Cambridge City Council

Cabinet

Date: Monday, 16 November 2026

Time: 5.00 pm

Venue: Rooms 1 and 2 - The Meadows Community Centre, 299 Arbury Rd, Cambridge, CB4 2JL

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

Agenda

This meeting is open to any member of the Council who wishes to ask questions of the Executive on items included on this agenda. Could members please notify the Committee Manager if they wish to attend and speak.

1 Apologies

2 Declarations of Interest

3 Minutes (Pages 5 - 26)

4 Public Questions

Key Items

5 Update on the Civic Quarter Project (Pages 27 - 82)

Links to non-exempt appendices will be published here:

Cambridge Civic Quarter: Scrutiny committee and Cabinet reports - Cambridge City Council

Appendices 1, 4, 6 and 17 to the report contain exempt information and during discussion on these the public is likely to be excluded from the meeting subject to determination by the Committee 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.

These will be a separate pack to the agenda.

6 Cambridge City Council position on the updated EHRC Code of Practice (Pages 83 - 108)

Non-Key Items

7	Flag flying and illumination of Guildhall	(Pages 109 - 114)
8	Treasury Management Outturn Report 2025/26	(Pages 115 - 138)
9	S106 Projects	(Pages 139 - 150)

Cabinet Members: Thornburrow (Chair), Moore (Vice-Chair), Smart (Cabinet Member), Todd-Jones (Cabinet Member), Bird (Cabinet Member), Gawthrope Wood (Cabinet Member) and Nestor (Cabinet Member)

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

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

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CABINET

20 October 2026
5.00 - 9.10 pm

Present: Councillors Thornburrow (Chair), Moore (Vice-Chair), Smart (Cabinet Member), Todd-Jones (Cabinet Member), Bird (Cabinet Member), Gawthrope Wood (Cabinet Member) and Nestor (Cabinet Member)

Other Councillors present:
Councillors Bick, Dalzell, Davison, Porrer and Young

Also present (virtually) Councillors Gawthrope Wood (Cabinet Member), Flaubert and Nicmanis

Officers Present:
Chief Executive: Robert Pollock
Joint Director of Planning and Economic Development: Stephen Kelly
Director of Economy & Place: Lynne Miles
Communities Director: Sam Scharf
Assistant Director Development: Ben Binns
Assistant Director Public Realm & Environment: Alistair Wilson
Head of Strategy and Policy: David Kidston
Planning Policy Manager: Jonathan Dixon
Environmental Health Manager and Public Safety Lead: Yvonne O'Donnell
Recreational Development Manager Health: Ian Ross
Planning Policy and Strategy Team Leader: Lauren Wilkinson
Deputy Democratic Services Manager: Claire Tunnicliffe

FOR THE INFORMATION OF THE COUNCIL

26/61/Cab Apologies

No apologies from the Cabinet were received.

Apologies were received from Councillor Glasberg, Chair of the Services, Climate and Communities Overview and Scrutiny Committee.

26/62/Cab Public Questions

Question 1: Hurst Park Estate Residents' Association (John Beasley)
Arbury Court Redevelopment

Background:
The documentation accompanying the agenda of the 6 October scrutiny committee meeting did not include, or refer to, the latest design plans, nor was there a clear justification for the proposed building height and accommodation density in relation to the immediate locality. In addition, members noted a lack of financial information, and an outdated equality assessment.

Consequently, members were asked to scrutinise the Arbury Court redevelopment proposals in the absence of material information, and yet officers present indicated that the scheme was unlikely to be the subject of further formal scrutiny prior to the submission of the planning application.

Question:
Does Cabinet agree that full scrutiny of a complete and final programme plan — including the latest design proposals, a complete financial plan, and all agreed inputs from the Community Panel — is essential before seeking planning permission, and that the Arbury Court redevelopment scheme should therefore return for a further holistic scrutiny session prior to submission?

The Cabinet Member for Housing responded:
The Cabinet report referred to an extension to the red line boundary of Kingsway as part of the North Cambridge proposals. Members were not being asked to scrutinise the redevelopment proposals for Arbury Court and there were no approvals in relation to Arbury Court.

Proposals for North Cambridge in relation to Arbury Court had been approved by Members at Cabinet on 21st October 2025.

Members have debated and approved proposals on North Cambridge at Housing Scrutiny Committee (HSC) on 18 June 2024, 17 September 2024 and 11 March 2025.

Members also voted in favour of the Council House Building budget at Full Council on 26th February 2026.

Finally, Planning Committee Members would scrutinise proposals for Arbury and Kingsway when they had been submitted. Proposals would include a Statement of Community Involvement which would include feedback from the Community Panel as well as from the various consultations that have taken place.

Whether the relevant scrutiny committee intended to include Arbury Court in its work programme was a matter for that Committee, its Chair and Vice Chair.

Supplementary Question:
The Performance, Assets and Strategy Overview and Scrutiny Committee considered the Housing Development Programme on 0ctober 6 2026.

The discussion appeared to focus primarily on housing outputs rather than the potential impact of individual projects on local communities.

Given the absence of some key information, the scrutiny of the latest Arbury Court proposals appeared limited.

During the Scrutiny meeting an Officer indicated that, although unlikely, further scrutiny of the programme could still be undertaken if considered necessary.

In view of the significance of the Arbury Court project, particularly its unprecedented scale, density and complexity, will the Cabinet consider requesting a further scrutiny session, or recommend that the matter be debated by Full Council, before any final decision is taken on the Arbury Court development?

The Cabinet Member for Housing responded:
The Council was undertaking extensive consultations on the project, with a major public consultation due to launch at the end of October. All residents in the area would have the opportunity to participate and provide their views.

Worked hard to keep the community informed throughout the process, which included the very successful Community Panel and regular engagement with local traders through bi-monthly meetings.

It was important to keep residents, businesses and other stakeholders updated as much as possible as the proposals develop.

Importantly, no final decision has yet been made. Once further information is available and the latest plans had been developed, the community would be invited to review the proposals and provide feedback before any decisions are taken.

The Assistant Director, Development, said the following:

The Community Panel's feedback would be published as part of a consultation statement. This would bring together the full range of information gathered through the engagement process, including the views of residents, stakeholders and the wider community, alongside the results of the public consultation.

Remained committed to further engagement and would be bringing the project back for consideration in January and again in late February. There would also be a number of further approvals and discussions through the Council's decision-making process.

In addition, should the proposals progress to the planning application stage, there would be further opportunities for scrutiny and public comment.

Officers had consistently been clear that this was an evolving process, and no final decisions had yet been taken. The Council was committed to ensuring that members, residents and stakeholders had opportunities to consider and comment on the proposals as they developed.

Question 2: (Andrew Milbourn)
In March, the council convened an Extraordinary Full Council meeting specifically to oppose the loss of democratic control over planning. Its conclusion was that development arrangements must not come at the expense of local democratic oversight and that residents could otherwise lose their voice. The Council's subsequent public statement called it "completely *unjustified"* to transfer major decisions from elected councillors to an unelected body. Council Leader Katie Thornburrow warned *that, "a top down model risks a severe democratic deficit".*

However, with Arbury Court the Cabinet has granted exceptionally broad discretion over Arbury Court's housing numbers, mix, tenure, development route and land arrangements to an appointed officer. There are no requirements for the developed proposal to return to Full Council before submission for planning permission. It is only through Full Council that the democratic voices of residents from affected wards could be heard.

Central Government could, quite reasonably, argue that the Development Corporation is operating on the same delegated basis as the Council. Therefore, the Council has no case for managing the development as they are not operating in a more democratic manner. The number of dwellings is only just below the threshold anyway.

How are the Council’s democratic principles consistent with Cabinet granting such exceptionally broad discretion to an appointed officer?

The Leader of the Council and Cabinet Member for Planning and Transport said the following:
As referenced an Extraordinary Council meeting was held in March to consider the potential role of a centrally led Urban Development Corporation in Cambridge and the implications this could have for planning powers, development schemes and the determination of planning applications.

At that meeting, Members made clear their support for the current planning service, recognising it as an award-winning service and emphasised the importance of maintaining the existing democratic planning process, whereby planning applications were considered by elected councillors through the Planning Committee.

When referring to the democratic process, the intention was to highlight that council-led development proposals, including those delivered through the Cambridge Investment Partnership, would continue to be considered by the Shared Planning Service and determined by the Planning Committee in the usual way.

Any housing development, redevelopment scheme or other council-supported scheme, including the Arbury Court project, would be processed through the Shared Planning Service and considered by the Planning Committee. Decisions would be made by elected councillors through the established planning process.

Supplementary Question:
Despite the reassurance from the Leader, did not fully understand why there could not be a debate at Full Council on a project (Arbury Court) of this significance.

Understood the project represented around 90% of the Council's annual housing development programme expenditure and was therefore of greater financial and strategic importance than many matters that are debated at Council meetings.

The Leader of the Council and Cabinet Member for Planning and Transport said the following:

Members of the Planning Committee had to be careful not to express views that could be perceived as predetermining a planning application before consideration was given at Planning Committee.

While Councillors may discuss housing policy and development proposals in general terms, they had to avoid becoming involved in detailed debate on a specific proposal before a planning application was determined. This was to ensure that, when an application was presented at Planning Committee, Members were able to consider the case with an open mind, taking account of the Officer's report, the supporting evidence, and the views of those speaking both for and against the application.

The suggestion of a Full Council debate on the Arbury Court project was acknowledged as an interesting proposal but it would represent a departure from the Council's usual approach.

Question 3: Arbury Road East Residents Association (Professor Ian Cooper)

Update on Homes England Strategic Partnership, Development Portfolio Approach Arbury Court & Kingsway Redevelopments & Davy Road Redevelopments
Project: Arbury Court Redevelopment,

Issue addressed: Lack of Full City Council debate

Background
The full City Council had previously held substantive debates about the principles underlying major council-led developments, including Mill Road Depot, Meadows and Buchan Street, and the ATS/Murketts site on Histon Road. Those debates allowed Councillors to address affordable housing, scale of development, open space, community facilities and the treatment of existing communities.

In July 25, the Full Council was scheduled to debate the Arbury Court redevelopment but ran out of time to debate it. The scheme proposed for the redevelopment of Arbury Court has exceptional density, heights of up to 7 storeys, setting precedents which could apply across suburban and residential areas in the city.

It would also require new heavy good vehicle rerouting down Alex Wood Road, significant loss of public parking, and community impacts before, during and after construction.

Question:
Why were the proposals for redeveloping Arbury Court not being treated in the same way as the City's other developments and being subjected to a full council debate?

The Cabinet Member for Housing said the following:
Members of the Cabinet approve (or not) budgets and outline proposals for City Council developments. Proposals were submitted to Planning which are then scrutinised by Members sitting on that Committee.

Development Proposals were not generally debated at Full Council as a matter of principle or procedure, only if a member had brought a motion about a development.

The public would be able to see latest proposals from October 28th.

Officers were working hard with the Highways Authority to find a solution to avoid heavy goods vehicle travelling down Alex Wood Road. It was important to get the parking right and would work with the community to find a solution that worked.

Supplementary Question:
The Residents' Association strongly supported the Council's policy of delivering more social housing. However, it had serious concerns about the unprecedented height and density proposed for the redevelopment of Arbury Court. This would result in negative impacts on the quality of life of those who live there and in adjoining areas, causing unnecessary objections to the application.

Would ask the Council commit to a full Council debate on the redevelopment to reduce the chances of this happening**.**

The Cabinet Member for Housing responded:
This type of matter would not normally be debated at Full Council, although this recommendation may be considered.

At this stage, no final decision had been made regarding the height of the proposed buildings or the number of storeys. Those details were still being developed and would be informed by the consultation process.

A further phase of public consultation would commence shortly and once concluded, the feedback would be used to inform the next stage of the proposals. At that point, the Council would be in a much better position to provide a comprehensive update, including more detailed information about the scale and design of the development. The proposals were also likely to be subject to further scrutiny as they progress through the Council's decision-making process.

Aked for patience while the consultation was completed and the results analysed. Once that work had been undertaken, the proposals could be set out in greater detail.

It was important to note that it could not be guaranteed that the Council would secure all of the elements that it ultimately sought, as any future proposals would be subject to the appropriate approval and planning processes.

26/63/Cab Draft Greater Cambridge Non-Immediate Article 4 Direction for HMOs

The Leader of the Council and Cabinet Member for Planning and Transport and Director of Planning introduced the report.

The report sought agreement to prepare a Non-Immediate Article 4 Direction to remove permitted development rights to change dwellings (planning use class C3) into small HMOs (planning use class C4) without planning permission, to cover the urban area of Cambridge. This would mean that the impact of proposals for small HMOs (up to 6 unrelated persons) as well as large HMOs could be considered through the planning process.

The Article 4 Direction would be subject to public consultation, and responses reported to Cabinet to consider whether the Direction should be confirmed. As a Non-Immediate Article 4 Direction it would come into force a year after it had been confirmed.

In response to questions from the Cabinet and Members present, the Leader and Joint Director for Planning and Economic Development said the following:

i. Thanked Councillors Blackburn-Horgan and Gardiner Smith for repeatedly raising the issue and for highlighting experiences arising from their respective wards, Queen Edith's and Romsey.
ii. Noted the comment that there was a housing crisis in Cambridge and while concerns had been raised, it was recognised that HMOs provided an important and valued form of accommodation for some residents.
iii. Noted the comment regarding the Equalities Impact Assessment and that the section on disability appeared incomplete and should be fully developed.
iv. Noted concerns regarding the loss of family-sized homes and housing affordability, including the impact of high rents on lower and middle-income residents and the concerns that a lack of affordable housing could affect the city's ability to retain families and future talent.
v. Noted the comment that it was important to adopt an evidence-led approach to policy development and overly restricting a form of accommodation that was in high demand could contribute to housing affordability pressures and make it harder for future generations to live in the city. Broader planning policies should be used to address housing needs and ensure an appropriate range of accommodation was available.
vi. Welcomed the thanks to Officers for the comprehensive evidence base and supported the city-wide approach and joint working with South Cambridgeshire to avoid displacement of issues.
vii. Noted the comments that efforts should focus on ensuring HMOs were well managed, using existing licensing and enforcement powers where necessary.
viii. Noted that while some Local Authorities had introduced immediate Article 4 Directions, they generally faced lower risks of compensation claims than Cambridge due to less pressurised housing markets.
ix. Previous scrutiny discussion had emphasised that the quality of rented accommodation, particularly for young and vulnerable residents, was the key issue rather than HMOs themselves, which was part of the focus on improving planning policies.
x. Proposed landlord registration requirements under the Renters' Rights legislation would make it easier to identify and address issues in smaller HMOs.
xi. Noted the comment that HMO's should not support the Council's housing needs.
xii. The Local Plan sought to meet a wide range of housing needs, including HMOs, co-living accommodation, housing for older people, and Gypsy and Traveller provision, reflecting the Council's wider housing strategy and affordability ambitions.

xiii. Managing the impacts of HMOs required a combination of planning, licensing and enforcement measures, rather than planning policy alone.

xiv. The Equalities Impact Assessment, officers acknowledged that reducing the loss of family homes was a key objective of the proposed approach and that the policy sought to balance the need for HMO accommodation with the retention of family housing.

xv. There were a couple of local authorities who had introduced immediate Article 4 Directions for HMOs, but these were generally in areas with lower risks of compensation than Cambridge. Cambridge's high housing demand and property values increased the potential financial exposure associated with an immediate direction.

xvi. There had appeared to be some confusion at Scrutiny regarding how long the process would take to introduce Article 4. The proposed process would involve making the Article 4 Direction and then commencing the statutory 12-month notice period.

xvii. Public consultation could take place during that 12-month period, typically for around six weeks, with the Council expected to confirm its position well before the Direction came into force. Therefore the 12-month period would begin when notice of the Direction was served, at the start of the of the consultation process.

The Chair of the Performance, Assets and Strategy Overview and Scrutiny Committee reported the Committee supported the non-immediate introduction of an Article 4 Direction across the urban area of Cambridge. Discussion took place regarding whether implementation should be immediate or delayed by 12 months. Officers advised that a delayed approach could expose the Council to substantial compensation liabilities.

The Cabinet **unanimously resolved** to:

i. Agree to the ~~preparation~~ implementation of a Non-Immediate Article 4 Direction to remove permitted development rights to change dwellings (planning use class C3) into small houses in multiple occupation (HMOs) (planning use class C4), to cover the area shown on the maps in Appendix 1;

ii. Delegate preparation of the above and the carrying out of a public consultation to the Director of Planning; and

iii. Note that Cabinet approval will be required to confirm the Direction following the publication and consultation.

26/64/Cab Update on the Housing Development Programme

The Cabinet Member for Housing and Assistant Director, Development introduced the report.

The report provided an update on the Strategic Partnership, two redevelopment projects and the Council's Portfolio approach to development.

In response to questions from the Cabinet and other Members present the Cabinet Member for Housing, the Leader, the Cabinet Member for Communities and the Assistant Director, Development said the following:

i. Funding allocated by Homes England was available for the Council to draw down, subject to meeting the relevant funding conditions and requirements. The funding was linked to the delivery of council housing and the terms agreed through the funding arrangement.
ii. There were opportunities to utilise the available funding for eligible housing schemes and that further consideration would be given to how future allocations could best support the delivery of additional council homes.
iii. Noted that Members welcomed the Homes England funding award and recognised it as an endorsement of the Council's new council housing programme. Particular praise was given to Officers and project teams involved in the programme.
iv. Emphasised the importance of retaining the role and value of the Council's Planning Service and Planning Committee.
v. The co-design events were informative and constructive.
vi. Significant work had already been undertaken to develop the North Cambridge Design Code, involving extensive consultation and engagement with residents and local stakeholders over an extended period.
vii. The Design Code was a document which would help guide future development in the area. Similar design codes could be developed for other parts of the city through comparable consultation processes.
viii. There were further public engagement opportunities for Arbury Court redevelopment including a second public consultation later in the month followed by third consultation stage. Residents, Ward Councillors and other stakeholders could continue to have opportunities to influence the proposals.
ix. Budgets would be subject to scrutiny and approval through the Council's established decision-making processes.
x. The Sustainable Housing Design Guide set the standards for the delivery of new council homes.

xi. It would be ideal for all new developments to consist of council homes but this this was not financially viable.

xii. Mixed tenure developments delivered income which was reinvested into the Council's housing programme and used to support the delivery of additional council homes, including projects such as the Small Sites Programme.

xiii. There were some schemes where the overall number of homes delivered was lower than the number being replaced. However, this could result in a greater number of bedrooms being provided and therefore accommodate more residents overall.

xiv. New council homes were built to higher design, accessibility and space standards, including lifetime homes principles and enhanced accessibility requirements, resulting in better quality accommodation for residents.

xv. There would be 3,4 and 5 bedroom houses built on Ekin Road.

xvi. It was important to listen to and work with residents and all external partners. The community panel regarding the development at Arbury Court was an integral part in developing the design of the park and open spaces.

xvii. Schemes could evolve through the planning and design process. The original design for the redevelopment of the Meadows Community Centre and housing scheme had been scrapped and a new scheme developed. The revised proposal subsequently received full planning permission, delivered significant improvements to the external environment, and had since won awards for community housing.

xviii. Noted the comment that development was not just a housing matter and that Arbury Court was an important community asset and the impact that the development would have.

xix. Extensive engagement had been undertaken and would continue with residents, traders and the wider community in relation to Arbury Court. Officers were working hard to ensure effective communication and minimise misinformation. Lessons had been learned from the Ekin Road development.

xx. From the outset the Council had recognised the importance of the local centre (Arbury Court) and community engagement had helped shape the emerging proposals. While concerns remained regarding the scale and density of development, a range of factors, including community facilities and wider local benefits, continued to be considered.

The Chair of the Performance, Assets and Strategy Scrutiny Committee advised that the recommendations made by the Committee had been reflected in the Cabinet report and stated that the Committee had been broadly supportive of the proposals. The scrutiny discussion had been informative and

that the matters raised during the Committee's consideration had been dealt with appropriately.

The Cabinet **resolved** to note:

i. That the Council was one of only three councils outside London that were successful in securing a Strategic Partnership with Homes England winning £96m. Winning the bid also unlocks £584m funding previously committed by the council to deliver 1,400 council homes with at least 60% of these at social rent. This programme represents the biggest investment in social housing in a generation and will significantly increase availability of social housing in Cambridge.
ii. Once the Strategic Partnership contract is signed the most immediate use of that funding will be allocated to fund 11 of the 45 council homes (11 at social rent) at Fanshawe, 72 council homes (44 at social rent) at Hanover & Princess and 44 council homes (all social rent) at Ekin Road.
iii. The council's Portfolio Approach to Housing Delivery is currently delivering 56% affordable (Council) homes across its sites once Homes England funding is taken into account.

That Cabinet approves the following recommendations in addition to the *25/42/Cab Cabinet Report on 21/10/2025 - Cabinet (Item 42) Cambridge North Framework for Change:*

The Cabinet **unanimously resolved** to:

i. Approve the expansion of the Kingsway, Brackley Close, Rutland Close and Verulam Way redevelopment, to include additional Council properties at 2-48 (evens) Brackley Close and 2-48 (evens) Rutland Close.
ii. Approve the increase of Arbury Court and Kingsway redevelopment project budget from to £81,200,000 to £103,200,000 to account for the increase in site boundary, and a projected increase in affordable (council) homes delivered, compared with the existing project boundary, approved in October 2025. This increase in budget to £103,200,000 to cover all site assembly, construction costs, professional fees and further associated fees with the total budget to be drawn down from the sum already approved for investment in new homes and not yet allocated. This will increase the Affordable Homes Agreement to purchase 245 homes from the council's development partnership with Hill - Cambridge Investment Partnership (CIP).
iii. With Homes England Strategic Partnership funding secured by the council, approves, with effect from October 26th,2026, that:

a) Council tenants will be offered emergency banding status, with leaseholders and freeholders able to sell their properties in accordance with the council's regeneration policy.
b) the issue of Home Loss and Disturbance payments to qualifying Council occupiers and Home Loss, Basic Loss and Disturbance payments to qualifying owners at the addresses at Arbury Court, Kingsway, Brackley Close, Verulam Way and Rutland Close as approved in Cabinet Report on 21/10/2025 - Cabinet (Item 42) Cambridge North Framework for Change, and the additional addresses detailed in this report.

iv. Approve to add the above addresses in I to the existing approvals in the cabinet report II to V and VII to XIII in section 2.1 of the *Cabinet Report on 21/10/2025 - Cabinet (Item 42) Cambridge North Framework for Change* https://democracy.cambridge.gov.uk/documents/s70770/Item%206.%20North%20Cambridge%20Cabinet%20Report.pdf . These are approvals on variations to the scheme, to be developed through Cambridge Investment Partnership (CIP) or through an alternative procurement route, land transfer, CPO and Demolition Notices:

v. Authorise the Assistant Director, Development in consultation with the Cabinet Member for housing to approve variations to the scheme including the number of units and mix of property types, sizes and tenure.

vi. Delegate authority be given to the Cabinet Member for Housing in conjunction with the Assistant Director, Development to enable the sites at Arbury Court, Kingsway, parts of Brackley Close, Rutland Close and Verulam Way to be developed through Cambridge Investment Partnership (CIP) or through an alternative procurement route subject to a value for money assessment to be carried out on behalf of the Council.

vii. Authorise, subject to III, the Assistant Director in consultation with the Cabinet member for Housing to approve the transfer of the land for Arbury Court, Kingsway, parts of Brackley Close, Rutland Close and Verulam Way shown edged red on the attached plan in Appendix 3 and 5 to a third party for redevelopment. The transfer will be at a value provided by a further independent valuation.

viii. Authorise, subject to III, the Assistant Director of Development in consultation with the Cabinet member for Housing to approve an Affordable Housing Agreement with a third party for the purchase of 206 affordable homes. This agreement will be at a value provided by an independent valuer.

ix. Delegate authority to the Assistant Director of Development to make a Compulsory Purchase Order in respect of any leasehold interests at

Kingsway, Brackley Close and Arbury Court and any of the 5 freehold households on Rutland Close and Verulam Way identified for possible redevelopment that cannot be acquired by private treaty within a reasonable timescale and at a reasonable cost subject to the Director of Place being satisfied that there is a compelling case in the public interest for the use of compulsory purchase powers, and that all legal and policy requirements for the making and confirmation of a CPO have been met.

x. Delegate authority to the Assistant Director, Development to serve initial Demolition Notices under the Housing Act 1985.

xi. Delegate Authority to the Assistant Director of Housing and Homelessness to approve a local lettings plan for the proposed developments.

xii. Approves the increase of Davy Road redevelopment project budget from £17,840,740.95 to £20,300,000 to account for an increase in the number of council homes that will be delivered. This total budget is for the purchase of affordable homes to cover all site assembly, construction costs, professional fees and further associated fees. Budget to be drawn down from the sum already approved for investment in new homes and not yet allocated.

xiii. Approves this update report – Appendix 1 of the Officer's report - on the Council's Portfolio approach for the Ten-Year New Homes Programme

26/65/Cab Cost of Living Update

The Leader and Cabinet Member for Planning and Transport and the Head of Strategy and Policy, introduced the report.

The report provided an update for Cabinet on the cost of living support available to Cambridge residents this autumn and winter.

