

Green Group amendment to the Budget Setting Report 2026/27

Foreword by the Leader of the Green Group

Introduction

Our focus this year continues to be on safe and warm homes.

A budget for council tenants

Last year, we predicted that the cost for responsive repairs for condensation, damp and mould would exceed the budget and we were right. We welcome the increase in the budget this year. However, this budget only covers some types of treatment for condensation, damp and mould. There is a small hard core of city homes coming back again and again with complaints of damp and mould. Some of these cases require works that would normally be budgeted as capital improvements, such as internal and/or external insulation. The type of works depends on the existing build.

Awaab's Law takes effect from October 2026. Our bid is for £400,000 for capital improvements to city homes with hard to eradicate damp and mould that does not qualify for other government grants. Cost per home will depend on the size of the home and the amount and type of work required. We anticipate that this might cover up to 12 city homes.

A budget for the homeless – Overview

At the time of writing, 22 Cambridge households have had to be placed in hotels because no better accommodation is available. We don't believe that any council should have to put its residents in hotel or B&B accommodation. It is expensive and unsuitable.

Bristol City Council has successfully used its funds to provide new temporary accommodation to cut the numbers of residents placed in hotels and are working to eliminate the need to use hotels for temporary accommodation altogether. Should we not do the same in Cambridge?

Our proposal is for a pilot scheme to purchase a 4-bedroom home in Cambridge to use as temporary accommodation. We would hope to use this as a model on which to base a further scheme next year so we can end the unsatisfactory practice of using hotels for homes altogether.

A budget for the homeless – Technical note

Our proposal is a conditional one. Councillors will be well aware that Thatcher's government made it as difficult as possible for councils to invest in new homes. That government may be long gone but the damage that they did lives on. The restrictive and over complex local government housing rules are just one part of that. Our privatised water companies are another.

We know that the Bristol City Council scheme has been approved by their Section 151 Officer and is supported by a specialist barrister's opinion in favour. We have also seen an outline of the technical argument which is contained in the published papers. **While this is encouraging, the council would need to obtain its own legal opinion and prepare a full business case model that reflects any restrictions outlined in that opinion. For that reason, we cannot model any savings from the proposal at this stage. For that reason, our proposal is a conditional one only.**

For the avoidance of doubt, we have not seen the full barrister's opinion or the instructions on which it is based because these are confidential documents.

A budget for private renters

Over 40% of Cambridge residents live in private rental accommodation. Some Cambridge wages may be higher than the national average, but so are Cambridge rents. If too much of your wages end up in your landlord's pockets, job loss, relationship breakdown or even an unexpected bill can start the spiral down into financial insecurity, sofa surfing and homelessness.

The HRA financial inclusion team has built up formidable expertise in halting that spiral for council tenants. But they don't have the bandwidth to share their services with private tenants. Our proposal is that some of that expertise could be shared through social media, podcasts and videos so that all residents can benefit from it.

Shame at not coping often holds residents back from seeking advice at an early stage. If advice is available online, residents can get help without having to tell a stranger about their problem. That advice is also more accessible to shift workers and the housebound, to those juggling family and jobs and to zero hours workers afraid to take time off for fear of losing their shifts.

It's universally recognised that the earlier that help is obtained, the more likely it is that homelessness can be avoided and the significant problems and costs for resident and council alike can be avoided or at least kept to a minimum.

By helping residents in this way, the council can also save higher homelessness costs that might otherwise

OFFICIAL

be incurred.

A budget for all of us

Our proposals help to future proof the city council by helping it to avoid potential future costs from non-compliance with Awaab's Law, helping to prevent homelessness and keeping the costs of providing temporary accommodation under control. The financial benefits of our proposals are not estimated within the amendments at this stage but we would expect them to be evident within a relatively short period. These savings will help safeguard other council services that residents value such as public toilets, parks and play spaces.

However, financial benefits are not our main inspiration for these proposals. We know that although few of our residents will end up homeless, that the fear of homelessness casts a long shadow. We have heard the voices of parents who feel they have failed because they cannot provide safe, warm, mould-free homes for their families. This is their budget.

We hope that our colleagues from other parties can support these proposals.

Finally, I would like to thank the officers, councillors and residents who helped shape this amendment. It is the people who work within it who make an organisation great, not the buildings it operates from.

