prefer not to say		Male		Agree		No		No		No		Strongly agree		No		27/09/25	Romsey
127	No	Resident		No	45-65	Heterosexual/straight		Female		Agree		Yes		Not sure		Not sure		Agree		Yes		29/09/25	South Cambridges hire
128	No	Resident		No	25-45	Heterosexual/straight		Male		Strongly disagree	A council shutting public facilities for taxpayers due to unaffordability should not be offering extra discounts. Everyone should pay their share if they live in the city.	No	If reductions have to be made they should be only partial - it should not be expected that those that do not earn and save get a free pass in life	No		No	RPI uprates should be used in line with other government debts,	Strongly agree	Remove earnings disregard entirely. It's wholly unethical that people claiming charitable support from taxpayers who work (and have costs to do so) should be claiming increases in that support due to the costs of their own work.	No	The council should focus only on it's core functions. Collecting all council tax due and delivering solid core services for taxpayers, and stop trying to play house with communist ideas.	30/09/25	King's Hedges
129	No	Resident		No	25-45	Heterosexual/straight		Male		Neutral		Not sure		Not sure		Not sure		Neutral		Not sure		01/10/25	Somewhere else
130	No	Other	Employer of Cambridge residents	No	45-65	Gay man		Male		Agree		Yes		Yes		Yes		Neutral		Not sure		01/10/25	Market
131	No	Resident		No	45-65	Heterosexual/straight		Prefer not to say		Agree		Yes		Yes		No		Agree		Not sure		01/10/25	Abbey
132	No	Resident		No	25-45	Heterosexual/straight		Female		Agree		Yes		Yes		No		Neutral		Yes	50%	01/10/25	Arbury
133	Prefer not to say	Resident		No	25-45	Heterosexual/straight		Female		Agree		Yes		Yes		Yes		Strongly agree		Yes		02/10/25	
134	No	Resident		No	Over 65	Heterosexual/straight		Male		Neutral		Not sure		Not sure		Not sure		Neutral		Not sure	I too the survey because I firmly believe that Council Tax is too for Oldies like me, and that more valuable properties should be more highly taxed - and wanted to be able to say this. Thanks	02/10/25	
135	No	Resident		No	45-65	Heterosexual/straight		Male		Strongly agree		Yes		Not sure		Not sure		Disagree		Not sure		02/10/25	Romsey

136	Yes	Resident		No	25-45	Bisexual		Female		Strongly disagree	As far as I understand it, part of this scheme would abolish the Second Person rebate (where if all but one person living in the house are exempt eg are students, that one person would be entirely responsible for council tax). This is ludicrous. Cambridge has a huge population of young people - many of them students, and also a lot of young professionals. Some of those young professionals are paid well, especially those who commute to London, however not all are. As a young researcher working in a scientific lab I was paid £25K a year for the 3 years after I graduated. This is for a specialised job which required at minimum a Bachelor's degree, and preferably also a Master's degree. Many young people now live in large house shares, as this is the only way they can afford to live in Cambridge. Therefore it is very common to have many young people, a mixture of students and working people, in the same house. A house share may be a high council tax band - C or D - and then it is entirely possible that in theory the entire responsibility for council tax would rely on one person. I think more care needs to be taken when considering scrapping the Second Person Rebate. Cambridge is a hub for science, however that science requires people, often young graduates. If the rent keeps going up, as it has been, and then any council tax reductions are removed, it is going to be difficult to make living in Cambridge unachievable for many young scientists.	Not sure		Not sure		Not sure		Neutral		Not sure	As far as I understand it, part of this scheme would abolish the Second Person rebate (where if all but one person living in the house are exempt eg are students, that one person would be entirely responsible for council tax). This is ludicrous. Cambridge has a huge population of young people - many of them students, and also a lot of young professionals. Some of those young professionals are paid well, especially those who commute to London, however not all are. As a young researcher working in a scientific lab I was paid £25K a year for the 3 years after I graduated. This is for a specialised job which required at minimum a Bachelor's degree, and preferably also a Master's degree. Many young people now live in large house shares, as this is the only way they can afford to live in Cambridge. Therefore it is very common to have many young people, a mixture of students and working people, in the same house. A house share may be a high council tax band - C or D - and then it is entirely possible that in theory the entire responsibility for council tax would rely on one person. I think more care needs to be taken when considering scrapping the Second Person Rebate. Cambridge is a hub for science, however that science requires people, often young graduates. If the rent keeps going up, as it has been, and then any council tax reductions are removed, it is going to be difficult to make living in Cambridge unachievable for many young scientists.	03/10/25	Petersfield
137	No	Resident		No	Over 65	Heterosexual/straight		Female		Agree		Yes		Not sure		Not sure		Neutral		Not sure	Would like to see a range of case studies to gauge the effects	03/10/25	
138	Yes	Resident		No	Over 65	Prefer not to say		Male		Disagree	This survey is confusing	No	Again confusing. What about sole Occupier discount?	Not sure	What does this mean for pensioners that fall between claiming universal credit and low income ?	No	Do not understand what you meant. Is this deliberately meant to confuse?	Neutral	This again is so obtuse. Can not you explain this in simple English that can be understood by everyone?	Not sure	It makes little sense to me as a well educated person. Who thought of this survey? Is it intended to confuse and bamboozle?	04/10/25	
139		Resident		No	25-45	Heterosexual/straight		Female		Agree		Yes		Yes		Yes		Neutral		Yes		04/10/25	Cherry Hinton
140	Yes	Resident		Yes	45-65	Prefer not to say		Female		Neutral	I have no idea what this means. Its very ambiguous as usual.	No	No. Again ambiguous.	No	WOW	No	Really!	Neutral	Again what does it really mean. Try making sense.	No	Plain English and transparency throughout the council would be a good start.	04/10/25	East Chesterton
141	Yes	Resident		Prefer not to say	45-65	Prefer not to say		Prefer not to say		Neutral		Not sure		Yes		Not sure		Strongly agree		Yes		04/10/25	Queen Edith's
142	No	Resident		No	25-45	Heterosexual/straight		Male		Neutral		No		No		No		Strongly agree		Not sure		04/10/25	King's Hedges
143	No	Resident		No	45-65	Heterosexual/straight		Male		Strongly agree		No		No		No		Neutral		No		04/10/25	Cherry Hinton
144	Yes	Resident		No	45-65	Heterosexual/straight		Female		Neutral		Not sure	I am not clear on this.	Not sure		Not sure		Neutral		Not sure	I cannot pay anymore than what I'm paying now. thank you.	06/10/25	
145	Yes	Resident		No	45-65	Heterosexual/straight		Male		Strongly agree		Yes		Not sure		Not sure		Agree		Not sure		06/10/25	Romsey
146	No	Resident		No	25-45	Prefer not to say		Female		Agree		Not sure		Not sure		No		Strongly agree		Not sure		07/10/25	Coleridge
147	Yes	Resident		Yes	45-65	Heterosexual/straight		Male		Agree	The council tax should look at net income as in what you have left each month and not the gross income. Somethings have to be paid. Special diet, mortgage, credit cards etc. The council should also fix the potholes in the roads	Yes		Not sure		Not sure	Stop hurting people and affecting their lives	Neutral		Not sure	Help people and stop ticking boxes	08/10/25	Castle
148	No	Resident		No	25-45	Prefer not to say		Female		Agree		Yes		No		Not sure		Agree		Not sure		08/10/25	Somewhere else

149	No	Resident		Yes	45-65	Prefer not to say		Prefer not to say		Agree	Ot seems fair to include those on low wages but not in receipt of UC in a reduction scheme	Not sure	I dont quite understand the proposal	Yes		Not sure		Neutral		Not sure		10/10/25	Coleridge
150	No	Resident		No	45-65	Heterosexual/straight		Male		Neutral		Yes		No	Raising by inflation would seem more sensible, the Minimum/Living wage is quite a political/artificial figure that could be frozen or change a lot.	Yes		Agree		Not sure	Generally looks overly generous, especially when council finances are stretched. I'm surprised to see people earning £2k per month don't need to pay the full council tax.	11/10/25	
151	No	Resident		No	45-65	Heterosexual/straight		Female		Agree		Yes	Council tax is huge value for money - people under appreciate this.	Yes		Yes		Strongly agree		Yes		14/10/25	Queen Edith's
152	Yes	Resident		No	45-65	Heterosexual/straight		Female		Disagree		Yes		No		No		Disagree		No		14/10/25	South Cambridgeshire
153	No	Resident		No	45-65	Heterosexual/straight		Male		Agree		Yes		Yes		Yes		Strongly agree		Yes		14/10/25	
154	No	Resident		No	25-45	Bisexual		Female		Strongly agree		Yes		Yes		Not sure		Disagree		Yes		14/10/25	Arbury
155	No	Resident		No	45-65	Heterosexual/straight		Male		Neutral	Without more context on why households may not wish to claim UC, I do not want to take a strong position here	Yes		No	I agree with updating in line with the national living wage as a reference point. However: (1) I would like to see more context on overall budgeting within these amounts, and if the combination of council tax contributions is practical. (2) I would like to see avoidance of the cliff-edge effects (earn 1p more, and lose 7.50 GBP if I understand correctly?)	Not sure	I do not understand the current scheme so cannot comment in detail. Using CPI concerns me because it may under-represent the inflation people see in practice. Conversely, CPI may become negative, and reductions may not be intended	Neutral	I would encourage the council to set out a policy aim separate from the details of the implementation. For instance, if the aim is that the pensioner scheme, non-UC scheme, and UC scheme should provide broadly similar contributions to people in broadly similar financial circumstances.	Not sure		14/10/25	Queen Edith's
156	No	Resident		No	25-45	Prefer not to say		Prefer not to say		Disagree		Not sure		No		No		Strongly disagree		No		15/10/25	
157	No	Resident		No	25-45	Prefer not to say		Prefer not to say		Strongly agree		Yes		Not sure		No		Strongly agree		No	You should waste less of our tax, and that would be a better approach to reduce bills for everyone	18/10/25	Romsey
158	Yes	Landlord or housing provider		Yes	45-65	Heterosexual/straight		Female		Agree		Not sure		Yes		Not sure		Agree		Not sure		22/10/25	
159	Yes	Resident		Yes	25-45	Heterosexual/straight		Female		Agree		Yes	The wording used is difficult to understand	Not sure	I don't understand the question	No		Disagree		Not sure		23/10/25	Petersfield
160	No	Resident		Yes	Over 65	Heterosexual/straight		Male		Strongly agree		Yes		Yes		Yes		Agree		Yes		23/10/25	

161	No	Resident		No	25-45	Prefer not to say		Female		Agree		No		Yes		Yes	Neutral		Yes		27/10/25	Trumpington
162	No	Resident		No	Under 25	Heterosexual/straight		Female		Strongly agree		Yes		Yes		Yes	Strongly agree		Yes		29/10/25	
163	No	Resident		No	45-65	Heterosexual/straight		Male		Strongly agree		Yes		Yes		Yes	Strongly agree		Yes		30/10/25	
164	No	Resident		Yes	25-45	Prefer not to say		Male		Strongly agree	Reduction for those not claiming benefits sounds good, as I have no rights for any benefits, while struggling financially	Not sure		Not sure		Not sure	Disagree		Not sure	I am already paying to my landlord 1400, other bills, tv licence etc, there is no money for food , I do need to have this tax reduced.	30/10/25	
165	No	Resident		No	25-45	Heterosexual/straight		Female		Strongly agree		Yes		Yes		Yes	Strongly agree		Yes		30/10/25	Abbey
166	Yes	Resident		Yes	45-65	Heterosexual/straight		Female		Agree		Yes		Yes		Yes	Neutral		Yes	Continue discounted band for homes accommodating a disabled person	31/10/25	West Chesterton
167	Yes	Resident		Prefer not to say	Over 65	Heterosexual/straight		Male		Strongly agree		Yes		Not sure		Not sure	Neutral		Not sure		31/10/25	
168	No	Resident		No	25-45	Bisexual		Male		Strongly agree		Yes		Yes		Yes	Neutral		Yes		31/10/25	Queen Edith's
169	No	Resident		No	25-45	Gay man		Male		Strongly agree		Yes		Yes		Yes	Strongly agree		Yes		31/10/25	

End of survey report

Are you currently receiving Council Tax Reduction?

169/169 - Multiple choice - choose one - required

No 53.3% (90 choices)



Yes 41.4% (70 choices)



Prefer not to say 5.3% (9 choices)



Which of the following best describes you?

169/169 - Multiple choice - choose one - required

Resident 95.9% (162 choices)



Landlord or housing provider 1.8% (3 choices)



Representative of a community or voluntary organisation 0.6% (1 choice)



Other 1.8% (3 choices)



Do you or someone in your household have a disability or caring responsibilities?

169/169 - Multiple choice - choose one - required

No 57.4% (97 choices)



Yes 36.7% (62 choices)



Prefer not to say 5.9% (10 choices)



What is your age bracket?

169/169 - Multiple choice - choose one - required

45-65 45% (76 choices)



25-45 40.8% (69 choices)



Over 65 12.4% (21 choices)



Under 25 1.8% (3 choices)



Which of the following best describes your sexual orientation?

169/169 - Multiple choice - choose one - required

Heterosexual/straight 68.6% (116 choices)



Prefer not to say 20.1% (34 choices)



Bisexual 4.7% (8 choices)



Gay man 4.1% (7 choices)



Gay woman/lesbian 1.2% (2 choices)



Other 1.2% (2 choices)



What is your gender?

169/169 - Multiple choice - choose one - required

Female 49.1% (83 choices)



Male 40.2% (68 choices)



Prefer not to say 9.5% (16 choices)



Other 1.2% (2 choices)



Retaining two schemes

Do you agree with this approach?

169/169 - Multiple choice - choose one - required

Strongly agree 34.3% (58 choices)



Agree 33.1% (56 choices)



Neutral 23.1% (39 choices)



Disagree 5.9% (10 choices)



Strongly disagree 3.6% (6 choices)



Do you have any further comments to make about this approach?

29/169 - Long answer - optional

Many respondents expressed concern about the affordability of council tax, particularly for ordinary families and those on low incomes, with several calling for council tax to be reduced overall to help everyone in the community. There was a strong theme that support should be available to people in hardship regardless of whether they claim Universal Credit (UC), as not all those in need are UC recipients. Some respondents questioned why people would not claim UC if eligible, suggesting the system may be too complex or inflexible while others felt that if people choose not to claim UC, they should not receive additional council tax support.

There were mixed views on whether having two separate schemes (for UC and non-UC claimants) is necessary, with some seeing it as unnecessarily complex while others supported it to ensure no one in need is left out. Several respondents highlighted the need for clearer communication and simpler administration, especially for those with fluctuating incomes or complex circumstances. There were also calls to ensure that both UC and non-UC recipients receive equivalent support.

A few respondents mentioned personal experiences, such as struggling to pay council tax even while on UC or finding the current scheme meets their needs. Some responses indicated a lack of understanding or information about the scheme and its rationale.

Overall, the main trends were concerns about affordability, the need for inclusive support beyond just UC claimants, and calls for simpler, clearer processes.

100% Council Tax liability support

Do you support this proposal?

169/169 - Multiple choice - choose one - required

Yes 66.9% (113 choices)



Not sure 20.7% (35 choices)



No 12.4% (21 choices)



Do you have any further comments to make about this proposal?

20/169 - Long answer - optional

Many respondents expressed confusion or found the proposal unclear, with several specifically mentioning that the wording was difficult to understand or ambiguous. One respondent raised a specific concern about how the proposal affects the sole occupier discount. Only one response commented positively, stating that council tax offers good value for money and is underappreciated. Overall, the dominant trend is a lack of clarity and understanding of the proposal among respondents.

Income Bands and Contributions - Universal Credit Scheme

Do you agree with this method of updating the Universal Credit scheme?

169/169 - Multiple choice - choose one - required

Yes 50.3% (85 choices)



Not sure 30.2% (51 choices)



No 19.5% (33 choices)



Do you have any further comments to make about this method?

27/169 - Long answer - optional

Many respondents expressed concern that linking council tax reduction solely to the National Living Wage (NLW) does not adequately account for inflation or the rising cost of living, which are outpacing increases in both wages and benefits. Several respondents argued that this risks penalising those on low incomes, as even small increases in council tax can be a significant burden for them, especially with the current cost of living crisis. There were repeated calls for inflation and benefit rates to be considered in the calculation, or for the scheme to be linked to Universal Credit (UC) increases instead.

A number of respondents highlighted the need for greater clarity and transparency, with some finding the explanation of the scheme confusing or lacking comparison to the current system. There was also concern that the proposed changes might lower the earnings thresholds for support, bringing more low-income people into payment.

Some respondents suggested that council tax increases should be frozen for residents and instead focus on raising business rates, as many people are already struggling. Others emphasised the importance of considering the needs of specific groups, such as under-25s, carers, and those on benefits.

A few respondents noted positive aspects, such as the simplicity, predictability, and administrative efficiency of linking the scheme to the NLW. However, concerns about regional inequity and the lack of a holistic approach were also raised.

Finally, some respondents requested more income brackets, especially for those with caring responsibilities or slightly higher incomes, and called for the scheme to be implemented in a way that avoids confusion from multiple recalculations during the year.

Non-Universal Credit Scheme

Do you agree with this proposal?

169/169 - Multiple choice - choose one - required

Yes 42% (71 choices)



Not sure 39.1% (66 choices)



No 18.9% (32 choices)



Do you have any further comments to make about this proposal?

18/169 - Long answer - optional

Several respondents expressed confusion or lack of understanding about the proposal, with comments such as "Don't really understand what this means in practice" "No idea what this means" and questioning why useful information would not be published. Transparency and public access to data were highlighted as important, with calls for all data to be made available and criticism of the proposals' transparency.

There were concerns about fairness and the relationship between Universal Credit (UC) and non-UC schemes. Some respondents felt that non-UC discounts should not exceed UC discounts to prevent people from avoiding UC claims for higher council tax discounts and that any percentage increase should be linked to UC increases. One respondent called for stopping non-UC schemes altogether.

