

February Cabinet Addendum – Budget 2012/13

This addendum is presented to Cabinet at the meeting of 10 February as additional information as referenced in paragraph 3.7 (page 5) of the February Cabinet report:

There are two items that it has not been possible to include in this agenda despatch as follows:

- *Some elements of consultation feedback as outlined in section 9 below*
- *Detail of the savings proposals agreed with Enterprise Peterborough*

These will be circulated as soon as they are available as an addendum to this Cabinet report. If any recommendations are required to be updated as a result, then these will be included as well.

In presenting the addendum, Cabinet will need to be aware of the minor amendments to the budget position and their impact on the recommendations contained within the main report. Whilst the following recommendations remain exactly as before, Cabinet will need to refer to the updated consultation and financial information in this addendum when considering them:

1. *Have regard to the consultation feedback and statutory advice detailed in the report when determining the budget recommendations.*
2. *Agree that the following be approved and recommended to Council on 22 February 2012, noting that updates may be necessary if additional information emerges:*
 - c) *The revenue budget for 2012/13 and indicative figures for 2013/14 to 2021/22 (including the capacity bids and saving proposals outlined in pages 77-87 of the MTF5).*
 - g) *The medium term financial plan for 2012/13 to 2021/22, extended to a ten year plan so that the key challenges around delivery of growth can be adequately captured and financial challenges arising from significant local government funding changes be modelled.*
 - j) *The proposals for reserves and balances.*

The changes affecting the recommendations above are:

- i. The updated consultation feedback and summary (recommendation 1)
- ii. A reduction to the Enterprise saving proposal from £420k to 100k per annum (recommendation 2c and 2g);
- iii. A revision to the Trees and Woodland Strategy capacity bid to £750k per annum resulting in a saving of £250k. (recommendation 2c and 2g);
- iv. A presentational change of the Vivacity saving proposal from service reduction category to efficiency category following discussion with Vivacity; and
- v. An update to the reserves schedule (recommendation 2j).

1 Savings and Capacity Bids Update

Savings

1.1 The discussions with Enterprise on saving proposals have now concluded. It is worth noting that as reported in last year's budget, Enterprise will deliver £2.3m of savings next year, rising to over £3m of savings each year after that. In the original budget proposals for next year the Cabinet asked Enterprise Peterborough to outline the impact of delivering £420k of savings on top of this. This is roughly 10% of the service fee (excluding waste collection). Following discussions with Enterprise, Cabinet consider that the impact would not be acceptable in terms of the service impact, and so have revised the target down to £100k per year. This saving will be delivered as follows:

Grassed area maintenance and bio diversity - "reduce the frequency of grass cuts from ten per year during the growing season to eight and allow, in selected areas, the grass to remain uncut to allow wild flowers and wildlife habitats to develop. Pathways and fire-breaks would be mown and maintained as needed.

Further savings will be discussed during the course of the year with Enterprise Peterborough and with community groups and where possible additional savings options will be brought back to Members as part of future budget rounds"

	2012/13	2013/14	2014/15	2015/16	2016/17
Issue	£k	£k	£k	£k	£k
Enterprise	100	100	100	100	100
Removal of the original proposal	-420	-420	-420	-420	-420
Net impact on budget position (Budget Pressure)	-320	-320	-320	-320	-320

1.2 In the February Cabinet papers, the saving associated with further efficiencies within the Vivacity contract have been included within service reductions in error and have now been realigned to the savings category of efficiencies in this budget update. There is no change to the saving proposal.