Councillor Naomi Bennett, Leader of the Green Group

Background

The council's draft Budget Setting Report 2026/27 was published on 18 February 2026. In line with the council's constitution this sets out the recommendations of the Cabinet, and will be subject to consideration by Full Council at its meeting on 26 February 2026.

The Green Group wish to add several budget proposals as set out within this amendment paper. The detailed proposals can be seen at Annexe A (General Fund) and Annexe B (Housing Revenue Account).

In order to enact these additional proposals, the Green Group propose a number of amendments to the Cabinet recommendations in respect of the Budget Setting Report 2026/27, as set out at Annexe D.

Impact of Green Group proposals

General Fund

The table below sets out the impact on the council's five-year savings requirement in the General Fund should the Green Group proposals be accepted in full:-

General Fund savings requirements (£m)	2026/27	2027/28	2028/29	2029/30	2030/31
Net savings requirement – new each year (draft Budget Setting Report)	-	0.375	0.375	0.375	0.248
Net savings requirement – cumulative (draft Budget Setting Report)	-	0.375	0.750	1.125	1.373
New revenue bids	0.075	-	-	-	-
New capital bids funded from revenue resources	0.650	-	-	-	-
Total net pressure/(savings)	0.725	-	-	-	-
Use of General Fund reserves to fund proposals	(0.725)	-	-	-	-
Total changes to savings requirements	-	-	-	-	-
Revised net savings requirement – cumulative	-	0.375	0.750	1.125	1.373
Revised net savings requirement – new each year	-	0.375	0.375	0.375	0.248

As shown above, since the proposals relate to one-off spend to be funded from reserves, there is no impact on the council's savings targets. The proposals would, however, result in an additional use of General Fund

OFFICIAL

reserves totalling £725,000 in 2026/27.

The impact of the proposals on General Fund reserve levels over the next five years is set out in the table below:-

General Fund reserve projection (£m)	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Balance at 1 April	18.863	14.381	11.756	11.059	11.470	11.538
Net transfer to Transformation and Reinvestment Fund	(1.754)	-	-	-	-	-
Transfer to Greater Cambridge Impact Fund Reserve	(0.800)	-	-	-	-	-
Planned use of reserve to fund one-off Folk Festival proposal	(0.075)	-	-	-	-	-
Forecast use of reserve to balance budget in-year – draft Budget Setting Report	(5.531)	1.600	(0.697)	0.411	0.068	-
Use of reserve to finance historic capital expenditure	(5.837)	-	-	-	-	-
Transfer to Local Government Reorganisation Reserve	-	(2.500)	-	-	-	-
Transfer to Civic Quarter Development Reserve	-	(1.000)	-	-	-	-
Current year business rates growth	9.515	-	-	-	-	-
Additional use of reserves in respect of Green Group amendments	-	(0.725)	-	-	-	-
Balance at 31 March before future business rates growth	14.381	11.756	11.059	11.470	11.538	11.538
Indicative future business rates growth (at risk)	-	0.217	1.160	1.999	0.230	1.223
Balance at 31 March including future business rates growth	14.381	11.973	12.436	14.846	15.144	16.367

The target level for General Fund reserves as advised by the council's Section 151 Officer is currently £9.671 million. Allowing for future inflation, the target level is anticipated to be around £10.530 million by 2030/31. The table above demonstrates that, should the Green Group proposals be adopted in full, reserves would

OFFICIAL

remain above this projected target level in each of the next five years.

Housing Revenue Account

The Housing Revenue Account (HRA) is managed such that any operating surplus after interest costs is used to finance capital expenditure, thus minimising the need to borrow and therefore future interest costs.

The Green proposal to invest an additional £400,000 in capital expenditure in 2026/27 will therefore increase the borrowing need, and therefore slightly increase future interest payments. The impact on this on the HRA over the next five years is set out in the table below:-

HRA revenue budget (£m)	2026/27	2027/28	2028/29	2029/30	2030/31
HRA (surplus) / deficit (draft Budget Setting Report)	0.131	(0.251)	(0.358)	(0.197)	(0.183)
Increase in net interest cost	0.011	0.022	0.023	0.024	0.025
Reduction in revenue contribution available for capital financing	(0.011)	(0.022)	(0.023)	(0.024)	(0.025)
Revised HRA (surplus) / deficit	0.131	(0.251)	(0.358)	(0.197)	(0.183)

Over the life of the 30-Year Business Plan, the proposal would increase total interest payable by £1.318 million, and would increase total outstanding borrowing at the end of the 30-year period by £1.689 million, from £798.544 million to £800.233 million.