There were also comments about eligibility and fairness, with one respondent stating that those who can afford housing should not be required to pay for Universal Credit and another expressing concern about exemptions for asylum seekers. A few responses called for choice and not penalising people.

Overall, the most common themes were confusion about the proposal, demands for greater transparency, and concerns about fairness and the relationship between UC and non-UC council tax reduction schemes.

Earned Income Disregards for Universal Credit Claimants

Do you agree with removing the additional earned income disregard for Universal Credit claimants?

169/169 - Multiple choice - choose one - required

Neutral 38.5% (65 choices)



Agree 23.7% (40 choices)



Strongly agree 21.3% (36 choices)



Disagree 10.7% (18 choices)



Strongly disagree 5.9% (10 choices)



Do you have any further comments to make about this?

17/169 - Long answer - optional

Many respondents expressed confusion or a lack of understanding about the details of the Council Tax Reduction scheme, with several stating they could not comment or needed more information. There was a recurring concern about fairness, particularly regarding pensioners and working-age claimants. Some felt pensioners are already well protected compared to others while others wanted more support for disadvantaged pensioners.

A few respondents questioned why certain benefits or disregards are not extended to other groups and one highlighted the issue of income being counted twice, suggesting the system should be more fair. Concerns were raised about the impact on working people, especially those on low wages or with caring responsibilities, noting that extra costs can make working less financially rewarding. There was also a worry that the scheme could disincentivise part-time work for Universal Credit claimants.

Some comments touched on technical aspects, such as whether travel and clothing costs are excluded from Universal Credit calculations and one respondent wanted any increases in bandings to be linked to Universal Credit percentage increases. There was also a single comment expressing concern about exemptions for asylum seekers.

Overall, the most common themes were confusion about the scheme, concerns about fairness between pensioners and working-age claimants, and the potential negative impact on those trying to work while claiming benefits.

Do you believe the proposed scheme is fair and supports those most in need?

169/169 - Multiple choice - choose one - required

Not sure 43.2% (73 choices)



Yes 42.6% (72 choices)



No 14.2% (24 choices)



Final thoughts

Do you have any other comments or suggestions about the proposed Council Tax Reduction Scheme?

47/169 - Long answer - optional

Many respondents emphasised the need for greater support for those on low incomes, including single people, pensioners, disabled people, carers, and part-time workers. Several mentioned the impact of the cost of living crisis and rising bills, stating that council tax reductions are essential for those struggling financially.

There were repeated calls for the scheme to be fairer and more transparent, with some respondents finding the application process complex and hard to understand. Suggestions included simplifying the process, clearer communication, and consulting independent experts.

Some respondents raised concerns about fairness, such as the treatment of tenants versus property owners, the impact on disabled people, and the need for more rigorous scrutiny of claims to prevent fraud. There were also calls for specific changes, such as higher rates for second properties, exemptions for annex properties, and automatic reductions for over-65s.

A few respondents expressed frustration with the council's spending and suggested shifting the tax burden to businesses or reducing council costs. Others felt that council tax itself is an unnecessary burden and should be cancelled.

There were also comments about the need to ensure the scheme does not discourage work, particularly for part-time workers on Universal Credit. Some respondents wanted to see more protection for the most vulnerable and for the scheme to remain as equitable as possible.

A minority raised concerns about exemptions for asylum seekers or suggested that most residents should pay something.

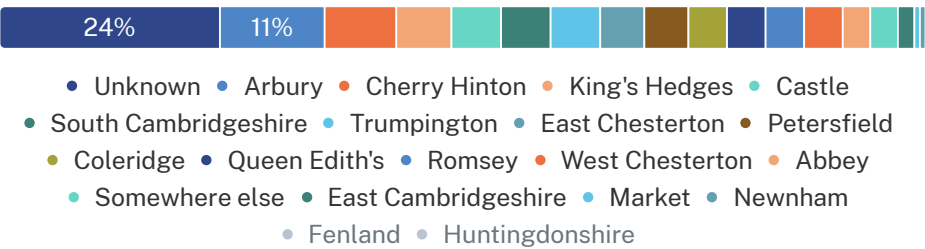
Overall, the most common themes were the need for increased support for those struggling financially, simplification and clarity of the scheme, and concerns about fairness and transparency.

Demographic data

Respondents are invited to share some details about themselves as part of the registration process on our online engagement platform. This helps us better understand how representative the responses are of the people who live and work in Cambridge.

To ensure that the survey is accessible to as many people as possible, we do not make it compulsory to provide this data. The online engagement platform is continually working to improve how it presents this data.

Place of residence



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Cambridge City Council Equality Impact Assessment (EqIA)

This tool helps the Council ensure that we fulfil legal obligations of the [Public Sector Equality Duty](#) to have due regard to the need to –

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Guidance on how to complete this tool can be found on the Cambridge City Council intranet. For specific questions on the tool email Helen Crowther Equality and Anti-Poverty Officer at equalities@cambridge.gov.uk or phone 01223 457046.

Once you have drafted the EqIA please send this to equalities@cambridge.gov.uk for checking.

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

Council Tax Reduction (CTR) Local Scheme

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

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

Council Tax Benefit, as a central government benefit, ended 31 March 2013 and Local Authorities had to define a scheme to support working age households pay their Council Tax. A national 'Prescribed' scheme is in place for pensioner households and is not subject to local control.

Since April 2020, the council has been operating two local schemes:

- | |
|---|
| <ul style="list-style-type: none">• Non-Universal Credit – for working age applicants based on pre 2013 Council Tax Benefit framework and uses annual uprating of |
|---|

allowances and premiums. This works well with the few remaining housing benefit claims as they use the same regulations, allowances and premiums.

- Universal Credit – for working age applicants on Universal Credit. Uses data from Department for Work and Pensions (DWP) to create a claim and uses data on household and income including earnings. This scheme works well with Universal Credit claims and provides clarification and stability of entitlement despite fluctuating Universal Credit amounts. Applicants who are working or who have an adult non-dependant living with them are asked to pay a contribution towards their Council Tax.

This EqIA relates to a third review of the two working-age schemes and was subject to consultation during Summer 2025. Responses are available on Cambridge City Council website and form part of the Cabinet report.

Options under the consultation include:

- To continue with the current Council Tax Reduction scheme (to include annual uprating in line with housing benefit rates) for working age claimants who are not in receipt of Universal Credit.
- To continue with an earnings based banded local Council Tax Reduction scheme for Universal Credit claimants and to have fixed non-dependant deductions for these claims.
- To either continue with September CPI to uprate non-dependant deductions or have a flat rate fixed for 3 years for the Universal Credit scheme.
- To align the earned income bands and contribution amounts in line with national minimum wage levels and increase during the lifetime of the scheme by the percentage increase in the national minimum wage.
- To not introduce a minimum contribution or restriction to a Council Tax band towards Council Tax for households on Local Council Tax Reduction.

The consultation asked basic details about the respondents including the following:

Disability or caring – Just under 37% of respondents said that someone in the household had a disability or caring responsibilities.

Age – over 87% of respondents to the consultation were of working age and are the group who are impacted by the Local Scheme.

Sexual Orientation – Just under 69% of the consultation respondents identified as straight, whilst 20.1% preferred not to say. However, there was some, albeit small, representation from other groups.

Gender – Almost half of respondents to the consultation identified as female and 40%, male. The remaining respondents either preferred not to say or said Other.

4. Responsible Team and Group

Revenues and Benefits, Corporate Group.

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

(Please tick all that apply)

- ☒ Residents
- ☐ Visitors
- ☐ Staff

Please state any specific client group or groups (e.g. City Council tenants, tourists, people who work in the city but do not live here):

Local Council Tax Reduction only applies to working age households who are liable for Council Tax to Cambridge City Council and are on a low income.

6. What type of strategy, policy, plan, project, contract or major change to your service is this?

- ☐ New
- ☐ Major change
- ☒ Minor change

7. Are other departments or partners involved in delivering this strategy, policy, plan, project, contract or major change to your service? (Please tick)	☐ Yes ☒ No

If 'Yes' please provide details below:

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

Cabinet 16 December 2025

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

A consultation will be carried out and the responses will inform any changes.

Modelling has taken place to ensure that any changes do not significantly impact on any particular protected characteristic below.

All current recipients of working age Council tax Reduction will be contacted to invite them to comment of proposals to their scheme. In addition, groups representing individuals with protected characteristics will be encouraged to comment as well as partners supporting low income families in the City.

10. Potential impacts

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

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

Local Council Tax only applies to working age households and calculation is based on whether the household is in receipt of Universal Credit or not. Over 87% of respondents to the consultation were of working age and are the group who are impacted by the Local Scheme.

The consultation is asking if households should make a contribution towards the Council Tax before calculation of any Reduction. Currently entitlement is based on 100% of liability.

However, should this change in the future, households with young persons aged under 5 or who have been looked after by a Local Authority (Care Leavers) will be classed as vulnerable and will be protected by inclusion in the vulnerable group. This protection means that entitlement to CTR will continue to be based on 100% of Council Tax liability should this reduce.

Pensioners are supported via the national prescribed Council Tax Reduction scheme and local authorities are not permitted to change this.

(b)Disability

Additional expenses relating to disability are recognised by the addition of disability premiums and disregarding some disability benefits when

calculating Council Tax Reduction and Universal Credit. By not applying non-dependant deductions if the non-dependant receives a disability income further supports households where someone is disabled.

The Disability Price Tag by Scope gives many examples of the financial impact a disability has on an individual and household.

[Disability Price Tag 2024 | Disability charity Scope UK](#)

It shows that disabled households need an extra £1,095 each month. This is just to have the same standard of living as non-disabled households. Medical equipment, higher energy bills, and specialist support all add up.

22% of households in Cambridge have a disability. * This contrasts with 17.8% from 2021 Census. In the consultation, nearly 37% of respondents said that someone in the household had a disability or had caring responsibilities. This is higher than the local and national averages. Generally, the consultation identified that households with disabilities and caring responsibilities should be protected as they often had higher costs.[Number of disabled people in the household \(Census TS040\) - 1 person disabled under the Equality Act in household % | Cambridgeshire & Peterborough Insight – Data Explorer](#)

Signposting and support to claim other reductions of Council tax liability are also done when CTR is applied for.

(c)Gender reassignment

No impacts identified specific to this equality group.

(d)Marriage and civil partnership

No impacts identified specific to this equality group.

(e) Pregnancy and maternity

Pregnancy and maternity are a financially difficult time and although generally additional personal allowances in CTR and UC are not given during pregnancy they may be if the mother is unable to work during pregnancy.

Poverty rates for children in lone-parent families have risen by around twice as much as those for children in couple families according to a report [Shining a Light on the Inequalities Faced by Single Parent Families](#). Information around budgeting support is widely available and referrals can easily be made for this and to organisations who can provide additional funding at this time.

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

Poverty rates are higher among all ethnic minority groups compared with those among the majority White British, therefore it could be that there are proportionally higher numbers of claims from some ethnic minority groups than others when compared to the proportion in population.

[UK Poverty 2025: The essential guide to understanding poverty in the UK | Joseph Rowntree Foundation](#) indicates that there are high poverty rates for some minority ethnic groups. In particular, between 2020/21 and 2022/23, over half of people in Bangladeshi (56%) and around half of people in Pakistani (49%) households lived in poverty, higher than the 19% of households headed by someone of white ethnicity.

The calculation of entitlement to CTR does not refer to race and is not impacted by it.

(g) Religion or belief

No direct impacts identified specific to this equality group, however some families may be larger than others due to their beliefs and this could put financial strain on a household since the restriction of allowances to 2 children was introduced.

(h) Sex

Women are generally more likely to be single parents in the first place (90%) according to ONS 2019. Locally, when looking at Cambridge City Council's Council Tax Reduction data April 2025, of the 1,817 single parent households, 1,722 are women. This represents 95% female single parent households on Council Tax Reduction.

(i) Sexual orientation

No impacts identified specific to this equality group.

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

- **Low-income groups or those experiencing the impacts of poverty.**
- **People of any age with care experience – this refers to individuals who spent part of their childhood in the care system due to situations beyond their control, primarily arising from abuse and neglect within their families. The term “Care experience” is a description of a definition in law, it includes anyone that had the state as its corporate parent by virtue of a care order in accordance with the Children Act 1989 and amendments.**
- **Groups who have more than one protected characteristic that taken together create overlapping and interdependent systems of discrimination or disadvantage. (Here you are being asked to consider intersectionality, and for more information see: https://media.ed.ac.uk/media/1_l59kt25q).**

Running two Council Tax Reduction (CTR) schemes side by side may seem confusing but each works well with Universal Credit and the reducing Legacy Benefits. Retaining a non-Universal Credit scheme is supportive of households who refuse to claim this benefit.

The banded Universal Credit scheme removes the need for potentially monthly variations as Universal Credit entitlement can change, often by a few pence. Providing a structured banding, allows a household to be confident what their Council Tax liability will be. Moves from one band to another can occur but a modest increase in obtaining just one additional hours work will move than cover a band increase.

It important that families on a low income who are often less able to budget, are clear about the support they will receive.

The following link gives some insights on local poverty datasets.

[Cambridgeshire & Peterborough Insight – Poverty – Key Datasets – Poverty](#)

Just under 10% of the Cambridge population are on Universal Credit and whilst lower than the County average of 15.5%, this indicates that

there is still a significant number of households on the main means tested benefit and statistically, the proportion of disabled individuals and households headed by single women tend to be higher in benefit households compared to the wider population.

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

This this Eqia has been reviewed following a consultation and will again be reviewed in 3 years, allowing for changes in the scheme and caseload demographics to be fully realised.

12. Do you have any additional comments?

No.

13. Sign off

Name and job title of lead officer for this equality impact assessment:
Naomi Armstrong, Benefits Manager.

Names and job titles of other assessment team members and people consulted: [Click here to enter text.](#)

Date of EqlA sign off: 11 November 2025

Date of next review of the equalities impact assessment: November 2028

Date to be published on Cambridge City Council website: 16 December 2025

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

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DRAFT PAY POLICY STATEMENT 2025/26

To:

Employment Committee

Report by:

Jane Wilson, Chief Operating Officer

Tel: Email: jane.wilson@cambridge.gov.uk

Wards affected:

All

Director Approval: Director Jane Wilson 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 Committee.

1.	Recommendations
1.1	The Employment Committee is asked to consider the changes and recommendations proposed to pay approaches as outlined in this report, specifically; a. The recommendation that the Cambridge Weighting rate is increased from £13.00 per hour to £13.69 per hour. b. To review and recommend to Full Council the Pay Policy Statement at Appendix 1.
2.	Purpose and reason for the report
2.1	In 2015, the Secretary of State for Communities and Local Government issued the Local Government Transparency Code 2015. The code sets out the key principles in making local authorities more transparent and accountable to local people. The Council has been, and continues to be, proactive in its compliance with this and the following report provides detail on the Council's pay practices to satisfy the requirements of the code.

2.2	Under the Localism Act 2011, Local Authorities are required to prepare a Pay Policy Statement for each financial year. These statements must articulate an authority's own policies towards a range of issues relating to the pay of its workforce, particularly its senior staff (or 'chief officers') and its lowest paid employees.
2.3	Attached at Appendix 1, this policy statement must be approved by a resolution of the authority, i.e., full Council, and is required to be published by 31 March.
3.	Background and key issues
3.1	The pay policy statement outlines the Councils approach to pay and reward for all staff, separating out Chief Officers where necessary to satisfy the requirements of the Localism Act. For Cambridge City Council, the definition of Chief Officer includes the grades of Chief Executive, Director and Assistant Director. In line with the annual review of the pay policy statement, the HR team have reviewed the additional elements of pay that are outlined in the pay policy and have developed some pay and policy recommendations for the Employment Committee to consider. The changes proposed are outlined below, and the pay policy statement has been updated to reflect these recommendations.
3.2	Cambridge Weighting
3.2.1	The Council pays a Cambridge Weighting to employees on City Council terms and conditions of employment and qualifying agency workers earning less than the approved rate per hour. The weighting is paid in addition to salary and the Real Living Wage supplement.
3.2.2	The Real Living Wage Foundation rate of pay increased in November 2025 from £12.60 to £13.45 per hour, higher than the Council's existing Cambridge Weighting rate of £13.00 per hour. It is proposed that the Cambridge Weighting allowance is increased to £13.69 per hour from 1 st April 2026.

3.2.3	There are currently 75 employees that could see an increase to pay if the Cambridge Weighting rate was increased to £13.69 per hour. Of these, 67 employees are on zero-hour contracts and typically work at weekends or evenings where additional enhancements already apply. The total cost of increasing the Cambridge Weighting rate in line with the recommendation is not expected to exceed £3000 per annum.
4.	Corporate plan
4.1	The Pay Policy links in to all the Corporate Plan priorities as it affects those staff working across the organisation Corporate plan 2022-27: our priorities for Cambridge - Cambridge City Council
5.	Consultation, engagement and communication
5.1	The Chief Executive and the Council's Leadership Team have been consulted on this report and changes to the attached draft Pay Policy Statement. The Leader of the Council, Executive Councillor for Finance and Resources and trade unions, Unison and GMB have been consulted on the proposed changes to the Pay Policy Statement and other recommendations outlined within this report. This pay policy statement, once approved by Full Council, will be published on the Council's website.
6.	Implications
6.1	Relevant risks
	The financial cost is the only risk identified as a result of this proposal. Any reputational and staffing impact is deemed positive.
	Financial Implications

6.2	Any immediate costs associated with the recommendations above will be met from Group budgets.
	Legal Implications
6.3	There are no legal implications arising from the report.
	Equalities and socio-economic Implications
6.4	An equality impact assessment has not been undertaken for this report. Equality information by grade is analysed in depth and reported annually to the Equalities Panel and is available on the Council's website.
	Net Zero Carbon, Climate Change and Environmental implications
6.5	The proposals in this report have no climate change impact.
	Procurement Implications
6.6	The Living Wage Policy as it relates to contractors is included in the Pay Policy Statement.
	Community Safety Implications
6.7	This report relates to the pay, terms and conditions of staff and does not impact directly on community safety matters.
7.	Background documents Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985
7.1	Pay Policy Statement 2025/26 City Council Pay scales

8.	Appendices
8.1	Appendix 1 – Draft Pay Policy Statement 2026/27
	To inspect the background papers or if you have a query on the report please contact Jane Wilson, Chief Operating Officer, Tel: 07795 542512, email: jane.wilson@cambridge.gov.uk

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PAY POLICY STATEMENT 2026/27Effective from 1st April 2026**1. Introduction**

Cambridge City Council is committed to operating consistent, transparent and equitable pay arrangements.

