

## CABINET

**TUESDAY 10 JULY 2012**  
**10.00 AM**

**Bourges/Viersen Room - Town Hall**

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## AGENDA

	Page No
1 Apologies for Absence	
2 Declarations of Interest	
3 Minutes of Cabinet Meeting - 26 March 2012	1 - 8
<b>STRATEGIC DECISIONS</b>	
4 Armed Forces Community Covenant	9 - 18
5 Consultation on the Review of the Older Peoples Accommodation Strategy and Options for the future of Care Homes in Peterborough*	19 - 44
6 Growth and Development Items	
(a) Opportunity Peterborough Business Plan*	45 - 64
(b) Delivery Strategy for South Bank & Surrounding Areas*	65 - 72
(c) Development of Renewable Energy*	73 - 94
7 Safer Peterborough Partnership Plan	95 - 104
8 Police and Crime Panel	105 - 124
<b>MONITORING ITEMS</b>	
9 Budget Monitoring - Final Outturn 2011-12	125 - 140
10 Children's Services Update	141 - 146
11 Outcome of Petitions	147 - 148



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*Any agenda item highlighted in bold and marked with an \* is a 'key decision' involving the Council making expenditure or savings of over £500,000 or having a significant effect on two or more wards in Peterborough. These items have been advertised previously on the Council's Forward Plan (except where the issue is urgent in accordance with Section 15 of the Council's Access to Information rules).*

### **Emergency Evacuation Procedure – Outside Normal Office Hours**

*In the event of the fire alarm sounding all persons should vacate the building by way of the nearest escape route and proceed directly to the assembly point in front of the Cathedral. The duty Beadle will assume overall control during any evacuation, however in the unlikely event the Beadle is unavailable, this responsibility will be assumed by the Committee Chair.*

## **MINUTES OF CABINET MEETING HELD 26 MARCH 2012**

PRESENT

**Cabinet Members:** Councillor Cereste (chair), Councillor M Dalton, Councillor Sam Dalton, Councillor Fitzgerald, Councillor Hiller, Councillor Holdich, Councillor Lee, Councillor Scott, and Councillor Walsh.

**Cabinet Adviser:** Councillor Goodwin

**In attendance:** Chloe Fuller (Peterborough Youth MP) and Callum Hurley (Peterborough Youth Council vice chairman)

### **1. APOLOGIES FOR ABSENCE**

Apologies were received from Councillor Seaton.

### **2. DECLARATIONS OF INTEREST**

Councillor M Dalton declared a personal interest in item 4 on the agenda as the land of a family business bordered a piece of the land contained in the document (page 19 site reference SA5.5).

Councillor S Dalton declared a personal interest in item 4 on the agenda as the land of a family business bordered some of the land contained in the document (page 19 site reference SA5.5).

### **3. MINUTES OF CABINET MEETINGS 10 FEBRUARY 2012**

Cabinet agreed the minutes of the meetings held 10 February 2012 were accurate.

## **STRATEGIC DECISIONS**

### **4. PETERBOROUGH SITE ALLOCATIONS DEVELOPMENT PLAN DOCUMENT (DPD)**

Cabinet received a report setting out the recommendations made by the Independent Inspector and subsequently, seeking Cabinet's approval to recommend the Site Allocations DPD to Council for adoption.

Councillor Hiller introduced the report, thanking officers for the work they had undertaken to finalise the document. Councillor Walsh raised a concern over the benefit of a rail freight interchange. Councillors Holdich and Cereste added that internal development was needed to provide for a growing city.

Cabinet noted the conclusions of the independent Inspector and **RESOLVED** to:

Recommend to Council the adoption of the Peterborough Site Allocations Development Plan Document, incorporating modifications as recommended by the Inspector ('Main Modifications') and other minor editorial modifications ('Additional Modifications').

## **REASONS FOR THE DECISION**

Council only has two options available to it; either adopt the document with the modifications or not adopt the document. The former was recommended, as it was a statutory duty to prepare a Site Allocations DPD, and, in adopting it, Peterborough would have a clear and robust policy document setting out its vision, objectives and sites for future growth.

## **ALTERNATIVE OPTIONS CONSIDERED**

The option of not adopting the DPD is not recommended, because in doing so the council:

- Would not have sufficient sites available to deliver the planned growth of the city set out in the adopted Core Strategy; and
- Will be at considerable risk of having to consider ad hoc major planning proposals from developers with no real basis or policy in place for decision making (which in turn could lead to poorly planned growth, reduced investment in Peterborough, lower job growth, increased housing waiting list and insufficient provision of infrastructure due to uncoordinated, developer-led, development schemes).

## **5. TREES AND WOODLAND STRATEGY**

Cabinet received a report presenting the City Council's updated Trees and Woodland Strategy for consideration and - if appropriate - referral to Full Council for consideration as part of the major policy framework.

Councillor S Dalton introduced the report, thanking officers for their work in preparing the document, highlighting a 'right tree right place' planting approach and directing resources to the most needed places.

Councillors Holdich and Hiller noted the involvement of parishes in the development of the strategy and Councillor Fitzgerald stated that the 2012/13 budget provided the necessary funding to begin work on the strategy proposals.

Cabinet **RESOLVED** to:

Recommend the Trees and Woodland Strategy – Policies and Priorities to Council for adoption having considered the comments made by Environment Capital Scrutiny Committee and possible additional resource requirements post 2012/13.

## **REASONS FOR THE DECISION**

To update the City Council's Trees and Woodland Strategy to take account of its legislative requirement introduced by the Natural Environment and Rural Communities Act S40 and The Natural Choice: securing the value of nature – Environment White Paper CM8082.

In addition it would help the Council facilitate compliance with:

- Occupiers Liability Act 1957) [revised 1984]) which requires it "to take reasonable care" to maintain its trees and woods in a reasonably safe condition.
- Section 3 (1) of the Health and Safety at Work Act 1974 which places general duties upon the Council to those other than employees and states:

“It shall be the duty of every employer to conduct his undertaking in such a way as to ensure, so far as is reasonably practicable, that persons not in his employment who may be affected thereby are not exposed to risks to their health and safety”.

## **ALTERNATIVE OPTIONS CONSIDERED**

Consideration was given to retaining the 1998 Trees and Woodland Strategy. This was rejected as it does not adequately reflect legislative requirements that have come into force since adoption. In addition, the existing document does not provide a defensible tree management system for the Council.

## **6. STATEMENT OF COMMUNITY INVOLVEMENT (INCLUDING NEIGHBOURHOOD PLANNING GUIDANCE) - DRAFT**

Cabinet received a report to update and gain approval on how Peterborough City Council wished to consult and assist the public on all matters relating to planning, neighbourhood planning and community action planning and also seeking approval from Cabinet, for the purposes of public consultation, of the draft Statement of Community Involvement (SCI).

Councillor Hiller introduced the report noting that Peterborough was progressing ahead of many other Authorities in the preparation of the document. The Council's Group Manager Strategic Planning & Enabling, advised Cabinet that scrutiny consultation resulted in no recommended changes to the document but sought a commitment for the council to assist parishes and public groups when looking become more involved. A six week consultation would include the Neighbourhood Committees and Parish Councils.

Cabinet **RESOLVED** to:

1. Approve the draft Statement of Community Involvement for the purposes of public consultation, subject to any minor changes necessary in order to ensure that it aligned with the final neighbourhood planning regulations published in mid March;
2. Agree, for the interim period between 6 April 2012 and the adoption of the Statement of Community Involvement (scheduled for later in 2012), that the provisions set out in the draft Statement of Community Involvement in respect of Neighbourhood Planning be applied; and
3. Endorse the continued production of Community Action Plans, based on the outline detailed at paragraphs 4.23 to 4.29.

## **REASONS FOR THE DECISION**

It is a statutory duty to prepare an SCI. While the council already has an SCI in place, it is considered somewhat out of date and in need of a refresh. This will ensure communities are fully aware of how and when best to get involved in planning matters, whether that be plan making, planning applications or Neighbourhood Planning.

With respect to Community Action Plans (CAPs), whilst they are not a statutory duty, it is considered important that a clear and concise 'action plan' is prepared for each neighbourhood which cuts across a wide range of service providers. This will make it easier for residents to understand what is being provided (and prioritised) in their area, in a single easy to use guide. It will also help ensure service providers are coordinated in the way they deliver services, which should deliver efficiency savings and a better overall outcome.

## **ALTERNATIVE OPTIONS CONSIDERED**

The council could decide not to issue a refreshed SCI, but this would mean the existing SCI would remain in force which has out of date commitments and expectations. Refreshing the SCI is a relatively quick process and only requires a relatively small amount of officer time. The benefits, therefore, are high compared with the costs of its production, especially considering the substantial amount of change to the planning system over the past few months.

The council could decide not to prepare CAPs, but this would not fill an identified gap, at the local community level, of having a coordinated approach to service delivery, supported by a full spectrum of partners. In the current times of austerity, it is essential to enable smarter decision making through a process which will ensure maximum benefit from the Single Delivery Plan.

## **7. EQUALITY OBJECTIVES**

Cabinet received a report requesting it agree the Equality Objectives for the Council for the next 2 years as required by section 149 of the Equality Act 2010 and The Equality Act 2010 (Statutory Duties) Regulations 2011.

Councillor Walsh introduced the report thanked officers for their work, highlighted that the all current systems were reviewed and advised that the council sought to become a beacon authority for equality issues.

Cabinet **RESOLVED** to:

Approve and agree to publish the three equality objectives recommended by the Equality and Diversity Steering Group, namely:

- a) To undertake a full review of strategic functions, policies and procedures across the authority, to ensure legislative compliance and best practice is embedded within our systems;
- b) To establish Corporate Governance and Partnership arrangements that ensure the Equality Duty is delivered; and
- c) To establish a Quality Assurance Process that meets the recognised standards for assessing the Equality impact of our internal processes and policies and those relating to our service delivery.

### **REASONS FOR THE DECISION**

The Council is required by Section 149 of the Equality Act 2010 Public sector equality duty, and the Equality Act 2010 (Statutory Duties) Regulations 2011 to publish one or more objectives that it believes need to be achieved to further the aims of the General Equality Duty. This must be done no later than 6<sup>th</sup> April 2012 and at least every four years after that.

### **ALTERNATIVE OPTIONS CONSIDERED**

- 1) Not to agree any equality objectives. This has been rejected as an option as it would put the authority in breach of its statutory duties;
- 2) To agree different objectives. This has been rejected as it is considered that the recommended objectives are the most appropriate at this time. Furthermore to reconsider alternatives now would result in a shorter time for consultation and put the authority at risk of failing to publish our objectives within the legal timeframe required; and
- 3) To publish the objectives as part of a larger document similar to the draft Single Equality Scheme presented to Cabinet in November 2011. This has been rejected because there is no longer any requirement to have a single equality scheme, and it is

considered more appropriate to concentrate on publishing and working towards achieving the specific objectives of the authority.

## **8. USE OF CONSULTANTS - CONSULTANCY AND INTERIM POLICY**

Cabinet received a report to consider and approve the Consultancy and Interim Policy for adoption as recommended by the Sustainable Growth Scrutiny Committee of 6th March 2012 (Appendix 1) arising out of original recommendations of the scrutiny review group.

Councillor Cereste introduced the report with the council's Head of Corporate Services adding that the single policy brought together various existing policies and regulations into one document.

Cabinet considered the report and were advised that approval of businesses cases was required for long term appointments and that permanent employment was offered in some instances; over £100m of savings had been identified in the last 5 years as a result of using consultants and all were employed correctly and appropriately; and business cases were available on the council's Verto project system for Members to view. The source of the recommended threshold of £50k for referral to the Cabinet Member would be reported back. Cabinet also commended the inclusion of the Skills Transfer section of the policy.

Cabinet **RESOLVED** to:

Adopt the Consultancy and Interim Policy.

### **REASONS FOR THE DECISION**

The recommendations are in line with the recommendations of the original Scrutiny Review, as endorsed by Cabinet in June 2011.

### **ALTERNATIVE OPTIONS CONSIDERED**

Much of the policy draws together practice or requirements that are already in place e.g. in contract regulations, so it could be possible not to have a specific policy. However it is considered helpful, and more transparent, to have the specific policy as outlined.

## **9. CHILDREN'S SERVICES UPDATE**

Cabinet received a report updating it with details of improvement actions undertaken since the 12<sup>th</sup> December 2011 meeting in response to the findings of the Ofsted Inspection of Safeguarding carried out in August 2011.

Councillor Scott introduced the report highlighting the progress already made and that new assistant directors were taking up posts to enhance and further the improvement work already seen since December.

The Executive Director of Children's Services advised Cabinet that new management staff were in place, numbers of social workers had increased, no outstanding assessments for children existed and a new early intervention team had already provided services for over 100 children and families.

Cabinet **RESOLVED** to:

Notes the improvement activity and progress within Children's Services.

## **REASONS FOR THE DECISION**

The Council needs to secure immediate improvements to safeguard children and in the longer term put in place a sustainable high quality Children's Services in Peterborough.

## **ALTERNATIVE OPTIONS CONSIDERED**

Not applicable.

## **10. BUDGET MONITORING 2011/12**

Cabinet received a report informing it of the provisional financial performance for revenue and capital based on known information to date and containing performance information on treasury management activities, the payment of creditors in services and collection performance for debtors, local taxation and benefit overpayments.

Councillor Cereste introduced the report with the Council's Executive Director of Strategic Resources advising that financial improvement in the region of around £300k that was 13% in terms of the outturn position for the current financial year compared to the budget that was approved at full Council in February.

Cabinet **RESOLVED** to:

1. Note the improvement in the provisional outturn for the council's revenue budget, reducing the level of reserves required to deliver a balanced budget;
2. Note the updated reserves position, including the general fund and capacity fund;
3. Note the position on the capital budget monitoring; and
4. Note the performance on treasury management activities, payments of creditors and collection performance for debtors, local taxation and benefit overpayments.

## **REASONS FOR THE DECISION**

This monitoring report for the 2011/12 financial year is a precursor to the closure of accounts and decision making framework to form part of the process for producing the Statement of Accounts.

## **ALTERNATIVE OPTIONS CONSIDERED**

The council's outturn is considered as part of setting the following year's budget including how any over and under spends on the reported outturn position can be met. Consideration on addressing the overspend included a reduction in the general fund balance below the minimum £6m balance which is not deemed to be appropriate and finding additional savings. It was considered that any other short term savings in the current financial year will have an unacceptable impact on services.

## **11. OUTCOME OF PETITIONS**

Cabinet considered a report recommending it noted the action taken in respect of petitions presented to full Council.

Councillor Cereste introduced the report and requested that further information should be included in future reports on the outcomes of officer actions.



**CABINET RESOLVED TO:**

Note the action taken in respect of petitions presented to full Council.

**REASONS FOR THE DECISION**

Standing Orders require that Council receive a report about the action taken on petitions. As the petitions presented in this report have been dealt with by Cabinet Members or officers it is appropriate that the action taken is reported to Cabinet, prior to it being included within the Executive's report to full Council.

**ALTERNATIVE OPTIONS**

Any alternative options would require an amendment to the Council's Constitution to remove the requirement to report to Council.

11 a.m.

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<b>CABINET</b>	AGENDA ITEM No. 4
10 JULY 2012	PUBLIC REPORT

Cabinet Member(s) responsible:	Irene Walsh, Cabinet Member for Community Cohesion and Safety	
Contact Officer(s):	Paul Phillipson, Executive Director Operations	Tel. 453455

**ARMED FORCES COMMUNITY COVENANT**

R E C O M M E N D A T I O N S	
<b>FROM :</b> Corporate Management Team	<b>Deadline date :</b>
That the Armed Forces Community Covenant is officially adopted by the City of Peterborough.	

**1. ORIGIN OF REPORT**

- 1.1 This report is submitted to Cabinet following a referral from Corporate Management Team on 15<sup>th</sup> May 2012.

**2. PURPOSE AND REASON FOR REPORT**

- 2.1 The purpose of this report is to seek agreement on the adoption of the Armed Forces Community Covenant in the City of Peterborough
- 2.2 This report is for Cabinet to consider under its Terms of Reference 3.2.2, 'To promote the Council's role as community leader, giving a 'voice' to the community in its external relations at local, regional and international level, and fostering good working relationships with the Council's partner organisations, Parish Councils and the relevant authorities for Police, Fire, Probation and Magistrate's Courts Services'.

**3. TIMESCALE**

Is this a Major Policy Item/Statutory Plan?	<b>NO</b>
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**4. PETERBOROUGH ARMED FORCES COMMUNITY COVENANT**

**4.1 What is the background to the Covenant?**

The Armed Forces Community Covenant is a statement of mutual support between the Armed Forces community and the civilian community in Peterborough. It is a formal document that, at a high level, sets out what the Armed Forces Community Covenant seeks to achieve for Peterborough and is signed by all parts of the community it represents. The attached Armed Forces Community Covenant has been drawn up based on the best practice model across the United Kingdom and follows Ministry of Defence recommended guidelines. Almost 50 authorities across the United Kingdom already have a signed Covenant in place

#### **4.2 What does the Covenant do?**

The Community Covenant encourages local communities to support members of the Service community (serving, veterans or family members) in their area and raise awareness of issues that affect them but also encourages those members of the Service Community to be active citizens within their city. The Covenant will build upon the strong relationship we have with RAF Wittering and the forces personnel in the city and will also encourage local projects that strengthen the ties and mutual understanding between the wider community and the Armed Forces community.

#### **4.3 What opportunities does the Covenant bring?**

The Armed Forces Community Covenant is a further opportunity for the City of Peterborough to strengthen its relationship with the Armed forces community. Once the Covenant is implemented it can continue to develop at a local level. A working group will be set up to progress this.

4.4 Attached to the Armed Forces Community Covenant is the opportunity to apply for funding from the Community Covenant Fund. This fund is a £30 million pot of central Government funding which will be allocated over the next four years to community projects. Once Peterborough has a signed Armed Forces Community Covenant in place Community groups and organisations can apply for funding for local projects. Priority for funding will be given to practical projects which deliver rapid results.

### **5. CONSULTATION**

5.1 Consultation has taken place with the Peterborough City Council Corporate Management team who have made the recommendation that the Armed Forces Community Covenant is supported by the Cabinet and adopted. Consultation has also taken place with the commanding officers at RAF Wittering who are also keen for this to progress. They have agreed to promote volunteering and corporate social responsibility opportunities across all personnel, their families and veterans.

5.2 Future consultation as the Covenant develops and promotion will now take place in accordance with the attached communications plan.

### **6. ANTICIPATED OUTCOMES**

It is recommended that the Cabinet support the signing of the Armed Forces Community Covenant by Peterborough City Council, and are champions for its continuing development.

### **7. REASONS FOR RECOMMENDATIONS**

The Armed Forces Community Covenant will bring benefits to the city. It will strengthen the relationship between the city, RAF Wittering and the Armed forces community and will open up the opportunity to apply for funding for community projects through the Community Covenant Fund.

### **8. ALTERNATIVE OPTIONS CONSIDERED**

The only alternative option is not to adopt the Covenant in Peterborough. Although it is entirely optional to implement a Covenant in the city it would prevent any community groups or organisations from having the opportunity to apply for funding from the Community Covenant Fund. This funding is specifically designed to fund projects that will benefit all members of the community.

## **9. IMPLICATIONS**

- 9.1 At this stage there are no financial implications to the Council in adopting the Armed Forces Community Covenant. During any future development to the Covenant any financial implications will need further approval through due process. There are, however, opportunities for local groups and organisations to apply for funding for community projects that perhaps the Council would usually wish to fund but are unable to do so during the current economic pressures.
- 9.2 The Covenant should also help to ensure that service personnel, veterans and their families do not face disadvantage compared to other citizens in the provision of services that civilian communities have access to.

## **10. BACKGROUND DOCUMENTS**

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985)

Attached

- Armed Forces Community Covenant
- Communications Plan

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# **Community Covenant**

## **An Armed Forces Community Covenant**

Between

The Civilian Community of Peterborough

And

The Armed Forces Community in Peterborough

# **THE ARMED FORCES COMMUNITY COVENANT FOR PETERBOROUGH**

We, the undersigned, agree to work and act together to honour the Armed Forces Community Covenant.

## **Signatories**



## **Section 1: Participants**

- 1.1 This Armed Forces Community Covenant is made between the serving and former members of the Armed Forces and their families working and residing in Peterborough.

## **Section 2: Principles of the Armed Forces Community Covenant**

- 2.1 The Armed Forces Community Covenant is a voluntary statement of mutual support between a civilian community and its local Armed Forces Community. It is intended to complement the Armed Forces covenant, which outlines the moral obligation between the Nation, the Government and the Armed Forces, at the local level.
- 2.2 The purpose of this Community Covenant is to encourage support for the Armed Forces Community working and residing in Peterborough and to recognise and remember the sacrifices made by members of this Armed Forces Community, particularly those who have given the most. This includes in-Service and ex-Service personnel, their families and widow(er)s in Peterborough.
- 2.3 For Peterborough City Council, the Community Covenant presents an opportunity to bring their knowledge, experience and expertise to bear on the provision of help and advice to members of the Armed Forces Community. It also presents an opportunity to build upon existing good work.
- 2.4 For the Armed Forces community, the Community Covenant encourages the integration of Service life into civilian life and encourages members of the Armed Forces community to help their local community.

## **Section 3: Objectives and General Intentions**

- 3.1 The Armed Forces Community Covenant complements the principles of the Armed Forces Covenant which defines the enduring, general principles that should govern the relationship between the Nation, the Government and the Armed Forces Community.
- 3.2 It aims to encourage all parties within a community to offer support to the local Armed Forces community and make it easier for Service personnel, families and veterans to access the help and support available from the MOD, from statutory providers and from the Charitable and Voluntary Sector. These organisations already work together in partnership at local level.
- 3.3 The scheme is intended to be a two-way arrangement and the Armed Forces community are encouraged to do as much as they can to support their community and promote activity which integrates the Service community into civilian life.

## **Section 4: Measures**

- 4.1 Peterborough City Council will implement and coordinate a Partnership Board, made up of signatories that will meet twice yearly. The Partnership Board will review the measures that they are undertaking to implement the principles of the Armed Forces Covenant.

# **THE ARMED FORCES COVENANT**

An Enduring Covenant Between

The people of the United Kingdom  
Her Majesty's Government

- and -

All those who serve or have served in the Armed forces  
of the Crown

And their Families

The first duty of Government is the defence of the realm. Our Armed Forces fulfil that responsibility on behalf of the Government, sacrificing some civilian freedoms, facing danger and, sometimes, suffering serious injury or death as a result of their duty. Families also play a vital role in supporting the operational effectiveness of our Armed Forces. In return, the whole nation has a moral obligation to the members of the Naval Service, the Army and the Royal Air Force, together with their families. They deserve our respect and support, and fair treatment.

Those who serve in the Armed Forces, whether Regular or Reserve, those who have served in the past, and their families, should face no disadvantage compared to other citizens in the provision of public and commercial services. Special consideration is appropriate in some cases, especially for those who have given most such as the injured and the bereaved.

This obligation involves the whole of society: it includes voluntary and charitable bodies, private organisations, and the actions of individuals in supporting the Armed Forces. Recognising those who have performed military duty unites the country and demonstrates the value of their contribution. This has no greater expression than in upholding this Covenant.

Key message	Audience	Communications method	Deadline date	Publication date	Officer
Promote awareness of the community covenant and launch	City residents and partner organisations	<p><b>External:</b></p> <ul style="list-style-type: none"> <li>• Press release</li> <li>• Email distribution lists (community groups and organisations)</li> <li>• Twitter (partners re-tweeting)</li> <li>• Partner intranets</li> <li>• Neighbourhood committees presentation</li> </ul> <p><b>Internal:</b></p> <ul style="list-style-type: none"> <li>• Insite home page / image of the day / all staff news items / scrolling bar</li> <li>• Team briefing sheets</li> <li>• Members' bulletin and email to all Councillors</li> <li>• Flyer / poster with focus on £30m available for communities</li> </ul>	Dates to be confirmed after agreement from Cabinet	Dates to be confirmed after agreement from Cabinet	<p>Pep Cipriano (lead officer)            Julie Rivett / Laura Almond</p> <p>Stephen Barker</p> <p>Pep Cipriano</p> <p>Relevant neighbourhood manager</p> <p>Megan Harvey</p> <p>Pep Cipriano</p>

**ARMED FORCES COMMUNITY COVENANT Communications plan – 2012**  
*On the day activity*

Key message	Audience	Communications method	Deadline date	Publication date	Lead officer
Central government £30m pot of funding available to communities via the covenant	Residents attending the war memorial unveiling	<b>External:</b> <ul style="list-style-type: none"> <li>• Twitter</li> <li>• Flyer</li> </ul> <b>Internal:</b> <ul style="list-style-type: none"> <li>• One of: Insite home page/image of the day / all staff news items / scrolling bar</li> </ul>	Dates to be confirmed after agreement from Cabinet	Dates to be confirmed after agreement from Cabinet	Stephen Barker Pep Cipriano  Megan Harvey

**ARMED FORCES COMMUNITY COVENANT Communications plan – 2012**  
*Post event activity*

Key message	Audience	Communications method	Deadline date	Publication date	Lead officer
<p><b>Immediate post event media evaluation measured by column inches, online coverage, social media awareness and the number of people expressing interest to bid for securing community project funding.</b></p> <p>Continue to encourage mutual support between the armed forces community and the civilian community - and bids to secure funding</p> <p>Messaging (opportunities and timing) to be agreed with lead officer.</p>	City residents and partner organisations	<b>External:</b> <ul style="list-style-type: none"> <li>• Press release</li> <li>• Email distribution lists (community groups and organisations)</li> <li>• Twitter (partners re-tweeting)</li> <li>• Partner intranets</li> <li>• Neighbourhood committees presentation</li> </ul> <b>Internal:</b> <ul style="list-style-type: none"> <li>• Insite home page / image of the day / all staff news items / scrolling bar</li> </ul>	Dates to be confirmed after agreement from Cabinet	Dates to be confirmed after agreement from Cabinet	Pep Cipriano to coordinate all communications

<b>CABINET</b>	<b>AGENDA ITEM No. 5</b>
<b>10 JULY 2012</b>	<b>PUBLIC REPORT</b>

Cabinet Member(s) responsible:	Councillor Fitzgerald, Cabinet Member for Adult Social Care	
Contact Officer(s):	Terry Rich, Executive Director Adult Social Care Tim Bishop, Assistant Director Strategic Commissioning Adult Social Care	Tel. 01733 748444 01733 748422

**OLDER PEOPLE’S ACCOMMODATION STRATEGY - 2012**

<b>RECOMMENDATIONS</b>	
<b>FROM :</b> Executive Director of Adult Social Care	<b>Deadline date :</b> N/A
<ol style="list-style-type: none"> <li>1. That Cabinet approves the refreshed Peterborough Older People’s Accommodation Strategy (as attached at Appendix 1) and;</li> <li>2. Authorise consultation with residents and families, and appropriate staff, on the proposed closure of the two care homes: Greenwood House and Welland House.</li> </ol>	

**1. ORIGIN OF REPORT**

- 1.1 This report is submitted to Cabinet following a review of the Strategy for Older People’s Accommodation and Housing Related Support Services for Peterborough (2007).
- 1.2 The original strategy was agreed by Cabinet in June 2007 and a further report recommending next steps was approved by the Cabinet in February 2010. That report outlined the closure plans for three care homes, the development of extra care housing and identified that services at Greenwood House and Welland House would need to be provided elsewhere in due course.

**2. PURPOSE AND REASON FOR REPORT**

- 2.1 The purpose of this report is to seek approval from Cabinet for the attached Peterborough Older People’s Accommodation Strategy 2012 and for Cabinet to agree adoption of the strategy and consequent consultation on the proposed closure of the two care homes: Greenwood House and Welland House.
- 2.2 This report is for Cabinet to consider under its Terms of Reference No. 3.2.4, to promote the Council’s corporate and key strategies and Peterborough’s Community Strategy and approve strategies and cross-cutting programmes not included within the Council’s major policy and budget framework.

**3. TIMESCALE**

Is this a Major Policy Item/Statutory Plan?	<b>NO</b>
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#### **4. PETERBOROUGH OLDER PEOPLE'S ACCOMMODATION STRATEGY**

4.1 In 2007, Cabinet adopted the Strategy for Older People's Accommodation and Housing Related Support which approved the development of a range of services to help people to remain in their own homes for as long as possible, to develop extra care housing as a high quality option for people needing higher levels of care and support, and to ensure appropriate specialist services are in place to meet local needs.

4.2 Since that time the Council has continued to commission Extra Care Housing, with The Spinney in Eye opening in April 2011. We now have over 230 Extra Care places in Peterborough with plans for more.

4.3 The refreshed strategy reviews the previous plans and updates them. It outlines the Council's plans for the accommodation needs of older people in Peterborough who require support from social care to live their lives. It builds on the 2007 strategy when people told us as part of that consultation:

"Over 90% (of people) confirmed their wish to remain at home and be supported to do so, through the provision of aids and home adaptations wherever possible. Over 90% identified extra-care or supported housing as their preferred option if remaining in their current home became too difficult. At the same time, the vast majority recognized the continuing need for care home provision for the minority with particularly high levels of dependency/complex needs." (page 16, 2007 strategy).

4.4 The Peterborough Older People's Accommodation Strategy 2012 is a brief and informative document that updates the 2007 strategy taking forward the plans and actions that were agreed at that time. It is entirely consistent with the plans and actions identified and agreed in 2007, but updates the context and refreshes the actions now needed. The updated strategy acknowledges the move of Adult Social Care back to the Council and the changed economic circumstances in which we now live and work.

4.5 The centre of the strategy is the Council's Adult Social Care vision for people in Peterborough:

- Promote and support people to maintain their independence
- Deliver a personalised approach to care
- Empower people to engage with their communities and have fulfilled lives

4.6 The Purpose of the Strategy:

- To understand the progress in the development of Peterborough's accommodation options;
- To provide clear direction and targets for future housing developers;
- To improve opportunities for people to live in suitable accommodation based on their current and potential future needs;
- To ensure people are able to access stable life long accommodation with their own tenancy, part ownership or full ownership;
- To promote choice;
- To promote care at home and avoid admissions to hospital or long-term residential care; and
- To ensure choice and a stable environment at end of life care.

4.7 The Desired outcomes of the Strategy:

- Older People are provided with the right information in the right way to enable them to make real choices about their housing and accommodation;
- There is a range of appropriate accommodation available;

- The market is responsive and provides good quality accommodation at realistic and competitive prices; and
- People are supported to live where they want and to make choices which are right for them.

4.8 The Strategy sets out information about:

- Peterborough;
- Adult Social Care Commissioning;
- Current Housing Choices;
- The costs of support;
- What is needed in the future;
- Future plans; and
- Knowing we are making a difference (performance management).

4.9 It is important that Cabinet notes the demographic projections set out in the strategy, which specifically include:

- a growth in the population aged 85 and over between 2008 and 2012 of some 400 people;
- a significant growth in the numbers of older people in Peterborough over the next 10-15 years (data from the Joint Strategic Needs Assessment); and
- The number of people with dementia living in Peterborough increasing by just under 200 from 2010 to 2015 and by another 260 by 2020. (Dementia UK Report, Alzheimer's Society, 2007)

## **5. IMPLEMENTATION OF THE STRATEGY**

5.1 Modern expectations of provision in care homes are set out in the Care Quality Commission's (CQC) standards for people who need residential care as follows:

- Designed and adapted so that people can move around and be as independent as possible in activities of daily living, and meet the appropriate requirements of the Disability Discrimination Act 1995
- Have sufficient toilets, and where necessary bathroom and bathing facilities, that take into account people's diverse needs and promote their privacy, dignity and independence
- That individual rooms are of a size and shape that supports their lifestyle, care, treatment and support needs and enables access for care, treatment and support and equipment.

5.2 In order to meet these standards the Council is continuing to work with partners to commission Extra Care Housing, for example Cross Keys will be on site in Stanground later in the summer to begin work on a new Extra Care home which will provide just under 80 new Extra Care units and a full range of modern facilities.

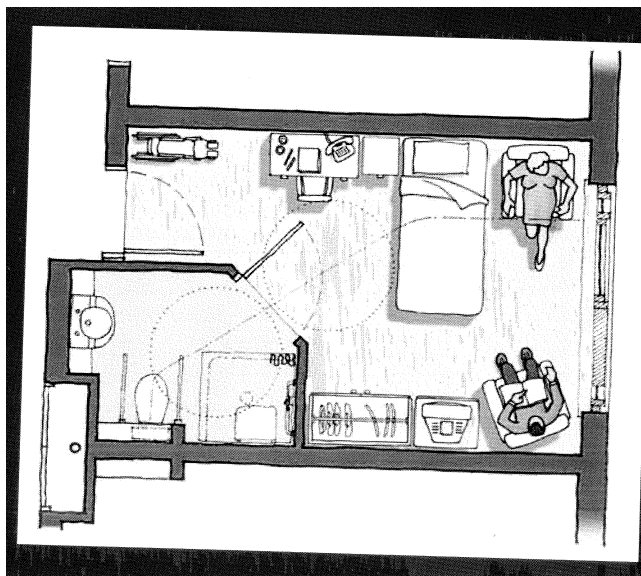
5.3 The Council will continue to commission from the independent sector and ensure good quality services in line with the CQC standards are available in Peterborough, taking into account the wishes of the residents and their families.