In response to questions from the Cabinet and those Councillors present, the Head of Strategy and Policy and Director of Communities said the following:

i. An all-Member briefing on the cost of living would be held on November 2, providing Councillors with an opportunity to receive further information and ask questions. Given the breadth of work involved, a number of Officers from different teams would be attending the session.

ii. Would encourage Members to attend the briefing to gain a more detailed understanding of the Council's response and the work being undertaken, enabling them to signpost residents more effectively.

iii. The Council maintained a dedicated Cost of Living webpage; this held a significant amount of information which signposted residents to support

available directly from the Council as well as assistance provided by a range of voluntary and community sector organisations across the city.

iv. Residents seeking information or support were encouraged to consult this webpage as the primary source of guidance.

v. An aspect that was not always fully recognised was that many residents and tenants already came into contact with the Council through the wide range of services provided. For example, housing services, tenancy support, and housing advice often identified residents who may be experiencing financial hardship or other challenges.

vi. The Council's response was not solely reliant on external referrals or specialist support services. Information and assistance could also be provided through existing Council services, which played a significant role in identifying needs and connecting residents with the appropriate support at an early stage.

vii. Noted the comment that it was positive to see that the Council had measures in place to support on the cost of living.

viii. The programme was being delivered jointly by Cambridge City Council and South Cambridgeshire District Council, with a shared project team comprising dedicated Officers from each authority and a Manager overseeing both posts.

ix. Both councils used the LIFT (Low Income Family Tracker) system and were seeking to build on the experience of South Cambridgeshire in measuring and evaluating outcomes. The system enabled access to relevant Department for Work and Pensions data, allowing Officers to monitor the effectiveness of campaigns aimed at increasing take-up of benefits such as Pension Credit.

x. The approach helped the councils assess both the level of benefit uptake achieved and the resulting financial gains for residents. The data was also used to identify residents who may be experiencing utility debt or financial hardship, enabling targeted support through debt relief initiatives, income maximisation advice, and other cost-of-living interventions.

xi. Acknowledged that the broader objective was to ensure that the Council's cost-of-living response was evidence-led.

xii. Emphasised the importance of using available data to target support towards those most in need and to ensure that resources were directed towards the interventions that were proven to have the greatest impact for residents.

The Cabinet **unanimously resolved** to:

i. Note the cost of living interventions announced by Government and the cost of living support already planned by the Council for autumn and winter 2026/27.

26/66/Cab Public Spaces Protection Order for anti-social behaviour driving

The Cabinet Member for Communities introduced the report.

The report referred to the work undertaken in response to the commitment to explore the introduction of a citywide Public Spaces Protection Order (PSPO) to address anti-social driving in Cambridge.

The report was required as Officers had completed an initial review of available evidence and discussions with key partners and were seeking Cabinet direction regarding next steps.

In response to Members' questions and statements and questions from those present, the Environmental Health Manager and Director of Communities said the following:

i. Officers would continue to work with the Communities team to develop an online reporting mechanism so that concerns could be submitted through a single, central system.
ii. Officers were also working with the police, County Council colleagues and other external partners to determine how best to bring the information together. The aim was to make it easier to record, monitor and analyse reports relating to anti-social driving and road-related antisocial behaviour across the city.
iii. The work was still in development, but the objective was to create a clear and accessible reporting process that would help gather evidence, identify patterns and better understand the scale of residents' concerns.
iv. The proposals remained a work in progress; Officers would now develop the next steps and bring forward a more detailed approach.
v. Reports received from the Police on anti-social driving included a range of different issues, such as dangerous parking, parking on pavements, dangerous driving, vehicle noise, and other vehicle-related nuisance complaints.
vi. The challenge was that not all of these issues fell within the scope of the proposed PSPO, therefore it was important to distinguish between the different types of incidents being reported.

vii. Officers were working with the police to refine the data and improve how reports were categorised. The aim was to filter out matters such as parking offences and general noise complaints so those incidents that specifically relate to anti-social driving could be identified.

viii. Currently much of the information was recorded under a single heading, making it difficult to assess the true scale of anti-social driving in the city. Developing a more detailed breakdown of the data would help build a stronger evidence base and ensure that any future action was targeted appropriately and proportionately.

ix. Noted the comments that it was important to call for evidence and when was the right point to start the three month window of evidence; summer months could see a higher proportion of anti-social driving.

x. Noted comments questioning whether it was realistic to expect members of the public to record vehicle registration numbers and other identifying details when reporting incidents. Members queried whether expectations should be adjusted and whether alternative methods could be developed to capture relevant evidence and information.

xi. Welcomed suggestions to engage with students, either directly or through the Universities' Welfare Officers, recognising that student accommodation was often located within the city centre where incidents of anti-social driving occurred.

xii. Responded to Cllr Tong's written statement by advising that it was not considered possible for Cabinet Members to support Option 2, which proposed immediate implementation, given the need for further evidence gathering, consultation and consideration before any decision could be taken.

The Cabinet **unanimously resolved** to:

i. Note the work undertaken to date and the evidence currently available regarding anti-social driving within Cambridge.

ii. Approve Option 3 as outlined in the Officer’s report as the Council's preferred approach, namely a time-limited Call for Evidence to establish whether sufficient evidence exists to justify further investigation of a potential Public Space Protection Order (PSPO), with Officers reporting the outcome to Cabinet.

iii. Note that any future proposal to introduce a PSPO would require further evidence gathering, statutory consultation, legal review, completion of an Equality Impact Assessment and a further Cabinet decision.

26/67/Cab Leisure Contract Outcomes

The Cabinet Member for Communities introduced the report.

The report referred to the outcome of the procurement for the Council's leisure facilities and the proposed inclusion of Trumpington Academy's sports facilities. It described the planned investment, wider access and health programmes, carbon reduction measures and expected financial return.

In response to questions from Cabinet Members and those Councillors present, the Cabinet Member for Communities, the Recreational Development Manager and the Director for Communities said the following:

i. The free residents' cards would be open to all residents of Cambridge, with regards to the concessions there would be different kinds of discounts, from 10%, to 50%.
ii. Further work could be undertaken through outreach programmes and the public health teams to better understand the needs of disabled residents. Direct engagement and tailoring support programmes based on feedback and lived experience was a possibility.
iii. Noted the comment that the commitment to local employment and social value initiatives, including apprenticeships, volunteering opportunities and work placements was welcomed. These would continue to be monitored and existing programmes would be expanded and supported by agreed performance measures, targets and monitoring arrangements.
iv. Prices would continue to be reported to the Committee annually, typically in February, with increases generally in the range of 2.5% to 3.5%. While some prices may be rounded for practical reasons, the Council would retain control over headline pricing, concessions and pricing structures.
v. Certain services, such as swimming lessons and memberships, would be subject to market-based pricing, enabling flexibility while maintaining oversight of key access and affordability policies.
vi. The Council already operated an agency model for VAT recovery within its leisure contract arrangements. Under this model, GLL acted as the Council's agent and collected income on the Council's behalf, enabling the Council to recover VAT that would otherwise be non-recoverable.
vii. Charitable trusts could incur a financial cost in relation to VAT arrangements, and the agency model helped mitigate this and deliver savings. The use of agency models had become increasingly common across leisure contracts nationally.
viii. Whether the VAT arrangement could change in future, was dependent on any future decisions or guidance from HMRC.

ix. Would not hit the Council's target of being net zero by 2030. However, by having that target a lot of work had been undertaken to reduce the Council's carbon emissions across all portfolios.

x. Future projects would include further solar photovoltaic generation and air source heat pumps at Cherry Hinton Village Centre and Kings Hedges; combined solar photovoltaic and solar thermal equipment at Abbey; and energy controls and lighting improvements at Parkside. Water and energy efficiency measures would be incorporated into refurbishments. Parkside's inclusion in the District Heat Network. There were opportunities to improve water recycling and reuse at swimming pools and splash pads.

xi. Noted the comment that the splash parks at Kings Hedges and Abbey needed to be improved and to use recycled water as had been done at Coleridge.

xii. At Trumpington Academy, the aim was to extend opportunities for pupils, staff and residents outside school hours, at weekends and during holidays.

xiii. Future development of Jesus Green Lido remained a key priority and should remain true to the original 1923 vision while ensuring the facility continues to evolve to meet current and future needs.

xiv. A cross-party approach would be taken to help shape the long-term future of the Lido while working with external partners.

xv. The Lido was operating close to a cost-neutral position. While income was expected to be lower during the initial period of the new contract due to capital investment, the introduction of improved and additional facilities was expected to increase usage and generate additional income in future years.

xvi. Proposals for new facilities at the Lido would include the provision of Changing Places and other accessible changing facilities to improve accessibility for disabled users. A temporary Changing Places facility had recently been completed and was now open for use.

In response to questions regarding social prescribing, officers confirmed that work was being undertaken with Public Health colleagues to develop and evaluate programmes. The focus would be on expanding activities beyond traditional leisure centre-based provision and delivering more community-led opportunities within neighbourhoods.

Members were advised that plans for the redevelopment continued to include consideration of public toilet provision within the site.

The Cabinet **unanimously resolved** to:

i. Note the award of the new leisure management contract to GLL (Greenwich Leisure Limited), initially for 10 years from November 2026, with an option to extend for five years to October 2041, and the outcomes secured through the procurement;
ii. Confirm the delegations needed to deliver site-specific Section 106 capital projects and draw down the relevant allocations for investment in Council leisure facilities;
iii. Confirm the delegations needed to bring eligible new or existing sports facilities within the contract during its term; and
iv. Confirm the delegations needed to enter into Community Use Agreements with Trumpington Academy and any other academies joining the contract, to enable the Council and GLL to manage their sports facilities through the agency model, subject to the necessary approvals.

26/68/Cab Disposal of 3-5 Coldham's Lane Cambridge

The Cabinet **unanimously resolved** to exclude members of the public and press from the meeting on the grounds that, if they were present, there would be disclosure to them of information defined as exempt from publication by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

The Leader and Cabinet Member for Planning and Transport introduced the report.

The report sought approval to dispose of the Council’s freehold interest in 3–5 Coldham’s Lane, currently held subject to a long lease to Railway Pension Nominees Limited (Railpen).

No questions or comments were made on this item.

The Cabinet **unanimously approved** to

i. Disposal of the Council’s freehold interest in 3-5 Coldham Lane, Cambridge to Railway Pension Nominees Limited (Railpen).
ii. Delegate authority to the Director of Economy & Place or Chief Property Surveyor to finalise the terms of disposal.

The meeting ended at 9.10 pm

CHAIR

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CIVIC QUARTER PROJECT

To: Cabinet

Monday 16th November 2026

Report by: Benedict Binns, Assistant Director, Development
Tel: 01223 450000 Email: ben.binns@cambridge.gov.uk

Wards affected:
Market

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

1	**Key Recommendations**
1.1	**Cabinet to note:** I. The recommendation of the Director of Economy and Place, on the balance of all considerations – financial, civic, strategic, placemaking – is to proceed with Option 1 (full civic quarter scheme, including value engineering). This secures the public benefits - civic function, revenue potential and placemaking for coming generations. This does not preclude any future council deciding to let out a greater or smaller proportion of the commercial space of the Guildhall at any future time as an operational or financial decision. II. Option 3 remains a plausible option: to delay a decision on the Guildhall for a few years, should members prefer to pass the decision to a future unitary authority. This allows the potential for greater certainty relating to space requirements post Local Government Reform. However, it increases the risk of construction inflation and further deterioration of the building condition making the project unaffordable, there would continue to be spend on maintaining two buildings rather than one in the interim, and in all likelihood further technical spend would be required on design updates and a new planning submission (current permission expires in 2029). For that reason, it is not the recommended option. III. The s151 assessment of these recommendations as set out below. IV. The progress of the Civic Quarter project with planning permission for the Guildhall, Corn Exchange and the Market Square and public realm proposals; the planning submission of the temporary market; the finalisation of financial modelling, business plans, cost plans and value engineering work; and the development of decant and HR plans. V. That the decision about the Civic Quarter project is for the Cabinet as the Council's Executive to make. However, the budget required to progress any of the four options would need to be approved by Full Council.

1.2	**Cabinet is recommended to:** VI. **Proceed with the full Civic Quarter Project incorporating the identified value engineering measures (option 1)**, as the preferred approach to securing the future of the Guildhall, Corn Exchange, Market Square and associated public realm. VII. Delegate to the s151 Officer the design and implementation of effective and frequent capital monitoring arrangements to mitigate the risk of potential capital overspends as outlined in section 4.12-4.15 VIII. Delegate authority to the s151 Officer and Director of Economy & Place for the sale or lease of Mandela House, and potentially other assets identified through review in conjunction with the relevant cabinet member IX. Delegate authority to the Assistant Director of Development in consultation with the Leader, Cabinet Member for Finance and Ops Spokes for material changes to technical design, procurement, decant planning, stakeholder engagement and all associated preparations necessary for delivery of the approved programme, noting an anticipated start on site in early 2027 and subject to the approved total project budget. X. Delegate authority to the Assistant Director of Development and s151 Officer in consultation with Member for Finance and Ops Spokes to enter into contracts with SRM subject to the approved total project budget.

1.3	**Cabinet to note the S151 assessment of recommendations:** Financial modelling of all four options has been undertaken by our external consultants and challenged and verified by the council's Finance team. The modelling shows that option 1 can be accommodated within the council's current approved Medium-Term Financial Strategy, but only by allocating income from the Park Street redevelopment that would otherwise be available to support the wider General Fund. Furthermore, this assessment is based upon a number of significant modelling assumptions. The key financial risks associated with the project are: capital cost overruns; higher than assumed interest rates at the point of initial borrowing or future refinancing; lower than anticipated rental income from commercial space at the Guildhall; and lower than anticipated income from the Corn Exchange. Should any or all of these risks crystallise, the council may need to seek additional General Fund savings in the future to cover any losses. If option 1 is approved by Full Council, the following mitigating actions are strongly recommended: - XI. the creation of a Civic Quarter revenue contingency reserve to cover early year planned losses and provide a buffer against any changes in assumptions, as set out at paragraph 5.4 XII. a bespoke capital project monitoring process to reduce the risk of unplanned capital overruns and allow early mitigating action to be taken, as set out at paragraphs 4.12-4.15

1.4	**Cabinet is recommended to put the following recommendations to Council**: Council is recommended to approve new capital expenditure of £86.880 million to deliver Option 1, to secure the long-term future of the Guildhall, Corn Exchange, Market Square and associated public realm. Council is recommended to delegate authority to the s151 Officer to carry out technical virements between capital and revenue budgets in respect of costs which form part of the project but cannot be capitalised under accounting regulations (for example support to market traders).
2	**Executive Summary**
2.1	The Civic Quarter is the historic heart of Cambridge. For centuries it has been the place where the city's civic, commercial and cultural life has come together. The Market Square has hosted trading activity since the Middle Ages, the Guildhall site has served as a centre of local government for approximately 800 years, and the Corn Exchange – the largest music venue in the East of England - has been a focal point for entertainment, culture and community life for more than 150 years. Together these grade 2 listed assets form one of the most important collections of civic heritage buildings and spaces in the city.

2.2	Whilst these assets remain highly valued, they require significant investment if they are to continue serving the city safely and effectively. The key issues are: I. The **Guildhall** requires investment to protect it from further deterioration, to meet health and safety and compliance standards, to reduce energy bills and to make it accessible. To make it the **people's Guildhall** where the building is a welcoming place for the public, businesses and community groups to use the proposed café, customer service centre, public toilets, rentable desk spaces and the halls to celebrate weddings or civil partnerships or for meetings or for conferences. II. The **Corn Exchange** requires investment so that it can continue to operate: replacement of the roof, improved ventilation, increased accessibility, reduced energy bills and to make the venue more attractive for performers and customers in order to remain competitive and financially sustainable as a leading regional music and cultural venue. III. The **Market and Public Realm** require significant improvements to make them more pedestrian friendly, to address accessibility issues, replace ageing infrastructure and welfare facilities for traders, and to make sure the market can thrive for the next fifty years.

2.3	The Guildhall faces significant challenges due to a lack of investment. There are Health and Safety and compliance issues due to various building failures and risks which without action will worsen. The council is able to mitigate these challenges for the remaining events taking place in the Guildhall this year, but long term this option is unsustainable. The failures and risks highlighted in Appendix 3 are a result of the project team getting to know the building through undertaking surveys (see Appendix 16) and working in the building. They include: I. water damage due to leaks in various parts of the building II. corrosion to heating pipework which is now leaking and compromised III. Risk of “Regent’s Street disease” - so named due to this being a prevalent issue on buildings of this age and construction style. It is the corrosion of the steel frame causing expansion which could lead to a fracturing of the masonry. IV. falling masonry from the external façade. V. in parts of the building a significant risk that the internal render and ceiling finishes will fall apart. VI. Electrics, lift and fire alarm are not compliant. VII. Air systems that likely do to conform to current standards around fire compartmentation and maintenance. VIII. A damaged roof and risk of water ingress into the roof space above the chamber which already has a risk of ceiling collapse. IX. If no refurbishment is to take place, then there is a recommendation to extend the inspection and maintenance regime for the ceilings in the large and small hall, as well as the chamber and office areas where water staining is present. **For the Guildhall to remain open investment is needed to make it watertight and compliant.**

2.4	Further investment will be required to make the building the people's Guildhall and open to the public by bringing unused parts back into use. This will require ensuring it: I. is accessible and fit for purpose for wheelchair users II. provides a welcoming heart to the public with a customer service centre, café, and public toilets III. has flexible and modern office space, meeting rooms and chamber with up-to-date technology for members, council staff, businesses and community groups IV. is compliant with legislation to meet energy and carbon standards, then if affordable the council's net zero policies and climate change strategy V. has lower operational and maintenance costs VI. can be leased to commercial tenants to generate income for the council VII. can provide, in conjunction with the Corn Exchange, the largest conference venue in the city generating income but also allowing the opportunity for the public to celebrate weddings or civil partnerships or for local groups to use the chamber and halls for community meetings etc when not in use by council.
2.5	The Corn Exchange requires investment to remain competitive and financially sustainable as a leading regional cultural and music venue. It requires investment for a new roof, improvements to accessibility, sustainability, front of house, back of house (which would attract a wider variety of high calibre performers), an enhanced food and beverage offering, improved acoustics and better temperature control. Investment in these areas will improve the experience and comfort of performers and audiences and generate increased income.

2.6	The Market and Public Realm in the immediate area requires significant improvements to address accessibility issues, ageing infrastructure including poor electricity and water supply, a lack of storage and significant anti-social behaviour. Current welfare provisions for traders such as toilets, lockers and other ancillary services are poor and need investment if the council is to retain current traders and attract new traders to ensure the market continues to thrive. Investment will also respond to the changing needs of traders and visitors.
2.7	Without investment in these three assets, the council and a future unitary council will continue to face high and rising maintenance liabilities and compliance costs, whilst opportunities to improve operational performance and income generation will be lost. Following further design and technical surveys officers remain satisfied that the minimum estimated spending required to ensure all three assets are compliant with current and future legislation is still around £60m. That figure was first reported to the Performance, Assets and Strategy Overview and Scrutiny Committee and subsequently to Cabinet in October 2025.
2.8	Since Cabinet last considered the Civic Quarter project in October 2025, Local Government Reorganisation (LGR) has continued to be an important factor in shaping future decisions. Though currently paused, the creation of a future unitary authority introduces uncertainty regarding future accommodation requirements and the long-term use of civic buildings. However, LGR does not remove the need to make decisions regarding these assets. The Guildhall, Corn Exchange and Public Realm will continue to require investment, maintenance and management irrespective of future governance arrangements. The challenge for the council is therefore not whether action is required, but how best to invest in these assets whilst retaining sufficient flexibility for a future unitary authority. Should a decision be taken to sell the Guildhall, it should not be assumed that a quick sale would be inevitable. The council or a future unitary would still be responsible for its upkeep as a listed building until such a time as it was sold.
2.9	The Civic Quarter project has now reached a point where Members are being asked to approve a capital budget to proceed with a start on site. Planning and Listed Building Consent has been secured for the Guildhall, Corn Exchange and the Public Realm. Detailed business planning and financial modelling have been completed and reviewed by the s151 Officer.

2.10	The options set out within this report reflect different approaches to balancing financial considerations (capital costs, debt financing, operational expenditure costs, income generation and disposal values) and public benefits (to the city, staff, members, residents and visitors as well as the city's business) and the flexibility and role of the Guildhall in future.
2.11	At its core, the Civic Quarter project is about securing the long-term future of assets that play a central role in the life and identity of the City Cambridge. The decisions before the Cabinet are not just about commercial investment decisions about council assets and assessing a commercial return on investment. They are also about what public benefits of improving these assets for a rapidly growing city-region which is expected to reach a population of over 400,000 by 2040.
2.12	That population growth will also create challenges for housing, infrastructure and inequality. There is a strong public benefit case for maintaining an historic civic centre in Cambridge and investing in the public realm as well as the market and cultural offer to ensure that these assets continue to serve residents, businesses and visitors for generations to come.
2.13	At the same time, with an LGR decision likely to be made in the coming months about the creation of a Greater Cambridge unitary authority, there is a balance on what decisions can be made now and what may need to be made by a future authority. With at least one urban city district and at least one predominantly rural district to form a unitary council members will need to consider how much space a growing city - whether the Guildhall or Mandela House - is needed for civic, democratic, office, customer service or commercial purposes.
3	**How the current proposals have been shaped**
3.1	The options set out below are the product of several years of debate, and cumulative decision by the Council and its members. At successive stages, Members have tested the same underlying question for all three assets, particularly the Guildhall — how investment in these assets should be balanced between their public benefits and financial return? The position that has been reached reflects the outcome of those discussions.
3.2	There have been various restoration plans for the Grade II listed Guildhall over the last 30 years. During that period only basic maintenance and minor upgrades have taken place. From 2000 to 2021 those costs were approximately £3m to £4m in today's prices.

3.3	For most of that period Cambridge City Council operated from four city centre locations - Lion House, Hobson House, Mandela House and the Guildhall. We now have one main administrative building: Mandela House. Apart from a handful of staff the Guildhall has been unoccupied as a council office space since March 2020, although the Chamber and Halls have been in regular use for democratic meetings and events. Allia Future Business Centre took a meanwhile lease from Aug 2022 to September 2026 for some of the available commercial space, the rest has not been considered usable during that period.
3.4	In 1996, plans to resurface and improve the market stalled. They were revived following a 2016 report by Cambridge Past Present and Future calling for investment and the Council earmarked funds to explore options in 2017.
3.5	The Civic Quarter project emerged from pandemic recovery plans to revive the city centre and consolidate the Council's office and civic space to reduce costs. It responded to new working patterns, a review of the council's capital assets including the Corn Exchange, as well as a vision for the market agreed in 2022.
3.6	The 2022 Market proposals were developed then paused after not gaining the support of traders. That same year Members agreed to retain the Guildhall rather than pursue disposal. This decision was not unanimous: some members argued for a financial return to the council believing that the Guildhall could command a significant disposal value. The majority view held that public benefits of retaining the Guildhall, while difficult to quantify, were real and significant. There was also a recognition that the timing of any disposal could not be certain and that a new out of city centre location may result in the council being isolated from its residents.
3.7	Since January 2024, when the 'Civic Quarter' name was first used, 26 formal meetings have decided, considered or noted the project – see Appendix 5. This includes meetings where the project's funding or its planning was itself a decision or agenda item. Other meetings referred to or noted the project within a wider item, such as a budget, climate or work programme report.
3.8	At these meetings, members have debated the trade-offs between financial return and public benefits. Consideration of hotel use for part of the Guildhall in 2024 was not carried forward into the planning submission in favour of a more flexible office space that could be leased to private tenants. It resurfaced again ahead of the October 2025 Full Council decision, when Members required officers to demonstrate that financial returns on the Guildhall and Corn Exchange investment could be strengthened before a final commitment - a requirement that officers have facilitated and set out later in this report.

3.9	To assist Member decision making, throughout this process the council has appointed specialist consultants to provide independent asset management reports, red book valuations, designs, refurbishment costs and business plans. This work has been supported by extensive engagement with residents, businesses, traders, accessibility groups, heritage bodies, cultural organisations, colleges, Cambridge University and our own staff. Since 2024 there have been two public consultations on the Civic Quarter designs. The consultations generated 1298 responses making it one of the largest engagements the council has ever seen. There was strong support for transforming the Guildhall into a more open, inclusive civic space. For the market improved seating and shelter, cleanliness, and accessibility improvements were widely supported, including better surfacing and improved wheelchair access. And for the Corn Exchange, there was strong support for proposed improvements to comfort, accessibility, and visitor experience.
4	**Financial backdrop**
4.1	The last Medium-Term Financial Strategy (MTFS) approved by Full Council in February 2026 noted a five-year budget gap in the General Fund of £1.4 million. In addition, there is limited headroom in unallocated reserves, and much of this is likely to be needed to support local government reorganisation. It is therefore important that the Civic Quarter project does not unnecessarily add to the pressure on the General Fund over the long-term, as this would risk impacting other council services.
4.2	Since the project was last appraised in October 2025, borrowing costs have risen significantly, largely driven by global macroeconomic conditions. Gilt rates are now at an almost 30-year high. This will have a significant impact upon the project given that it is anticipated to require up to £60 million of new external borrowing.
4.3	In addition, there has been significant capital cost inflation due to external factors that have impacted global supply chains and added to inflationary pressures. At Cabinet in October 2025, the estimated budget for all costs (design, build, decant, consultant and other on costs) was £92m and Council asked Cabinet to pursue value engineering on the project.
4.4	However, with further design refinement more detailed costs were produced in August 2026 which came to £109.4m: £97.5m for remaining work and £11.9m already spent or committed. Tensions in the middle east and Ukraine have been key drivers for higher costs.

4.5	The project team have undertaken a review of costs and identified a number of value engineering (VE) options. Most of that work has focused on the Guildhall, as the most expensive component. A complete breakdown of the design and consultant fees, on costs as well as build costs is provided in Appendix 6
4.6	The VE changes are listed in full in Appendix 7 and the recommended options are summarised in the table below. Two items (in bold) will require further advice to clarify whether there are potential planning implications.

