

STRATEGY AND RESOURCES SCRUTINY COMMITTEE

31 March 2025
5.30 - 9.15 pm

Present: Councillors Robertson (Chair), Gawthrope Wood (Vice-Chair), Baigent, Bennett, Bick, Sheil and Young

Executive Councillors: Davey (Leader) and S. Smith (Executive Councillor for Finance and Resources)

Officers:

Chief Operating Officer: Jane Wilson

Chief Financial Officer: Jody Etherington

Director of Economy and Place: Lynne Miles

Joint Director, Greater Cambridge Shared Planning and 3C Building Control: Stephen Kelly

Programme Director – Major Regeneration: Fiona Bryant

Assistant Director, Development: Ben Binns

Committee Manager: James Goddard

Meeting Producer: Boris Herzog

FOR THE INFORMATION OF THE COUNCIL

25/9/SR Apologies for Absence

No apologies were received from Councillors.

25/10/SR Declarations of Interest

Name	Item	Interest
Councillor Baigent	All	Personal - Member of Cambridge Cycling Campaign.

25/11/SR Minutes

The minutes of the meeting held on 21 November 2024 and 10 February 2025 were approved as a correct record and signed by the Chair.

25/12/SR Public Questions

There were no public questions.

25/13/SR Cambridge City Council Performance Management Framework

Matter for Decision

This proposal sets out the new approach the Council will use to manage its performance. It will be a part of the policy framework for the Council, it was therefore being presented to the Executive Councillor for Finance and Resources for approval.

Decision of Executive Councillor for Finance and Resources

- i. Approved the attached Performance Management Framework Principles and Approach document in Appendix 1 of the Officer's report.
- ii. Noted the next steps for implementation.

Reason for the Decision

As set out in the Officer's report.

Any Alternative Options Considered and Rejected

See Officer's report.

Scrutiny Considerations

The Committee received a report from the Chief Operating Officer.

The Chief Operating Officer said the following in response to Members' questions:

- i. The Performance Management Framework looked at inputs, outputs and outcomes such as resident satisfaction. Some measures were statutory. The baseline was a mix of data to date, or 'form now' if no prior data sets were available.

Councillor Robertson drew comparison to key performance indicators reported to Housing Scrutiny Committee.

- ii. Key performance data has been tested using other data sources to ensure they would work.

- iii. The risk management framework and performance dashboard was currently being tested and Officers were working with Corporate Managers to ensure they had the details to produce data reports.
- iv. Data collection points would determine if data could be reported quarterly or annually to Scrutiny Committee or Cabinet.
- v. The initial proposal was to present measures to Councillors, report for a period, ascertain if Councillors were happy with the process then review if Officers would publish data to the public as often as it was reported to Councillors.

The Executive Councillor said the purpose of the Corporate Hub should be to enable the Council to be an effective and efficient, high performing organisation. This was important to show it had impacts meaningful to residents, the environment and stakeholders.

The Committee unanimously resolved to endorse the recommendations.

The Executive Councillor approved the recommendations.

Conflicts of Interest Declared by the Executive Councillor (and any Dispensations Granted)

No conflicts of interest were declared by the Executive Councillor.

25/14/SR Combined Authority Update

Matter for Decision

This was a regular report to the Strategy & Resources Scrutiny Committee providing an update on the activities of the Cambridgeshire and Peterborough Combined Authority (CPCA) Board.

Decision of Leader

Noted the update provided on the issues considered at the meeting of the Combined Authority Board held on 19 March 2025 and the forward plan for future items.

Reason for the Decision

As set out in the Officer's report.

Any Alternative Options Considered and Rejected

See Officer's report.

Scrutiny Considerations

The Committee received a report from the Director of Place & Economy.

The Director of Place & Economy said the following in response to Members' questions:

- i. Two sections of the orbital bus route would go live in phase 1 (summer 2025) and the remainder in phase 2. Acknowledged the orbital route would not be a whole 360 degrees around the city until complete. When complete, commuters would not have to pass through the city centre to reach their destination. Acknowledged commuting through the city centre could cause travel delays.

The Leader undertook to liaise with the Combined Authority Mayor and clarify orbital bus route details with Councillor Bick.

- ii. Peterborough station improvements included:
 - a. Commitment to step free access.
 - b. More and faster trains between Cambridge and Peterborough.
- iii. Noted there was some out-of-date information about Peterborough station improvements in the public domain so would ascertain if updated details could be provided to residents.

The Committee resolved nem con to endorse the recommendation

The Executive Councillor approved the recommendation.

Conflicts of Interest Declared by the Executive Councillor (and any Dispensations Granted)

No conflicts of interest were declared by the Executive Councillor.