1.3 For completeness, the savings table included in paragraph 5.8 (page 10) has been refreshed as follows:

	2012/13	2013/14	2014/15	2015/16	2016/17
	£k	£k	£k	£k	£k
Service Reductions	781	1,981	2,011	2,042	2,074
New savings and efficiencies	10,731	17,473	21,017	21,217	20,663
Additional Income	1,862	3,718	3,771	4,266	4,761
Terms and Conditions	0	666	666	666	666
Corporate Contingency	1,000	1,000	1,000	1,000	1,000
Total	14,374	24,838	28,465	29,191	29,164

Capacity Bids

1.4 Inevitably as some saving proposals been reduced such as the deletion of school crossing services and reduction in the Enterprise saving target, Cabinet need to either find further savings or reduce spend elsewhere. Work to finalise the trees and woodland strategy which will determine how much the council need to spend in this area is underway. Cabinet believe it is reasonable to reduce the amount earmarked for the strategy at this time. This will still leave £750k per annum to meet the council's obligations in this area. The impact on the budget is as follows:

	2012/13	2013/14	2014/15	2015/16	2016/17
Issue	£k	£k	£k	£k	£k
Trees and Woodland Strategy	-750	-750	-750	-750	-750
Removal of the original proposal	1,000	1,000	1,000	1,000	1,000
Net impact on budget position (Budget Saving)	250	250	250	250	250

1.5 For completeness, the capacity bids table included in paragraph 5.7 (page 9) has been refreshed as follows:

	2012/13	2013/14	2014/15	2015/16	2016/17
	£k	£k	£k	£k	£k
Inescapable	16,092	18,591	20,630	22,819	25,432
Essential	1,100	1,733	3,486	5,602	8,251
Total	17,192	20,324	24,116	28,421	33,683

1.6 Given the changes to the savings proposed outlined in this addendum, the key figures and supporting capacity bids and savings schedules have been included in appendix 1. Appendix 2 provides a refreshed reserves schedule. A summary of the updated budget position is included within section 3 of this report.

2 Budget Consultation

2.1 The original Cabinet report included every comment received by the time that agenda was released. Each comment also had an initial Cabinet response published.

2.2 As outlined in the same Cabinet report, budget consultation meetings were scheduled to be held after the papers were released. The comments from the following meetings have now been included in appendix 3.

- i. Youth Council and Youth MP - Due to collision of events, exams and illness this meeting was poorly attended, so this document will represent the views of the Peterborough Youth Council, but not every Youth Council Member
- ii. Discussion with the Business community
- iii. Discussion with the Social Landlords community
- iv. Voluntary Sector through Peterborough Council for Voluntary Service
- v. Further responses from the public

2.3 During the meeting held by the Joint Meeting of the Scrutiny Committees and Commissions, the following recommendations were put forward by scrutiny members:

The Committee recommends that:

1. *All comments made at this meeting to be forwarded to the Cabinet for consideration at their meeting on 10 February.*
2. *That the draft budget to be presented before Cabinet should under the Invest to Save Capital Expenditure item of £100m include details of the criteria used to judge how the money would be spent.*

2.4 The recommendations have been considered by Cabinet. The principles used to judge how money should be spend are included in the original Cabinet report, along with a recommendation for their approval by Cabinet.

Summary of key issues raised and Cabinet response

2.5 So far there have 173 comments made through 41 respondents and consultation events. All responses received during the budget consultation process, and the responses given, can be found within the February Cabinet documents (page 186 – 221) and in appendix 3 of this addendum.

2.6 The following table summarises the main points made during the consultation. Where these have a direct impact on the budget, the table gives the Cabinet responses indicating what action, if any, Cabinet intends to take.

Area	% of overall comments received	No of overall responses	Summary of issue raised and Cabinet Response
School Crossing Services	19.7	34	The Cabinet recognised the proposal caused concern for parents, schools and crossing patrollers and removed it at the earliest opportunity. The Cabinet report contains the formal recommendation to do so.
Diamond Jubilee / Olympic Torch / Christmas Lights	9.2	16	Although some respondents generally questioned the amount for these proposals, Cabinet considers that the Olympic torch and Diamond Jubilee celebrations are unique opportunities for Peterborough to play its part in major nationwide events. They will both act as showcasing opportunities for the city and have huge benefits for tourism and the local economy. Thousands of people attended both the Christmas lights switch-on and the New Year's Eve celebrations. The Christmas lights encourage people into the city centre,