VE items	MARKET	CORN EXCHANGE	GUILDHALL
Changes and omissions of scope to fountain and public art	-£ 125,000.00		
Parsons court building reduced scope (court itself is not part of the VE)		-£ 1,000,000.00	
Only improve the toilet facility to the rear of the Main building		-£ 450,000.00	
Main Stage Lift - Repair in lieu of replace		-£ 250,000.00	
Change in acoustic spec		-£ 125,000.00	
Other		-£ 102,500.00	
Reduce extent of façade cleaning		-£ 478,000.00	
Other smaller items			-£ 1,175,000.00
Reduce the external stone façade cleaning scope, focus on structural and key repairs and one cleaning system.			-£ 637,220.00
Omit Enerphit Insulation provide Part L Building Regs compliance			**-£ 2,500,000.00**
Change in spec of Floor finishes, lighting, AV system,			-£ 1,230,000.00
Omission of 4th floor extension			**-£ 1,750,000.00**
Atrium savings			-£ 680,000.00
Savings on lift scopes			-£ 777,600.00
Repair Large Hall Roof in lieu of replace			-£ 456,560.00
	-£ 125,000.00	**-£ 2,405,500.00**	**-£ 9,206,380.00**
		Total	**-£ 11,736,880.00**
Other savings			
Savings from market decant			-£ 145,000.00
Reduced contractor fees			- £ 700,000.00
Reduction in fees and on costs			-£ 1,078,000.00
Total Savings			**-£13,659,880.00**

4.7	In addition to the £11.7m VE savings outlined above, there is a reduction in contractor fees of £0.7m and overall fee and on-cost reductions amount to approximately £1.08m compared with the previous budget position. There is also a reduction in the decanted market budget of c.£0.145m which is mainly from professional fees. This accounts for the £13.7m savings the project team have identified. The project team therefore recommend £13.7m of VE bringing the total budget down 12% to £95.7m. The budget for the remaining work, including construction, is £83.9m, down from £97.5m.
4.8	Removing the Enerphit (passivhaus certification for retrofit – essentially a very low energy performance standard) specification, and instead opting for part L compliance, saves an estimated £2.5 million in capital costs. The council would still have a fully compliant building, with a significant improvement in the current energy efficiency of the building, and a potential opportunity to net zero in the longer-term should the development of a district heat network go ahead.
4.9	The table below highlights VE suggestions that were not taken forward and are not part of the £13.7m saving.
4.10	Further opportunities during technical design

Excluded	Saving	Reasons for exclusion
Omit Rainwater Harvesting provision	-£ 4,500.00	Very little gain at expense of loss of sustainability improvements
Omit Dais Lift in Council Chamber	-£ 140,000.00	Would exclude any future leader, mayor or committee chair using a wheelchair
Commercial Office Space to be delivered to CAT A Shell & Core (S&C) Specification	-£ 2,742,337.50	Rental income significantly reduced. No demand for shell and core in Cambridge
Extension of S&C specification to Level 2	-£ 250,000.00	As above
Omit cycle store to basement & lift. Stair 7 to be retained without adaptation	-£ 156,000.00	Planning risk too great for scale of cost saving
	-£ 3,292,837.50	

4.11	If there is approval to proceed, there will be opportunities to explore layouts within the Guildhall during the technical design period to refine the layout of the council and commercial space in relation to option 1. The project team will continue to explore opportunities to increasing commercial income whilst balancing planning risk and the needs for the appropriate amount of council desk space and meeting rooms. For example, there is the potential to move 54 council office desk spaces from the second floor of the Guildhall so that the entire floor could be rented out. This may increase rental income by £0.15m per annum. The Chief Executive believes this is a reasonable option to work up in light of higher borrowing and construction costs. Initial investigations suggest it could be delivered in a way that is consistent with commitments made in relation to the provision of high-quality staff accommodation. Choices about the most efficient balance of uses within the building will be open to make at any time in future should a future council wish to make greater or lesser own use of the space.
4.12	**Financial monitoring**
4.13	It has been proposed by the Chief Finance Officer that, due to the size of the project, the usual capital overspend tolerance should not apply. Instead, a bespoke capital monitoring process should be established.
4.14	There will be a monthly monitoring meeting to include: • Director of Sir Robert McAlpine (Contractor) • Director of Calford Seaden (Council's Employers Agent and Cost Consultant) • Assistant Director of Development • Chief Finance Officer
4.15	In addition, monthly reports on costs, programme delivery and risks will be considered regularly by the Member's Strategic Steering Group. This group would be made up of representatives of the main parties reflecting the make-up of the council. The monthly monitoring reports would also be scrutinised internally by senior officers attending the Development Board, including the Chief Executive.
5	**The four options**
5.1	The four options require Members to balance financial and public benefits. As stated at 3.1, the full CQ project cost is estimated at £95.7m and requires significant borrowing over a 30-year period. All four options assume the Public Realm and Corn Exchange proceed; they differ in what happens to the Guildhall.

5.2	When considering the options below, it is more important to consider the underlying financial position rather than just the total project cost. Members are asked to consider the impact of the financial position (capital costs, debt financing, OpEx costs, income generation and disposal values) over time and what pressure the Civic Quarter project places on the City Council balance sheet and General Fund. In addition, as a new unitary authority will inherit the City Council's assets and liabilities, the medium-term implications of all the options for that authority need to be considered. The Cabinet will need to review the s151 Officer's advice in Appendix 4 when considering a decision and take account of the overall financial and public benefits the different options could deliver over the long term.
5.3	In addition, because the Guildhall's future may be entangled with decisions that may sit with a shadow and future unitary authority, this report is explicit throughout about which decisions rest with this council and which do not. Cabinet are asked to determine the preferred approach; where an option leaves a subsequent decision to a successor authority, that is made clear rather than presented as resolved.
5.4	Given the financial challenges associated with the project, it is proposed that the project is supported through the use of additional income currently being generated from the Park Street hotel. Whilst the current MTFS includes budgeted income of £1.9 million, the hotel has now been let on a 30-year lease at an annual income of £3.8 million. It is proposed that the excess £1.9 million in relation to 2026/27 and 2027/28 are put into an earmarked reserve to act as a cushion to absorb any early year losses associated with the Civic Quarter assets and also to provide contingency against future fluctuations in income. It is also proposed that 50% of the excess income from 2028/29 continues to support the Civic Quarter assets for a further 15 years, with the remainder supporting General Fund savings requirements. Based on the existing MTFS the Council's year five savings target would reduce from £1.4m to around £0.5m. The impact would need to be updated as part of the 2026/27 budget setting cycle.

6	**Option 1 —Full CQ Scheme with Value Engineering.** Proceed with refurbishment of all assets. Compared to previous versions of the scheme considered by Full Council, the Guildhall's scope is reduced and excludes 4th floor and EnerPhit. The three assets are transformed creating a new vibrant, modernised city centre in keeping with the needs of residents, visitors, and the global reputation of the city. **General Fund impact over 30 years (current prices): -£8.5 million** This is the expected net cost to the General Fund of the project over 30 years based upon the assumptions used. Note that this is not spread evenly – there are more significant losses in the early years followed by surpluses later on. It is proposed that these losses can be covered through the application of additional income from the Park Street redevelopment, and more information is set out at Appendix 4.
6.1	Work starts in earnest in January 2027 and takes two to three years to complete. The Guildhall itself is settled under this option - it is restored, occupied and maintained. Civic functions are suitable for a new unitary and there is working space for up to 150 staff. This amount of space would be sufficient for the City Council if LGR did not proceed. There is Capital and OpEx cost certainty for the current and any new council. The final decision on the amount of space leased to private tenants in the Guildhall (vs that occupied by Council staff) would be taken by a unitary authority.
6.2	**Financial assessment**

6.3	The base-case scenario for option 1 can be accommodated within the proposed funding and reserve strategy, but only by allocating Park Street income that would otherwise be available to support the wider General Fund. This is a material financial commitment, and therefore this option is not entirely self-financing. In addition, future cashflows are at risk from changes in assumptions, particularly in relation to commercial rent at the Guildhall and income from the Corn Exchange, and whilst it may be possible to mitigate this risk to some extent through the holding of reserves, there will remain a risk that future pressures may require savings to be made from elsewhere in the General Fund. Further detail is set out in the Chief Finance Officer's advice at **Appendix 4**.
6.4	**Public Benefit Impacts**
6.5	**The city:** A transformed Civic Quarter, in keeping with Cambridge's standing as a globally recognised university city and Europe's leading science and technology cluster. There will be significant improvements to the public realm with a shared civic surface that is accessible to people with mobility issues or using pushchairs and supports public events, higher footfall and evening congregation; a new Market Square with up-to-date electrics and water supply, with a mix of permanent, semi-permanent and demountable stalls, designed to reduce antisocial behaviour. The Guildhall will be open and accessible to the public with a public café and new toilets. The main halls will be transformed for weddings, functions, music and theatre with catering provision — which together with the Corn Exchange will create the largest conferencing capacity in central Cambridge. A revived Corn Exchange acts as the catalyst for a renewed arts and culture scene in Cambridge drawing on its roots which saw it at the forefront of the changing trends in the UK's music scene.
6.6	**Council staff:** Staff will have up to three years working from Mandela House during construction. Afterwards, working space in the Guildhall for around 150 staff, used on and off alongside other locations which make up the new authority. Once staff move, Mandela House will cease to operate as a council building and is sold or leased; the Guildhall becomes the only central Cambridge council office, with a small customer services centre. The majority of the Guildhall is let as Grade A office space.

6.7	**Councillors:** The new Guildhall will provide meeting and civic space suitable for a new unitary council, with an accessible and multifunctional chamber. The Guildhall could form part of the new authority's estate: a main base at Cambourne, the Guildhall as the central Cambridge presence, and potentially satellite touchdown space at community centres and libraries as well as the north Cambridge operational hub, and other locations it may choose to develop.
6.8	**Residents and visitors:** The market square is projected to take 12 months, with the Corn Exchange 18 months and the Guildhall 24 months. The Public realm works will follow. There will be two years of disruption in the heart of the city, followed by a public realm, civic building and cultural venue that are genuinely accessible for the first time and more in keeping with the city's international reputation, scale of planned growth, and strong visitor economy. A small customer services centre remains in the centre.
6.9	**City centre businesses:** Market traders decant temporarily close by with a support package; the Corn Exchange closes and reopens improved in 18 months; the Guildhall's upper floors come to market as Grade A office space in 24 months. Surrounding businesses absorb two of construction activity but benefit longer term from increased footfall and consumer spending.
6.10	**Cost of including EnerPhit and impact on finances.** Appendix 4 states: *Reinstating the Enerphit specification would increase capital costs (and therefore the borrowing requirement) by £2.5 million under options 1 and 2, but with associated savings in utility costs. In option 1, the net cost over 30 years is estimated at £1.8 million. In option 2, since the majority of the energy cost savings would accrue to commercial tenants (with little or no opportunity to increase rents as a result), the net cost over 30 years would be around £3.8 million. Both of these figures take into account additional financing costs.*

7	**Option 2 — Refurbish but rent out.** Proceed with refurbishment of all three assets and rent out the Guildhall, retaining only the chamber and halls for civic use with the rest of the space leased to commercial tenants. The council retains the freehold. This would be the same overall cost as option 1. **General Fund impact over 30 years (current prices): +£0.4 million** This is the expected net benefit to the General Fund of the project over 30 years based upon the assumptions used. Note that this is not spread evenly – there are significant losses in the early years followed by surpluses later on. It is proposed that the early losses can be covered through the application of additional income from the Park Street redevelopment, and more information is set out at Appendix 4.
7.1	Work starts in earnest in January 2027 and takes two to three years to complete. As Option 1 in every respect except the Guildhall's occupation. The council retains Mandela House as its principal operational base in the city and rents out the Guildhall. It retains the Halls and Chamber (only) for civic use. The Guildhall itself is settled under this option - it is restored, occupied and maintained. The council retains civic use of the Guildhall, and the halls will be available for conferencing. Mandela House is deferred rather than resolved: decisions on its eventual decant, and the choice to sell or upgrade, pass to the new authority. There is likely to be significant investment required to maintain the building in future given its poor condition.
7.2	**Financial assessment**

7.3	The base-case scenario for option 2 can be accommodated within the proposed funding and reserve strategy, but only by allocating Park Street income that would otherwise be available to support the wider General Fund. This is a material financial commitment, and therefore this option is not entirely self-financing. In addition, future cashflows are at risk from changes in assumptions, particularly in relation to commercial rent at the Guildhall and income from the Corn Exchange, and whilst it may be possible to mitigate this risk to some extent through the holding of reserves, there will remain a risk that future pressures may require savings to be made from elsewhere in the General Fund. Option 2 is more financially favourable than option 1 but also comes with more exposure to risk around the office rental market. However, this does provide some assurance around potential flexible use of the Guildhall should circumstances change in the future, e.g. if option 1 were selected but council accommodation was no longer required following local government reorganisation, conversion to commercial space is likely to remain a viable option. Further detail is set out in the Chief Finance Officer's advice at **Appendix 4**.
7.4	Public Benefit Impacts
7.5	**The city:** From the outside the building is restored exactly as in Option 1. From the inside it is a different proposition: the Guildhall would only partially be open to the public. The chamber and halls would remain under the council's control; however, the ground floor space and the café would likely form part of the commercial lease rather than a public offer. The city gains a restored heritage building, with the council retaining a civic space but there will be no space for staff or access by the general public outside of event attendance.
7.6	**Council staff:** Mandela House is retained as the main touchdown office space; there is no move into the Guildhall. Mandela House will at some point between 2030 and 2035 require upgrading to be compliant and therefore will mean staff decanting. This option defers rather than resolves that question and there are high OpEx costs. The new unitary authority would face an early choice whether to sell or invest to upgrade. Section 12 considers high level estimates for renting and reprovision elsewhere.

7.7	**Councillors:** Although the council retains the freehold most of the building is leased to commercial tenants, excluding conferencing facilities – the halls, and use of the civic chamber, meeting rooms may or may not be possible and would depend on agreement with whoever holds the lease. Alternative meeting venues could be found in the city centre if capacity at Mandela is restricted, a future main base at Cambourne, and use of community centres for meetings will be needed.
7.8	**Residents and visitors:** The full benefits of the transformed Public Realm and Corn Exchange are still delivered. What is lost is the integration: the market would no longer sit within a contiguous civic space, with the Guildhall and its civic functions open onto it. The public realm improves; the civic heart does not open up. Council services continue from Mandela House until a future decision is taken.
7.9	**City centre businesses:** As Option 1, with a larger volume of Grade A office space entering the market driving footfall and custom.
8	**Option 3 — Kick the Can** Proceed with Corn Exchange and Public Realm only; defer the Guildhall **General Fund impact over 30 years (current prices): +£5.5 million** This is the expected net benefit to the General Fund of the project over 30 years based upon the assumptions used. However, in this case it is important to note that this is a temporary solution – the model is unlikely to be sustainable for 30 years without significant further investment in the Guildhall, Mandela House, or both. Again, there are losses in the early years, and it is proposed that these can be covered through the application of additional income from the Park Street redevelopment. More information is set out at Appendix 4.

8.1	Work on Corn Exchange and public realm starts in earnest in January 2027 and takes 12 months for the market and 18 months for the Corn Exchange to complete. The Guildhall decision is likely passed to the new unitary authority. It is very likely that a decision would need to be taken before anticipated elections in 2033 or 2034 – though this is subject to the outcome of the government's 'pause and review'. This option leaves the Guildhall unresolved. It does not settle the Guildhall - it postpones it. It assumes low to no rental income with commercial tenants paying for any upgrades to spaces. There is a risk that the chamber will remain at risk and out of action between now and any unitary authority's decision – see **Appendix 3**. Whether it is refurbished, let, sold or left as it is, and on what timetable, and whether to dispose, refurb and decant Mandela House in the future will still need resolving. **Those decisions will be taken by the unitary authority.** There will be a small increase in construction costs for the Corn Exchange and Public Realm as there are fewer economy of scale benefits. A new planning submission would need to be made for any future Guildhall redevelopment plans as the current one will expire which may cost upwards of £3 million. The capital costs of any future Guildhall redevelopment will also be higher with build cost inflation and deterioration of its condition, and in the interim both this council and any successor council will be required to pay the OpEx costs of two poor quality buildings (Guildhall and Mandela). That uncertainty is not confined to the building. If works do eventually proceed, led by the council or a third party, they would bring a further period of construction into the middle of a city centre that has only recently emerged from it — with renewed disruption to the Market Square and potentially to access to the Corn Exchange. The city would face a second round of upheaval at an unknown future date, having already absorbed the first.
8.2	**Financial assessment**

8.3	Option 3 is affordable for the council on the basis modelled but should be seen as a short-term solution pending a further decision on the Guildhall at a later date. Initial indications are that around £14 million of capital expenditure would be available for a revenue-neutral proposal at the Guildhall, but clearly if additional revenue can be generated, or savings realised from the disposal of Mandela House, then this figure would increase. This option remains subject to risk around future income levels at the Corn Exchange. However, it is important to note that the likelihood of maintaining this the approach for 30 years without significant additional capital spend on the Guildhall and/or Mandela House is low. Therefore, the modelled benefit to the General Fund over 30 years should not be interpreted as a forecast outcome because it excludes the cost of any future redevelopment proposal for the Guildhall, which is likely to become necessary before the end of the modelling period (unless it were to be sold). Further detail is set out in the Chief Finance Officer's advice at **Appendix 4**.
8.4	Public Benefit Impacts
8.5	**The city:** The Public Realm and Corn Exchange are transformed. The Guildhall is not — it remains closed off and underused at the centre of an improved public realm. The use of the Guildhall Halls would allow for continuation of events, however, wouldn't support the business plan which assumes refurbished event spaces.
8.6	**Council staff and councillors**: The status quo continues across the Guildhall and Mandela House (i.e. most of the Guildhall is out of use as office space and as of autumn 2026 democratic meetings are taking place at other city centre venues on an ad hoc basis), with compliance and net zero pressures unresolved and the decision inherited rather than made. Alternative meeting venues for council meetings in the city will continue to be required (any future unitary council is expected to be too large to meet in the current Guildhall) and if capacity at Mandela is restricted, a future main base at Cambourne, and use of community centres for meetings will be needed.
8.7	**Residents and visitors:** Public Realm and Corn Exchange benefits arrive on the same timetable. But if the Guildhall is subsequently upgraded, the city centre faces a further period of disruption in addition to the three years — the works are not consolidated.

8.8	**City centre businesses:** Delivering the projects separately loses the shared preliminaries and programme efficiencies. Surrounding businesses face disruption twice rather than once.
9	**Option 4 — Sell the Guildhall.** Proceed as planned with Corn Exchange and Public Realm, but sell the Guildhall **General Fund impact over 30 years (current prices): +£20.1 million** This is the expected net benefit to the General Fund of the project over 30 years based upon the assumptions used. Note that this is not spread evenly – annual income starts low and gradually increases over time. As with option 3, this model assumes long-term occupation of Mandela House – again it is likely that significant capital expenditure would be needed within the 30-year modelling period to support this.

9.1	Work starts in earnest in January 2027 and takes 12months for the Market and 18 months for the Corn Exchange. The Guildhall is sold to the highest bidder The value of a heritage building that has compliance risks is low. A very recent red book valuation of the Guildhall (excluding the leased restaurants) was undertaken to support this decision. It concluded the council might be able to attract buyers wishing to convert to a hotel, but that the sales value would be very low. It would not make a material contribution to the capital costs of building a new office and/or civic facility elsewhere. Sale of the Guildhall, even at a low value, would not be straightforward. The county council's disposal of its former county hall took eight years - disrupted by COVID, and still requires planning application. A central Cambridge site may prove easier, but there is no guarantee on timing or value. As in option 3, a similar set of unknowns applies here. It is uncertain when a sale could proceed and if a sale did complete within the next two to three years, a purchaser would still need their own consents for their intended use. A purchaser's own scheme could add a further two to three years of works. The downside risk is therefore either up to five continuous years of disruption in the city centre, or two distinct phases of disruption separated by an uncertain interval. Neither is within the council's control once the building is sold. The issue of high OpEx costs for Mandela remains and whether to refurb and decant in the future will still need to be resolved. In addition, long term solutions to alternative meeting venues will be required. **Those decisions will be taken by the unitary authority.**
9.2	Financial assessment

9.3	Option 4 is affordable for the council and the most financially attractive option on the basis of the assumptions modelled. If the council wished to move out of Mandela House in the future, the model indicates capacity to support approximately £2.0 million per year of rental costs, or alternatively around £39 million of capital expenditure based on current rates. If additional revenue could be generated, then this figure could increase. However, no whole-life costing of alternative accommodation has been carried out, therefore these figures should be treated with caution, e.g. if operating costs were higher in a new building, then the amounts available would reduce. The biggest risk in respect of this option is whether or not it would be possible to find a buyer for the Guildhall. The model will also remain subject to risk around future income levels at the Corn Exchange. Further detail is set out in the Chief Finance Officer's advice at **Appendix 4**.
9.4	**Public Benefit Impacts**
9.5	**The city:** The Public Realm, Corn Exchange proceed as in Option 1 but with a reduced conferencing offer, with significant impacts on the developed business plan. The Guildhall passes out of council ownership, most likely to become a boutique hotel. Eight hundred years of civic use on the site would end.
9.6	**Council staff and councillors:** Civic, meeting and office functions require reprovision elsewhere. Alternative meeting venues could be found in the city centre, and a main base at Cambourne and community centres remain available. What differs is permanence: under this option the council would not retain the option of returning to the Guildhall, and the reprovision would need to be a settled long-term arrangement rather than an interim one. A decision will also be required on Mandela House – whether to sell, refurb and or to decant.
9.7	**Residents and visitors:** Public realm and cultural gains as Option 1. The Guildhall becomes a private building and if it is to be reconfigured as a boutique hotel it is likely it would be kept in good repair and contribute to improved public realm in the city centre – albeit with no access by the general public unless as paying customers. However, with new owners, there the city centre could face a further period of disruption in addition to the three years.
9.8	**City centre businesses:** As Option 1 for the Market and Corn Exchange. However, surrounding businesses may face disruption twice rather than once depending on the plans of the new owners. This would be outside the council's control.

10 Summary of impacts by stakeholder group

	Option 1 Full Scheme With VE	Option 2 Refurbish but Rent Out	Option 3 Kick The Can	Option 4 Sell the Guildhall
The city centre	Fully transformed. Public Realm, Corn Exchange and Guildhall renewed as one civic space. Reduced construction impact as consolidated in one programme.	Public Realm and Corn Exchange transformed; Guildhall closed to the public with no civic function. Reduced construction impact as consolidated in one programme.	Public Realm and Corn Exchange transformed; Guildhall to be decided by unitary.	Public Realm and Corn Exchange transformed; Guildhall sold most likely as a hotel.
Council staff	Three years in Mandela House, then c.150 workspaces in the Guildhall. Mandela House sold/leased.	Mandela House retained as main workspace. Upgrading Mandela, compliance, net zero and possible decant unresolved.	Status quo continues. Upgrading Mandela and Guildhall, compliance, net zero and possible decant unresolved.	Upgrading Mandela, compliance, net zero and possible decant unresolved.
Councillors	Accessible, multifunctional chamber sized for a unitary council. Guildhall part of the new authority's estate.	Council retains Chamber and Halls, but meeting rooms use subject to agreement with the leaseholder.	Decision passes to the unitary authority, most likely before the 2032 elections.	Eight hundred years of civic use on the site ends. Reprovision would need to be permanent
Residents and visitors	Two to three years of disruption, then an accessible public realm, civic building and cultural venue.	Market and Corn Exchange gains delivered, but without integration into a contiguous civic space.	Market and Corn Exchange gains on the same timetable, but possible Guildhall disruption later	Corn Exchange and Public Realm Gains as Option 1. Risk of up to five continuous years of disruption
City centre businesses	Traders decant nearby with support; Corn Exchange closes and reopens improved; Grade A office space released.	As Option 1, with the whole Guildhall entering the market as commercial space.	Disruption twice rather than once. Separate delivery loses shared preliminaries and raises cost.	As Option 1, plus exposure to a purchaser's own construction programme at an unknown date.
Certainty	The Guildhall question is settled.	Building settled; council office space left in limbo, as is Mandela House.	Guildhall and Mandela House left in limbo. Timing, scope and cost of any future works all unknown.	Low value and sale timing uncertain; purchaser's consents and works outside council control.
Who makes the decision?	City council proceeds entire project Unitary council makes final decision on leases in new Guildhall	City council proceeds entire project Unitary council makes final decision on leases in new Guildhall and refurb/sale/decant of Mandela	City council proceeds project for CX and Public Realm Unitary council makes final decision on proceeding with Guildhall and refurb/sale/decant of Mandela	City council proceeds project for CX and Public Realm and sells Guildhall Unitary council makes final decision on proceeding with refurb/sale/decant of Mandela
30-year General Fund impact	-£8.5 million	+£0.4 million	+£5.5 million	+£20.1 million

11	**Illustrative alternatives** As part of officers' due diligence, two further options have been explored at a high level.
11.1	**New Council offices near Cambridge North**
11.2	Calford Seaden have provided a high-level estimate on what a new build Civic Centre with 2600m2 office space, a chamber and a 780-seat hall would cost. Construction costs alone could be as high as £38m if started in Q1 2028. As planning to construction may take 3-4 years construction cost could likely increase to over £45m. Design to planning fees, other consultant fees, council on costs, Fixtures Fittings and Furniture (FFE) and any land costs would also need to be added. By way of a comparator this is likely to mirror costs for the current Guildhall, plus build costs inflation making it close to an additional £10m to add excluding land.
11.3	There are some parcels of land in council ownership which could be considered, meaning no land costs would be incurred. However, this would carry a significant opportunity cost as land available was previously set aside to enable the Hartree development, which could provide thousands of new homes, including council homes, community facilities and commercial space. In addition, there is high uncertainty over odour impacts resulting from planned expansion of the wastewater treatment plant. If a council owned site could not be used, land costs for a building of sufficient scale could cost between £1m-£5m.
11.4	Land costs could be excluded if on our own land, but additional landscaping including parking, highways costs, biodiversity net gain and s106/CIL contributions will add cost. Total costs are therefore likely to be in excess of £50m.
11.5	**Renting Council offices**
11.6	The council has reviewed the possibility of renting offices. In 2024, at Strategy and Resources Committee, Bidwells reviewed the market and concluded that the cost to the council including business rates and service charges would be £2.5m per annum

11.7	Carter Jonas undertook another desktop study looking at offices in Cambridge North and concluded to take on a lease for the same space would cost £1,085,000 - £1,705,000 per annum. This excludes additional ancillary civic and meeting areas, halls and the reception area, although it does include the chamber. It does not take into account service and estate charge obligations, Rates Payable, insurance obligations or any other associated outgoings. Over a 30-year period, as modelled for the Civic Quarter project options, costs could likely fall in the range of £42.5m (excluding other charges, including the costs of holding civic meetings elsewhere) and £97.4m. This assumes rent reviews every five years and CPI rent increases at 2%.
12	**Summary of Final Designs**
12.1	**Summary of Guildhall final design – Appendix 8** In March 2026, Planning Committee approved both the planning application and Listed Building Consent for the Guildhall refurbishment. The approved proposals seek to conserve and enhance the Grade II listed building whilst ensuring it remains fit for purpose as a civic, community and commercial asset for future generations. The approved scheme retains the Guildhall as one of the city's most important civic buildings whilst addressing longstanding accessibility, sustainability and operational challenges. The design has been developed to respect the building's historic significance whilst allowing it to adapt to modern requirements and future organisational needs.