25/15/SR Cambridge Delivery Company: Update Report**Matter for Decision**

The report updated Members of Strategy and Resources Committee on the recent developments with Central Governments project for the growth of Cambridge.

Decision of Leader

Noted the update on the progress of the Cambridge Delivery Company implementation.

Reason for the Decision

As set out in the Officer's report.

Any Alternative Options Considered and Rejected

See Officer's report.

Scrutiny Considerations

The Committee received a report from the Joint Director of Planning.

The Committee made the following comments in response to the report:

- i. Ministers were visiting other parts of the city, not just Cambridge City Council. This needed public scrutiny. Ministers appeared able to change housing delivery figure targets for the City Council to deliver. Ministers should be invited to visit the City Council to hear the views of local Councillors on the practicalities of delivery.
- ii. Queried if more power would be given to Mayors in future which would take planning decisions away from the City Council?
- iii. There appeared to be two rival processes described in the Officer's report:
 - a. The Local Plan developed through the joint planning service.
 - b. Central Government ambitions for Cambridge City.
 - c. Appropriate infrastructure was required to deliver proposed housing.

The Leader said the following in response to Members' questions:

- i. The Cambridge Growth Company had established an Advisory Council. Quarterly updates could be provided to Cambridge City Council Committee(s). These were process discussions that were outside public scrutiny as occurred with some City Council processes.

- ii. Ministers were visiting other parts of the city, not just Cambridge City Council, about issues that could affect the Council eg water. The city was the focus of ministerial attention.

The Executive Councillor for Finance and Resources said water scarcity was a known issue in the east of England so this would affect Local Plan housing figures that could be delivered. If Central Government wanted more housing than was listed in the Local Plan they would need to put in substantial resources to deliver extra housing. The speculative figures mentioned in the media could not be delivered without supporting infrastructure.

- iii. Would ask Peter Freeman to attend future Cambridge City Council committee meetings.

The Joint Director of Planning said the following in response to Members' questions:

- i. Referred to P87 of the agenda pack. Officers were seeking clarification regarding the relationship between the Local Plan (as a statutory development plan) and Central Government ambitions from Central Government and the Cambridge Growth Company.
- ii. The Local Plan was the foundation for future growth and had prominence through legislation.
- iii. The Joint Local Plan was in place until 2045. The Cambridge Delivery Company should accelerate the delivery of planned growth strategies.
- iv. The planning phase to deliver appropriate infrastructure for housing should conclude by spring 2026. Separately the Council would consult on various strategies such as transport. Details would be confirmed in future. Separately, the Combined Authority was also undertaking some consultation to conclude by 2026.
- v. Ministers had mentioned housing targets in the media eg 150,000 but there was no set amount in plans. The City Council followed a set process for developing the Local Plan as set out in law. The Cambridge Development Company had a different type of plan and processes. It was not a 'plan' in the same way as the City Council Local Plan.

- vi. The Cambridge Delivery Company had no statutory role so could not supersede the Local Plan. They had to follow the Local Plan unless there were exceptions such as Ministerial guidance.
- vii. The relationship between the Mayor of Cambridgeshire and Peterborough's Spatial Development Strategy and City Council's Local Plan was set out in the Town and Country Planning Act 1990 (and subsequent amendments). The Local Plan set out allocated sites for housing.
- viii. The whole country had infrastructure stress. This was an opportunity to improve infrastructure in the Greater Cambridge area and make the case for need to the Treasury as part of delivering housing. This would show what could be delivered over and above the Local Plan if appropriate resources were in place.
- ix. Robust policies were in place to manage water supply, the challenge was to deliver.

The Committee resolved nem con to endorse the recommendation.

The Executive Councillor approved the recommendation.

Conflicts of Interest Declared by the Executive Councillor (and any Dispensations Granted)

No conflicts of interest were declared by the Executive Councillor.

25/16/SR CIP Loan Facility

The Chair ruled that under 100B(4)(b) of the Local Government Act 1972 the late item be considered despite not being made publicly available for this committee five clear days prior to the meeting.

The following item on the agenda related to a key decision that was not included on the Forward Plan for the whole 28-day requirement before the meeting. This was because it wasn't clear whether contracts and affordable housing agreements for Fanshawe, ATS/Murketts and Newbury Farm would be signed and sealed in time for the March 31st S&R Committee. As it became clear that there was a possibility of sealing all contracts in time, a paper was submitted.

With the permission of the Chair of Strategy and Resources Scrutiny Committee the urgency procedure was invoked to suspend the 28-day requirement so that the item can be considered at Committee, so it was open to scrutiny and debate rather than a decision being made through the out of cycle process.