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Area	% of overall comments received	No of overall responses	Summary of issue raised and Cabinet Response
			<p>boosting the local economy.</p> <p>The general feedback from the business community during their briefing reflected their enthusiasm for these one-off events.</p>
Council Tax	3.5	6	<p>Out of the six comments received, two were with regard to general points of clarification.</p> <p>Four respondents have called for the council to accept the Government's grant freeze offer and to not increase council tax.</p> <p>Cabinet consider that the Government's offer of a cash-freeze grant this year is different. Last year it was for four years. This time it's for one year only. The loss of income to the city council could be as much as £8 million over the next five years. To make up for the shortfall, the city council would have to put up council tax by at least 3.5 per cent from 2013/2014. We believe that rejecting the Government's offer and by increasing council tax by 2.95 per cent next year strikes the right balance between investing in our city, delivering efficiencies and meeting the pressures faced in Adult Social Care and Children's Services.</p> <p>Currently, out of 56 unitary authorities Peterborough has the fifth lowest council tax - £114 below the average and £335 lower than the highest. Even with this modest increase, council tax in Peterborough will remain one of the lowest in the country.</p>
Invest to Save	3.5	6	<p>Cabinet is taking forward the scrutiny recommendations in this area as outlined in paragraphs 2.3 and 2.4 above</p>
Grants to Parish Councils	6.4	11	<p>During the specific meeting with Parish Councils, concerns were raised over the plan to reduce grants further in 2013/14. Given that these proposals would come into effect in a year's time, Cabinet will look to set an indicative grant earlier to enable parish councils' sufficient time to plan their budgets. This will include further consultation regarding the best way to achieve this saving.</p>

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Area	% of overall comments received	No of overall responses	Summary of issue raised and Cabinet Response
Fewer than four comments per issue	37.0	64	<p>A broad range of issues received fewer than four comments each during the budget consultation process.</p> <p>Every comment received is outlined in the detailed appendices, and includes a response from Cabinet to the issue raised.</p> <p>In view of the small number of comments received in these areas, Cabinet does not consider that further changes to the budget proposals are needed.</p>
comments or queries not related to the budget proposals	20.7	36	<p>A number of comments or queries were raised about items that were not related to the budget proposals</p> <p>Every comment received is outlined in the detailed appendices, and includes a response from Cabinet to the issue raised.</p> <p>As these comments do not relate to the budget proposals, Cabinet does not consider that further changes to the budget proposals are needed.</p>

2.7 The following table gives a summary of the comments received on the budget proposals, along with the source of the comment.

Consultation feedback since budget proposals were released										
Area	Scrutiny	Neighbourhood Councils	Parish Council	Disability Forum	Greater Peterborough Partnership	Other (Email / letters/ petitions)	Business Briefing	Youth Council	Social Landlords	Voluntary Sector
School Crossing Services	0	16	1	0	0	17	0	0	0	0
Diamond Jubilee / Olympic Torch / Christmas Lights	4	2	0	0	0	9	1	0	0	0
Council Tax	0	2	0	0	0	4	0	0	0	0
Invest to Save	3	2	1	0	0	0	0	0	0	0
Grants to Parish Councils	0	0	11	0	0	0	0	0	0	0

Consultation feedback since budget proposals were released										
Area	Scrutiny	Neighbourhood Councils	Parish Council	Disability Forum	Greater Peterborough Partnership	Other (Email / letters/ petitions)	Business Briefing	Youth Council	Social Landlords	Voluntary Sector
Fewer than four comments per area	25	14	5	2	3	9	0	1	1	4
General comments not affecting the budget	12	3	4	2	0	7	1	3	0	4
TOTAL	44	39	22	4	3	46	2	4	1	8

2.8 The consultation remains open and will close on 20 February 2012 allowing interested parties to put forward their views. Any further updates will be communicated to Members.