This statement details the pay policy and approaches applied to all staff within Cambridge City Pay bands in addition to all Statutory and Non-Statutory Chief Officers, as defined under the Council's constitution, to fulfil the Council's statutory requirements under Chapter 8 of the Localism Act 2011 ("the Act")

DRAFT: To be agreed at Full Council

2. Senior Salaries from 1st April 2026

The salary scales for the Chief Executive, Directors and Assistant Directors following the nationally agreed pay award with effect from 1 April 2025 are shown below.

Progression through the pay grade (a three or four-point scale) is subject to a range of criteria that are assessed via an annual performance review.

Pay Grade	Point 1 (£)	Point 2 (£)	Point 3 (£)	Point 4 (£)
Chief Executive	139,349	144,932	150,557	156,140
Director	107,673	111,678	115,689	119,702
Assistant Director 2	94,374	97,205	100,122	n/a
Assistant Director 1	86,270	88,956	91,625	n/a

The Council has an agreement that senior officer pay scales will be reviewed every three years in line with the current market median level pay, this includes Chief Executive, Director and Assistant Director pay grades. The last review was undertaken in 2023 whereby a full redesign of the grades took place. There will be a pay review during 2026. The effectiveness of these scales will continue to be reviewed annually.

3. Annual Pay Awards

For the Chief Executive pay grade, pay awards are nationally determined in accordance with the Joint Negotiating Committee (JNC) for Chief Executives. For Directors and Assistant Director grades, the Joint Negotiating Committee (JNC) for Chief Officers is applied, and the National Joint Council (NJC) determines the pay awards for City Pay Grades 1 – 11.

Pay points within the grades are subject to nationally negotiated pay awards with effect from 1 April 2026 and will increase in line with any nationally agreed award.

4. Chief Officer Terms and Conditions of Employment

The terms and conditions of employment for the Chief Executive, Directors and Assistant Directors within the scope of this pay policy statement are determined in accordance with collective agreements, negotiated from time to time, by the JNC for Chief Executives and the JNC for Chief Officers, as set out in the Scheme of Conditions of Service. These are supplemented by local collective agreements reached with trade unions recognised by the Council and by the rules of the Council.

5. Chief Officer Remuneration on Appointment

Rules governing the recruitment of the Chief Executive, Directors and Assistant Directors are set out in the council's constitution in section; Part 4i, Officer Employment Procedure Rules.

Recruitment to the posts of Chief Executive and Director is undertaken by a committee of Councillors appointed by Council. In the case of the Chief Executive, the appointment is made by Full Council, following a recommendation from the Employment (Senior Officer) Committee.

Appointment to fixed term Director roles that do not form part of the Leadership Team is the responsibility of the Head of Paid Service or their nominee.

Recruitment to posts of Assistant Director will be undertaken by the Chief Executive or a Director. The salary on recruitment will be within the salary range for these posts at that time.

6. Market Supplements

There are occasions when the salary determined by the grading for a post result in an inability to successfully recruit to or retain staff in particular posts or specific occupational areas due to fluctuations in the labour market supply. This is more challenging in the Cambridge area due to the high demand for labour, the high number of vacancies and high cost of housing.

These recruitment and retention problems can affect ability to deliver services. In such cases it may be appropriate to pay a market supplement in addition to the salary where there is evidence to justify that market factors are the "material reason" for the post attracting a higher rate of pay than other posts graded similarly. Any additional market supplement will be made in accordance with the Market Pay Policy.

7. Retention Payments

There may be occasions when due to recruitment and retention difficulties within a specific service area or role, it may be more appropriate to use a recruitment and retention package approach than a market supplement. Such an approach offers a fixed lump sum payment for new appointments or to the staff in identified roles at a given date.

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The payment is tied to a defined retention period and must be repaid in full if the person leaves the employment of the Council within the designated period. The aim of this approach is to recruit new staff and retain existing staff where there is evidence of both types of difficulty and a market supplement approach is assessed as less effective.

8. Bonuses

There are no bonus arrangements payable to our Chief Officers or any Council staff.

9. Performance Related Pay

Performance and progression through the pay band is assessed annually for all staff in line with the Council's performance review schemes.

The performance review for Directors is undertaken by the Chief Executive and for the Chief Executive by the Leader and an independent advisor. Performance reviews for all other Officers are undertaken by their line manager.

10. Senior Salary Pay Data

In accordance with the Government's Code of Recommended Practice for Local Authorities on Data Transparency, the Council publishes information on all employees earning £50,000 or above.

Following approval at Full Council of the Draft Pay Policy Statement this updated pay policy statement is published on the Council's website.

11. Expenses

The expenses which may be payable to all Officers, including the Chief Executive, Director and Assistant Directors include:

- car/bicycle/motorcycle allowances at HMRC rates
- re-imbursement of travel and subsistence
- one professional subscription per annum
- payments under the eye-sight tests scheme
- relocation assistance in accordance with the Relocation Scheme

12. Severance Payments

Severance payments are made in accordance with the council's employment policies and are the same for all staff.

Employees with more than two years' service will be entitled to redundancy pay in line with local government guidelines and statutory provisions.

Redundant employees may receive the following elements in their final pay:

- Normal pay up to the agreed leaving date
- Where applicable, payment in lieu of outstanding notice
- Severance payment (where entitled).

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Under the council's redundancy scheme a week's pay will be calculated on the basis of actual weekly pay. Cambridge City Council will not apply the statutory week's pay definition.

Once an employee is in receipt of early payment of pension benefits, if their total pay and pension benefits together (if reemployed by another employer covered by the Local Government Modification order) exceeds their salary as at the leaving date, the difference may be claimed back from pension payments.

An employee will lose their entitlement to redundancy pay if they take up a post with another body covered by the Redundancy Payments (Local Government) (Modification) (Amendment) Orders within 4 weeks of the date of the redundancy and the offer of the new job has been made before the end of the original contract.

Any proposals with a salary or severance package with a total value over £100k will be reported by the Employment (Senior Officer) Committee to Full Council for decision.

The Chief Executive, Monitoring Officer and Chief Finance Officer can only be dismissed by the Full Council. All other Directors and Assistant Directors can only be dismissed in accordance with the Councils constitution, Part 4i, Officer Employment Procedure Rules.

13. Pension and Pension Enhancements

All employees are entitled to and receive pension contributions under the Local Government Pension Scheme (LGPS). This is a contributory scheme and employees currently contribute between 5.50% and 12.50% of their pensionable pay to the scheme. Chief Officers contributions currently range from 9.90% to 12.50%

The Council's discretions on enhancement of pension are set out in the Pensions Discretion Statement. This policy was approved by the Employment Committee on 24 February 2026. The policy is reviewed every 3 years and/or in line with changes to the Local Government Pension Scheme (LGPS) as advised by the Local Government Pensions Committee (LGPC) and the Administering Authority (Cambridgeshire County Council).

The next review of the Pensions Discretion Statement is scheduled to take place in 2028.

14. Lowest Paid Staff: Real Living Wage & Cambridge Weighting

Cambridge City Council is an accredited Real Living Wage employer and also pays a Cambridge Weighting supplement. This means that the current minimum pay level for any member of staff is £13.45 per hour (Real Living Wage set in November 2025).

The Council's pay structure starts at Band 1, with the lowest pay point at £24,423 (£12.65 per hour) (April 2025). In practice therefore, any employee starting on band 1 is paid the Real Living Wage until their pay point reaches a higher amount.

The terms and conditions of employment for Band 1 staff are in accordance with collective agreements, negotiated from time to time, by the National Joint Council for Local Government Services, as set out in the Scheme of Conditions of Service (commonly

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known as the Green Book). These are supplemented by local collective agreements reached with trade unions recognised by the Council and by the rules of the Council.

14.1 Real Living Wage

The Council is accredited with the Living Wage Foundation which means it has adopted a Real Living Wage policy for staff, agency workers and contractors engaged through the Council's Procurement processes.

The implementation date for Real Living Wage increase is usually November for staff engaged on city council terms and conditions of employment, following the annual announcement. With effect from November 2025 the Real Living Wage increased to £13.45 per hour.

The Council will pay the Real Living Wage rate for staff engaged on city council pay rates by way of a supplement to pay rates.

The Council will require contractors engaged through the Council's procurement processes to pay at least the Real Living Wage to all their staff who work on the Council's premises (or land maintained by the Council) for two or more hours on any day of the week for eight or more consecutive weeks. The only contracts that will be excluded from the requirement to pay the Real Living Wage are:

- contracts where it would be unlawful to require the payment of the Real Living Wage
- contracts where, following evaluation, it is considered inappropriate to impose the requirement.

14.2 Cambridge Weighting

The Council pays a Cambridge Weighting to employees on city council terms and conditions of employment and related agency workers earning less than the approved rate per hour. The weighting is paid in addition to salary and the Real Living Wage supplement. With effect from 1 April 2026 the Cambridge Weighting rate is £13.69 per hour.

For agency workers the weighting applies in addition to current hourly rates and the Real Living Wage arrangements. The weighting is variable, depending upon the current hourly rate and the Real Living Wage supplement payable at that time.

15. Apprentices

Apprentices are appointed on permanent contracts of employment within Cambridge City Council unless there is a justifiable reason why there is a requirement for a fixed term post.

Apprentices are paid on a salary proportionate to the role that they have been employed to undertake, or the recognised Real Living Wage/Cambridge Weighting rate of pay, whichever is the highest.

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The Council also offer apprenticeships to current employees who are paid in accordance with their existing pay arrangements during the apprenticeship.

16. Pay Ratios

The table below shows a number of pay ratios. The Council does not have a policy on maintaining or reaching a specific pay ratio between the lowest and highest paid staff. The highest paid officer of the council is the Chief Executive. The highest pay point on this scale is currently £156,140 (April 2025).

	Annual Salary	Ratio to Chief Executive highest pay point	Explanation
Real Living Wage Rate of £13.45 (Nov 2025)	£25,949	1:6.0	Highest pay point and 2025/6 Real Living Wage rate.
Lowest council pay scale point (£)	£24,413	1:6.4	Highest pay point and lowest council pay scale point
Cambridge Weighting of £13.69	£26,410	1:5.9	Highest pay point and £13.69 Cambridge Weighting
Median Average salary	£39,862	1:3.9	Highest pay point and current median average salary

17. Election Fees

The Returning Officer is the person who has the overall responsibility for the conduct of elections. The Returning Officer is an officer of the Council who is appointed under the Representation of the People Act 1983. Although appointed by the Council the role of the Returning Officer is one of a personal nature and distinct and separate from their duties as an employee of the Council. Elections fees are paid for these additional duties and they are paid separately to salary.

The role of Chief Executive is the council's Returning Officer.

The fees for Parliamentary, Police & Crime Commissioner, Euro Elections and national referenda are set by the Government. The fees for County Council elections are set by the County Council. The fees for the Combined Authority Mayoral election are set by the Combined Authority. The fees for Parliamentary and European Elections are pensionable.

Fees for district elections are set locally (mindful of neighbour district council fees) and were last reviewed in April 2010 as £373 per contested ward and £55 per uncontested ward. Fees for district elections are pensionable.

Other officers, including senior officers within the scope of this policy, may receive additional payment for specific election duties.

18. Tax Avoidance and IR35

The Council takes tax avoidance seriously and will seek to appoint individuals to vacant positions using the recruitment procedures on the basis of contracts of employment and apply direct tax and National Insurance deductions from pay through the operation of PAYE.

Where consultants are recruited, the Council will seek to avoid contractual arrangements which could be perceived as being primarily designed to reduce significantly the rate of tax paid by that person, such as paying the individual through a company effectively, controlled by him or her.

These principles will be embedded in contract clauses and guidance for managers when employing consultants.

In addition, workers employed directly by the Council will be assessed to establish whether they fall within scope of the IR35 legislation using the HMRC employment status tool. Workers that fall within scope will have Income Tax and National Insurance contributions deducted and paid over to HMRC.

19. Re-engagement of ex City Council staff

Re-engagement of any ex City Council staff will be carried out by following the Council's usual recruitment policy and procedures, or for interim arrangements via the Council's procurement policies and the provisions for contract for services.

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Licensing Act 2003 and Gambling Act 2005 Committee (Statutory Licensing Committee)

26 January 2026
12.15 - 12.30 pm

Present: Councillors McPherson (Chair), Bick, Blackburn-Horgan, Clough, Divkovic, Lokhmotova, Moore, Swift and Wade

Officers

Strategic Environmental Health and Public Safety Lead: Yvonne O'Donnell

Env Health & Licensing Support Team Leader: Wangari Njiiri

Legal advisor: Ian Hawkings

Committee Manager: James Goddard

Meeting Producer: Sarah Michael

RECOMMENDATION TO COUNCIL

Statement of Licensing Policy

Recommendations of the Licensing Act 2003 and Gambling Act 2005 Committee (Statutory Licensing Committee, which met on 26 January 2026, are outlined below:

Licensing Act 2003 and Gambling Act 2005 Committee (Statutory Licensing Committee) **resolved unanimously** to approve the recommendations on to Full Council.

Accordingly, Council is recommended to:

1. Consider the results of the public consultation exercise as summarised in Appendix B and C of the Officer's report
2. Approve the Statement of Licensing Policy as attached at Appendix E of the report. Appendix D included tracked changes showing the amendments that have been made as part of the consultation and additional changes following consultation responses

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REPORT TITLE: Review of Statement of Licensing Policy

To:

Licensing Act 2003 and Gambling Act 2005 Committee - 26th January 2026

Report by:

Yvonne O'Donnell - Strategic Environmental Health and Public Safety Lead

Tel: 01223 - 457951 Email: yvonne.odonnell@cambridge.gov.uk

Wards affected:

All

Director Approval: Director Sam Scharf 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 Executive Councillor for decision.

1.	Recommendations
1.1	- Consider the results of the public consultation exercise as summarised in Appendix B and C of this report; - To endorse the amended Statement of Licensing Policy attached to this report as Appendix E. Appendix D includes tracked changes showing the amendments that have been made as part of the consultation and additional changes following consultation responses. If endorsed will go to Full Council on 26th February 2026 for final approval.
2.	Purpose and reason for the report
2.1	Section 5 of the Licensing Act 2003 requires a licensing authority to prepare and publish a statement of its licensing policy at least every five years. During the five-year period, the policy must be kept under review and the licensing authority may make any revisions to it as it considers appropriate.

	The existing Statement of Licensing Policy for Cambridge City Council became effective on 2 nd March October 2021.
	The process to start the review of the Statement of Licensing Policy began in September 2025 and a twelve-week public consultation took place between 22 nd September 2025 and 14 th December 2025.
	The current Statement of Licensing Policy expires on 1 st March 2026 and a new Statement of Licensing Policy must be in place by this date otherwise under the legislation, Cambridge City Council will not be able to process any applications covered by the Licensing Act 2003 until the policy is in place.
3.	Alternative options considered
3.1	As the Statement of Licensing Policy is statutory requirement in order for Cambridge City Council to process any applications under the Licensing Act 2003, there are no alternative options.
4.	Background and key issues
4.1	Under the Licensing Act 2003, each Council is required to produce, adopt and publish a Statement of Licensing Policy stating how it will exercise its functions under the Act. The statement must be kept under review and remains in existence for up to five years. This current Policy period ends on 1 st March 2026.
	Under the legislation, the Council is not able to process any applications unless a statement of licensing policy is in place.
	The issues raised in individual responses to the consultation affecting the

	review are detailed in Appendix B. The 4 responders who were not in favour of the amended statement provided additional comments. These comments were considered, no amendments were required to be made to the policy in response.
	A response to the consultation was received from Public Health, attached to report as Appendix C. Response was considered, and amendments to the policy made. These can be found in Appendix D – Highlighted in yellow.
	The Policy must comply with the Licensing Act and Statutory Guidance. For this reason, it has not always been possible to adopt suggestions put forward. Appendix B and C indicates the consideration given to each comment received and provides reasons for the decision taken.
	In November 2025, during the consultation, revised guidance was issued under section 182 of the Licensing Act 2003. The main amendment was under the section of considering each application under its own merits, requiring all licensing authorities to consider the need to promote growth and deliver economic benefits.
5.	Corporate plan
5.1	The Statement of Licensing Policy enables the council to fulfill its statutory duties under the Licensing Act 2003. Through this policy, the council can support local businesses and enhance the vibrancy of the city centre, while ensuring the city remains a safe place to live, work, and study, through the licences issued.
6.	Consultation, engagement and communication
6.1	In accordance with Government Code of Practice on consultation, the draft Statement of Licensing Policy was submitted for public consultation over a 12-week period between 22 nd September 2025 and 14th December 2025.

	Legislation requires that we undertake consultation with bodies prescribed in the Act for the review.
	Consultation was undertaken as widely as possible, with approximately 600 letters and emails being sent out, including to the Chief Officer of Police and all other parties as required by legislation, including persons/bodies representing holders of premises licences and club premises certificates, businesses and residents associations. The consultation was also available to view and responded to on the Cambridge City Council Consultation platform and appeared in the Cambridge News on Monday 22 nd September 2025.
	All comments received are listed in the attached Appendix B, which includes specific written comments received by those who opposed the draft policy. Consideration to all comments has been given in drawing up the Policy. The Appendix shows the nature of the comment and the evaluation of the comment. No changes were made in response to these comments.
	Comments and recommendations were considered from Public Health response detailed in Appendix C. Some changes to the policy were made in response, however some comments were matters that are picked up during the consultation process and partnerships which could be addressed outside the written policy.
	During the consultation, in November 2025, revised guidance was issued under section 182 of the Licensing Act 2003. The main amendment was under the section of considering each application under its own merits, requiring all licensing authorities to consider the need to promote growth and deliver economic benefits. This addition has been reflected within the proposed Statement of Licensing (Appendix E) in 8.3.
7.	Anticipated outcomes, benefits or impact
7.1	The Licensing Authority will be able to carry out its Statutory Licensing

	functions under The Licensing Act 2003, once the Statement of Licence policy is approved.
8.	Implications
	Relevant risks
8.1	If a Statement of Policy is not in place before 1 st March 2026, the council will be unable to carry out its statutory function of processing applications under the Licensing Act 2003.
	Financial Implications
8.2	Provision has been made in the Council's budget to review the statement of licensing policy and the council will meet the cost of consultation.
	Legal Implications
8.3	<i>Nil.</i>
	Equalities and socio-economic Implications
8.4	An Equality Impact Assessment (EqIA) has been completed alongside the review of this policy and is contained within this report as Appendix F.
	Net Zero Carbon, Climate Change and Environmental implications
8.5	The Act requires the Licensing Authority to carry out its function with a view to promoting the four licensing objectives, one of which is the prevention of public nuisance, to protect the local environment and community.