5.4 There is good provision within the independent sector in Peterborough, which meets the CQC standards. For example, owners of such homes have given descriptions of their facilities as follows:

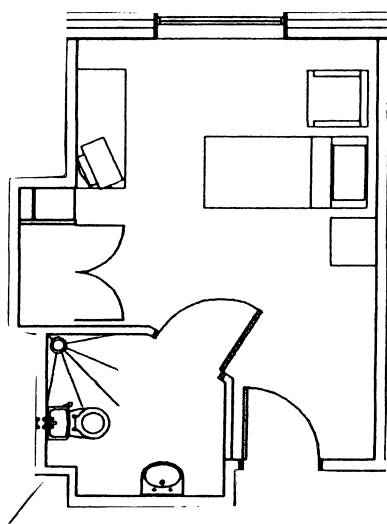
*'... provides a range of rooms all of which exceed the government's guideline on space and all 86 rooms are equipped with en-suite walk-in showers, WC's and flat screen TV's.'*

*'Our bedrooms are all furnished to a high standard and each one has colour co-ordinated soft furnishings, all selected by our experienced interior designer. Each room has en-suite facilities, a remote controlled television, 24-hour call system, telephone points, thermostatic radiators and smoke detectors, as well as views onto the beautiful gardens.'*

5.5 A typical room plan for a modern residential care home is shown below:



5.6 Details taken from plans for a new build private care home in Peterborough show that the room size is approximately 25 m<sup>2</sup> as shown below on the plan, and this does not include the en suite facilities:



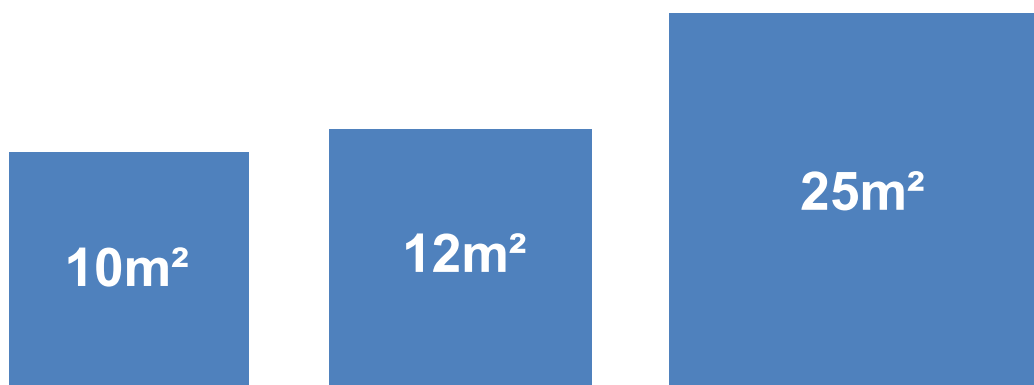
5.7 For this particular new build, the owner points out that particular attention has been paid to issues such as:

- The large bay window at waist height for optimum viewing ability;
- The resident chair located next to the window to allow natural light for reading;
- The bed position which allows the resident when in/on the bed to have views both out of the window and out of their door if this is open, it also allows staff to have a glancing view in without having to intrude;
- The circulation around the bed, particularly for wheelchair access;



- The built in double wardrobe which prevent the risk of a standing object, it allows a lot more room and, being double, gives the resident far more capacity to store;
- The en – suite door angle should always open away from the resident and not into the resident;
- The built in fridge which allows either the resident or visitors to store items such as milk, cold drinks, snacks

5.8 The diagram below shows comparative room sizes:



5.9.1 The Council wishes to ensure that there is a Peterborough standard and that all new build homes exceed the minimum CQC standard room size of 12m<sup>2</sup> (excluding en-suite), provide en-suite facilities and also meeting the amenity space requirement of at least 4.1m<sup>2</sup> per resident to provide the kind of spaces needed for activities such as:

- Physical activity and keep fit
- Cooking classes
- Reminiscence work
- Watching films
- Space to wander in a safe environment for people with dementia
- Safe outdoor space for all residents, including for people with dementia

## 6. GREENWOOD HOUSE AND WELLAND HOUSE

6.1 Greenwood has 38 beds and 18 day care places. There are four permanent residents, 12 beds used as interim beds and 22 people per week (at different times) using the day care facilities. During the last 12 months the use of interim beds has been approximately 90%. Seventy four staff are employed at Greenwood of which 68 are residential staff and six are day care staff.

6.2 Welland has 48 beds and 24 day care places. There are 29 permanent residents and 47 people using day care per week (at different times). Ninety three staff are employed at Welland of which 85 are residential staff and eight are day care staff.

6.3 The homes are also used for respite care by about 80 people. On an annual basis this accounts for about 550 weeks of respite care.

6.4 Whilst offering appropriate standards of care and meeting residents needs, the two remaining 'in house' residential care services offer poor standards of accommodation, including:

- Limited private space that restricts the amount of personal furniture and belongings a resident can furnish their room with;

- Small bedrooms (room sizes which vary from 8-10m<sup>2</sup> and 16m<sup>2</sup> for shared rooms) which do not meet new building standards, and make moving someone who needs assistance difficult as many of the rooms will only allow for a bed against one of the walls;
  - The small bedrooms also make the use of a hoist where necessary, difficult;
  - Greenwood having no en-suite facilities and people using commodes in their room;
  - Welland only having four en-suite room in a home that is registered for 48 people;
  - Communal spaces which are limited and do not afford adequate space for wandering safely;
  - Outdoor spaces which are not contained and not part of the home eg. many newer built homes have internal courtyards or special patio and terrace areas where people can wander or sit; and,
  - Out of date buildings that require significant upkeep and maintenance due to their age.
- 6.5 Staff and managers at Greenwood House and Welland House have had to provide care in a challenging environment for some time. This has led to issues being raised by CQC about quality of service provided in the past, although these issues have all now been addressed.
- 6.6 The Council has considered how the physical make up of these two homes might be improved, and has looked at remodelling and rebuilding as options. Current standards for new build residential care require a minimum of 12m<sup>2</sup> for single rooms (significantly larger than the present room sizes which vary from 8-10m<sup>2</sup> and 16m<sup>2</sup> for shared rooms) but if remodelling or rebuilding the Council would want to ensure that rooms exceeded this minimum standard.
- 6.7 Initial calculations using the Davis Langdon Mini Cost Model – Nursing Homes tool as a guide indicates that the rebuild costs for the two homes would be circa £2.2m, just for the build costs, with additional costs of demolition and fitting out with items such as beds, furniture and equipment.
- 6.8 Comparing the facilities that are currently available in Greenwood House and Welland House with what the independent sector in Peterborough can currently offer, leads to the conclusion that the Strategy demands that the Council achieves a better outcome for people who need residential care. There are facilities readily available which provide an environment where the physical and emotional wellbeing of residents is better served than is currently possible in these two homes.
- 6.9 The Council could consider remodelling and rebuilding the two homes, however the cost of doing so is significant, and there is no need to do so at present, because there is currently sufficient provision of an appropriate standard elsewhere. It should be noted that remodelling or rebuilding would result in residents having to move out of the homes during the works, so this is not an option that would prevent any disruption for residents. It remains possible that in the longer term, additional very specialist residential services for people whose needs cannot be met in extra care housing or standard residential care might become necessary, but there is sufficient provision for the short to medium term, and this will be kept under review.
- 6.10 Having considered all the options available, Cabinet is asked to authorise consultation with residents and families, and appropriate staff on the proposed closure of the two care homes.

## **7. CONSULTATION**

- 7.1 If the recommendation to consult on the proposed closure is approved the Council will consult with all the people who use the homes: permanent residents; day care users; interim care users and respite users and with their families, family carers and independent advocates. It will also ensure that specialist social work staff are available to advise and

assist with any questions and concerns on a one to one basis. Specialist advocates will also be made available to support people.

7.2 After appropriate consultation, if the decision is to close the homes, the Council will:

7.2.1 work individually with each person using residential care to ensure they are able to move to a service which meets their needs, at no additional cost to them;

7.2.2 work individually with each person using day care services to offer them a range of choices that meet their needs;

7.2.3 offer the opportunity for any resident or day care user who wishes to do so to move together in a group or with a friend;

7.2.4 extend the respite and interim care beds currently commissioned from the independent sector and increase the numbers already commissioned to offer wider choice of home, and location;

7.2.5 consult fully with all staff, in a way that meets statutory requirements and also supports staff through this period of uncertainty. This consultation will include all staff currently employed in older people's day care services (26 people), not just the 14 staff employed on the combined sites providing a stand alone day care service, as they will need to be treated as a single group. Adult social care managers supported by HR colleagues will run this consultation process and support staff through it;

7.3 While there is limited national guidance on covering changes to residential care, these recommendations take into account recent ADASS guidance and Social Care Association guidance, and the significant case law covering changes to residential services. In line with guidance and case law the Council will ensure that due process is followed in relation to:

- Consultation and engagement;
- Review and risk assessment of each individual resident's circumstances and needs;
- Compliance with the Mental Capacity Act to ensure those without capacity to make their own decisions are properly supported, that decisions are made in their best interests and that their rights are protected;
- Choice of where to move to (every permanent resident affected will have a guaranteed place at no extra cost);
- A sensitive approach taking account of how difficult change and moving home can be, particularly for older people; and
- Appropriate communication and information to those affected and to stakeholders.

7.4 To fulfil its obligations set out above, the Council will ensure dedicated social workers are allocated to residents and have full discussions with them and their family, friends and advocates about the options being considered. It is possible that this process may present an opportunity for a resident to move nearer to family or to think about a care home in an alternative area if they wish to do so.

7.5 For those residents who don't have regular contact with family or friends the Council has commissioned Age UK Peterborough to allocate advocates to work with residents and ensure that their views are heard as part of the consultation.

## **8. FINANCIAL CONSIDERATIONS**

8.1 The unit cost of in-house residential provision is significantly higher than that which can be obtained in the independent sector. Whilst both homes remain open the additional cost to the Council per month, compared to external provision, is £146,000.

- 8.2 In terms of Day Care provision the assumption is that the cost of provision in the external sector will be covered by existing budgets for Day Care in Greenwood House and Welland House.
- 8.3 If the decision is to close the two homes, there will be a significant one off cost of redundancies of staff which is expected to be in the region of £1.65m. Redundancy costs will be covered through the Council's Capacity Fund.
- 8.4 If, after consultation, the decision is to close the two homes, their availability for development will provide a potential capital receipt for the Council. The Capital Programme for Adult Social Care contains £6m which is potentially available for the provision of Extra Care and other provision in line with Older People Accommodation Strategy.

## **9. ANTICIPATED OUTCOMES**

- 9.1 That this refreshed strategy provides a clear direction for the provision of accommodation for older people that meets the Care Quality Commission's standards.

## **10. REASONS FOR RECOMMENDATIONS**

- 10.1 The previous strategy is now five years old and needs to be updated, taking into account modern standards and expectations of care provision for older people.
- 10.2 The Council needs to ensure people have access to good quality residential and nursing care in fit for purpose surroundings, which support staff and managers to meet people's individual personalised needs.

## **11. ALTERNATIVE OPTIONS CONSIDERED**

- 11.1 The homes to continue to provide a residential service with no changes. This was rejected because the resident room sizes are small and do not meet modern standards, or the quality of provision that the Council wishes to provide for older people.
- 11.2 The homes to be sold as a going concern. This option has been rejected because the costs of running the homes and the improvement costs would not make them viable businesses to sell.
- 11.3 The homes be developed and improved. Significant costs would be incurred to improve the homes and it may be more cost effective to demolish and rebuild them. Initial cost modelling indicates that for the two homes, with like for like built on modern standards, the build cost alone would be circa £2.2m, with additional costs of demolition and fitting out. Given the national data and the number of rooms resulting it is unlikely this would be a cost effective option and would still require residents to leave the homes while work was undertaken.

## **12. IMPLICATIONS**

- 12.1 Financial: Better value for money can be achieved by purchasing care home places needed within the independent sector. Given the age and condition of the in-house properties a better physical quality of accommodation can also be achieved by people being in modern homes with larger rooms and en-suite facilities.
- 12.2 Discrimination and Equality: Older people often feel discriminated against on the grounds of age (one of the protected groups within equality legislation). This strategy aims to ensure that older people have choice and access to quality accommodation.

- 12.3 Legal: this strategy is legally compliant and any consultation process with regards to the proposed closure of the two homes will follow good practice and available guidance.
- 12.4 The council will need to carefully consider the best use of the sites vacated by the two care homes. Additional extra-care provision is identified within the strategy and one of these sites might be used to provide extra care housing particularly for people with high or complex needs eg. dementia, stroke care.

**13. BACKGROUND DOCUMENTS**

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985)

Older People's Accommodation and Housing Related Support Strategy 2007

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**Adult Social Care Older People's Accommodation Strategy**

- 1. Introduction**
- 2. About Peterborough**
- 3. Adult Social Care Commissioning**
- 4. Current Housing Choices**
- 5. The costs of support**
- 6. What is needed in the future?**
- 7. Future plans**
- 8. Knowing we are making a difference (performance management).**

## 1. Introduction

- 1.1 This strategy outlines our plans for the accommodation needs of older people in Peterborough who require support from social care to live their lives. It refreshes the 2007 strategy when people told us as part of that consultation:

“Over 90% (of people) confirmed their wish to remain at home and be supported to do so, through the provision of aids and home adaptations wherever possible. Over 90% identified extra-care or supported housing as their preferred option if remaining in their current home became too difficult. At the same time, the vast majority recognised the continuing need for care home provision for the minority with particularly high levels of dependency/complex needs.” (page 16-2007 strategy).

- 1.2 At the centre of the strategy is the adult social care vision for people in Peterborough:

Our priorities:

- Promote and support people to maintain their independence
- Delivering a personalised approach to care
- Empowering people to engage with their communities and have fulfilled lives

- 1.3 This strategy sets out how we will support people to remain as independent as possible and make real choices about their lives – in line with the aims of ‘Our Health, Our Care, Our Say’ (DH 2006); ‘Putting People First: a shared vision and commitment to the transformation of adult social care’ (DH 2007); ‘Think Personal, Act Local’ (DH 2010), ‘A Vision for Adult Social Care : Capable Communities and Active Citizens’ (DH 2010) and ‘Laying the Foundations’: The Government’s National Housing Strategy for England (see Appendix 1 for a fuller list of publications). These emphasise the importance of independence, enabling people to live their own lives as they wish, make choices, and take risks within a market that provides high quality services that are appropriate to peoples’ needs.

- 1.4 In Peterborough we have developed the ‘Living My Life’ programme to take personalisation, choice and control forward. This accommodation strategy is set out as part of that programme, which supports how we deliver all adult social care in Peterborough. The programme identifies that everyone should be able to:

- Live as independently as possible
- Make their own choices to achieve their personal goals and aspirations
- Take appropriate risks
- Live their lives free from abuse and neglect
- Maximise their health and well-being.

- 1.5 This strategy is underpinned by a range of documents, including local previous accommodation strategies, government guidance and best practice including:

- Peterborough’s Older Peoples’ Accommodation Strategy (2007)
- National Dementia Strategy – Living Well with Dementia (2009)
- End Of Life Strategy (2008)
- Local Decisions – A fairer future for social housing (2010)
- Valuing people Now (2009)



- Peterborough's Joint Strategic Needs Assessment (2011)

## 1.6 What is the Purpose of the Strategy?

- To understand the progress in the development of Peterborough's accommodation options;
- To provide clear direction and targets for future housing developers;
- To improve opportunities for the people to live in suitable accommodation based on their current and potential future needs;
- To ensure people are able to access stable life long accommodation with their own tenancy, part ownership and full ownership;
- To promote choice;
- To promote care at home and avoid admissions to hospital or long-term residential care; and
- To ensure choice and a stable environment at end of life care.

## 1.7 What are the desired outcomes?

- Older People are provided with the right information in the right way to enable them to make real choices about their housing and accommodation;
- There is a range of good quality appropriate accommodation available;
- The market is responsive and provides good quality accommodation at realistic and competitive prices; and
- People are supported to live where they want and to make choices which are right for them.

## 2. About Peterborough

2.1 Population projections point to a significant growth in the numbers of older people in Peterborough over the next 10-15 years. There has already been growth of some 400 people in the older population aged 85 and over between 2008 and 2012.

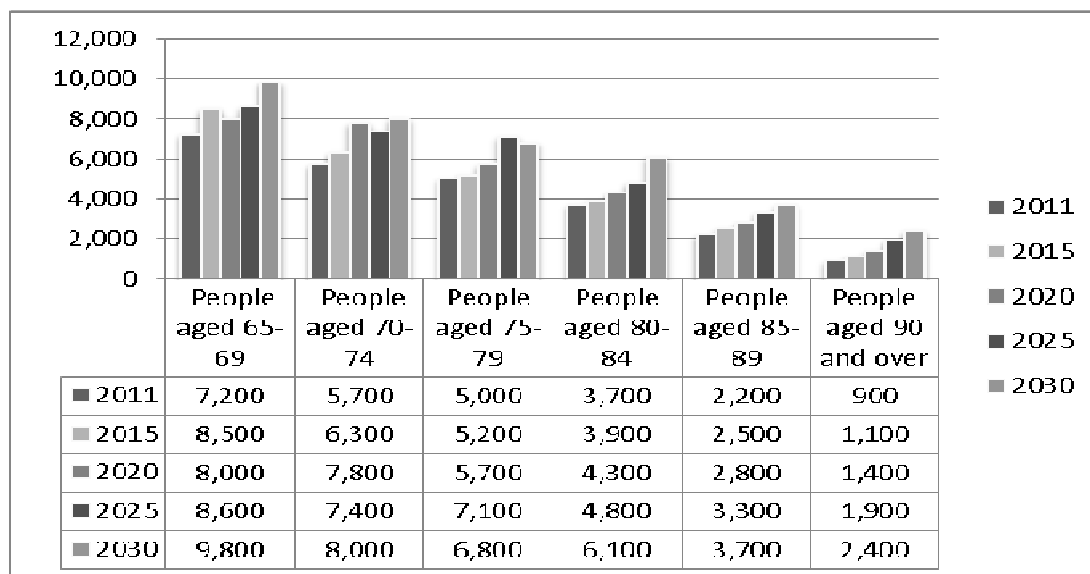
### Peterborough Annual Population Projections by Age Group to 2021

#### Peterborough Resident Population Projections by age group to 2021

Year	Thousands													
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
0-19	43.7	43.9	44.2	44.5	44.8	45.1	45.7	46	46.5	46.9	47.5	48	48.5	49.1
20-44	63.4	63.8	64.1	64.6	64.9	65.1	65.5	65.9	66	66.3	66.4	66.8	67.1	67.3
45-64	39.4	40	40.5	41.1	41.4	42	42.5	43	43.5	44	44.6	44.8	45.1	45.4
65-74	12.2	12.4	12.6	12.9	13.6	14	14.4	14.8	15.1	15.4	15.5	15.7	15.8	15.9
75-84	8.3	8.4	8.5	8.7	8.8	8.8	8.9	9.1	9.1	9.3	9.4	9.8	10	10.3
85+	2.8	2.9	2.9	3.1	3.2	3.3	3.5	3.6	3.7	3.8	3.9	4	4.2	4.4
Total	169.8	171.4	172.8	174.9	176.7	178.3	180.5	182.4	183.9	185.7	187.3	189.1	190.7	192.4

Source: ONS Sub-national Population Projections, mid 2008

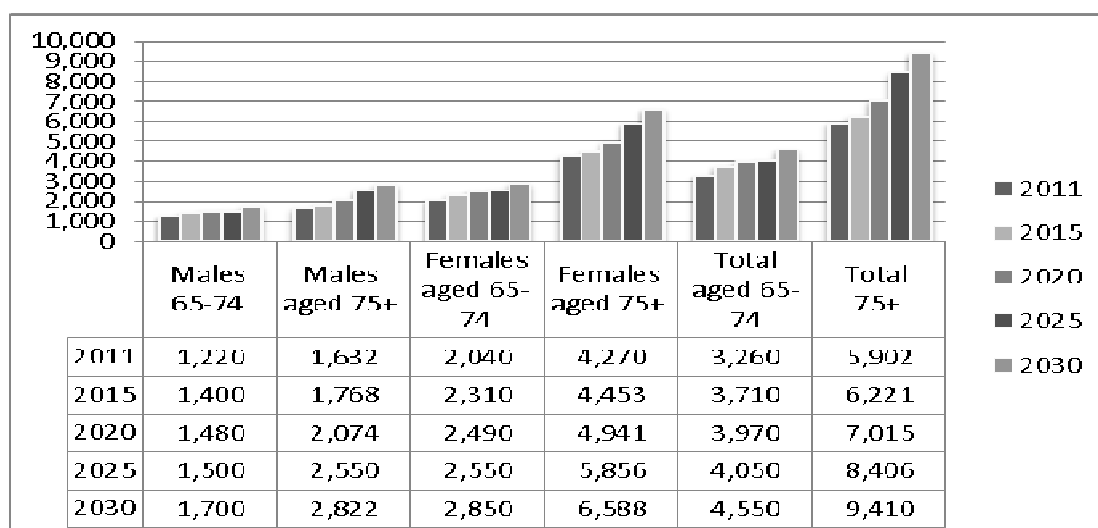
2.2 By 2016, there are expected to be 30,600 people over the age of 65 living in Peterborough with 4,400 of those being over the age of 85. .



#### Peterborough Older People Population projections

2.3 The number of people with dementia (including early onset) living in Peterborough will increase from 1,686 in 2010 to 1,882 in 2015 and 2,142 in 2020 – an increase of 27% over the next ten years. The largest increase is expected to be seen in women, increasing from 1,074 currently (2010) to 1,309 in 2020 (Dementia UK Report, Alzheimer’s Society, 2007).

2.4 The numbers of people living alone will also increase. The table below sets out data on populations of older people predicted to live alone.



2.5 The table below sets out ethnicity data for Peterborough for the whole population and for those over 65 years.

Experimental Ethnic Group estimates for Peterborough, Persons				
	Peterborough			
	All ages		65 +	
	Number	%	Number	%
White: British	134,200	82.2	24,300	89.3
Asian or Asian British: Pakistani	7,400	4.5	400	1.5
White: Other White	6,000	3.7	1,000	3.7
Asian or Asian British: Indian	4,400	2.7	400	1.5
Black or Black British: African	1,900	1.2	100	0.4
White: Irish	1,500	0.9	500	1.8
Black or Black British: Caribbean	1,300	0.8	200	0.7
Asian or Asian British: Other Asian	1,200	0.7	100	0.4
Mixed: White and Black Caribbean	1,000	0.6	0	0.0
Chinese or Other Ethnic Group: Other Ethnic Group	1,000	0.6	0	0.0
Mixed: White and Asian	900	0.5	0	0.0
Chinese or Other Ethnic Group: Chinese	800	0.5	0	0.0
Mixed: Other Mixed	700	0.4	0	0.0
Mixed: White and Black African	300	0.2	0	0.0
Asian or Asian British: Bangladeshi	300	0.2	0	0.0
Black or Black British: Other Black	300	0.2	0	0.0
White	141,700	86.8	25,800	94.9
Mixed	3,000	1.8	100	0.4
Asian or Asian British	13,300	8.1	900	3.3
Black or Black British	3,600	2.1	300	1.1
Chinese or Other Ethnic Group	1,800	1.1	100	0.4
All Ethnic Groups	163,300	100.0	27,200	100.0

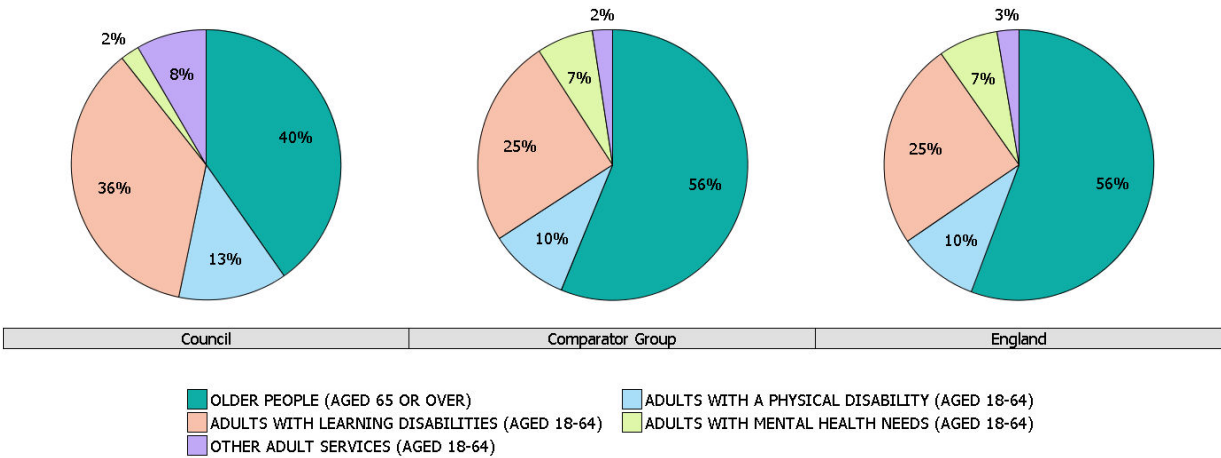
Source: ONS Experimental Population Estimates by Ethnic Group, June 2007

2.6 There are still significant health inequalities in life expectancy within Peterborough - parts of Central, East and Paston wards have the highest poverty levels for older people. There are a growing number of vulnerable people independently funding their own care.

2.7 The numbers of people supported in permanent residential care has fallen by 26% between 2007-08 and 2009-10 (significantly lower rates than our comparator local authorities or the national average) but we also have significantly higher availability of extra care housing per 10,000 of the population aged 65+.

# Peterborough Adult Social Care Expenditure 2010-11 Report

Percentage distribution of total gross current expenditure on adult social services by client group 2010-11 (note: percentages have been rounded so may not add up to 100%).



### 3. Adult Social Care Commissioning

- 3.1 2012 saw the return of ASC from the PCT to the City Council. As part of that move a new ASC department has been created within the council - a commissioning ASC department. Working with other council departments, the council’s strategic partners and wider partners within the city, including the voluntary and independent sectors as well as housing providers, we are reviewing the way ASC is commissioned in Peterborough.
- 3.2 There is national agreement that the current pattern of commissioning and delivering services is unsustainable as it will not meet the expectations of future service users, and the workforce requirements and costs of increased demand for residential and home care cannot be achieved or afforded.
- 3.3 ‘Fairer Care Funding – The Report of the Commission on Funding of Care and Support’ (Dilnot Commission Report) 2011 highlighted that the current funding system is in urgent need of reform: it is hard to understand, often unfair and unsustainable
- 3.4 People want to remain at home with care and support if possible, and support for family carers is recognised as a key element of service provision to enable this.
- 3.5 The aims and outcomes set out in the government White Paper ‘Our health, our care, our say’ (2006) signaled the Government’s intention to shift the emphasis of health and social care from acute and intensive services towards prevention, health promotion and community services. Better prevention, more choice, tackling health inequalities and support for people with long term needs were the main goals.
- 3.6 ‘Putting People First’ (DH 2007) later identified the government’s vision and commitment to the transformation of adult social care. The document calls for system wide transformation, developed and owned by local partners. The key values that sit behind this policy relate to quality of life and ‘the equality of independent living’ which are seen as ‘fundamental to a socially just society’. The transformation required means a shift from paternalistic, reactive care to a new mainstream system that is

focused on early intervention, reablement, prevention, and high quality personally tailored services.

3.7 Adult Social Care in Peterborough is being re-shaped based on The vision for quality in social care ('A Vision for Adult Social Care: Capable Communities and Active Citizens', DH 2011) and on the outcomes framework principles including: prevention; personalisation; partnership; and providing protection.

3.7.1 The document highlights the importance of ensuring that the variety of people's needs is matched by a diversity of support within a broad market of high quality provision. The vision endorses the role of councils working to develop markets with the full engagement of people with support needs, their carers and families and a wide spectrum of providers:

"Social care already involves a diverse range of providers, including the voluntary and private sectors, but more can be done to make a reality of our vision of a thriving social market in which innovation flourishes. Councils have a role in stimulating, managing and shaping this market, supporting communities, voluntary organisations, social enterprises and mutual to flourish and develop innovative and creative ways of addressing care needs. Local government has already made great strides towards developing local services with their local communities and voluntary organization.." (paragraph 5.2).

3.8 The success of market shaping will depend on strong partnerships, shared risks and a willingness and ability by commissioners and providers to put people with support needs, their carers and families, in the driving seat. If councils are to lead the way in shaping local markets they will need to develop approaches that empower people to set the direction for change, and work closely with suppliers in the independent and third sectors to better understand their capacity and capability, so that innovation and best value are most effectively incentivised.

3.9 The challenges are significant and are described in the ADASS publication 'The Case for Tomorrow Facing the Beyond' (ADASS 2012):



## **4. Current Housing Choices**

- 4.1 There are currently a number of accommodation types in Peterborough for older people who need different levels of support. These mirror what is available nationally.
- 4.2 Own home – people living in their own homes and are supported to help them to continue to live as independently as possible in their own home. While many people may make their own arrangements for support and pay for it themselves, there are currently just over 1,600 people with an ASC personal budget purchasing support to live at home.
- 4.3 Sheltered Housing - housing tends to be in a scheme of about 20 to 40 self contained flats or bungalows. There is almost always an alarm system and most schemes have an accommodation scheme manager. In Peterborough we currently have a range of schemes offering 1747 places.
- 4.4 Extra Care Schemes – these schemes tend to be larger than sheltered schemes and provide direct access to a care provider 24/7. All schemes have an accommodation scheme manager. In Peterborough we currently have five schemes offering 237 places.
  - 4.4.1 The five extra care schemes in Peterborough have a capacity of 223 units. Excluding first occupations at The Spinney (a new scheme opened in 2011), 48 units became vacant during the year. This amounted to a 20% stock turnover, which is lower than during 2010/11.
  - 4.4.2 One hundred and fifteen people joined the Extra Care Housing Register during 2011/12, and on 31st March 2012, 52 people were still on the EC Register awaiting an offer of Extra Care accommodation. Assuming the same number of people seek Extra Care housing during 2012/13 as in 2011/12, and the void turnover creates 46 vacancies, the number of people on the register could more than double, with 121 applicants on the Extra Care register on 31<sup>st</sup> March 2013.
  - 4.4.3 Cross Keys Homes will shortly commence construction of a 79 unit Extra Care scheme in Stanground. This additional supply of units should help to reduce the number of applicants on the EC register.
- 4.5 Care Homes – including residential and nursing homes – Peterborough has 821 beds available in 17 homes within the City. Plans are underway to break ground this year for an additional care home providing 50 beds. This is a local independent provider who already has a presence in Peterborough.
- 4.6 Since November 2011 we have been collecting weekly vacancy levels in all the independent sector homes we purchase beds from in Peterborough. On average each week during this high need period there have been a total of 56 beds available, which has included just over 16 residential beds, 15 nursing beds and 25 dually registered residential/dementia beds.
- 4.7 A snapshot on 14<sup>th</sup> May 2012 showed 60 available beds of which 29 were registered for dementia or residential care, 19 for residential care and 12 for nursing care. All but 1 nursing bed and 3 residential beds were open to purchase by the council at our agreed rates.

4.8 The two homes still run by the council have 86 beds and 24 vacancies and were not included within the independent sector count in 4.7 above.

## 5. The costs of support

5.1 Laing & Buisson health and care market reports provide authoritative data and in-depth analysis of the UK health and care market.

Nationally the average cost of residential and nursing care for over 65s is £526 per week, including independent as well as council provided care. The average cost of residential care is nationally £522; however, when it is provided by a council, the cost is a national average of £895 per week compared to £470 when provided by others. (Personal Social Services: Expenditure and Unit Costs - England 2010-11 - Final Release - The information Centre 2012).

5.2 In Peterborough our current fee levels per week are set at:

Residential	£387.03
Residential/dementia	£440.58

These are in line with our neighbouring authorities and agreed with our local care home providers.

5.3 The two homes run by the council – based on current running costs and if they had no voids and continued to operate with the same number of beds – would have weekly costs of:

Greenwood House	£714.89
Welland House	£665.94

## 6. What is needed in the future?

6.1 The Case for Tomorrow sets out eight areas that need to be addressed which include:

- A range of different types of housing which allows people to remain at home as long as they wish
- Real choice and control over services which are fairly priced and affordable

<b>Effective prevention in supportive communities</b> which promote good health, wellbeing and involvement.	<b>Community health and care services working together</b> to aid recovery and provide ongoing support to reduce the need for acute care.	<b>A range of different types of housing</b> which allows people to remain at home as long as they wish.
<b>Good quality information and advice</b> and straightforward access to health, care and support services.	<b>THE CASE FOR TOMORROW</b>	<b>Better recognition and support</b> for carers, particularly for older carers.

<b>Safe, good quality services</b> from reliable and skilled people.	<b>Real choice and control</b> over services which are fairly priced and affordable.	<b>Services which are effective, efficient and accessible</b> when and where needed.
----------------------------------------------------------------------	--------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------

6.2 It goes on to identify a way forward (8.3):

- Better planning for the likely future demand for housing suitable for older people, including greater co-ordination between the planning authority and social and health care.
- Health and wellbeing boards with a better understanding of what good housing can deliver, and with access to planning specialists.
- Strong local commitment to accessible housing and good neighborhood design that supports older people remaining within the community.
- Local authorities working with RSLs to review the local sheltered housing stock, and ensure that all provision over time can be fully accessible for the delivery of health and care services.
- Specialist housing for older people which can also support people with dementia.
- Investing in new designs and technology in aids and adaptations which support older people and carers to remain at home.
- Establishing local targets for private sector extra care housing proportionate to home ownership by older people.

6.3 'Laying the Foundations', the Government's national Housing Strategy for England, sets out a number of key themes which relate to older people, including:

- The introduction of a 'New Deal for Older People', to help older people to continue living comfortably in their own homes;
- the need for communities to have more say over new housing developments in their own area to ensure they meet local needs, including the needs of older people; and
- the importance of good accessible design in both housing and in neighbourhoods, to enable older people to remain independent and included in their communities.

6.4 It is estimated that people aged 65 and over in local authority residential care, independent sector residential care, and nursing care during the year, purchased or provided by Peterborough City Council will be:

	<b>2011</b>	<b>2015</b>	<b>2020</b>	<b>2025</b>	<b>2030</b>
Peterborough:	731	814	888	979	1,089

While the actual numbers for Peterborough in 2011 are likely to be about 100 less – this does give an indication of need into the future (from the Peterborough JSNA).



- 6.5 Given the levels of residential/nursing beds provided in the independent sector in Peterborough, people's wish to remain at home longer, and the additional planned residential care beds and extra-care housing being available in the next 2 years – it is unlikely that we will require additional residential care beds in the near future. We may however require additional dementia care and in particular extra care dementia care. We have begun to talk to providers about developing this.
- 6.6 As part of this strategy we would want to move to a Peterborough standard for new residential care developments, ensuring CQC standards are seen as a minimum and aim for room sizes of 25 m<sup>2</sup>, all en-suite provision and buildings which allowed for a modern and good quality service to be provided.

## **7. Future plans**

- 7.1 In Chapter Five of the 2007 strategy the key objectives were set out to:
- Meet the needs of older people in general needs accommodation;
  - Make better use of existing sheltered housing and encourage the rationalisation of existing provision; and
  - Work in partnership with the PPCT and others to:
    - facilitate investment in Extra Care/Very Sheltered Housing
    - facilitate the provision of sufficient care home provision for older people, including those with mental health needs
    - facilitate the provision of sufficient short-stay, intermediate care residential nursing rehabilitation resources to enable timely hospital discharge and avoid unnecessary hospital admissions;
    - facilitate the provision of adequate capacity for short-term breaks (respite care)
- 7.2 These were further defined as:
- 7.2.1 Ensure good quality and effective advice and information services (and materials) are available to support older people in making choices about future options. The needs of Peterborough's BME communities should be reflected in this approach.
- 7.2.2 Maximise the availability of adaptable (lifetime homes standards), affordable housing options for older people through ensuring the needs of this section of the community are fully represented in negotiations with developers and through the PCC Planning Obligations Strategy. This is in line with emerging practice.
- 7.2.3 Review the level of demand and current level of funding for Disabled Facilities Grants to ensure adequate growth provision is planned for – a key element of promoting independence. Part central government funded, part locally funded.
- 7.2.4 Regularly review the level of demand and current resources for minor aids and adaptations, and access to the services of Home Improvement Agencies (HIAs) to ensure adequate growth provision is planned for. This will have clear links to the assistive technology initiatives already in place.
- 7.2.5 Review of the current regime for linking Supporting People funding to housing schemes/services, and develop a joint commissioning model with PPCT for Floating Support Services. These will be tenure neutral and enable people to

access those support services traditionally associated with sheltered housing schemes. This would be funded through realignments of existing budgets.