2.9 A comment arising from the budget consultation concerned the council's priorities and the omission of housing from the council priorities. Following Cabinet consideration, Cabinet have recommended the following change to one priority:

- Growth, regeneration and economic development of the city to bring new investment, **housing** and jobs

2.10 In addition, the new council priority has been included to recognise the council's continued partnership commitment and responsibilities associated with community safety and cohesion:

- Working with partners to promote community safety and cohesion

3 Overall impact of changes in this Addendum

3.1 This addendum to February Cabinet updates the budget position and reserves reported to Cabinet. The summary figures underpinning the council budget are as follows:

	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k	2016/17 £k
Funding					
Dedicated Schools Grant	127,702	127,702	127,702	127,702	127,702
Formula Grant	72,550	71,930	68,463	68,463	68,463
Other Council Grant	18,959	17,445	17,158	17,158	17,158
Benefit Grant	71,766	71,766	71,766	71,766	71,766
Parish Precepts	417	417	417	417	417
Council Tax	63,903	66,447	69,091	71,841	74,700
Total Funding	355,297	355,707	354,597	357,347	360,206
Total Expenditure	357,997	353,442	361,148	370,208	378,252
Budget Surplus(+)/ Deficit(-)	-2,700	2,265	-6,551	-12,861	-18,045

3.2 The updated budget position worsens the deficit by a further £70k due to a revision in the Enterprise saving proposal, partly offset by an amendment to the trees and woodland strategy capacity bid (on top of the £43k from school crossing patrols). This has the following impact:

- Increasing the use of reserves in 2012/13
- Reducing the surplus in 2013/14
- Increasing deficits in future years

	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k	2016/17 £k
Deficit	-2,700		-6,551	-12,861	-18,045
Less: Use of Reserves	2,700		2,265		
Surplus		2,265			
Less: Transfer of Reserves		-2,265			
Cumulative Position	0	0	-4,286	-12,861	-18,045

3.3 However, these changes are relatively minor, and mean that Cabinet's budget strategy of delivering a balanced position over two years and a reduced deficit in the following year (compared to the previous MTFS) is maintained.

4 Human Resource Implications

- 4.1 Human Resource implications outlined in the February Cabinet report paragraph 13.3.3 (page 15) assumed the number of posts affected by the budget in the region of 70 (60 full time equivalents). Following the recommendation to February Cabinet to remove school crossing services from the budget proposals, the revised post affected by the budget are now in the region of 60 (57.2 full time equivalents).

Appendix 1 – Key Figures

	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
	£k	£k	£k	£k	£k	£k	£k	£k	£k	£k
Funding										
School Funding	127,702	127,702	127,702	127,702	127,702	127,702	127,702	127,702	127,702	127,702
Formula Grant & NNDR	72,550	71,930	68,463	68,463	68,463	68,463	68,463	68,463	68,463	68,463
Other Grants	18,959	17,445	17,158	17,158	17,158	17,158	17,158	17,158	17,158	17,158
Benefit Grants	71,766	71,766	71,766	71,766	71,766	71,766	71,766	71,766	71,766	71,766
Parish Precepts	417	417	417	417	417	417	417	417	417	417
Council Tax Base	61,328	63,903	66,447	69,091	71,841	74,701	77,335	80,061	82,882	85,802
Council Tax Increase	1,831	1,904	1,980	2,059	2,141	1,886	1,953	2,021	2,092	2,167
Council Tax Growth	744	640	664	691	719	748	773	800	828	857
Collection Fund Surplus	0	0	0	0	0	0	0	0	0	0
Total Funding	355,297	355,707	354,597	357,347	360,207	362,841	365,567	368,388	371,308	374,332
Gross Departmental Control Totals	355,179	357,956	365,497	370,978	373,733	376,168	378,689	381,040	383,475	385,909
Less: Savings 2012/13										
New Savings and Efficiencies	-10,731	-17,473	-21,017	-21,217	-20,663	-20,311	-20,306	-20,157	-19,993	-20,297
Additional Income	-1,862	-3,718	-3,771	-4,266	-4,761	-4,148	-3,466	-3,200	-3,229	-3,257
Terms and Conditions	0	-666	-666	-666	-666	-666	-666	-666	-666	-666
Service Reductions	-781	-1,981	-2,011	-2,042	-2,074	-2,106	-2,139	-2,173	-2,208	-2,244
Corporate Contingency	-1,000	-1,000	-1,000	-1,000	-1,000	-1,000	-1,000	-1,000	-1,000	-1,000
Sub Total	-14,374	-24,838	-28,465	-29,191	-29,164	-28,231	-27,577	-27,196	-27,096	-27,464
Capacity Bids 2012/13										
Capacity Bid - Inescapable	16,092	18,591	20,630	22,819	25,432	28,541	29,846	31,499	33,638	35,888
Capacity Bid - Essential	1,100	1,733	3,486	5,602	8,251	10,130	10,191	10,653	11,425	12,122
Sub Total	17,192	20,324	24,116	28,421	33,683	38,671	40,037	42,152	45,063	48,010
Total Expenditure	357,997	353,442	361,148	370,208	378,252	386,608	391,149	395,996	401,442	406,455
Budget Surplus/Deficit(-)	-2,700	2,265	-6,551	-12,861	-18,045	-23,767	-25,582	-27,608	-30,134	-32,123