12.2	Key elements of the approved design include: • Comprehensive refurbishment and conservation of the historic building fabric. • Accessibility improvements throughout the building, including step-free access • Upgrading the building to significantly improve its environmental performance through fabric improvements, photovoltaic panels and modern building services. • Creation of flexible office accommodation capable of supporting civic, community, commercial or mixed-use occupation. • Refurbishment of the Council Chamber to create a more accessible and adaptable civic space capable of supporting democratic functions (including increased capacity for a new unitary council to meet), civic events and wider community use. • Improvements to the Large Hall and Small Hall to provide high-quality multifunctional space suitable for conferences, weddings, events, ceremonies and community activities. • Provision of improved public-facing facilities, including a customer service offer and enhanced public access to the building. • New meeting rooms, breakout space and income-generating commercial accommodation. VIII. Installation of modern mechanical, electrical and digital infrastructure to improve operational efficiency and future-proof the building.
12.3	A key principle of the approved scheme is flexibility. The design has been developed to allow the building to support a range of future occupation models, including continued civic occupation, partial commercial occupation or a predominantly commercial office model should future Local Government Reorganisation arrangements require a different approach to accommodation. This flexibility ensures that investment in the Guildhall is not dependent on a single future operating model.
12.4	**Summary of Public Space (incl Market Square) final design – Appendix 9** The Market Square proposals have continued to evolve following the deferment of the planning application by Planning Committee in March 2026 and extensive engagement with market traders, accessibility groups, heritage bodies and other stakeholders.

12.5	The final design approved by Planning Committee in September 2026 seeks to deliver the Council's vision for a thriving, accessible and inclusive seven-day market whilst responding to feedback received during the planning process. The redesigned market provides a total of **97 stalls**, Fixed lockable stalls (43): Permanent stalls providing secure trading space with integrated power, lighting and solar panels on roofs. Open stalls (12): Permanent open-fronted stalls providing a traditional market trading environment, with green roofs. Semi-permanent stalls (18): Fixed into ground sockets but capable of being removed seasonally or adapted for alternative uses. Demountable stalls (24): Flexible stalls that can be erected and removed as required to accommodate seasonal demand, special events and changing market needs.
12.6	This mix of stall types maintains broadly the same overall trading capacity as the current market whilst providing greater operational flexibility. It enables the market to expand and contract in response to seasonal demand, supports the accommodation of existing traders and creates additional opportunities for civic activity, events and public use when full trading capacity is not required.
12.7	The key principles of the final design are to: • Support a thriving and financially sustainable seven-day market. • Improve accessibility for traders, residents and visitors. • Preserve and enhance the historic character of Market Square. • Provide greater flexibility in how the market operates throughout the year. • Improve infrastructure and facilities for traders. • Create a more welcoming civic space for community activity and events. • Enhance safety, security and day-to-day management of the square. • Support biodiversity, sustainability and climate resilience.
12.8	The final proposals include new market stalls with integrated power and lighting, enhanced trader facilities, refurbished trader toilets within the Market Square basement, improved storage provision, upgraded utilities infrastructure, and new underground waste and recycling facilities. A major focus of the scheme is accessibility, including the careful relaying of the historic setts, improved step-free routes, accessible seating, improved lighting and wayfinding, and accessible toilet provision for Market Traders.

12.9	The historic fountain remains a central feature of the design and will be retained and refurbished, with new seating, parasols, landscaping and improved lighting creating an attractive civic focal point. Whilst the fountain itself is not proposed to be operational as part of the current scheme, the necessary ducting will be installed to enable it to be brought back into use in the future without the need for further excavation or the lifting of the refurbished setts and paving. The proposals also include enhanced CCTV coverage, integrated security measures and improved public realm infrastructure to ensure the space remains safe, welcoming and accessible, whilst preserving its role as the commercial, civic and social heart of Cambridge.
12.10	**Summary of Public Realm final designs - Appendix 9** The public realm proposals have evolved significantly following stakeholder engagement, planning feedback and further design development. The proposals seek to create a more coherent, accessible and attractive civic environment linking the Guildhall, Corn Exchange, Public spaces and surrounding streets, whilst respecting the historic character of Cambridge city centre.
12.11	The key design principles are to: • Create a more accessible and inclusive city centre environment. • Prioritise pedestrians whilst maintaining essential access and servicing. • Strengthen connections between the Guildhall, Corn Exchange, Public spaces and surrounding streets. • Enhance the setting of Cambridge's historic buildings and public spaces. • Improve biodiversity, climate resilience and environmental performance. • Create high-quality, welcoming public spaces that encourage people to meet, dwell and spend time in the city centre. IX. Improve wayfinding across the Civic Quarter. • Support the economic vitality of the city centre, market and cultural venues. • Provide high-quality cycle parking and sustainable transport infrastructure. • Reinforce the Civic Quarter's role as the civic, cultural and commercial heart of Cambridge.

12.12	Character and Public Spaces The public realm has been designed around a series of distinct but connected character areas, including Market Square and Market Hill, Peas Hill, Guildhall Street, Wheeler Street, Corn Exchange Street and Market Street. Each area has been carefully designed to respond to its historic setting whilst contributing to a consistent Civic Quarter experience. Particular emphasis has been placed on improving accessibility, reducing street clutter, increasing public seating and activity, and enhancing the quality of the public realm whilst celebrating the heritage significance of the area.
12.13	Green Infrastructure and Biodiversity The proposals continue to support the Council's climate and biodiversity objectives through new tree planting, improved planting schemes, rainwater management measures, sustainable drainage, habitat creation and wider biodiversity enhancements. Together, these measures are intended to improve the appearance and environmental performance of the Civic Quarter, increase resilience to climate change and create more attractive spaces for residents and visitors. Current assessments indicate that the proposals exceed the Council's aspiration to achieve a 20% biodiversity net gain.
12.14	Cycle Parking Following feedback received during the planning process, the Council has undertaken a comprehensive review of cycle parking provision across the Civic Quarter. Whilst the number of cycle parking spaces within the immediate Market Square area is reduced, additional and upgraded provision has been identified within the wider Civic Quarter. As a result, there is no overall reduction in cycle parking capacity within the Civic Quarter area, and the proposals also introduce dedicated cargo bike parking for the first time. The revised approach provides more flexible and higher-quality cycle parking facilities whilst maintaining overall cycle parking numbers.

12.15	**Summary of Corn Exchange final design – Appendix 10** Planning permission and associated consents for the Corn Exchange refurbishment were granted by Planning Committee in March 2026. The approved proposals continue to focus on: I. Accessibility improvements throughout the venue. II. Improved environmental performance. III. Enhanced customer experience and comfort. IV. Improvements to food and beverage facilities. V. Operational improvements to support future programming and commercial performance. VI. Public realm improvements around Parsons Court and the wider Corn Exchange area Further operational review has continued during 2026, particularly regarding foyer arrangements, bar operations, venue circulation and temporary venue planning.
13	**Business Plans**
13.1	Business Plans have been produced for each of the three assets to test the proposed interventions. Each asset has used specialist consultants in the relevant area to ensure expert analysis of the future business plans. These have followed the Treasury's recommended Five Case Model approach, ensuring compatibility with any future funding bid. The Strategic, Economic, Commercial, Financial and Management cases have been assessed, and the full Business Plans are included at **Appendices 1 and 2**
13.2	To support Member decision-making, officers have worked with consultants to update the financial and commercial assessments for the programme. Updated assumptions are included in the s151 Officer's Statement in Appendix 4

14	**Project Costs**
14.1	Since September 2025, detailed design development, technical investigations, operational pilots, and contractor engagement have improved cost certainty across the programme. This has resulted in an updated cost plan which reflects current market conditions, inflation and a more detailed understanding of the project requirements. Officers have undertaken a comprehensive value engineering (VE) exercise with the design team and Sir Robert McAlpine, identifying £13.7m of savings whilst maintaining the key strategic outcomes of the programme. Appendix 6 highlights the Cost Plan and VE items as outlined by Calford Seaden.
14.2	The business case models have been extensively reviewed by the Council's Section 151 Officer and the financial implications on the General Fund have been modelled. This work is detailed in Appendix 4

Budget line (£, excl. VAT)	Aug 2026	Recommended	Change Aug to rec.
Stage 3 fees and council costs (design to planning)	3,322,533	3,322,533	–
Stage 4 fees and council costs (detailed design)	8,538,049	8,538,049	–
Stage 5 fees and council costs (construction)	3,922,143	2,844,143	–-1,078,000
Temporary market	2,431,942	2,286,942	–145,000
Building works, incl. furniture and equipment	91,141,581	78,704,701	--12,436,880
Total	**109,356,248**	**95,696,368**	**–13,659,880**

15	**Programme**
15.1	**Key Milestones** The table below sets out the key milestone dates for the project; the completion dates are subject to the outcomes of the decision to proceed on 26 November 2026. Depending what options are approved this could change the anticipated completion dates. Section 19.7 sets out the programme delivery risk.

Milestone	**Date**
Agreement (not/) to proceed with capital budget	26 November 2026
Decant of Guildhall (excluding event spaces) Event spaces	November 2026 End December 2026
Decant of Corn Exchange complete	Mid-January 2027
Earliest Decant of Market complete	March 2027
Start on Site with enabling works contract	January 2027
Main Contract and contract sum signed	February 2027
Completion (construction across all three sites)	March 2028 (Market) December 2028 (Guildhall) Summer 2028 (Corn Exchange) August 2029 (Public Realm)

The public realm completion date reflects that are small areas of works that cannot be completed until the Guildhall works are finished and the site compound is removed.

16	**Decant Arrangements**
16.1	The project team has developed detailed decant and relocation plans to secure vacant possession of the Guildhall, Corn Exchange and Market Square ahead of construction. These plans have been informed by engagement with Market Traders, and the Guildhall and Corn Exchange Decant Working Groups to support a coordinated transition, minimise disruption and maintain continuity of services and activities wherever possible. The project has also undertaken a range of enabling and preparatory activities, particular those with long lead-in times, helping to de-risk the programme and ensure the buildings and spaces are ready for construction when possession is required.
16.2	**Guildhall** Allia Future Business Centre and its sub tenants vacated the Guildhall at the end of September 2026. Sticks 'n' Sushi and Giggling Squid restaurants will stay in situ and remain open as they are outside the development red line, access for servicing and deliveries will be maintained. The Guildhall was closed to the public from 2 October 2026 with Guildhall Street and Peas Hill entrances only open on event days. The last event in the Large and Small Halls takes place on 20 December 2026. Full Council and Planning Committees from October 2026 onwards will be held at Downing Place United Reformed Church ensuring an accessible and City Centre location. All other Cabinet and Committee meetings will be held at either Meadows Community Centre or Clay Farm Community Centre. Meetings will continue to be live streamed as necessary. Staff working in the building, including the Chief Executive and Councillors, have relocated to Mandela House. The facilities team will remain in the Guildhall until the building is handed over to the contractor. The Guildhall will be handed over to Sir Robert McAlpine at the end of December 2026 so that mobilisation activity and site set up can commence.

16.3	**Corn Exchange** The last show will take place on 31 December 2026, and the venue will close for 18 months for refurbishment. The business plan for the Corn Exchange assumes a closure of 18-24 months and a recovery period to year 5 and shows a net positive return over the appraisal period even accounting for this. The impact of the closure of the Corn Exchange has been considered in the business plan including advice on whether a temporary alternative venue(s) are viable. A range of options were considered to maintain cultural activity during the closure, including a purpose-built temporary venue and the use of alternative venues across the city. Whilst these options offered benefits as set out to Cabinet earlier in the year, the financial and operational assessment concluded that the costs and risks outweighed the potential benefits. These were compounded by the formal pre-application planning advice for a temporary venue on Parker's Piece, which identified significant concerns relating to the loss of protected public open space, heritage, residential noise impacts and servicing arrangements. Addressing these matters would require further investment and could impose operational restrictions affecting the commercial viability of the venue, with no certainty of securing planning permission. Taken together, these factors mean that additional financial commitment and delivery risks cannot be justified over the relatively short closure period. The Council will instead focus resources on delivering the refurbishment, maintaining key relationships with promoters, partners and audiences, and preparing for a successful reopening of the Corn Exchange. Staff from Corn Exchange and Parsons Court will be relocated to Mandela House from November onwards and continue to adopt hybrid ways of working. An organisational change consultation will take place with staff following a decision on the Civic Quarter to consider the staffing implications of the Corn Exchange temporary closure. Unions and impacted staff will be engaged throughout this process.

16.4	**Market** The market decant will be implemented in advance of construction works commencing on Market Square. Subject to the necessary approvals and the overall project programme, the transition to the Temporary Market is expected to begin after Easter 2027, with relocation taking place in a phased manner immediately before works start on the Square. Further details of the programme will be discussed with traders during November 2026. The Temporary Market is expected to operate for approximately 12 months, with planning consent being sought for up to 18 months to provide programme flexibility if required. A total of 111 temporary stalls are proposed across the following city centre locations; St Mary's Passage, Guildhall Street, Petty Cury, Sidney Street, Fisher Square and King's Parade. Sussex Street will be used on specific City Event days, such as congregation days, when stalls cannot operate on King's Parade. The proposed locations have been developed through extensive engagement with market traders and key stakeholders. Throughout this process, traders consistently expressed a preference to remain close to Market Square rather than relocate to a single alternative site elsewhere in the city. The Council has therefore worked collaboratively with traders, Cambridge colleges, the University, major city centre businesses, the highways authority and emergency services to develop arrangements that allow the market to continue operating within the city centre during the refurbishment works. A planning application for the Temporary Market was submitted in August 2026 and is scheduled to be considered by Planning Committee in December 2026. Supporting documentation included detailed layout plans and a Decant Management Plan.
16.5	**Market Transition, Trader Support and Stall Allocation Arrangements** A structured approach is being taken to support traders through the transition period. A stall allocation methodology has been developed by an independent markets consultant to ensure a fair and transparent process for allocating pitches within the Temporary Market. Following the planning determination on 2 December 2026, individual meetings will be held with traders to confirm stall allocations and discuss operational arrangements, including access, servicing, trading requirements and transition support. This approach is intended to provide traders with clarity and certainty ahead of relocation.

16.6	**Market Trader Support Package** Within the Civic Quarter project costs, provision has been made to provide a support package to Market traders, and this consists of two elements, the temporary market arrangements and returning to the refurbished market. **Temporary Market** I. 50% rent reduction based on current standard stall price per sqm. II. 2% annual inflationary increase will not be applied for 2027/28. III. Contribution towards new fixtures and fittings – fund capped at £50,000 IV. Traders who move to Sussex Street from Kings Parade on “City Event” days will not be charge rent for that day. There will be an increase in staffing in the Markets team to support the operational aspects of the temporary market, including a Markets Event office post that will support communications and signposting activities. **Refurbished Market** I. Existing Market traders will have a right to return to the Market, even if they decide not to trade in the temporary market. II. Rents for the new refurbished market frozen at 2026/27 levels and inflationary increase coming in from April 2028. III. Business rates for those in permanent stalls (kiosks) will be underwritten by the Council, where charged, for the first year, subject to Market Traders seeking rate relief Following advice, the Council has committed to making the case to valuation office for a business rates valuation for the whole market.

16.7	**Business and Stakeholder Engagement** The Council continues to engage with market traders, city centre businesses, business representative organisations, local institutions and other stakeholders throughout the planning and delivery of the market decant. The purpose of this engagement is to understand operational requirements, identify potential impacts at an early stage and help shape arrangements that support the continued operation of the market and city centre during the refurbishment works. Engagement has informed the development of the Temporary Market proposals, including the selection and layout of trading locations, access and servicing arrangements, pedestrian movement, wayfinding, and measures to minimise disruption to businesses, residents and visitors. It has also supported coordination with key stakeholders, including Cambridge colleges, the University, major retailers, highways authorities and emergency services. Feedback received through this process and the formal planning application process continues to inform project planning and operational arrangements, with the aim to help support a smooth transition to the Temporary Market while maintaining market activity and footfall within the city centre during the construction period.

17	**Corporate Plan**
17.1	The decision to proceed to the next stage of the Cambridge Civic Quarter project continues to demonstrate strong alignment with the Council's Corporate Plan. Most specifically the Civic Quarter directly addresses three out of the Council's 4 key priorities: Priority 1: Leading Cambridge's response to the climate and biodiversity emergencies and creating a net zero council by 2030 Priority 2: Tackling poverty and inequality and helping people in the greatest need Priority 4: Modernising the council to lead a greener city that is fair for all The strategic objectives for each priority which are directly addressed by bringing forward the regeneration of the civic quarter are expressed below: **Priority 1: Leading Cambridge's response to the climate and biodiversity emergencies and creating a net zero council by 2030** I. reduce carbon emissions from council buildings, land, vehicles and services to net zero by 2030 II. reduce energy consumption and carbon emissions from homes and buildings in Cambridge III. reduce consumption of resources, increase recycling and reduce waste IV. support Council services, residents and businesses to thrive and adapt to the impacts of the climate change emergency V. mainstream our approach to biodiversity to secure a measurable net gain in biodiversity across the city by 2025 and support the Natural Cambridgeshire Doubling Nature Vision by 2030 VI. to ensure that biodiversity is considered by all council service functions and projects VII. maximise the potential of our buildings, parks, open spaces, watercourses and tree stock to support biodiversity, whilst balancing their multifunctional needs VIII. Plan for the sustainable development of Cambridge and support the creation of vibrant, integrated and inclusive new communities. Specifically, to develop and implement a new Local Plan for Greater Cambridge that: o enhances biodiversity and green spaces, o increases wellbeing and social inclusion, o provides for great places (including by safeguarding our unique heritage and landscapes), o encourages a wide range of jobs, o plans for the right infrastructure in the right places at the right times to serve our growing communities.

17.2	**Priority 2: Tackling poverty and inequality and helping people in the greatest need** I. strengthen families and communities and support people who are more likely to experience poverty, inequality and vulnerability. II. make sure that everyone shares in our city's success by promoting an inclusive economy, by raising skills, and by improving access to a range of employment opportunities for people on low incomes. III. work towards a situation where all residents have equal access to public activities and spaces in Cambridge and are able to participate fully in the community and in making decisions about the places where they live
17.3	**Priority 4: Modernising the council to lead a greener city that is fair for all** I. develop co-operative, collaborative ways of working with our communities and partners, increasing our collective ability to achieve the council's vision and improve the quality of life and wellbeing of everyone in the city II. use innovation, including new technologies, to provide high-quality services III. continuously improve the services we provide so that they best meet the needs of those who use them IV. run our services in an efficient way, generating income where appropriate to reinvest into other council services V. review our assets to ensure they are delivering optimum value to the Council and wider community, increasing social capital
18	**Implications**
18.1	**Relevant risks** Below are the key risks
18.2	**Debt Financing** **Risk:** Borrowing costs may increase further before funding is secured, increasing the overall cost of financing the project and impacting affordability assumptions within the business case. The project also requires a significant long-term borrowing commitment which will need to remain affordable for both the Council and any successor authority. **Mitigation:** The Council's Section 151 Officer has reviewed the affordability of the project, and the business case includes financial modelling, sensitivity testing and proposed financial contingencies. The project scope has also been reviewed through a value engineering and design review process to reduce capital costs and borrowing requirements, while retaining the key strategic benefits of the scheme. Ongoing discussions with various lending providers is being undertaken to ensure best sourcing of funding.

18.3	**Rental Income** **Risk:** Rental income from the refurbished Guildhall may be lower than forecast due to market conditions, reduced demand for office accommodation or longer than anticipated letting periods or increased re-letting, affecting the anticipated financial return. **Mitigation:** Independent commercial and valuation advice has informed the business case assumptions. The proposed refurbishment has been designed to create flexible, Grade A office accommodation in a prime city centre location that can respond to changing market requirements. Occupancy and leasing arrangements can also be reviewed by future authorities to reflect market conditions. The Chief Finance Officer has proposed a £4.8 million revenue reserve be created to absorb any early year losses and provide a cushion against loss of income due to incorrect assumptions.
18.4	**Corn Exchange Income** **Risk:** The Corn Exchange may take longer than anticipated to recover trading levels following reopening, resulting in lower income from ticket sales, hires, conferencing, catering and other commercial activities. **Mitigation:** The business plan includes assumptions regarding closure, reopening and recovery periods. The refurbishment is intended to improve accessibility, customer experience, operational efficiency and the venue's commercial offer, supporting its long-term competitiveness and financial sustainability. A budget to include support from a venue consultant to assist with the growth plan is included. The Chief Finance Officer has proposed a £4.8 million revenue reserve be created to absorb any early year losses and provide a cushion against loss of income due to incorrect assumptions.
18.5	**Local Government Reorganisation (LGR)** **Risk:** Future Local Government Reorganisation may change governance arrangements, accommodation requirements, priorities or investment decisions, potentially affecting the long-term use of the Guildhall and wider Civic Quarter assets. **Mitigation:** The project has been developed to retain flexibility for a range of future occupation and operating models. The Guildhall design can accommodate civic, fully commercial or mixed-use arrangements, allowing future authorities to make decisions that reflect emerging organisational requirements and estate strategies. This is linked to both positive and negative revenue implications.

18.6	**Temporary Market Planning Application and Highways Licencing** **Risk:** The Highways or Planning Applications could be delayed or refused, or approved subject to conditions which affect the programme, capacity and timing of the Market decant. **Mitigation**: Extensive pre-application engagement has been undertaken with market traders, planning officers, statutory consultees and other stakeholders. The project team continues to work closely with the Local Planning Authority and Highways officers and are developing supporting information to enable considerations to be addressed as efficiently as possible.
18.7	**Programme Delivery** **Risk:** The scale and complexity of the programme, including decant activity, enabling works, design development, statutory approvals and construction across multiple sites, may result in programme delays and increased costs. Any cost overruns could add significantly to future financing costs. **Mitigation:** Detailed programme management arrangements are in place, supported by an integrated client, design and contractor team. Early enabling works, advance surveys, ongoing design coordination, contractor involvement through the Pre-Construction Services Agreement and regular risk reviews are being used to identify and manage programme risks at the earliest opportunity. A bespoke capital monitoring process will be established that will report to the strategic steering group made up of Councillors and the Leadership team to provide finance and progress monitoring.
18.8	**Staff Risks** **Risk:** The Corn Exchange temporary closure will impact the Corn Exchange staff team. **Mitigation:** Continuous engagement and informal engagement, including briefings and 1:1 meetings with all staff working as part of the Corn Exchange operations has taken place through the previous couple of months. Other engagement has included providing a Staff Bulletin and FAQs and the usual management support arrangements are in place and will continue throughout the change process. An organisational change consultation will take place with impacted staff following the Civic Quarter decision on 26th November 2026 and wherever possible alternative employment opportunities will be identified within the Council. All processes will follow the Council's adopted HR procedures including redeployment and organisational change policies. Regular updates are also being provided to the unions through the JTUG meetings.
18.9	
19	**Financial Implications**

19.1	The Financial implications of the Civic Quarter work are set out within the Chief Finance Officer's advice at **Appendix 4.**
20	**Staffing Implications** There are currently 82 employees where all or part of their role will be impacted by the closure of the Corn Exchange. Of these, 26 are salaried (including events officers, programme managers, technical officers, marketing & development officers, box office and front of house managers, venues general manager) and 56 are employees of 'no fixed hours' (mainly venue and events assistants). Regular briefings have taken place with staff in the run up to the decision, and there were a series of additional briefings with staff and unions during the week commencing 5th October on the latest position and the process to be followed. Approximately 70 staff attended 4 briefings which were delivered by Cultural Services management with support from the People Team. Other engagement activities have included providing a Staff Bulletin, FAQs, and the provision of other support packages for employees, such as the Councils Employee Assistance Package.
20.1	Staff still based at the Guildhall, Corn Exchange and Parsons Court will be moved to Mandela House and will continue to operate within a hybrid working model.
20.2	The temporary closure of the Corn Exchange will have impacts for the Corn Exchange staff. The scale of this impact will be dependent on: the final decision taken on the Civic Quarter project, the range of alternative employment opportunities available within the Council. An organisational change consultation will take place with staff following a decision on the Civic Quarter to consider the staffing implications of the Corn Exchange temporary closure and next steps. Unions and impacted staff will be engaged throughout this process. The process will likely conclude in Spring 2027.
21	**Legal Implications**
21.1	**Telecoms** We have completed a settlement agreement with Cornerstone for the removal of mobile telecommunications equipment, to facilitate the Guildhall redevelopment works, from the roof of the Guildhall by the end of January 2027.

