CIVIC QUARTER PROJECT

To: Cabinet

Monday 16th November 2026

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

Wards affected:
Market

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

10 Summary of impacts by stakeholder group

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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