

STRATEGY & RESOURCES SCRUTINY COMMITTEE

03 July 2023

5.30 – 22:05

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

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

GREATER CAMBRIDGE IMPACT FUND

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

Options for the Fund’s purpose and structure were considered in a feasibility study, drawing on the experience of other places, and by co-designing the proposed model with social impact experts, local charities and social enterprises, potential social investors, and philanthropists. A Fund Development Board is now in place. It has the appropriate expertise and experience to support the development and establishment of the Fund, including advising on the appropriate legal and governance arrangements. An initial investment of £0.2m is requested from the General Fund reserve to provide the necessary resources to develop the Fund and to fundraise.

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

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

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

Accordingly, Council is recommended to:

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