	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Council Tax increase	2.95%	2.95%	2.95%	2.95%	2.95%	2.50%	2.50%	2.50%	2.50%	2.50%
Council Tax Band D (£)	1,128.03	1,161.31	1,195.57	1,230.84	1,267.15	1,298.83	1,331.30	1,364.58	1,398.69	1,433.66
Council Tax Base - Band Ds (£k)	56,650	57,217	57,789	58,367	58,951	59,541	60,136	60,737	61,344	61,957

Inescapable Bids

Department	Issue	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k	2016/17 £k
Corporate	Pensions increase from next three year valuation	0	0	1,000	2,000	3,000
Adult Social Care	Adult Social Care - Base line funding	9,866	9,866	9,866	9,866	9,866
Adult Social Care	Learning Disability – growth in numbers (non transitional)	346	729	1,111	1,495	2,433
Adult Social Care	Older People (including older people’s mental health services) – growth in numbers	100	206	313	419	681
Adult Social Care	Physical Disability – growth in numbers (includes no residential increases)	54	115	175	235	382
Adult Social Care	Mental Health – growth in referrals in statutory work. All growth has been contained in budgets for the last three / four years	13	25	38	50	81
Children Services	Children Social Care placement costs	1,687	1,544	1,352	1,210	1,068
Children Services	Children Social Care demography	260	358	418	618	715
Children Services	Children Social Care staffing requirements	1,100	1,100	1,100	1,100	1,100
Children Services	Home to School Transport (mainstream)	204	200	189	172	133
Children Services	Vulnerable 2 year old supported nursery placements	235	402	402	402	402

Department	Issue	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k	2016/17 £k
Legal and Governance Services	Coroners now being wholly funded by council	90	90	90	90	90
Legal and Governance Services	Blue Badges administration	40	40	40	40	40
Operations	Maintenance at Rhubarb Bridge	0	100	0	150	0
Operations	Remove Lincoln Road Footbridge	175	0	0	0	0
Operations	Trees and Woodland Strategy	750	750	750	750	750
Strategic Resources	Waste disposal	819	1,122	1,612	1,859	2,104
Strategic Resources	Finance IT system licences	50	75	75	75	75
Strategic Resources	Property management	113	235	364	503	653
Strategic Resources	Materials Recycling Facility	0	167	223	223	223
Strategic Resources	Council tax IT system licence	0	30	30	30	30
Strategic Resources	Vivacity withdrawal from council's support services	154	157	160	163	167
Strategic Resources	Council Tax – impact of reduced funding for benefits under localisation scheme	0	1,200	1,230	1,261	1,293
Strategic Resources	Costs of inescapable capital schemes	36	80	92	108	146
		16,092	18,591	20,630	22,819	25,432