	Procurement Implications
8.6	<i>Nil.</i>
	Community Safety Implications
8.7	Cambridge City Council must fulfil its obligations under section 17 of the Crime and Disorder Act 1998 to do all that it reasonably can to prevent crime and disorder in Cambridge. The policy promotes that fact and states that any decision by the Licensing Authority will be with a view to promoting the licensing objectives.
9.	Background documents
9.1	Background papers used in the preparation of this report: (a) Licensing Act 2003 (b) Guidance published under section 182 of the Licensing Act 2003 (c) Policing and Crime Act 2017 (d) Cambridge City Council's Existing Statement of Licensing Policy
10.	Appendices Appendix A – Current Statement of Licensing Policy Appendix B – Consultation responses received via consultation platform engage Appendix C – Public Health consultation response Appendix D – Draft Statement of policy with changes in red and further changes following consultation in yellow. Appendix E – Proposed Statement of Licensing Policy Appendix F – Equality Impact Assessment
	To inspect the background papers or if you have a query on the report please contact, Wangari Njiiri, Environmental Health and Licensing Support Team

	Leader, tel: 01223 458533 Email: wangari.njiiri@cambridge.gov.uk

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CAMBRIDGE CITY COUNCIL

STATEMENT OF LICENSING POLICY

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CAMBRIDGE CITY COUNCIL STATEMENT OF LICENSING POLICY

Cambridge is a unique blend of market town, sub-regional centre, national and international tourist attraction and centre of excellence for education and research. It is a city of great beauty and is renowned for the qualities of its streets, spaces and buildings.

Cambridge City Council (the Licensing Authority), in association with local partnerships, wants Cambridge to be vibrant, socially mixed, safe, convenient and enjoyable, where all residents feel integrated into the life of the City and a part of its success.

Cambridge City Council has a clear vision to lead a united city, 'One Cambridge – Fair for All', in which economic dynamism and prosperity are combined with social justice and equality. This is a vision shared with Cambridge citizens and partner organisations. Our vision includes:

- An international city which celebrates its diversity and actively tackles discrimination on gender, race, nationality, ethnic background, religion, age, disability, gender identity, and sexual orientation.
- A city in which all citizens feel that they are listened to and have the opportunity to influence public decision making, and which values, supports and responds to individual and community initiatives.
- A city where all citizens and organisations appreciate their duties as well as their rights, where people are free to enjoy themselves but also show consideration for others, and where the community works together to reduce harm and nuisance including by education and, where needed, robust enforcement of the law.

The overarching objectives of Cambridge City Council in licensing premises are to:

- Promote the Authority's visions and values
- Protect the rights and health and safety of the general public, workers, residents, businesses, minority and vulnerable groups
- Ensure the principles of consistency, transparency, accountability and the promotion of good standards in licensing
- Demonstrate compliance with statutory responsibilities in relation to procedures and enforcement
- Ensure consistent and transparent decision making

It is recognised that licensed entertainment provides a valuable contribution towards the economy of Cambridge and we seek to balance the needs of local business holders and licensees, whilst protecting those of local residents. The City of Cambridge was awarded purple flag status in September 2019. A Purple Flag helps members of the public to identify

town and city centres offering an entertaining, diverse, safe and enjoyable night out.

1. Introduction

- 1.1 This Licensing Policy Statement has been produced in accordance with the requirements of the Licensing Act 2003 ('the Act') and is in line with guidance issued under Section 182 of the Act.
- 1.2 The policy relates to all those licensing activities identified as falling within the provisions of the Act, namely: -
 - Retail sale of alcohol
 - Supply of alcohol by or on behalf of a club, or to the order to a member of the club
 - The provision of regulated entertainment
 - The provision of late night refreshment
- 1.3 The policy relates to all types of premises covered by the Act.
- 1.4 The Licensing Authority will take the policy into account where its discretion is engaged (i.e. at a hearing following representations).
- 1.5 Nothing in this policy will undermine the right of any individual to apply under the terms of the Act for a variety of permissions and to have any such application considered on its individual merits.
- 1.6 The Licensing Authority may depart from this policy if the individual circumstances of any case merit such a decision in the interest of the promotion of the licensing objectives. Full reasons will be given for departing from the policy.

2. Objectives

- 2.1 The Licensing Authority has a duty under the Act to carry out its licensing functions by promoting the licensing objectives, which are: -
 - The prevention of crime and disorder
 - Public safety
 - The prevention of public nuisance, and
 - The protection of children from harm.

Each objective has equal importance.

- 2.2 In carrying out its licensing functions, the Licensing Authority must also have regard to the licensing objectives, its Policy Statement and any statutory guidance under the Act and is bound by The Human Rights Act 1998. The Council must also fulfill its obligations under section 17 of the Crime and Disorder Act 1998 to do all that it reasonably can to prevent crime and disorder in Cambridge. The Statement of Licensing Policy recognises the Equality Act 2010 places a legal obligation on public authorities to have due regard to the need to eliminate unlawful discrimination, harassment and victimization; to advance equality of opportunity; and to foster good relations, between persons with different protected characteristics.
- 2.3 It is recognised that the licensing function is only one means of securing the delivery of the above objectives and should not be seen as a means for solving all problems within the community. However, the licensing function is an important means of achieving the objectives. The Licensing Authority will continue to work in partnership with its neighbouring authorities, the police, other agencies, local liaison groups, businesses and individuals towards the achievement of the licensing objectives through good practice.
- 2.4 The Licensing Authority will expect individual applicants to address the licensing objectives in their operating schedule having regard to the type of premises, the licensable activities to be provided, the operational procedures, the nature of the location and the needs of the local community. Applicants should include in their operating schedule the steps, which they consider necessary to promote the licensing objectives. If the steps are insufficient, or if the information given in the operating schedule does not enable a responsible authority or any other person to assess whether the steps proposed are satisfactory, it is more likely that relevant representations will be received, usually leading to a hearing.
- 2.5 All responsible authorities (listed in section 15) will have the chance to comment on all applications received and will provide evidence from their own areas of expertise if they believe an application would impact on one or more of the licensing objectives. All evidence provided will be taken into account by the Licensing Authority at any subsequent hearing.

3. Consultation

- 3.1 In preparing this policy statement the Licensing Authority has consulted with the following:
- the Chief Officer of Police for Cambridgeshire
 - the Chief Officer of the Cambridgeshire Fire and Rescue Service
 - persons/bodies representative of the Local Authority with the function of public health
 - persons/bodies representative of local holders of premises licences
 - persons/bodies representative of local holders of club premises

certificates

- persons/bodies representative of local holders of personal licences
- persons/bodies representative of businesses and residents in the City of Cambridge
- persons/bodies representative of Child Protection Services at Cambridgeshire County Council
- other organisations as appear to the Licensing Authority to be affected by licensing matters, including local community, cultural, educational and entertainment organisations.

3.2 We have considered the views of all those consulted prior to determining this policy.

4. Fundamental Principles

4.1 Licensing is about regulating licensable activities on premises, such as qualifying clubs, pubs and temporary events which fall within the terms of the Act. Any conditions imposed will focus on matters that individual licensees and others in possession of relevant authorisations are able to control.

4.2 In addressing these matters, the Licensing Authority will primarily focus on the direct impact the activities taking place at the licensed premises will have on those living, working or engaged in normal activity in the area concerned.

4.3 Licensing law is not the primary mechanism for the general control of nuisance and anti-social behaviour by individuals once they are away from the licensed premises and, therefore, beyond the direct control of the individual, club or business holding the licence, certificate or permission concerned. Nonetheless, it is a key aspect of such control and licensing law will always be part of a holistic approach to the management of the evening and night-time economy in Cambridge.

5. The cumulative impact of a concentration of licensed premises

5.1 Cumulative impact is the potential impact on the promotion of the licensing objectives of a significant number of licensed premises concentrated in one area e.g. the potential impact on crime and disorder or public nuisance.

5.2 The cumulative impact of licensed premises on the promotion of the licensing objectives is a matter that the Licensing Authority can take into account. This should not, however, be confused with 'need' which concerns the commercial demand for a particular type of premises e.g., a pub, restaurant or hotel. The issue of 'need' is therefore primarily a matter for the market to decide and does not form part of this licensing policy statement.

- 5.3 The Licensing Authority can only publish a Cumulative Impact Assessment if there is evidence that a significant number of licensed premises concentrated in one area is causing a cumulative impact on one or more of the licensing objectives. The Licensing Authority will keep the situation as to whether an area is nearing this point under review.
- 5.4 The absence of a Cumulative Impact Assessment does not prevent any responsible authority or other person making representations on a new application for the grant or variation of a licence on the grounds that the premises will give rise to a detrimental cumulative impact on one or more of the licensing objectives in a particular area.
- 5.5 Following previous consultations and representations received by Cambridge Constabulary, the Licensing Authority has adopted a special policy on cumulative effect that remains in place and is now the Cumulative Impact Assessment.
- 5.7 Having considered the available evidence and undertaken consultation, the Licensing Authority considers that it is appropriate and necessary to control cumulative impact. The Licensing Authority has adopted a Cumulative Impact Assessment, which is separate to this Statement of Licensing Policy. Further information on the Cumulative Impact Assessment and the areas which it covers can be found in the Cumulative Impact Assessment document.

6. Licensing Hours

- 6.1 Flexible licensing hours for the sale of alcohol can help to ensure that concentrations of customers leaving premises simultaneously are avoided. This can help to reduce the potential for disorder and disturbance. Licensing hours should not inhibit the development of a thriving and safe evening and night-time economy. This is important for investment, local employment, tourism and local services associated with the night-time economy. Providing customers with greater choice and flexibility is an important consideration but should always be balanced carefully against the duty to promote the four licensing objectives and the rights of local residents to peace and quiet.
- 6.2 Subject to the policies regarding cumulative impact in the areas of the City specified in paragraph 5.8, shops, stores and supermarkets will generally be permitted to provide sales of alcohol for consumption off the premises at any times when the retail outlet is open for shopping, unless representations raise good reasons based on the licensing objectives, for restricting those hours, for example, a limitation may be appropriate following police representations in the case of shops known to be a focus of disorder and disturbance.

- 6.3 The Licensing Authority will deal with the issue of licensing hours on the individual merits of each application. When issuing a licence, following receipt of relevant representations, stricter conditions on noise control are likely to be imposed in the case of premises that are situated in predominantly residential areas. However, this should not limit opening hours without regard to the individual merits of any application.

7. Children and Licensed Premises

- 7.1 Cambridge City Council will consider its Safeguarding for Children and Vulnerable Adults Policy when determining licensing applications. We are committed to safeguarding and promoting the welfare of children, young people and vulnerable adults.

- 7.2 It is an offence under the 2003 Licensing Act to:

- Permit children under the age of 16 who are not accompanied by an adult to be present on premises being used exclusively or primarily for supply of alcohol for consumption on those premises under the authorisation of a premises licence, club premises certificate or where that activity is carried on under the authority of a TEN; and
- To permit the presence of children under 16 who are not accompanied by an adult between midnight and 5am at other premises supplying alcohol for consumption on the premises under the authority of any premises licence, club premises certificate or TEN.

- 7.3 There are a great variety of premises for which licences may be sought including theatres, cinemas, restaurants, pubs, nightclubs, cafes, take away, community halls and schools. Access by children to any premises will not be limited unless it is considered necessary for the prevention of physical, moral or psychological harm to them.

- 7.4 Conditions requiring the admission of children to any premises cannot be attached to licences or certificates. Where no licensing restriction is necessary, this should remain a matter for the discretion of the individual licensee or club or person who has been given a temporary event notice.

- 7.5 When deciding whether to limit access to children, the Licensing Authority will consider each application on its merits. Particular areas that will give rise to concern in respect of children, would include premises –

- where entertainment or services of an adult or sexual nature are commonly provided
- where there is a strong element of gambling on the premises
- with a known association with drug taking or dealing
- where there have been convictions of members of the current staff at

the premises for serving alcohol to minors or with a reputation for underage drinking

- where the supply of alcohol for consumption on the premises is the exclusive or primary purpose of the services provided at the premises.
- where there is a known association with the provision of illicit tobacco and alcohol
- where the supply of alcohol is in close proximity to services where young vulnerable people may frequent

7.6 The range of alternatives which may be considered for limiting access to children where that is necessary for the prevention of harm to children are:

- restrictions on the hours when children may be present
- age restrictions (below 18)
- restrictions or exclusions on the presence of children under certain ages when particular specified activities are taking place
- restrictions or exclusions when certain activities are taking place
- requirements for accompanying adults
- full exclusion of those people under 18 from the premises when any licensable activities are taking place
- restrictions on the parts of premises to which children may have access.

7.7 In the case of premises which are used for film exhibitions Cambridge City Council will expect licence holders or clubs to include in their operating schedules arrangements for restricting children from viewing age-restricted films classified according to the recommendations of the British Board of Film Classification or, in specific cases, a certificate given to the film by the Council itself.

7.8 The Licensing Authority recognises the Child Protection Services of Cambridgeshire County Council as being competent to advise on matters relating to the protection of children from harm.

7.9 The Licensing Authority commends the Portman Group Code of Practice on the Naming, Packaging and Promotion of Alcoholic Drinks. The Code seeks to ensure that drinks are packaged and promoted in a socially responsible manner and only to those who are 18 years old or older.

8. Licence Conditions

8.1 A key concept of the Act is for conditions to be attached to licences and certificates, which are tailored to the individual style and characteristics of the premises and events concerned. This is essential to avoid the imposition of disproportionate and overly burdensome conditions on premises where there is no need for such conditions.

- 8.2 The Licensing Authority cannot attach conditions to premises licences and club premises certificates unless they are considered appropriate for the promotion of the licensing objectives. The Licensing Authority may only attach conditions (except for statutory mandatory conditions and conditions drawn from the operating schedule) if relevant representations have been received. Conditions will generally be considered unnecessary if they are already adequately covered by other legislation. Blanket standard conditions will not be imposed without regard to the merits of the individual case.
- 8.3 Conditions attached to premises licences and club premises certificates under prevention of crime and disorder will, so far as possible, reflect local crime prevention strategies.
- 8.4 In deciding what conditions should be attached to licences and certificates to promote the licensing objectives, the Licensing Authority will be aware of the need to avoid measures which might deter live music, dancing or theatre by imposing indirect costs of a substantial nature. Only appropriate conditions will be imposed on such events. Where there is any indication that such events are being deterred by licensing requirements, the policy will be revisited with a view to investigating how the situation might be reversed.
- 8.5 Applicants should consider the measures which they propose to control noise nuisance from the premises or from departing customers. Depending on the individual circumstances, this may include:
- Sound limitation devices
 - Acoustic lobbies
 - Acoustic double glazing
 - Noise insulation
 - Specifying non amplified or acoustic music only
 - Notices requesting customers to leave quietly
 - A dedicated taxi service
 - Use of door supervisors at exit points
 - A winding down period during which music is turned down and lights up, alcohol service ceases and sales of food and hot and cold soft drinks continues, and requests are made for customers to leave quietly.

9. Integrating Strategies and the avoidance of duplication

- 9.1 By consultation and liaison, the Licensing Authority will secure the proper integration of this licensing policy with local crime prevention, Cambridgeshire Health & Wellbeing Strategy, planning, transport, tourism, equality schemes, cultural strategies and any other plans introduced for the management of the city and the night-time economy. Many of these

strategies are not directly related to the promotion of the licensing objectives, but indirectly impact upon them.

- 9.2 Where any protocols to be agreed with the police identify a particular need to disperse people from the city swiftly and safely to avoid concentrations which could lead to disorder and disturbance, the Licensing Authority will aim to inform those responsible for providing local transportation so that arrangements can be made to reduce the potential for problems to occur.
- 9.3 The Council's Licensing Committee will receive, when appropriate, reports on:
- the needs of the local tourist economy for the area to ensure that these ~~are~~ are reflected in their considerations
 - the employment situation in the area and the need for new investment and employment where appropriate.
- 9.4 Planning, building control and the licensing regimes will be separated to avoid duplication and inefficiency. Licensing applications will not be a re-run of the planning application and will not cut across decisions taken by the planning committee or following appeals against decisions taken by that committee. When a terminal hour has been set as a condition of planning permission that is different from the licensing hours, the applicant must observe the earlier of the two closing times.
- 9.5 So far as is possible, the policy is not intended to duplicate existing legislation and regulatory regimes that already place obligations on employers and operators.
- 9.6 The Licensing Authority will monitor the impact of licensing on the provision of regulated entertainment, and particularly live music and dancing. As part of implementing cultural strategies, proper account will be taken of the need to encourage and promote a broad range of entertainment, particularly live music, dancing, circus activity, street art and theatre, including the performance of a wide range of traditional and historic plays for the wider cultural benefit of the community which also balances the evening economy. The Licensing Authority will balance the prevention of disturbance in neighbourhoods with these wider cultural benefits, particularly cultural benefits for children. Only appropriate conditions will be imposed on such events.
- 9.7 The absence of cultural provision in any area can lead to young people being diverted into anti-social activities that damage local communities and the young people involved themselves.
- 9.8 Cambridge City Council has an important role in coordinating events in the City and to ensure that cultural diversity thrives. The Council currently has five licensed open spaces. These are: Parkers Piece; Jesus Green; Midsummer Common; Coldhams Common and the grounds of Cherry Hinton Hall.

