

# NEIGHBOURHOOD AND AREA COMMITTEE BRIEFINGS

January 2012

BUDGET 2012/13 to 2021/22



# Financial Background

- Grant settlement as expected - £5.6m less grant than current year (on top of £10m reduction in current year)
- Clawback of £2.4m (on top of £4.8m in current year)
- Spending Review figures not changed
- Specific grant announcements still coming through



# Approach of Cabinet to Budget

The Cabinet has pursued the following approach:

- Responding to service pressures
- Robustly pursuing its efficiency agenda
- Consider different methods of service delivery e.g. private and voluntary sector
- Property rationalisation
- Reductions in services only where the above approaches do not deliver savings required



# Priorities of Cabinet

- Improved educational attainment and skills for our children and young people including investing in the multi-university approach.
- Safeguarding children and vulnerable adults.
- Growth, regeneration and economic development of the city to bring new investment and jobs.
- Environment Capital agenda including pursuing new income streams from solar energy and wind farm developments.
- Delivering services at a neighbourhood level.
- Supporting our Culture and Leisure Trust to continue to deliver our culture, arts and sport in the city.



# Our Financial Position (Five Years)

	2012/13	2013/14	2014/15	2015/16	2016/17
	£k	£k	£k	£k	£k
<b>Budget gap</b>	<b>-17,324</b>	<b>-22,823</b>	<b>-35,266</b>	<b>-42,302</b>	<b>-47,459</b>
Efficiencies	10,631	17,373	20,917	21,117	20,563
Additional Income	1,862	3,718	3,771	4,266	4,761
Service Reductions	1,244	2,444	2,474	2,505	2,537
Terms and Conditions	0	666	666	666	666
Corporate Contingency	1,000	1,000	1,000	1,000	1,000
<b>Deficit</b>	<b>-2,587</b>		<b>-6,438</b>	<b>-12,748</b>	<b>-17,932</b>
Less : use of reserves	2,587		<b>2,378</b>		
<b>Surplus</b>		<b>2,378</b>			
Less : Tfr to reserves		<b>-2,378</b>			
<b>Cumulative position</b>	<b>0</b>	<b>0</b>	<b>-4,060</b>	<b>-12,748</b>	<b>-17,932</b>

# Spending more

- **Adult Social Care:**
  - Underlying pressures (£9.9m)
  - Demography (£0.5m, increasing over time)
- **Children's Social Care**
  - looked after children and demography (£2.1m, decreasing over time)
  - Staffing requirements and caseload (£1.2m)
- **Other pressures – including:**
  - Trees and woodlands strategy impact (£1m)
  - Waste disposal (£0.8m)
  - Growth pot from 2014/15 onwards

# Capital programme

	2012/13	2013/14	2014/15	2015/16	2016/17
	£,000	£,000	£,000	£,000	£,000
Adult Social Care	3,769	3,252	252	252	252
Operations	19,431	15,664	14,545	30,313	12,269
Children's Services	72,911	20,270	14,494	6,458	3,458
Chief Executives	13,490	4,345	2,237	1,000	1,000
Strategic Resources	34,978	41,386	24,501	10,282	6,730
Invest To Save	100,000				
<b>Capital Expenditure</b>	<b>244,579</b>	<b>84,917</b>	<b>56,029</b>	<b>48,305</b>	<b>23,709</b>

# Capital Investment: Key Projects (1)

- Affordable housing - £16m over next 5 years
- Transport Infrastructure - £5.5m per year
- Junction 1-2 Fletton parkway - £13m
- Children's - £73m next year, includes:
  - Primary programme – provision of places
  - Secondary schools
- Waste strategy
- Invest to Save





# Capital Investment: Key Projects (2)

- Aids and adaptations to help older people live at home
- Disabled Facilities Grants
- Housing Repairs assistance
- Street Lighting replacement projects
- Regional Pool and Lido
- Local Authority Mortgage Scheme
- Central Library



# North and West 2 area

- Total allocation to all Neighbourhood Committee areas maintained (£175k)
- Discovery Primary School
- Paston Ridings Primary School
- Lincoln Road footbridge access
- Rhubarb Bridge maintenance



# Saving money

	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>
	<b>£k</b>	<b>£k</b>	<b>£k</b>	<b>£k</b>	<b>£k</b>
Savings /Efficiencies	10,631	17,373	20,917	21,117	20,563
Additional Income	1,862	3,718	3,771	4,266	4,761
Terms & Conditions	0	666	666	666	666
Service Reductions	1,244	2,444	2,474	2,505	2,537
Corporate Contingency	1,000	1,000	1,000	1,000	1,000
<b>TOTAL</b>	<b>14,737</b>	<b>25,201</b>	<b>28,828</b>	<b>29,554</b>	<b>29,527</b>

# Efficiency

- Adult Social Care (£4.1m, rising to £7.3m after 3 years):
  - Older People's accommodation strategy
  - Intensive support and Reablement
- Manor Drive Strategic Partnership (£1.8m, rising to £7m)
- Back Office (£1.6m - Legal and Governance, Chief Executives, Finance, Audit and Service support)
- Property Rationalisation but maintaining Town Hall
- Pay Award



# Income

- Range of fees and charges for some council services- some we control, some have statutory setting
- Aim to sell more services where we can
- Average increases range from 0-5%
- Areas to note:
  - Residents parking (£5 per annum for 3 years)
- Council tax discounts
- New Homes Bonus
- Asset Disposal Plan - £36m over 10 years



# Service reductions

- Council tax benefit grant reduction passed on to recipients (£1.2m per year)
- Review of services in Operations (£375k per year plus efficiencies). Includes neighbourhoods, community cohesion, emergency planning and planning.
- Vivacity service fee (£100k per year)
- Enterprise service fee (£420k per year)
- School crossing services (£43k per year)
- Christmas park and ride (£34k per year)
- Safety Camera Partnership funding (£130k per year)

# Council Tax (1)

- Council tax in Peterborough is 5<sup>th</sup> lowest out of 56 unitary councils:
  - £114 below average
  - £335 below the highest
- Frozen in 2011-12
- Council tax freeze grant offer 2012/13:
  - Equivalent to 2 ½% increase
  - Only payable for 1 year
  - 2013/14 onwards loss of spending power of £1.6m
  - 5 year loss of spending power of £6.8m

# Council Tax (2)

## Options:

1. Take grant and lose spending capacity and impact on services
2. Refuse grant and increase council tax by 2.95% per annum for 2012/13 and next 4 years





# What next...

## Council budget setting timetable:-

- Scrutiny – 30 January
- Consultation with stakeholders
- Cabinet – 10 February
- Full Council – 22 February



THE GOLDEN RULE ...

ONE OUT

£

ONE IN!



**Over to you...**

*Questions?*

*Comments?*

*Feedback?*