21.2	**Consents** Full Planning Consent and Listed Building consent have been obtained for the Guildhall, the Corn Exchange, and the Market Square and associated public Realm. For the construction works: I. A Section 278 agreement will be required to permit altering of the existing public highway II. A site Hoarding Licence will be required from the Local Highways Authority III. While site logistics and associated signage is a deemed consent for construction hoarding, additional advertisement consent will be sought to facilitate advertisement and wayfinding throughout the project. Discussion toward the above approvals with the relevant authorities are underway. For the temporary decant of the market square to facilitate regeneration: I. An application has been submitted and is in process with the Local Planning Authority under planning reference **26/03254/FUL** II. statutory consents are expected to be required from the Highway Authority in its capacity as the authority responsible for managing and protecting the public highway network. In this regard it is currently assumed that the Council will require consent and approval under Part VIIA of the Highways Act 1980, including the provisions of Section 115E, and discussions are away with the Highways Licencing Team.
21.3	A number of Traffic Regulation Orders (TRO) are anticipated, to serve the Market decanting, site access and logistics throughout the Construction period, and to be proposed to control vehicle access in the city centre in the longer term. These all remain subject to consideration and Decision by the County Highways Authority. This includes: I. Extension of the current market TRO to include Sunday 10-4 II. Removal of through-traffic from Corn Exchange Street towards Bene't Street, proposed to cover 10am to 4pm, Monday to Sunday (but retaining access for Taxis, Large deliveries, Blue-badge permits) III. Removal of right-turn exit from the Grand Arcade car park, which would require broader rerouting across the city to improve traffic flow IV. An ETRO in place to accommodate Market placement on Sydney Street V. Management protocols to be agreed for facilitated access to Kings Parade and Market Street within the existing Anti-Terrorism TRO

22	**Equalities and socio-economic Implications**
22.1	Three separate Equalities Impact assessments have been completed covering The Guildhall, Corn Exchange and Public spaces (including the Market Square). A further EQIA for staffing implications at the Corn Exchange is currently being prepared. The recent community engagement has shaped the detailed design stage work. The impact assessments will also continue to be "live" documents and reviewed at key stages during the project. The sections below highlight the key impacts. See **Appendices 11-13** for the Equalities Impact Assessments
22.2	**The Guildhall** The Guildhall redevelopment brings significant positive impacts, especially for: I. Disability – a changing places toilet for anyone to use; provision of platform lifts and step free access to the building; automated doors; hearing loops; improved lighting and provision of a reflection room protecting mental wellbeing of staff members. II. Sex - The design provides an increase in overall provision of toilets/urinals from 42 to 76. We are retaining the original existing female and male toilets within the heritage areas of the Guildhall as it is a listed building. The remainder are designed as universal toilets across the staff and public areas. III. Gender reassignment – increase in the number of toilets, whilst recognising the constraints of a listed building, includes providing universal toilets across the staff and public areas the Guildhall which will have a positive impact for gender reassignment and non-binary and gender fluid people. IV. Marriage and civil partnership - improvements to the large and small halls could increase the opportunity for people to celebrate marriage or civil partnership in the city centre V. Pregnancy and maternity – provision of breastfeeding room open to the public and baby changing facilities. VI. Religion or belief – provision of a reflection space that can be used for prayer or reflection for staff. We will keep this under review and the final determination how the toilets will be gendered will be made once the Council's approach to the Equality and Human Rights Commission (EHRC) code of practice is set in November 2026. The creation of a welcoming "Heart Space" and flexible civic areas encourages broader public engagement across age groups and backgrounds. However, potential negative impacts include concerns about affordability and access for low-income and marginalised groups, particularly if commercial uses dominate community access.

22.3	**Corn Exchange** Positive impacts of the proposals include: I. Aspects improving accessibility, especially for disabled people, such as improved lighting that will benefit people with visual impairments and improved audio equipment that will especially benefit people with hearing impairments. There will be benefits for people with mobility impairments like step free access throughout the venue, three lifts, an increase to 15 spaces for wheelchair users with better visibility in the main auditorium and accessible dressing room and showers backstage. II. Toilet provision will be improved, with accessible toilets provided on multiple and universal toilets on each floor. III. Improvements to the Parsons Court area, by removing bins and improving lighting that will help reduce anti-social behaviour that may benefit groups who experience hate crime/incidents. We will keep under review the final determination of how the toilets will be gendered once the Council's approach to the EHRC code of practice is set in November 2026.
22.4	**Public Space (including Market Square)** The most significant benefits of the market square redesign include: I. Improving accessibility through exploration of levelling historic setts, improving pedestrian safety, alignment of stalls, signage, lighting and increasing variety of seating options (including canopied seating). This will be of benefit for disability and pregnancy and maternity especially. II. Reducing ASB (that may especially impact on groups who experience hate crime and have an impact on reducing gender-based violence) through design features such as improving sight lines, lighting and use of CCTV. III. Blue badge parking provision, although provision remains the same, the spaces will all meet current standards. IV. Provision of accessible toilet and storage at ground level for market traders. V. Provision of women, men and universal toilet facilities for market traders We will keep this under review and the final determination how the toilets will be gendered will be made once the Council's approach to the EHRC code of practice is set in November 2026. The market's diverse offer and civic space will support multicultural events (enabling some of space in the square to be used for other functions by removing some demountable stalls on quieter trading days) and low-income communities.

23	**Net Zero Carbon, Climate Change and Environmental implications**
23.1	The Guildhall The Guildhall has been designed to EnerPhit standard and formed part of the Government's pilot net zero building review, which confirmed that it was expected to meet net zero building certification. However, the proposals in this report assume excluding Enerphit as a value engineering saving. Instead, Part L compliance would be attained with a significant improvement in the current energy efficiency of the building. Solar panels remain included in the proposals, as well as using low carbon air source heat pumps for energy. Estimates suggest reduction in emissions of 18%-30% which is 66-97 tonnes of CO2 per annum. If Enerphit is included in the proposals, it would reduce the Guildhall's emissions by approximately 56% which is around 140 tonnes of CO2 per annum.
23.2	Corn Exchange Solar panels are still included in the proposals as well as using low carbon air source heat pumps for energy and ensuring provision is made to allow a plug in to the future District Heat Network if this comes online. For the Corn Exchange, if approved and including the value engineering proposals there would be an estimated reduction in emissions at the Corn Exchange of 230 tonnes of CO2 emissions per annum, (which represents a reduction of nearly 82%), through upgrades to the building's energy efficiency and installation of on-site solar. The proposed work to the Corn Exchange would save 6.3% of the Council's overall emissions,
23.3	City Centre District Heat Network If the Corn Exchange and the Guildhall (with or without Enerphit) are connected to the proposed City Centre District Heating network, this would allow even further improvement on the Council's overall emissions position to net zero in operation over the long term, subject to external decarbonisation of the UK Energy Grid.
23.4	Biodiversity Net Gain For the public realm and market square the target is to attain a biodiversity net gain of 20% compared to what is there now.

23.5	Water Efficiency In terms of water usage, a 55% reduction is calculated for the Guildhall. While firm targets have not been set for the Corn Exchange or Market Square due to on site constraints, efficiency measures in line with BREAM Wat01 credits are being undertaken, implementing water-efficient fittings across the project.
23.6	**Climate Change rating** See **Appendix 14** for Climate Change Assessments for the Guildhall, Corn Exchange and Public Realm. The three assessments include the Value Engineering outlined in sections 5.8 and 7 The rating has been assessed as **Low Positive** overall and assumes that EnerPhit is excluded. If Enerphit is included the Climate Change Assessment will be Medium Positive
24	**Procurement Implications**
24.1	In January 2025, the design team led by Cartwright Pickard was appointed to develop the Civic Quarter proposals through RIBA Stage 3 and support planning and listed building consent submissions. The team was subsequently retained through RIBA Stage 4 (Technical Design) to maintain design continuity, retain project knowledge and reduce delivery risk across the programme's complex heritage assets. Also in January 2025, with support from Calford Seaden as the Council's cost and procurement advisor, the Council's Procurement team launched a competitive procurement for the main contractor using a two-stage Design & Build approach. Following evaluation, Sir Robert McAlpine (SRM) was selected as preferred contractor in May 2025 and appointed under a Pre-Construction Services Agreement (PCSA) in June 2025 to provide early contractor involvement during design development. Calford Seaden helped develop the procurement strategy, assess procurement route options and prepare the tender process, while the Council's Procurement Team provided procurement governance, compliance assurance, tender management and evaluation oversight, ensuring a robust and compliant procurement process that balanced quality, value for money and delivery certainty.
25	**Community Safety Implications**

25.1	Whilst Cambridge is a safe city, violence against the person offences accounted for **29%** of crimes (September 2025). Market ward, which is the focus of Cambridge's nighttime economy, has higher rates of both violent crime and drug offences. The project team have met with the Safety Advisory Group consisting of internal services and external partners and the emergency services. As part of the pre-application discussions were held with Counter Terrorism, Cambridgeshire Police and Cambridgeshire Fire Service. We have also been working with the Community Safety team to ensure that crime prevention principles are key to the Civic Quarter redevelopment and are captured within the Cambridge Community Safety Plan (2025-27).
26	**Community Wealth Building**
26.1	The Civic Quarter programme has been developed in line with the Council's Community Wealth Building objectives. Through the procurement process, social value commitments were secured from Sir Robert McAlpine, including a target for 20% local labour, apprenticeship and work experience opportunities, support for local skills development, engagement with schools, colleges and universities, and the use of local suppliers and subcontractors where appropriate. The project is expected to support the local economy through investment in heritage assets, cultural facilities and the city centre environment. The refurbishment of the Market Square is intended to improve the long-term sustainability and attractiveness of Cambridge Market, while the temporary relocation strategy maintains the market's presence within the city centre, helping to preserve footfall for both market traders and surrounding businesses during construction. The completed scheme will also provide improved public access to the Guildhall, enhanced community facilities, accessible civic and cultural spaces, and opportunities for wider participation in civic and democratic life. See **Appendix 15** for the updated assessment.
27	**Project Interdependencies**
27.1	The District Heating Feasibility Study and the proposals for the Guildhall have been designed to enable future connection to the District Heating Network, however they are not dependent on it.

27.2	**Local Government Reorganisation (LGR)** The Guildhall designs have been developed in the context of LGR. Whilst the approved designs provide flexibility for a range of future civic, commercial and operational uses, future decisions regarding the occupation of the Guildhall, the future role of Mandela House and the wider accommodation strategy for any successor authority will be matters for the shadow and unitary councils.

28	**Background documents** Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985
28.1	1) S&R Report November 2024 Civic Quarter Project Update 2) S&R January 2024 Civic Quarter Project 3) S&R October 2022 Future Office Accommodation Strategy 4) Environment and Community Scrutiny Committee March 2022 Proposed Improvement to Market Square 5) Cabinet Report September 2025
29	**Appendices**
29.1	*There is an exempt annex attached to this report that is NOT FOR PUBLICATION by reason of paragraph 3 of Schedule 12A of Part 1 of the Local Government Act 1972 because it contains commercial letting assumptions for the Guildhall, commercial assumptions for the Corn Exchange and estimated contract sum and design consortia cost information. The public interest test has been applied to the information contained within this exempt annex and it is considered that the need to retain the information as exempt outweighs the public interest in disclosing it.* The exempt annexes include: Appendix 1: Corn Exchange and Guildhall Business Plan – Carter Jonas and Blue Horizon Appendix 4: Financial Modelling and Analysis – s151 Officer's Statement Appendix 6: Cost Plan – Calford Seaden Appendix 17: Red Book Valuation of the Guildhall

29.2	Link to non-confidential appendices can be found here – Cambridge Civic Quarter: Scrutiny committee and Cabinet reports - Cambridge City Council Appendix 1: Guildhall and Corn Exchange Business Plan Appendix 2: Markets Business Plan Appendix 3: Asset Condition, Compliance and Performance Issues Appendix 4: Financial Modelling and Analysis – s151 Officer's Statement (redacted) Appendix 5: Timeline of Key Decisions Appendix 6: Cost Plan – Calford Seaden Appendix 7: Value Engineering (VE) Report Appendix 8: Design and Access Statement – Guildhall Appendix 9: Design and Access Statement - Market Square and Public Realm Square Appendix 10: Design and Access Statement - Corn Exchange Appendix 11: Equalities Impact Assessment – Guildhall Appendix 12: Equalities Impact Assessment – Market Appendix 13: Equalities Impact Assessment – Corn Exchange Appendix 14: Climate Change Assessments Appendix 15: Community Wealth Building Assessment Appendix 16: List of surveys to date Appendix 17: Red Book Valuation of the Guildhall
29.3	To inspect the background papers or if you have a query on the report please contact Ben Binns, Assistant Director, Development: email: ben.binns@cambridge.gov.uk

Agenda Item 6

REPORT TITLE: CAMBRIDGE CITY COUNCIL POSITION ON THE UPDATED EHRC CODE OF PRACTICE

To: Cabinet (16 November 2026)

Report by:
Keryn Jalli, Strategic Resettlement and Community Equity Lead and Helen Crowther, Equity and Community Power Manager,
Tel: 01223 457045 Email: keryn.jalli@cambridge.gov.uk

Wards affected:
All

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

1.	**Recommendations**
1.1	It is recommended that Cabinet: • Approve the draft Council approach to the updated EHRC Code of Practice guidance, set out in full in sections 4.1 and 4.2. In summary the approach is to be as inclusive as possible by: • Moving towards universal toilet and changing facilities, in addition to accessible facilities for disabled people. • That self-identification should be sufficient in normal circumstances to access Council facilities and services. • Continuing to provide single sex services and facilities where this is a proportionate means of achieving a legitimate aim. The Council will consider their need on a case-by-case basis and document its rationale.
2.	**Purpose and reason for the report**
2.1	The Council needs to establish its approach to the updated Equality and Human Rights Commission (EHRC) Code of Practice for Services, Public Functions and Associations,

	as laid in Parliament on 21 May 2026 and which came into force on 5 August 2026. In particular, the Code of Practice provides guidance relating to public services and functions that are provided on a single-sex basis. The Code itself is not law, but it provides guidance on how to apply the Equality Act 2010. Most Council services and facilities are already provided on a universal basis (open to all) and are not delivered on a single-sex basis. For the Council, the code primarily relates to public toilets, changing facilities, and a small number of single-sex activities. It is therefore important for the Council to make clear what its approach to the updated Code means in practice for all those using these council services and facilities. The purpose of this report is to set out the Council's approach to the updated Code and provide reassurance that Council services will continue to be inclusive and in line with our obligations under the Equality Act 2010.
3.	**Alternative options considered**
3.1	**Option 1: Taking no action** This was considered and ruled out, because it would mean that the Council would not be clear on its position regarding the updated Code of Practice. It is important that the Council inform and reassure communities about its approach relating to the guidance and its commitments to the safety and rights of all those who use its services and facilities.
4.	**Background and key issues**
4.1	In developing its proposed position on the updated EHRC Code of Practice, the Council notes:

	• Its commitment to the safety and rights of all those who use our services and facilities, so that no one is excluded from public services and everyone is treated with respect. Notably its commitments:
	  ○ That “Trans women are women. Trans men are men. Non-binary individuals are non-binary” as set out in the Council’s 2020 cross party motion.
	  ○ To end violence against all women and girls, as demonstrated through the Council’s White Ribbon accreditation held since 2015.
	  ○ To “the dignity of all people and their right to respect and equality of opportunity” as a joint founder of the Cambridgeshire-wide Equality Pledge[1].
	
	• The Council's commitments to trans inclusion, ending violence against women and girls, and promoting equality are rooted in the same principle: everyone deserves to be safe and treated with respect. These commitments are not in conflict with each other.
	
	• People are more than any single characteristic, and many people identify with more than one community or group. People's identities and life experiences are important parts of who they are and how they experience the world. Recognising and valuing this helps create a city where everyone feels included.
	
	• The Supreme Court's judgment on the definition of "sex" in the Equality Act in *For Women Scotland* (2025) does not require service providers to exclude people of any identity from services, including transgender people, and it does not change the council’s responsibility to provide safe and accessible services to all. The revised EHRC Code of Practice for Services, Public Functions and Associations, laid before Parliament in May 2026, reaffirms that organisations have discretion in how they design and deliver inclusive services.

[1] In 2015 Cambridge hosted the national showcase for Lesbian, Gay, Bisexual and Trans History Month 2016. As part of the preparations for this day, local organisers wanted to develop an initiative that would provide a legacy for whole community, which resulted in the development of the Equality Pledge. See: Equality pledge - Cambridge City Council

	• Most Council services are already provided on a universal basis. The default position under the Equality Act 2010 is that services should be provided without discrimination. The provision of separate-sex or single-sex services is a legal exception to this. The legal test to apply the exception is whether the restriction is a "proportionate means of achieving a legitimate aim". For example, it may be identified as necessary and reasonable to protect privacy, dignity or safety, or where a combined service would not be as effective. • The Equality Act 2010, Section 7 Paragraph 1, sets out that that the protected characteristic of gender reassignment applies to any trans person at any stage of transition. • The Council's Public Sector Equality Duty (Section 149 of the Equality Act) reflects legal obligations to provide accessible and inclusive services, and to keep people safe. Under this Duty, the council must have due regard to the need to: o eliminate unlawful discrimination, harassment, victimisation and any other unlawful conduct prohibited by the act; o advance equality of opportunity between people who share and people who do not share a relevant protected characteristic; and o foster good relations between people who share and people who do not share a relevant protected characteristic. • When referring to universal toilet facilities, the Council is specifically referring to fully self-contained toilets. This is where a toilet, sink, sanitary bin and hand drying facility are in self-contained room, accessed directly off main foyers or corridors, with a floor to ceiling lockable door. Universal changing facilities refer to individual private cubicles with lockable doors where people change their clothes.
4.2	**The Council's proposed approach is:** • To move towards universal toilet and changing facilities, in addition to accessible facilities for disabled people. This would apply to any future provision and renovation of existing provision, conditional on available funding. This is the most inclusive approach to maximise access.

	• In limited circumstances, where there is currently no universal provision, the existing accessible facilities will be made available as universal facilities. In these circumstances, an equality impact assessment will be used to monitor the usage of facilities and any impact on disabled people. Where feasible and funding is available, these facilities will be renovated to include universal facilities, in addition to accessible facilities. • To continue to provide single sex services and facilities where this is a proportionate means of achieving a legitimate aim. The Council will consider their need on a case-by-case basis and document its rationale. • That self-identification should be sufficient in normal circumstances for the purposes of access to and use of any of the Council's facilities and services. This is in the spirit of ensuring compliance with all relevant laws, including data protection, health and safety, and non-discrimination against those with protected characteristics. For example, this principle need not apply when there is a reasonable suspicion of danger to a service user, bystander, or employee, or where there is a proportionate means of achieving a legitimate aim. • To review training on equity, diversity and inclusion (EDI) and recommend additional EDI training for staff working in facilities where single sex provision is provided, to ensure all services users are treated with respect. • To review Equality Impact Assessments (EqIAs) and update policies and services to align with the Council's approach. • To develop plain-English information and clear signage to help everyone understand the provision available and find facilities that meet their needs. This would make clear that universal facilities are for everyone. Communications would promote inclusion, recognise that disability and other personal characteristics are not always visible, and discourage assumptions or harassment.

	• To work alongside community organisations to monitor the equalities impacts of its position.
4.3	**What this means:** In practice, little will change for residents, and the Council will continue its commitment to providing inclusive services. As is currently the case, people will not routinely be asked about their sex, or gender identity to access Council services or use Council facilities. The Council will continue to consider the need for single sex services and facilities; this will be done in line with the Equality Act. The Council will document each decision. Residents will see an increase in universal toilet and changing facilities as facilities are refurbished or redeveloped where funding is available. These will be gender neutral. The Council will make sure there are universal facilities and accessible facilities for disabled people. Universal toilets are currently provided by the council in many locations, such as at the Meadows Community Centre and Clay Farm Centre. There are also five changing places toilets in the city. Universal changing facilities/ changing areas are already in place for example at Abbey Leisure Complex Pools and Parkside Pools.
4.4	**Further Context on the EHRC Code of Practice:** The Code of Practice was updated following the Supreme Court Judgement on the definition of “sex” in the Equality Act following Women Scotland Ltd v The Scottish Ministers (2025). In this ruling the, Supreme Court has defined “sex” as “biological sex” and “sex at birth”. However, there is no agreed basis to substantiate “biological sex” or “sex at birth”. It is important to note that there are differing legal interpretations around the definition of “biological sex”. The revised EHRC Code of Practice for Services, Public Functions and Associations, laid

	before Parliament in May 2026, sets out that organisations have significant discretion in how they design and deliver inclusive services. The Supreme Court ruling does not require service providers to exclude people of any identity from services, including transgender people, it does not change the council's responsibility to provide safe and accessible services to all.
5.	**Council Vision**
5.1	The Council's vision is "One Cambridge Fair for All", where communities are thriving and empowered, supported by well-run public services. In approving the recommendation, the Council reacknowledges its commitment to the safety and rights of all those who use our services and facilities, so that no one is excluded from public services and everyone is treated with respect.
6.	**Consultation, engagement and communication**
6.1	The Task and Finish group was made up of community organisations, cross-Party councillors from the Inclusion and Equity Panel and Council officers. The community organisations represent groups particularly affected by the changes, a disability rights group, women's group and LGBTQIA+ group. Overall, the Task and Finish Group wanted to ensure that the Council's response reduces the negative impacts on any groups as far as is possible. This included: • Ensuring an inclusive tone of the statement, that does not put the rights of one group against another. • Ensuring that trans people feel included in public life and can access both the facilities and services to meet their needs. • Reassurance that the impact on women, including trans women, will be considered as part of the Council's decision. An equality impact assessment has been undertaken on the Council's proposed position that captures impacts relating to all equalities groups. • Monitoring the impact on disabled people in the limited cases where accessible toilets were made available as universal toilets.

	• Clarifying the difference between changing facilities and changing places in this Cabinet report. • Providing reassurance that single sex provision will continue as set out in the Equality Act. The proposed position sets out that legal framework by which single sex provision needs to be applied and confirms that the Council will continue to assess it in this way. It also ensures that the council will document its decision making on single sex provision. This will be done via a proportionality assessment which set out the legal basis for single sex provision, alongside an equality impact assessment. The Task and Finish Group will continue advising on how the council communicates its approach.
6.2	The Task and Finish Group agreed to take an item on the Council's proposed approach and to the Inclusion and Equity Panel, to enable Cabinet's decision to be informed by residents with lived experience of inequalities. The Council's Inclusion and Equity Panel is an advisory panel to Cabinet. Key recommendations from the panel were: • To set out the Council's position first in this Cabinet paper. This gives residents clarity on the Council's interpretation of the Code, prior to any background on the Code itself. • To give clarity on what our position means for people, explaining how much is changing or not changing. • That references to the Code were accompanied by explanation and context, so it's clear that there are different perspectives on what is set out in the Code.
6.3	A cross-council group was also set up to understand the operational implications of the Council's proposed position and will continue to monitor changes to provision in line with the Council's position.
7.	**Anticipated outcomes, benefits or impact**
7.1	If approved, the outcome is that the Council maintains lawful, inclusive, safe and

	accessible services. There will also be positive impacts on community cohesion as the Council will develop communications to help residents understand the position, promote inclusion, and discourage assumptions or harassment. All outcomes, benefits and impacts will be monitored through an Equality Impact Assessment.
8.	**Implications**
8.1	**Relevant risks**
	Risks associated with this decision relate to communication, reputation, finance, legal and community cohesion. Communication: There is a risk that residents will not understand what the Council's approach means. The Council will develop clear communications with advice from community organisations. The communications will also include images, showing examples of existing universal provision. Communications in itself will not mitigate against the risk that some people do not support the council's position but it will help prevent confusion and misunderstanding which can be divisive and cause conflict. Reputation: If the Council did not set out its approach, there is a risk that its reputation would be impacted, particularly with residents and service users most impacted by the Updated Code of Practice. By developing its approach, the Council is continuing its commitment to providing inclusive services and facilities. The other risks and their mitigations are set out in the following sections: Finance – section 8.3, Legal – section 8.4 and Community Cohesion – section 8.8.
	Local Government Reorganisation (LGR)
8.2	The Updated Code of Practice has been live since the 5 August 2026 and therefore it is good practice that the Council sets out its approach on the Code prior to Local Government Reorganisation.
	Financial Implications
8.3	The move to universal toilet and changing facilities may require additional funding, this would be sought through budget bids. The Council would also look to make use of existing refurbishment budgets, where possible.

	Legal Implications
8.4	In accordance with the Equality Act 2010 and the EHRC Guidance Code of Practice the proposed approach is seen to be reasonable and proportionate. The Council's Legal Team has seen the report. In 2024, there was an amendment to the 2010 Building Regulations related to single-sex toilet provision, however the Council's Legal Team have advised that the Council must comply with both statutory regimes with neither one having precedence over this. The position under the Equality Act 2010 is that services should be provided without discrimination. The provision of separate-sex or single-sex services is a legal exception to this and will be applied by the Council where this is a "proportionate means of achieving a legitimate aim". The updated EHRC Code of Practice relates to public services, functions and associations. It does not relate to the employment practices, charities or voluntary bodies – guidance is pending in these areas.
	Equalities and socio-economic Implications
8.5	A full Equality Impact Assessment is in Appendix A. It is important to note that people are more than any single characteristic, and many people identify with more than one community or group. The main equality impacts are summarised below: <u>Disabled People</u> The Council proposes moving to universal facilities in addition to accessible facilities. However, in limited circumstances some accessible facilities will be made available to all, where universal provision does not currently exist. There is a risk that this may reduce disabled people's access to toilet and changing facilities, but this risk is mitigated in part, as it is restricted to a small number of facilities and is primarily a short – medium term measure, pending refurbishment. The Council will monitor positive and negative impacts on disabled people and look into how negative impacts can be mitigated, by continuing to liaise with disability groups and organisations.

	Gender reassignment The EHRC sets out how transgender people are likely to be negatively impacted by the updated Code of Practice as they could be excluded services of facilities, they previously had access to. This risks worsening socio-economic and health inequalities for transgender people. The Council's approach aims to mitigate against these risks, by increasing universal provision and setting out that self-identification is sufficient in normal circumstances to access and use Council's services and facilities. As a result of the updates Code of Practice there is an increased risk that members of the public will challenge transgender people seeking to use services or facilities. The Council's communication aims to promote understanding, discourage assumptions or harassment. Sex The Council will continue to apply the single sex exception as set out in the Equality Act 2010. The Council's position sets out the legal framework by which single sex provision needs to be applied and confirms that the Council will continue to assess it in this way. It also ensures that the council will assess the need for single sex provision on a case-by-case basis and document its decision making. This will be done via a proportionality assessment which set out the legal basis for single sex provision, alongside an equality impact assessment (EqIA).
	Net Zero Carbon, Climate Change and Environmental implications
8.6	In general, the proposed position will have no net zero, climate change or environmental implications. There might be a low negative impact relating to waste generation in renovating existing changing areas/toilet facilities to be compliant with the proposed position.
	Procurement Implications
8.7	The Council will consider how its proposed approach can be reflected in future procurement activity and contractual arrangements, particularly where organisations are commissioned to deliver services or manage facilities on the Council's behalf.