- 9.9 The Equality Act 2010 places a legal obligation on public authorities to have due regard to the need to eliminate unlawful discrimination, harassment and victimization; to advance equality of opportunity; and to foster good relations, between persons with different protected characteristics.
- 9.10 Applicants will be encouraged to make themselves aware of any relevant planning and transportation policies, tourism and cultural strategies or local crime prevention strategies and to have taken these into account, where appropriate, when formulating their operating schedule.
- 9.11 The Licensing Authority will have regard to equality and will expect an applicant to meet their statutory obligations in this area and not unlawfully discriminate or refuse service on grounds of age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation or display discriminatory signs.

10. Licence Reviews

- 10.1 The process set out in the Licensing Act 2003 for reviewing premises licences represents a key protection for the community where problems associated with the licensing objectives are occurring after the grant or variation of a premises licence.
- 10.2 Responsible authorities (including the Licensing Authority) and other parties can apply for the review of a licence.
- 10.3 The Licensing Authority will work in partnership with other responsible authorities to achieve the promotion of the licensing objectives and will give Licence or Certificate holders early warning of any concerns identified at a premises. The Licensing Authority will also encourage other responsible authorities to do the same.
- 10.4 When a review has been requested the role of the Licensing Authority will be to administer the process and determine its outcome at a hearing. Where the Licensing Authority has applied to review an authorisation, there will be a clear separation of responsibilities to ensure procedural fairness and eliminate conflicts of interest. (See paragraph 12.3).
- 10.5 The Licensing Authority may decide that no action is necessary if it finds that the review does not require it to take any appropriate steps to promote the licensing objectives. In appropriate cases the Authority may issue an informal warning to the licence holder and/or recommend improvement within a particular period of time. Any warnings or recommendations will be issued in writing.

- 10.6 Where the Licensing Authority considers that action under its statutory powers is appropriate it may take any of the following steps:
- to modify the conditions of the premises licence (which includes adding new conditions or any alteration or omission of an existing condition);
 - to exclude a licensable activity from the scope of the licence;
 - to remove the designated premises supervisor;
 - to suspend the licence for a period not exceeding three months;
 - to revoke the licence.
- 10.7 In cases where the crime prevention objective is being undermined the Licensing Authority will give serious consideration to revoking the licence even in the first instance.

11. Enforcement

- 11.1 The Licensing Authority intends to establish protocols with the police and any other relevant enforcement body on enforcement issues. These protocols will provide for the targeting of agreed problem and high-risk premises, which require greater attention, while providing a lighter touch approach in respect of low risk premises which are well run.
- 11.2 In general, action will only be taken in accordance with the Council's enforcement policy, as adopted at the time, which reflects the Council's obligations relating to enforcement and is consistent with the Regulators Compliance Code. To this end, the key principles of consistency, openness, proportionality, clear standards and practices, courtesy and helpfulness and training will be maintained.
- Cambridge City Council's enforcement policy is available on our website www.cambridge.gov.uk/content/enforcement-policy

12. Administration, exercise and delegation of functions

- 12.1 The functions of the Licensing Authority under the Act may be carried out by the Licensing Committee, by a Sub-Committee or by one or more officers acting under delegated authority.
- 12.2 Many of the decisions and functions will be largely administrative in nature. In the interests of speed, efficiency and cost-effectiveness these will, for the most part, be delegated to officers as set out in the Cambridge City Council Constitution
- 12.3 In determining applications where the Licensing Authority has acted as a responsible authority, there will be a clear separation of responsibilities to ensure procedural fairness and eliminate conflicts of interest. This will be achieved by allocating distinct functions to different Officers within the

authority, so the Officer presenting the report to the Sub-Committee and advising the Members will be a different individual to the Officer who is acting as the responsible authority. The Officer acting as the responsible authority will not be involved in the decision-making process.

13. Effective Date and Review

- 13.1 This policy statement will take effect from 2nd March 2021.
- 13.2 The policy statement will be kept under review and will remain in existence for a period of up to 5 years. It will be subject to review and further consultation before 1st March 2026, or as required by law.

14. Contact details, advice and guidance

- 14.1 Applicants can obtain further details about the licensing and application processes, including application forms and fees from:

website: www.cambridge.gov.uk

e-mail: commercial@cambridge.gov.uk

telephone: 01223 457879

fax: 01223 457909

post: Commercial & Licensing, –Environmental Services,
Cambridge City Council, PO Box 700,
Cambridge, CB1 0JH

in person: Customer Service Centre, Mandela House, 4,
Regent Street, Cambridge, CB2 1BY (Monday to
Friday 09:00- 17:15)

- 14.2 The Licensing Authority has also published further documents to accompany this policy containing additional details about each type of application and the review process. These can be viewed at <https://www.cambridge.gov.uk/guidance-for-applicants>
- 14.3 This policy can be made available in large print on request and similarly translations can be made available in a variety of languages. Please contact us for further help or assistance.
- 14.4 The Council, Police and Fire Authorities will be willing to give advice and guidance to applicants.
- 14.5 Informal discussion is encouraged prior to the application process in order to resolve any potential problems and avoid unnecessary hearings and appeals.

15. Responsible Authorities are:

The Licensing Authority

Commercial & Licensing, Environmental Services, Cambridge City Council,
PO Box 700, Cambridge, CB1 0JH

Tel: 01223 457879 Fax: 01223 457909 e-

mail: commercial@cambridge.gov.uk

The Chief Officer of Police

The Chief Officer, Cambridgeshire Constabulary, Southern Division,
Police Station, Parkside, Cambridge, CB1 1JG

Telephone: 01223 823397 Fax: 01223 823232

The Fire Authority

Fire Protection, Cambridge Fire Station, Parkside, Cambridge, CB1 1JF

Email: danny.hans@cambsfire.gov.uk

Planning

Environment & Planning, Cambridge City Council, The Guildhall,
Cambridge, CB2 3QJ

Telephone: 01223 457100

e-mail: planning@cambridge.gov.uk

Environmental Health

The Environmental Health Manager, Environmental Services, Cambridge
City Council, PO Box 700, Cambridge, CB1 0JH

Telephone: 01223 457890 Fax: 01223 457909 e-

mail: commercial@cambridge.gov.uk

Child Protection

Child Protection Services, Licensing Applications, OCYPS, PO Box 144, St
Ives, Cambs, PE27 9AU

Telephone: 03450455203

Referralcentre2.children@cambridgeshire.gov.uk

Trading Standards

Cambridgeshire County Council, PO Box 450, Great Cambourne,
Cambridge, CB23 6ZR

e-mail: trading.standards@cambridgeshire.gov.uk

Public Health

The Director of Public Health, C/O Head of Public Health Programmes, Cambridgeshire County Council, Scott House Box No, SC0 2213, 5 George Street, Huntingdon, PE29 3AD

Home Office – Immigration Enforcement

Alcohol Licensing Team, Lunar House, 40 Wellesley Road, Croydon, CR9 2BY

In addition, for vessels:

Environment Agency

The Team Leader, Great Ouse & Stour Waterways, The Environment Agency, Kingfisher House, Goldhay Way, Orton Goldhay, Peterborough, PE2 5ZR.

Telephone: 01733 464072

e-mail: enquiries@environment-agency.gov.uk, quoting Great Ouse & Stour Waterways

Conservators of the River Cam

The River Manager

Conservators of the River Cam

Baits Bite Lock, Fen Road, Milton, Cambridge, CB24 6AF

Telephone/Fax 01223 863785

e-mail river.manager@camconservators.org.uk

Maritime & Coastguard Agency

Surveyor in Charge, Harwich Marine Office, Maritime & Coastguard Agency, East Terrace, Walton-on-Naze, Essex, CO14 8PY

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Appendix B – Consultation responses received

Consultation was placed on the council consultation platform, Engage. A total of 25 responses were received via Engage.

Question 1. Are you in favour of the proposed draft Statement of Licensing Policy?

No: 4 (16%)

Yes: 21 (84%)

Additional comments from those who were not in favour of proposed Statement of Licensing Policy.

	Additional comments	Consideration of comment
1	Noise nuisance from events for neighbours should be taken more seriously.	Noise Nuisance is covered under the Licensing Act Objectives and is taken into consideration during application process, and when relevant representations are received. Council procedures also investigate any complaints of noise nuisance. This is also covered under different legislation including Environmental Protection Act 1990.
2	Two things are omitted: 1. The “agent of change” principle, whereby the party that introduces a new use is responsible for mitigating any impacts between that new use and existing neighbouring uses. In practice, this means that if new housing is built near an existing pub, club or music venue, the developer (or future residents) must deal with noise or similar issues, rather than being able to force restrictions or closure on the established premises. 2. Any reference to the fact that, especially outside the City centre, Cambridge has lost and is still losing an alarming number of licensed venues, and those	Agent of Change is rather a Planning issue rather than Licensing. Guidance states Licensing can not take into consideration planning restrictions and these are to be dealt with by Planning.

Appendix B – Consultation responses received

	that remain (or subsequently arrive) need to be protected, as important functions of the community. This should be one of the overriding principles.	
3	Too restrictive. I prefer a vibrant community without unnecessary, paternalistic, and puritanical rules.	Policy is based on Legislation and Statutory guidance.
4	From a public health standpoint they should be much more strict to limit damage associated with alcohol consumption	Public Health and other responsible authorities are consulted during consultation period, having the opportunity to respond with any concerns and measures applicant can take.

Appendix C – Public Health response with recommendations

Public Health responses recommendations	Consideration of recommendations
Guidance for applicants Public Health (PH) acknowledge that this is a policy document and not a procedural document. We note on the website that there is a ‘Guidance Notes for Licensing applicants’ and recommend that a hyperlink is included in your policy statement to improve accessibility and understanding for applicants. Microsoft Word - guidance for applicants October 09 version_1.doc.	The guidance for applicant can be found within the web page the policy is placed. Guidance is more of a procedural document and falls slightly out of the scope of the policy.
Licensing objectives PH recommend that the licensing objectives are clearly set out within the document e.g. as section headings as this makes it clearer for the reader.	Objectives are within section 2 of the policy.
Cumulative Impact of a concentration of licensed premises At paragraph 5.6 we feel that there is a missed opportunity. We recommend putting the link to the CIA document so that it is clear to applicants’ what they need to address in a licensing application, especially in the cumulative impact area. https://www.cambridge.gov.uk/media/vath1akl/statement-of-licensing-policy-cumulative-impactassessment.pdf	Included in policy.
Women’s safety and wider vulnerability PH are disappointed that there isn’t a section on Women’s safety and wider vulnerabilities. It is recommended that there is a specific focus on staff training and would recommend trauma-informed	Included to policy. Section 9.2

approaches to customer care. The public health team strongly supports the inclusion of schemes such as “Ask for Angela” / safe space as part of a wider strategy to reduce vulnerability and promote safety in licensed premises. These initiatives contribute to the prevention of violence against women and girls and support mental wellbeing by offering reassurance and practical help in potential harmful situations. Drink spiking is a serious public health concern with both physical and psychological consequences. We welcome the Government’s announcement in November 2024 that drink spiking will become a criminal offence and recommend this is referenced in the policy. Crime and Policing Bill: spiking factsheet (MoJ) - GOV.UK . We recommend the implementation of proactive measures such as drink covers, bottle stoppers and visible signage to raise awareness. These steps help reduce the risk and promote a culture of safety and responsibility. We encourage the development of a local protocol for reporting and sharing data on drink spiking incidents between licensed premises, police and public health teams, to support targeted prevention efforts.	
Links to Strategies and Plans At paragraph 9.1 the reference should be updated to the Cambridgeshire & Peterborough Joint Health and Wellbeing Strategy, which prioritises reducing health inequalities. Licensing decisions can	Paragraph 9.1 has been amended to reflect updated name.

support these aims by promoting responsible alcohol retailing and creating safer environments. We also suggest referencing the Public Health Strategic Plan Public Health Strategic Plan and the NHS Long Term Plan [ARCHIVED CONTENT] NHS Long Term Plan The NHS Long Term Plan, which include commitments to reduce alcohol-related hospital admissions and improve access to treatment. Licensing policy can contribute to these goals through evidence-based decision making and partnership working.	The reference of specific strategic plans for different organisations are outside the scope of the policy content.
Licence Conditions Public Health welcome the information in this section, although it is recommended that the mandatory conditions are mentioned and included as an appendix to improve accessibility and understanding for applicants and enforcement officers. https://www.legislation.gov.uk/ukdsi/2014/9780111116906	Included within policy within section 8.2
Equality and Inclusion in Licensed Premises PH recommend including a section highlighting the Equality Act 2010 to ensure that venues are inclusive and that applicants and licensees are familiar with the law and their responsibilities as set out in the Equality Act. Relevant Guidance for businesses can be found on the Equality and Human rights Commission website Homepage EHRC. PH recommend that a hyperlink is included to the Cambridge City Equality and Diversity policies and objectives. Our equality and diversity policies and plans - Cambridge City Council.	Reference to applicant obligations under the Equality Act 2010 has been added in Section 9.12

The Terrorism (Protection of Premises) Act PH recommend including a section highlighting The Terrorism (Protection of premises) Act 2025 Terrorism (Protection of Premises) Act 2025. It is also known as Martyn’s Law. The Act is intended to ensure public premises and events are better prepared for terrorist attacks. It will require them to take reasonably practicable actions to protect the public from the threat of terrorism and reduce physical harm.	This is outside current policy content, however where applicable advise to applicant is provided during pre-application advise sought with police or Licensing authority and during other parts of the application process – Large events may be advised to attend Safety Advisory Group.
Other special policies We note that there are no other special policies within Cambridge City. However, PH recommend a section describing Early Morning Restriction orders (EMRO), Late Night Levy, Temporary Event/Exemption Notices (TENs), and Public Spaces Protection Order (PSPOs) within your statement as this provides an opportunity for these to be implemented, if necessary, within the timeframe of the adopted Licensing policy. It would be useful to include any relevant hyperlinks to help signpost applicants to the relevant information. PH also recommend including a hyperlink for the ‘May Balls and June Events in Cambridge Organisers handbook 2025’ as this isn’t within the licensing section of your website (even though licensing is mentioned within the handbook) and instead is located under Pollution, noise and nuisance.	At present this information is slightly out of scope of current policy, however in the future if it becomes further required, further consideration will be made. The inclusion of hyperlinks to specific events is outside the scope of the policy. However the placement of relevant information will be looked at on council website to ensure information is more clearly accessible.

Appendix C – Public Health response with recommendations

May balls and June events in Cambridge - Cambridge City Council	
Responsible Authorities Please can you update the Public Heath contact email to: HealthinAllPolicies@cambridgeshire.gvo.uk.	Updated

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CAMBRIDGE CITY COUNCIL

STATEMENT OF LICENSING POLICY

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CAMBRIDGE CITY COUNCIL STATEMENT OF LICENSING POLICY

Cambridge is a unique blend of market town, sub-regional centre, national and international tourist attraction and centre of excellence for education and research. It is a city of great beauty and is renowned for the qualities of its streets, spaces and buildings.

Cambridge City Council (the Licensing Authority), in association with local partnerships, wants Cambridge to be vibrant, socially mixed, safe, convenient and enjoyable, where all residents feel integrated into the life of the City and a part of its success.

Cambridge City Council has a clear vision for, 'One Cambridge – Fair for All'. It's a vision we will work towards cooperatively with our residents and partner organisations. Our vision includes:

- 1. Residents enjoy a high quality of life and exemplar public services**
 - Cambridge is a place of high employment where everyone has a warm, safe, and affordable home, and beautiful open spaces to enjoy.
 - Communities are thriving and empowered, supported by well-run public services, and drawing on shared prosperity with greater equality in health and educational outcomes.
- 2. Decarbonisation and sustainability are central to prosperity**
 - Cambridge is a net zero carbon city, where people and nature enjoy a clean river, clean air, and biodiverse green spaces.
 - Strong nature networks are coordinated between relevant bodies to combat the impacts of social and climate injustice.
- 3. Innovation benefits people and planet**
 - Cambridge champions pioneering discoveries which shape a better future for people and planet.
 - There is a lifelong citywide commitment to learning which enables every resident to develop their skills and fulfil their potential.
 - Businesses are key to the success of a thriving local economy which benefits residents and workers.
- 4. Development is sustainable and inclusive**
 - High-quality social housing, sustainable public transport alongside key infrastructure is prioritised to ensure Cambridge is a vibrant and caring city.
 - Cambridge's beautiful architecture and public realm,

with well-used community spaces, promotes pride and wellbeing and is accessible to all.

5. Arts, sports, and culture are thriving

- Cambridge celebrates the city's diversity through a vibrant arts and cultural scene, including music, festivals, sports, and food and drink.
- Accessible arts, sports and culture provide spaces for people of all ages to come together to enjoy the city, both during the day and at night.

6. Democratic accountability is genuine and accessible

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

The overarching objectives of Cambridge City Council in licensing premises are to:

- Promote the Authority's visions and values
- Protect the rights and health and safety of the general public, workers, residents, businesses, minority and vulnerable groups
- Ensure the principles of consistency, transparency, accountability and the promotion of good standards in licensing
- Demonstrate compliance with statutory responsibilities in relation to procedures and enforcement
- Ensure consistent and transparent decision making

It is recognised that licensed entertainment provides a valuable contribution towards the economy of Cambridge and we seek to balance the needs of local business holders and licensees, whilst protecting those of local residents. The City of Cambridge has been awarded purple flag status yearly since September 2019. A Purple Flag helps members of the public to identify town and city centres offering an entertaining, diverse, safe and enjoyable night out.

1. Introduction

- 1.1 This Licensing Policy Statement has been produced in accordance with the requirements of the Licensing Act 2003 ('the Act') and is in line with guidance issued under Section 182 of the Act.