- 7.2.6 Work with RSLs to review the continued viability and, where appropriate, possible alternative uses for all current Supported Housing Schemes located in the area served by the Council. Those unsuitable or no longer attractive to older people may offer solutions for other sections of the community.
  - 7.2.7 Press forward with the plan to expand the number of extra-care housing units in line with the local calculated demand projections – a baseline of 400 units by 2011 and 500 by 2016. This is to include significant provision for people with dementia.
  - 7.2.8 Refine modelling projections on the continued demand for residential care provision across all sectors – including the viability of continuing to directly provide long-stay residential care places through homes run by PPCT, and options for specialist provision.
  - 7.2.9 Facilitate the growth in demand through the commissioning of short-stay and rehabilitation services and develop capacity in line with projections. This would include intermediate, interim and respite care.
  - 7.2.10 Facilitate the growth in demand for nursing care provision to inform PPCT commissioning strategy. Develop capacity in line with projections. This will include provision for older people with dementia, multiple and complex needs, palliative and terminal care.
- 7.3 In relation to 7.2.8 above the 2007 strategy also noted (page 5) that ‘whilst this work will impact on all sectors providing residential care homes, there will need to be a consideration of the future role of the six directly provided care homes operated through PPCT. These decisions are strongly linked to the following two points:
- Facilitate an increase in the availability of short-stay and rehabilitation services, developing capacity in line with projections. This will include intermediate, interim and respite care.
  - Refine modelling projections on the demand for nursing care provision to inform PPCT commissioning strategy. Develop capacity in line with demand projections. This will include provision for older people with dementia, multiple and complex needs, palliative and terminal care needs.’
- 7.4 Over the last five years much work has been undertaken in these areas. There has been a significant increase in extra care housing, with flats for dementia care. We have intermediate, interim and respite care beds purchased from the independent sector. The PCT has been developing an ‘end of life’ pathway which is now in place to ensure that people who wish to die in their home are supported to do so.
- 7.5 We plan to continue with this strategy but also to refresh and update it to reflect personalisation; reablement and the new economic climate to ensure services are fairly priced, affordable and provide value for money.
- 7.6 Our refreshed plan is to:
- 7.6.1 Ensure good quality information and advice is available for all people whether they fund social care themselves or it is funded by the council;

- 7.6.2 Invest in new designs and technology in aids and adaptations which support older people and carers to remain at home (Tele care);
- 7.6.3 Better planning for the likely future demand for housing suitable for older people, including greater co-ordination between the planning authority and social and health care;
- 7.6.4 To work with the market and ensure that the needs of most older people are met within general needs accommodation;
- 7.6.5 To work with partners within the City Council and with RSLs to ensure effective use of existing sheltered housing;
- 7.6.6 To review the use of Supporting People funding to ensure it is directed in the right places to maximise outcomes for older people;
- 7.6.7 To look for new ways of creating new investment in Extra Care Housing;
- 7.6.8 To stimulate and shape the market to ensure the provision of sufficient good quality care home places for older people, including those with mental health needs, which is fairly priced and affordable;
- 7.6.9 To commission specialist housing for older people, which can also support people with dementia;
- 7.6.10 To consult on the potential decommissioning of the relatively expensive and physically outdated in-house residential care homes for older people;
- 7.6.11 To stimulate and shape the market to ensure the provision of sufficient short break places for older people including those with dementia; and
- 7.6.12 To stimulate and shape the market to ensure the provision of sufficient reablement; short-stay; intermediate care; and residential nursing resources to enable timely hospital discharge and avoid unnecessary hospital admissions.

## **8. Knowing we are making a difference (performance management).**

- 8.1 The performance of the City Council is managed within a new Adult Social Care Outcomes Framework (ASCOF). The ASCOF consists of 4 key outcome domains. These were published in the document "Transparency in Outcomes: a Framework for Adult Social Care (DoH: March 2011).
- 8.2 The purpose of the ASCOF is for local authorities to use the framework as a basis for their own local performance management arrangements, and to assist in any local conversation concerning strengths in delivering better outcomes for people. It also allows the government to understand national trends around social care.
- 8.3 The ASCOF has four specific domains:
  - Enhancing quality of life for people with care and support needs;
  - Delaying and reducing the need for care and support;

- Ensuring that people have a positive experience of care and support;
- Safeguarding adults whose circumstances make them vulnerable and protecting from avoidable harm.

8.4 The government no longer sets performance targets. However, it has published a set of “outcome measures” in the ASCOF. These 17 measures are based on pre-existing national collections and performance indicators and are collated nationally to specific standards. These performance measures will underpin the delivery of this strategy.

## Appendix 1

Guidance includes:

- Our Health, Our Care, Our Say, DH January 2006
- A Vision for Adult Social Care: Capable Communities and Active Citizens (DH 2010)
- Commissioning Framework for Health and Well-Being, DH 2007
- Equity & Excellence - Liberating the NHS (NHS White Paper, July 2010)
- Fairer Care Funding – The Report of the Commission on Funding of Care and Support (Dilnot Commission Report) 2011
- Healthy Lives, Healthy People (Public Health White Paper, November 2010)
- Healthy Living, Healthy People : Transparency in Outcomes – Proposals for a Public Health Outcomes Framework (A Consultation Document, December 2010)
- Peterborough Joint Strategic Needs Assessment 2011
- Older People Accommodation Strategy 2001
- Law Commission Report – Adult Social Care (2011)
- Liberating the NHS: Legislative Framework and Next Steps
- NHS Future Forum Recommendations to Government and Government Response to the NHS Future Forum Report
- NHS Outcomes Framework
- Prioritising Need in the Context of Putting People First: A Whole System Approach to Eligibility for Social Care – Guidance on Eligibility Criteria for Adult Social Care, England 2010
- Promoting Independence, CSIP 2007
- Putting People First, DH 2007
- Statement of Government Policy on Adult Safeguarding
- Think Local, Act Personal – Next Steps for Transforming Adult Social Care
- Transparency in Outcomes: A Framework for Quality in Adult Social Care – The 2011/12 Adult Social Care Outcomes Framework
- Transparency of Outcomes: a framework for adult social care (DH 2010)
- Legislation and statutory obligations for social care services are, as follows:
- Carers (Equal Opportunities) Act 2004
- Carers (Recognition and Services) Act 1995
- Carers and Disabled Children Act 2000
- Chronically Sick and Disabled Person's Act 1970
- Community Care (Delayed Discharges) Act 2003
- Community Care Direct Payments Act 1996
- Disability Discrimination Act 1995 & 2005
- Disabled Persons (Services, Consultation, and Representation) Act, 1986
- Equality Act 2010
- Fair Access to Care Services: Guidance on Eligibility Criteria for Adult Social Care 2002
- Health & Social Care Act 2001
- Health and Social Care Act 2008
- Health and Social Care Act 2012
- Housing Act 1996
- Mental Capacity Act 2005
- Mental Health (Patients in the Community) Act 1995
- Mental Health Act 1983
- National Assistance Act 1948
- National Health Service and Community Care Act 1990
- National Health Service Act 2006
- Race Relations (Amendment) Act 2006
- Race Relations Act 1976
- Sustainable Communities Act
- The National Framework for NHS Continuing Healthcare and NHS-funded Nursing Care 2009.

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<b>CABINET</b>	<b>AGENDA ITEM No. 6(a)</b>
<b>10 JULY 2012</b>	<b>PUBLIC REPORT</b>

Cabinet Member(s) responsible:	Cllr Marco Cereste, Leader of the Council	
Contact Officer(s):	Neil Darwin, Director of Economic Development	317488

**ENDORSEMENT OF THE 2012-13 OPPORTUNITY PETERBOROUGH BUSINESS PLAN**

<b>R E C O M M E N D A T I O N S</b>	
<b>FROM</b> : Neil Darwin, Director of Economic Development, Opportunity Peterborough	<b>Deadline date</b> : n/a
<p>1. Cabinet endorses the 2012/13 business plan for Opportunity Peterborough.</p>	

**1. ORIGIN OF REPORT**

- 1.1 This report is submitted to Cabinet following approval of the business plan by the Board of Opportunity Peterborough (OP) on 17 April 2012.

**2. PURPOSE AND REASON FOR REPORT**

- 2.1 The purpose of this report is for the Council, as the sole funder of Opportunity Peterborough, to endorse its annual business plan. As sole funder it is important that the Council is satisfied that the draft business plan will deliver the objectives agreed.
- 2.2 This report is for Cabinet to consider under its Terms of Reference No 3.2.3 'to take a leading role in promoting the economic, environmental and social well being of the area'.

**3. TIMESCALE**

Is this a Major Policy Item/Statutory Plan?	No
---------------------------------------------	----

**4. ENDORSEMENT OF THE 2011-2012 OP BUSINESS PLAN**

**4.1 Introduction**

- 4.1.1 Over the last year, Opportunity Peterborough and the Council have been working together to provide strong support to local businesses and to potential investors. The result of OP's work has seen a very positive response by the city's private sector – with over 1,000 companies signing up to the Bondholder Scheme. This provides a unique platform to provide key messages to the business community.

4.1.2 OP has also launched the Skills Service in partnership with the authority. Through the Skills Vision over 400 companies have committed to supporting the city's approach towards growth. A further 1,123 companies are actively supporting by providing support in schools and by offering work placements to young people. Inward Investment has progressed well, although it has been inhibited by the macro economic position and with a result many companies have adopted a risk adverse strategy. Despite this we continue to see new range of operators being attracted around Cathedral Square, with Carlucchios being the next opening later in the year. Further investors are looking at the city and increasingly recognise the strength of our offer, which bodes well once we have greater national economic confidence.

## **4.2 Opportunity Peterborough's Objectives**

4.2.1 OP was refocused to deliver key economic development services in 2010. This was followed by a change in operational leadership within the company. The 2012/13 business plan sets out how the company will focus its activities during 2012/13 and builds upon the success achieved in 2011.

4.2.2 The objectives to deliver this are:

- Ensuring that Peterborough is visible to investors
- Supporting local business ambitions
- Creating conditions to increase skills level across our communities
- Increasing our knowledge of the local economy and utilising intelligence effectively
- Ensuring that Peterborough gets maximum value from the Greater Cambridge Greater Peterborough Local Enterprise Partnership

## **4.3 Priorities**

4.3.1 The priorities for Opportunity Peterborough over the next twelve months have been developed with the current economic climate, and strategic objectives above in mind. There are a number of key priorities that have been set out in the business plan.

### **a) Ensuring that Peterborough is visible to investors**

- Continue to build the Peterborough Bondholders scheme
- Encourage partners to own and promote the City's brand via e.g. weblinks, corporate literature and in the media.
- Deliver visible marketing campaigns to attract prospective investors
- Support the delivery of the Cities environmental ambitions across the media
- Work with local businesses to reinforce their 'successes' within the media
- Use multimedia and social media to promote Peterborough effectively

### **b) Support local business ambitions**

- Work with existing businesses to resolve 'growth blockages'
- Proactively attract new business – targeting on growth sectors and companies
- Work with potential investors to ensure that they commit to Peterborough
- Take forward the business engagement framework that will guide the range of agencies that interact with business



- Support key sectors – OP will deliver/facilitate support measures via the Cambridgeshire Enterprise Service legacy grant

**c) Create conditions to increase skill levels across our communities**

- Take forward the Peterborough Skills Vision; building a strong, visible programme of activity with business and the provider community
- Gain a firm understanding of the skills agenda; both current and future needs
- Champion ‘skills’ with local business to increase partners knowledge of future needs
- Work with providers to encourage targeted delivery that meets business demand
- Support partners in delivering improved access higher/further education

**d) Increase our knowledge of the local economy and utilise intelligence effectively**

- Use economic data to drive decision making
- Work with local businesses to ensure OP understands wider economic activity

**e) Ensure that Peterborough gets maximum value from the Greater Cambridge Greater Peterborough Local Enterprise Partnership (LEP)**

- Provide operational support to the LEP
- Encourage the LEP to focus on issues that support economic growth in Peterborough
- Broker improved relationships which enables Peterborough to benefit more from the LEP.

4.3.2 The priorities identified above seek to encourage private sector growth and by definition make OP private sector facing. This enables OP to offer local companies positive support and helps stimulate new economic activity. However this approach does not work in isolation. Peterborough’s growth agenda needs several different delivery approaches. Including areas where OP is working closely with Planning and Growth teams to provide support that helps deliver physical schemes across the city.

**4.4 Financial Implications**

4.4.1 The budget outline for Opportunity Peterborough is detailed in Section 6 of the main business plan (Appendix 1). Following the withdrawal of the regional partners OP now operates with Council making a contribution. The implications for the Council are a contribution to OP of £380k for 2011/12. A further Gift in Kind of £36,000 is made by the Council through an agreement with OP on zero rent payments.

**4.5 Human Resources Implications**

4.5.1 OP has a headcount of 9 staff following reductions during 2010/11; eight of the staff are on OP contracts, the Director of Economic Development is on secondment from the Council. All costs staffing costs associated with the OP

contracted staff are costed within the budget including any potential wind-up costs if the company were to cease operation.

## **5. CONSULTATION**

- 5.1 The Council is represented on the Board of Opportunity Peterborough by the Leader and Deputy Leader of the Council and have been instrumental in the company's decision to approve the draft business plan.

## **6. ANTICIPATED OUTCOMES**

- 6.1 The Business Plan – Annex 1 sets out in Section 5 the Outcomes that will be achieved during 2012/13 against each of the plan's Priorities

## **7. REASONS FOR RECOMMENDATIONS**

- 7.1 It is required that the Council considers and agrees the draft business plan. The specific schemes for implementation will potentially evolve during the course of the plan period and it is therefore appropriate that funding is approved by the Council through its normal decision-making processes.

## **8. ALTERNATIVE OPTIONS CONSIDERED**

- 8.1 The draft business plan could not be approved, which would significantly limit the operations of Opportunity Peterborough as the City's Economic Development Company.

## **9. BACKGROUND DOCUMENTS**

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985)

Opportunity Peterborough Draft Business Plan 2012/13

# **Opportunity Peterborough**

## **Driving economic growth in Peterborough**

### **2012/13**

#### **Executive Summary**

Opportunity Peterborough (OP) has been established as the City's economic development company for two years. The company has been making positive progress with the local business community despite the most challenging economic conditions this country has seen in many decades. This business plan sets out how the company will support local growth during 2012/13 and builds upon the successes of the previous two years. The company has now adapted its processes and operation following the resignation of the two regional partners that previously supported the company. In light of this the company now has a smaller budget with which to operate, however available funds are now targeted at activities that will wholly support economic development.

The Business Plan adopts the focus previously captured in 2011-12. The model will continue to deliver economic growth for the city. The company has an uncomplicated approach, and one that is increasingly respected by the local business community. Following a successful period this business plan sets out a continuation of this approach. Within each of these priorities are projects that OP will lead, and provide support to the local economy and help drive the city's ambitions for growth.

Looking ahead 2012-13 will be a challenging year, however the city is building a strong reputation and is delivery ready. Working with partners, Opportunity Peterborough will continue to deliver a strong product, ultimately providing new opportunities to our residents and communities across the city.

#### **1. Background**

OP has established a strong methodology for supporting business in Peterborough. The company has a pro-business stance and seeks to deliver effective support that in turn helps business prosper. OP acts as a broker and support of the private sector in Peterborough. The company will seek to continue to be a strong partner for the city's private sector. We have seen continued growth of the bondholder scheme and the response by the business community to the Skills Vision has been equally impressive. We are now keen to take this to the next level. OP is now able to assist the private sector more professionally and with more credibility. This relationship is central to generating the growth Peterborough is seeking.

The company has identified a clear remit with focus on a small number of key drivers that will assist business. The business plan sets out an approach that with clear leadership will continue to deliver economic benefits within the city. It is very evident that there is significant goodwill and support from the private sector across the city. We are now offering a consistent approach and one that offers practical assistance to businesses on all manner of problems and issues. We have become a trusted and reliable partner.

## **2. Our priorities**

During 2012/13 OP will focus on the following five priorities:

- a) Ensuring that Peterborough is visible to investors
- b) Supporting local business ambitions
- c) Creating conditions to increase skills level across our communities
- d) Increasing our knowledge of the local economy and utilising intelligence effectively
- e) Ensuring that Peterborough gets maximum value from the Greater Cambridge Greater Peterborough Local Enterprise Partnership

Section 5 of this business plan sets out the key metrics assigned to each priority..

## **3. Advancing OP's role**

OP continues to play a strong role alongside local businesses. There is a growing core of supportive businesses that understand and support the objectives of the company. Equally we now have a positive relationship with the media outlets in the city. The company is fully established with a small number of priorities and focus on delivering outcomes. Despite resource pressure OP is able to be creative, and is continually developing stronger relationships with a range of stakeholders that help the company carry out its functions.

Greater focus during 2011/12 has enabled OP to gain credibility. On the basis that this formula has worked successfully, this plan advocates a continuation of the same priorities.

## **4. OP's key priorities**

Taking each area of focus in turn, there are a clear number of priorities that OP needs to take forward successfully during 2012/13. This section seeks to identify key priorities that will be taken forward.

### **a) Ensuring that Peterborough is visible to investors**

- Continue to build the Peterborough Bondholders scheme
- Encourage partners to own and promote the City's brand via e.g. weblinks, corporate literature and in the media.
- Deliver visible marketing campaigns to attract prospective investors
- Support the delivery of the Cities environmental ambitions across the media
- Work with local businesses to reinforce their 'successes' within the media
- Use multimedia and social media to promote Peterborough effectively

### **b) Support local business ambitions**

- Work with existing businesses to resolve 'growth blockages'
- Proactively attract new business – targeting on growth sectors and companies
- Work with potential investors to ensure that they commit to Peterborough
- Take forward the business engagement framework that will guide the range of agencies that interact with business
- Support key sectors – OP will deliver/facilitate support measures via the Cambridgeshire Enterprise Service legacy grant

**c) Create conditions to increase skill levels across our communities**

- Take forward the Peterborough Skills Vision; building a strong, visible programme of activity with business and the provider community
- Gain a firm understanding of the skills agenda; both current and future needs
- Champion 'skills' with local business to increase partners knowledge of future needs
- Work with providers to encourage targeted delivery that meets business demand
- Support partners in delivering improved access higher/further education

**d) Increase our knowledge of the local economy and utilise intelligence effectively**

- Use economic data to drive decision making
- Work with local businesses to ensure OP understands wider economic activity

**e) Ensure that Peterborough gets maximum value from the Greater Cambridge Greater Peterborough Local Enterprise Partnership (LEP)**

- Provide operational support to the LEP
- Encourage the LEP to focus on issues that support economic growth in Peterborough
- Broker improved relationships that enables Peterborough to benefit more from the LEP.

**a) Ensuring that Peterborough is visible to investors**

Ref	Activities	How?	Milestones	Dependencies	Outcomes anticipated (2012/3)	Budget 12/13	Outturn 2011/12
1.1	Make Peterborough visible to prospective investors.	Deliver an integrated campaign to a targeted business audience, raising Peterborough's profile and generating investment leads.	<p>Deliver one campaign during 2012/13</p> <p>PR profile raising campaign. Target: UK business leaders across all sectors. Launch: May/June</p>	<p>PR agency to be appointed to deliver the campaign. Ensure agency has demonstrable experience in reaching business leaders and has strong relationships with appropriate national and trade media.</p> <p>Need to generate relevant and interesting content in order to engage target audience meaningfully.</p>	<p>Campaign will:</p> <p>Generate: 30 enquiries 10 business engagements</p> <p>Result: 4 investments 12/13</p> <p>Increase perception of Peterborough and the City's economic vitality.</p> <p>Generate an additional 1,000 hits to the OP website.</p>	<p>Budget: £20k</p> <p>From existing resources</p>	<p>Retail operator campaign delivered during 11/12 was received well, by investors and internal stakeholders. Feedback received from Patisserie Valerie, TK Maxx and Nandos.</p>
1.2	Make Peterborough visible to prospective investors.	<p>Produce new marketing material to engage prospective investors.</p> <p>Commence filming late Spring/early Summer.</p>	<p>1) Produce a short (professional) film to showcase the city then engaging audience through electronic communications.</p> <p>2) Ongoing updating of website content to ensure it's interesting and Search engine optimised.</p>	<p>Secure partnership with stakeholders to share the investment cost and avoid duplication of effort.</p>	<p>Ownership of engaging, rich content to inform audience of Peterborough's investment potential.</p>	<p>Budget: £5k</p> <p>From existing resources</p>	<p>The website launched in Feb 11 and has achieved consistent user growth. Monthly web traffic is now at 3,500 per month</p>

Ref	Activities	How?	Milestones	Dependencies	Outcomes anticipated (2012/3)	Budget 12/13	Outturn 2011/12
1.3	Make Peterborough visible to prospective investors.	Purchase good quality database of named prospective investors to use in direct communications.	<p>1) Distribute new city brochure to target sectors in April. Follow up with phone calls to gauge level of interest.</p> <p>2) Produce a quarterly/bi-annual 'invest in Peterborough' newsletter to issue electronically to target audience. Commence June 2012</p>	Ensure data has no restrictions on use – purchase outright to allow for regular activity.	Ownership of prospects database to reach target audience with tailored communications.	From existing resources.	
1.4	Make Peterborough visible to prospective investors.	Build links with potential investors	<p>1) Host key 'warm leads' at the 2012 Bondholder Dinner to develop relationship further and showcase Peterborough's active business community.</p> <p>2) Co-host a dinner for 50 prospective investors with Stewart Jackson MP at the House of Commons in Oct 2012.</p>	<p>Securing the date in contacts' diaries, or finding a suitable replacement to attend.</p> <p>Developing high quality contacts to invite to attend.</p> <p>Ensuring the evening has enough 'appeal' to attract enough prospects to make it worth the investment.</p>	<p>Relationship development and conversion of warm leads.</p> <p>Relationship building with high quality prospects.</p> <p>Conversion of warm leads.</p>	<p>Budget: £500</p> <p>From existing resources</p> <p>£5k from existing resource (support with sponsorship where possible)</p>	

Ref	Activities	How?	Milestones	Dependencies	Outcomes anticipated (2012/3)	Budget 12/13	Outturn 2011/12
1.5	Develop and grow the Bondholder network	Promote the programme in local business media. Work with partner companies to secure new member offers/benefits. Seek feedback from members to ensure improvements are in line with demand.	<p>During 12/13:</p> <p>Grow membership to 1,000 contacts/companies (currently corporate 800 members)</p> <p>Continue to issue regular member newsletters to inform of city developments and business opportunities.</p> <p>Review and enhance membership database to ensure communications are reaching the appropriate contact.</p> <p>Launch 4 new member benefits</p> <p>Conduct membership survey to seek feedback on the scheme including: events programme, newsletters, networking value etc.</p> <p>Encourage more members to use the Peterborough logo on their website to increase the city's visibility.</p>	Securing partner organisations to offer attractive member benefits.	<p>Grow membership to 1,000 by December 12.</p> <p>Launch 4 new member benefits by December 12.</p> <p>Database cleanse to be ongoing throughout the year.</p> <p>Conduct membership survey in July (two years since programme launched).</p>	From existing resources	<p>New Bondholder micro-site was developed and launched during 11/12 which now acts as central portal for the programme.</p> <p>Membership has grown during 11/12, resulting in attendance at networking events increasing too.</p>



**b) Support local business ambitions**

Ref	Activities	How?	Milestones	Dependencies	Outcomes anticipated (2012-13)	Budget 12/13	Outturn 11/12
2.1	Ensure collaborative & consistent approach to Business Engagement. (BE)	Develop framework agreement with key partners & emphasise role of OP. Monitor and influence wider engagement strategies. Structured approach to Top100companies. Cluster development in key sectors.	Regular meetings with key partners (&consistent virtual connections). Existing cluster forums re-set & new established. Programme of Top100 visits.	Commitment of partner organisations. LEP approach to RBSIS??? follow-on. Commitment of private sector.	OP role as focus for BE accepted by partners (utilisation of e-bulletins etc). Call Centre Forum April 2012; New manufacturing cluster April 2012. Visit 10 Top 100 companies per Qtr.	Implementation of cluster development	Role of OP as focal point for BE developed well: UKTI, MAS???, EEF,??? FSB,???Business Link etc. Sector study (manufacturing) completed. Positive engagement with 18 Top 100 companies.
2.2	Support businesses to resolve 'growth blockages' – such as planning, funding and skills	Act as advocate & broker for planning, infrastructure & skills issues. Work with sub-national, national and European funds to identify alternative funding streams to support growth. Increase engagement between businesses & Skills Vision/ Brokerage team; assist HE growth.	5 bondholder 'breakfasts'. Bi-monthly agents' forum to identify and resolves blockages. Monthly liaison meetings with planning, highways etc. <i>Skills Vision targets – section C.</i>	PCC statutory teams - planning control & policy. Availability of infrastructure funding. Availability of business support funding/agencies. Skills Vision funding & delivery. Activities & plans of FE/ HE providers.	5 bondholder breakfasts per annum (100+ attendees at each event). 10 businesses directly supported per quarter. 3 funding schemes (e.g. Euro, via LEP) active by end F/Year. <i>Skills / apprenticeships see Section C</i>	Staff time [incl 'in-kind' match-funding to Euro projects].  Bondholder breakfasts £5k (support by sponsorship).	Direct advice provided to 33 businesses. Strategic input to LEP-wide funding streams (e.g Growing Places). Liaison meetings with partners during year, incl Bondholder Breakfasts with max attendance. <i>Skills – section C.</i>
2.3	Proactively attract	Liaise with	Regular engagement	National organisational	Develop 6 new	Staff time.	Promotional work

Ref	Activities	How?	Milestones	Dependencies	Outcomes anticipated (2012-13)	Budget 12/13	Outturn 11/12
	new inward investment (using sector strengths as appropriate).	partners/agencies. Attendance at trade fairs, other (incl national) business events etc. Promotional material to embassies etc.	with UKTI & key partners. Attendance at 3 trade fairs over F/Yr period.	structures (UKTI). Partner activities (e.g. UKCEED, UKTI). Enviro-Capital campaign. Engagement of LEP partners. Success of marketing campaigns.	serious enquiries per Qtr. Achieve 4 conversions of enquiries over year through direct engagement.	Marketing material? & exhibitions: £5k	& new introductions through BCSC, Indian IoD conference visit, etc. Engagement with 22 potential investors; conversion rate dependent on land availability / economic uncertainties.
2.4	Secure investment to improve the city's evening economy, in particular around the City Centre	Identify target 'investors'. Develop property opportunities. Marketing collateral. On-site advocacy.	Serious enquiry conversations with 3 operators per quarter. Regular meetings with agents. Showcasing lunch for operators/ agents.	Attractiveness of City Centre: Management plan for Cathedral Square. Events programme & cultural development. City living initiatives. Extended public realm works.	3 new operators active in City Centre over B/Plan period.	Staff time. Intelligence (e.g. Land Registry searches), promotion, exhibitions: £3k.	Direct involvement in arrivals of / deals for TKMAXX, Primark, Nando's, Patisserie Valerie, Carluccio's.
2.5	Enhancement of Peterborough retail offer.	Direct targeted approaches. Explore/develop incentive package. Marketing.  Focus on key areas of the city such as Bridge Street and Cowgate	Serious enquiry conversations with 3 operators per qtr.	Attractiveness of City Centre & effective local infrastructure. Range of city offer (culture, living etc). Extended public realm works.	3 new operators active in city over B/Plan period.	Staff time. Intelligence gathering, promotion, forum support	Direct involvement of TKMAXX, Primark. BIS Local engagement on potential retail pilot. Cowgate PSICA.

**c) Increase our knowledge of the local economy and utilise intelligence effectively**

Ref	Activities	How?	Milestones	Dependencies	Outcomes anticipated (2012-13)	Budget 12/13	Outturn 11/12
3.1	Use economic data to drive decision-making and marketing.	By using national / local intelligence (empiric and from businesses) OP will produce & disseminate key data relating to local economic performance.	On-going sourcing of intelligence from key sources such as ONS, generally quarterly. Up-dates to partners, e-bulletins etc.	Information/intelligence from third parties.	Quarterly economic snapshots produced and circulated to partners and bondholders. Updates to website economic performance, SDP etc.	Staff time. Access to bespoke databases: est. £1k (from Economic Development budget).	LEA completed, uploaded to website. Regular reports to partners, OP Board, website.
3.2	Work with local businesses to ensure OP understands local economic activity.	Through business engagement activities, develop a clear understanding of economic activity, issues facing key sectors/individual businesses.	Intelligence from direct engagement / events reported & shared.	Private Sector input: Commercial confidences of businesses; companies able to see benefit from intelligence-sharing.	Business engagement visits & bondholder breakfasts (see 2.2).	Staff time. Bondholder events as per 2.2	Intelligence from major companies (e.g. Amazon, Dresser, BNP Paribas) & key partners (JCP etc).

**b) Create conditions to increase skills level across our communities**

Ref	Activities	How?	Milestones	Dependencies	Outcomes anticipated (2012/13)	Budget	Outturn 2011/12
3.1	OP will lead the Peterborough Skills Vision. Ensuring that Skills issues have a high profile	By building a visible 'Skills Vision' programme through proactive partnership with business, partners and providers	Continued growth of the Peterborough Skills Vision – through company signing up  Build understanding via Annual Skills Survey	Willingness of the private sector to engage with the Skills Vision  Establishing support from stakeholders and provider community	OP will broker 2 major companies to sponsor HE provision in Peterborough during 2012/13	Staff resource	n/a
3.1	OP will gain a firm understanding of the skills agenda and champion 'skills' with local business to increase knowledge of future demand	Conduct Annual Skills Survey in June 2012  With partners promote 'business skills' in local media.	250 companies participating in the survey  OP recognised as hub for business skills support	Business need to provide their long term view of skills needs.	500 companies committed to the Skills Vision by March 2013  Under Skills Vision umbrella OP will promote employing Apprentices	Staff resource (funded by PCC Children's Services)	295 companies signing to 31/3/2012
3.2	Work with providers to encourage targeted delivery that meets business demand	By understanding business needs OP can help providers shape future provision	OP facilitating links between local companies and providers to enable bespoke delivery	Workstream is reliant on business providing evidence  Provider community needs to engage without fear of funding loss.	20 businesses supported by March 2013  5 providers bringing forward new training by March 2013	Staff resource	n/a
3.3	Continue to develop the Peterborough Skills Service (PSS) to raise aspirations and develop employability skills in the City's young people	Broker activities and relationships between business and education	1500 employers participating by March 2013	Close working with PCC/Skills team to ensure connection between 14-19 agenda and 'business needs'.  IT installed and running effectively  Funding continued from PCC	800 activities brokered	Staff resource (funded by PCC Children's Services)	1000 companies active – Feb 2012

Ref	Activities	How?	Milestones	Dependencies	Outcomes anticipated (2012/13)	Budget	Outturn 2011/12
3.4	Support partners in delivering improved access higher/further education	Support University Centre Peterborough/ Peterborough Regional College/ PCC develop provision	Support the UCP model and assist PCC in developing the University@Peterborough concept	OP will continue to provide support capacity and advise on issues relating to the private sector.	Enhance course take up by 25 local businesses by March 2013 and, support formation of the University@Peterborough model	Staff resources	

## 6. OP budget 2012/13

This budget sets operation for OP during 2012/13. The organisation is now firmly established and majority funded by a single partner, Peterborough City Council. In addition, the organisation has become more adept at securing complementary external funds to support our objectives. OP can anticipate the following contributions in 2012/13.

### Opportunity Peterborough Operating costs 2012/13

Income		£	Comments
Carried Forward		56800.00	Includes balance of funding received 2011/12 for Skills project
PCC - Core		380000.00	budget confirmed
PCC - Children's Services - Skills Brokerage		19000.00	budget confirmed (PCC contribution of £190k to staff costs)
PCC - Additional (S Bowker secondment)		21000.00	
English Heritage		15000.00	
CLG Transition Fund		72967.00	CLG approved, Treasury to ratify
RCE		20000.00	contribution to Director's salary
Breakfast Sponsorship		2500.00	
European Funds			
Recommend		53660.00	subject to confirmation by EU
Innofun		57000.00	subject to confirmation by EU
C.I.E		30000.00	subject to confirmation by EU
	<b>TOTAL:</b>	<b>727,927.00</b>	

Expenditure		£	Comments
Salaries & staff costs		440,870.00	Includes NI @ 11%, pension @ 6%,
Rent		0.00	Gift in Kind of £36,000 from Peterborough City Council
IT/Telephony		8000.00	
Insurance		4000.00	
Printing/Photocopier		4000.00	
Office Costs		8500.00	Software, stationery & other misc costs
External Auditor		4000.00	
External auditor - Euro funding (see above)		8000.00	
Payroll Admin		1500.00	
OP Breakfast costs		5000.00	
Pension Admin		4200.00	
Skills		59000.00	Offset by balance of PCC contribution received 2011/12 + £10k from OP
PR & Comms		30000.00	
Economic Development		30000.00	
Heritage Regeneration Officer & project activities		37000.00	Offset by contribution from English Heritage
Contingency		83,857	To cover wind up costs of the company
	<b>TOTAL:</b>	<b>727,927</b>	

## 7. Opportunity Peterborough: Risk Register 2012-2013??

To ensure that OP handles the transition period we are currently in the following risks have been identified.

### a) High level risks

<b>Risk</b>	<b>Risk Description</b>	<b>Owner</b>	<b>Likelihood (L)</b>  1 = low 5 = high	<b>Severity (S)</b>  1 = low 5 = high	<b>Risk rating</b>  (L x S)	<b>Impact on OP</b>	<b>Mitigation</b>
<b>Funding 2011/12</b>	PCC withdraw or reduce funding mid funding period	ND/SS	2	5	<b>10</b>	OP would need to cease operation. Utilising contingency funds to resolve outstanding issues	No action required
<b>Staff turnover/capacity</b>	Uncertainty over longer term funding may lead to key staff leaving and difficulties in replacing them	ND	2	4	<b>8</b>	Key activities would have to be cancelled or curtailed severely impacting on achievement of deliverables.	1 Communicate well with staff. 2. Resolve delivery structures, e.g.LEP's and funding going forward as soon as possible.



**b) Operational Risks**

<b>Risk</b>	<b>Risk Description</b>	<b>Owner</b>	<b>Likelihood (L)</b> <b>1 = low</b> <b>5 = high</b>	<b>Severity (S)</b> <b>1 = low</b> <b>5 = high</b>	<b>Risk rating</b> <b>(L x S)</b>	<b>Impact on Workstream</b>	<b>Mitigation</b>
<b>Marketing</b>	Inability to secure funding results in limited marketing activity	ND/LB	3	5	15	Key activities will have to be scaled back.	Careful planning of campaigns to ensure fit against budget profile
	Local activity by informal groups compromises OP's marketing activity	ND/LB	2	4	8	Significant impact on the City's brand, undermines the activities OP and partners are taking forward.	Proactive marketing to ensure business sees OP as the primary brand, reducing the visibility of others. Ensuring Local MPs aligns to activity
<b>Economic development</b>	Enquiry numbers below required levels	ND/SB	2	4	8	Significant reduction in economic confidence in city, which could undermine existing businesses.	Close collaboration with all strands of OP & PCC growth activity – particularly marketing campaigns, new development – to generate genuine interest.
<b>Skills</b>	Lack of professional skills support within the OP team	ND/SA/SC	4	4	16	Skills is a significant focus for OP. At present we do not have direct capacity to provide support to the skills area of activity	Identify a short term resource to ensure that OP can grow the skills programme.
<b>Economic Intelligence</b>	Loss of key data sources due to removal of regional tier (as proposed by CLG)	ND/BC	2	3	6	It is likely that as the regional tier retracts key data sources will become scarce.	Seek to identify alternative datasets and seek guidance from ONS on future provision.