Essential Bids

Department	Issue	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k	2016/17 £k
Adult Social Care	Adult Social Care database	40	40	40	40	40
Chief Executive	Creative city	275	150	150	0	0
Operations	Electrical testing of street lighting columns	50	50	50	50	50
Operations	Street Light cable testing/mapping/replacement	100	100	100	100	100
Operations	Olympic torch	93	0	0	0	0
Operations	Increase in medical assessments required relating to housing needs	15	15	15	15	15
Operations	Travellers - Management of illegal encampments	50	50	50	50	50
Operations	Family Recovery Project	100	0	0	0	0
Operations	Investment in street markets – new canopies	25	25	0	0	0
Operations	Cost of City Centre Christmas illuminations	50	50	50	50	50
Operations	Local Development framework - Inspection cost of review of documents	0	0	0	75	75
Operations	Bio fuel feasibility study	5	0	0	0	0
Operations	Queen's Diamond Jubilee	30	0	0	0	0
Strategic Resources	Growth investment	0	0	925	2,400	4,425

Department	Issue	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k	2016/17 £k
Strategic Resources	Costs of essential capital schemes	267	1,253	2,106	2,822	3,446
		1,100	1,733	3,486	5,602	8,251

Service Reductions

Department	Issue	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k	2016/17 £k
Chief Executive (Support Services)	Re profile delivery of growth programme	142	142	142	142	142
Operations	Restructure of services within Operations department (NB this saving is split across service reductions and efficiencies)	375	375	375	375	375
Operations	Reduction in safety camera partnership funding	130	130	130	130	130
Operations	Remove Christmas park and ride	34	34	34	34	34
Strategic Resources	Enterprise – a review of service levels under the current contract (including street cleansing, parks and open spaces and bus services)	100	100	100	100	100
Strategic Resources	Council tax – benefit localisation scheme	0	1,200	1,230	1,261	1,293
	TOTAL	781	1,981	2,011	2,042	2,074

New Savings and Efficiencies

Department	Issue	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k	2016/17 £k
Adult Social Care	Reduction in high cost placements	200	400	400	400	400
Adult Social Care	Intensive Community Support Scheme – return out of city placements to more cost effective in city care options	250	500	750	750	750
Adult Social Care	Learning Disability Brokerage Service – control and reduction in cost of packages of new placement activity	50	100	150	150	150
Adult Social Care	Older People's Accommodation Strategy	1,200	1,500	1,500	1,500	1,500
Adult Social Care	Day Opportunities (Older People) - Rationalisation of provision of day services	100	100	100	100	100
Adult Social Care	Support Plans - Self Directed Support	320	480	480	480	480
Adult Social Care	Continuing Health Care - review of health related needs	400	800	1,200	1,200	1,200
Adult Social Care	Implementation of changes to charging policy	75	155	235	415	415
Adult Social Care	Contract Reviews	170	225	225	225	225
Adult Social Care	Fee levels for residential and nursing providers	200	500	750	750	750
Adult Social Care	Electronic Call Monitoring	150	395	480	480	480
Adult Social Care	Further savings including re-ablement and other initiatives	1,000	1,000	1,000	1,000	1,000
Adult Social Care	DASS office savings	4	4	4	4	4
Chief Executive (Support Services)	Reduce the cost of the Chief Executive office	40	40	40	40	40

Department	Issue	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k	2016/17 £k
Chief Executive (Support Services)	Savings in HR service	137	137	137	137	137
Chief Executive (Support Services)	Reduce funding in line with restructure	45	45	45	45	45
Children Services	Continuing Care	200	200	200	200	200
Children Services	Review of Back Office Functions	200	200	200	200	200
Children Services	Austerity measures	100	100	100	100	100
Children Services	Review of grant expenditure	150	150	150	150	150
Legal and Governance Services	IT Budget (Hardware)	47	47	47	47	47
Legal and Governance Services	IT Budget (Software)	10	10	10	10	10
Legal and Governance Services	Salary restructure	83	101	101	101	101
Legal and Governance Services	Officer and member training	23	23	23	23	23
Legal and Governance Services	Publications	10	10	10	10	10
Legal and Governance Services	Neighbourhood council administration costs	31	31	31	31	31
Legal and	Legal costs	10	10	10	10	10