- 1.2 The policy relates to all those licensing activities identified as falling within the provisions of the Act, namely: -
- Retail sale of alcohol
 - Supply of alcohol by or on behalf of a club, or to the order to a member of the club
 - The provision of regulated entertainment
 - The provision of late night refreshment
- 1.3 The policy relates to all types of premises covered by the Act.
- 1.4 The Licensing Authority will take the policy into account where its discretion is engaged (i.e. at a hearing following representations).
- 1.5 Nothing in this policy will undermine the right of any individual to apply under the terms of the Act for a variety of permissions and to have any such application considered on its individual merits.
- 1.6 The Licensing Authority may depart from this policy if the individual circumstances of any case merit such a decision in the interest of the promotion of the licensing objectives. Full reasons will be given for departing from the policy.

2. Objectives

- 2.1 The Licensing Authority has a duty under the Act to carry out its licensing functions by promoting the licensing objectives, which are: -
- The prevention of crime and disorder
 - Public safety
 - The prevention of public nuisance, and
 - The protection of children from harm.

Each objective has equal importance.

- 2.2 In carrying out its licensing functions, the Licensing Authority must also have regard to the licensing objectives, its Policy Statement and any statutory guidance under the Act and is bound by The Human Rights Act 1998. The Council must also fulfill its obligations under section 17 of the Crime and Disorder Act 1998 to do all that it reasonably can to prevent crime and disorder in Cambridge. The Statement of Licensing Policy recognises the Equality Act 2010 places a legal obligation on public authorities to have due regard to the need to eliminate unlawful discrimination, harassment and victimization; to advance equality of opportunity; and to foster good relations, between persons with different protected characteristics.
- 2.3 It is recognised that the licensing function is only one means of securing the delivery of the above objectives and should not be seen as a means for

solving all problems within the community. However, the licensing function is an important means of achieving the objectives. The Licensing Authority will continue to work in partnership with its neighbouring authorities, the police, other agencies, local liaison groups, businesses and individuals towards the achievement of the licensing objectives through good practice.

- 2.4 The Licensing Authority will expect individual applicants to address the licensing objectives in their operating schedule having regard to the type of premises, the licensable activities to be provided, the operational procedures, the nature of the location and the needs of the local community. Applicants should include in their operating schedule the steps, which they consider necessary to promote the licensing objectives. If the steps are insufficient, or if the information given in the operating schedule does not enable a responsible authority or any other person to assess whether the steps proposed are satisfactory, it is more likely that relevant representations will be received, usually leading to a hearing.
- 2.5 All responsible authorities (listed in section 15) will have the chance to comment on all applications received and will provide evidence from their own areas of expertise if they believe an application would impact on one or more of the licensing objectives. All evidence provided will be taken into account by the Licensing Authority at any subsequent hearing.

3. Consultation

- 3.1 In preparing this policy statement the Licensing Authority has consulted with the following:
- the Chief Officer of Police for Cambridgeshire
 - the Chief Officer of the Cambridgeshire Fire and Rescue Service
 - persons/bodies representative of the Local Authority with the function of public health
 - persons/bodies representative of local holders of premises licences
 - persons/bodies representative of local holders of club premises certificates
 - persons/bodies representative of local holders of personal licences
 - persons/bodies representative of businesses and residents in the City of Cambridge
 - persons/bodies representative of Child Protection Services at Cambridgeshire County Council
 - other organisations as appear to the Licensing Authority to be affected by licensing matters, including local community, cultural, educational and entertainment organisations.
- 3.2 We have considered the views of all those consulted prior to determining this policy.

4. Fundamental Principles

- 4.1 Licensing is about regulating licensable activities on premises, such as qualifying clubs, pubs and temporary events which fall within the terms of the Act. Any conditions imposed will focus on matters that individual licensees and others in possession of relevant authorisations are able to control.
- 4.2 In addressing these matters, the Licensing Authority will primarily focus on the direct impact the activities taking place at the licensed premises will have on those living, working or engaged in normal activity in the area concerned.
- 4.3 Licensing law is not the primary mechanism for the general control of nuisance and anti-social behaviour by individuals once they are away from the licensed premises and, therefore, beyond the direct control of the individual, club or business holding the licence, certificate or permission concerned. Nonetheless, it is a key aspect of such control and licensing law will always be part of a holistic approach to the management of the evening and night-time economy in Cambridge.

5. The cumulative impact of a concentration of licensed premises

- 5.1 Cumulative impact is the potential impact on the promotion of the licensing objectives of a significant number of licensed premises concentrated in one area e.g. the potential impact on crime and disorder or public nuisance.
- 5.2 The cumulative impact of licensed premises on the promotion of the licensing objectives is a matter that the Licensing Authority can take into account. This should not, however, be confused with 'need' which concerns the commercial demand for a particular type of premises e.g., a pub, restaurant or hotel. The issue of 'need' is therefore primarily a matter for the market to decide and does not form part of this licensing policy statement.
- 5.3 The Licensing Authority can only publish a Cumulative Impact Assessment if there is evidence that a significant number of licensed premises concentrated in one area is causing a cumulative impact on one or more of the licensing objectives. The Licensing Authority will keep the situation as to whether an area is nearing this point under review.
- 5.4 The absence of a Cumulative Impact Assessment does not prevent any responsible authority or other person making representations on a new application for the grant or variation of a licence on the grounds that the premises will give rise to a detrimental cumulative impact on one or more of the licensing objectives in a particular area.
- 5.5 Following previous consultations and representations received by Cambridge Constabulary, the Licensing Authority has adopted a special policy on cumulative effect that remains in place and is now the Cumulative Impact Assessment.

- 5.6 Having considered the available evidence and undertaken consultation, the Licensing Authority considers that it is appropriate and necessary to control cumulative impact. The Licensing Authority has adopted a Cumulative Impact Assessment, which is separate to this Statement of Licensing Policy. Further information on the Cumulative Impact Assessment and the areas which it covers can be found in the Cumulative Impact Assessment document [found at https://www.cambridge.gov.uk/media/vath1akl/statement-of-licensing-policy-cumulative-impact-assessment.pdf](https://www.cambridge.gov.uk/media/vath1akl/statement-of-licensing-policy-cumulative-impact-assessment.pdf)

6. Licensing Hours

- 6.1 Flexible licensing hours for the sale of alcohol can help to ensure that concentrations of customers leaving premises simultaneously are avoided. This can help to reduce the potential for disorder and disturbance. Licensing hours should not inhibit the development of a thriving and safe evening and night-time economy. This is important for investment, local employment, tourism and local services associated with the night-time economy. Providing customers with greater choice and flexibility is an important consideration but should always be balanced carefully against the duty to promote the four licensing objectives and the rights of local residents to peace and quiet.
- 6.2 Subject to the policies regarding cumulative impact in the areas of the City, shops, stores and supermarkets will generally be permitted to provide sales of alcohol for consumption off the premises at any times when the retail outlet is open for shopping, unless representations raise good reasons based on the licensing objectives, for restricting those hours, for example, a limitation may be appropriate following police representations in the case of shops known to be a focus of disorder and disturbance.
- 6.3 The Licensing Authority will deal with the issue of licensing hours on the individual merits of each application. When issuing a licence, following receipt of relevant representations, stricter conditions on noise control are likely to be imposed in the case of premises that are situated in predominantly residential areas. However, this should not limit opening hours without regard to the individual merits of any application.

7. Children and Licensed Premises

- 7.1 Cambridge City Council will consider its Safeguarding for Children and Vulnerable Adults Policy when determining licensing applications. We are committed to safeguarding and promoting the welfare of children, young people and vulnerable adults.
- 7.2 It is an offence under the 2003 Licensing Act to:

- Permit children under the age of 16 who are not accompanied by an adult to be present on premises being used exclusively or primarily for supply of alcohol for consumption on those premises under the authorisation of a premises licence, club premises certificate or where that activity is carried on under the authority of a TEN; and
 - To permit the presence of children under 16 who are not accompanied by an adult between midnight and 5am at other premises supplying alcohol for consumption on the premises under the authority of any premises licence, club premises certificate or TEN.
- 7.3 There are a great variety of premises for which licences may be sought including theatres, cinemas, restaurants, pubs, nightclubs, cafes, take away, community halls and schools. Access by children to any premises will not be limited unless it is considered necessary for the prevention of physical, moral or psychological harm to them.
- 7.4 Conditions requiring the admission of children to any premises cannot be attached to licences or certificates. Where no licensing restriction is necessary, this should remain a matter for the discretion of the individual licensee or club or person who has been given a temporary event notice.
- 7.5 When deciding whether to limit access to children, the Licensing Authority will consider each application on its merits. Particular areas that will give rise to concern in respect of children, would include premises –
- where entertainment or services of an adult or sexual nature are commonly provided
 - where there is a strong element of gambling on the premises
 - with a known association with drug taking or dealing
 - where there have been convictions of members of the current staff at the premises for serving alcohol to minors or with a reputation for underage drinking
 - where the supply of alcohol for consumption on the premises is the exclusive or primary purpose of the services provided at the premises.
 - where there is a known association with the provision of illicit tobacco and alcohol
 - where the supply of alcohol is in close proximity to services where young vulnerable people may frequent
- 7.6 The range of alternatives which may be considered for limiting access to children where that is necessary for the prevention of harm to children are:
- restrictions on the hours when children may be present
 - age restrictions (below 18)
 - restrictions or exclusions on the presence of children under certain ages when particular specified activities are taking place
 - restrictions or exclusions when certain activities are taking place

- requirements for accompanying adults
- full exclusion of those people under 18 from the premises when any licensable activities are taking place
- restrictions on the parts of premises to which children may have access.

7.7 In the case of premises which are used for film exhibitions Cambridge City Council will expect licence holders or clubs to include in their operating schedules arrangements for restricting children from viewing age-restricted films classified according to the recommendations of the British Board of Film Classification or, in specific cases, a certificate given to the film by the Council itself.

7.8 The Licensing Authority recognises the Child Protection Services of Cambridgeshire County Council as being competent to advise on matters relating to the protection of children from harm.

7.9 The Licensing Authority commends the Portman Group Code of Practice on the Naming, Packaging and Promotion of Alcoholic Drinks. The Code seeks to ensure that drinks are packaged and promoted in a socially responsible manner and only to those who are 18 years old or older.

8. Licence Conditions

8.1 A key concept of the Act is for conditions to be attached to licences and certificates, which are tailored to the individual style and characteristics of the premises and events concerned. This is essential to avoid the imposition of disproportionate and overly burdensome conditions on premises where there is no need for such conditions.

8.2 The Licensing Authority cannot attach conditions to premises licences and club premises certificates unless they are considered appropriate for the promotion of the licensing objectives. The Licensing Authority may only attach conditions (except for statutory mandatory conditions and conditions drawn from the operating schedule) if relevant representations have been received. Conditions will generally be considered unnecessary if they are already adequately covered by other legislation. Blanket standard conditions will not be imposed without regard to the merits of the individual case.

Mandatory conditions can be found on council webpage - <https://www.cambridge.gov.uk/alcohol-and-entertainment-licence-guidance>

8.3 The Licensing Authority when making licensing decisions shall consider the need to promote growth and deliver economic benefits

8.4 Conditions attached to premises licences and club premises certificates under prevention of crime and disorder will, so far as possible, reflect local crime

prevention strategies.

- 8.5 In deciding what conditions should be attached to licences and certificates to promote the licensing objectives, the Licensing Authority will be aware of the need to avoid measures which might deter live music, dancing or theatre by imposing indirect costs of a substantial nature. Only appropriate conditions will be imposed on such events. Where there is any indication that such events are being deterred by licensing requirements, the policy will be revisited with a view to investigating how the situation might be reversed.
- 8.6 Applicants should consider the measures which they propose to control noise nuisance from the premises or from departing customers. Depending on the individual circumstances, this may include:
- Sound limitation devices
 - Acoustic lobbies
 - Acoustic double glazing
 - Noise insulation
 - Specifying non amplified or acoustic music only
 - Notices requesting customers to leave quietly
 - A dedicated taxi service
 - Use of door supervisors at exit points
 - A winding down period during which music is turned down and lights up, alcohol service ceases and sales of food and hot and cold soft drinks continues, and requests are made for customers to leave quietly.

9. Integrating Strategies and the avoidance of duplication

- 9.1 By consultation and liaison, the Licensing Authority will secure the proper integration of this licensing policy with local crime prevention, Cambridgeshire & Peterborough Joint Health & Wellbeing Strategy (which priorities reducing health inequalities), planning, transport, tourism, equality schemes, cultural strategies and any other plans introduced for the management of the city and the night-time economy. Many of these strategies are not directly related to the promotion of the licensing objectives, but indirectly impact upon them.

- 9.2 The Licensing Authority is committed to ensuring safe and inclusive environments within licensed premises and promoting the safety of those using the nighttime economy. This policy recognises the need to address sexual harassment, misconduct, and broader violence against women and girls. Licence holders are encouraged to adopt measures that enhance customer safety and engage with recognised national schemes, such as *Ask for Angela*, and those tackling drink spiking, to support and protect vulnerable individuals.

- 9.2 Where any protocols to be agreed with the police identify a particular need to disperse people from the city swiftly and safely to avoid concentrations which could lead to disorder and disturbance, the Licensing Authority will aim to inform those responsible for providing local transportation so that arrangements can be made to reduce the potential for problems to occur.
- 9.3 The Council's Licensing Committee will receive, when appropriate, reports on:
- the needs of the local tourist economy for the area to ensure that these are reflected in their considerations
 - the employment situation in the area and the need for new investment and employment where appropriate.
- 9.4 Planning, building control and the licensing regimes will be separated to avoid duplication and inefficiency. Licensing applications will not be a re-run of the planning application and will not cut across decisions taken by the planning committee or following appeals against decisions taken by that committee. When a terminal hour has been set as a condition of planning permission that is different from the licensing hours, the applicant must observe the earlier of the two closing times.
- 9.5 So far as is possible, the policy is not intended to duplicate existing legislation and regulatory regimes that already place obligations on employers and operators.
- 9.6 The Licensing Authority will monitor the impact of licensing on the provision of regulated entertainment, and particularly live music and dancing. As part of implementing cultural strategies, proper account will be taken of the need to encourage and promote a broad range of entertainment, particularly live music, dancing, circus activity, street art and theatre, including the performance of a wide range of traditional and historic plays for the wider cultural benefit of the community which also balances the evening economy. The Licensing Authority will balance the prevention of disturbance in neighbourhoods with these wider cultural benefits, particularly cultural benefits for children. Only appropriate conditions will be imposed on such events.
- 9.7 The absence of cultural provision in any area can lead to young people being diverted into anti-social activities that damage local communities and the young people involved themselves.
- 9.8 Cambridge City Council has an important role in coordinating events in the City and to ensure that cultural diversity thrives. The Council currently has five licensed open spaces. These are: Parkers Piece; Jesus Green; Midsummer Common; Coldhams Common and the grounds of Cherry Hinton Hall.
- 9.9 The Equality Act 2010 places a legal obligation on public authorities to have due regard to the need to eliminate unlawful discrimination, harassment and

victimization; to advance equality of opportunity; and to foster good relations, between persons with different protected characteristics.

- 9.10 Applicants will be encouraged to make themselves aware of any relevant planning and transportation policies, tourism and cultural strategies or local crime prevention strategies and to have taken these into account, where appropriate, when formulating their operating schedule.
- 9.11 The Licensing Authority will have regard to equality and will expect an applicant to meet their statutory **obligations under the Equality Act 2010** and not unlawfully discriminate or refuse service on grounds of age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation or display discriminatory signs.

10. Licence Reviews

- 10.1 The process set out in the Licensing Act 2003 for reviewing premises licences represents a key protection for the community where problems associated with the licensing objectives are occurring after the grant or variation of a premises licence.
- 10.2 Responsible authorities (including the Licensing Authority) and other parties can apply for the review of a licence.
- 10.3 The Licensing Authority will work in partnership with other responsible authorities to achieve the promotion of the licensing objectives and will give Licence or Certificate holders early warning of any concerns identified at a premises. The Licensing Authority will also encourage other responsible authorities to do the same.
- 10.4 When a review has been requested the role of the Licensing Authority will be to administer the process and determine its outcome at a hearing. Where the Licensing Authority has applied to review an authorisation, there will be a clear separation of responsibilities to ensure procedural fairness and eliminate conflicts of interest. (See paragraph 12.3).
- 10.5 The Licensing Authority may decide that no action is necessary if it finds that the review does not require it to take any appropriate steps to promote the licensing objectives. In appropriate cases the Authority may issue an informal warning to the licence holder and/or recommend improvement within a particular period of time. Any warnings or recommendations will be issued in writing.
- 10.6 Where the Licensing Authority considers that action under its statutory powers is appropriate it may take any of the following steps:

- to modify the conditions of the premises licence (which includes adding new conditions or any alteration or omission of an existing condition);
- to exclude a licensable activity from the scope of the licence;
- to remove the designated premises supervisor;
- to suspend the licence for a period not exceeding three months;
- to revoke the licence.

10.7 In cases where the crime prevention objective is being undermined the Licensing Authority will give serious consideration to revoking the licence even in the first instance.

11. Enforcement

11.1 The Licensing Authority intends to establish protocols with the police and any other relevant enforcement body on enforcement issues. These protocols will provide for the targeting of agreed problem and high-risk premises, which require greater attention, while providing a lighter touch approach in respect of low risk premises which are well run.

11.2 In general, action will only be taken in accordance with the Council's enforcement policy, as adopted at the time, which reflects the Council's obligations relating to enforcement and is consistent with the Regulators Compliance Code. To this end, the key principles of consistency, openness, proportionality, clear standards and practices, courtesy and helpfulness and training will be maintained.

Cambridge City Council's enforcement policy is available on our website www.cambridge.gov.uk/content/enforcement-policy

12. Administration, exercise and delegation of functions

12.1 The functions of the Licensing Authority under the Act may be carried out by the Licensing Committee, by a Sub-Committee or by one or more officers acting under delegated authority.

12.2 Many of the decisions and functions will be largely administrative in nature. In the interests of speed, efficiency and cost-effectiveness these will, for the most part, be delegated to officers as set out in the Cambridge City Council Constitution

12.3 In determining applications where the Licensing Authority has acted as a responsible authority, there will be a clear separation of responsibilities to ensure procedural fairness and eliminate conflicts of interest. This will be achieved by allocating distinct functions to different Officers within the authority, so the Officer presenting the report to the Sub-Committee and advising the Members will be a different individual to the Officer who is acting as the responsible authority. The Officer acting as the responsible authority will not be involved in the decision-making process.