The long-term financial sustainability of the HRA is assessed by reference to its interest cover ratio (ICR), as explained more fully at section 7 of the Budget Setting Report 2026/27. The council has set a prudent minimum ICR target level of 1.25. The Green Group proposal can be accommodated within this ICR target, albeit with slightly reduced headroom. The draft Budget Setting Report 2026/27 forecasts a minimum debt headroom of £1.402 million in 2033/34 – the Green Group proposal would reduce this headroom to £837,000.

Equalities Impact Assessment and climate ratings

Where relevant, the equalities and climate impacts of the Green Group proposals have been considered and are set out at Annexe C.

Report by the Section 151 Officer

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

OFFICIAL

allowed for in the budget proposals. The Section 25 report is included at section 11 of the Budget Setting Report 2026/27.

I confirm that the amendments proposed by the Green Group, as set out within this amendment paper, would not require any changes to my section 25 report.

Jody Etherington, Section 151 Officer

Annexe A – Green General Fund proposals

OFFICIAL

2026/27 Budget – GF Proposals – by Type

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

Revenue bids

Communities

GRG2609	Financial advice and inclusion resources	75,000	-	-	-	-	Nil	Simon Hunt
---------	--	--------	---	---	---	---	-----	------------

This bid is for a one-off piece of work to create podcasts and social media content around financial advice and inclusion for tenants of all types (council, housing association and private). The cost of living crisis continues to impact all residents, including the 40% who are in private rented accommodation. Creation of these resources could help to share the benefits of the council's existing financial advice and inclusion service more widely, help to better inform private tenants on topical issues such as damp, condensation and mould, and help to prevent residents from falling into debt and homelessness, which ultimately impacts upon demand for statutory council services and the associated costs.

Total revenue bids	75,000	-	-	-	-
---------------------------	---------------	---	---	---	---

Total pressures and bids	75,000	-	-	-	-
---------------------------------	---------------	---	---	---	---

Total revenue proposals	75,000	-	-	-	-
--------------------------------	---------------	---	---	---	---

2026/27 Budget – GF Proposals – by Type
--

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

Capital bids**City Services**

GRG2608	Purchase of temporary accommodation	650,000	-	-	-	-	Nil	Simon Hunt
----------------	--	---------	---	---	---	---	-----	------------

This bid is for a pilot project to purchase an existing property to provide new council-owned temporary accommodation for residents currently accommodated in hotels, B&Bs or full market rate private temporary accommodation. The bid is to purchase and refurbish a 4-bedroom home for temporary accommodation use as an HMO. This would likely be an ex-council or ex-private rental home in Arbury, Abbey or Kings Hedges. These wards have been identified as being close to existing support networks for residents who are homeless and/or in need of additional support.

This bid would be subject to legal advice and a full business case to ensure the financial viability of the project prior to purchase.

The bid would be funded from General Fund revenue reserves.

Total capital bids	650,000	-	-	-	-	-		
---------------------------	----------------	---	---	---	---	---	--	--

Annexe B – Green Housing Revenue Account proposals

OFFICIAL

2026/27 Budget – HRA Proposals – by Type

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

Capital bids

Economy and Place

GRH2607	Capital works on damp, condensation and mould	400,000	-	-	-	-	Nil	Steph Salmon
---------	---	---------	---	---	---	---	-----	--------------

This bid is for capital works to properties suffering from recurring damp, condensation and mould (DCM) issues. Many properties can be treated successfully using the treatments available under the existing responsive repairs budgets or the ongoing programme to bring all properties up to EPC 'C' rating. However, some homes need different treatments or may fail to be treated under the EPC 'C' treatment programme before Awaab's Law comes into force in October 2026. Required improvements might include external or internal wall insulation depending upon whether there is cavity wall insulation, roof insulation above the standard amount provided, and/or improvements to ventilation. The bid is anticipated to be sufficient to cover up to 12 city homes, depending on size and type of work required, to be selected from homes where conventional damp treatment and lifestyle advice has failed to resolve the problems.