	Any requirements placed on providers will need to be appropriate to the nature of the services being commissioned, consistent with the Council's legal obligations and compliant with relevant procurement and equality legislation.
	Community Safety Implications
8.8	The position reacknowledges the Council's commitment to the safety and rights of all those who use our services and facilities, so that no one is excluded from public services and everyone is treated with respect. As a result of the updates Code of Practice there is an increased risk that members of the public will challenge transgender people and gender non-confirming people seeking to use services or facilities. The Council's communication will promote understanding and cohesion, discourage assumptions or harassment.
9.	**Background documents** Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985
9.1	• Equality Act 2010: https://www.legislation.gov.uk/ukpga/2010/15/contents • For Women Scotland Ltd (Appellant) v The Scottish Ministers (Respondent): https://www.supremecourt.uk/cases/uksc-2024-0042 • Code of practice for services, public functions and associations (Published: 5 August 2026): https://www.equalityhumanrights.com/guidance/codes-practice/code-practice-services-public-functions-and-associations/chapter-one • The Building (Amendment) (England) Regulations 2024: https://assets.publishing.service.gov.uk/media/6644b035f34f9b5a56adc808/ADT_circular.pdf
10.	**Appendices**
10.1	Appendix A – Equality Impact Assessment

Cambridge City Council Equality Impact Assessment (EqIA)

This tool helps the Council ensure that we fulfil legal obligations of the Public Sector Equality Duty to have due regard to the need to –

(a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;

(b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;

(c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Guidance on how to complete this tool can be found on the Cambridge City Council intranet. For specific questions on the tool 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
Cambridge City Council Position on the updated EHRC Code of Practice

2. Webpage link to full details of the strategy, policy, plan, project, contract or major change to your service (if available)
Cabinet 16th November: Agenda for Cabinet on Monday, 16th November, 2026, 5.00 pm - Cambridge Council.

3. What is the objective or purpose of your strategy, policy, plan, project, contract or major change to your service?
Cambridge City Council's proposed position on the updated Equality and Human Rights Commission (EHRC) Code of Practice meet its obligations under the Equality Act 2010, including the Public Sector Equality Duty, while ensuring that its services and facilities remain safe, accessible and inclusive for everyone. The Council's proposed position is informed by its 2020 cross-party *Trans Rights Are Human Rights* motion, which affirmed that "trans women are women, trans men are men and non-binary individuals are non-binary", alongside its commitments to end violence against all women and girls and its commitments provide safe and inclusive services for everyone. These commitments are rooted in the shared principle that everyone deserves to be safe and treated with respect. The Council also recognises that people's identities and experiences are shaped by more than one characteristic.

The majority of Council services are provided on a universal basis, (open to all) and are not delivered on a single-sex basis. For the Council, the code primarily relates to public toilets, changing facilities, and a small number of single-sex activities. The proposed position aims to maintain inclusive access while recognising and responding to the different needs of service users.

The Council's approach, as outlined the 16 November Cabinet Report, is to be as inclusive as possible by:

- Moving towards universal toilet and changing facilities, in addition to accessible facilities for disabled people.
- That self-identification should be sufficient in normal circumstances to access Council facilities and services.
- Continuing to provide single sex services and facilities where this is a proportionate means of achieving a legitimate aim. The Council will consider their need on a case-by-case basis and document its rationale.

When referring to universal toilet facilities, the Council is specifically referring to fully self-contained toilets. This is where a toilet, sink, sanitary bin and hand drying facility are in self-contained room, accessed directly off main foyers or corridors, with a floor to ceiling lockable door. Universal changing facilities refer to individual private cubicles with lockable doors where people change their clothes.

Background and purpose of the EqIA

The updated EHRC Code of Practice for Services, Public Functions and Associations came into force on 5 August 2026, following the Supreme Court's judgment in *For Women Scotland Ltd v Scottish Ministers* (2025). The Code provides guidance on existing equality law rather than creating new legal duties.

This EqIA considers how the Council's proposed position may affect people with different protected characteristics, including how the approach supports inclusion and addresses potential adverse impacts. It provides a strategic assessment; specific changes to services, policies or facilities will be considered in more detail within separate EqIAs.

The EqIA does not replace the need for proportionate assessments of specific changes to services, facilities or policies as the Council's position is implemented. Proportionality assessments will be undertaken if single-sex provision is being considered. The assessment will consider the reasons for providing a service or facility on a single-sex basis, the needs of different service users, the potential impacts of any restrictions and whether alternative

arrangements could meet those needs. It will document whether the proposed provision is a proportionate means of achieving a legitimate aim under the Equality Act 2010.

4. Responsible Team and Group
Resettlement and Community Equity Team; Communities Group (see section 7 for full list of responsible teams).

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
Users of Council facilities and services, this may be residents, visitors and staff. The position is strategic and relevant to everyone using Council services, but its impacts will not necessarily be equal or identical for all groups. Specific impacts are considered in section 9.	

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
Council teams involved in delivering this approach include Equity & Resettlement, Legal, Community Facilities, Recreation Development, Operations and Street Cleaning, Communications, Learning and Development and Customer Services. The Council will continue to work with community organisations and representatives of affected groups to help identify impacts on specific communities as the approach gets implemented.	

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 assessment draws on the following evidence and sources. Relevant population figures cited within each protected-characteristic analysis in section 9.

• Council knowledge and engagement: existing Council equality commitments; consultation with the Inclusion and Equity Panel and Task and Finish group, feedback from both the panel and task and finish group are included in the Cabinet paper.

- Council policy and legal context: 'Cambridge City Council position on the updated EHRC Code of Practice (Cabinet report 16 November 2026)'; Equality Act 2010 (including sections 7 and 149); Supreme Court judgment in For Women Scotland Ltd v Scottish Ministers (2025); and the statutory EHRC Code of Practice for Services, Public Functions and Associations (effective 5 August 2026).

• National equality analysis: EHRC's accompanying Equality Impact Assessment of the Code and the published government equality impact assessment. These concern the Code nationally; their findings inform identification of potential impacts but do not determine the local impacts of Cambridge City Council's approach. EHRC source: Code of practice for services, public functions and associations equality impact assessment| EHRC government source: Equality impact assessment - GOV.UK

• Local demographic evidence: 2021 Census demographic data for Cambridge: Census gender identity estimates, particularly local-area categories, have substantial quality limitations; see ONS additional guidance published in March 2025:

• Operational intelligence and gaps: public information about Council toilets and accessible provision; available feedback and complaints where relevant.

• GP survey reveals health and healthcare inequalities of trans and non-binary adults | University of Cambridge (health inequalities experienced by trans people) and LGBT in Britain - Trans Report (2018) | Stonewall UK (socioeconomic inequalities experienced by trans people)

Evidence limitations: population statistics indicate the scale and diversity of potential users but do not in themselves establish the effects of this policy; no comprehensive site-level analysis is claimed.

Further evidence and proportionate site-specific equality assessments will be required when changes to facilities or services are proposed, and this EqIA will need to be updated where impacts are identified relating to the overall proposed position.

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

The Council's proposals to increase universal facilities, review service access arrangements and provide clear information and staff guidance are particularly relevant to people of different ages, including those who need assistance.

Universal facilities may make it easier for parents and carers to support children or older people regardless of sex or gender identity, helping to make services more inclusive. For example a father would be able to take their 3 year old daughter to use a gender neutral toilet, instead of taking their daughter to a male toilet.

When making changes to existing services or facilities, EqIAs will ensure the needs and impacts on those with the protected characteristic of age are considered.

(b) Disability

Context: The Council proposes moving to universal facilities in addition to accessible facilities. However, in limited circumstances some accessible facilities will be made available to all, where universal provision does not currently exist. There is a risk that this may reduce disabled people's access to toilet and changing facilities, but this risk is mitigated in part, as it is restricted to a small number of facilities and is primarily a short – medium term measure, pending refurbishment. The Council will monitor impacts on disabled people, especially by continuing to liaise with disability groups and organisations, to identify how to mitigate negative impacts relating to each facility. Council Communications on its approach aims to promote understanding, discourage assumptions or harassment.

Potential impacts: The Council's proposal to increase universal facilities in addition to existing accessible provision aims to improve choice and inclusion. Some disabled people who do not require specialist accessible facilities may benefit from having more options, including those who need assistance from someone, regardless of their sex or gender identity. Dedicated accessible facilities will continue to be provided, this includes Changing Places toilets. Changing Places toilets have a peninsular toilet with support rails and space for a wheelchair to either side. The room has plenty of space for carers and a height-adjustable changing bench and hoist.

In a small number of locations where accessible toilets may also be made available for universal use, there is a risk of increased demand and waiting times for disabled people who rely on these facilities. Limiting these arrangements to a small number of facilities helps

contain the potential impact, while the Council's commitment to monitoring and responding to any identified barriers will provide further mitigation.

The Council's communications will also explain the different facilities available and discourage assumptions or inappropriate challenges based on appearance, helping to reduce the risk of harassment or questioning of people with non-visible disabilities.

The Council will assess and monitor these arrangements to understand any impacts and look into how these can be mitigated. Further information about existing toilet usage will help inform decisions about provision and any necessary adjustments.

(c) Gender reassignment

Context:

In the 2021 Census trans and non-binary residents aged 16 and over were 0.52% of the Cambridge population (652 people), whilst nationally trans and non-binary people are 0.26% of population of England and Wales.

The Equality Act 2010, section 7 paragraph 1, sets out that the protected characteristic of gender reassignment applies to any trans person at any stage of transition.

Potential impacts: The EHRC and Government equality assessments identify potential negative impacts on trans people arising from the updated Code of Practice, particularly where they may be excluded from services or facilities they previously accessed on the basis of their gender identity. This could worsen existing health and socio-economic inequalities experienced by trans people.

The Council's proposed approach aims to mitigate these risks by increasing universal toilet and changing facilities that everyone can use, reducing uncertainty about access and providing more inclusive options for trans and non-binary people. The Council also proposes that self-identification will normally be sufficient for accessing its services and facilities, subject to lawful exceptions. This aims to support continued access and reduce the risk of exclusion or unwanted questions about someone's sex or gender identity.

The Council will continue to provide services open to everyone. Where single-sex provision is considered, it will assess whether this is a proportionate means of achieving a legitimate aim under the Equality Act 2010, taking account of the needs of trans people alongside those of other service users.

The updated Code may also increase the risk of trans people being challenged when accessing services or facilities. The Council's communications and staff guidance will aim to discourage assumptions, challenges and harassment. Communications will also make clear

that universal facilities are for everyone, not just trans people, to reduce the risk of people being identified or singled out when using them.

(d) Marriage and civil partnership

No specific impacts have been identified in relation to marriage or civil partnership.

(e) Pregnancy and maternity

The Council's proposed approach to increasing universal toilet and changing facilities may provide greater flexibility for parents and carers accompanying young children, regardless of gender identity or sex.

No specific additional benefits related to pregnancy and maternity have been identified from universal provision itself. However, frequent or urgent toilet access may be more likely during pregnancy, and any changes to existing facilities should take these into account.

The Council will consider these needs when reviewing individual facilities, including ensuring suitable toilet and baby-changing provision remains available.

(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.

The Council's commitment to providing inclusive services, supported by clear information and signage, aims to ensure that people from all ethnic and national backgrounds can access services and facilities. Plain-English communications and translated information where needed will help reduce barriers for people with limited English proficiency.

Cultural practices or expectations relating to modesty may also affect whether some people feel able to access particular services or facilities. The Council's commitment to increasing fully enclosed universal toilets and changing facilities may align with cultural practices where modesty is important by providing individual spaces that can be used by anyone that are fully enclosed with no shared spaces. The Council will continue to provide single sex services and facilities where this is a proportionate means of achieving a legitimate aim. For

example, it may be identified as necessary and reasonable to protect privacy, dignity or safety, or where a combined service would not be as effective.

This will involve understanding where particular arrangements create barriers to accessing services, how individual facilities are designed and used, and whether existing provision or alternative arrangements could meet different people's needs.

The Council recognises that cultural practices vary and should not be assumed based on someone's ethnic or national background.

(g) Religion or belief

Context: The Council's proposed approach aims to ensure inclusive access to services and facilities for people of all religions and beliefs.

Cambridge has a diverse religious and belief profile. The 2021 Census found that 44.7% of residents reported having no religion, while 35.2% identified as Christian, 5.1% as Muslim, 2.3% as Hindu and 0.7% as Jewish. These figures illustrate the diversity of the local population, although religious affiliation does not necessarily indicate an individual's needs or views. People within the same religious community may have different beliefs and requirements, including in relation to single-sex provision.

Potential impacts:

Some people's religious beliefs or practices may affect whether they feel able to access particular services or facilities, particularly where modesty is important to them. This may mean that single sex services are more effective for them.

The Council's commitment to increasing fully enclosed universal toilets and changing facilities may help meet needs of religious communities where modesty is important by providing individual spaces that can be used by anyone that are fully enclosed with no shared spaces. The Council will continue to provide single sex services and facilities where this is a proportionate means of achieving a legitimate aim. For example, it may be identified as necessary and reasonable to protect privacy, dignity or safety, or where a combined service would not be as effective.

This will involve understanding where particular arrangements create barriers to accessing services, how individual facilities are designed and used, and whether existing provision or alternative arrangements could meet different people's needs. It will not assume that everyone within a particular religious community has the same requirements or views.

(h) Sex

Context: The Council's proposed position was informed by and reaffirms its commitment to ending violence against all women and girls, demonstrated through its White Ribbon accreditation, alongside its commitment to providing safe and inclusive services for everyone. These commitments are rooted in the shared principle that everyone deserves to be safe and treated with respect.

The 2021 Census recorded 49.9% of Cambridge residents as female and 50.1% as male.

Potential impacts:

The Council's position sets out that legal framework by which single sex provision needs to be applied and confirms that the Council will continue to provide this on a case-by-case basis, documenting rationale to ensure that such provision is a proportionate means of achieving a legitimate aim . Whether a single sex service needs to be provided or not will depend on what the service is for, who uses it, and the particular circumstances under the Equality Act relating to privacy, dignity or safety, or where a combined service would not be as effective.

The Council's proposed move towards fully enclosed universal toilet and changing facilities may improve inclusion and choice for women and men. Universal provision and the Council's position that self-identification should be sufficient in normal circumstances for using any of its facilities and services may also reduce the risk of women and men being challenged where their appearance or gender expression does not conform to traditional expectations or stereotypes about sex, as highlighted during discussions with the Inclusion and Equity Panel.

Following the Council's position, residents will see an increase in universal toilet and changing facilities as facilities are refurbished or redeveloped where funding is available. These will be gender neutral. For each decision related to single-sex services and facilities, a proportionality assessment and EqIA will be undertaken. The proportionality assessment would determine whether single-sex provision is lawful as a proportionate means of achieving a legitimate aim. This means that in some circumstances single sex provision will be provided in addition to universal provision. Feedback from the Task & Finish Group highlighted the importance of clearly explaining the continued availability of single-sex services and facilities and understanding the needs of women and girls when considering changes to existing provision. The EqIA will monitor the impact of changing provision for different equality groups.

(i) Sexual orientation

Some lesbian, gay, bisexual and queer people may face assumptions or challenges when accessing single-sex facilities because their appearance or gender expression does not conform to traditional expectations or stereotypes about sex or gender. This could increase the risk of discrimination or harassment.

The Council's approach to increasing universal provision, alongside clear communications and staff guidance discouraging assumptions and inappropriate challenges, aims to reduce these risks and support inclusive access for everyone.

(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_l59kt25g).**

Low-income and poverty

The Council's proposed approach aims to make services and facilities more inclusive and accessible for everyone, including people experiencing poverty, homelessness or other forms of disadvantage. A more inclusive accessible approach may improve access for people who rely on public facilities and have limited alternatives available.

Clear information and staff guidance should also help ensure people are treated consistently and respectfully, regardless of their circumstances or background.

Care experience

No specific additional impacts relating solely to care experience have been identified.

Intersectionality

In developing its position, the Council has noted that "people are more than any single characteristic, and many people identify with more than one community or group. People's identities and life experiences are important parts of who they are and how they experience the world. Recognising and valuing this helps create a city where everyone feels included."

The Council's proposed approach recognises that people's needs may be shaped by more than one protected characteristic and aims to ensure that services remain inclusive and accessible to everyone. For example:

- Sex and religion or belief: Some people have religious or belief-based needs relating to modesty or single-sex provision. The Council will continue to provide single sex services and facilities where this is a proportionate means of achieving a legitimate aim. The Council will consider their need on a case-by-case basis and document its rationale. This may mean providing single sex provision in addition to universal provision. This aims to provide options that meet different needs.
- Disability and gender reassignment: Disabled trans people may already benefit from accessible toilets that can be used regardless of sex or gender identity. The Council's approach aims to maintain inclusive access while increasing universal provision. Where accessible toilets are also made available for wider use, the Council will assess and monitor any impact on their availability for disabled people and consider mitigations to address negative impacts where needed.
- Sex and gender reassignment: The Council recognises that trans people are protected from discrimination under the Equality Act 2010, including through the protected characteristic of gender reassignment, and the protected characteristic of sex relating to their sex assigned at birth and protected on the grounds of perception. The Council will consider needs through an intersectional lens ensuring that suitable services and facilities remain available to all residents.

These examples demonstrate how the Council's proposed approach aims to recognise different and overlapping needs. Further EqIA assessments of specific services and facilities will help identify where additional measures may be required to support inclusion.

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.)

This action plan sets out the steps needed to implement and monitor the Council's proposed position, including measures identified through this EqIA and engagement with affected communities. Proposed leads and timescales will be confirmed with relevant services.

Action	Proposed lead	Timescale	Evidence of completion
1. Review Council policies and services. Identify policies, services and access arrangements affected by Council's approach. Prioritise areas requiring changes and record actions needed to support inclusive and lawful provision.	Relevant service leads, supported by Equity & Resettlement and Legal Services	Following approval, prioritised according to risk	List of affected policies and services, with agreed actions and responsibilities
2. Develop clear communications and signage. Develop plain-English information and clear signage to help people understand the Council's approach. Explain that universal facilities are for everyone, promote inclusion, recognise that disabilities and other personal characteristics are not always visible, and discourage assumptions or harassment.	Communications and Engagement working with Equity and Resettlement and relevant service leads	Before and during implementation	Communications materials and appropriate signage developed and implemented
3. Review staff training and guidance. Identify training needs for staff, particularly those managing single-sex facilities or services. Provide training and guidance to ensure all services users are treated with respect.	People (HR), relevant service leads and Equity & Resettlement with support from Legal Service	Before and during implementation	Updated guidance and training delivered where required
4. Establish a facilities review programme. Agree a timetable for reviewing existing toilet and changing facilities to move towards universal provision.	City Services, Community Facilities and Equity and Resettlement	Following approval, with timetable to be agreed	Agreed review timetable, findings and priorities for action
5. Assess equality impacts and single-sex provision. Undertake	Relevant service leads, supported by	Before material changes are	Completed EqIAs and

proportionate EqIAs when changes to services, policies or facilities are proposed. Where a single-sex exception is being considered, carry out and document an assessment to establish whether the arrangement is a proportionate means of achieving a legitimate aim.	Equity & Resettlement and Legal Services	implemented or single-sex exceptions applied	proportionality assessments, with documented decisions and mitigations
6. Engage with affected communities. Continue working with community organisations and service users, seeking feedback from people affected as the Council's position is implemented. Use findings to inform service and facilities reviews, and consider any additional measures needed.	Equity & Resettlement and relevant service leads	Ongoing	Engagement findings and resulting actions recorded

11. Do you have any additional comments?

12. Sign off
Lead officer: Gina Warren, Community Equity Officer Other assessment team members/people consulted: Helen Crowther, Equity and Community Power Manager, and Keryn Jalli, Strategic Resettlement and Community Equity Lead Date of EqIA sign-off: 4th November 2026 Date of next review: 4th November 2027 (or earlier as any additional impacts relating to the Council's overall position are identified) Date to be published on Council website: 6th November 2026

All EqIAs need to be sent to the Community Equity Team at equalities@cambridge.gov.uk

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Agenda Item 7

FLAG FLYING AND ILLUMINATION OF GUILDHALL

To:
Cabinet, 16th November 2026

Report by:
Keryn Jalli, Strategic Resettlement and Community Equity Lead

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 Cabinet for decision.

1.	**Recommendations**
1.1	Cabinet should: • note the views expressed by different communities in relation to flying the Palestine Flag or illuminating the Guildhall on 29 November 2026 to mark the UN's International Day of Solidarity with the Palestinian People; and, • consider the officer assessment in section 4.3 when making any such decisions; in particular, that such actions could negatively impact community cohesion and risk undermining trust the Council has built with various faith and community groups.
2.	**Purpose and reason for the report**
2.1	To provide an officer assessment to inform the Cabinet about the impact of flying the Palestine Flag and illuminating the Guildhall on the 29th November 2026 to mark the UN's International Day of Solidarity with the Palestinian People.

3.	**Alternative options considered**
3.1	The officer assessment was recommended by the Civic Affairs and Audit committee on 5th October 2026.
4.	**Background and key issues**
4.1	Councillors have submitted public motions in November 2024 and February 2026 calling for the Council to fly the Palestinian flag to commemorate United Nations International Day of Solidarity with the Palestinian People. In November 2024, the Council agreed to fly the United Nations flag to mark that occasion. The Council's flag flying protocol falls within the remit of its Civic Affairs and Audit Committee. Following consideration by Civic Affairs and Audit Committee on 5 October 2026, officers were asked to undertake an assessment, to identify any impacts relating to the safety and wellbeing of residents, and that the assessment should be presented to Cabinet on 16 November. The Cabinet's recommendation would then be referred to Full Council on 26 November ahead of the UN Day of Solidarity with the Palestinian People on 29 November 2026.
4.2	Scope of Officer Assessment The scope of the officer assessment was to identify any impacts relating to the safety and wellbeing of residents, regarding the decision whether to fly the Palestine flag and illuminate the Guildhall to commemorate the UN Day of Solidarity with the Palestinian People on 29 November 2026. It was not within scope to consider the humanitarian or geopolitical issues related to the Palestine - Isreal conflict. The Council's position on the conflict is set out in the 2024 motion on Palestine-Israel. In this motion the Council "called for an immediate ceasefire, the return of hostages, unfettered access for humanitarian aid, peace in the Middle East, international support for a two-State solution and the upholding of international law." The

	Council noted that "The International Court of Justice has ruled that there was a risk of irreparable harm to the Palestinian right to be protected from genocide". The Council committed to "investigate the implications of stopping banking with Barclays" and "to condemn all forms of Islamophobia and Antisemitism and work to champion a city free from hate, including in the Council's work to make Cambridge a City of Sanctuary."
4.3	Officer Assessment Officers reviewed hate crime data, reached out to different community and faiths leaders. Those individuals and organisations did so on the basis that their anonymity would be protected. The assessment focusses on perspectives provided in relation to flying the Palestinian flag and illuminating the Guildhall, and how these relate to community cohesion and feelings of safety. Crime data shows hate crime in Cambridge has risen since 2024, with 360 offences recorded that year and the rolling 12-month total to August 2026 around 11% higher than the previous 12 months. Racially motivated offences are the most common form of hate crime in Cambridge. Officers found that there is no single or shared community view on the proposals. Organisations noted that a range of perspectives exist within their own memberships and congregations, reflecting the complexity and sensitivity of the issue. Organisations contacted conveyed deep compassion for those affected by the conflict, expressed their heartfelt concern for the loss of life in Palestine and Isreal and shared their hopes for peace in the Middle East. Some viewed flying the Palestinian flag and illuminating the Guildhall as an act of solidarity with the Palestinian people. Most with this view also challenged the effectiveness of this as a symbolic gesture, noting that it would not directly assist those affected by the conflict, nor would it contribute to peace building or create opportunities for dialogue and understanding locally.

	There were mixed opinions as to whether flying the Palestine flag and illuminating the Guildhall would support or compromise previous Council statements for a two-State solution. Whilst a small number felt that the proposal would not impact community cohesion, most organisations expressed concerns that the proposals could negatively affect community cohesion, increase fears of hate crime, and reduce feelings of safety amongst some residents. These concerns were linked to significant increased concerns of antisemitism locally, the rise in antisemitism nationally and to broader concerns about the growth of far-right activity and rhetoric. It was highlighted that visible civic actions related to international issues may be used by the far-right to reinforce narratives that local issues are being overlooked, potentially increasing risks for communities already experiencing racism and discrimination. Several organisations emphasised that Cambridge's strong culture of coexistence, mutual respect and positive relations between different communities are significant community assets. Concerns were expressed that the proposals could negatively impact community cohesion, risk the trust Council has built with faith and community groups and impact the Council's ability to support and enable community cohesion given its role under the 2010 Equality Acts Public Sector Equality Duty to foster good relations between different groups.
5.	**Council Vision**
5.1	This decision links to the Council's vision "One Cambridge Fair for All" and its statutory duties under the Equality Act 2010.
6.	**Consultation, engagement and communication**
6.1	*Summarised in the officer assessment (see section 4).*
7.	**Anticipated outcomes, benefits or impact**

7.1	That this report supports Cabinet to put forward a recommendation on whether to fly the Palestinian Flag and illuminate the Guildhall, to inform Councillor's decision at Full Council on 26 November 2026.
8.	**Implications**
8.1	**Relevant risks**
	Summarised in the officer assessment (see section 4).
	Local Government Reorganisation (LGR)
8.2	No LGR implications
	Financial Implications
8.3	*No financial implications*
	Legal Implications
8.4	*The Council's statutory duties under the Equality Act 2010 Public Sector Equality Duty are summarised in the officer assessment (see section 4).*
	Equalities and socio-economic Implications
8.5	*The officer assessment identified impacts for the protected characteristics of race and religion as summarised in section 4.*
	Net Zero Carbon, Climate Change and Environmental implications
8.6	*No Net Zero Carbon, Climate Change and Environmental implications*
	Procurement Implications
8.7	*No procurement implications*
	Community Safety Implications
8.8	*Summarised in the officer assessment (see section 4).*
9.	**Background documents**

9.1	*Full Council motion, November 2024* *Full Council motion, February 2026* Civic Affairs and Audit Committee, October 2026

Agenda Item 8

REPORT TITLE: Annual Treasury Management (Outturn) Report 2025/26

To:

Cabinet

17 November 2026

Report by:
Joanna Taylor, Accountant (Capital and Treasury)
Tel: 01223 458131 Email: joanna.taylor@cambridge.gov.uk

Wards affected:
All

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

1.	**Recommendations**
1.1	It is recommended that Cabinet: • recommend this report to Full Council, which includes the council's actual Prudential and Treasury Indicators for 2025/26.
2.	**Purpose and reason for the report**
2.1	The council is required by regulations issued under the Local Government Act 2003 to produce an annual treasury report reviewing treasury management activities and the actual prudential and treasury indicators for each financial year. This report meets the requirements of both the CIPFA Treasury Management in the Public Services: Code of Practice 2021 (the 'Code') and the CIPFA Prudential Code for Capital Finance in Local Authorities 2021 (the 'Prudential Code') in respect of 2025/26. The Code specifies the following reports in respect of treasury management for the

	2025/26 financial year:- • an annual strategy in advance of the year; • a mid-year treasury update report; and • an annual review following the end of the year describing the activity compared to the strategy (this report). Under the revised Constitution approved by Full Council on 22 May 2025, this annual report is presented to Cabinet for recommendation to Council which meets on 26 November 2026.
3.	**Alternative options considered**
3.1	The Cabinet could choose not to recommend this report to Full Council, however failing to present a treasury management outturn report to Full Council would represent a breach of statutory guidance to which the council is required to have regard.
4.	**Background and key issues**
4.1	**Background** This report summarises: • capital expenditure and financing activity during the year; • the impact of capital spending on the council's 'need to borrow'; • the council's compliance with prudential and treasury indicators; • the treasury management position as at 31 March 2026 (Appendix A); • the council's treasury management advisors' view on UK interest and investment rates (Appendix B); • the actual prudential and treasury indicators (Appendix C); • the counterparty List (Appendix D); and • a glossary of terms and abbreviations (Appendix E).
4.2	**Highlights and key messages** • Total capital expenditure in 2025/26 was £117.564 million, which was less than the budgeted £204.150 million, largely as a result of slippage on projects.