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<b>CABINET</b>	<b>AGENDA ITEM No. 6(b)</b>
<b>10 JULY 2012</b>	<b>PUBLIC REPORT</b>

Cabinet Member(s) responsible:	Cllr Cereste, Leader of the Council and Cabinet Member for Growth, Strategic Planning, Economic Development, Business Engagement and Environment Capital	
Contact Officer(s):	Andrew Edwards, Head of Growth & Regeneration	Tel. 452303

## **DELIVERY STRATEGY FOR SOUTH BANK AND SURROUNDING AREAS**

<b>R E C O M M E N D A T I O N S</b>	
<b>FROM :</b> Head of Growth & Regeneration	<b>Deadline date :</b> <i>n/a</i>
<ol style="list-style-type: none"> <li>1. That the South Bank Opportunity Area (SBOA) is renamed as the Riverside Opportunity Area (ROA).</li> <li>2. That the embankment and areas north of the river and Pleasure Fair Meadows car park are included within the ROA as shown in the plan at Appendix 1.</li> <li>3. That Cabinet agree the proposed delivery strategy for ROA and the outline scope of development as detailed in the report.</li> <li>4. That Cabinet delegate authority to the Head of Growth &amp; Regeneration in consultation with the Leader of the Council and Cabinet Member for Growth, Strategic Planning, Economic Development, Business Engagement and Environment Capital, the Executive Director Strategic Resources and the Solicitor to the Council to procure a joint venture partner(s) to participate in a corporate joint venture with the council for the delivery of parts of the ROA including but not limited to Fletton Quays.</li> <li>5. That Cabinet delegate authority to the Head of Growth &amp; Regeneration in consultation with the Leader of the Council and Cabinet Member for Growth, Strategic Planning, Economic Development, Business Engagement and Environment Capital, the Executive Director Strategic Resources and the Solicitor to the Council to negotiate with the freeholders to acquire land and assets necessary to support the successful development of the ROA up to a limit of £3m, subject to due diligence and a viable business case; to be funded through: <ol style="list-style-type: none"> <li>a. Up to £1m through the existing corporate Invest To Save budget in this financial year, for those assets where a clear Invest To Save business case can be demonstrated; and</li> <li>b. Up to £2m for other assets, for which Cabinet is asked to support a growth bid for the FY13/14 budget process.</li> </ol> </li> <li>6. That Cabinet support a growth bid in FY13/14 for £600k to cover the procurement and establishment of the Joint Venture.</li> </ol>	

### **1. ORIGIN OF REPORT**

- 1.1 This report is submitted to Cabinet following a request from the Leader of the Council and Cabinet Member for Growth, Strategic Planning, Economic Development, Business Engagement and Environment Capital.

## 2. PURPOSE AND REASON FOR REPORT

- 2.1 The purpose of this report is to consider the outcomes of the review of the options for delivery of the Riverside Opportunity Area and to agree the way forward.
- 2.2 This report is for Cabinet to consider under its Terms of Reference No. 3.2.3, to take a leading role in promoting the economic, environmental and social well-being of the area; and 3.2.7, to be responsible for the Council's overall budget and determine action required to ensure that the overall budget remains within the total cash limit.

## 3. TIMESCALE

Is this a Major Policy Item/Statutory Plan?	<b>NO</b>	If Yes, date for relevant Cabinet Meeting	n/a
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## 4. RIVERSIDE DELIVERY STRATEGY

### 4.1 Background

The brownfield land known as the South Bank Opportunity Area (SBOA) in Peterborough is strategically located to the south of the city centre adjacent to a main access route to the city centre and alongside the River Nene. The council, through Cabinet, has previously committed to leading the regeneration of this site of around 17 hectares (42 acres) – see also section 9 – Background Documents. In particular Cabinet, at its meeting of 26<sup>th</sup> April 2004, agreed strategic objectives for the area:

1. To deliver the comprehensive regeneration of the South Bank site creating a high quality and lasting contribution to the success of the city centre
2. The provision of a significant element of residential accommodation, at a density appropriate to help sustain other uses, and with a mix which creates a socially and economically integrated community
  - to include a rich mix of other uses that fully respond to the location in the city centre, the river and riverside/parkside, the football ground and adjacent residential communities, including uses that create a significant number of new employment opportunities, such as offices, workspaces, leisure, cultural and small-scale retail uses
  - for the planning and design of the development to be of the highest quality, including respect for the setting (including cathedral views), high quality building and public spaces design, providing a safe environment, and sustainable design and construction measures
  - to ensure the site is accessible (by all modes of transport), provides an integrated network, and seeks to optimise the flow of traffic on London Road and around the city centre
  - the development of the South Bank will include explicit sustainable development measures and promote the dissemination of the experience of these measures to promoting their wider application for the city

4.2 The SBOA is divided into a number of phases, as shown in the plan at Appendix 1:

1. Carbon Challenge (sustainable housing development)
2. Football stadium (redevelopment as community stadium)
3. Fletton Quays (riverside regeneration opportunity)
4. London Road allotments (future development possibility)

There has been significant progress in delivering the objectives set out in 2004: the first two phases (Carbon Challenge and the football stadium) are already underway. Therefore this proposed delivery strategy focuses on the best way to bring forward the Fletton Quays element as the third phase. This area has also seen major steps forward in terms of land assembly and site clearance; however the economic climate has prevented further progress to date. The fourth phase, London Road, is also included in the proposed delivery strategy so that it can be progressed as and when development opportunities arise, and the option to include further stages of phase 3, the football stadium is also allowed for.

4.3 The proposal is now to also include areas north of the river (known as north embankment) and Pleasure Fair Meadows as a fifth phase in the delivery strategy to allow for development where opportunities arise; hence the proposal to rename the development area as the Riverside Opportunity Area (ROA). The proposed extension of the opportunity area is identified in the plan at Appendix 1.

#### 4.4 **Fletton Quays**

Fletton Quays is defined as the land bounded by the River Nene in the north, Frank Perkins Parkway in the east, the railway line to March in the south and Town Bridge in the west. As a riverside site it is considered to be an excellent development opportunity, but in the current economic climate it is essential to choose the correct delivery strategy in order to make best use of available development funding.

4.5 The site is expected to be developed as a mixed use scheme, probably including elements of residential, leisure, cultural and commercial uses. However the exact mix will depend on the market. Due to the strategic gateway nature of the site it is considered not likely to be suitable for a supermarket. Sustainable and comprehensive regeneration is sought as this will fulfil the corporate priority of delivering substantial and truly sustainable growth. Overall the objectives for the delivery strategy are:

- To create a deliverable scheme
- To avoid cherry-picking of parts of the site and the risk of landbanking
- To transform the utilities infrastructure requirements from being a cost burden to an investment opportunity and achieve returns to the public sector as a consequence
- To enable the council to assure the clean/green credentials of the scheme's utilities infrastructure and services
- To provide financial, governance and management architecture that give the best possible chance of using the lowest cost money throughout the scheme
- To provide the council with control based on the positive provision of equity (land), investment and capability (utilities) to augment the influence it has as Planning Authority.

#### 4.6 **Site Preparation**

The Fletton Quays site is largely in the ownership of the council. The two exceptions to this are Whitworth Bros Ltd's mill (on the river at the eastern end of the site) and the Environment Agency's Aqua House (next to London Road at the western edge of the site). The former Matalan and B&Q plots have now been cleared and demolition of Bridge House is complete. This will make the site more marketable, helping to ensure the best regeneration scheme can be secured.

4.7 A set of technical studies on Fletton Quays have been commissioned to give certainty about the conditions of the site. This includes information about flood risk, contamination and ground stability. These studies will give potential developers clarity on the site constraints – if this is clear upfront then developers will not need to price for unknown risks and so development will be more viable.

- 4.8 The two listed railway sheds on the site have been made weatherproof; however they will still require significant further work to convert them to a long term use. Various options for this are being explored with partners. Determining the future use of the railway sheds will be incorporated as a key part of the delivery strategy.
- 4.9 **Delivery Options**  
There are a number of ways that the council could deliver Fletton Quays. These include variations on directly selling the site to a developer or appointing a joint venture partner. In order to ensure the best strategy is chosen for this site the council has explored the options with legal advisors Pinsent Masons and developed a recommendation on the strategy that best matches the council's needs, as detailed in the report attached at Appendix 2. It explains the options available to the council, in light of the current economic climate, and ranks them according to the council's objectives given at paragraph 4.5 above.
- 4.10 The recommended delivery strategy is to procure a joint venture partner to participate in a corporate joint venture with the council to deliver regeneration on Fletton Quays. This option would allow the council to fully participate in decision making processes over time. It is flexible enough to adapt to changes in internal and external circumstances. It would also create a true, transparent profit sharing arrangement. It can also deliver the sustainable infrastructure that is essential to the development of this gateway site. Finally, it would also have the ability to deliver other ROA phases as and when opportunities arise, as described in the following two paragraphs.
- 4.11 **Site Assembly**  
As noted elsewhere in this report the site is not in 100% Council ownership. Whilst the acquisition of the outstanding sites is not essential their inclusion within the scope would make sense from a development perspective and ensure the comprehensive regeneration of the area.
- 4.12 In theory it is possible that it could be a task for the proposed joint venture to acquire these sites directly once established, but it is considered that completing site assembly in advance of forming the joint venture will give bidders greater confidence during the procurement process and thus increase the council's prospects of achieving the best value possible. Therefore the recommendation is to negotiate to acquire outstanding land assets subject to appropriate due diligence and a viable business case.
- 4.13 The proposed maximum budget in total for any outstanding assets is £3m, although it is anticipated that actual costs may be lower. This is made up of up to £1m on assets through the existing corporate Invest To Save budget in this financial year, and up to £2m for other assets, for which a growth bid will be submitted for the FY13/14 budget process. It should be noted that if acquisition is not possible in the short term then the option of the joint venture buying the sites at a later date, possibly with the assistance of the council's compulsory purchase powers, is not precluded.
- 4.14 **Football Stadium**  
The first stage of redevelopment of the football stadium as a community stadium is already being brought forward under a separate project. However it is possible that the proposed delivery strategy will present good opportunities to bring future stages of the stadium redevelopment forward. The scope of proposed delivery strategy for the ROA will therefore allow for this option.
- 4.15 **London Road Allotments**  
The former allotment site on London Road lay unused for a number of years before being brought back into use as the Green Backyard. However it has always been included within the South Bank Opportunity Area as a future development site. It is potentially attractive for development because of its excellent location on a key access route into the city, adjacent to other growth sites. It is considered prudent for it to be included within the scope of the overall delivery strategy proposals for the ROA so that opportunities can be followed up as and when they arise. Officers are separately working on options to relocate the Green

Backyard to ensure that this important community project can continue to make a positive contribution in the city.

#### 4.16 **North Embankment**

The north embankment covers the entire area bounded by the river in the south and Rivergate, Bishops Road, Fengate and Frank Perkins Parkway to the north. With the exception of the combined court building it is entirely in council control. There are currently no specific proposals for this site, and the public open space element is considered a key asset for the city. However the surrounding facilities (Key Theatre, Lido, car parks, regional pool and athletics track) may have potential for development or expansion in the future. Therefore it is considered prudent for the whole north embankment area to be included in the additional fifth phase within the scope of the overall delivery strategy proposals for the ROA so that opportunities can be followed up as and when they arise.

#### 4.17 **Pleasure Fair Meadows**

The car park at Pleasure Fair Meadows is also included within the additional proposed fifth phase as this allows the possibility of it also being included in the scope of the overall delivery strategy. This may be useful to support the development of viable bids. However any such proposals will be evaluated in the context of overall city car parking provision.

#### 4.18 **Procurement**

The procurement of a joint venture partner will need to be under a formal European procurement process (known as 'OJEU' after the Official Journal of the European Union in which it must be advertised). The council has significant recent experience of carrying out OJEU procurement processes. This indicates a likely timescale of approximately 1 year to appoint a partner from the start of the process. More detail on expected timescales is set out in the report at Appendix 2.

4.19 The procurement process will require specialist advice to support the council's in-house teams in three areas:

- Legal – specialist advice on the legal structure of bids will be required. An advisor will be appointed through available frameworks
- Financial – specialist advice on the financial architecture of bids will be required. An advisor will be appointed through available frameworks
- Property – specialist advice on the property market and viability of bids will be required. An advisor will be appointed through available frameworks.

4.20 Although the focus of this delivery strategy is Fletton Quays it may be pertinent in the future for the proposed joint venture to work on other ROA sites, as described at paragraphs 4.14 to 4.17 above. Therefore the terms of the procurement of the joint venture partner will allow for this possibility.

4.21 It is proposed that the procurement process will be overseen by a Strategic Project Board consisting of senior officers and at least three Members. The Strategic Project Board will approve the short listing of bidders up to the final stage of dialogue, and will make a recommendation to Cabinet for the final selection of a preferred bidder.

4.22 The proposals for the area shown in Appendix 1 align with current planning policy for this area. Whilst further work is taking place to support the development of City Centre Development Plan Document the proposals are not anticipated to differ from existing policy.

4.23 The option of bringing the council's Energy Services Company (ESCO) into the arrangements in a structured way will also be allowed for in the procurement. This may assist in particular in delivering two of the aims outlined at paragraph 4.5 above:

- To transform the utilities infrastructure requirements from being a cost burden to an investment opportunity and achieve returns to the public sector as a consequence

- To enable the council to assure the clean/green credentials of the scheme's utilities infrastructure and services.

## **5. CONSULTATION**

The following groups will be briefed in advance of Cabinet and their comments reported to Cabinet at the meeting:

- Ward Councillors
- Neighbourhood Committee chairs
- Chair of Sustainable Growth & Environment Capital Scrutiny Committee and group leads for that committee

## **6. ANTICIPATED OUTCOMES**

The anticipated outcome is that the Head of Growth & Regeneration will be able to progress the delivery of regeneration on the South Bank, now to be extended known as the Riverside Opportunity Area, according to the agreed delivery strategy, including in particular through the creation of a joint venture vehicle via an OJEU procurement and completion of land assembly through acquisition of the remaining sites.

## **7. REASONS FOR RECOMMENDATIONS**

The recommendations are made to enable the delivery of regeneration on the South Bank area of Peterborough, now to be extended known as the Riverside Opportunity Area. It is considered that without these steps it will not be possible to deliver timely and comprehensive regeneration on this key city centre site.

## **8. ALTERNATIVE OPTIONS CONSIDERED**

The alternative options are considered in the report at Appendix 2 and the reasons that these alternatives are not being taken forward are given.

## **9. IMPLICATIONS**

The implications of the project have been considered as follows:

- Financial:
  - a) Project costs: an initial budget of £925k is available from existing budgets for the procurement and establishment of the JV; however it is proposed that a growth bid for £600k is made during the FY13/14 budget process. This will support the establishment of the JV through additional risk mitigation, which may include (but not be limited to) site preparation work such as further investigatory studies, land remediation and flood risk mitigation.
  - b) Site assembly: Cabinet is requested to support the acquisition of remaining land assets in the area up to a value of £3m. This will consist of up to £1m on assets through the existing corporate Invest To Save budget in this financial year, and up to £2m for other assets, for which a growth bid will be submitted for the FY13/14 budget process.
- Legal: the process anticipated fulfils all legal requirements
- Corporate Priorities: the aim of the delivery strategy is to help realise the corporate priority of delivering substantial and truly sustainable growth
- Environment Capital: the objectives of the delivery strategy at 4.5 above encompass ensuring the scheme has good green credentials including sustainable utilities infrastructure
- Property: advisors are to be appointed as described above



- Procurement: internal advice will be sought to support the expected OJEU procurement
- Cross-Service Implications: the planning team is developing its policy regarding the city centre and is aware of the proposed delivery strategy. This link will be maintained through the procurement process to ensure developing bids are appropriate in general terms, without compromising the statutory position of the council as planning authority
- Risk Assessment: the report at Appendix 2 contains an initial risk assessment with mitigation measures. Once the delivery strategy is approved a more detailed risk register will be developed alongside the procurement programme.

## 10. BACKGROUND DOCUMENTS

Previous reports and decisions regarding the South Bank area:

19/05/2011	<a href="#">Acquisition of Freehold Interest in the land and buildings known as the Engine Sheds on Fletton Quays, South Bank - MAY11/CMDN/050 ref:475</a>	Cabinet Member Decision
05/03/2010	<a href="#">Carbon Challenge - Option Agreement and Collaboration Agreement MAR10/CMDN/023 ref:274</a>	Cabinet Member Decision
06/05/2009	<a href="#">Affordable Housing Grant Funding for Southbank Phase 1 – Carbon Challenge site ref:159</a>	Cabinet Member Decision
25/07/2008	<a href="#">Delivering Sustainable Development - Southbank Phase 1 - Carbon Challenge Site</a>	Cabinet Member Decision
05/12/2005	<a href="#">South Bank Development</a>	Cabinet
26/04/2004	<a href="#">South Bank Development (Ref. KD/11/06/2003)</a>	Cabinet
16/07/2003	<a href="#">South Bank Development - Progress Report</a>	Cabinet
16/09/2002	<a href="#">Peterborough South Bank Partnership (Ref. KD/02/06/2002)</a>	Cabinet

Appendix 1 – South Bank plan

Appendix 2 – Options Appraisal report

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<b>CABINET</b>	<b>AGENDA ITEM No. 6(c)</b>
<b>10 JULY 2012</b>	<b>PUBLIC REPORT</b>

Cabinet Member(s) responsible:	Cllr Marco Cereste – Cabinet Member for Growth, Strategic Planning, Economic Development, Business Engagement and Environmental Capital	
Contact Officer(s):	John Harrison – Executive Director - Strategic Resources	Tel. 452520

**DEVELOPMENT OF GROUND MOUNTED SOLAR PHOTOVOLTAIC (PV) PANELS (SOLAR FARMS) AND WIND TURBINES**

R E C O M M E N D A T I O N S	
FROM: DIRECTORS	DEADLINE DATE: N/A
That Cabinet:	
<ol style="list-style-type: none"> <li>1. Approves the outline strategy for the development of renewable energy parks at the three council owned agricultural sites identified in para 4.11.1 of this report, to include Ground Mounted Solar PV (solar farms), wind turbines or other types of renewable energy schemes;</li> <li>2. Notes that the delivery of the outline strategy for the above sites is subject to further due diligence and studies around planning, environmental, technical and financial issues</li> <li>3. Delegates authority to the Executive Director – Strategic Resources in consultation with the Leader of the Council and/or Cabinet Member for Resources to: <ol style="list-style-type: none"> <li>(i) identify further sites for development in the vicinity of the three sites set out in para 4.11.1, and carry out appropriate project appraisal studies in relation to them, and if not already in Council ownership to negotiate the acquisition of those sites or interests in them, (subject to further decisions of cabinet or the relevant cabinet member to approve such acquisitions before any commitment is made, as set out in recommendation 4 below);</li> <li>(ii) to award contracts in respect of all sites identified as suitable for renewable energy projects for project appraisal studies and associated professional support;</li> <li>(iii) to extend the current contract with AECOM for project appraisal studies and other preparatory work, if required, (see para 4.7), as the current financial limit is unlikely to be sufficient to carry out all work preparatory to development on multiple sites;</li> </ol> </li> <li>4. Notes that subject to the outcome of the necessary studies and negotiations a further report will be brought back to Cabinet prior to submitting any planning applications and conclusion of negotiations:</li> <li>5. Approves the use of the Invest to Save budget to deliver the strategy, as outlined in para 4.21, including the need to ensure updates are included in the next refresh of the MTFs as necessary</li> </ol>	

## 1. ORIGIN OF REPORT

1.1 This report is submitted to Cabinet following a referral from Directors.

## 2. PURPOSE AND REASON FOR REPORT

2.1 The purpose of this report is to seek Cabinet approval for the development and delivery of ground mounted solar photovoltaic (PV) panels, known as solar farms, wind turbines and other types of renewable energy schemes on sites within the Peterborough area.

2.2 This report is for Cabinet to consider under its Terms of Reference No. 3.2.4, to promote the Council's corporate and key strategies and Peterborough's Community Strategy and approve strategies and cross-cutting programmes not included within the Council's Major Policy Framework.

## 3. TIMESCALE

Is this a Major Policy Item/Statutory Plan?	NO	If Yes, date for relevant Cabinet Meeting	n/a
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## 4. BACKGROUND INFORMATION

4.1 The Council, as part of its Environmental Capital Agenda, is seeking to produce 'green energy' in the city through its Energy Services Company ('ESCO'), "Blue Sky Peterborough Limited". Progress has already been made in supplying and installing solar photovoltaic (PV) panels on rooftops of some of the council's buildings and schools. The current Feed in Tariff support regime by the Department of Energy and Climate Change (DECC) for such schemes has been reduced significantly over recent months to a point that the build out of further PV panels on roofs is not currently profitable. As such these schemes currently do not meet the Invest to Save Budget criteria. This position will be kept under review.

4.2 The ESCO will also seek to support and enhance major regeneration schemes in the city such as Fletton Quays, helping the energy for these developments be delivered in a sustainable manner.

4.3 To make a significant inroad into the generation of renewable energy the council must now strategically focus on the delivery of large scale generation projects, in particular, off site wind and ground mounted solar projects. These projects may also be enhanced where possible by their integration with other renewable technologies such as anaerobic digestion facilities.

4.4 These projects will not only generate significant amounts of renewable energy that can be used by the council and safeguard our budgets against rising and uncertain energy price exposure, but can also be used for:

- Schools
- Dwellings
- Businesses
- Sold elsewhere to generate income

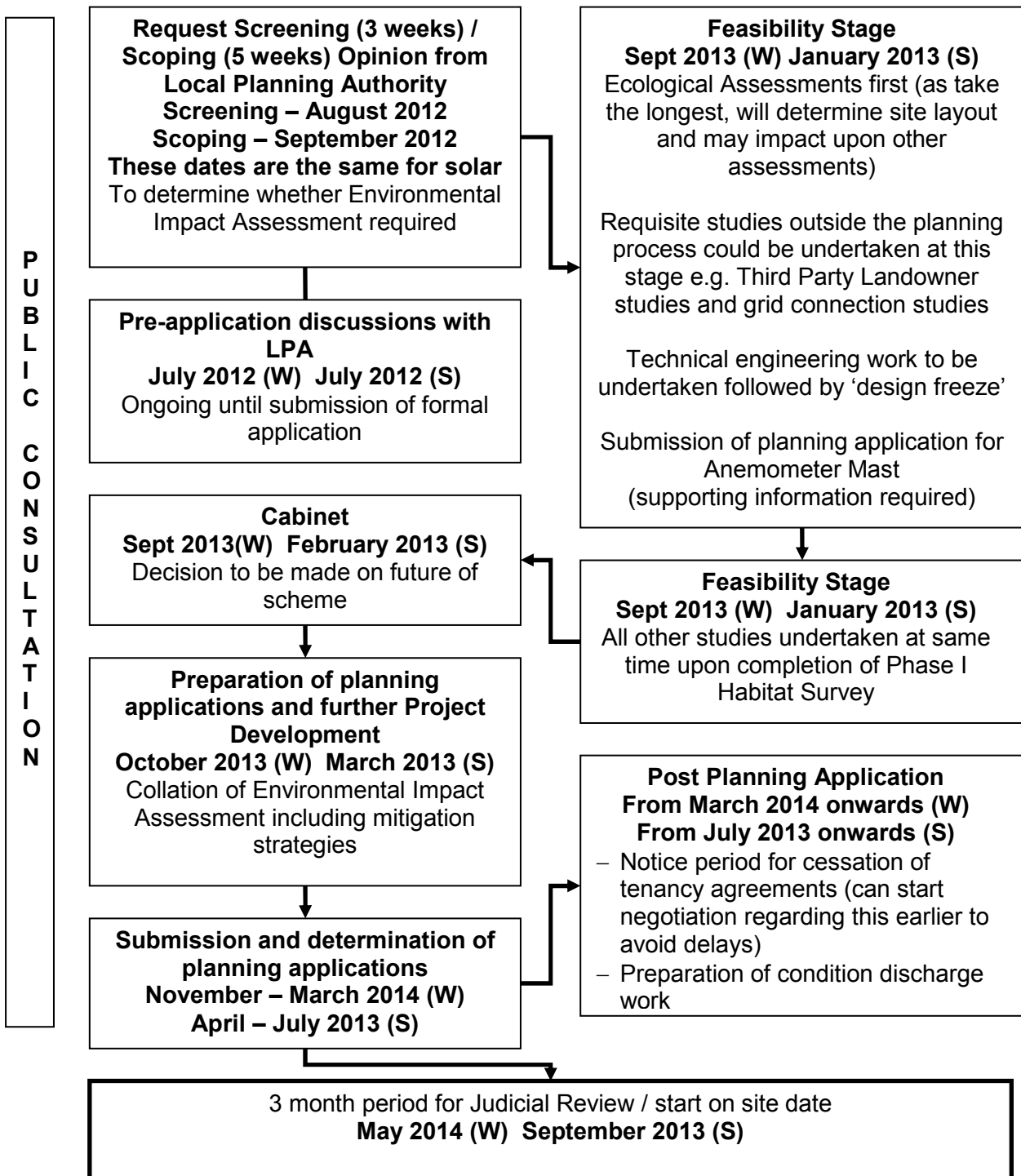
4.5 The proposals in the report aim to deliver significant wind and ground mounted schemes in support of the above objective. The proposed developments will be truly sustainable, so that they maximise energy input as well as balancing environmental and community concerns.

- 4.6 The Council's current carbon footprint from energy is approximately 22,000 tonnes of CO<sub>2</sub>. Depending upon which option is selected, these developments, once operational, could result in up to 57,000 tonnes of CO<sub>2</sub> being saved
- 4.7 To enable consideration of whether there were any suitable sites in the Peterborough area for development of renewable energy projects, the Executive Director – Strategic Resources, under his delegated authority, awarded a contract using the Homes and Communities Agency (HCA) framework procurement process, to AECOM, to carry out initial feasibility studies.
- 4.8 The contract to AECOM covers the initial studies already carried out, and additional technical engineering and design work, assessment of infrastructure costs, ensuring compliance with all relevant legislation and ensuring all necessary consents are in place, such as receiving a formal grid connection offer, and dealing with any landownership issues. The terms of the agreement permit only the provision of services required to prepare sites for construction; any construction required would need to be the subject of a separate contract, to be authorised by a further Cabinet or Cabinet member decision at the appropriate time. The current contract with AECOM is limited to a financial value of £500,000 which is likely to be insufficient to carry out all preparatory work on multiple sites, and if it is likely that the contract will need to be extended, for which authority is sought in recommendation 2(iii) of this report.
- 4.9 Working with AECOM, the Council has been able to identify a number of sites in its ownership, where development of renewable energy projects including ground mounted solar PV panels and wind turbines seems feasible.
- 4.10 The Council has also awarded a framework contract in January 2012 with Mears for the delivery of ground mounted PV. This is the contract that is currently building roof mounted panels across a range of schools in the city.

#### Studies carried out to date

- 4.11 Prior to seeking Cabinet's approval for these approvals, only those studies that were necessary to establish initial feasibility have been carried out. Some detail is in the paragraphs below:
- 4.11.1 High level desktop studies have been carried out in relation to the identified sites to show approximate site coverage of ground Mounted Solar PV. These studies represent a simple quantification of the potential for solar on the areas available, they are indicative and do not represent a design. **Appendix 1 contains a list of the three sites which are:**
1. **America Farm**
  2. **Morris Fen**
  3. **Newborough Farm**
- Appendix 2** shows the approximate output in Mega watts (MW) for each site, and **Appendix 3** shows the potential PV coverage for each site.
- 4.11.2 Preliminary feasibility has been undertaken for the provision of wind turbines at both Newborough Farm and Morris Fen. A Pre-screening Wind Report produced by AECOM indicates that Newborough Farm has the potential for up to 14 x 2 Mega Watt (MW) wind turbines, and that Morris Fen has the capacity for 2 x 2 MW wind turbines. **Appendix 3** also shows site plans for the two wind sites with the indicative location and number of wind turbines within each site. This work has also included an initial assessment of site constraints and identified some of the studies that would be required going forward. It must be stressed that this is an initial assessment. Final detailed studies will need to be undertaken before the sites could be brought forward for consideration by Planning Committee.

- 4.11.3 In all cases, the details could change as the schemes are taken through full project appraisal and the planning process.
- 4.11.4 A limited amount of work has been carried out looking into the tenancy agreements in place. All sites are currently farmed and subject to a number of Agricultural Tenancy Agreements. The agreements have provisions in place for the landlord to take back land that is required for non-agricultural use subject to the payment of compensation. The Council would need to give notice to end the tenancy by giving not less than 1-year notice and could only do so once planning permission is in place. The amount of land that would be taken up by the developments could leave substantial areas for farming to continue. There is also the potential to offer additional land to affected tenants in some circumstances.
- 4.11.5 The Council has made a preliminary assessment of the studies that are likely to be required to support the planning applications. The studies required are listed below and **the timescales** are included on the flow chart in para 4.15:
- Ecological Assessments (1 year, worst case scenario 2 years for bird surveys)
  - Flood Risk Assessments
  - Landscape and Visual Impact Assessment (Winter only, Nov-Mar)
  - Assessment of the impact on minerals and waste deposits
  - Tree and Arboricultural Assessments
  - Cultural Heritage and Archaeological Assessments
  - Traffic Studies
  - Noise Assessments
  - Telecommunications and Aviation Assessments
  - Shadow Flicker Assessments
- 4.11.6 A number of other studies will be required that fall outside of the planning process, such as the design engineering work to undertaken.
- 4.12 The flow chart below sets out the key stages that need to be undertaken in order to complete the preparatory work and get the sites ready for development. The sequence is broadly the same for each development option, although the ecological assessments would be less onerous for the solar only (option 2) than the options that include wind turbines.
- 4.13 All 3 sites could potentially be ready for construction for Ground Mounted Solar PV within 1 year (subject to any challenge by judicial review). It is expected that 3 separate planning applications would be submitted, one for each site.
- 4.14 It is anticipated that 2 planning applications for the wind turbines at Newborough Farm and Morris Fen would be submitted once the ecological surveys have been completed and the project development and planning application preparation work has been concluded. The wind turbine planning applications could therefore be submitted to the Local Planning Authority for determination within 18 months and working start on site in around May 2014, leaving three months post-planning permission in case of a Judicial Review application. That timescale is subject to bird surveys only being undertaken over 1 year.
- 4.15 It is important to note that the studies required for both Options 2 and 3, as set out below, would all need to be undertaken from the outset, and broadly in the sequence set out in the flow chart in order to meet the above timescales. For example, the ecological studies should be sufficient to cover all 3 solar planning applications and the 2 wind turbine applications. In the flowchart, timescales for wind are noted with a 'W' and solar with an 'S'.



An initial assessment of grid capacity has been carried out by AECOM for the locations, assessing the viability of grid connections for the proposed developments

4.16 Fundamentally there is no issue with grid connections in that there is sufficient capacity in and around Peterborough to be able to take the power generated from the plants. It is not yet possible to estimate pricing for individual site connection strategies as it is not possible at this stage to determine the prices that the relevant DNO (District network Operator) will quote. However, there should be sufficient contingency in the prices used in the financial modelling of the total capital expenditure for each site to cover these costs. Any uplift in

price arising from technical, programme and / or geological issues, should not materially affect the commercial viability of each plant.

4.17 With regards specific locations and proposed connection points, these are detailed below:

<b>OPTION 1: Proposed Plant Type and Capacity</b>	<b>Proposed Grid Connection Location</b>	<b>DNO</b>
America Farm; 16MW Solar Farm	Peterborough East Substation; 11kV	UKPN
Morris Fen, 4MW Wind Farm	Peterborough East Substation; 11kV*	UKPN
Newborough Farm, 28MW Wind Farm	Crowland Substation; 33kV*	WPD

\* It should be noted that an alternative strategy proposed for the wind farms, given their proximity to each other is that both Morris Fen and Newborough sites could connect to the Crowland Substation.

<b>OPTION 2: Proposed Plant Type and Capacity</b>	<b>Proposed Grid Connection Location</b>	<b>DNO</b>
America Farm; 16MW Solar Farm	Peterborough East Substation; 11kV	UKPN
Morris Fen, 40MW Solar Farm	Crowland Substation; 132kV**	WPD
Newborough Farm, 50MW Wind Farm	Crowland Substation; 132kV**	WPD

\*\* It should be noted that this option represents the most significant grid connection works and in order to export this amount of power, the alternative strategy proposed above is mandatory. It will also require further consultation with the DNO for the viability.

<b>Proposed Plant Type and Capacity</b>	<b>Proposed Grid Connection Location</b>	<b>DNO</b>
America Farm; 16MW Solar Farm	Peterborough East Substation; 11kV	UKPN
Morris Fen, 4MW Wind Farm + 15MW Solar Farm	Crowland Substation; 132kV***	WPD
Newborough Farm, 28MW Wind Farm + 15MW Solar Farm	Crowland Substation; 132kV***	WPD

\*\*\*It should be noted that this represents the maximum viable output using the alternative strategy as outlined above.



## Financial Modelling Overview

4.18 There are **three** options currently being considered which comprise a combination of generating plant as follows.

**Option 1** considers generating energy from the proposed sites as follows:

- Solar Farm on America Farm; 16MW
- Wind Farm on Newborough; 28MW
- Wind Farm on Morris Fen; 4MW

**Option 2** considers generating energy from solar PV panels only as follows:

- Solar Farm on America Farm; 16MW
- Solar Farm on Newborough; 50MW
- Solar Farm on Morris Fen; 40 MW

**Option 3** considers generating energy from the proposed sites as follows:

- Solar Farm on America Farm; 16MW
- Wind Farm on Newborough; 28MW + 15MW Solar Farm
- Wind Farm on Morris Fen; 4MW + 15MW Solar Farm

Initial financial modelling has been undertaken by Davis Langdon and Deloitte on each of the generation plant. The indicative financial summary of each of the options is set out below, with further information set out in Appendix 2

	<b>Option 1 £m</b>	<b>Option 2 £m</b>	<b>Option 3 £m</b>
<b>Total project costs and income</b>			
Capital repayment	92.9	198.6	127.0
Operating Costs	54.7	131.0	90.2
Interest	50.8	121.7	71.7
<b>Total costs</b>	<b>198.4</b>	<b>451.3</b>	<b>288.9</b>
Income – ROC	98.9	206.5	159.0
Income – PPA	189.3	266.7	266.8
<b>Total Income</b>	<b>288.2</b>	<b>473.2</b>	<b>425.8</b>
<b>Net Income</b>	<b>89.8</b>	<b>21.9</b>	<b>136.9</b>
<b>Net position in first 5 years (+ denotes net surplus)</b>			
2012/13	-0.1	-0.1	-0.1
2013/14	-0.1	1.4	-0.1
2014/15	3.1	2.0	3.5
2015/16	3.5	3.0	5.9
2016/17	4.0	4.4	8.3
Potential CO2 displaced Tonnes / annum	45,613	41,000	57,280

4.19 Further work needs to be carried out to refine the financial modelling as the options develop. This work will include the following:

- Refinement of costs and income in line with relevant assessments and studies (including those outlined in para 4.11.5 above)
- The financial models currently include an estimate for the cost of business rates. Under Government proposals to localise business rates, some of the rates costs will be retained by the Council. This would further improve the return to the Council. The cost of business rates included ranges from £450k-£550k in the first year of operation
- The impact on farm income from the proposals (per issues outlined in para 4.11.4 above)
- Review of phasing of capital spend in line with expected project delivery
- Without further detailed design, the potential solar PV installation size cannot be determined due to differing space constraints. It is assumed that a further 15MW of solar installation should be possible pending review of grid capacity and land availability on the wind farm locations. This, and the financial implications, will be tested further

4.20 The Council's capital programme includes £100m to support Invest to Save schemes. This budget can be used to fund any projects will deliver savings to the Council, and has to date been used for schemes including the roll out of PV panels in schools.