Total capital bids	400,000	-	-	-	-
---------------------------	----------------	---	---	---	---

Annexe C – Equality impacts

Purchase of temporary accommodation

22 households are temporarily accommodated in hotels and B&Bs. This capital bid is for a pilot project to purchase an existing property to provide new temporary homes. The proposal is to purchase homes that are close to existing support networks for residents who are homeless and or in need of additional support.

This proposal would have positive impacts for people who are more likely to experience homelessness such as:-

- refugees and asylum seekers;
- people on low incomes or living in poverty;
- care experienced individuals; and
- veterans.

Financial advice and inclusion resources

Cambridge City Council to share more case studies of topical issues such as its damp, condensation and mould work through social media. This proposal would have a positive impact for private tenants in understanding their rights, especially people who are:

- disabled;
- low income or living in poverty;
- refugees and asylum seekers; or
- care experienced individuals.

As mentioned, people from these groups may not know their rights in terms of their accommodation or solutions to the problems that they may be experiencing. They may also have worries about impact on their tenancy if they raise concerns.

Capital works on damp, condensation and mould

There have been reports of damp, condensation and mould cases coming back after treatment. This is a capital bid for improvements and related repairs. Improvements might include external or internal insulation.

OFFICIAL

By carrying out improvements on council housing, this would have a positive impact on groups who are especially likely to be vulnerable to health issues associated with damp and mould including:-

- People with some pre-existing long-term disabilities/health conditions like COPD, cystic fibrosis, other lung diseases and cardiovascular disease who are at risk of their condition worsening. Also, people with disabilities and illnesses that mean they have a weakened immune system.
- People with mental health conditions, which can be worsened by living in poor conditions.
- Pregnant women, their unborn babies and women who have recently given birth, who may have weakened immune systems.
- Children and young people whose organs are still developing and are therefore more likely to suffer from physical conditions such as respiratory problems.
- Older people who may be more likely to have long-term health conditions and disabilities that damp and mould can worsen.
- People who have mobility problems making it more difficult for them to get out of their home with damp and mould and into fresh air.

Source: [Understanding and addressing the health risks of damp and mould in the home - GOV.UK](#)

Annexe D – Proposed amendments to recommendations

It is proposed that the recommendations to Full Council in respect of the Budget Setting Report 2026/27 are amended as follows:-

- h) Approve the General Fund revenue proposals shown at Appendix E, **together with the additional proposal GRG2609 set out in the Green Group amendment.**
- j) Approve the General Fund capital proposals set out at Appendix F(a), **together with additional proposal GRG2608 set out in the Green Group amendment,** and the revised General Fund capital plan set out at Appendix F(c) **as amended by proposal GRG2608.**
- k) Approve the Housing Revenue Account capital proposals set out at Appendix I(a), **together with additional proposal GRH2607 set out in the Green Group amendment,** and the revised capital plan set out at Appendix I(b) **as amended by proposal GRH2607.**
- l) Approve the proposed capital financing plans set out at section 5 (General Fund) and section 7 (Housing Revenue Account) of the Budget Setting Report 2026/27, **as amended by proposals GRG2608 and GRH2607,** whilst noting that the constitution delegates all executive decisions on borrowing, investment or financing to the Chief Finance Officer, who is required to act in accordance with CIPFA's Code of Practice for Treasury Management in Local Authorities.
- o) Note the impact of the Budget Setting Report 2026/27 on General Fund and Housing Revenue Account reserves, **as set out at section 8 of the Report and amended by the additional proposals set out in the Green Group amendment.**
- r) Approve the council's Medium-Term Financial Strategy for the General Fund and Housing Revenue Account as set out at section 9 of the Budget Setting Report 2026/27 **and amended by the additional proposals set out in the Green Group amendment.**
- t) Approve the Capital Strategy attached at Appendix O **as amended by the additional proposals set out in the Green Group amendment.**
- u) Approve the Treasury Management Strategy 2026/27 at Appendix P, including the prudential and treasury management indicators set out at Annexe C, **as amended by the additional proposals set out in the Green Group amendment.**
- aa) Note the Equality Impact Assessments undertaken in respect of budget proposals in the General Fund (Appendix S(a)) and Housing Revenue Account (Appendix S(b)), **together with the equality**

OFFICIAL

impacts of the additional proposals as set out in the Green Group amendment.