Matter for Decision

The council has acted in the past as the development debt provider to fund the development of regeneration and housing schemes delivered by Cambridge Investment Partnership (CIP). To date this partnership has already delivered over 1,000 new homes since 2018, across 23 sites, including 732 council homes, with 656 being net new council homes.

As stated in the CIP Members Agreement, the development costs for mixed tenure schemes are funded by 60% of debt, and 40% equity funded internally by Hill Partnerships and the council as investment partners.

Development financing has been in place for Mill Road and Cromwell Road. Since then, there had been considerable change in public sector lending rules since prior funding arrangements were agreed between the council and CIP. Most notably the requirements of the subsidy control principles set out in the Subsidy Control Act / (Gross Cash Amount and Gross Cash Equivalent) Regulations 2022.

The Council proposed to continue to fund the development of regeneration and housing schemes delivered by Cambridge Investment Partnership (CIP) whilst acknowledging the changes required to be compliant. Future loan facilities will be subject to a covenant, to the effect that any draw down is to be utilised solely for the purposes of Housing delivery, including regeneration activities, new build development and delivery of affordable housing.

Decision of Executive Councillor for Finance and Resources

Recommended to Full Council to:

- i. Approve a capital budget for 3 loan facilities amounting to £18,500,000, to be provided to Cambridge Investment Partnership (CIP) and to be utilised solely for the purposes of Housing delivery, including

regeneration activities and new build development at Newbury Farm, ATS/Murketts Histon Rd, and Fanshawe Road.

- ii. Delegate authority to the Chief Finance Officer to make arrangements for capital financing of the loans in accordance with relevant statutory guidance and the council's Treasury Management Strategy and Capital Strategy.
- iii. Approve the setting of interest rates applicable to the 3 loan facilities at 3.5% margin above 5-year Gilt Rates.
- iv. Delegate authority to the Chief Finance Officer to agree the detailed terms of the loans, including (but not limited to) availability period, drawdown dates and arrangements, pricing dates, and restrictive covenants.

Reason for the Decision

As set out in the Officer's report.

Any Alternative Options Considered and Rejected

See Officer's report.

Scrutiny Considerations

The Committee received a report from the Assistant Director of Development.

The Assistant Director of Development said the following in response to Members' questions:

- i. Three loans amounting to £18,500,000 were secured on land for each development. The development program showed loans would be paid after two years for each development. The return on investment should include the land value and purchase cost.
- ii. The CIP bought land which the loans were secured against, and would pay this back quickly, so the risk (ie possible decline in land value) transferred from the City Council to CIP.
- iii. Value for money options had been reviewed to ascertain if the City Council was paying the right amount for land/housing/development.

The Chief Finance Officer said the following in response to Members' questions:

- i. The loans were a fifty-fifty joint venture with CIP. Regular scrutiny committees and project delivery meetings occurred so accounts were monitored.
- ii. CIP had never defaulted on loans so they were considered an acceptable investment.
- iii. Officers had sought advice on how to interpret MRP guidance. They did not expect to charge MRP on the loans. If money was lost through land value decline, the City Council would impose an additional charge to make up the difference.

Councillor Bick sought clarification on the number of affordable homes to be delivered and if a restrictive covenant was required to limit how homes could be marketed so city residents could be prioritised instead of overseas investors.

The Executive Councillor for Finance and Resources said Hills brought agility to the housing delivery process. The private sector wanted to work with the public sector although they could get comparable borrowing rates elsewhere. The partnership was to deliver housing in line with market conditions ie quality and affordable.

The Assistant Director of Development said a policy was in place not to market homes offshore. He referred to the sales and marketing subcommittee policy that the City Council and CIP would not undertake offshore marketing of homes.

The Committee unanimously resolved to endorse the recommendations.

The Executive Councillor approved the recommendations.

Conflicts of Interest Declared by the Executive Councillor (and any Dispensations Granted)

No conflicts of interest were declared by the Executive Councillor.

25/17/SR Cambridge Leisure Development Proposal

Matter for Decision

The Officer's report set out a proposal regarding Cambridge Leisure Development.

Decision of Executive Councillor for Finance and Resources

Approved the Officer's recommendations.

Reason for the Decision

As set out in the Officer's report.

Any Alternative Options Considered and Rejected

Not applicable.

Scrutiny Considerations

The Scrutiny Committee resolved to exclude members of the public 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 paragraphs 3 and 5 of Part 1 of Schedule 12A of the Local Government Act 1972.

Conflicts of Interest Declared by the Executive Councillor (and any Dispensations Granted)

No conflicts of interest were declared by the Executive Councillor.

The meeting ended at 9.15 pm

CHAIR