Department	Issue	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k	2016/17 £k
Governance Services						
Legal and Governance Services	Efficiency savings	33	33	33	33	33
Legal and Governance Services	Election postage cost	9	9	9	9	9
Legal and Governance Services	Printing	25	25	25	25	25
Legal and Governance Services	Legal – income from work for Vivacity	20	20	20	20	20
Legal and Governance Services	Increased income target	100	100	100	100	100
Legal and Governance Services	Blue Badges scheme administration	26	26	26	26	26
Operations	Destination and Travel Choice Centres	40	80	120	120	120
Operations	Restructure of services within Operations department (NB this saving is split across service reductions and efficiencies)	386	386	386	386	386
Strategic Resources	Internal Audit - Review of additional income opportunities through shared services and other savings	34	34	34	34	34
Strategic Resources	Revenue budget saving from re-phasing capital programme	2,322	2,396	4,019	3,267	2,510
Strategic Resources	Restructure of planned borrowing	237	612	829	930	961
Strategic Resources	Finance - The council will review its finance function to ensure it adapts to the changes in council services from recent budget rounds, as well as ensuring it can meet the financial challenges of the future. This will include a review of whether support can be delivered more effectively across all teams, options for selling	200	200	200	200	200

Department	Issue	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k	2016/17 £k
	services as well as a review of all vacant positions					
Strategic Resources	Parish precept payments	0	18	36	36	36
Strategic Resources	External Audit - Removal of contingency sum held for additional audit work.	13	13	13	13	13
Strategic Resources	Client and commissioning team - Ensure that the outsourced contracts can be managed more efficiently	100	100	100	100	100
Strategic Resources	Manor Drive Managed Service - These are savings over and above the original target from the core service provision with Serco	4	4	58	335	507
Strategic Resources	Business transformation	1,777	5,854	6,331	6,725	6,725
Strategic Resources	Vivacity – a review of service levels under the current contract (including library services)	100	100	100	100	100
Strategic Resources	Further Delivery of services through Serco partnership - Where possible, the Council will continue to take advantage of the strategic partnership to deliver services more efficiently	100	200	200	200	200
	TOTAL	10,731	17,473	21,017	21,217	20,663

Additional Income

Department	Issue	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k	2016/17 £k
Chief Executive	Implementation of a Financial Products scheme	0	150	200	200	200
Children Services	Clare Lodge – increasing occupancy	100	100	100	100	100
Operations	Residents parking income	6	15	23	23	23
Operations	CCTV services – Diversify and sell services to others	75	75	75	75	75
Operations	Care and Repair - Diversify and sell service to others	100	100	100	100	100
Operations	Trading Standards increased income target from proceeds of crime and other	50	50	50	50	50
Operations	Building Control Consultancy services	15	15	15	15	15
Strategic Resources	Commercial property portfolio - The Council will work with partners to review the returns it receives from its Commercial property portfolio, ensuring that those returns offer sufficient value for money against the cost of holding and maintaining those assets	116	232	232	232	232
Strategic Resources	Bereavement Services	100	100	100	100	100
Strategic Resources	Expected growth income (new homes bonus scheme)	810	1,400	1,886	2,381	2,876
Strategic Resources	Council tax – removal of discounts (e.g second homes and empty properties)	0	500	500	500	500
Strategic Resources	Council tax – review of eligibility single person discount	490	981	490	490	490
		1,862	3,718	3,771	4,266	4,761

Terms and Conditions

		2012/13	2013/14	2014/15	2015/16	2016/17
Department	Issue	£k	£k	£k	£k	£k
Corporate	Pay Award	0	666	666	666	666

Corporate Contingency

		2012/13	2013/14	2014/15	2015/16	2016/17
Department	Issue	£k	£k	£k	£k	£k
Corporate	Corporate contingency	1,000	1,000	1,000	1,000	1,000

