



## REPORT TITLE: CIVIC QUARTER PROJECT UPDATE

**To: Cabinet, Thursday 25<sup>th</sup> September 2025**

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

**Report by:**

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**Wards affected:**

ALL

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

7.4.5	<p>Therefore, the total projected expenditure to complete all three projects is as follows:</p> <table border="1" data-bbox="245 353 962 539"> <tr> <td>Guildhall</td><td>£52.160m</td></tr> <tr> <td>Corn Exchange</td><td>£26.491m</td></tr> <tr> <td>Market Square</td><td>£13.624m</td></tr> <tr> <td></td><td></td></tr> <tr> <td><b>Total</b></td><td><b>£92.275m</b></td></tr> </table>	Guildhall	£52.160m	Corn Exchange	£26.491m	Market Square	£13.624m			<b>Total</b>	<b>£92.275m</b>
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Market Square	£13.624m										
<b>Total</b>	<b>£92.275m</b>										
7.4.6	<p><b>Cost Risks and Opportunities</b></p> <p>As part of the Stage 3 Process, the appointed contractor, Sir Robert McAlpine (SRM), have also undertaken an initial cost estimate. Overall construction costs sit within 5% of Calford Seaden's cost estimate. SRM have also identified an optimal programme approach which would enable shared prelims across projects if the projects are delivered concurrently, providing an opportunity for savings in the region of £1m- £1.5m. This approach will be finalised during RIBA stage 4 and will form part of the fixed price contract sum development. The engagement with SRM during Stage 3 has provided additional reassurance that current budget estimates are appropriate.</p> <p>Key construction risks remain in relation to asbestos remediation. Allowances have been included within the Guildhall and Corn Exchange cost plans based on the Management Surveys. However, this remains a key project risk. The cost plans include a design risk allowance of 5% and a construction risk allowance of 5%.</p>										
7.4.7	<p><b>Opportunities to reduce costs through design changes or phasing changes</b></p> <p>SRM have already identified value and cost efficiencies in the design process which, if the project is approved to proceed to the next stage, will be further developed.</p> <p>Areas under consideration include:</p> <ul style="list-style-type: none"> <li>• 4<sup>th</sup> floor extension (Noting linked loss of revenue)</li> <li>• Roof design of the Guildhall</li> <li>• Early supply chain engagement</li> <li>• Review of number and specification of lifts and atrium</li> <li>• Alternative materials</li> <li>• Alternative phasing – for example Parsons Court and/or Corn Exchange at a later date</li> </ul>										
7.5	<p><b>Programme</b></p>										



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

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

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

## 8.3.1

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

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

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

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

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

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

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

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

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

9.1

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: Modernizing 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

- reduce carbon emissions from council buildings, land, vehicles and services to net zero by 2030,
- reduce energy consumption and carbon emissions from homes and buildings in Cambridge
- reduce consumption of resources, increase recycling and reduce waste;
- support Council services, residents and businesses to thrive and adapt to the impacts of the climate change emergency;
- mainstream our approach to biodiversity to secure a measurable net gain in biodiversity across the City by 2025 and support the Natural Cambridgeshire Doubling Nature Vision by 2030
- to ensure that biodiversity is considered by all council service functions and projects
- maximise the potential of our buildings, parks, open spaces, watercourses and tree stock to support biodiversity, whilst balancing their multifunctional needs
- Plan for the sustainable development of Cambridge and support the creation of vibrant, integrated and inclusive new communities. Specifically, to develop and implement a new Local Plan for Greater Cambridge that:
  - enhances biodiversity and green spaces,
  - increases wellbeing and social inclusion,
  - provides for great places (including by safeguarding our unique heritage and landscapes),
  - encourages a wide range of jobs,
  - plans for the right infrastructure in the right places at the right times to

serve our growing communities.

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

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

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

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



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

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

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

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

14.3

### **Corn Exchange**

Positive impacts of the proposals include:

- Aspects improving accessibility, especially for disabled people, such as improved lighting that will benefit people with visual impairments and improved audio equipment that will especially benefit people with hearing impairments. There will be benefits for people with mobility impairments like step free access throughout the venue, three new lifts, 1% auditorium capacity for wheelchair users and accessible dressing room and showers backstage. Accessible toilets shall also be provided on multiple floors.
- Toilet provision will be improved, especially benefitting women by providing more women-only toilets to help address historic under-provision for women in the venue which has caused queueing during show intervals.
- Improvements to the Parsons Court area that will help reduce anti-social behaviour that may benefit groups who experience hate crime/incidents.

In the next stage of the design consideration needs to be given to accessibility of auditorium space for people using prams and buggies (of benefit relating to maternity). Also, a potential negative impact of the designs is lack of gender-neutral toilets on the auditorium for use by transgender and non-binary people. Concerns were also raised in the consultation about ticket affordability, especially for low-income groups, and the risk that upgrades could lead to higher prices and reduced access.

14.4	<p><b>Market Square</b></p> <p>The most significant benefits of the market square redesign include:</p> <ul style="list-style-type: none"> <li>• 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.</li> <li>• 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.</li> <li>• Blue badge parking provision, and spaces increase from 5 to 6</li> <li>• Provision of accessible toilet at ground level for market traders.</li> </ul> <p>The market's diverse offer and civic space will support multicultural events (enabling some of space in the square to be used for other functions by removing some demountable stalls on quieter trading days) and low-income communities</p> <p>However, negative impacts include not providing a gender-neutral toilet facilities for market traders, potential barriers for mobility-impaired individuals due to stall density, safety concerns for people who may be subject to harassment and in relation to gender-based violence at night were raised and clear communication and processes relating to permits for blue badge holders</p>
15	<p><b>Net Zero Carbon, Climate Change and Environmental implications</b></p>

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

BREEAM Wat 01 Performance Levels

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

### **Biodiversity**

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



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

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