4.21 It is envisaged that this Invest to Save approach will be used to fund the capital investment of the preferred renewable energy site option, including the necessary preparatory work outlined in this report. As outlined above each option delivers savings over and above the costs of the capital financing. The following table shows how this project meets the criteria for Invest to Save funding:

<b>Principles outlining how Invest to Save Budget should be spent:</b>	<b>Does this project meet the principles?</b>
Each project would need to complete the Council's standard full business case. This would include the required officer evaluation and approval as for all business cases	Outline business case included in this Cabinet report. Business case for preferred option to be finalise once studies complete.
Schemes should deliver savings that improve the financial position of the Council presented in this MTFS	This scheme is set to make a surplus over and above the costs of the capital financing. A summary is provided above with further detail in Appendix 2 on each site.
Schemes will be also be considered that maintain the MTFS position (i.e. neither improve or worsen the position), but that contribute towards delivering service improvements or towards achievement of Council priorities	Not directly relevant as a surplus is generated, but the projects will contribute towards the Council's status of the Home of Environment Capital and the Sustainable Community Strategy.
The MTFS assumes that payback from schemes starts in the same year that the project starts. If this is not the case, proposals will need the following additional analysis in the business case: <ul style="list-style-type: none"> <li>• A full net present value analysis</li> <li>• An outline of how the finances will be covered across financial years if schemes are not cost neutral within each financial year</li> </ul>	The payback varies in accordance with whether the sites include wind or solar with wind having more favourable payback periods compared to solar. There is payback in year 1 on both options which will be held back to balance the cashflow in the following years.

Proposals will need to be subject to the Council's decision making requirements e.g. any schemes above £500k will be subject to a Cabinet Member Decision Notice approved by the Cabinet Member for Resources and the relevant portfolio holder	To develop wind farms, the Council will need to procure a contractor to install and maintain the wind farms, and authority to award any such contract will be sought in a subsequent report to cabinet, or cabinet member decision notice.
An update on schemes should be included in future financial reports to Cabinet during the year	Future reports will be provided to Cabinet as part of the normal budgetary control reports

It is recognised that at this stage, costs of some options exceed the current level of Invest to Save funding approved by Council for the 2012-13 financial year. Given the likely timescales for studies outlined in para 4.15 above, it will be possible to review the appropriate level of provision in the next refresh of the MTFs.

- 4.22 The principal reason for exploring more than one option is to build in flexibility to the project should one of the options not be feasible. For example Option 2 sets out the development of solar farms only and excludes wind turbines. This is partly because of the higher risks usually associated with gaining planning permission for wind turbines.

#### Next Steps

- 4.23 If Cabinet approves these recommendations, the next key stage will be to undertake full project appraisal studies in order to establish the suitability of the sites for development. This stage will identify any issues that will prevent development and look in detail at all of the sites' constraints. Resolving the issue of connection to the grid is one of the first steps that will be undertaken. The work will also assess both the technical engineering aspects of the development, as well as the planning constraints.
- 4.24 Following the completion of the next Stage and subject to there being no issues, further project development and the preparation of the planning applications would then need to be undertaken.
- 4.25 The implications around taxation will be further evaluated to ensure that income from energy is dealt with in the most tax efficient manner and in the best interests of the Council.
- 4.26 It will be necessary to carry out extensive public consultation, including meeting with Parish Councils and other interested groups. A comprehensive consultation exercise will be undertaken. Much of this work will take place at the pre-planning stage, and a clear strategy for communicating with the public, stakeholders, and members will be established.
- 4.27 As with any development of renewable energy projects, at this early stage of the proposals, there are risks that need to be addressed. There can be no guarantee that the Council will be able to proceed as anticipated on any of the sites.

Some of the main areas of risk are:

- 4.27.1 Obtaining Planning permission: even if studies conclude that the sites are suitable for development, there is a risk that planning permission may not be forthcoming either at all, or to the extent necessary for viability. There is also a risk around the extent of possible public/political opposition to the schemes and the threat of judicial review should planning permission be granted for the sites.
- 4.27.2 Eligible renewable generators receive Renewable Obligation Certificates (ROCs) for each MWh of electricity generated. The price used is based on the estimated buy out price set

by OFGEM each year. There is risk around the rate used in the financial models although previous years' trends show that this rate is achievable. The ROC scheme is also reliant on the support of the Government and is subject to any changes they may impose through further reviews of the scheme.

- 4.27.3 In relation to possible risks around grid connections, there are three main risks. The first is in relation to the costs required to make connections to the grid. The Grid Viability Study completed does not detail pricing for individual site connections, although it is not thought this would be cost prohibitive. Secondly, given the number of renewable energy projects in the area that have planning permission but are still to be constructed, there may be the need to increase the capacity of the network in the area. Should this be the case, opportunities to work with other investors in order to generate cost savings to the Council will be explored. There will also be the need to obtain 3<sup>rd</sup> party landowners consent to make the connections to the grid which may not be forthcoming.
- 4.27.4 The Government may change any of its current the subsidy arrangements either through cost or period of time for subsidy. These can only be guaranteed at the time the individual schemes are built out and accredited by OFGEM.
- 4.27.5 The overall costs and incomes surrounding the project may vary. An initial sensitivity analysis has been undertaken which would indicate that at this stage all relevant factors in the calculation appear reasonable.

## **5. REASONS FOR RECOMMENDATION**

- 5.1 To enable the Council to progress its "green" agenda by developing renewable energy technologies, thus generating income through sale of energy, reducing energy costs, and reducing CO2 emissions.

## **6. CONSULTATION**

- 6.1 The Executive Director – Strategic Resources, has consulted with the Leader, Cabinet Advisor and Cabinet Member for Resources in bringing forward these proposals. To date, the potential development of the sites for wind and solar has remained confidential for reasons of commercial sensitivity and no consultation with outside bodies or the general public has been undertaken. It is anticipated that an early and comprehensive public consultation exercise will be undertaken following this Cabinet decision, as set out in para 4.26 above, by AECOM in conjunction with the Council's Communications Team. Prior to the publication of this cabinet report, all tenants of the affected land have been informed in writing of the contents of the report, and advised that they will be fully consulted, to avoid them learning of these proposals other than from the council.

## **7. IMPLICATIONS**

- 7.1 **Financial:** Financial implications are outlined in paras 4.18 to 4.22 above, with further detail set out in appendix 2 to this report
- 7.2 Legal implications are discussed in the body of the report as necessary, and all additional legal implications of completing the developments as proposed will be considered when the delegated decisions requested in this report are made. All decisions will be made in accordance with legislation and regulations prevailing at the time that decisions are made.
- 7.3 **Corporate Priorities:** this proposal supports the Council in its aspiration to become home of Environment Capital.

- 7.4 **Property:** as set out in para 4.11.4 above, the potential sites are currently subject to tenancy agreements. It will be necessary to deal with issues arising from tenancy agreements once firmer proposals are in place for each of the sites (after further studies). Depending on the options chosen, it may be possible to continue farming from the sites. In addition, permission from third party landowners may need to be sought in order to transport equipment to the site and to make connection to the grid via underground or overhead power lines. This work will be undertaken by AECOM early in the development programme in order to minimise risk.
- 7.5.1 **Planning:** once studies are completed, if the sites are shown to be suitable for the proposed developments, applications for planning permission will need to be made. There is no guarantee that permissions will be forthcoming, and if they are not this in turn would have a knock on impact on the financial profile of the projects. To minimise this risk there will be early engagement with the Planning Authority.
- 7.5.2 **Procurement:** It will be necessary to extend existing contractual arrangements for professional support such as legal, technical, environmental and financial support as set out in the recommendations.

## 8. ALTERNATIVE OPTIONS CONSIDERED AND IMPLICATIONS

- 8.1 The Council could decide not to proceed with the studies and potential development of the identified sites. If it chooses to do so, it loses a valuable opportunity to progress its development of green energy. At this stage, no credible alternative sites to those proposed have emerged.

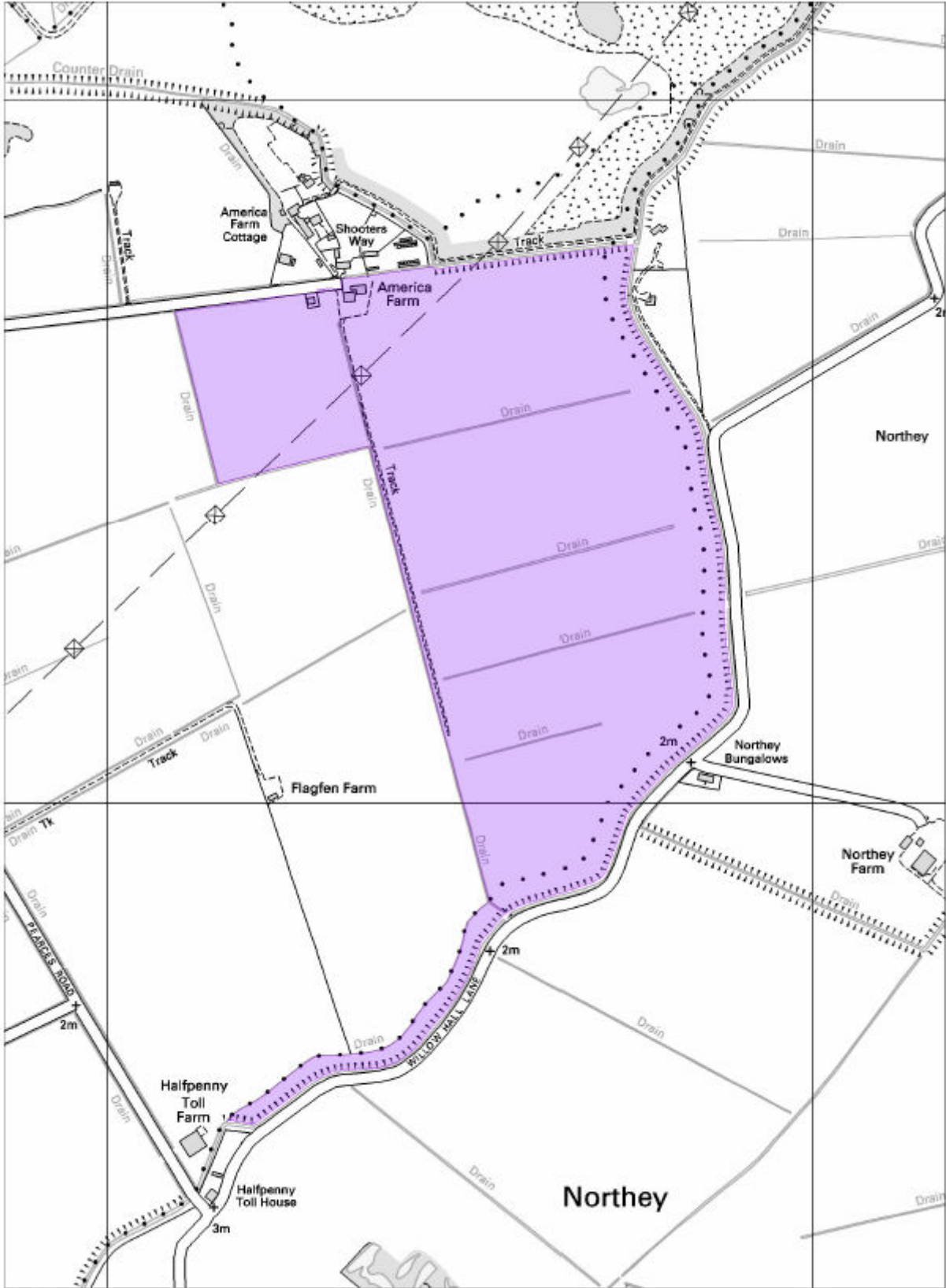
## 9. BACKGROUND DOCUMENTS

Peterborough Development Plan Documents (Local Plan) – Peterborough Core Strategy DPD Adopted February 2011 and Peterborough Site Allocations DPD Adopted April 2012

Cambridgeshire and Peterborough Minerals and Waste Core Strategy DPD – Adopted July 2011

Cambridgeshire and Peterborough Minerals and Waste Site Specific Proposals – Adopted February 2012

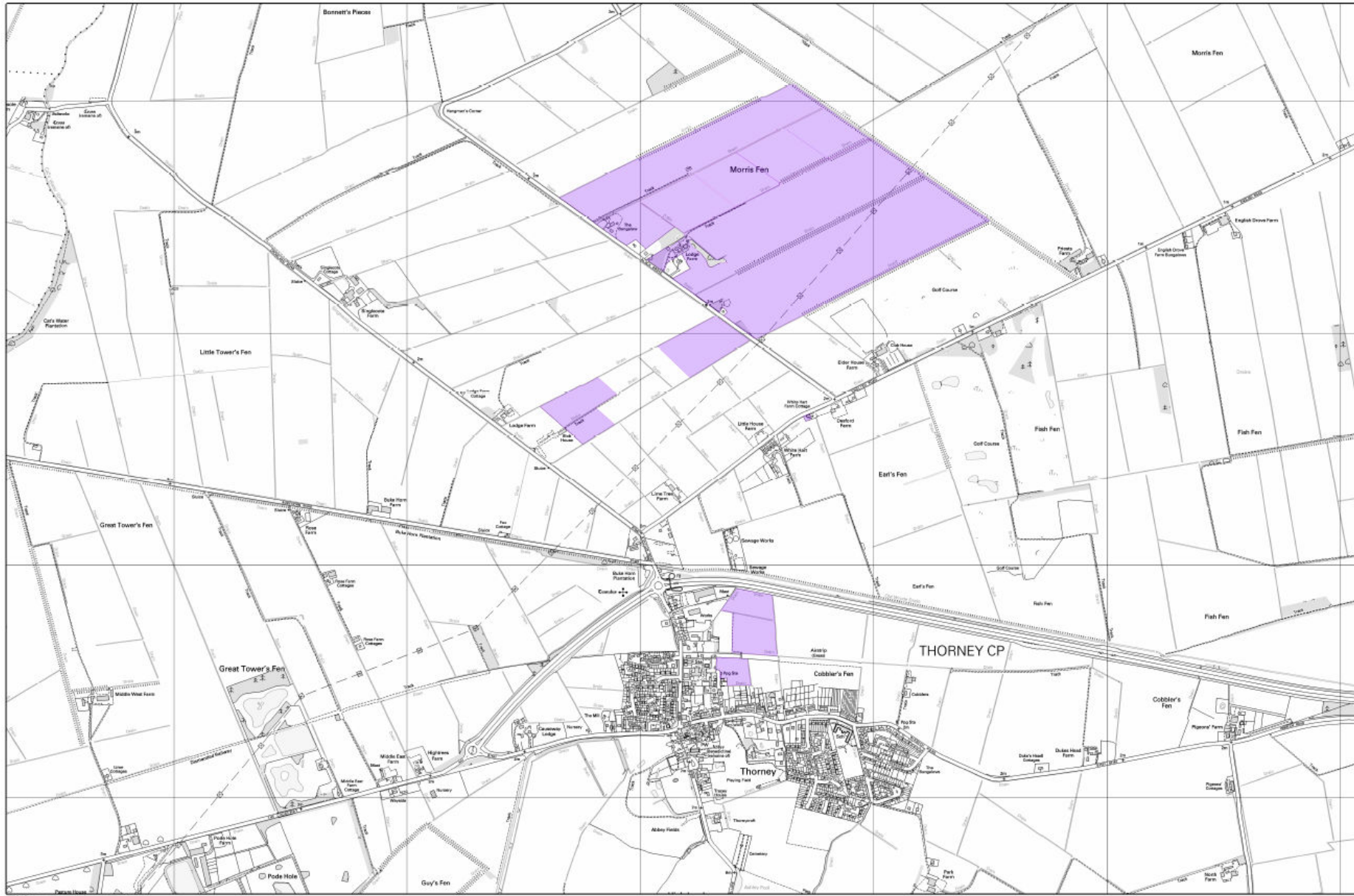
America Farm



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 Drg. No.  
 Department Shared Transactional Services - Asset Management Date 26th September 2011 Name HH  
 PCC GIS  
 PETERBOROUGH CITY COUNCIL

Morris Fen

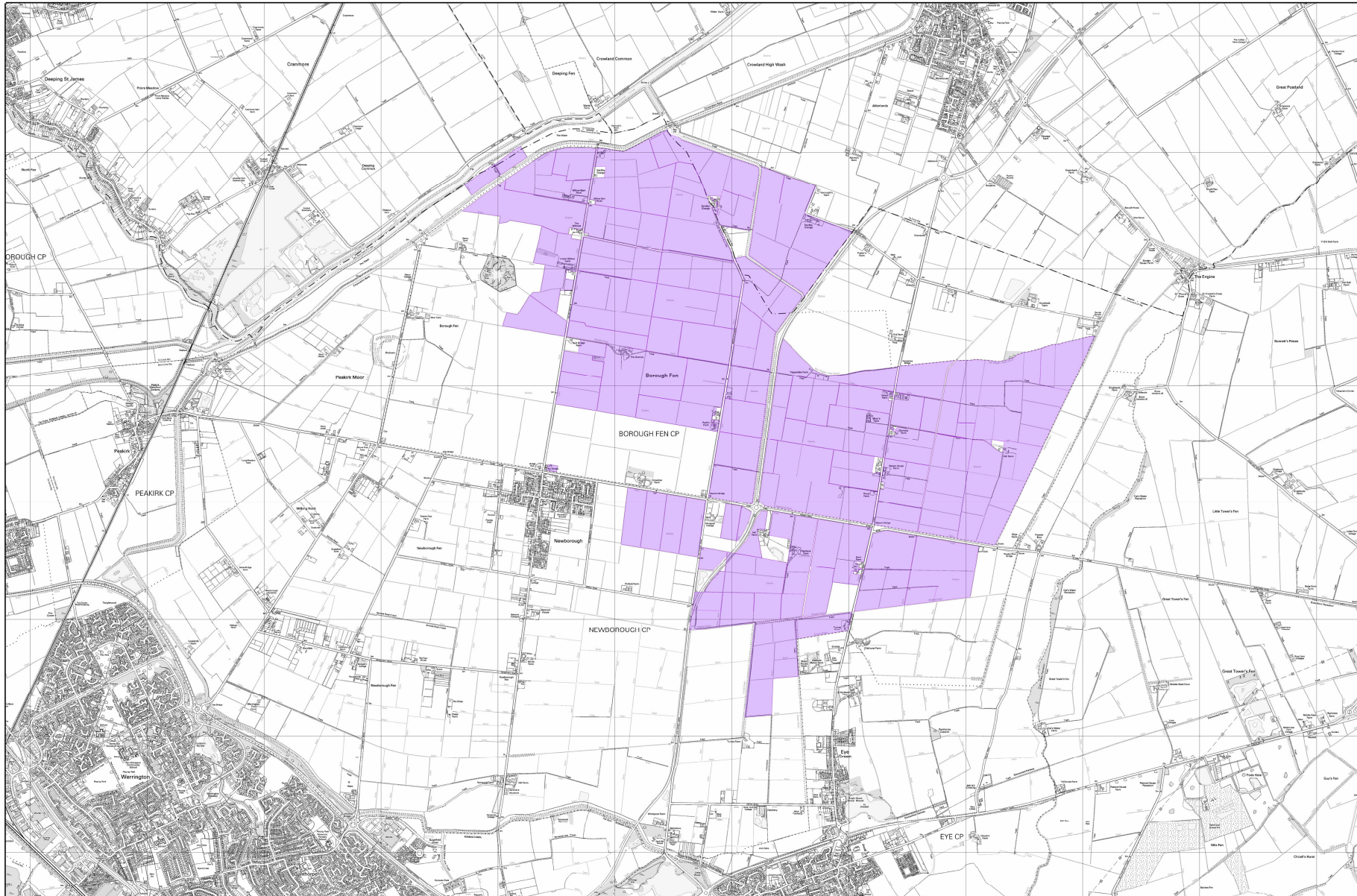
85





Newborough Farm

98



Title Newborough Farms

Scale 1:10000

Drg. No.

Department Shared Transactional Services - Asset Management

Date

26th September 2011

Name HH

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**Financial Models****OPTION 1**

Note – all numbers are based on a “base case” model which utilises current benchmark data from similar projects. A full sensitivity analysis has been conducted to understand the envelope of viability according to key dimensions changing in the forecast timeframe for development. The costs include a sum of £475k for the grid connection for both wind farms. This sum is purely indicative but allows for a nominal upgrade to the substation (£100k) and 3km buried connection (£375k). It is believed that there is sufficient contingency built into the model that should not result in any significant uplift. However, the figures could still be subject to revision.

The following is a summary of the net income position over a period of the asset life (20 years for Wind, 25 years for Solar), including 20 years for the ROC incentive for Option 1.

<b>OPTION 1</b>	<b>Americas Farm Solar</b>	<b>Newborough Farm Wind</b>	<b>Morris Fen Wind</b>	<b>Total</b>
MW Installed	16	28	4	48
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
Capital repayment	29.4	54.0	9.5	92.9
Operating Costs	19.6	30.5	4.6	54.7
Interest	18.3	27.7	4.8	50.8
<b>Total Expenditure</b>	<b>67.2</b>	<b>112.2</b>	<b>18.9</b>	<b>198.4</b>
				-
Income - ROC	30.9	59.5	8.5	98.9
Income - PPA	40.0	130.7	18.7	189.3
<b>Total Income</b>	<b>70.9</b>	<b>190.2</b>	<b>27.2</b>	<b>288.2</b>
<b>Net Income</b>	<b>3.7</b>	<b>77.9</b>	<b>8.2</b>	<b>89.8</b>
Net Present Value	<b>2.9</b>	<b>33.2</b>	<b>3.3</b>	<b>39.4</b>

## OPTION 2

The following is a summary of the net income position over the 25 year period of the asset life, including 20 years for the ROC incentive for Option 2.

<b>OPTION 2</b>	<b>Americas Farm Solar</b>	<b>Newborough Farm Solar</b>	<b>Morris Fen Solar</b>	<b>Total</b>
MW Installed	16	50	40	106
	£m	£m	£m	£m
Capital repayment	29.4	93.8	75.4	198.7
Operating Costs	19.6	61.9	49.6	131.1
Interest	18.3	57.3	46.1	121.7
<b>Total Expenditure</b>	<b>67.3</b>	<b>213.0</b>	<b>171.1</b>	<b>451.4</b>
				-
Income - ROC	30.9	57.5	78.0	206.5
Income - PPA	40.0	126.0	100.8	266.7
<b>Total Income</b>	<b>70.9</b>	<b>223.5</b>	<b>178.8</b>	<b>473.3</b>
				-
<b>Net Income</b>	<b>3.6</b>	<b>10.5</b>	<b>7.7</b>	<b>21.9</b>
				-
Net Present Value	<b>2.9</b>	<b>7.9</b>	<b>6.0</b>	<b>16.8</b>

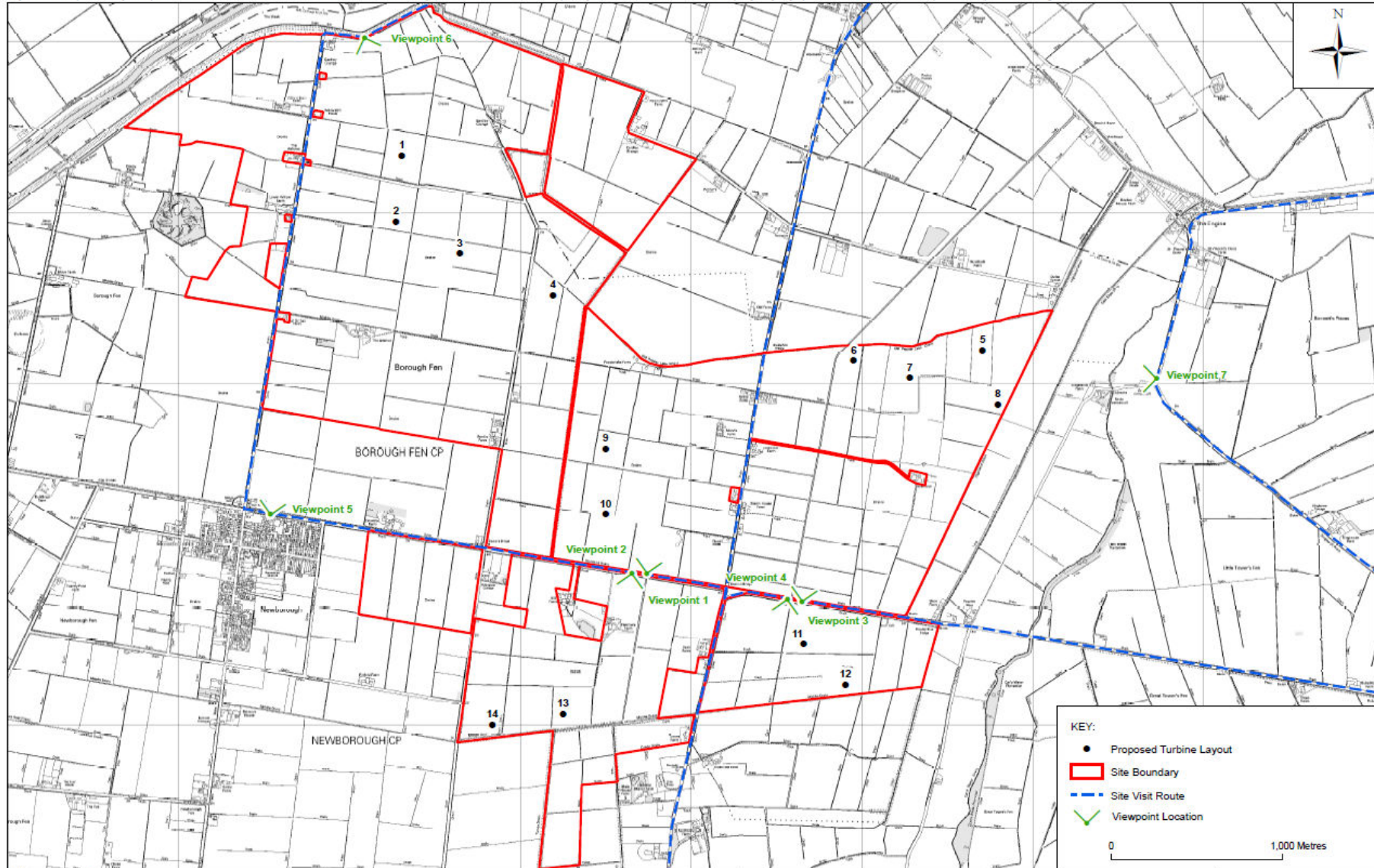
### OPTION 3

The following is a summary of the net income position over a period of the asset life (20 years for Wind, 25 years for Solar), including 20 years for the ROC incentive for Option 3.

<b>OPTION 3</b>	<b>Americas Farm Solar</b>	<b>Newborough Farm Wind</b>	<b>Morris Fen Wind</b>	<b>Newborough Farm Solar</b>	<b>Morris Fen Solar</b>	<b>Total</b>
MW Installed	16	28	4	15	15	78
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
Capital repayment	29.4	54.1	9.5	17.0	17.0	127.0
Operating Costs	19.6	30.5	4.6	17.8	17.8	90.3
Interest	18.3	27.7	4.8	10.4	10.4	71.7
<b>Total Expenditure</b>	<b>67.3</b>	<b>112.2</b>	<b>18.9</b>	<b>45.2</b>	<b>45.2</b>	<b>288.9</b>
Income - ROC	30.9	59.5	8.5	30.0	30.0	159.0
Income - PPA	40.0	130.7	18.7	38.8	38.8	266.8
<b>Total Income</b>	<b>70.9</b>	<b>190.2</b>	<b>27.2</b>	<b>68.8</b>	<b>68.8</b>	<b>425.8</b>
<b>Net Income</b>	<b>3.7</b>	<b>77.9</b>	<b>8.2</b>	<b>23.5</b>	<b>23.5</b>	<b>136.9</b>
Net Present Value	<b>2.9</b>	<b>33.2</b>	<b>3.3</b>	<b>10.4</b>	<b>10.4</b>	<b>60.3</b>

# Newborough Farm – wind turbine locations

This document has been prepared by AECOM for the sole use of our Client (the "Client") and in accordance with generally accepted consultancy principles, the budget for fees and terms of reference agreed between AECOM and the Client. Any information provided by third parties and referred to herein has not been checked or verified by AECOM, unless otherwise expressly stated in the document. No third party may rely upon this document without the prior and express written agreement of AECOM.



**KEY:**

- Proposed Turbine Layout
- ▭ Site Boundary
- - - Site Visit Route
- ✓ Viewpoint Location

0 1,000 Metres

Client:  Peterborough  
 Project: NEWBOROUGH FARMS - SITE SCREENING

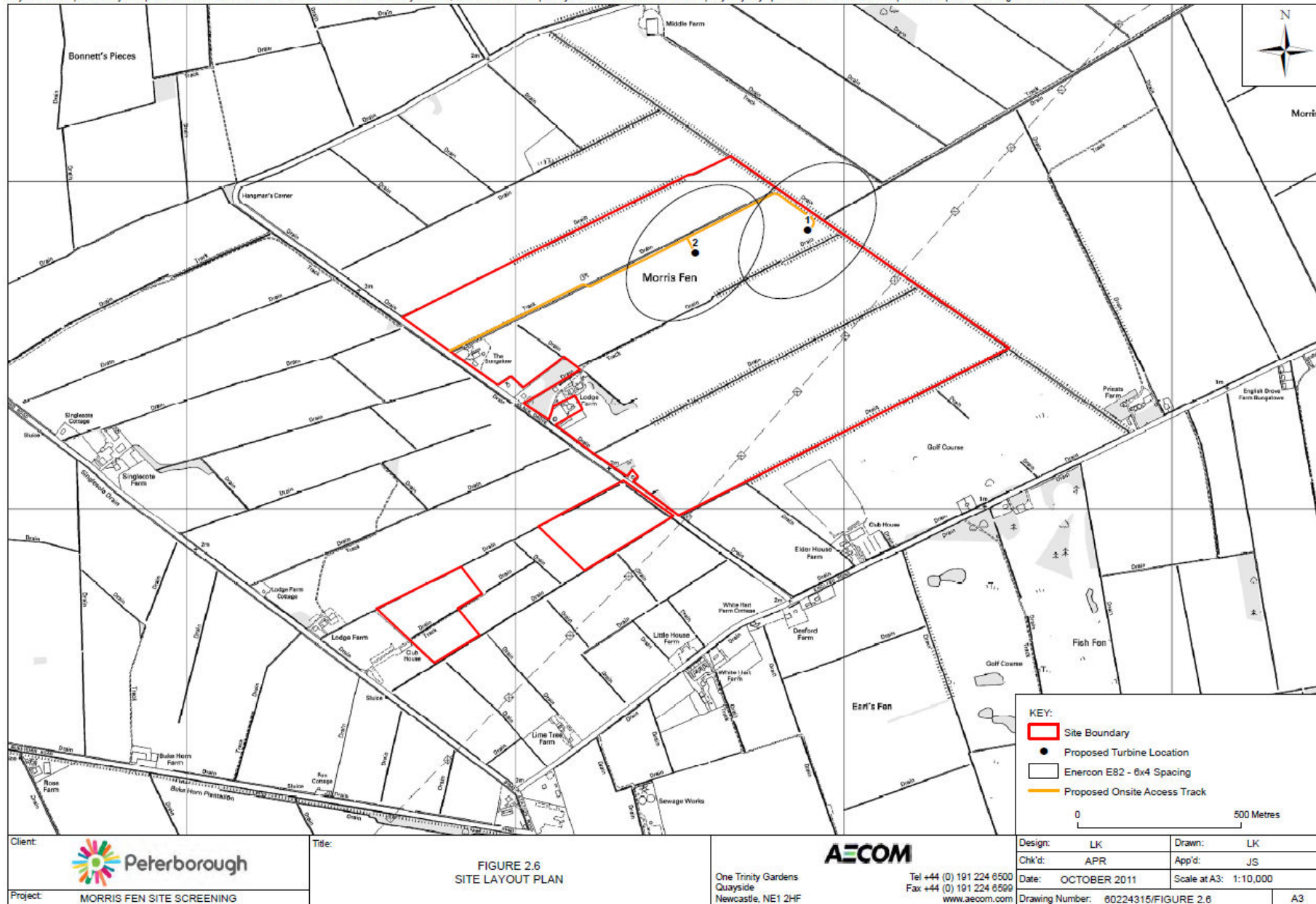
Title: FIGURE 1.2a - SITE VISIT PLAN  
 NEWBOROUGH FARMS

**AECOM**  
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 Quayside  
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 www.aecom.com

Design: LK	Drawn: LK
Chk'd: APR	App'd: JS
Date: OCTOBER 2011	Scale at A3: 1:20,000
Drawing Number: 80224315 - FIGURE 1.2a	
A3	

Morris Fen – wind turbine locations

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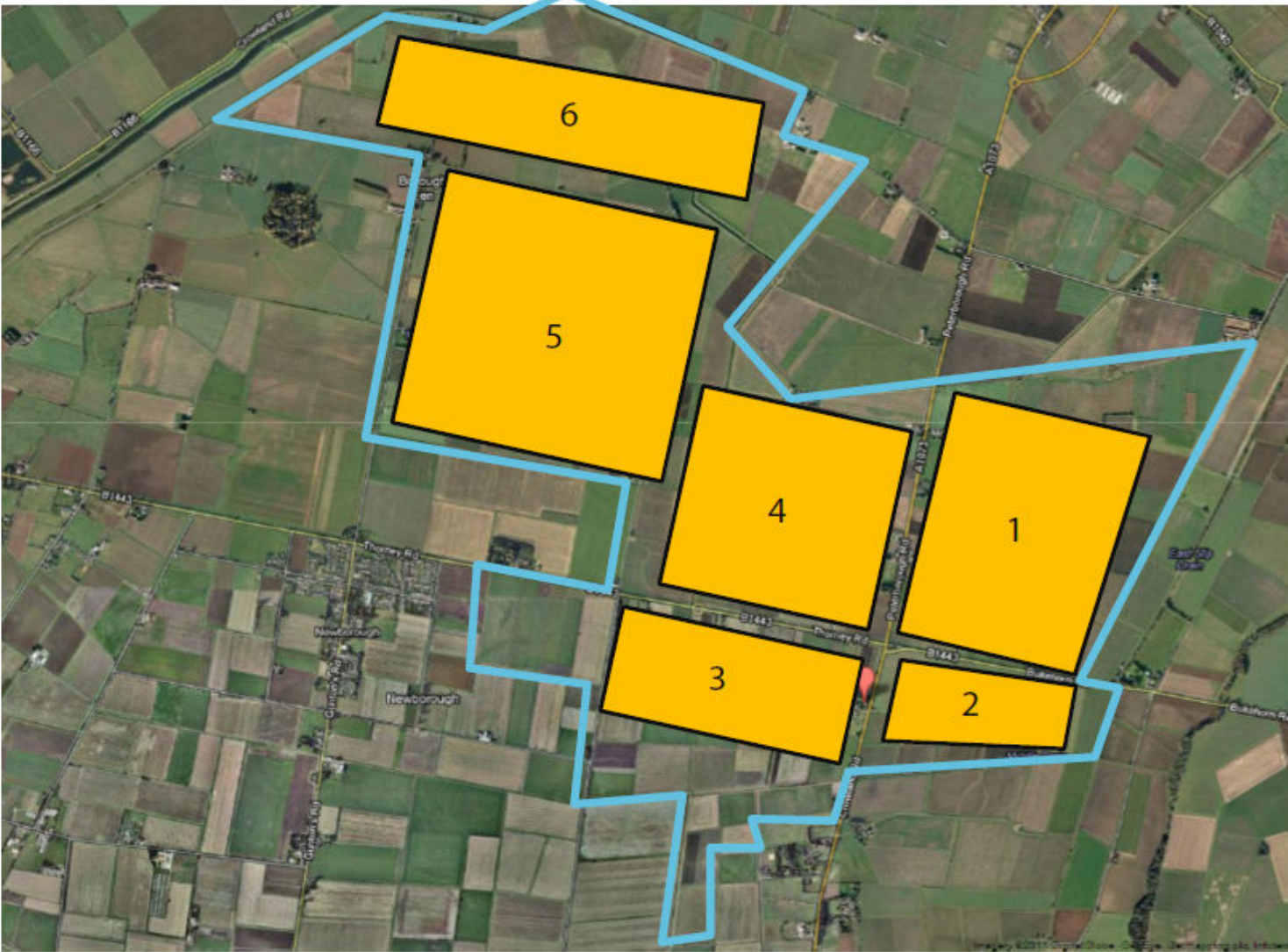


America Farm – Ground Mounted Solar PV coverage



92

Newborough Farm – Ground Mounted Solar PV coverage





Morris Fen – Ground Mounted Solar PV coverage





<b>CABINET</b>	<b>AGENDA ITEM No. 7</b>
<b>10 JULY 2012</b>	<b>PUBLIC REPORT</b>

Cabinet Member(s) responsible:	Councillor Irene Walsh, Cabinet Member for Community Cohesion and Safety	
Contact Officer(s):	Adrian Chapman, Head of Neighbourhoods Gary Goose, Safer Peterborough Strategy Manager	Tel: 01733 863887 Tel: 07801 180312

**SAFER PETERBOROUGH PARTNERSHIP 3 YEAR PLAN**

<b>R E C O M M E N D A T I O N S</b>	
<b>FROM :</b> Executive Director Operations	<b>Deadline date:</b> N/A
1. That Cabinet endorse the 2012 revision of Safer Peterborough Partnership 3-year Plan (2011-2014) and recommend it to Full Council for approval.	