	• Financing sources were:
	  ○ Capital receipts: £26.936 million
	  ○ Other contributions: £39.704 million
	  ○ External borrowing (Park Street): £13.233 million
	  ○ Internal borrowing/cash balances: £37.691 million
	• Total external debt as of 31 March 2026 was £297.107 million, giving headroom of £302.893 million against the authorised borrowing limit.
	• Deposit balances averaged £53.636 million and the cash balances were maintained to provide funding for capital expenditure (internal borrowing).
	• Average rate of return on deposits was 3.48% (down from 4.81% in 2024/25)
	• Total interest and dividend income earned during the year was £4.956 million, which was £0.334 million below the budgeted figure of £5.250 million. The variance reflects the impact of declining interest rates and reduced cash balances, as funds were increasingly used to support the Council's capital programme through internal borrowing.
	• The Council complied with all Prudential Indicators approved by Council and operated within the prescribed limits throughout the financial year.

5.	**Capital Expenditure and Financing 2025/26**
5.1	The Council undertakes capital expenditure on long-term assets. These activities may either be: • financed immediately through the application of capital or revenue resources (capital receipts, capital grants, developer contributions, revenue contributions, reserves etc.), which has no resultant impact on the Council's borrowing need; or • if insufficient financing is available, or a decision is taken not to apply other resources, the funding of capital expenditure will give rise to a borrowing need.
5.2	**Capital Expenditure** Actual capital expenditure forms one of the required prudential indicators. The table below shows actual capital expenditure and how this was financed.

	2024/25 £'000 Actual	2025/26 £'000 Budget[1]	2025/26 £'000 Actual
General Fund capital expenditure	57,934	107,884	51,631
HRA capital expenditure	57,179	96,266	65,933
Total capital expenditure	**115,113**	**204,150**	**117,564**
Resourced by:			
• Capital receipts	(10,518)	(33,936)	(26,936)
• Other contributions	(50,708)	(100,816)	(39,704)
Total available resources for financing capital expenditure	**(61,226)**	**(134,752)**	**(66,640)**
Financed from cash balances and borrowing	**53,887**	**69,398**	**50,924**

[1.] As per Treasury Management Strategy report (TMSS) to full Council approved on 24 February 2025, adjusted to reflect changes approved in year.

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

6.1 **Minimum revenue provision (MRP)**

MRP is the revenue charge that the council is required to make for the repayment of debt, as measured by the underlying need to borrow, rather than actual debt. The underlying debt is needed to finance capital expenditure which has not been fully financed by revenue or capital resources. As capital expenditure is generally expenditure on assets which have a life expectancy of over one year it is prudent to charge an amount for the repayment of debt over the life of the asset or some similar proxy figure.

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

The Council's MRP policy for 2025/26 was set out in the Annual Treasury Management Strategy agreed by Council on 24 February 2025. In accordance with this policy, the minimum revenue provision charged to the General Fund in 2025/26 was £702,489.

6.3 Local authorities are also permitted to make additional voluntary revenue provision

charges in order to accelerate the financing of underlying debt and reduce annual MRP charges in the future.

No voluntary revenue provision charges were made during 2025/26. As at 31 March 2026, the cumulative total of voluntary revenue provision charges made in previous years was £9,545,000.

6.4 **Borrowing during 2025/26**

During 2025/26, the Council utilised external borrowing to finance capital expenditure on the Park Street hotel and car park development. This borrowing was arranged in advance as part of the project's approved financing strategy. During 2024/25, £30 million of external borrowing was drawn down for the scheme, with a further £55 million drawn down during 2025/26. As the project was delivered below the original budget, only £13.233 million of the additional £55 million borrowing was ultimately required to fund expenditure.

The remaining £37.691 million financing requirement for capital expenditure shown in the table above was met through internal borrowing. This includes funding provided to the Cambridge Investment Partnership LLP, which will be repaid as the associated housing developments are completed and sales receipts are realised, together with funding relating to Housing Revenue Account capital expenditure.

6.5 **External Debt as at 31 March 2026**

The table below shows the Council's outstanding debt and headroom (the amount of additional borrowing that is possible without breaching the Authorised Borrowing Limit) as at 31 March 2026:

	Principal (£'000)
Authorised Borrowing Limit – agreed by Council on 24 February 2025	600,000
PWLB Borrowing (for HRA Self-Financing)	213,572
Other external borrowing	83,535
Total current headroom	302,893

As at 31 March 2026, the debt held by the council related to twenty loans from the PWLB

for self-financing the HRA, and a pre-arranged annuity loan from a financial institution in order to finance the development of the Park Street hotel and car park.

7. Treasury Position as at 31 March 2026

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

7.2 The table below provides a comparison of deposit activity and outturn for 2025/26 against 2024/25:

Deposit Type	2025/26		2024/25	
	Average Deposits (£m)	Average Rate of Return	Average Deposits (£m)	Average Rate of Return
Fixed Rate Deposits	9.93	4.62%	31.32	5.23%
Call/Overnight Accounts	10.39	3.55%	15.92	4.46%
Money Market Funds	41.24	4.10%	29.56	5.01%
CCLA Local Authorities' Property Fund and Enhanced Cash Funds	14.23	1.52%	24.29	4.58%
Bond	2.80	2.20%	2.8	2.20%
Overall Deposit Return	**73.48**	**3.48%**	**149.52**	**4.81%**

A summary of deposits is shown at Appendix A.

7.3 Total interest on treasury investments and dividends from managed funds of £4.956 million have been earned on the council's deposits during 2025/26 at an average rate of return of 3.48% (4.81% in 2024/25). (Note that the interest earned does not exactly equal the average rate of return multiplied by the average invested balance, as the rates of return above also take into account fair value movements on the principal invested where

	applicable – these movements are reversed out of the General Fund under statutory requirements). This has resulted in an overall under-achievement when compared with the budget of £5.25 million. This was substantially driven by falling interest rates and lower cash balances being held on deposit than assumed at the time the budget was set.
8.	**Interest Rate Update**
8.1	In support of effective forecasting the council needs to be aware of the potential influence of market interest and investment rates. The council is provided with regular commentary on current market conditions by its treasury advisors (MUFG), and the commentary as at 31 March 2026 including trends observed in 2025/26 is presented at Appendix B.
8.2	The Bank of England's Monetary Policy Committee cut the base rate by 0.25% to 3.75% in December 2025. In the light of this decision, our treasury advisors updated their forecast for future interest rates and this forecast is included in Appendix B. MUFG Corporate Markets made no change to its Bank Rate forecast in February 2026. Their forecast anticipated the next reduction in Bank Rate occurring in June 2026, with rates falling from 3.75% to 3.50%, followed by further gradual reductions to 3.00% by September 2027. The forecast remains dependent on inflation continuing to ease and economic conditions, including labour market data, remaining supportive of further monetary policy loosening.
9.	**Prudential and Treasury Indicators**
9.1	During the financial year the council operated within the 'authorised' and 'operational' borrowing limits contained within the Prudential Indicators set out in the council's Treasury Management Strategy Statement. The outturn for Prudential and Treasury Indicators is shown in Appendix C.
9.2	MUFG continues to revise its recommendations on counterparties and appropriate durations. The Council follows MUFG's recommendations as reflected in the current Counterparty List at Appendix D. Note that the limit for lending to Cambridge Investment Partnership LLP (CIP) has been increased to £65 million in order to accommodate

	proposed loans in respect of approved developments at ATS/Murketts, Newbury Farm and Fanshawe Road, subject to separate approval of an associated capital budget by Full Council.
10.	**Corporate plan**
10.1	Effective management of the Council's cashflows, investments and borrowing supports all aspects of the Council's Corporate Plan. Interest received from investments and interest paid on debt are important factors when considering how best to deliver on the priorities set out in the Plan. Corporate plan 2022-27: our priorities for Cambridge - Cambridge City Council
11.	**Consultation, engagement and communication**
11.1	None required.
12.	**Anticipated outcomes, benefits or impact**
12.1	Regular monitoring of performance against Prudential and Treasury Indicators enables timely action to be taken to address any issues highlighted.
12.2	Reporting of financial information to Cabinet leads to greater transparency of decision making.
13.	**Implications**
	Relevant risks
13.1	Prudent management of the Council's cash balances reduces the risk of financial loss.
	Financial Implications

13.2	Interest payable and receivable are reflected in the Council's existing budgets and reviewed appropriately.
	Legal Implications
13.3	None
	Equalities and socio-economic Implications
13.4	None
	Net Zero Carbon, Climate Change and Environmental implications
13.5	The council recognises that there is continuing debate about how best to capture information about the environmental, social and governance (often known as 'ESG') implications of investing decisions taken by the Council. The council continues to work with MUFG to understand developments within financial markets which offer the opportunity to have regard for ESG criteria when placing investments. The relevant CIPFA guidance asserts the primacy of 'security, liquidity and yield' considerations when managing the treasury portfolio and the council is required to adhere to that guidance. In the current interest rate environment, the Council has a preference for shorter-term investments to maintain flexibility and liquidity while interest rate expectations remain uncertain. MUFG's latest forecasts indicate that inflationary pressures, geopolitical uncertainty and energy market volatility could delay reductions in Bank Rate, with an extended period of higher interest rates now expected compared to previous forecasts. MUFG also advises that better value can currently be obtained at the shorter end of the yield curve and that short-dated local authority investments should be considered as part of investment strategy. Consequently, the Council's investment portfolio is now concentrated in shorter-term deposits and money market funds, enabling the Council to respond quickly to changing market conditions while continuing to prioritise security and

	liquidity. Longer-term investments continue to be held where they support the Council's wider objectives, including the investment in the CCLA Local Authorities Property Fund, which provides regular updates on its work to reduce the carbon footprint of its property portfolio and improve the energy efficiency of the properties it owns.
	Procurement Implications
13.6	None
	Community Safety Implications
13.7	None
14.	**Appendices**
14.1	Appendix A – Treasury Management position as at 31 March 2026 Appendix B – MUFG's opinion on UK interest and investment rates Appendix C – Prudential and Treasury Management indicators Appendix D – Current Counterparty List Appendix E – Glossary of Terms and Abbreviations
	To inspect the background papers or if you have a query on the report please contact Author's Name: Joanna Taylor Author's Tel. No. 01223 458131 Author's Email: joanna.taylor@cambridge.gov.uk

Appendix A

TREASURY MANAGEMENT POSITION AS AT 31 MARCH 2026

CURRENT DEPOSITS

The council's deposits as at 31 March 2026 are shown in the table below:

Counterparty	% Rate	Remaining Duration	Principal (£'000)
Fixed Term Deposits			
Harlow District Council	7.75	27 days	3,000
Cornwall Council	8.00	17 days	5,000
Surrey County Council	6.50	27 days	5,000
Allia Ltd	2.20	8 months	2,800
Total Fixed Term Deposits			**15,800**
Counterparty	**% Rate**	**Minimum Duration**	**Principal (£'000)**
Variable Rate Notice Accounts			
Barclays Bank PLC	3.50	Same day	8,601
CCLA Local Authorities Property Fund	3.79	90 days	15,000
Total Variable Rate Notice Accounts			**23,601**
TOTAL			**39,401**

Appendix B

MUFG'S OPINION ON UK INTEREST AND INVESTMENT RATES AS AT 31 MARCH 2026

UK Economy

As with 2024/25, UK inflation has proved somewhat stubborn throughout 2025/26. Having started the financial year at 3.5% y/y (April), the CPI measure of inflation peaked at 3.8% from July to September, before dipping to 3% in January and February. Core inflation picked up to 3.2% in February, from 3.1%, and the recent upward pressure on energy costs could see CPI inflation breach 4.5% later this year.

Against this backdrop, the continued lack of progress in ending the Russian invasion of Ukraine, and the potentially negative implications for global growth as a consequence of the implementation of US tariff policies, Bank Rate reductions look limited for the remainder of 2026 (as they do in the euro-zone). Bank Rate currently stands at 3.75%. Moreover, borrowing has becoming more expensive in 2025/26. Gilt yields have risen materially in March 2026, more than reversing the falls earlier in the financial year. Additionally, the public finances have remained under pressure. The higher-than-expected public net sector borrowing of £14.3bn in February was £2.2bn above last February's outturn. But that borrowing overshoot was mainly due to timing effects relating to the £13.0bn government debt interest payment. That came in as the highest payment since June 2025, causing a 12.3% y/y jump in spending. On the flip side, sitting at £8.1bn, tax revenues were also higher than last February, largely on the back of solid growth in self-employment incomes in 2024/25, boosting self-assessment income tax receipts and stronger capital gains tax receipts.

However, the combination of some energy price support and pressures from higher inflation amid the ongoing energy price shock, higher interest rates and a weaker economy will ultimately put borrowing on an upward trend. With the rise in energy prices possibly pushing the Retail Prices Index inflation up to a peak of 5.7%, debt interest repayments will increase by about £10bn. A weaker growth profile, higher inflation, higher interest rates and gilt yields could erode about £11bn of the Chancellor's £23.6bn headroom.

The loosening in the labour market continues to bear down on wage growth. The 3myy growth rate of average earnings including bonuses slowed from 4.2% in December to 3.9% in January. Meanwhile, excluding bonuses, private earnings growth continued to fall from 3.4% to 3.3%.

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

	UK	Eurozone	US
Bank Rate	3.75%	2.0%	3.5%-3.75%
GDP	0.1%q/q Q4 (1.0%y/y)	+0.2%q/q Q4 (1.2%y/y)	0.7% Q4 Annualised
Inflation	3.0%y/y (Feb)	1.9%y/y (Feb)	2.4%y/y (Feb)
Unemployment Rate	5.2% (Jan)	6.2% (Jan)	4.4% (Feb)

The Bank of England sprung no surprises in their March meeting, leaving Bank Rate unchanged at 3.75% by a vote of 9-0, but suggesting rates may need to rise if inflation picks up markedly. The vote could best be described as moderately hawkish. The MPC stated it "stands ready to act as necessary" and "is alert to the increased risk of domestic inflationary pressures through second-round effects in wage and price-setting". Even so, we suspect the committee is likely to put equal weight on higher inflation and weaker growth, particularly the poor macroeconomic backdrop prior to the energy shock, keeping interest rates at 3.75% this year.

10-year Gilt yields have been exceptionally volatile in the final weeks of 2025/26, troughing at around 4.23% in late February before shooting up to 5.00% (and well through that on an intraday basis). That spike was driven by the outbreak of war in the Middle East, which prompted a dramatic reassessment of investors' Bank of England policy rate expectations. Having been pricing in rate cuts in late-February, as many as four rate hikes were discounted by late-March. The 10-year yield ended the quarter at 4.92% with around 65bp of rate hikes priced in over the coming year. In addition to more hawkish monetary policy expectations, part of this increase in yields probably reflected an increase in term premia amid concerns that the government may react by loosening the fiscal purse strings.

As for equity markets, the FTSE 100 experienced another volatile quarter, surging to an all-time high of around 10,900 in late February, leaving it up 10% from the start of 2026, before giving back most of those gains in March after the outbreak of the Middle East conflict. That pullback leaves the index at around 10,176 at the end of the quarter. For context it was at 8,582 at the start of April. The £ has stayed relatively resilient also at $1.33, strengthening from $1.29 back in April.

US Economy

Despite a weak finish to 2025, the US economy has generally been the strongest among the developed economies, but with uncertainties growing surrounding President Trump's central economic tenet of being able to apply tariffs on an ad-hoc basis, and bend the FOMC Fed Funds rate decision-making to his will, there is something of a stalemate in place at present over when, and if, rates will be cut further in 2026.

Inflation is currently stuck at around 2.5%, unemployment is only a little above 4%, and tax refunds are in the process of being facilitated for many households. But will those refunds be – at least partially – offset by higher gasoline prices?

The S&P500 started April 2025 at 5,633 and finished March 2026 at 6,528 having peaked at just over 7,000. The 10-year Treasury yield finished March at 4.30% having been 4.17% back at the start of April, and during the year has been both above 4.50% and below 4.00%.

Eurozone Economy

The Eurozone economy has run pretty much in parallel with that of the UK. A slightly stronger finish to 2025 (GDP of 0.2% q/q) than that of the UK cannot hide the fact that the economy has been negatively impacted by German economic stagnation until late in 2025. France has also struggled against a difficult political backdrop, but managed to post GDP growth of 0.3% q/q for October to December.

With Eurozone headline inflation close to 2%, the ECB has been able to reduce its Deposit Rate to 2%. Whether it rises from that low point will very much be driven by how energy prices trend over the coming months. The Euro has appreciated against the dollar from 1.08 at the start of April 2025 to 1.16 at the end of March.

Having said that, the Bank still thinks inflation will rise from 2.8% in February to 3¾% in Q3. And while in February it said “inflation is expected to fall back thereafter to around the

Eurozone Economy

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

Updated Interest Rate Forecast following Base Rate Cut in December 2025, then revised again in late March 2026.

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

MUFG Corporate Markets Interest Rate View 25.03.26												
	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	3.75	3.75	3.75	3.75	3.50	3.50	3.25	3.25	3.25	3.25	3.25
3 month ave earnings	4.00	3.90	3.80	3.80	3.70	3.50	3.50	3.30	3.30	3.30	3.30	3.30
6 month ave earnings	4.20	4.10	4.00	3.90	3.90	3.70	3.70	3.50	3.50	3.50	3.50	3.50
12 month ave earnings	4.60	4.50	4.40	4.20	4.20	4.00	4.00	3.80	3.80	3.80	3.80	3.80
5 yr PWLB	5.00	5.00	4.90	4.80	4.60	4.40	4.20	4.20	4.10	4.10	4.10	4.10
10 yr PWLB	5.50	5.50	5.40	5.30	5.10	4.90	4.70	4.70	4.60	4.60	4.60	4.60
25 yr PWLB	6.00	6.00	5.90	5.80	5.60	5.40	5.20	5.20	5.20	5.20	5.10	5.10
50 yr PWLB	5.80	5.80	5.70	5.50	5.40	5.20	5.00	5.00	5.00	5.00	4.90	4.90

Appendix C

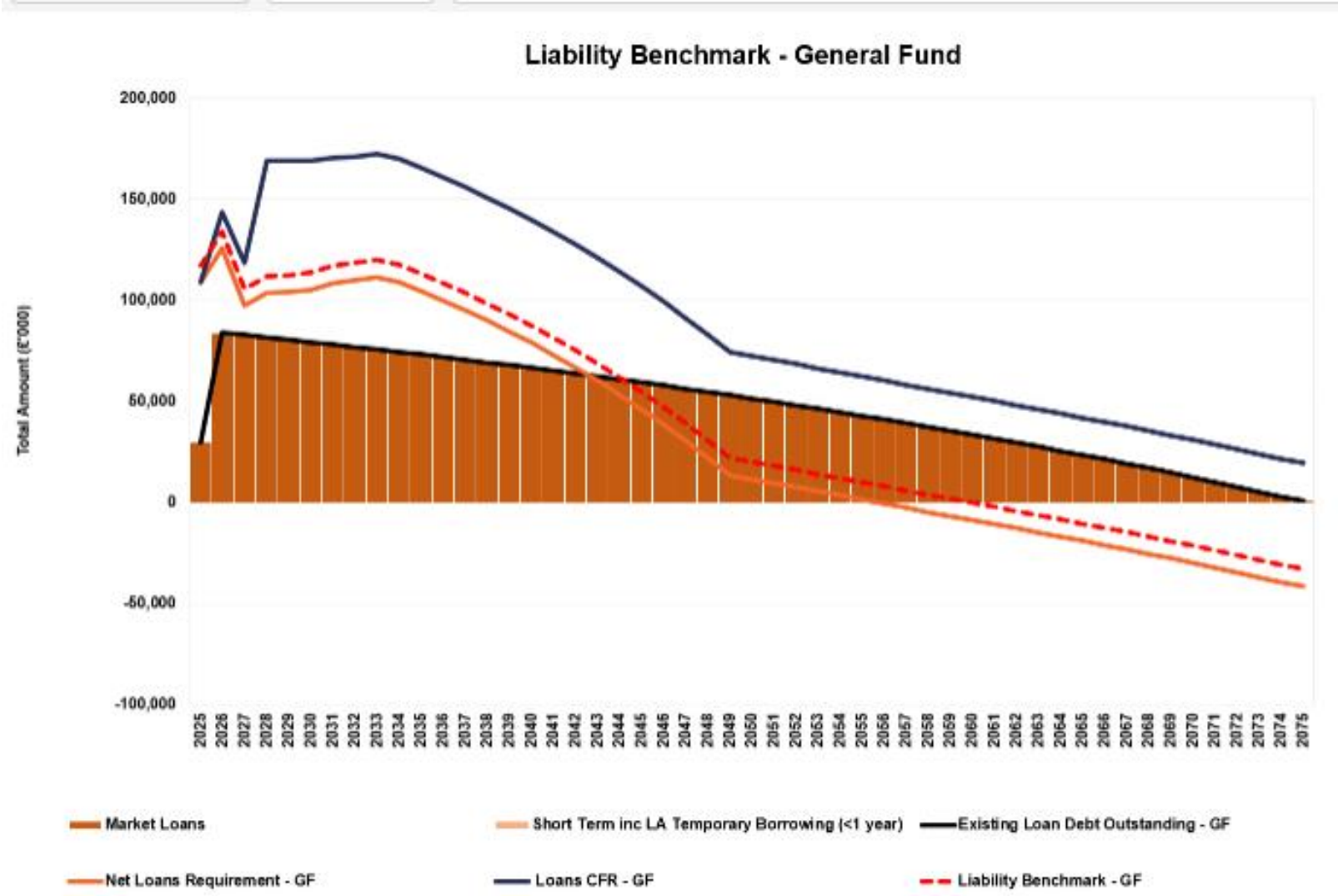
PRUDENTIAL AND TREASURY MANAGEMENT INDICATORS

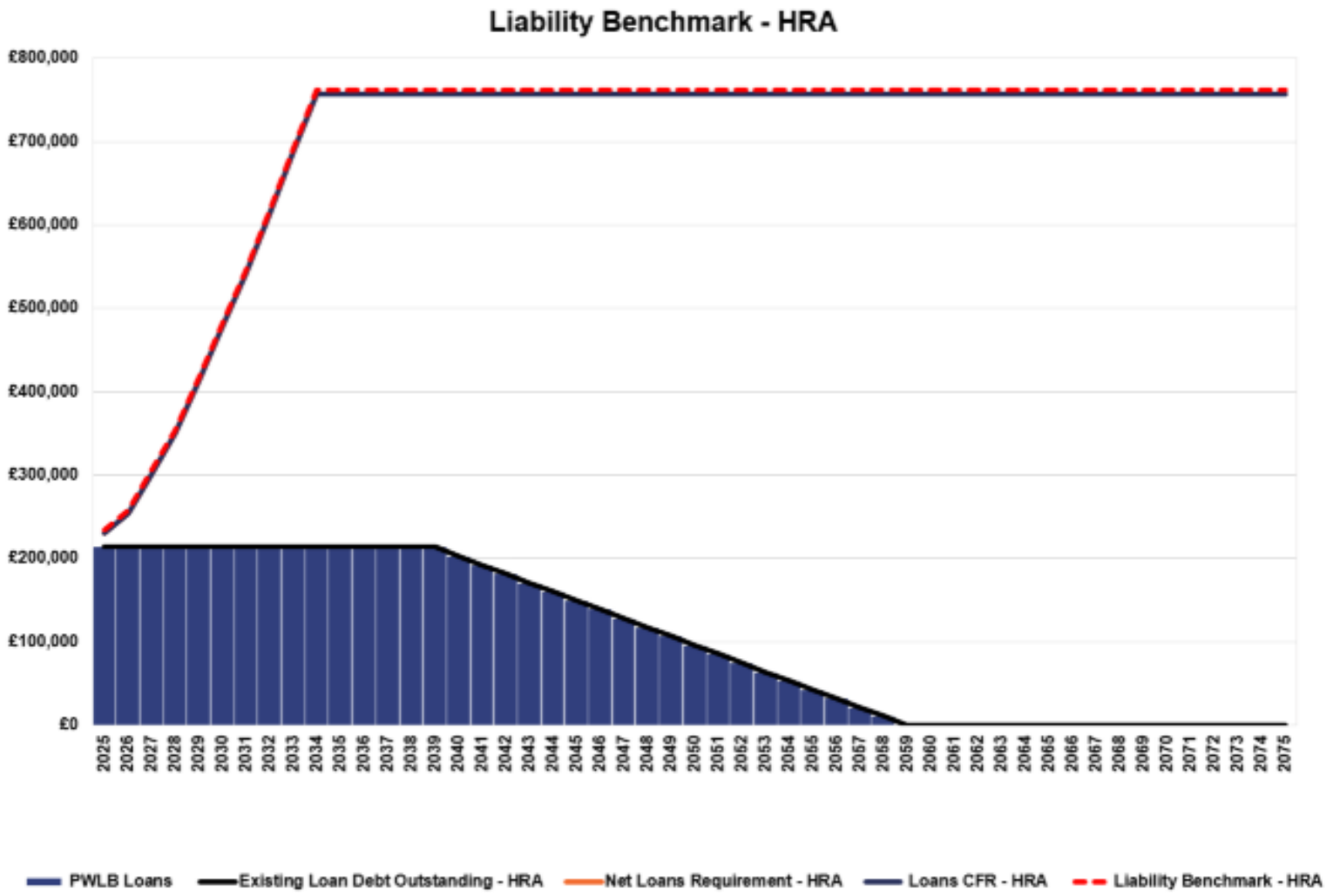
	Actual 2024/25 £'000	Budget[1] 2025/26 £'000	Actual 2025/26 £'000
PRUDENTIAL INDICATORS			
Capital expenditure			
- General Fund	57,890	107,884	51,631
- HRA	57,178	96,266	65,933
Total	**115,068**	**204,150**	**117,564**
Capital Financing Requirement (CFR) as at 31 March			
- General Fund	110,358	155,366	130,153
- HRA	230,352	328,202	253,380
Total	**340,710**	**483,568**	**383,533**
Change in the CFR[2]	54,767	142,858	44,097
Deposits at 31 March	44,791	90,000	53,636
External Gross Debt	243,572	340,793	297,473
Ratio of financing costs to net revenue stream			
-General Fund	(5.67%)	(1.87%)	(10.92%)
-HRA	14.68%	15.30%	13.43%
Net income from commercial and service investments to net revenue stream			
-General Fund	14,725	16,176	10,404
-HRA	0.471	0.472	631
% of net revenue stream			
-General Fund	40.81%	42.33%	64.75%
-HRA	0.84%	0.79%	1.05%

1. As per Treasury Management Strategy report (TMSS) to full Council approved on 24 February 2025, updated for changes to capital programme approved in year
2. After accounting for MRP charge and voluntary revenue provision

	Actual 2024/25 £'000	Budget[1] 2025/26 £'000	Actual 2025/26 £'000
TREASURY INDICATORS			
Authorised limit			
for borrowing	550,000	600,000	600,000
for other long term liabilities	2,000	2,000	2,000
Total	**552,000**	**602,000**	**602,000**
Operational boundary			
for external borrowing	434,867	493,568	340,800
for other long term liabilities	1,500	1,500	1,500
Total	**436,367**	**495,068**	**342,300**
Upper limit for total principal sums deposited for over 364 days & up to 5 years	50,000	50,000	50,000
Upper limit for fixed & variable interest rate exposure			
Net interest on fixed rate borrowing/deposits	9,679	11,290	7,768
Net interest on variable rate borrowing/deposits	(2,810)	(1,675)	(2,943)
Maturity structure of new fixed rate borrowing	Upper Limit	Lower Limit	
10 years and above (PWLB borrowing for HRA Reform)	100%	0%	

[1] Per Annual Treasury Management Strategy Report agreed by Council on 24 February 2025. This is considered the appropriate point of reference since it reflects limits in place from the start of the financial year.