13. Effective Date and Review

- 13.1 This policy statement will take effect from March 2026.
- 13.2 The policy statement will be kept under review and will remain in existence for a period of up to 5 years. It will be subject to review and further consultation before March 2031, or as required by law.

14. Contact details, advice and guidance

- 14.1 Applicants can obtain further details about the licensing and application processes, including application forms and fees from:

website: www.cambridge.gov.uk

e-mail: Licensing@cambridge.gov.uk

telephone: 01223 457000

post: Commercial & Licensing, Environmental and Public Health,
Cambridge City Council, PO Box 700,
Cambridge, CB1 0JH

in person: Customer Service Centre, Mandela House, 4, Regent
Street, Cambridge, CB2 1BY (Wednesday to Friday
09:00- 17:15 by appointment only)

- 14.2 The Licensing Authority has also published further documents to accompany this policy containing additional details about each type of application and the review process. These can be viewed at <https://www.cambridge.gov.uk/guidance-for-applicants>
- 14.3 This policy can be made available in large print on request and similarly translations can be made available in a variety of languages. Please contact us for further help or assistance.
- 14.4 The Council, Police and Fire Authorities will be willing to give advice and guidance to applicants.
- 14.5 Informal discussion is encouraged prior to the application process in order to resolve any potential problems and avoid unnecessary hearings and appeals.

15. **Responsible Authorities are:**

The Licensing Authority

Commercial & Licensing, Environmental and Public Health,
Communities, Cambridge City Council, PO Box 700, Cambridge, CB1 0JH
Tel: 01223 457879

E-mail: licensing@cambridge.gov.uk

The Chief Officer of Police

The Chief Officer, Cambridgeshire Police Headquarters, Hinchbrook Park, Huntingdon, PE29 6NP

E-mail: licensingouth@cambs.police.uk

The Fire Authority

Fire Protection, Cambridge Fire Station, Parkside, Cambridge, CB1 1JF

Email: danny.hans@cambsfire.gov.uk

Planning

Greater Cambridge Shared Planning Service (GCSP), Cambridge City Council, The Guildhall, Cambridge, CB2 3QJ

Telephone: 01954 713 000

E-mail: planning@greatercambridgeplanning.org

Environmental Health

Strategic Environmental Health and Public Safety Lead, , Environmental and Public Health, Communities, Cambridge City Council, PO Box 700, Cambridge, CB1 0JH

Telephone: 01223 457890 Fax: 01223 457909 e-

mail: commercial@cambridge.gov.uk

Child Protection

Child Protection Services, Licensing Applications, OCYPS, PO Box 144, St Ives, Cambs, PE27 9AU

Telephone: 03450455203

E-mail: Referralcentre2.children@cambridgeshire.gov.uk

Trading Standards

Cambridgeshire County Council, PO Box 450, Great Cambourne, Cambridge, CB23 6ZR

E-mail: trading.standards@cambridgeshire.gov.uk

Public Health

Director of Public Health, Cambridgeshire County Council,

ALC 2629, PO Box 761 Huntingdon PE29 9QR

New Shire Hall, Emery Crescent, Enterprise Campus, Alconbury Weald, Huntingdon, PE28 4YE

E-mail: HealthinAllPolicies@cambridgeshire.gvo.uk

Home Office – Immigration Enforcement

Licensing Compliance Team (LCT), Home Office, 2
Ruskin Square, Dingwall Road, Croydon, CR0 2WF
Email: IE.licensing.applications@homeoffice.gov.uk

In addition, for vessels:

Environment Agency

The Team Leader, Great Ouse & Stour Waterways, The Environment
Agency, Waterside House, Goldhay Way, Orton Goldhay, Peterborough,
PE2 5ZRTelephone:03708506506

E-mail: enquiries@environment-agency.gov.uk, quoting Great Ouse &
Stour Waterways

Conservators of the River Cam

The River Manager
Conservators of the River Cam
Clayhithe Office, Clayhithe Road,
Horningsea, Cambridge, CB25 9JB
Tel: 01223 863785
Email: info@camconservators.org.uk

Maritime & Coastguard Agency

Surveyor in Charge, Harwich Marine Office, Maritime & Coastguard
Agency, East Terrace, Walton-on-Naze, Essex, CO14 8PY

CAMBRIDGE CITY COUNCIL STATEMENT OF LICENSING POLICY

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CAMBRIDGE CITY COUNCIL

STATEMENT OF LICENSING POLICY

Cambridge is a unique blend of market town, sub-regional centre, national and international tourist attraction and centre of excellence for education and research. It is a city of great beauty and is renowned for the qualities of its streets, spaces and buildings.

Cambridge City Council (the Licensing Authority), in association with local partnerships, wants Cambridge to be vibrant, socially mixed, safe, convenient and enjoyable, where all residents feel integrated into the life of the City and a part of its success.

Cambridge City Council has a clear vision for, 'One Cambridge – Fair for All'. It's a vision we will work towards cooperatively with our residents and partner organisations. Our vision includes:

1. **Residents enjoy a high quality of life and exemplar public services**
 - Cambridge is a place of high employment where everyone has a warm, safe, and affordable home, and beautiful open spaces to enjoy.
 - Communities are thriving and empowered, supported by well-run public services, and drawing on shared prosperity with greater equality in health and educational outcomes.
2. **Decarbonisation and sustainability are central to prosperity**
 - Cambridge is a net zero carbon city, where people and nature enjoy a clean river, clean air, and biodiverse green spaces.
 - Strong nature networks are coordinated between relevant bodies to combat the impacts of social and climate injustice.
3. **Innovation benefits people and planet**
 - Cambridge champions pioneering discoveries which shape a better future for people and planet.
 - There is a lifelong citywide commitment to learning which enables every resident to develop their skills and fulfil their potential.
 - Businesses are key to the success of a thriving local economy which benefits residents and workers.
4. **Development is sustainable and inclusive**
 - High-quality social housing, sustainable public transport alongside key infrastructure is prioritised to ensure Cambridge is a vibrant and caring city.
 - Cambridge's beautiful architecture and public realm, with well-used community spaces, promotes pride and wellbeing

and is accessible to all.

5. Arts, sports, and culture are thriving

- Cambridge celebrates the city's diversity through a vibrant arts and cultural scene, including music, festivals, sports, and food and drink.
- Accessible arts, sports and culture provide spaces for people of all ages to come together to enjoy the city, both during the day and at night.

6. Democratic accountability is genuine and accessible

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

The overarching objectives of Cambridge City Council in licensing premises are to:

- Promote the Authority's visions and values
- Protect the rights and health and safety of the general public, workers, residents, businesses, minority and vulnerable groups
- Ensure the principles of consistency, transparency, accountability and the promotion of good standards in licensing
- Demonstrate compliance with statutory responsibilities in relation to procedures and enforcement
- Ensure consistent and transparent decision making

It is recognised that licensed entertainment provides a valuable contribution towards the economy of Cambridge and we seek to balance the needs of local business holders and licensees, whilst protecting those of local residents. The City of Cambridge has been awarded purple flag status yearly since September 2019. A Purple Flag helps members of the public to identify town and city centres offering an entertaining, diverse, safe and enjoyable night out.

1. Introduction

- 1.1 This Licensing Policy Statement has been produced in accordance with the requirements of the Licensing Act 2003 ('the Act') and is in line with guidance issued under Section 182 of the Act.
- 1.2 The policy relates to all those licensing activities identified as falling within the provisions of the Act, namely: -
 - Retail sale of alcohol
 - Supply of alcohol by or on behalf of a club, or to the order to a member of the club
 - The provision of regulated entertainment
 - The provision of late night refreshment
- 1.3 The policy relates to all types of premises covered by the Act.
- 1.4 The Licensing Authority will take the policy into account where its discretion is engaged (i.e. at a hearing following representations).
- 1.5 Nothing in this policy will undermine the right of any individual to apply under the terms of the Act for a variety of permissions and to have any such application considered on its individual merits.
- 1.6 The Licensing Authority may depart from this policy if the individual circumstances of any case merit such a decision in the interest of the promotion of the licensing objectives. Full reasons will be given for departing from the policy.

2. Objectives

- 2.1. The Licensing Authority has a duty under the Act to carry out its licensing functions by promoting the licensing objectives, which are: -
 - The prevention of crime and disorder
 - Public safety
 - The prevention of public nuisance, and
 - The protection of children from harm.

Each objective has equal importance.

- 2.2 In carrying out its licensing functions, the Licensing Authority must also have regard to the licensing objectives, its Policy Statement and any statutory

guidance under the Act and is bound by The Human Rights Act 1998. The Council must also fulfill its obligations under section 17 of the Crime and Disorder Act 1998 to do all that it reasonably can to prevent crime and disorder in Cambridge. The Statement of Licensing Policy recognises the Equality Act 2010 places a legal obligation on public authorities to have due regard to the need to eliminate unlawful discrimination, harassment and victimization; to advance equality of opportunity; and to foster good relations, between persons with different protected characteristics.

- 2.3 It is recognised that the licensing function is only one means of securing the delivery of the above objectives and should not be seen as a means for solving all problems within the community. However, the licensing function is an important means of achieving the objectives. The Licensing Authority will continue to work in partnership with its neighbouring authorities, the police, other agencies, local liaison groups, businesses and individuals towards the achievement of the licensing objectives through good practice.
- 2.4 The Licensing Authority will expect individual applicants to address the licensing objectives in their operating schedule having regard to the type of premises, the licensable activities to be provided, the operational procedures, the nature of the location and the needs of the local community. Applicants should include in their operating schedule the steps, which they consider necessary to promote the licensing objectives. If the steps are insufficient, or if the information given in the operating schedule does not enable a responsible authority or any other person to assess whether the steps proposed are satisfactory, it is more likely that relevant representations will be received, usually leading to a hearing.
- 2.5 All responsible authorities (listed in section 15) will have the chance to comment on all applications received and will provide evidence from their own areas of expertise if they believe an application would impact on one or more of the licensing objectives. All evidence provided will be taken into account by the Licensing Authority at any subsequent hearing.

3. Consultation

- 3.1. In preparing this policy statement the Licensing Authority has consulted with the following:
- the Chief Officer of Police for Cambridgeshire
 - the Chief Officer of the Cambridgeshire Fire and Rescue Service
 - persons/bodies representative of the Local Authority with the function of public health
 - persons/bodies representative of local holders of premises licences
 - persons/bodies representative of local holders of club premises certificates
 - persons/bodies representative of local holders of personal licences
 - persons/bodies representative of businesses and residents in the City of Cambridge

- persons/bodies representative of Child Protection Services at Cambridgeshire County Council
- other organisations as appear to the Licensing Authority to be affected by licensing matters, including local community, cultural, educational and entertainment organisations.

3.2. We have considered the views of all those consulted prior to determining this policy.

4. Fundamental Principles

- 4.1. Licensing is about regulating licensable activities on premises, such as qualifying clubs, pubs and temporary events which fall within the terms of the Act. Any conditions imposed will focus on matters that individual licensees and others in possession of relevant authorisations are able to control.
- 4.2. In addressing these matters, the Licensing Authority will primarily focus on the direct impact the activities taking place at the licensed premises will have on those living, working or engaged in normal activity in the area concerned.
- 4.3. Licensing law is not the primary mechanism for the general control of nuisance and anti-social behaviour by individuals once they are away from the licensed premises and, therefore, beyond the direct control of the individual, club or business holding the licence, certificate or permission concerned. Nonetheless, it is a key aspect of such control and licensing law will always be part of a holistic approach to the management of the evening and night-time economy in Cambridge.

5. The cumulative impact of a concentration of licensed premises

- 5.1. Cumulative impact is the potential impact on the promotion of the licensing objectives of a significant number of licensed premises concentrated in one area e.g. the potential impact on crime and disorder or public nuisance.
- 5.2. The cumulative impact of licensed premises on the promotion of the licensing objectives is a matter that the Licensing Authority can take into account. This should not, however, be confused with 'need' which concerns the commercial demand for a particular type of premises e.g., a pub, restaurant or hotel. The issue of 'need' is therefore primarily a matter for the market to decide and does not form part of this licensing policy statement.
- 5.3. The Licensing Authority can only publish a Cumulative Impact Assessment if there is evidence that a significant number of licensed premises concentrated in one area is causing a cumulative impact on one or more of the licensing

objectives. The Licensing Authority will keep the situation as to whether an area is nearing this point under review.

- 5.4. The absence of a Cumulative Impact Assessment does not prevent any responsible authority or other person making representations on a new application for the grant or variation of a licence on the grounds that the premises will give rise to a detrimental cumulative impact on one or more of the licensing objectives in a particular area.
- 5.5. Following previous consultations and representations received by Cambridge Constabulary, the Licensing Authority has adopted a special policy on cumulative effect that remains in place and is now the Cumulative Impact Assessment.
- 5.6. Having considered the available evidence and undertaken consultation, the Licensing Authority considers that it is appropriate and necessary to control cumulative impact. The Licensing Authority has adopted a Cumulative Impact Assessment, which is separate to this Statement of Licensing Policy. Further information on the Cumulative Impact Assessment and the areas which it covers can be found in the Cumulative Impact Assessment document, found at - <https://www.cambridge.gov.uk/media/vath1akl/statement-of-licensing-policy-cumulative-impact-assessment.pdf>

6. Licensing Hours

- 6.1. Flexible licensing hours for the sale of alcohol can help to ensure that concentrations of customers leaving premises simultaneously are avoided. This can help to reduce the potential for disorder and disturbance. Licensing hours should not inhibit the development of a thriving and safe evening and night-time economy. This is important for investment, local employment, tourism and local services associated with the night-time economy. Providing customers with greater choice and flexibility is an important consideration but should always be balanced carefully against the duty to promote the four licensing objectives and the rights of local residents to peace and quiet.
- 6.2. Subject to the policies regarding cumulative impact in the areas of the City, shops, stores and supermarkets will generally be permitted to provide sales of alcohol for consumption off the premises at any times when the retail outlet is open for shopping, unless representations raise good reasons based on the licensing objectives, for restricting those hours, for example, a limitation may be appropriate following police representations in the case of shops known to be a focus of disorder and disturbance.
- 6.3. The Licensing Authority will deal with the issue of licensing hours on the individual merits of each application. When issuing a licence, following receipt of relevant representations, stricter conditions on noise control are likely to be imposed in the case of premises that are situated in predominantly residential areas. However, this should not limit opening hours without regard to the

individual merits of any application.

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7. Children and Licensed Premises

7.1. Cambridge City Council will consider its Safeguarding for Children and Vulnerable Adults Policy when determining licensing applications. We are committed to safeguarding and promoting the welfare of children, young people and vulnerable adults.

7.2. It is an offence under the 2003 Licensing Act to:

- Permit children under the age of 16 who are not accompanied by an adult to be present on premises being used exclusively or primarily for supply of alcohol for consumption on those premises under the authorisation of a premises licence, club premises certificate or where that activity is carried on under the authority of a TEN; and
- To permit the presence of children under 16 who are not accompanied by an adult between midnight and 5am at other premises supplying alcohol for consumption on the premises under the authority of any premises licence, club premises certificate or TEN.

7.3. There are a great variety of premises for which licences may be sought including theatres, cinemas, restaurants, pubs, nightclubs, cafes, take away, community halls and schools. Access by children to any premises will not be limited unless it is considered necessary for the prevention of physical, moral or psychological harm to them.

7.4. Conditions requiring the admission of children to any premises cannot be attached to licences or certificates. Where no licensing restriction is necessary, this should remain a matter for the discretion of the individual licensee or club or person who has been given a temporary event notice.

7.5. When deciding whether to limit access to children, the Licensing Authority will consider each application on its merits. Particular areas that will give rise to concern in respect of children, would include premises –

- where entertainment or services of an adult or sexual nature are commonly provided
- where there is a strong element of gambling on the premises
- with a known association with drug taking or dealing
- where there have been convictions of members of the current staff at the premises for serving alcohol to minors or with a reputation for underage drinking
- where the supply of alcohol for consumption on the premises is the exclusive or primary purpose of the services provided at the premises.
- where there is a known association with the provision of illicit tobacco and alcohol
- where the supply of alcohol is in close proximity to services where young vulnerable people may frequent

7.6. The range of alternatives which may be considered for limiting access to children where that is necessary for the prevention of harm to children are:

- restrictions on the hours when children may be present
- age restrictions (below 18)
- restrictions or exclusions on the presence of children under certain ages when particular specified activities are taking place
- restrictions or exclusions when certain activities are taking place
- requirements for accompanying adults
- full exclusion of those people under 18 from the premises when any licensable activities are taking place
- restrictions on the parts of premises to which children may have access.

7.7. In the case of premises which are used for film exhibitions Cambridge City Council will expect licence holders or clubs to include in their operating schedules arrangements for restricting children from viewing age-restricted films classified according to the recommendations of the British Board of Film Classification or, in specific cases, a certificate given to the film by the Council itself.

7.8. The Licensing Authority recognises the Child Protection Services of Cambridgeshire County Council as being competent to advise on matters relating to the protection of children from harm.

7.9. The Licensing Authority commends the Portman Group Code of Practice on the Naming, Packaging and Promotion of Alcoholic Drinks. The Code seeks to ensure that drinks are packaged and promoted in a socially responsible manner and only to those who are 18 years old or older.

8. Licence Conditions

8.1. A key concept of the Act is for conditions to be attached to licences and certificates, which are tailored to the individual style and characteristics of the premises and events concerned. This is essential to avoid the imposition of disproportionate and overly burdensome conditions on premises where there is no need for such conditions.

8.2. The Licensing Authority cannot attach conditions to premises licences and club premises certificates unless they are considered appropriate for the promotion of the licensing objectives. The Licensing Authority may only attach conditions (except for statutory mandatory conditions and conditions drawn from the operating schedule) if relevant representations have been received. Conditions will generally be considered unnecessary if they are

already adequately covered by other legislation. Blanket standard conditions will not be imposed without regard to the merits of the individual case.