**1. ORIGIN OF REPORT**

- 1.1 This report is submitted to Cabinet following Strong and Supportive Communities Scrutiny Committee held on 7<sup>th</sup> March 2012.

**2. PURPOSE AND REASON FOR REPORT**

- 2.1 The purpose of this report is to present the refreshed version of the Safer Peterborough Partnership Plan to Cabinet seeking Cabinet approval prior to Full Council.
- 2.2 This report is for Cabinet to consider under its Terms of Reference No. 3.2.3, to take a leading role in promoting the economic, environmental and social-wellbeing of the area.

**3. TIMESCALE**

Is this a Major Policy Item/Statutory Plan?	<b>YES</b>	If Yes, date for relevant Cabinet Meeting	10 July 2012
Date for relevant Council meeting	11 July 2012	Date for submission to Government Dept <i>(please specify which Government Dept)</i>	N/A

**4. THE SAFER PETERBOROUGH PLAN 2011-2014**

- 4.1 The Crime and Disorder Act 1998, revised by the Police and Justice Act 2006, requires that the Community Safety Partnership publishes a three-year Partnership Plan which is reviewed and refreshed annually. Peterborough's three-year plan was agreed by the Community Safety Partnership and Council in 2011 and covers the period 2011-14. This report brings the refreshed version and priorities for 2012 supporting the 2011-14 full plan.

- 4.2 This plan has been agreed by the Community Safety Partnership (the Safer Peterborough Partnership) at its meeting of 29<sup>th</sup> February 2012.
- 4.3 The Crime and Disorder Act 1998 requires that a Community Safety Partnership is formed by the bringing together of agencies who have a statutory responsibility for tackling crime and disorder in the local area. It is acknowledged that far more can be achieved to make Peterborough a safer place if agencies work together rather than in isolation.
- 4.4 The Crime and Disorder Act specifies the responsible authorities as:  
Peterborough City Council,  
Cambridgeshire Constabulary,  
NHS Peterborough,  
Cambridgeshire Fire Authority,  
Cambridgeshire Police Authority and,  
Cambridgeshire and Peterborough Probation Trust.
- 4.5 The partnership also invites other agencies who are able to contribute to the work to *co-operate*, in Peterborough Cross Keys Homes (representing Registered Social Landlords in the city) fulfil this role. .
- 4.6 Other agencies, particularly from the voluntary and community sector are also *invited to participate* in the work of the Partnership. At present these organisations are Peterborough and Fenland MIND, Peterborough Racial Equality Council, HMP Peterborough and the Social Impact Bond. Other voluntary groups are represented across other partnership groups.
- 4.7 The Safer Peterborough Partnership is one of the partnerships that comprise the Greater Peterborough Partnership.
- 4.8 Section 17 of the Crime and Disorder Act 1998 places a legal duty upon the named responsible authorities to consider the community safety implications in all of their actions.
- 4.9 The priorities within the Partnership Plan are agreed following a Strategic Assessment which considers the performance in the previous twelve months and takes into account the concerns of the public.
- 4.10 The plan represents of a new way of tackling crime and disorder within our City.
- 4.11 It builds on the success of the last year in driving down rates of reported crime. It will demonstrate commitment to Peterborough's preventative agenda by clear linkage with the City's Sustainable Community Strategy whilst not losing the focus on tackling here and now issues of crime, disorder and community safety within our neighbourhoods.
- 4.12 This plan will demonstrate the direction of travel for making the City and its people safer.
- It will show our resolve in protecting those who are vulnerable within our communities.
  - It will be clear about our partnership's commitment to tackling the underlying causes of offending but will be equally clear that those who continue to offend or bring risk of harm to our City will be targeted with the full weight of the criminal justice system.
  - It will illustrate how we intend our approach to be sustainable and improve the lives of the people living, working and visiting our City.
- 4.13 This three year plan will need to be flexible, adaptable and responsive to the ever changing landscape of financial restraint, the drive for localism and greater community engagement, changes in funding arrangements and partner organisations all undergoing individual and significant structural reviews. In particular it takes account of the introduction of the Policing and Crime Commissioner during November 2012.

- 4.14 This new approach, freed of considerable bureaucracy, aims to bring long-term sustainable reductions in crime and disorder and to lead in the creation of stronger, supportive and cohesive communities.
- 4.16 A summary document will be published to ensure that the public can clearly understand the priorities and improvement targets set.
- 4.17 The priorities set out in the Plan attached are:
- Reducing Crime
  - Tackling anti-social behaviour and hate crime
  - Building stronger and more supportive communities.
- 4.18 For each of the priority areas, improvement targets will be identified that we believe will reflect the work that we are going to be doing and allow both the partnership and the public to measure whether or not we have been successful.

## **5. CONSULTATION**

- 5.1 The development of this Plan has been informed through extensive consultation and engagement with officers, partners and members of the public throughout the previous year.

## **6. ANTICIPATED OUTCOMES**

- Reductions in crime
- Reductions in anti-social behaviour
- Stronger and more supportive communities
- Increased confidence and satisfaction in the Community Safety Partnership

## **7. REASONS FOR RECOMMENDATIONS**

- 7.1 The Crime and Disorder Act 1998, revised by the Police and Justice Act 2006, requires that the Community Safety Partnership publishes an annual Partnership Plan.

## **8. ALTERNATIVE OPTIONS CONSIDERED**

- 8.1 The previous partnership plan ran from 2008 – 2011.

## **9. IMPLICATIONS**

- 9.2 There are no financial implications for this plan.
- 9.3 There is a statutory responsibility for the Safer Peterborough Partnership to produce this annual plan.

## **10. BACKGROUND DOCUMENTS**

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985)

*Crime and Disorder Act 1996*

*Police and Justice Act 2006*

*Policing and Crime Act 2009*

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# **Safer Peterborough Partnership Plan 2011-14**

## **2012 Priorities**

## Safer Peterborough Partnership Plan 2012



### SAFER PETERBOROUGH PARTNERSHIP

### COMMUNITY SAFETY PRIORITIES 2012

(Part of the 2011-14 three-year Safer Peterborough Partnership Plan)

#### Our Vision Statement

**Peterborough Together: reducing crime, building safe and confident communities**

#### **1. INTRODUCTION**

The plan provides details of the Safer Peterborough Partnership's priorities for 2012.

**This does not replace the three-year Safer Peterborough Partnership Plan 2011-2014**, rather it should be read as an addendum representing a continuation of the three-year journey to reduce crime in our City.

It continues with the three-year plan's overall strategy and strengthens our approach in tackling the root causes of crime rather than reactively responding only to the symptoms.

#### **2. LEGISLATIVE FRAMEWORK**

This plan is written in accordance with the responsibilities placed upon Community Safety Partnerships as set out within the Crime and Disorder Act 1998. It represents the annual refresh of the three-year plan as mandated within the above named Act.

Full details of the legislative framework can be found within section 2 of the aforementioned three-year plan.

#### **3. THREE YEAR PRIORITIES**

The three-year partnership plan identified three areas of overarching priority for its duration. These priorities will remain for the coming year; the partnership will concentrate its resources on activity to support these priorities. The overarching priorities remain:

- **Reducing crime**
- **Tackling anti-social behaviour and hate crime**
- **Building stronger and more supportive communities.**

The Partnership will continue to have only **one target**: a 10% reduction in victim based crime over the three year duration of the plan.

## Safer Peterborough Partnership Plan 2012

In addition to our single target we will continue to monitor our performance against our peers with a view to:

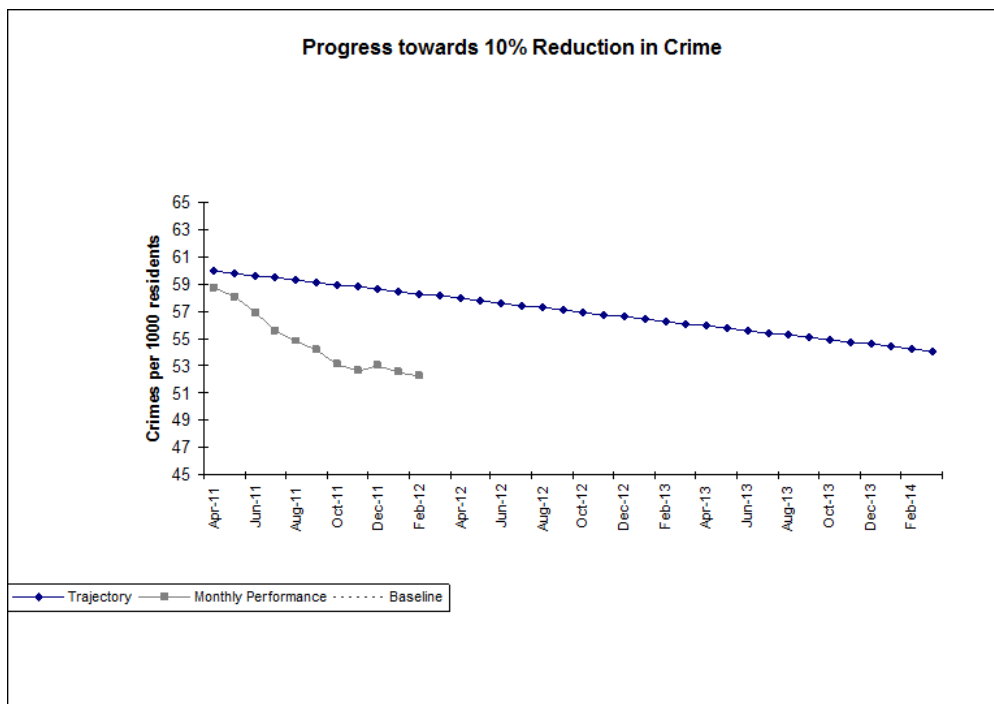
- Continuous improvement;
- Closing the gap on our peers;
- Out-performing our most similar group's average crime rates.

A performance framework will support this single target and will continue to be reported to the Partnership Board on a monthly basis.

### 4. BACKGROUND

This plan is informed by the 2012 Safer Peterborough Partnership Strategic Assessment which sets out a number of recommendations for continuing the fight against crime and continuing to make Peterborough a safer place.

2011 has seen significant success in reducing the numbers of victims of crime within the City. To the end of February 2012, the rolling twelve month average shows a reduction in crime of 13.1% representing over **1300** fewer victims of crime. Whilst this is a significant improvement for the City there is much work still to be done to reduce Peterborough's traditionally high level of crime when compared to its peers.



The three-year plan is clear that the Partnership will be committed to tackling the **underlying causes of crime and offending**, but **equally clear** that **those who continue** to break the law will be **targeted** with the full weight of the criminal justice system. It remains the Partnership's view that this approach will bring sustainable reductions in crime by preventing crime and escalation in offending further 'upstream'.

The Partnership will ensure that the direction of travel for community safety work in the City places the law abiding citizen at the heart of its approach and one of its priority work streams will reflect this.

The Partnership will therefore **continue to support** our statutory agencies in delivering their own core function but will co-ordinate and lead on the work where it feels it can **provide the biggest impact - that of prevention**.

## Safer Peterborough Partnership Plan 2012

The Partnership will continue to develop its multi-agency team approach to tackling the underlying causes of crime and it is these areas that will form the basis for continuing partnership activity for the coming twelve months.

The benefit of such a multi-agency approach is clear when analysis of the economic burden of crime on the City is undertaken. The Partnership will continue to monitor and demonstrate the value for money of its preventative approach: crime costs the City almost £50m a year in economic and social costs. A priority work stream to demonstrate the cost avoidance and direct financial impact of this work will continue in the coming year.

A preventative approach will reduce this burden on the police, the fire service, the health service, the probation service and other criminal justice agencies.

	Number of Peterborough crimes <sup>1</sup>	Estimated cost	% of Total Crime	% Total Cost
<b>Violence against the Person</b>	2544	£23,233,287	18.4%	47.9%
<b>Most Serious Sexual Offences</b>	204	£7,538,208	1.5%	15.6%
<b>Serious Acquisitive Crime</b>	2326	£7,461,012	16.8%	15.4%
<b>Commercial Burglary</b>	884	£4,073,472	6.4%	8.4%
<b>Theft and Handling</b>	4780	£2,708,620	34.5%	5.6%
<b>Criminal Damage</b>	3045	£3,429,325	22.0%	7.1%
<b>Attempted Vehicle Theft</b>	67	£41,339	0.5%	0.1%

True and sustainable change comes from within and as such the Partnership will continue to support the work of the Council in integrating its approach to neighbourhood management with the community safety agenda by the development of community action plans for each of the seven neighbourhood areas of the City. These are long-term plans to improve the quality of life in each area and the Partnership supports the view that improving quality of life and equality of opportunity for all will reduce crime and anti-social behaviour.

The integration of public health within the local authority will also add an extra and important dimension in helping to tackle the long term effects of crime, as well as playing its part in preventing the opportunity for offending behaviour to deteriorate; in particular this will include developing further links with mental health and learning disability professionals in order that the most vulnerable victims and offenders gain the support they need.

During 2011 the City has continued to develop its Single Delivery Plan (SDP). The Partnership is committed to playing its part in moving the City forward by embracing the guiding principles of the SDP:

- Outcomes not organisations
- Tackling root causes
- Being innovative
- Embracing localism

Programme 6 of the Single Delivery Plan is dedicated to reducing crime and the Safer Peterborough Partnership Board will continue to act as the Programme Board for this area of work.

### **5. SAFER PETERBOROUGH PRIORITY WORKSTREAMS**

Having taken into account the 2012 Strategic Assessment, the three-year plan and the professional judgement of officers, areas of work have been identified that will form the priority work streams for the partnership for the coming year. Each area will have a City strategy together with a clear action plan that will drive its work.

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<sup>1</sup> December 2010 - November 2011



## Safer Peterborough Partnership Plan 2012

The identified areas are as follows:

- **Reducing reoffending** by supporting the Probation Service where possible with its statutory clients and the Social Impact Bond with its cohort of voluntary clients but also by continuing to develop an integrated approach to offender management (IOM) for those offenders who present the biggest risk of reoffending within the City.
- **Developing modern, effective and efficient substance misuse (drugs and alcohol) schemes** that play a significant role in reducing offending and reducing the harms to our community and individuals suffering from drug misuse and addiction.
- **Developing the Neighbourhood Management model** by supporting a neighbourhood management and integrated approach to neighbourhood delivery that is responsive to local needs and concerns improving the long-term quality of life in our communities. It will link the Neighbourhood Managers with community safety issues and ensure that the neighbourhood management approach is central to long-term improvements across our City.
- **Developing an over-arching strategy on Domestic Abuse** that includes all of the partners on whom domestic abuse impacts; the strategy will interlink this individual work and ensure a consistent and coherent response.
- Improving perceptions of safety in Peterborough City Centre by prioritising **violent crime linked to the night time economy**. This will ensure that those socialising in the City Centre feel safe and will further secure Peterborough's reputation as a primary destination for visitors and investors.
- **Making Peterborough's roads safer** by addressing anti-social road use and ensuring that the numbers of those killed or seriously injured on Peterborough's roads continues to decrease.
- **Anti-social behaviour and improving quality of life in our neighbourhoods** is a priority at the heart of many of our communities in Peterborough. We will continue to deliver support for victims of anti-social behaviour and develop further preventative work to root out the causes of anti-social behaviour in our neighbourhoods.
- **Targeting the families that cause most harm, cost and disruption to the City** by supporting the Family Recovery Project and other initiatives to help those families with complex needs who are at risk of losing their children, their liberty or their homes.
- **Ensuring victims, witnesses and law abiding citizens are at the centre of our work.**

By close scrutiny and monitoring of its performance framework, the Partnership will respond quickly to areas of additional concern and may from time to time initiate short-term task and finish groups and plans to address issues. These will be reported to the Partnership Board.

## **6. CONCLUSION**

In conclusion, this plan sets out the Safer Peterborough Partnership's desire to make real and long lasting positive improvements to the safety and perceptions of safety within our City. It is innovative in that it does not simply concentrate on traditional categories of crime; but does that in the knowledge that this approach is already making real change in the city and in with belief in the City's preventative agenda.

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<b>CABINET</b>	<b>AGENDA ITEM No. 8</b>
<b>10 JULY 2011</b>	<b>PUBLIC REPORT</b>

Cabinet Member(s) responsible:	Cllr Walsh, Cabinet member for Community Cohesion and Safety	
Contact Officer(s):	Kim Sawyer, Head of Legal Services Adrian Chapman	Tel. 01733 452361

**POLICE AND CRIME PANEL**

<b>RECOMMENDATIONS</b>	
<b>FROM :</b> Helen Edwards, Solicitor to the Council	<b>Deadline date :</b> N/A
<ol style="list-style-type: none"> <li>1. Cabinet agrees to establish the Cambridgeshire Police and Crime Panel as a joint committee of the Cambridgeshire local authorities as defined in Section 28 of the Police Reform and Social Responsibility Act 2011</li> <li>2. Cabinet agrees that Peterborough City Council will be the host authority for the Panel.</li> <li>3. The Cabinet agrees the nomination and appointment of three members and three substitute members of the Council to the panel as set out in paragraph 4.14 and authorises the Leader of the Council to appoint to any position becoming vacant</li> <li>4. The Cabinet agrees to delegate authority to the Solicitor to the Council to finalise the terms of the panel arrangements for the Cambridgeshire Police and Crime Panel, provided that the agreement is substantially in the form attached to this report</li> </ol>	

**1. ORIGIN OF REPORT**

- 1.1 This report arises from a requirement of the Police Reform and Social Responsibility Act 2011 to establish a Cambridgeshire Police and Crime Panel.

**2. PURPOSE AND REASON FOR REPORT**

- 2.1 The purpose of this report is for Cabinet to agree to the foundation of the Cambridgeshire Police and Crime Panel as a joint committee of the seven Cambridgeshire authorities and to nominate and appoint members to the Panel. Furthermore Cabinet is invited to agree that Peterborough City Council shall be the host authority to facilitate the operation of the Panel.
- 2.2 This report is for Cabinet to consider under its Terms of Reference No 3.2.2, to promote the Council's role as community leader, giving a 'voice' to the community in its external relations at local, regional and international level, and fostering good working relationships with the Council's partner organisations, Parish Councils and the relevant authorities for Police, Fire, Probation and Magistrates' Courts Services.

**3. TIMESCALE**

- 3.1 The Home Office requires the Panel to be established and for members to be nominated and appointed to the Panel by 16 July 2012.

#### **4. POLICE AND CRIME PANEL**

- 4.1 The Police Reform and Social Responsibility Act 2011 introduced significant changes in police governance and accountability, in particular replacing the Police Authorities with directly elected Police and Crime Commissioners (Commissioners).
- 4.2 The public accountability for the delivery and performance of the police service within each force area will be placed into the hands of the commissioner on behalf of their electorate. The commissioner will draw on their mandate to set and shape the strategic objectives of their force area in consultation with the chief constable. The commissioner will be accountable to their electorate; the chief constable will be accountable to the commissioner.
- 4.3 The Act also requires the local authorities in each police force area to establish a police and crime panel (panel), as a joint committee, primarily to scrutinise the commissioner. The Act also prescribes many of the arrangements with regard to the panel and the way in which it conducts its business.
- 4.4 According to the Home Office, "Panels are not a replacement for the police authority. They will fulfil an important role in scrutinising the commissioner but we need to be clear that this reform is about reconnecting the police and the people. This will be achieved through a directly elected police and crime commissioner not through the police and crime panel. The panel will have an important scrutiny role in relation to the commissioner, however it is the commissioner who is taking on the role of the police authority and who the public will hold to account for the performance of their force."
- 4.5 The panel will have the following duties and powers which must be exercised in accordance with the Act and associated Regulations:
- the power of veto, by two-thirds majority, over the commissioner's proposed budget and precept;
  - the power of veto, by two-thirds majority, over the commissioner's proposed candidate for chief constable;
  - the power to ask Her Majesty's Inspectorate of Constabulary (HMIC) for a professional view when the commissioner intends to dismiss a chief constable;
  - the power to review the commissioner's draft police and crime plan and make recommendations to the commissioner who must take account of them;
  - the power to review the commissioner's annual report and make reports and recommendations at a public meeting, which the commissioner must attend;
  - the power to require any papers in the commissioner's possession (except those which are operationally sensitive);
  - the power to require the commissioner to attend the panel to answer questions;
  - the power to appoint an acting commissioner (from within the commissioner's staff) when the elected commissioner is incapacitated or suspended (until she/he is no longer incapacitated or suspended), or resigns or is disqualified (until a new commissioner is elected); and
  - responsibility for all complaints about the commissioner, although serious issues must be passed to the Independent Police Complaints Commission (IPCC).
- 4.6 Terms of reference for the panel are included at appendix 1 however until the commissioner takes office on 22 November 2012, following the election on 15 November 2012, the panel's powers will be limited to those necessary to prepare itself. The various constitutions of the Cambridgeshire authorities will require amendment in due course to incorporate the terms of reference although this will be a subsequent decision for Council
- 4.7 The Home Secretary has reserve powers to establish a panel and to appoint members to the panel, if any local authority fails to do so. The authorities are required to notify the Secretary of State of their nominations and appointment of their various councillors to the panel by the 16 July 2012.

## **Developing the panel arrangements**

- 4.8 It is proposed in this report that the seven Cambridgeshire local authorities each agree the panel arrangements, establishing it as a joint committee, and appoint their member(s) of the panel in accordance with the panel arrangements. This will allow time for the panel, before the commissioner is elected, to appoint co-opted independent members; agree the panel's rules of procedure; be briefed on relevant issues; and agree the panel's work programme for its first year.
- 4.9 Heads of Legal Services from the seven local authorities have recently been consulted on the arrangements for the Cambridgeshire Police and Crime Panel. These arrangements take the form of an agreement setting out the manner in which the authorities will provide support to the panel and are included at appendix 2. The terms of the panel arrangements are largely prescribed by Schedule 6 of the Police Reform and Social Responsibility Act 2011

## **Panel membership**

- 4.10 The lead local authority for this process, Cambridgeshire County Council, has facilitated discussions between the local authorities to enable them to fulfil their duty to secure (as far as is reasonably practicable) that the appointed members represent the political make-up of the local authorities within the police area (when taken together).
- 4.11 In Cambridgeshire, it has been agreed that the panel should comprise eleven councillors: one from each of the district or borough councils, three members each from the County and Peterborough City Council.
- 4.12 Under the terms of the Act if the panel is greater than the 10 members required, the additional member is considered to be a co-opted member and will require the approval of the Secretary for State. If approved, a subsequent resolution of the panel will also be required. A joint application for consent for the additional member is being made to the Secretary for State by the Cambridgeshire County Council and Peterborough City Council.
- 4.13 A further two independent members (not councillors) must be co-opted by the panel. When co-opting the independent members, the panel must ensure that, as far as is reasonably practicable, the appointed and co-opted members together have the skills, knowledge and experience necessary for the panel to discharge its functions effectively.
- 4.14 It is proposed that two conservative members and one labour member are nominated and appointed to the Panel. Those nominations are Councillors Matthew Lee and Walsh (conservative) and Councillor Khan (labour). Three substitute members are to be nominated by the panel members and notified to the Monitoring Officer. It is proposed that the Leader of the Council is given authority to appoint to any vacancy arising rather than referring the matter back to Cabinet. Full Council will be asked to note the appointments (as this is an Executive decision, not a Council decision) on the 11 July 2012, at the same time as it is asked to consider whether to award an interim allowance to appointed members pending a review of all allowances by the Members' Remuneration Panel, which is likely to make recommendations to Council later in the year (a new panel is in the process of being recruited at present).

## **Support for the Panel**

- 4.15 It has been agreed, subject to formal agreement of Cabinet through this report, that Peterborough City Council will be the host local authority for the panel and, within the overall budget agreed annually by the seven local authorities, will support the panel and its members. This support will be led by a lead officer from the host authority supplemented as required by additional specialist officers (eg finance officers when advising the panel on the commissioner's proposed budget and precept, legal officers when advising the panel on dealing with any complaints against the commissioner).

- 4.16 It is proposed that the costs of the panel, including support for the panel, will be contained as far as possible within the grant to be provided by the Home Secretary to the host local authority but if that grant is exceeded the excess be shared equally. The annual grant will be £53,330 plus £920 towards expenses per panel member, subject to review by the Home Secretary in future. The LGA has lobbied the Home Office to make a transparent level of funding available on a permanent basis to ensure that there is no burden on local authorities. However, the Act requires that panel arrangements make provision about how the local authorities are to share the costs of the panel.
- 4.17 To avoid a burden on the budget of the panel it is proposed that each authority determine whether and if so what allowance should be paid to its representative on the panel. Allowances are a decision to be made by Full Council, and this matter will be considered by the Council at its meeting on 11<sup>th</sup> July 2012, as referred to in paragraph 4.14 above.
- 4.18 The Act requires that the panel arrangements set out how support and guidance will be given to elected members and officers of the local authorities in relation to the functions of the panel. It is proposed that this will comprise initial briefing sessions for all elected members and relevant officers of the local authorities before the commissioner is elected and annual briefing sessions in each following year.

## **5. CONSULTATION**

- 5.1 The Panel arrangements have been the subject of several events undertaken by the Home Office and attended by various officers and councillors across the seven councils within Cambridgeshire
- 5.2 Given the limited timeframe in which to agree and establish the Panel, the arrangements have largely been facilitated by Cambridgeshire County Council which has consulted the Leaders of the various councils on these new executive powers. A presentation on this process has been given to the Cambridgeshire Scrutiny Network Forum and discussions have taken place within a Cambridgeshire Heads of Legal Services meeting.
- 5.3 Consultation with the public has been limited at this stage as this process is mandatory.

## **6. ANTICIPATED OUTCOMES**

- 6.1 It is expected that Cabinet will agree to the establishment and hosting of the Police and Crime Panel, agrees the membership from Peterborough City Council and agrees the terms of reference for the panel.

## **7. REASONS FOR RECOMMENDATIONS**

- 7.1 The Police Reform and Social Responsibility Act 2011 requires that local authorities in each police force area establish a police and crime panel, as a joint committee, primarily to scrutinise the commissioner.

## **8. ALTERNATIVE OPTIONS CONSIDERED**

- 8.1 It is a statutory obligation to appoint a Police and Crime Panel. If the Council does not appoint a Panel the Secretary of State has the power to do so, and make appointments to that panel. It is considered preferable for the council to take this step for itself.
- 8.2 Being a county with seven authorities the statutory position required the Cambridgeshire authorities to establish a 10 member panel, however the Cambridgeshire authorities have opted for an 11 member panel as they consider that this offers the optimum level of skills and experience necessary for a successful panel.

8.3 The terms of reference and membership arrangements have been developed with the other authorities across Cambridgeshire and therefore no other arrangement options are available.

## **9. IMPLICATIONS**

9.1 Financial implications are dealt with in paragraph 4.16 above.

9.2 As this is a statutory requirement legal implications are dealt with in the body of the report.

## **9. BACKGROUND DOCUMENTS**

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985)

Police Reform and Social Responsibility Act 2011.

Appendix 1 – Terms of reference for the Cambridgeshire Police and Crime Panel.

Appendix 2 - Panel arrangements for the Cambridgeshire Police and Crime Panel.

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## **Cambridgeshire police and crime panel**

### **TERMS OF REFERENCE**

- 1) To review and make a report or recommendation on the draft police and crime plan, or draft variation, given to the panel by the Police and Crime Commissioner.
- 2) To review, put questions to the Police and Crime Commissioner at a public meeting, and make a report or recommendation (as necessary) on the annual report.
- 3) To hold a confirmation hearing and review, make a report, and recommendation (as necessary) in respect of proposed senior appointments made by the Police and Crime Commissioner.
- 4) To review and make a report on the proposed appointment of the Chief Constable.
- 5) To review and make a report and recommendation (as necessary) on the proposed precept.
- 6) To review or scrutinise decisions made, or other action taken, by the Police and Crime Commissioner in connection with the discharge of the commissioner's functions.
- 7) To make reports or recommendations to the Police and Crime Commissioner with respect to the discharge of the commissioner's functions.
- 8) To support the effective exercise of the functions of the Police and Crime Commissioner.
- 9) To fulfil functions in relation to complaints about conduct matters, in accordance with the responsibilities accorded to the panel by the Police Reform and Social Responsibility Act 2011.
- 10) To appoint an Acting Police and Crime Commissioner if necessary.
- 11) To suspend the Police and Crime Commissioner if it appears to the panel that the Commissioner has been charged in the United Kingdom or Isle of Man with an offence which carries a maximum term of imprisonment exceeding two years.

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## **CAMBRIDGESHIRE POLICE AND CRIME PANEL - PANEL ARRANGEMENTS**

This Agreement is dated the                      day of July 2012

The Agreement is made between the following:

1. Cambridge City Council
2. Cambridgeshire County Council
3. East Cambridgeshire District Council
4. Fenland District Council
5. Huntingdonshire District Council
6. Peterborough City Council
7. South Cambridgeshire District Council

In this Agreement the above Councils are referred to together as 'the Authorities'.

Interpretation:

*" Act"*

means the Police Reform and Social Responsibility Act 2011

*"Host Authority"*

means Peterborough City Council

*"Lead Authority"*

means Cambridgeshire County Council

*"Panel"*

means the Police and Crime Panel

*"Panel Arrangements"*

means the arrangements set out in this Agreement

*"PCC"*

means the Police and Crime Commissioner"

## **1.0 Background**

- 1.1 The Act introduces new structural arrangements for national policing, strategic police decision making, neighbourhood policing and police accountability.
- 1.2 The Act provides for the election of a PCC for a police force area, responsible for securing an efficient and effective police force for their area, producing a police and crime plan, recruiting the Chief Constable for an area, and holding him/her to account, publishing certain information including an annual report, setting the force budget and police precept and requiring the Chief Constable to prepare reports on police matters. The PCC must co-operate with local community safety partners and criminal justice bodies.
- 1.3 The Act requires the local authorities in each police force area to establish and maintain a Panel for its police force area. It is the responsibility of the Authorities for the police force area to make Panel Arrangements.
- 1.4 Cambridgeshire is a multi authority police force area. The Authorities, as the relevant local authorities within the area must agree to the making and modification of the Panel Arrangements.
- 1.5 Each Authority and each Member of the Panel must comply with the Panel Arrangements.
- 1.6 The functions of the Panel (to be known as the Cambridgeshire Police and Crime Panel) must be exercised with a view to supporting the effective exercise of the functions of the PCC for that police force area.
- 1.7 The Panel must have regard to the Policing Protocol issued by the Home Secretary, which sets out the ways in which the Home Secretary, the PCC, the Chief Constable and the Panel should exercise, or refrain from exercising, functions so as to encourage, maintain or improve working relationships (including co-operative working); and limit or prevent the overlapping or conflicting exercise of functions.
- 1.8 The Panel is a scrutiny body with responsibility for scrutinising the PCC and promoting openness in the transaction of police business in the police force area.
- 1.9 The Panel is a joint committee of the Authorities.
- 1.10 The Authorities agree the Panel Arrangements.

## **2.0 Functions of the Police and Crime Panel**

- 2.1 The Panel may not exercise any functions other than those conferred by the Act.
- 2.2 The functions of the Panel set out at paragraphs 2.3 - 2.8 below may not be discharged by a Committee or Sub-Committee of the Panel.
- 2.3 The Panel is a statutory consultee on the development of the PCC's Police and Crime Plan and must:
  - a) review the draft Police and Crime Plan (and a variation to it); and,
  - b) report or make recommendations on the draft Plan which the PCC must take into account.
- 2.4 The Panel must comment upon the Annual Report of the PCC, and for that purpose must:
  - a) arrange for a public meeting of the Panel to be held as soon as practicable after the Panel is sent an Annual Report under Section 12 of the Act;
  - b) ask the PCC at that meeting such questions about the Annual Report as the Members of the Panel think appropriate;
  - c) review the Annual Report; and,
  - d) make a report or recommendations on the Annual Report to the PCC.
- 2.5 The Panel must undertake a review of a precept proposed by the PCC in accordance with the requirements set out in Schedule 5 of the Act, and will have a right of veto in respect of the precept in accordance with the Act and Regulations made under the Act.
- 2.6 The Panel must review, make a report to and make recommendations to the PCC in relation to the appointment of a Chief Constable by the PCC in accordance with the requirements set out in Schedule 8 of the Act and will have a right of veto in respect of the appointment in accordance with the Act and Regulations made under the Act.
- 2.7 The right of veto in paragraphs 2.5 and 2.6 will require that at least two-thirds of the persons who are Members of the Panel at the time when the decision is made vote in favour of making that decision.
- 2.8 The Panel must review, make a report to and make recommendations to the PCC in relation to the appointment of the PCC's Chief Executive, Chief Finance Officer and the Deputy Police and Crime Commissioner in accordance with the requirements set out in Schedule 1 of the Act.