Liability Benchmark - General Fund
Total Amount (£'000)
200,000
150,000
100,000
50,000
0
-50,000
-100,000
2025
2026
2027
2028
2029
2030
2031
2032
2033
2034
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2075
Market Loans
Short Term inc LA Temporary Borrowing (<1 year)
Existing Loan Debt Outstanding - GF
Net Loans Requirement - GF
Loans CFR - GF
Liability Benchmark - GF


Liability Benchmark - HRA
£800,000
£700,000
£600,000
£500,000
£400,000
£300,000
£200,000
£100,000
£0
2025 2026 2027 2028 2029 2030 2031 2032 2033 2034 2035 2036 2037 2038 2039 2040 2041 2042 2043 2044 2045 2046 2047 2048 2049 2050 2051 2052 2053 2054 2055 2056 2057 2058 2059 2060 2061 2062 2063 2064 2065 2066 2067 2068 2069 2070 2071 2072 2073 2074 2075
PWLB Loans
Existing Loan Debt Outstanding - HRA
Net Loans Requirement - HRA
Loans CFR - HRA
Liability Benchmark - HRA

Appendix D

Current Counterparty List

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

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

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

Name	Council's Current Deposit Period	Category	Limit (£)
All UK Police Authorities	N/A	Police Authority	20m
All UK Fire Authorities	N/A	Fire Authority	20m
Debt Management Account Deposit Facility	N/A	DMADF	Unlimited
Enhanced Cash Funds (Standard & Poor's: AAAf/S1, Fitch: AAA/S1)	Over 3 months and up to 1 year	Financial Instrument	10m (per single counterparty)
Enhanced Money Market Funds (not below AAf) - VNAV	Over 3 months and up to 1 year	Financial Instrument	5m (per fund)
Money Market Funds (AAAf) – CNAV, VNAV & LVNAV	Liquid Rolling Balance	Financial Instrument	15m (per fund) With no maximum limit overall
UK Government Treasury Bills	Up to 6 months	Financial Instrument	15m
Members of a Banking Group	Using MUFG's Credit Criteria	UK Banks and UK Nationalised Banks	40m
Non-Specified Investments: -			
All UK Local Authorities – longer term limit	Over 1 year and up to 5 years	Local Authority	Up to 35m (in total)
Cambridge City Council Housing (CCHC) Working Capital Loan	Up to 1 year	Loan	200,000
Cherry Hinton Community Benefit Society	Up to 1 year	Loan	50,000
CCHC Investment*	Rolling Balance	Loan (Asset Security)	7,500,000
Cambridge Investment Partnership*	Rolling Balance	Loan (Asset Security)	112m
CCLA Local Authorities' Property Fund	Minimum of 5 years	Pooled UK Property Fund	Up to 15m
Certificates of Deposit (with UK Banking Institutions)	Liquid Rolling Balance	Financial Instrument	See limits above

Name	Council's Current Deposit Period	Category	Limit (£)
Certificates of Deposit (with UK Building Societies)	Liquid Rolling Balance	Financial Instrument	See limits above
Certificates of Deposit (with Foreign Banking Institutions)	Liquid Rolling Balance	Financial Instrument	2m (per single counterparty)
Enhanced Cash Funds (Standard & Poor's: AAAf/S1, Fitch: AAA/S1)	Over 1 year and up to 5 years	Financial Instrument	10m (per single counterparty)
Enhanced Money Market Funds (not below AAf) - VNAV	Over 1 year and up to 5 years	Financial Instrument	5m (per fund)
Commercial Property Investments funded from cash balances	Over 1 year	Commercial Property	25m (in total)
Municipal Bonds Agency	N/A	Pooled Financial Instrument Facility	50,000
Secured Local Bond – Allia Limited	N/A	Local Business Bond	Up to 5m in total
Supranational Bonds – AAA	Using Link's Credit Criteria	Multi-lateral Development Bank Bond	15m
UK Government Gilts	Over 1 year & up to 30 years	Financial Instrument	15m

Note: In addition to the limits above, the total non-specified items over 1 year **(excluding balances with related parties*)** will not exceed £50m.

Appendix E

Treasury Management – Glossary of Terms and Abbreviations

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

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

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

Agenda Item 9

REPORT TITLE: S106 Developer Contribution Allocations

To:
Cabinet Member for Communities, Councillor Mike Todd-Jones & Cabinet Member for Nature, Open Spaces and City Services, Councillor Martin Smart

Cabinet 16th November 2026

Report by:
Ian Ross – Recreation Development Manager
Tel: 01223 458638 – Ian.Ross@cambridge.gov.uk

Wards affected:
All

Assistant Director Alistair 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 Cabinet/Cabinet Member for decision.

1.	**Recommendations**
1.1	It is recommended that Cabinet Members: a) Approve the allocation of Section 106 developer contributions to the projects set out in Table 1 of this report, subject to confirmation that each allocation complies with the relevant Section 106 agreement, that sufficient eligible funding is available, and that the proposed expenditure can be committed or incurred within the applicable contractual deadlines. b) Delegate authority to the Director of City Services, to approve further allocations of remaining eligible pre-2017 generic Section 106 contributions to individual projects up to £25,000, subject to: I. Confirmation of the availability and eligibility of the relevant contributions. II. Demonstration that the proposed expenditure meets the purposes and restrictions of the relevant Section 106 agreements. III. Evidence that the project is deliverable within the applicable funding deadline.

	IV. Compliance with the Council's financial, procurement and grant-making requirements. V. Maintenance of a documented audit trail of decisions, commitments and expenditure. c) Require proposed allocations exceeding £25,000 to be submitted to the relevant Cabinet Member for approval, subject to the Council's Constitution and applicable decision-making requirements. d) Require officers to maintain a consolidated record of allocations made under the delegation, including the projects supported, amounts committed and expenditure deadlines, and to provide a final report on the allocation and use of the remaining generic contributions.
2.	**Purpose and reason for the report**
2.1	The purpose of this report is to seek approval for the allocation of remaining eligible Section 106 developer contributions towards improvements to sports facilities, community infrastructure, public open spaces and allotments across Cambridge. These investments will help mitigate the impacts of development, improve the quality and accessibility of local facilities and deliver benefits for residents and communities. A number of the Council's remaining generic Section 106 contributions were secured through earlier planning agreements and are approaching their contractual expenditure deadlines. Where contributions are not committed or spent in accordance with the terms of the relevant agreements, there is a risk that funding may become repayable to developers, resulting in the loss of opportunities to invest in local infrastructure. The report therefore seeks approval for a programme of identified projects, alongside a controlled delegation to enable officers to allocate remaining eligible generic contributions to smaller projects within the relevant funding deadlines. This approach will maximise the community benefits of developer contributions while ensuring that expenditure remains consistent with the relevant planning obligations and is subject to appropriate financial and governance controls.
3.	**Alternative options considered**
3.1	The Council has previously approved allocations of more than £870,000 of Section 106 contributions towards local projects and infrastructure improvements through reports considered between 2023 and 2025. The current report seeks to address the remaining

	eligible generic contributions and ensure that these are used effectively before the relevant contractual deadlines. The alternative of retaining the remaining contributions without making further allocations was considered but is not recommended, as this would increase the risk of funds becoming repayable to developers and would delay investment in eligible community infrastructure. The option of seeking individual Cabinet Member approval for every remaining allocation was also considered. However, given the relatively small value of some remaining contributions and the need to respond to funding deadlines, a controlled delegation for allocations up to £25,000 is considered a proportionate approach. Larger allocations would continue to require approval from the relevant Cabinet Member.
4.	**Background and key issues**
4.1	Historically, the Council secured Section 106 contributions through planning agreements that included both generic contributions, available for eligible infrastructure improvements within specified categories, and contributions restricted to particular sites or projects. Changes to the Council's approach to securing developer contributions have resulted in a greater proportion of funding being linked to specific infrastructure requirements and locations. The remaining generic contributions secured under earlier agreements provide some flexibility to support eligible projects, subject to the terms of the individual agreements. Many of the remaining generic contributions are approaching their contractual deadlines, with a number expected to require expenditure or commitment within the next 16 to 18 months. It is therefore important that the Council identifies eligible and deliverable projects and ensures that the necessary approvals and financial commitments are made within the relevant timescales. Officers are working with Planning and Finance colleagues to reconcile the remaining Section 106 balances, including previous expenditure, existing contractual commitments and relevant expiry dates, within the Exacom planning obligations database. This work will provide a consolidated and auditable record of the contributions available for allocation. The proposed delegated authority would enable officers to allocate remaining eligible generic contributions to smaller projects, subject to appropriate financial, legal and procurement controls. Allocations exceeding £25,000 would be referred to the relevant

	Cabinet Member for approval. All decisions would be recorded, with the eligibility of the expenditure and applicable funding deadlines confirmed before commitments are entered into. The proposed allocations have been identified having regard to the purposes of the relevant Section 106 contributions, the infrastructure needs of local communities, the benefits of the proposed improvements and the ability of the projects to be delivered within the available funding timescales. Projects have been considered against the following criteria: • Eligibility under the relevant Section 106 agreement, including any geographical or infrastructure-specific restrictions. • Contribution to mitigating the impacts of development and addressing identified community infrastructure needs. • Benefits to local residents, including improvements in accessibility, participation and the quality of facilities. • Deliverability within the relevant funding deadlines. • Financial viability, including the availability of any necessary match funding and the management of future maintenance responsibilities. • Value for money and the ability to demonstrate measurable community benefits. Where contributions are restricted to named sites or specific purposes, the proposed expenditure must comply with those restrictions. Where generic contributions permit a wider choice of projects, officers have considered the relative benefits and deliverability of eligible proposals.
5.	**Corporate plan**
5.1	Corporate plan 2022-27: our priorities for Cambridge - Cambridge City Council These projects and spending of developer contributions help mitigate growth within local neighbourhoods and also aligns with the Corporate plan delivering on the following objectives; ○ provides for great places ○ increases wellbeing and social inclusion, ○ plans for the right infrastructure in the right places at the right times to serve our growing communities. ○ work towards a situation where all residents have equal access to public activities and spaces in Cambridge and are able to participate fully in the community ○ continuously improve the services we provide so that they best meet the needs of those who use them ○ review our assets to ensure they are delivering optimum value to the Council and wider community, increasing social capital

6.	Consultation, engagement and communication
6.1	Since the previous round of Section 106 allocations in 2024/25, officers have received proposals from community organisations, sports facilities and local groups seeking financial support for improvements to existing facilities. These include projects where contributions have been specifically secured for named facilities, alongside proposals that may be eligible for support from remaining generic contributions. In considering proposals, officers have had regard to the eligibility of expenditure under the relevant Section 106 agreements, the benefits to local communities, accessibility and participation, project deliverability, and the availability of any additional funding required to complete the works. Further engagement with relevant ward councillors, community organisations, facility operators and other stakeholders will be undertaken where appropriate as individual projects are developed and delivered. For allocations made under delegated authority, officers will ensure that relevant consultation and project approvals are completed before funding is committed.
7.	**Anticipated outcomes, benefits or impact**
7.1	The proposed allocations will support improvements to community, sporting and recreational facilities across Cambridge. The projects have been identified to address local infrastructure needs, improve the quality and accessibility of facilities, support greater participation in community activities and maximise the benefits of eligible developer contributions. **Romsey Mill - £8,291 of Indoor Sports funds** With funds being requested to go towards the upgrade of the Sports Hall floor & purchase and installation of Badminton posts & net and basketball hoops. Romsey Mill has also achieved some external funding to complete the sports hall flooring works. **Chesterton Sports Centre - £86,532 of Indoor Sports funds*** Chesterton Sports Centre have requested the release of their dedicated funds to go towards the following projects at the Sports Centre; £38,485 of Named S106 Indoor Sports and £26,200 of Generic Indoor Sports funds contributions for the Sports Hall floor upgrades. £12,912 of named S106 Indoor Sports contributions for the screens, window films and blinds across the sports centre and gyms £8,938 of named S106 Outdoor Sports contributions for pitch improvements and new goals on the outdoor pitches (3G & Grass)

	With the total sum of £86,532 of funds to Chesterton Sports Centre will conclude all the funds that are currently available and collected that are noted within specific S106 agreements solely for use at facilities within Chesterton Sports Centre and pitches. **Chesterton Indoor Bowls Club - £10,000 of Indoor Sports funds** Chesterton Indoor Bowls Club have requested funds towards provision of new social seating and café tables and chairs for use by the public and members. **Cambridge Dive Gym - £4,680 of Indoor Sports funds** Have requested a contribution towards new indoor land based training facilities at Netherhall Academy to include a new AirTrack and Air Mattress. **Parkside Pools - £45,000 of indoor sports funds** Additional funds towards an existing S106 project allocation for a larger scale display and scoreboard on poolside. **Centre 33 - £40,000 of Communities funds** Contribution to facility upgrades for youth support and delivery of youth services at their Cambridge centre. **Nightingale Pavilion - £13,500 of Outdoor Sports funds** For the provision of new Steel Railings around the Pavilion to increase safety and reduce vandalism and opens the veranda up for more spectator usage of the football pitches. **Trumpington Pitches - £4,608 Outdoor Sports funds** For provision of recreational mobile football goals on the Academy sports field for general public and local residents use. **Abbey Leisure Complex - £35,000 of Outdoor Sports funds** For surfacing expansion around the fit kit station and Youth Cabin to allow for more recreation sports, table tennis and HITT training and exercises to be used and delivered. **Abbey Leisure Complex - £3,000 of Outdoor Sports funds** For additional 9v9 goals on the 3G pitch to meet the additional demand from hirers of the pitch requesting theses size goals **Parkers Piece £85,000 of Informal Open Space & Public Realm funds*** The proposed allocation will support improvements to the electrical infrastructure at Parker's Piece, enabling mains power to be provided to two quadrants of the open space. The improvements will support the delivery of community events and activities,

	reduce reliance on temporary generators and provide more sustainable infrastructure for the use of the site. The project will be subject to confirmation of the full capital cost, ongoing operational arrangements and future maintenance responsibilities. **Coldham's Common - £65,000 of Informal Open Space funds *** The proposed allocation will support improvements to pedestrian access onto Coldham's Common from the Abbey Leisure Complex and to the approach to the footbridge connecting the open spaces across the railway. The works are intended to improve accessibility, connectivity and the usability of the Common for local residents and visitors. Delivery will be subject to the necessary technical assessments, permissions and confirmation of future maintenance responsibilities. **Darwin Green & Clay Farm allotments - £10,000 of Allotment funds** The proposed allocation will support the provision of community composting bays and associated storage facilities at Darwin Green and Clay Farm allotments. The improvements are intended to support more sustainable allotment management, improve facilities for plot holders and encourage the reuse of organic materials on site. **Kings Hedges "Pulley" £3,500 of Informal Open Space funds** The proposed allocation will support landscaping improvements and the installation of a picnic bench within the play area, improving the quality and usability of the space between the splashpad and existing play equipment for children, families and other visitors.
8.	**Implications**
8.1	**Relevant risks**
	The principal risk is that remaining Section 106 contributions are not allocated, committed or spent within the deadlines specified in the relevant planning agreements, potentially resulting in funds becoming repayable to developers. Additional risks include project delays, increases in delivery costs, the allocation of contributions to expenditure that does not meet the relevant agreement requirements, and the creation of future maintenance liabilities. These risks will be managed through the reconciliation of contribution balances and expiry dates, assessment of project eligibility and deliverability, appropriate financial and procurement controls, and confirmation of project ownership and maintenance arrangements before expenditure is committed.

	Local Government Reorganisation (LGR)
8.2	The proposed allocations are intended to ensure that eligible Section 106 contributions are committed and spent within the deadlines specified in the relevant planning agreements. The programme will be managed having regard to the anticipated timetable for Local Government Reorganisation, with appropriate records maintained to support financial accountability and any future transfer of responsibilities or outstanding obligations.
	Financial Implications
8.3	The proposed allocations will be funded from eligible Section 106 developer contributions held by the Council and will not require additional funding from the Council's General Fund, provided that project expenditure remains within the available contribution balances and any required match funding is secured. Finance and Planning colleagues will confirm the availability, eligibility and relevant deadlines of contributions before allocations are finalised. Officers will also ensure that any additional project costs, match-funding requirements and ongoing maintenance or operational liabilities are identified and appropriately funded before commitments are entered into. A consolidated record of allocations, commitments and expenditure will be maintained to support financial monitoring and audit requirements.
	Legal Implications
8.4	Section 106 contributions are secured through legally binding planning obligations under the Town and Country Planning Act 1990. The use of these contributions is governed by the terms of the individual agreements, including restrictions on eligible purposes, geographical application and any applicable deadlines for expenditure or commitment. Before any allocation or expenditure is authorised, officers will confirm that the proposed project is consistent with the relevant agreement and that the Council has the necessary authority to apply the contribution. Where funding is awarded to third-party organisations, appropriate grant or funding agreements will be required to secure delivery of the intended benefits, ensure compliance with the relevant Section 106 restrictions and provide suitable monitoring and accountability arrangements.

	Legal advice will be sought where there is uncertainty over the interpretation of an agreement, the proposed use of a contribution or the Council's ability to meet the relevant contractual requirements.
	Equalities and socio-economic Implications
8.5	The proposed investments are intended to improve the quality, accessibility and availability of community, sporting and recreational facilities for residents across Cambridge. Improvements to existing facilities may provide opportunities to increase participation among different age groups and communities, including those who experience barriers to accessing recreational activities. Individual projects will be assessed for relevant equality impacts as they are developed, with appropriate consideration given to accessibility, inclusive design and the needs of users with protected characteristics.
	Net Zero Carbon, Climate Change and Environmental implications
8.6	The environmental implications of individual projects will vary depending on the nature and scale of the proposed works. Where appropriate, project delivery will consider sustainable materials, waste reduction, energy efficiency and opportunities to minimise environmental impacts. In particular, the proposed electrical infrastructure improvements at Parker's Piece have the potential to reduce reliance on temporary diesel and biodiesel generators for events and activities, supporting the Council's wider environmental objectives. The extent of any carbon reduction will depend on the future use of the infrastructure.
	Procurement Implications
8.7	Works and services funded through the proposed allocations will be procured in accordance with the Council's applicable Contract Procedure Rules and financial regulations. Where contributions are awarded to third-party organisations, appropriate funding agreements will be used to establish the permitted use of the funding, delivery requirements, monitoring arrangements and relevant obligations relating to procurement and value for money.
	Community Safety Implications

8.8	Several of the proposed projects are expected to provide community safety benefits through improvements to the condition, accessibility and usability of public facilities and open spaces. These include the proposed railings at Nightingale Pavilion and access improvements at Coldham's Common. Any specific safety risks associated with construction, installation or future operation will be addressed through the relevant project design, risk assessment and delivery arrangements.
9.	**Background documents** Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985
9.1	Previous S106 reports to Environment and Communities Committees 2023 – 2024 October 2023, January 2024, June 2024.
10.	**Appendices**
10.1	Appendix 1 – Proposed Section 106 allocations and funding schedule A schedule setting out the proposed projects, allocation amounts, contribution categories, generic or site-specific funding sources, relevant expenditure deadlines and anticipated delivery arrangements.
	To inspect the background papers or if you have a query on the report please contact; Ian Ross - Recreation Development Manager tel: 01223 458638, email: Ian.Ross@cambridge.gov.uk

Appendix 1 – Section 106 Allocations and Funding Schedule

This schedule reflects the proposed allocations in the report recommendations. It does not confirm that sufficient eligible funds are available or that individual agreement restrictions and expiry dates have been verified. Those checks must be completed before funds are committed.

Table 1 - Proposed project allocations

Project / portfolio	Allocation	S106 category	Proposed works	Funding / checks required
Romsey Mill (Communities / Sports)	£8,291	Indoor Sports	Sports hall flooring and sports equipment	Not specified. Confirm agreement eligibility, balance, delivery date and match funding.
Chesterton Sports Centre (Communities / Sports)	£86,532	Indoor Sports*; Outdoor Sports* in narrative	Sports hall and gym upgrades; pitch improvements	Named and generic (breakdown in 7.1). Confirm grant conditions and delivery
Chesterton Indoor Bowls Club (Communities / Sports)	£10,000	Indoor Sports	Social seating and café tables	Not specified. Confirm eligibility of furniture and public/community access.
Cambridge Dive Gym (Communities / Sports)	£4,680	Indoor Sports	AirTrack and air mattress at Netherhall Academy	Not specified. Confirm grant conditions and delivery.
Parkside Pools (Communities / Sports)	£45,000	Indoor Sports	Large display and scoreboard	Not specified. Confirm existing allocation, total cost and additional funding need.
Centre 33 (Communities / Sports)	£40,000	Communities	Contribution to facility upgrades	Not specified. Specify works, eligible community benefit and funding agreement.
Nightingale Pavilion (Communities / Sports)	£13,500	Outdoor Sports	Steel railings to pavilion	Not specified. Confirm sporting purpose and ongoing maintenance.
Trumpington Pitches (Communities / Sports)	£4,608	Outdoor Sports	Recreational football goals	Not specified. Confirm public access and site permissions.
Abbey Leisure Complex (Communities / Sports)	£35,000	Outdoor Sports	Surfacing for recreation and exercise	Not specified. Confirm scope, eligibility and maintenance.
Abbey Leisure Complex (Communities / Sports)	£3,000	Outdoor Sports	For additional 9v9 goals on the 3G	Not specified. Confirm scope, eligibility and maintenance.
Parker's Piece (Open Spaces / Allotments)	£85,000	Informal Open Space & Public Realm*	Power and infrastructure upgrades	Some site-specific Reconcile; confirm event/public benefit, full costs and maintenance.
Coldham's Common (Open Spaces / Allotments)	£65,000	Informal Open Space*	Access improvements	Some site-specific. Confirm access design, consents, footbridge interface and maintenance.
Darwin Green & Clay Farm allotments (Open Spaces / Allotments)	£10,000	Allotments	Composting bays and storage	Not specified. Confirm split between sites and geographical eligibility.

Kings Hedges “Pulley” (Open Spaces / Allotments)	£3,500	Informal Open Space	Landscaping and picnic bench	Not specified. Confirm eligible use and maintenance arrangements.

* The report indicates that some site-specific contributions are included.

Table 2 - Allocation summary

Communities and sports (10 projects)	£250,611
Open spaces and allotments (4 projects)	£163,500
Total in recommendations (14 projects)	£411,111