Mandatory conditions can be found on council webpage - <https://www.cambridge.gov.uk/alcohol-and-entertainment-licence-guidance>

- 8.3. The Licensing Authority when making licensing decisions shall consider the need to promote growth and deliver economic benefits
- 8.4. Conditions attached to premises licences and club premises certificates under prevention of crime and disorder will, so far as possible, reflect local crime prevention strategies.
- 8.5. In deciding what conditions should be attached to licences and certificates to promote the licensing objectives, the Licensing Authority will be aware of the need to avoid measures which might deter live music, dancing or theatre by imposing indirect costs of a substantial nature. Only appropriate conditions will be imposed on such events. Where there is any indication that such events are being deterred by licensing requirements, the policy will be revisited with a view to investigating how the situation might be reversed.
- 8.6. Applicants should consider the measures which they propose to control noise nuisance from the premises or from departing customers. Depending on the individual circumstances, this may include:
 - Sound limitation devices
 - Acoustic lobbies
 - Acoustic double glazing
 - Noise insulation
 - Specifying non amplified or acoustic music only
 - Notices requesting customers to leave quietly
 - A dedicated taxi service
 - Use of door supervisors at exit points
 - A winding down period during which music is turned down and lights up, alcohol service ceases and sales of food and hot and cold soft drinks continues, and requests are made for customers to leave quietly.

9. Integrating Strategies and the avoidance of duplication

- 9.1. By consultation and liaison, the Licensing Authority will secure the proper integration of this licensing policy with local crime prevention, Cambridgeshire & Peterborough Joint Health & Wellbeing Strategy (which priorities reducing health inequalities), planning, transport, tourism, equality schemes, cultural strategies and any other plans introduced for the management of the city and the night-time economy. Many of these strategies are not directly related to

the promotion of the licensing objectives, but indirectly impact upon them.

- 9.2. The Licensing Authority is committed to ensuring safe and inclusive environments within licensed premises and promoting the safety of those using the nighttime economy. This policy recognises the need to address sexual harassment, misconduct, and broader violence against women and girls. Licence holders are encouraged to adopt measures that enhance customer safety and engage with recognised national schemes, such as *Ask for Angela*, and those tackling drink spiking, to support and protect vulnerable individuals.
- 9.3. Where any protocols to be agreed with the police identify a particular need to disperse people from the city swiftly and safely to avoid concentrations which could lead to disorder and disturbance, the Licensing Authority will aim

to inform those responsible for providing local transportation so that arrangements can be made to reduce the potential for problems to occur.

9.4. The Council's Licensing Committee will receive, when appropriate, reports on:

- the needs of the local tourist economy for the area to ensure that these are reflected in their considerations
- the employment situation in the area and the need for new investment and employment where appropriate.

9.5. Planning, building control and the licensing regimes will be separated to avoid duplication and inefficiency. Licensing applications will not be a re-run of the planning application and will not cut across decisions taken by the planning committee or following appeals against decisions taken by that committee. When a terminal hour has been set as a condition of planning permission that is different from the licensing hours, the applicant must observe the earlier of the two closing times.

9.6. So far as is possible, the policy is not intended to duplicate existing legislation and regulatory regimes that already place obligations on employers and operators.

9.7. The Licensing Authority will monitor the impact of licensing on the provision of regulated entertainment, and particularly live music and dancing. As part of implementing cultural strategies, proper account will be taken of the need to encourage and promote a broad range of entertainment, particularly live music, dancing, circus activity, street art and theatre, including the performance of a wide range of traditional and historic plays for the wider cultural benefit of the community which also balances the evening economy. The Licensing Authority will balance the prevention of disturbance in neighbourhoods with these wider cultural benefits, particularly cultural benefits for children. Only appropriate conditions will be imposed on such events.

9.8. The absence of cultural provision in any area can lead to young people being diverted into anti-social activities that damage local communities and the young people involved themselves.

9.9. Cambridge City Council has an important role in coordinating events in the City and to ensure that cultural diversity thrives. The Council currently has five licensed open spaces. These are: Parkers Piece; Jesus Green; Midsummer Common; Coldhams Common and the grounds of Cherry Hinton Hall.

9.10. The Equality Act 2010 places a legal obligation on public authorities to have due regard to the need to eliminate unlawful discrimination, harassment and victimization; to advance equality of opportunity; and to foster good relations, between persons with different protected characteristics.

- 9.11. Applicants will be encouraged to make themselves aware of any relevant planning and transportation policies, tourism and cultural strategies or local crime prevention strategies and to have taken these into account, where appropriate, when formulating their operating schedule.
- 9.12. The Licensing Authority will have regard to equality and will expect an applicant to meet their statutory obligations under the Equality Act 2010 and not unlawfully discriminate or refuse service on grounds of age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation or display discriminatory signs.

10. Licence Reviews

- 10.1. The process set out in the Licensing Act 2003 for reviewing premises licences represents a key protection for the community where problems associated with the licensing objectives are occurring after the grant or variation of a premises licence.
- 10.2. Responsible authorities (including the Licensing Authority) and other parties can apply for the review of a licence.
- 10.3. The Licensing Authority will work in partnership with other responsible authorities to achieve the promotion of the licensing objectives and will give Licence or Certificate holders early warning of any concerns identified at a premises. The Licensing Authority will also encourage other responsible authorities to do the same.
- 10.4. When a review has been requested the role of the Licensing Authority will be to administer the process and determine its outcome at a hearing. Where the Licensing Authority has applied to review an authorisation, there will be a clear separation of responsibilities to ensure procedural fairness and eliminate conflicts of interest. (See paragraph 12.3).
- 10.5. The Licensing Authority may decide that no action is necessary if it finds that the review does not require it to take any appropriate steps to promote the licensing objectives. In appropriate cases the Authority may issue an informal warning to the licence holder and/or recommend improvement within a particular period of time. Any warnings or recommendations will be issued in writing.
- 10.6. Where the Licensing Authority considers that action under its statutory powers is appropriate it may take any of the following steps:
- to modify the conditions of the premises licence (which includes adding new conditions or any alteration or omission of an existing condition);
 - to exclude a licensable activity from the scope of the licence;
 - to remove the designated premises supervisor;

- to suspend the licence for a period not exceeding three months;
- to revoke the licence.

10.7. In cases where the crime prevention objective is being undermined the Licensing Authority will give serious consideration to revoking the licence even in the first instance.

11. Enforcement

11.1. The Licensing Authority intends to establish protocols with the police and any other relevant enforcement body on enforcement issues. These protocols will provide for the targeting of agreed problem and high-risk premises, which require greater attention, while providing a lighter touch approach in respect of low risk premises which are well run.

11.2. In general, action will only be taken in accordance with the Council's enforcement policy, as adopted at the time, which reflects the Council's obligations relating to enforcement and is consistent with the Regulators Compliance Code. To this end, the key principles of consistency, openness, proportionality, clear standards and practices, courtesy and helpfulness and training will be maintained.

Cambridge City Council's enforcement policy is available on our website <https://www.cambridge.gov.uk/enforcement-policy>.

12. Administration, exercise and delegation of functions

12.1. The functions of the Licensing Authority under the Act may be carried out by the Licensing Committee, by a Sub-Committee or by one or more officers acting under delegated authority.

12.2. Many of the decisions and functions will be largely administrative in nature. In the interests of speed, efficiency and cost-effectiveness these will, for the most part, be delegated to officers as set out in the Cambridge City Council Constitution.

12.3. In determining applications where the Licensing Authority has acted as a responsible authority, there will be a clear separation of responsibilities to ensure procedural fairness and eliminate conflicts of interest. This will be achieved by allocating distinct functions to different Officers within the authority, so the Officer presenting the report to the Sub-Committee and advising the Members will be a different individual to the Officer who is acting as the responsible authority. The Officer acting as the responsible authority will not be involved in the decision-making process.

13. Effective Date and Review

- 13.1. This policy statement will take effect from 1st March 2026.
- 13.2. The policy statement will be kept under review and will remain in existence for a period of up to 5 years. It will be subject to review and further consultation before 1st March 2031, or as required by law.

14. Contact details, advice and guidance

- 14.1. Applicants can obtain further details about the licensing and application processes, including application forms and fees from:

website: www.cambridge.gov.uk

e-mail: licensing@cambridge.gov.uk

telephone: 01223 457000

post: Commercial & Licensing, Environmental and Public Health,
Cambridge City Council, PO Box 700,
Cambridge, CB1 0JH

in person: Customer Service Centre, Mandela House, 4, Regent
Street, Cambridge, CB2 1BY (Wednesday to Friday 09:00-
17:15 by appointment only)

- 14.2. The Licensing Authority has also published further documents to accompany this policy containing additional details about each type of application and the review process. These can be viewed at <https://www.cambridge.gov.uk/guidance-for-applicants>
- 14.3. This policy can be made available in large print on request and similarly translations can be made available in a variety of languages. Please contact us for further help or assistance.
- 14.4. The Council, Police and Fire Authorities will be willing to give advice and guidance to applicants.
- 14.5. Informal discussion is encouraged prior to the application process in order to resolve any potential problems and avoid unnecessary hearings and appeals.

15. Responsible Authorities are:

The Licensing Authority

Commercial & Licensing, Environmental and Public Health, Communities,
Cambridge City Council, PO Box 700, Cambridge, CB1 0JH

Tel: 01223 457879

E-mail: licensing@cambridge.gov.uk

The Chief Officer of Police

The Chief Officer, Cambridgeshire Police Headquarters, Hinchbrook Park,
Huntingdon, PE29 6NP

E-mail: licensing@cambs.police.uk

The Fire Authority

Fire Protection, Cambridge Fire Station, Parkside, Cambridge, CB1 1JF

Email: danny.hans@cambsfire.gov.uk

Planning

Greater Cambridge Shared Planning Service (GCSP), Cambridge City
Council, The Guildhall, Cambridge, CB2 3QJ

Telephone: [01954 713 000](tel:01954713000)

E-mail: planning@greatercambridgeplanning.org

Environmental Health

Strategic Environmental Health and Public Safety Lead, Environmental and
Public Health, Communities, Cambridge City Council, PO Box 700,
Cambridge, CB1 0JH

Telephone: 01223 457890 Fax: 01223 457909

E-mail: commercial@cambridge.gov.uk

Child Protection

Child Protection Services, Licensing Applications, OCYPS, PO Box 144, St
Ives, Cambs, PE27 9AU

Telephone: 03450455203

E-mail: Referralcentre2.children@cambridgeshire.gov.uk

Trading Standards

Cambridgeshire County Council, PO Box 450, Great Cambourne,
Cambridge, CB23 6ZR

E-mail: trading.standards@cambridgeshire.gov.uk

Public Health

Director of Public Health, Cambridgeshire County Council, ALC 2629, PO Box 761 Huntingdon PE29 9QR
New Shire Hall, Emery Crescent, Enterprise Campus,
Alconbury Weald, Huntingdon, PE28 4YE

E-mail: HealthinAllPolicies@cambridgeshire.gov.uk

Home Office – Immigration Enforcement

Licensing Compliance Team (LCT), Home Office, 2
Ruskin Square, Dingwall Road, Croydon, CR0 2WF

E-mail: IE.licensing.applications@homeoffice.gov.uk

In addition, for vessels:

Environment Agency

The Team Leader, Great Ouse & Stour Waterways, The Environment Agency,
Waterside House, Goldhay Way, Orton Goldhay, Peterborough, PE2
5ZR Telephone: 03708506506

E-mail: enquiries@environment-agency.gov.uk, quoting Great Ouse &
Stour Waterways

Conservators of the River Cam

The River Manager
Conservators of the River Cam,
Clayhithe Office, Clayhithe Road,,
Horningssea, Cambridge, CB25 9JB
Tel: 01223 863785

E-mail: info@camconservators.org.uk

Maritime & Coastguard Agency

Surveyor in Charge, Harwich Marine Office, Maritime & Coastguard
Agency, East Terrace, Walton-on-Naze, Essex, CO14 8PY

Cambridge City Council Equality Impact Assessment (EqIA)

This tool helps the Council ensure that we fulfil legal obligations of the [Public Sector Equality Duty](#) to have due regard to the need to –

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Guidance on how to complete this tool can be found on the Cambridge City Council intranet. For specific questions on the tool please contact the Community Equity Team at equalities@cambridge.gov.uk.

Also, once you have drafted the EqIA please send this to equalities@cambridge.gov.uk for checking.

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

2. Webpage link to full details of the strategy, policy, plan, project, contract or major change to your service (if available)
Alcohol and entertainment licence overview - Cambridge City Council https://www.cambridge.gov.uk/alcohol-and-entertainment-licence-overview

3. What is the objective or purpose of your strategy, policy, plan, project, contract or major change to your service?
To enable the council to exercise its functions under Section 5 of the Licensing Act 2003. The Council is required to produce, adopt and publish a Statement of Licensing Policy. The statement must be reviewed every 5 years.

4. Responsible Team and Group

Environmental health

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

(Please tick all that apply)

- ☒ Residents
- ☒ Visitors
- ☒ Staff

Please state any specific client group or groups (e.g. City Council tenants, tourists, people who work in the city but do not live here):

[Click here to enter text.](#)

6. What type of strategy, policy, plan, project, contract or major change to your service is this?

- ☐ New
- ☐ Major change
- ☒ Minor change

7. Are other departments or partners involved in delivering this strategy, policy, plan, project, contract or major change to your service? (Please tick)

- ☒ Yes
- ☐ No

If 'Yes' please provide details below:

Responsible authorities play a part in delivering the policy, these include the Police, Environmental Health, Public Health, Planning, Child Protection Services and Trading Standards.

The review of the policy has been sent to responsible authorities, those directly affected by the policy and has been open to a public consultation. All responses received have been considered when reviewing the policy.

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

The policy has been subject to a 12 week public consultation., results can be found within the report, as Appendix B and C. The policy recognises the Equality Act 2010 which places a legal obligation on public authorities to have due regard to the need to eliminate unlawful

discrimination, harassment and victimisation; to advance equality of opportunity; and to foster good relations, between persons with different protected characteristics.

9. Potential impacts

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

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

One of the licensing objectives is the protection of children from harm. The policy helps support this objective and section 7 of the policy details how the council support in the protection of children from harm.

The Child Protection Services of Cambridgeshire County Council is a responsible authority and is recognised as being competent to advise on matters relating to the protection of children from harm. They are consulted on for every application submitted.

During the review of the policy, they were consulted as a responsible authority and no response was received.

(b) Disability

We do not believe that the policy will impact negatively on this target group. The policy has been open to a public consultation and no responses have been received in regards to the policy impacting on those with a disability.

The Licensing Authority will have regard to equality and will expect an applicant to meet their statutory obligations under the Equality Act 2010 in this area and not unlawfully discriminate or refuse service on grounds of disability. – Section 9.12 of the Statement of Licensing Policy.

(c) Gender reassignment

We do not believe that the policy will have an impact on this target group. The policy has been open to a public consultation and no responses have been received in regards to the policy impacting on gender.

The Licensing Authority will have regard to equality and will expect an applicant to meet their statutory obligations in this area and not unlawfully discriminate or refuse service on grounds of gender.

(d) Marriage and civil partnership

We do not believe that the policy will impact negatively on this target group. The policy has been open to a public consultation and no responses have been received in regards to the policy impacting on marriage or civil partnership.

(e) Pregnancy and maternity

We do not believe that the policy will impact negatively on this target group. The policy has been open to a public consultation and no responses have been received in regards to the policy impacting on pregnancy or maternity.

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

We do not believe that the policy will impact negatively on this target group. The policy has been open to a public consultation and no responses have been received in regards to the policy impacting on race.

The Licensing Authority will have regard to equality and will expect an applicant to meet their statutory obligations in this area and not unlawfully discriminate or refuse service on grounds of race.

(g) Religion or belief

We do not believe that the policy will impact negatively on this target group. The policy has been open to a public consultation and no responses have been received in regards to the policy impacting on religion.

The Licensing Authority will have regard to equality and will expect an applicant to meet their statutory obligations in this area and not unlawfully discriminate or refuse service on grounds of religion.

(h) Sex

We do not believe that the policy will impact negatively on this target group. The policy has been open to a public consultation and no responses have been received in regards to the policy impacting on gender.

The Licensing Authority will have regard to equality and will expect an applicant to meet their statutory obligations in this area and not unlawfully discriminate or refuse service on grounds of gender.

(i) Sexual orientation

We do not believe that the policy will impact negatively on this target group. The policy has been open to a public consultation and no responses have been received in regards to the policy impacting on sexual orientation.

The Licensing Authority will have regard to equality and will expect an applicant to meet their statutory obligations in this area and not unlawfully discriminate or refuse service on grounds of sexual orientation.

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

- Low-income groups or those experiencing the impacts of poverty.
- People of any age with care experience – this refers to individuals who spent part of their childhood in the care system due to situations beyond their control, primarily arising from abuse and neglect within their families. The term “Care experience” is a description of a definition in law, it includes anyone that had the state as its corporate parent by virtue of a care order in accordance with the Children Act 1989 and amendments.
- Groups who have more than one protected characteristic that taken together create overlapping and interdependent systems of discrimination or disadvantage. (Here you are being asked to consider intersectionality, and for more information see: https://media.ed.ac.uk/media/1_159kt25q).

The policy will have no impact on any other factors that may lead to inequality.

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

The policy statement will be kept under review and will remain in existence for a period of up to 5 years. It will be subject to review and further consultation before February 2031 or as required by changes in law or other policies.

11. Do you have any additional comments?

None.

12. Sign off

Name and job title of lead officer for this equality impact assessment: Wangari Njiiri, Environmental Health and Licensing Support Team Leader

Names and job titles of other assessment team members and people consulted: Yvonne O'Donnell, Strategic Environmental Health and Public Safety Lead; Graham Lewis & Lily Simmonite, Community Equity Officers

Date of EqlA sign off: 14 January 2026

Date of next review of the equalities impact assessment: January 2031 or before if review of policy is required.

Date to be published on Cambridge City Council website: January 2026

All EqlAs need to be sent to the Community Equity Team at equalities@cambridge.gov.uk

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