- 2.9 The following functions must also be undertaken by the Panel but may be delegated to a Sub-Committee of the Panel:
- 2.10 The Panel shall receive notification from the PCC of any suspension of the Chief Constable, or any proposal to call upon a Chief Constable to retire or resign, and in the case of the latter must make a recommendation to the PCC as to whether or not the PCC should call for the retirement or resignation in accordance with the procedures set out in Schedule 8 of the Act.
- 2.11 The Panel must review or scrutinise the decisions or actions of the PCC in the discharge of his/her functions and make reports or recommendations to the PCC with respect to the discharge of the PCC's functions. The Panel may carry out investigations into the decisions of the PCC, and into matters of particular interest or public concern.
- 2.12 The Panel must publish any reports or recommendations made by it to the PCC in a manner which the Panel will determine and must also send copies to the Authorities.
- 2.13 The Panel may require the PCC or a member of his/her staff to attend the Panel to answer questions necessary for the Panel to undertake its functions, provided that such questions shall not:
- a) relate to advice provided to the PCC by his/her staff;
  - b) in the view of the PCC:
    - i) be against the interests of national safety;
    - ii) jeopardise the safety of any person; or,
    - iii) prejudice the prevention or detection of crime, the apprehension or prosecution of offenders, or the administration of justice; or,
  - c) be prohibited by any other enactment.
- 2.14 If the Panel requires the PCC to attend the Panel, the Panel may (at reasonable notice) request the Chief Constable to attend before the Panel on the same occasion to answer any question which appears to the Panel to be necessary in order for it to carry out its functions.
- 2.15 The Panel may require the PCC to respond in writing to a report or recommendation from the Panel to the PCC.

- 2.16 The Panel may suspend the PCC if he/she is charged with an offence carrying a maximum term of imprisonment exceeding two years.
- 2.17 The Panel will have any other powers and duties set out in the Act or Regulations made in accordance with the Act.

### **3.0 Membership**

#### **General**

- 3.1 Cambridgeshire is a police force area comprising seven (7) Authorities. The Authorities have each agreed to provide one elected member together with the Lead Authority and the Host Authority having the power to appoint the extra Members of the Panel.
- 3.2 Appointments of elected members to the Panel shall be made by each of the Authorities in accordance with their own procedures and with a view to ensuring that the balanced appointment objective is met so far as is reasonably practicable.
- 3.3 The Lead Authority has taken steps to coordinate the Authorities with a view to ensuring that the balanced appointment objective is achieved. The balanced appointment objective requires that the local authority Members of the Panel (which includes Members appointed by the Authorities and co-opted Members who are elected Members of any of the Authorities) should:
- a) represent all parts of the police force area;
  - b) represent the political make-up of the Authorities; and,
  - c) taken together have the skills, knowledge and experience necessary for the Panel to discharge its functions effectively.
- 3.4 Taking into account the balanced appointment objective the Authorities have agreed that the Panel ought to consist of eleven (11) Members appointed by each of the Authorities as set out in the attached Schedule
- 3.5 The appointment of the eleventh Member is a co-option to the Panel and requires
- (a) the consent of the Secretary of State and
  - (b) resolution of the Panel
- 3.6 The Lead Authority and the Host Authority have jointly agreed to seek the consent of the Secretary of State to the appointment of the eleventh Member

- 3.7 The Panel shall also include two (2) independent Members co-opted by the Panel.
- 3.8 In appointing co-opted Members who are not elected members of any of the Authorities the Panel must secure, so far as is reasonably practicable that the appointed and co-opted Members of the Panel, together have the skills, knowledge and experience necessary for the Panel to discharge its functions effectively.
- 3.9 The Panel may also resolve to co-opt further Members provided that  
(a) the further agreement of the Secretary of State is sought, and  
(b) the number of co-opted Members included in the Membership of the Panel shall not exceed twenty (20) in total.
- 3.7 Authorities may appoint a named substitute Member for each nominated Member in the event that their Appointed Member is unable to attend a meeting.

#### **Appointed Members**

- 3.8 If a nominated Member agrees to the appointment the Authority may appoint the Member as a Member of the Panel.
- 3.9 In the event that an Authority does not appoint a Member in accordance with these requirements, the Secretary of State must appoint a Member to the panel from the defaulting authority in accordance with the provisions in the Act.
- 3.10 With a view to ensuring continuity of membership as far as possible, an appointed Member shall be a Member of the Panel for four years unless s/he ceases to be an elected Member, or is removed by their Authority.
- 3.11 An Authority may decide in accordance with their procedures to remove their appointed Member from the Panel at any point and on doing so shall give notice to the Solicitor to the Council at the Host Authority.
- 3.14 An appointed Member may resign from the Panel by giving written notice to the Solicitor to the Council at the Host Authority on behalf of the Panel and to the proper officer at their Authority.
- 3.15 In the event that any appointed Member resigns from the Panel, or is removed from the Panel by an Authority, the Authority shall immediately take steps to nominate and appoint an alternative Member to the Panel.



3. 16 Members appointed to the Panel may be re-appointed to the Panel for a further term of four years.

### **3. 17 Co-opted Members**

3. 18 The following may not be co-opted Members of the Panel:

- a) the PCC for the Police Area.
- b) a member of staff of the PCC for the area.
- c) a member of the civilian staff of the Police Force for the area.
- d) a Member of Parliament.
- e) a Member of the National Assembly for Wales.
- f) a Member of the Scottish Parliament.
- g) a Member of the European Parliament.

3. 19 An elected member of any of the Authorities may not be a co-opted Member of the Panel where the number of co-opted Members is two.

3. 20 If the Panel has three or more co-opted Members an elected member of any of the Authorities may be a co-opted Member of the Panel provided that at least two of the other co-opted Members are not elected members of any of the Authorities.

3. 21 A co-opted Member shall be a Member of the Panel for four years.

3. 22 The Panel shall put in place arrangements to ensure that appointments of co-opted Members are undertaken following public advertisement in accordance with the following principles:

- a) The appointment will be made on merit of candidates whose skills, experience and qualities are considered best to ensure the effective functioning of the Panel;
- b) The selection process must be fair, objective, impartial and consistently applied to all candidates who will be assessed against the same pre determined criteria; and,
- c) The selection process will be conducted transparently with information about the requirements for the appointment and the process being publicly advertised and made available with a view to attracting a strong and diverse field of suitable candidates.

3. 23 A co-opted Member of the Panel may resign from the Panel by giving written notice to the Solicitor to the Council at the Host Authority on behalf of the Panel.

3. 24 The Panel must from time to time decide whether the Panel should exercise its power to change the number of co-opted Members of the Panel to enable the balanced appointment objective to be met, or be more effectively met, and if so, it must exercise that power accordingly.
3. 25 The Panel may decide to terminate the appointment of a co-opted Member of the Panel if at least two-thirds of the persons who are Members of the Panel at the time when the decision is made vote in favour of making that decision at any time for the reasons set out below and on doing so shall give written notice to the co-opted Member:
- a) if the co-opted Member has been absent from the Panel for more than three months without the consent of the Panel;
  - b) if the co-opted Member has been convicted of a criminal offence but not automatically disqualified;
  - c) if the co-opted Member is deemed to be incapacitated by physical or mental illness or is otherwise unable or unfit to discharge his or her functions as a co-opted Member of the Panel; or,
  - d) if the co-opted Member's membership of the Panel no longer achieves the balanced appointment objective.
3. 26 In the event that a co-opted Member resigns from the Panel or is removed from the Panel following a decision of the Panel, the Panel shall ensure that at least two independent co-opted Members remain appointed to the Panel, and in the absence of two such Members shall make arrangements to ensure that two co-opted Members are appointed.
3. 27 Co-opted Members appointed to the Panel may be re-appointed for a further term of four years provided that the balanced appointment objective is met by that re-appointment.

#### **4. 0 Budget and Costs of the Panel**

4. 1 The annual costs of the Panel, reduced by the figure of any grant from the Home Office or any other source, shall be borne between the Authorities equally.
4. 2 A draft budget for the operation of the Panel shall be drawn up by the Host Authority in February each year, and shall be approved by the Authorities. All costs will be contained within the budget.

#### **5. 0 Host Authority**

5. 1 A Host Authority shall be determined by mutual agreement of the Authorities for the Panel and shall provide such administrative and other support as will be

necessary to enable the Panel to undertake its functions. The Host Authority may be changed by agreement of the Authorities providing 12 months notice expiring on 31 March in any year is given.

## **6.0 Rules of Procedure**

The Panel shall determine its Rules of Procedure which shall include arrangements in relation to the:

- a) the appointment and removal of the Chairman;
- b) the formation of sub-committees;
- c) the making of decisions;
- d) the arrangements for convening meetings; and,
- e) the circulation of information.

## **7.0 Allowances**

- 7.1 Members shall be entitled to claim expenses incurred as a result of membership of the Panel. An allowance has been agreed by the Secretary of State of up to £920 per member which is to be made available from October 2012. The Panel shall consider a scheme of allowances once the allocation has been agreed by the Home Office.

## **8.0 Promotion of the Panel**

- 8.1 The Panel arrangements shall be promoted by:
  - a) the establishment and maintenance of a dedicated open-access website including information about the role and work of the Panel, Panel Membership, all non-confidential Panel and sub-committee meeting papers, press releases and other publications;
  - b) the issuing of regular press releases about the Panel and its work; and,
  - c) the Authorities will each include information about the Panel on their websites, and will also include a link to the Panel website.
- 8.2 Support and guidance shall be provided to executive and non-executive elected members and officers of the Authorities in relation to the functions of the Panel as follows:
  - a) by the provision of initial briefing sessions for elected members and relevant officers of the Authorities before the election of the PCC, and

- the provision of annual briefing sessions following the PCC's appointment; and,
- b) by the provision of written briefing notes for elected members and relevant officers of the Authorities at least three times per year.

**9.0 Validity of Proceedings**

- 9.1 The validity of the proceedings of the Panel shall not be affected by a vacancy in the Membership of the Panel or a defect in appointment.
- 9.2 The conduct of the Panel and the content of these arrangements shall be subject to the legislative provisions in the Police Reform and Social Responsibility Act 2011, and any Regulations made in accordance with that Act, and in the event of any conflict between the Act or Regulations, and these arrangements, the requirements of the legislation will prevail.

**SIGNED BY THE AUTHORITIES AS FOLLOWS:**

## SCHEDULE

### CAMBRIDGESHIRE POLICE AND CRIME PANEL

Scenario # **Assumes PCP size = 13 Members made up of 11 elected members + 2 co-optees (non -councillors)**

Scenario #	ected Membr	Cons	%	L/D	%	Lab	%	UKIP	%	Green	%	Ind	%	PCP Seats	Political Split *
69	Camb CC	41	59.4	21	30.4	3	4.3	2	2.9	1	1.4	1	1.4	3	2Cons + 1L/D
42	Camb City	1	2.4	21	50.0	19	45.2		0.0		0.0	1	2.4	1	1L/D
57	S Camb	33	57.9	16	28.1	1	1.8		0.0		0.0	7	12.3	1	1Cons
52	Hunts	38	73.1	7	13.5	1	1.9	3	5.8		0.0	2	3.8	1	1Cons
40	Fenland	34	85.0	3	7.5		0.0		0.0		0.0	3	7.5	1	1Cons
39	East Camt	25	64.1	10	25.6		0.0		0.0		0.0	4	10.3	1	1Cons
57	Pet'boro C'	32	56.1	4	7.0	10	17.5		0.0		0.0	11	19.3	3	2Cons + 1other
356	Total seats	204	56.9	82	23.2	34	10.1	5	1.2	1	0.2	29	8.1	11	

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<b>CABINET</b>	<b>AGENDA ITEM No. 9</b>
<b>10 JULY 2012</b>	<b>PUBLIC REPORT</b>

Cabinet Member(s) responsible:	Cllr David Seaton – Cabinet Member for Resources	
Contact Officer(s):	John Harrison, Executive Director Strategic Resources Steven Pilsworth, Head of Corporate Services	Tel. 452520 Tel. 384564

## **BUDGET MONITORING REPORT FINAL OUTTURN 2011/12**

<b>R E C O M M E N D A T I O N S</b>	
<b>FROM :</b> Executive Director Strategic Resources	<b>Deadline date :</b> 2 July 2012
<p>Cabinet:</p> <ol style="list-style-type: none"> <li>1. Notes the final outturn position on the council's revenue budget 2011/12 of £678k overspend, including the improvement of £1,431k since the provisional outturn position;</li> <li>2. Notes the final outturn position on the council's capital budget 2011/12;</li> <li>3. Approves the reserves position for the council and note the refreshed five year forecast.</li> <li>4. Notes the performance against the prudential indicators;</li> <li>5. Notes the performance on treasury management activities, payment of creditors in services and collection performance for debtors, local taxation and benefit overpayments; and</li> <li>6. Notes that the uncertainty of local government funding arrangements from 2013/14 onwards, including the impact of the economic outlook and potential consequences on the level of reserves that council will deem to be sufficient under the new local government funding arrangements.</li> </ol>	

### **1. ORIGIN OF REPORT**

- 1.1 This report is submitted to Cabinet on 10 July as a monitoring item as a referral from CMT on 20 June 2012.

### **2. PURPOSE AND REASON FOR REPORT**

- 2.1 The purpose of this report is to inform Cabinet of the final financial position for revenue and capital at 31 March 2012 and approve the reserves position for the council.
- 2.2 This report also contains performance information on treasury management activities, the payment of creditors, collection performance for debtors and local taxation and benefit overpayments.
- 2.3 This report is for Cabinet to consider under its Terms and Reference No 3.2.7, to be responsible for the council's overall budget and determine action required to ensure that the overall budget remains within the total cash limit.

### 3. **TIMESCALE**

Is this a Major Policy Item/Statutory Plan?	No	If Yes, date for relevant Cabinet Meeting	
---------------------------------------------	----	-------------------------------------------	--

### 4. **FINAL OUTTURN 2011/12**

#### 4.1 **Corporate Overview**

4.1.1 When Full Council approved the Medium Term Financial Strategy (MTFS) 2011 in February 2011 it was on the basis that 2011/12 would have a surplus to offset against future deficit budgets arising from 2013/14. The MTFS also outlined that there were a number of financial risks that the council would need to monitor during the year.

4.1.2 As the financial year progressed, some risks materialised and further pressures emerged within Adult Social Care budgets requiring robust action and mitigations to reduce the impact this financial year and financial consequences in future financial years. The emergence of these risks and pressures were flagged in the budget report to Cabinet during September and within all budget reports during January and February.

4.1.3 Within Adult Social Care, unprecedented increases in the numbers of people requiring our support, or through having increased need during 2011/12 inevitably increased costs above the council's in year budget and future budgets. This issue and how it was intended to be tackled was highlighted in the budget consultation undertaken by the Council earlier this year.

4.1.4 The actions undertaken by the Corporate Management Team and Cabinet to manage the budget across the whole Council included:

- Targeted actions on increased cost pressures;
- Departmental measures to reduce spend in supplies and services and employee budgets without detriment to service provision in the current financial year. This includes where pressures have materialised and departments have contained these pressures with local actions;
- Bringing forward savings earmarked for future financial years in the current MTFS;
- Reviewing existing investment plans in the current MTFS, assessing the implications of deferring investment into future financial years such as growth investment;
- A comprehensive in depth review of the capital programme, deferring projects into future financial years or removing projects that are no longer required. Any reduction in the amount that the council requires to borrow to fund the capital programme would reduce the costs of financing the borrowing; and
- A review of reserves and provisions, particularly the commitments within the capacity fund.

4.1.5 Subsequently, the financial implications in future years were considered as part of setting the MTFS 2012 and in particular, detail was provided in the council's budget document on how the council will address these financial issues. Cabinet continues to protect as far as possible, front line services and its vision for the city through reducing bureaucracy and costs, and improving efficiency to ensure value for money.

4.1.6 At the time of setting the budget, the council was not able to close the budget gap forecast in 2011/12 of £2.4m and considered that further savings would have an unacceptable impact on services. As such, the Council intended to use reserves to balance the 2011/12 financial position.

4.1.7 Cabinet were provided with an updated financial position during March, noting an improvement in the council's forecast revenue outturn position from £2.4m to £2.1m overspend, mainly due to the continued actions highlighted above in this report. In part,



CMT actions to achieve savings resulted in re-profiling between financial years of the council's reserves.

- 4.1.8 The overall financial position 2011/12 for the Council is detailed within this report. In summary, the final revenue position is £678k overspent (a further improvement of £1.4m since March Cabinet) and the capital programme spend is £77.3m, compared to £83.7m reported to Full Council.
- 4.1.9 In conclusion, the Council has managed the financial challenges during 2011/12 with positive actions balancing the need to meet challenges of the national economic climate and the demands of local circumstances without detriment to service delivery. The budget strategy for 2012/13 considered the financial pressures in detail and how savings should be achieved through efficiencies rather than service reductions. However, even with the improvement on the revenue financial position and reserves, the Council cannot be complacent in managing financial resources given the deficits forecast in future years, the uncertainty of local government funding and the continued impact of the economic climate and recent confirmation that the UK is back in recession.
- 4.1.10 The Council remains committed to its strategy in delivering service efficiencies and improvements using a proactive approach to managing council finances and through the continued delivery of a longer term financial plan covering a rolling ten year cycle.

#### 4.1 Financial Report – Revenue

- 4.2.1 The Council's overall revenue position is £678k overspent, against a budget of £150,033k, a variance of less than 0.5% of budget. As disclosed previously, the key issues that had arisen were increased cost pressures and demand within adult social care and children's social care budgets.
- 4.2.2 The increased demand for adult social care is a national issue with an overall increasing older population as people live longer and Peterborough is not immune to this issue. Increased demand is expected to continue within Peterborough on social care and these issues have been considered as part of the Council's budget strategy. The Council's budget strategy and consultation document covered the issues on Adult Social Care budgets extensively and plans to address the issues.
- 4.2.3 The adult social care budgets transferred back to the Council with effect of 1 March 2012 and are subject to an extensive review and assessment of care packages, contracts and efficiencies that could be delivered through the Council's transformation programme through a range of initiatives such as early intervention and prevention programme, re-enablement initiatives and personalised services.
- 4.2.4 An overview of the Council's final revenue financial position for 2011/12 is shown in the next table including the updated position presented to March Cabinet. A detailed breakdown can be seen in appendix A.

Provisional Outturn £k	Department	Final Outturn £k
2,918	<b>Use of Surplus Carry Forward as per MTFS 2011</b>	2,918
-8,451	Adult Social Care	-8,388
1,287	Chief Executive	1,386
386	Legal and Governance Services	453
0	Children Services	-30
251	Operations	751
500	Strategic Resources	1,232
1,000	Corporate contingency	1,000
<b>-2,109</b>	<b>OUTTURN – surplus (+) / deficit (-)</b>	<b>-678</b>
2,109	Contribution from Capacity Building Reserve	678
<b>0</b>	<b>Revised Total</b>	<b>0</b>

4.2.5 The main changes since the provisional outturn was presented to March Cabinet were:

**Adult Social Care** – The outturn position presented to March Cabinet included a prudent estimate of current care packages and other costs as the service was only transferred back to the council from 1 March 2012. Actual costs to the end of March 2012 were slightly lower than expected.

**Chief Executive** – The further improvement to the department's under spend was through the continued curtailing of supplies and services budgets and training budgets coupled with vacancy management. In particular, further savings arose from the Single Delivery Plan forum budgets and marketing budgets.

**Legal and Governance Services** – The further improvement to the department's under spend was through the continued curtailing of supplies and services budgets and training budgets coupled with vacancy management.

**Children Services** – Increased costs in demand led budgets such as looked after children were being offset in full by a departmental action plan and monitored closely throughout the financial year. The small overspend relates to costs that did not materialise until closure of accounts and were unrelated to looked after children budgets and could not be fully absorbed by the department's action plan.

**Operations** – The outturn position has improved through the continued actions taken within the department's action plan to manage vacancies and curtail spend on supplies and services budgets. In addition, a planning income fee was received earlier than predicted, and grant income was utilised instead of using the general fund.

**Strategic Resources** – The further improvement to the outturn position since March Cabinet included:

- the Council continuing to achieve savings arising from continuing to use internal cash balances before borrowing from the market leading to interest savings;
- an improved financial position on finalising the councils housing benefit subsidy claim and other shared transactional costs;
- waste collection had better than anticipated recycling rates leading to a reduction in landfill cost; and
- an improvement to Westcombe's trading position since previous forecast

4.2.6 The Council has closely monitored and assessed the impact of decisions made in respect of any actions taken to improve the outturn position. Particular attention has been paid to those costs deemed to be one off and those continuing costs that would not be sustainable to manage through budget monitoring alone. Continuing costs have been considered as part of setting the MTFs. Furthermore, as disclosed to March Cabinet, risks and issues with possible further financial implications continued to be reviewed during the preparation of the council's financial revenue position. The net impact arising from these identified risks and issues improved the Council's overall financial position.

4.2.7 Departments have undertaken an analytical review of the variances arising from the financial position and a preliminary assessment is underway following the closure of the accounts to assess the issues and comments to determine whether pressures or savings are one off or continuing. The outcome of the analytical review will be reviewed against 2012/13 budgets.

4.2.8 The Dedicated Schools Grant shows an under spend of £150.4k of general expenditure as well as an under spend of Exceptional Circumstances Grant of £509.4k against a total budget of £120.4m. Schools Forum is responsible for decisions related to the Dedicated Schools Grant and the Exceptional Circumstances Grant. This has been included for information purposes only. In accordance with accounting guidance, both under spends have been carried forward to next financial year.

## 4.2 Financial Report – Reserves

4.3.1 In setting the 2011/12 budget, the level of Council reserves was considered sufficient in meeting the MTFs recognising the requirement to review the balances to ensure delivery of the council's priorities. As part of setting the MTFs 2012/13 consideration was given to a ten year review of the budget in the context of uncertainty of future funding arrangements beyond 2013/14. Subsequently the following table has been updated to reflect the current position going forward over the next five years.

	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
	Final Balance at 31.03.12 £000	Estimated Balance at 31.03.13 £000	Estimated Balance at 31.03.14 £000	Estimated Balance at 31.03.15 £000	Estimated Balance at 31.03.16 £000	Estimated Balance at 31.03.17 £000
General Fund Balance	6,000	6,000	6,000	6,000	6,000	6,000
Capacity Building Reserve	7,773	2,389	5,010	5,010	5,010	5,010
Departmental Reserve	4,032	796	751	746	741	736
<b>Subtotal</b>	<b>17,805</b>	<b>9,185</b>	<b>11,761</b>	<b>11,756</b>	<b>11,751</b>	<b>11,746</b>
<i><b>Reserves held for a specific purpose<sup>*1</sup></b></i>						
Insurance Reserve	2,980	2,277	2,177	2,077	1,977	1,877
Schools Capital Expenditure Reserve	1,832	1,832	1,832	1,832	1,832	1,832
Salix Carbon Reduction Reserve	186	0	0	0	0	0
Parish Council Burial Ground Reserve	37	40	40	40	40	40
Local Authority Mortgage Scheme Reserve	14	14	14	14	14	14
Building Control Reserve	75	0	30	70	0	0
Hackney Carriage Reserve	33	5	5	5	5	5
School Leases Reserve	18	18	17	19	23	0
<b>Subtotal</b>	<b>5,175</b>	<b>4,186</b>	<b>4,115</b>	<b>4,057</b>	<b>3,891</b>	<b>3,768</b>
<b>TOTAL</b>	<b>22,980</b>	<b>13,371</b>	<b>15,876</b>	<b>15,813</b>	<b>15,642</b>	<b>15,514</b>

\*1 – Reserves that are held for a specific purpose such as trading accounts, third parties that have an interest in the balance before it can be used to support general fund expenditure or to support council policies.

4.3.2 The Council's reserves position has been reported throughout 2011/12 to Cabinet and Full Council as part of continuing in year budget monitoring and in approving the budget going forward. At the time of setting the budget (Full Council February 2012), the council was forecasting use of £2.4m of the capacity building reserve to meet pressures in the current year and the final revenue outturn position now only requires a drawdown of £678k. This is factored into the reserves table. Cabinet are asked to approve the final reserves position for 2011/12 and note the refreshed five year forecast.

4.3.3 Although the reserves position has improved overall, the majority of this balance will be required during 2012/13 and is therefore not additional monies, only a timing issue between financial years of when the commitments are likely to occur.

## 4.3 Financial Report – Capital

4.4.1 At the beginning of the financial year, the capital programme was £123.7m, the result of the agreed capital programme for 2011/12 of £108.8m and slippage from the previous financial year of £14.9m. Throughout 2011/12 the capital programme was refreshed and

then subjected to extensive review during the MTFS budget process resulting in the capital programme being reduced to £83.7m.

4.4.2 The capital expenditure during 2011/12 totalled £77.3m as shown in the next summary table. The capital programme was reduced as a result of re-phasing of the budgets in preparation for the MTFS (2012/13 to 2021/22) and further slippage during March 2012 of £7.0m.

4.4.3 Significant projects that contributed to this decrease in the overall capital programme from £123.7m to £77.3m included:

- **Adult Social Care** - £3.8m slippage including the rephasing of the residential homes budgets into future years
- **Chief Executives** - £16.5m slippage including refurbishment of the Stadium, Public Realm, Cost of Disposals budgets and Corporate Growth Area budgets
- **Children Services** - £10.0m slippage including Primary Capital Programme and the Secondary Schools Phase 2
- **Operations** - £4.4m slippage due to the re-phasing of various projects being slipped into future years including affordable housing, repairs assistance and St Peters Arcade
- **Strategic Resources** - £12.3m slippage including the Waste Management Strategy, Business Transformation, Customer Services Transformation, Play Areas, Riverside – Risk Reduction Project, Bayard Place works and the Key Theatre

4.4.4 The capital programme is financed through borrowing, capital receipts, grants and contributions. Given that the capital programme has reduced through slippage and deferral of projects this has reduced the amount of borrowing originally anticipated since setting the MTFS and had a favourable impact on revenue expenditure in 2011/12. Where schemes are to continue in future years, it should be noted that borrowing would still be required and therefore the revenue requirement should be considered as part of refreshing the current MTFS.

4.4.5 The funding of the 2011/12 capital programme assumed £18.3m of capital receipts and £0.76m of Right to Buy receipts. The actual capital receipts received were £5.7m and 1.3m respectively. The capital receipts was revised during budget setting for 2012/13 and any resulting financial impact from the closure of accounts will be assessed in conjunction with the overall capital programme and revised accordingly. The assets identified for disposal are still intended to be disposed as approved in the MTFS.

## Overall position of the Capital Programme 2011/12 as at 31 March 2012

Capital Programme by Department:	Original Budget	Revised Budget	Actual Expenditure	Total Budget Spent
	£000	£000		£000
Adult Social Care	3,965	399	390	98%
Chief Executives	12,115	3,211	3,002	93%
Children's Services	52,824	46,239	45,394	98%
Operations	19,048	16,178	16,091	99%
Strategic Resources	20,854	11,375	12,430	105%
<b>Total Expenditure</b>	<b>108,806</b>	<b>77,402</b>	<b>77,307</b>	<b>99%</b>
<b>Financed by:</b>				
Grants & Contributions	45,407	42,269	41,354	98%
Capital Receipts	18,277	5,714	5,714	100%
Right To Buy Receipts	757	1,335	1,336	100%
Borrowing	44,365	28,084	28,903	101%
<b>Total Resources - required</b>	<b>108,806</b>	<b>77,402</b>	<b>77,307</b>	<b>99%</b>

### 4.4 Financial Report – Treasury Management Activity for 2011/12

4.5.1 The Treasury Management Strategy was updated during the year as part of the Medium Term Financial Strategy. It contains the strategy for borrowing and investing for the next financial year and details the approved prudential indicators for the next five years. The main objectives of the Strategy are:

1. To invest available cash balances with a number of dependable institutions over a spread of maturity dates in accordance with the council's lending list;
2. To reduce the revenue cost of the council's debt in the medium term by obtaining financing at the cheapest possible rate; and
3. To seek to reschedule debt at the optimum time.

4.5.2 In summary, the following actions were taken during 2011/12:

- i. In order to mitigate the risk linked with the ensuing Eurozone financial crisis, investments were placed in accordance with the restricted lending list. The current lending list ensures investments are secure and liquid but interest returns are low due to the limited institutions used and the level of the bank base rate, which has remained at the record low of 0.50% since March 2009.
- ii. Investments were placed for short periods to cover cash flow deficits. Daily cash balances with Barclays were restricted to £5m (previously £15m) due to the downgrade of Barclays credit rating by Fitch in December 2011.
- iii. As borrowing rates continued to be higher than investment rates in 2011/12, the cash balances were used to finance the capital programme. As planned a small amount of temporary borrowing was taken out in February and March 2012 to cover cash flow deficit and these loans have been repaid in April 2012.

4.5.3 The 2011/12 treasury management activities are summarised as follows:

	<b>Strategy</b>	<b>Action</b>
1.	Consider repayment of external loans or avoid new borrowings when it is in the best financial interest to do so.	As investment returns remained below the cost of borrowing during the financial year, cash balances were used to finance the capital programme and short term temporary borrowing was necessary during February and March to cover cash flow deficits. A PWLB loan of £1.6m was repaid on maturity in November 2011 and not replaced.
2.	Invest with credit worthy organisations to limit exposure against loss.	Following review the council has continued with the restrictive lending list implemented in October 2008. Currently the Council only lends to the UK Government, Local Authorities and the council's own bank, Barclays.
3.	To achieve the optimum investment return commensurate with security, liquidity requirements (access to funds), debt management alternatives (avoidance of borrowings, premature repayments etc), if these would generate savings in the medium term.	Cash balances have been used to finance capital expenditure to minimise counterparty risk and as an alternative to diminishing investment returns. Allowing for the non-performing Icelandic deposits, the Council's investments have yielded 0.44% which is just below the one week LIBID (London Interbank Bid Rate) of 0.46%.
4.	Consider rescheduling of fixed or variable rate loans to maximise interest rate savings and minimise the impact on council budgets.	Consideration has been made to rescheduling debt however there have been no suitable opportunities to do this. The difference between the repayment rate and the rate of a new loan has not resulted in a net discount to the council and no savings were to be made. The PWLB raised their interest rates by 1% in October 2010 following the Comprehensive Spending Review by the Government. The rise in rates has not only made short and long term borrowing more expensive but has limited further the opportunities for debt rescheduling.
5.	Exploit long-term funding opportunities at interest rate levels that are below short-term rates forecast / anticipated over the foreseeable future.	Long term borrowing has been avoided by using existing cash balances while borrowing costs remain higher than investment return.

4.5.4 The Capital Financing Requirement (CFR) measures the council's underlying need to borrow money in the long term for capital purposes. In accordance with the 2009 SoRP this now includes the liability for the Private Finance Initiative (PFI) agreement and the 2010 Code of Practice has revised the way the council accounts for some leases which also impacts on the CFR.

4.5.5 Further information on the council's capital financing arrangements can be found in the Prudential Indicators performance found in appendix B.

4.5.6 In 2011/12 the CFR was:

<b>Opening Capital Financing Requirement 1 April 2011</b>	<b>£000</b> <b>230,611</b>
New Capital Expenditure Financed by Borrowing	28,903
Minimum Revenue Provision for Debt Repayment	(6,786)
Minimum Revenue Provision for PFI	(1,442)
Minimum Revenue Provision for Leases	(1,102)
<b>Closing Capital Financing Requirement 31 March 2012</b>	<b>250,184</b>

#### **4.5 Financial Report – Performance Monitoring**

4.6.1 An outline of performance against key indicators can be seen in appendix C.

#### **5. CONSULTATION**

5.1 Detailed reports have been discussed in Departmental Management Teams.

#### **6. ANTICIPATED OUTCOMES**

6.1 To note the final outturn position for revenue and capital 2011/12 for the council.

6.2 To approve the reserves position for the council.

6.3 To note the performance figures and prudential indicators for the council.

6.4 To note the actions that has been taken during 2011/12 and into the Medium Term Financial Strategy.

#### **7. REASONS FOR RECOMMENDATIONS**

7.1 This monitoring report for the 2011/12 financial year is part of the process for producing the Statement of Accounts and final budget monitoring report for 2011/12.

#### **8. ALTERNATIVE OPTIONS CONSIDERED**

8.1 Not to report the final budget position for the Council to Cabinet. However, this report is the final budget monitoring report for 2011/12 financial year and is a management report of the Council's finances to supplement the publication of the Statement of Accounts reviewed by Audit Committee at their meeting of 25 June 2012.

#### **9. IMPLICATIONS**

9.1 This report does not have any implications effecting legal, human rights act or human resource issues.

9.2 Members must have regard to the advice of the Section 151 Officer. The Council may take decisions which are at variance with this advice, providing there are reasonable grounds to do so.

#### **10. BACKGROUND DOCUMENTS**

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985.

Detailed monthly budgetary control reports prepared in Departments.

**Appendix A**

<b>Probable Outturn £k</b>		<b>Budget £k</b>	<b>Final Outturn £k</b>	<b>Variance £k</b>
	<b>CHIEF EXECUTIVE'S DEPARTMENT</b>			
67	Chief Execs Department	407	322	85
386	Legal and Governance Services	4,161	3,717	444
126	Chief Executive Dept & Business Support	590	429	161
760	Growth and Regeneration	2,173	1,420	753
130	Communications	598	424	174
204	Human Resources	1,423	1,201	222
<b>1,673</b>	<b>CHIEF EXECUTIVE DEPARTMENT TOTAL</b>	<b>9,352</b>	<b>7,513</b>	<b>1,839</b>
	<b>DIRECTOR OF CHILDREN'S SERVICES</b>			
4,027	Education and Resources	2,659	-1,217	3,876
98	Children's Community Health	9,415	8,806	609
-4,125	Safeguarding Family and Communities	17,182	21,697	-4,515
<b>0</b>	<b>CHILDREN'S SERVICE TOTAL</b>	<b>29,256</b>	<b>29,286</b>	<b>-30</b>
	<b>DIRECTOR OF OPERATIONS SERVICES</b>			
2	Business Support	405	400	5
-636	Commercial Operations	3,201	3,618	-417
242	Directors Office	791	376	415
0	Environment Capital	0	0	0
-199	Neighbourhoods	6,905	7,027	-122
842	Planning, Environment, Transport & Engineering	9,710	8,840	870
<b>251</b>	<b>OPERATIONS SERVICES TOTAL</b>	<b>21,012</b>	<b>20,261</b>	<b>751</b>
	<b>DIRECTOR OF STRATEGIC RESOURCES</b>			
-5	Director's Office	189	193	-4
157	Business Support	1,842	1,689	153
22	Corporate Services	27,081	26,458	623
46	Internal Audit	342	280	62
3	Insurance	37	26	11
-79	Shared Transactional Services	-642	-1,023	381
237	Customer Services	661	397	264
-312	Strategic Property	647	964	-317
-2	ICT	2,919	3,540	-621
18	Procurement	296	339	-43
282	Business Transformation	1,588	1,352	236
0	Waste & Operational Service Management	12,291	12,098	193
83	Service Improvement	277	177	100
-45	Westcombe Engineering	10	-59	69
95	Cultural Services	4,817	4,692	125
<b>500</b>	<b>STRATEGIC RESOURCES TOTAL</b>	<b>52,355</b>	<b>51,123</b>	<b>1,232</b>
<b>-8,451</b>	<b>ADULT SOCIAL CARE TOTAL</b>	<b>38,058</b>	<b>46,446</b>	<b>-8,388</b>
<b>-6,027</b>	<b>GENERAL FUND TOTAL</b>	<b>150,033</b>	<b>154,629</b>	<b>-4,596</b>
1,000	Corporate Contingency	0	-1,000	1,000
2,918	Surplus Carry forward as per MTFP 2011	0	-2,918	2,918
<b>-2,109</b>	<b>GENERAL FUND TOTAL</b>	<b>150,033</b>	<b>150,711</b>	<b>-678</b>
<b>0</b>	<b>SCHOOL FUNDING</b>	<b>120,398</b>	<b>119,738</b>	<b>660</b>



## Appendix B – Treasury Management Strategy – Draft Prudential Indicators – 2011/12

The Prudential Code for Capital Finance in Local Authorities (the Code) provides a framework for local authority capital finance to ensure that:

- (a) capital expenditure plans are affordable;
- (b) all external borrowing and other long term liabilities are within prudent and sustainable levels; and
- (c) treasury management decisions are taken in accordance with professional good practice.

In taking decisions in relation to the above points, the local authority is accountable by providing a clear and transparent framework.

The Code requires the council to set a range of Prudential Indicators for the next five financial years. During the financial year to date the council has operated within the treasury limits and Prudential Indicators set out in the Council's Annual Treasury Management Strategy.

The 2011/12 Prudential Indicators below show the Council's performance for the financial year. The indicators were revised in September 2011 to reflect the impact of finance leases and were included in a report to the Audit Committee. The indicators used below are from this report.

### 1. Indicator One: Adoption of the CIPFA Code of Treasury Management in the Public Services

The Council adopted the CIPFA Code of Treasury Management in the Public Services in 2002, and the revised code in 2009. Treasury Management Practices (TMP's) have been established with advice from Sector Treasury Services and applied to the Council's treasury management activities.

### 2. Indicator Two: Estimates and actual Capital Expenditure 2011/12

	2011/12 Indicator £m	2011/12 Actual £m
Capital Expenditure	108.8	77.3

This indicator is the actual capital expenditure for the financial year.

### 3. Indicator Three: Estimates of actual capital financing requirements and net borrowing

The Capital Financing Requirement (CFR) measures the Council's underlying need to borrow money in the long term for capital purposes. It is calculated from various capital balances in the Council's Balance Sheet.

	2011/12 Indicator £m	2011/12 Actual £m
CFR	269.9	250.2

### 4. Indicator Four: Affordability (1) Estimate of actual ratio of financing costs to net revenue stream

The Council must estimate the proportion of the revenue budget, which is taken up in financing capital expenditure i.e. the net interest cost and to make provision to repay debt. This ratio has been revised to reflect the impact of finance lease adjustments.

	<b>2011/12 Indicator</b> %	<b>PFI &amp; Finance Leases</b> %	<b>2011/12 Revised Indicator</b> %	<b>2011/12 Actual</b> %
Financing costs to revenue stream	5.1	0.5	5.6	5.3

**5. Indicator Five: Affordability (2) Estimate of the incremental impact of capital investment decisions on Council Tax**

This indicator is intended to show the impact of the Council's decisions about capital investment on the level of Council Tax required to support those decisions over the medium term.

The calculation of this indicator has been done on the basis of the amount of the capital programme that was financed from borrowing. The calculation is based on the interest assumption for borrowing that was included in the capital financing budget. The revenue costs are divided by the estimated Council Taxbase for the year:

	<b>2011/12 Indicator</b> £	<b>2011/12 Actual</b> £
Incremental impact on Council Tax	1.09	(25.00)

**6. Indicators Six: External Debt Prudential Indicators**

The Authorised Limit represents the maximum amount the Council may borrow at any point in time in the year. It is set at a level the Council considers is "prudent".

The indicator takes account of the capital financing requirement estimated at the start of each year, plus the expected net borrowing requirement for the year. This makes allowance for the possibility that the optimum time to do all borrowing may be early in the year.

The limits also incorporated margins to allow for exceptional short-term movements in the Council's cash flow, bids from service departments to finance efficiencies, changes to the timing of capital payments and fluctuations in the realisation of capital receipts.

	<b>2011/12 Indicator</b> £m	<b>2011/12 Actual</b> £m
Authorised limit for external debt	382.3	186.5
Operational limit for external debt	282.5	186.5

It is ultra vires to exceed the Authorised Limit so this should be set to avoid circumstances in which the Council would need to borrow more money than this limit. However, the Council can revise the limit during the course of the year.

"Other long term liabilities" include items that would appear on the balance sheet of the Council under that heading. For example, the capital cost of finance leases and the PFI agreement.

The Operational Boundary is a measure of the day to day likely borrowing for the Council, whereas the Authorised Limit is a maximum limit. The code recognises that circumstances might arise when the boundary might be exceeded temporarily, but if this continues for a lengthy period then it ought to be investigated.

The following indicators take into consideration the capital programme over the life of the MTFs and the ability to phase the borrowing over this period. The indicators provide flexibility for the Council to take advantage favourable interest rates in advance of the timing of the actual capital expenditure.

**7. Indicator Seven: Variable interest rate exposure**

This indicator places an upper limit on the total amount of net borrowing (borrowing less investment) which is at variable rates subject to interest rate movements. The intention is to keep the variable rate borrowing below 25% of the total gross borrowing (CFR).

The limit is expressed as the value of total borrowing less investments

	<b>2011/12 Indicator £m</b>	<b>2011/12 Actual £m</b>
Upper limit for variable rate exposure	56.6	0.0

**8. Indicator Eight: Fixed Interest rate exposures**

This indicator places an upper limit on the total amount of net borrowing which is at fixed rates secured against future interest rate movements. The upper limit allows flexibility in applying a proportion of the investment portfolio to finance new capital expenditure. It also reflects a position where the great majority of borrowing is at fixed rate which provides budget certainty with 100% of borrowing being at fixed rate. The upper limit for fixed interest rate exposure was set to allow for flexibility in applying a proportion of the investment portfolio to finance new capital expenditure. It also reflected a position where the great majority of borrowing was at fixed rates to provide budget certainty.

	<b>2011/12 Indicator £m</b>	<b>2011/12 Actual £m</b>
Upper limit for fixed rate exposure	338.9	142.9

**9. Indicator Nine: Prudential limits for the maturity structure of borrowing**

The prudential limits have been set with regard to the maturity structure of the Council's borrowing, and reflected the relatively beneficial long term rates that were expected to be available over the next few years. The limits were as follows:

<b>Period</b>	<b>Upper Limit Estimate</b>	<b>Lower Limit Estimate</b>	<b>Actual Borrowing</b>
Under 12 months	40%	0%	19%
1 - 2 years	40%	0%	0%
2 - 5 years	80%	0%	0%
5 - 10 years	80%	0%	1%
over 10 years	100%	10%	80%

**10. Indicator Ten: Total Investments for periods longer than 364 days**

Authorities are able to invest for longer than 364 days; this can be advantageous if higher rates are available. However it would be unwise to lend a disproportionate amount of cash for too long a period particularly as the Council must maintain sufficient working capital for its operational needs.

The Executive Director - Strategic Resources has therefore sought the advice of Sector Treasury Services Ltd, the Council's treasury advisors, who recommended that, given the structure of the Council's balance sheet and its day to day cash needs, it would be reasonable to maintain the limit for investments with life spans in excess of 1 year to £25 million. Consequently it is proposed to keep the limit for investments that may be deposited for more than 1 year at £25 million for 2011/12 and later years.

The Council currently has no investments of more than 364 days.

## Appendix C – Performance Monitoring

### Treasury Management Strategy Statement:

#### Annual Investment Strategy:

The Treasury Management Strategy Statement (TMSS) and Prudential Code for 2012/13 was approved by Council on 23 February 2012. The Council's Annual Investment Strategy, which is incorporated in the TMSS, outlines the Council's investment priorities as follows:

- Security of Capital
- Liquidity

The Council will also aim to achieve the optimum return (yield) on investments commensurate with the proper levels of security and liquidity. In the current economic climate it is considered appropriate to keep investments short term, and only invest with Barclay's (the Council's current banking provider), the Debt Management Office and Local Authorities.

As at 31 March 2012 the Council's external investments totalled £3.5m and have yielded interest at an average rate of 0.44% in the financial year 2011/12. The total investment figure excludes the Icelandic investments. The performance of the investments is just below the target benchmark 7 day rate of 0.48%. The average investment balance for March has remained the same as February at £8m.

#### Borrowing:

It is a statutory duty for the Council to determine and keep under review the "Affordable Borrowing Limits". Council's approved Prudential Indicators (affordability limits) are outlined in the approved TMSS.

The Council's external long term debt as at 31 March 2012 is £132.9m which is at an average fixed rate of 4.52%. Also during March the Council took out further temporary borrowing of £10m. The actual total external debt is measured against the Council's Authorised Limit for borrowing of £382.3m, which must not be exceeded and the Operational Boundary (maximum working capital borrowing indicator) of £282.5m. Officers can confirm that the Prudential Indicators were not breached during the financial year to date.

Table 1: Average Investment Balance

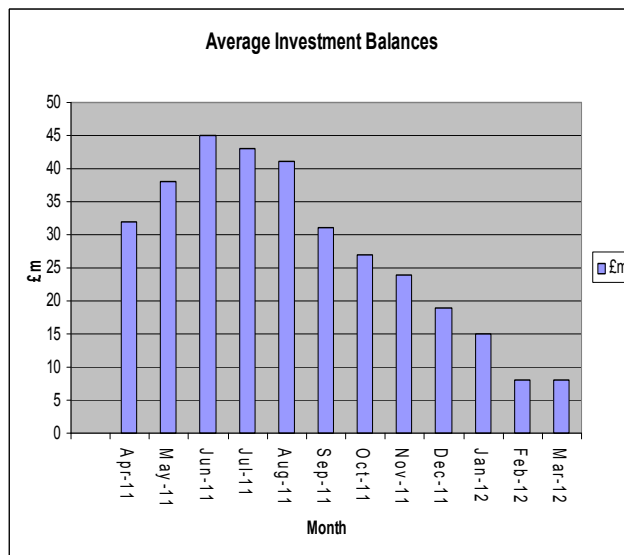


Table 2: PCC Average Interest Rate

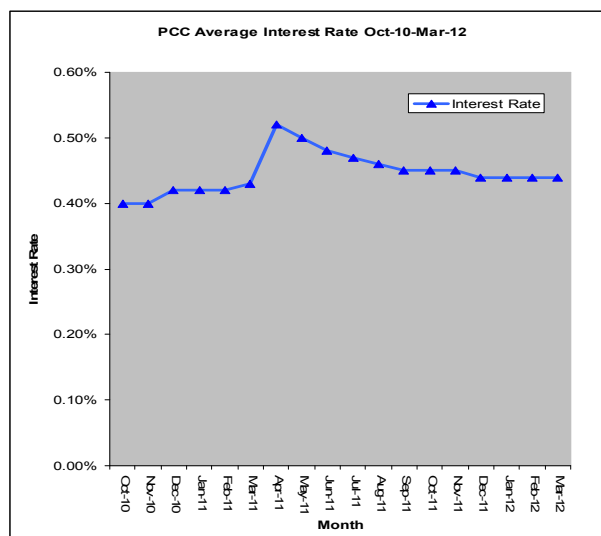


Table 3: Debt Portfolio

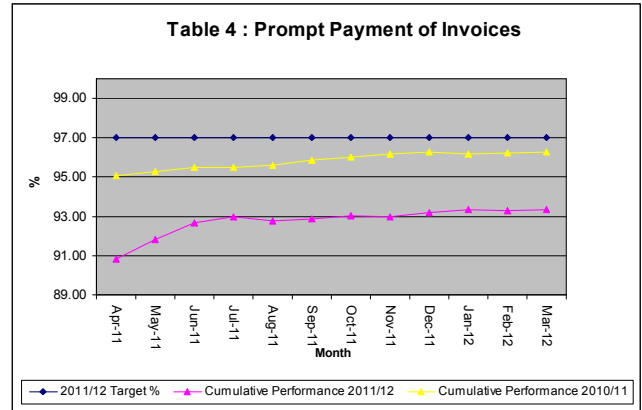
Debt Portfolio		
	Principal	Interest per annum
	£m	£m
PWLB	115.387	5.214
Market Loans	17.500	0.793
Temp Loan	10.000	0.004
<b>TOTAL</b>	<b>142.887</b>	<b>6.011</b>

**Prompt Payment (Invoices paid within 30 Days)**

The accumulative prompt payment of invoices at 31<sup>st</sup> March 2012 is 93.54% against a target of 97.00%. The current performance is shown in comparison to the cumulative performance for 2010/11 in table 4.

Reasons for the change in performance from 2010/11 include:

- A substantial number of residual invoices received for City Services dated prior to the outsourcing to Enterprise.
- A cleansing of the ‘on hold’ invoices generated a large number of outstanding invoices coming through into this financial year that were outside of the 30 day payment terms.

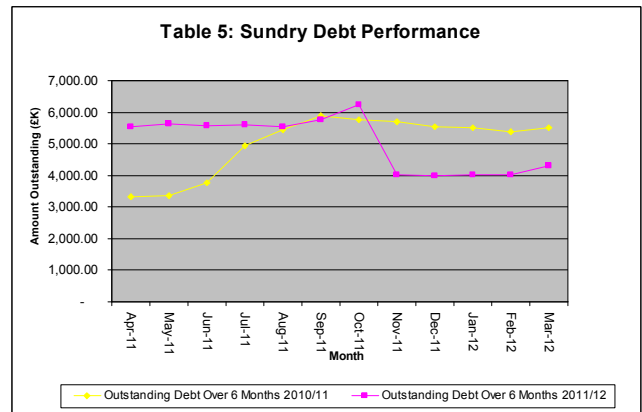


**Sundry Debt Performance**

The current outstanding sundry debt in excess of 6 months is shown in table 5 as at 31 March 2012

The top 20 debts total £3.2m of the total debt outstanding on the sundry debt and commercial rents portfolio. In order to progress action against these debts, bi-monthly review meetings have been set up with each Directorate Head of Business Support to discuss issues, disputes and move forward with actions to recover income.

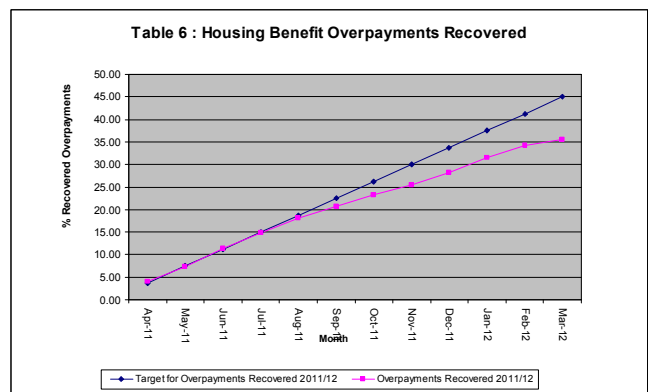
- The amount of debt written off for 2011/12 is Nil.



**Housing Benefit Overpayments**

Table 6 shows the total amount of housing benefit overpayments recovered against the cumulative target rate set for 2011/12.

Housing benefit overpayment collection for the end of 31<sup>st</sup> March 2012 was 35.60% which is 9.4% below the target of 45%. More proactive recovery work on benefit overpayments is planned during March to improve collections.



## Council Tax and Business Rates Collection

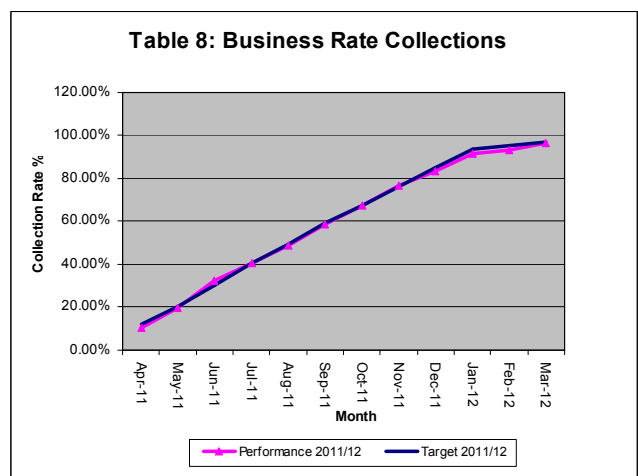
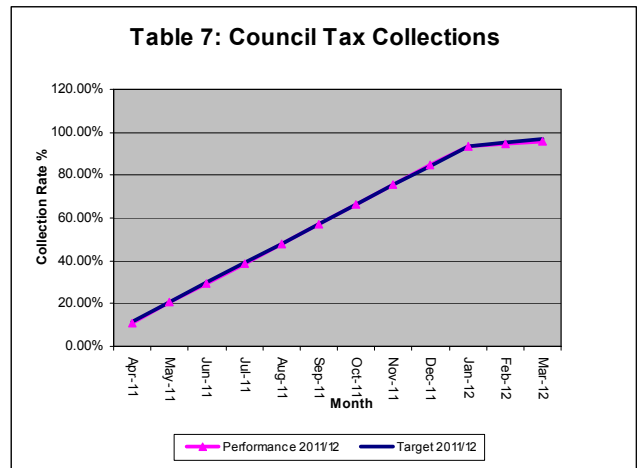
The following tables 7 and 8 show the performance for collection of Council Tax and Business Rates for the period to date.

### Council Tax

Council Tax collection at 31 March 2012 was 95.73% (95.76% for 2010/11 at 31 March 2011) which is 1.02% below the target 96.75%

### Business Rates

The collection of non Domestic Rates as of 31 March 2012 was 96.37% (96.31% for 2010/11 at 31 March 2011) which is .38% below the target 96.76%.



<b>CABINET</b>	<b>AGENDA ITEM No. 10</b>
<b>10 JULY 2012</b>	<b>PUBLIC REPORT</b>

Cabinet Member(s) responsible:	Councillor Scott, Cabinet Member for Children's Services	
Contact Officer(s):	Director of Children's Services	Tel: 01733 863606

**IMPROVING CHILDREN'S SERVICES UPDATE**

R E C O M M E N D A T I O N S	
<b>FROM :</b> Director of Children's Services	<b>Deadline date :</b> N/A
1. That Cabinet notes the improvement activity and progress within Children's Services	

**1. ORIGIN OF REPORT**

1.1 This report is the third quarterly update on progress in implementing the actions and recommendations arising from the Ofsted Inspection.

**2. PURPOSE AND REASON FOR REPORT**

2.1 The purpose of this report is to update Cabinet with details of improvement actions undertaken since the March Cabinet meeting in response to the findings of the Ofsted Inspection of Safeguarding carried out in August 2011.

2.2 This report is for Cabinet to consider under its Terms of Reference No. 3.2.3. To take a leading role in promoting the economic, environmental and social well-being of the area.

**3. TIMESCALE**

Is this a Major Policy Item/Statutory Plan?	<b>NO</b>
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**4. PROGRESS REPORT**

4.1 This report provides the Cabinet with an overview summary of the Council's performance since the last quarterly report to Cabinet in March 2012.

4.2 At the January meeting of Cabinet the core strategy was explained – based on ten core tasks. These focus on tackling those areas of greatest risk first and lay the foundations for more effective practice. We set ourselves six months to complete these tasks and it is very heartening to see that in a little over four months we had completed the majority of them.

- **Tackle backlogs by bringing in additional staff**

4.3 In January, we brought in the Sanctuary peripatetic team to act as an additional pod in the Referral and Assessment Teams. This additional capacity has been a major contributor to clearing up the entire outstanding initial and core assessments. By March, their work complete, the staff were absorbed into vacant posts and we resumed to working with three pods. By the end of April the total backlog of initial assessments out of timescale had been

reduced from 235 in December to 0 and the number of core assessments out of timescale from 125 to 5.

- **Make structural changes to front door**

4.4 We have re-engineered the working processes within the Contact Centre and between the Contact Centre and the Referral and Assessment Teams. We have also introduced the Early Intervention Service which has successfully diverted families into the 8-19 service and the early years' service.

- **Restore reasonable workloads by rebasing the establishment**

4.5 The establishment was increased from 56 staff to 81. This, alongside the clearing up of backlogs has had a dramatic impact on workloads - reducing the caseloads in Referral and Assessment from on average 30 per worker to 17 and in Family Support from 27 to 20.

- **Strengthen the quality of work undertaken in the assessment teams**

4.6 The introduction of the three pod system, a duty manual and three strong managers has considerably strengthened the quality and timeliness of assessments undertaken. We also adjusted the arrangements so that all core assessments are completed within the Referral and Assessment team.

- **Reduce workloads by restoring throughput, pruning caseloads and reducing the numbers of open children in need cases**

4.7 In December we had 1486 open children in need cases - at the end of April this had been reduced to 1000; a reduction of nearly 500 cases.

- **Strengthen leadership and accountability**

4.8 We quickly appointed two new and experienced Assistant Directors who commenced end of March/early April. This has added considerable leadership capacity. We have introduced a suite of performance reports which track progress on a daily, weekly and monthly basis. The weekly improvement board exercises accountability and the monthly Governance Board oversees progress on the broader improvement plan.

- **Implement an effective quality assurance framework**

4.9 The quality framework was completed in April; this will be a key driver for our work over the next 6 to 12 months.

- **Put in place a compelling workforce strategy**

4.10 We have completed the workforce strategy, rolled out a marketing campaign and set up a micro-site. We have moved from a position to no-one applying for jobs in Peterborough to a regular stream of experienced applicants. At the time of writing, four new staff have already commenced and 16 appointments are in the pipeline (i.e. have been offered a permanent post and are currently waiting to start).

- **Building an effective commissioning framework and range of preventive services**

4.11 There is still more to be done on this and this will be driven by the new Assistant Director Wendi Ogle-Welbourn. Since her appointment she has already established the panel system presented to the board in April and commenced discussions with the PCT and CCG on setting up a joint commissioning unit.



- **Providing front line teams with fit for purpose ICT, business support and working arrangements**

4.12 We have successfully implemented the Liquidlogic ICS product and provided additional dedicated administrative support as well as floor walkers to support the introduction of the new system. We have also dispensed with hot-desking, relocating the teams on the second floor into team structures.

## **PHASE TWO**

4.13 Given the progress we have made on the ten core tasks, we now need to move into Phase Two of our improvement programme, providing a new focus to accelerate us to the next stage. This second phase is a tougher challenge addressing the root causes of poor performance. It will fundamentally focus on the quality of case work and support services and on putting in place long-term sustainable improvement.

4.14 Phase Two is built around seven steps:

- 1) Ensure initial and core assessments are completed on time to an adequate quality and ensure all cases are allocated appropriately
- 2) Focus on raising the quality of casework
- 3) Put in place a range of preventive services to avoid unnecessary family breakdown
- 4) Improve care planning and outcomes for Looked after Children (LAC)
- 5) Strengthen the multi-agency use of the Common Assessment Framework (CAF) and the Team around the Child
- 6) Put in place a permanent management structure and workforce
- 7) Improve the impact of partnerships

## **Progress on Phase Two**

4.15 We have made a good start to Phase Two. In April and May we completed 99% of initial assessments within the 10 day statutory timescale and 92% of core assessments within 35 days. We have completed nearly 600 "Assurance" audits primarily on long-term cases. This has flushed out 13% of inadequate cases which are now receiving attention. We have launched the Social Work Forum and the opening meeting was attended by the Leader of the Council. The Peterborough Access to Services Panel commenced in April and has been well received by practitioners. We have commenced the commissioning of high level family support and allocated £200,000 to meet this demand. There has been a significant reduction in admissions into the care system following the introduction of the panels.

4.16 The service has been pleased to host a visit from Jane Held, the Independent Chair of the External Improvement Board and she has provided a progress report to the Minister, Tim Loughton. Jane Held concludes in her report back to the Minister:

*"The Council has continued to progress its improvement activity robustly and swiftly. This is demonstrated, not only by the data, but by what social workers are saying 'on the ground'. There is a clear understanding politically of the tasks ahead and the determination to sustain the trajectory."* (The report is attached as an appendix to this document)

## **Challenges**

- 4.17 Although we have made significant progress this year, the Cabinet cannot underestimate the considerable challenges that remain. While the serious shortcomings within the service have been tackled, there is still much to do. We are now on the long road of assuring ourselves that casework is of sufficient quality, that our performance systems are tackling poor practice and that our staff and managers are all able to meet the required standard. Alongside this we need to strengthen multi-agency working, improve the early offer of help in Peterborough and build up a permanent management structure and workforce. Addressing these issues will be a long-term project and we anticipate will take at least a further twelve months- nonetheless we have made rapid progress over the past six months and I expect this pace to continue.

## **5. CONSULTATION**

- 5.1 Partner agencies through the Peterborough Safeguarding Children's Board and the External Improvement Board are involved in the improvement activity. Members, led by the Cabinet Member for Children's Services, continue to be actively engaged in challenging and supporting this improvement activity. A Member Task and Finish Group continues to meet regularly to examine the improvement programme and the evidence around for progress. Regular progress reports have also been considered by the Creating Opportunities and Tackling Inequalities Scrutiny Committee.

## **6. ANTICIPATED OUTCOMES**

- 6.1 The improvement activity has been planned to secure the following outcomes laid out in the Children's Services Improvement programme:
- Providing confident leadership across children's services
  - Putting in place effective front-line practice
  - Creating an organisation fit for purpose
  - Strengthening partnerships to make a difference
  - Becoming the employer of choice in the region
  - Robustly managing performance

## **7. REASONS FOR RECOMMENDATIONS**

- 7.1 The Council needs to secure immediate improvements to safeguard children and in the longer term put in place a sustainable high quality Children's Service in Peterborough.

## **8. ALTERNATIVE OPTIONS CONSIDERED**

- 8.1 Not applicable

## **9. IMPLICATIONS**

- 9.1 The cost of the improvement programme can be met from within existing budgets. Resources are available to secure improvement in the immediate and longer term.
- 9.2 The Secretary of State has the power to issue a statutory notice if he or she deems this is required to secure the necessary improvements within a failing service.

## **10. BACKGROUND DOCUMENTS**

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985)

None.

### **Report by Jane Held, Independent Chair of the External Improvement Board, to Tim Loughton, Parliamentary Under Secretary of State.**

#### **Introduction**

This short report provides a brief update on the progress being made by Peterborough City Council with its partners to inform the Minister's visit to the Authority.

#### **Summary**

The Council has continued to progress its improvement activity robustly and swiftly. This is demonstrated not only by the data but by what social workers are saying 'on the ground'. There is a clear understanding politically of the tasks ahead and the determination to sustain the trajectory.

#### **Phase one**

The first phase of improvement has progressed sufficiently satisfactorily to move to a second phase although the work underway in phase 1 will need to be maintained. Strong leadership at second tier is rapidly bringing additional capacity to support the programme of improvement. The immediate issues arising from huge backlogs, significant delay, and excessive workloads have been addressed. Work is being progressed swiftly and thoroughly. I recently tracked one case from first contact to transfer to family support and felt reassured that the new system positively supports good assessment, analysis and case planning. Case loads have dropped to reasonable levels.

Staff in the referral and assessment teams tell me they 'feel supported' with good supervision and access at all times to managers. Their workloads are, they say, now 'good' and the new processes help them to feel supported and secure in what they are doing. They are also finding the new computer system helpful although there are inevitably some minor teething problems. Key messages from staff include the fact that 'we can get out and see the children quickly'. Those R and A staff I met who were long serving members of staff were extremely positive about the difference over the last 6 months.

Partners are being more actively drawn into the process. New panels to provide access to multi-agency resources although very recent are already according to the staff I met 'making a difference' and 'helping me to think through the best plans for children'.

The increased effectiveness of referral and assessment has significantly increased the pressure on the newly reconfigured family support teams. Staff here are not feeling quite as positive as those in R and A, although they too tell me that 'their caseloads are well managed and they are getting good supervision'. They like being co-located in teams with managers close by and feel the new computer system will be a significant improvement. They are positive about the forward trajectory they feel there is but say they will need to 'wait and see' before they are convinced real change is underway.

#### **Phase two**

The second phase will present considerable challenges as it is addressing some of the root causes of Peterborough's poor performance and will require sustained and committed management as well as strong political support. It will need to drill down into the quality of case work and family support services and this will inevitably shine a light on the more intractable issues within the system.

There is a slowly increasing awareness among partners that they too have a role to play but there is a lot still to do particularly with regard to early help, CAF, and thresholds. However positive signs of progress include the new multi-agency panels and the early start to work on joint commissioning. Staff tell me they find the police increasingly responsive to work with.

#### **Workforce**

The primary challenge ahead is achieving sustainable recruitment, retention, stability and permanence amongst staff and workforce development. There are also challenges in relation to the ongoing raising of expectations about the quality of practice and of the competence of some staff. The authority is aware of this and the leadership are resolute in their will to address these

issues swiftly. A strong recruitment campaign is underway. However it needs to be kept under regular review as Peterborough has historically been hard to recruit into. There are effective processes in place to deal with capability and the Unions are well engaged and agree with the need to improve competence and professional quality.

### **Quality**

The Authority has undertaken a total quality audit approach which will provide a very strong baseline for forward improvement although may initially increase the challenges ahead. A comprehensive quality assurance framework will also provide ongoing QA processes. The consequences of really understanding what practice looks like on a consistent basis will raise the bar for practitioners. It could negatively impact at first on the currently much improved morale but will be a necessary step forward that will require sustained investment

### **Leadership**

The Leader is strongly committed to the improvement programme and to achieving long term sustainable change. The potential for instability arising from recent local elections has been avoided, and he has supported the continuation of the current lead member which will help with sustaining progress. He is taking an active interest. The strong leadership of the Chief Executive and Interim Director together with the strong push corporately to support the improvement programme is very positive. I am satisfied from my recent conversations that there is also a real recognition that this will require more than short term improvement support. Succession planning discussions are well underway. There is a recognition that the appointment of a suitably permanent DCS is a critical stage for Peterborough and will require considerable attention.

### **Internal Challenge**

As the second stage begins to bed down partners will need to consider how best to ensure there is sustainable robust internal challenge built into the system. The leadership are aware of this and steps are being taken to develop the LSCB role to ensure it can take on that responsibility more effectively. However there has been a noticeable increase in self awareness across all levels in the Council, with much better identification of what there is to do rather than just setting out what has been done indicating internal challenge is becoming a more usual cultural norm already. Political challenge especially through scrutiny processes is in place but may need strengthened towards the end of phase two.

**Jane Held**

**26 May 2012**

<b>CABINET</b>	<b>AGENDA ITEM No. 11</b>
<b>10 JULY 2012</b>	<b>PUBLIC REPORT</b>

Contact Officer:	Alex Daynes, Senior Governance Officer, Democratic Services	Tel. 01733 452447
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## UPDATE - PETITIONS

R E C O M M E N D A T I O N S	
<b>FROM : Directors</b>	
1. That Cabinet notes the action taken in respect of petitions presented to full Council.	

### 1. ORIGIN OF REPORT

- 1.1 This report is submitted to Cabinet following the presentation of petitions to full Council.

### 2. PURPOSE AND REASON FOR REPORT

- 2.1 The purpose of this report is to update Cabinet on the progress being made in response to petitions in accordance with Standing Order 13 of the Council's Rules of Procedure.
- 2.2 This report is for Cabinet to consider under its Terms of Reference No. 3.2.3 – 'To take a leading role in promoting the economic, environmental and social well-being of the area'.

### 3. TIMESCALE

Is this a Major Policy Item/Statutory Plan?	<b>NO</b>
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### 4. OUTCOME OF PETITIONS

#### 4.1 Petition requesting improvements and possible adoption of First Drove Fengate

This petition was presented to full Council on 18 April 2012 by Councillor Marion Todd. The Council's Head of Planning, Transport and Engineering Services responded on 1 May 2012 stating that although the conditions of the road were unsatisfactory, it was a private road, not part of the public highway and the council had no responsibility for its maintenance. Further, First Drove was not of an adoptable design, standard or condition. Although a street light is located on the road, this did not commit the council to any maintenance or ownership responsibilities. An initial estimate of £600,000 would be needed to bring First Drove up to a standard whereby the council could consider it suitable for adoption. Officers would continue trying to establish the current ownership of the road and where maintenance responsibilities lay but this detail could be contained in the deeds to the business properties located there.

#### **4.2 Petition requesting greater alternative democratic process for Youth MP elections**

This Petition was presented to full Council on 18 April 2012 by Luke Pagliaro representing the Sixth Form Union and Youth Council. The Council's Locality Manager 8-19 Service has contacted and met with representatives of the Sixth Form Union and Youth Council in order to establish a working group with officers to consider new ways of running and administering the voting process for the election in order to include greater numbers of young people and to revise the programme of the election night itself. The first officer meeting took place on Wednesday 30 May and meetings with youth representatives will continue in order to agree an acceptable process before the end of the summer term when schools will become involved.

#### **4.3 Petition requesting greater youth facilities be provided around Belham Road**

This petition was presented to full Council on 18 April 2012 by Ms Nicola Day-Dempsey. The Council's Locality Manager responded advising that new projects were being developed through the Operation Can Do Youth Provider Forum such as Century Arts on a Wednesday evening that attracted around 30-40 young people from the area and Voyager Dance on Tuesday evenings attracting around 15 young people. Regarding Belham Road in particular, the 8-19 Service would be using the Youth Street Bus to consult with the young people about their needs and also to engage local partners to consider pooling resources to alleviate any problems. The Operation Can Do delivery plan would be used to monitor the work and identify any further issues with partners and other agencies.

### **5. REASONS FOR RECOMMENDATIONS**

- 5.1 Standing Orders require that Council receive a report about the action taken on petitions. As the petitions presented in this report have been dealt with by Cabinet Members or officers it is appropriate that the action taken is reported to Cabinet, prior to it being included within the Executive's report to full Council.

### **6. ALTERNATIVE OPTIONS CONSIDERED**

- 6.1 Any alternative options would require an amendment to the Council's Constitution to remove the requirement to report to Council.

### **7. LEGAL IMPLICATIONS**

- 7.1 There are no legal implications.

### **8. BACKGROUND DOCUMENTS**

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985)

- 8.1 Petitions presented to full Council and responses from officers.