Appendix 2 – Reserves Schedule

	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
	Estimated 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
Summary of Reserves						
General Fund Balance	6,000	6,000	6,000	6,000	6,000	6,000
Capacity Building Reserve	4,817	1,442	4,748	5,433	6,118	6,803
Departmental Reserve	499	442	437	432	427	422
Insurance Reserve	2,171	2,071	1,971	1,871	1,771	1,671
Schools Capital Expenditure Reserve	584	584	584	584	584	584
Parish Council Burial Ground Reserve	38	40	40	40	40	40
TOTAL	14,109	10,579	13,780	14,360	14,940	15,520
Future Year Deficits (2011/12 and 2012/13 assume a contribution from reserves)	0	0	2,265	-6,551	-12,861	-18,045
Use of Surplus in future years			-2,265	2,265		
Future Year Deficits - Gap to close	0	0	0	-4,286	-12,861	-18,045

Appendix 3 – Budget Consultation Responses received since February Cabinet

Category	Source	Issue	Responses
School Crossing Services	Email	I do support the scraping of council funding for lollipop ladies; this valuable service should be a partnership between each school and the parents group.	Cabinet have confirmed that this saving proposal has now been removed from the budget consultation document and is no longer being considered as a viable saving proposal.
Queen's Jubilee	Email	I do support funding available for Diamond Jubilee street parties, at the figure of max £30k. Subject to this being primarily available to ordinary street parties, not favoured councillor activities.	The £30k funding included for the Queen's Jubilee is for a one off event to be held somewhere in the city. Of course, should the local residents wish to organise an event within their neighbourhood, this could be discussed and funding explored via the Neighbourhood Committee meeting.
Olympic Torch	Email	I do support council support available for the Olympic Torch, at a figure similar to the street party fund. And support available in other ways.	The Olympic Torch is a huge opportunity for us to showcase the city. We will also be managing the national trial run of the event alongside national television coverage of the actual torch event as it enters the first location in the eastern region. This will require finance for infrastructure, road closures, promotional material for the city etc. We are unable to obtain sponsorship due to the national deal around the Olympics. The remaining finance, £48k is going to an event run by Vivacity which will add entertainment to the stage and the crowds in and around the torch event. It will also provide art work and supporting engagement with a number of schools across the city which will leave a legacy for the city.
Adult Social Care	Email	Concerns with contracting out that if contractors are concentrating on meeting the terms of the contract they will not be concentrating on client care. One way of keeping costs down is to increase the number of clients each	The quality of care delivered to vulnerable people in their own homes is the top priority of Adult Social Care. That care has been commissioned from independent contractors for a number of years and there are no changes to this put forward in the budget. All care contractors have to meet guaranteed quality standards in order to continue to have work allocated to them by

Category	Source	Issue	Responses
		worker sees. In another authority the care workers have only 15 minutes with their elderly clients and that is to provide a meal.	social workers. The time that is allocated to care staff reflects the needs assessment undertaken by social workers and this is kept under review
Consultants	Email	Told at consultation that consultants had told the council that consultants gave them good value for money. That seemed rather like, "I'll scratch your back if you'll scratch mine".	<p>We note your comment. This has been examined closely by scrutiny members. A progress report on the use of consultants was discussed at the November Sustainable Growth Scrutiny Committee, commenting</p> <p><i>"The group also noted the considerable advantages in employing consultants who bring additional skills and knowledge not available in house, allow for flexibility within the workforce by permitting officers to terminate contracts swiftly for non performance and do not carry the risk of redundancy costs or unfair dismissal claims"</i></p> <p><i>"The council has very carefully monitored the return on its investment in consultancy services. The overall return on investment on consultancy spend has continued to increase with savings doubling in the last financial year."</i></p>
Budget Consultation	Email	<p>The document does not give all the items in the budget. There must be many that are not included, like those that are unaffected. This means that only those highlighted can be discussed without other knowledge.</p> <p>With the individual items listed it is not always evident whether these are costs of the study or benefits from what is being done. They are not collected</p>	The document is more detailed now than previous years and a summary document is also produced to breakdown spending across departments. More information could be provided but would need more staff (additional cost) to produce it and the document would be extremely large.

Category	Source	Issue	Responses
		together and summarised. It is as though the job is only half done.	
Council Tax	Email	1) Council tax increase -pay is static for third year -do not qualify for help everything else goes up constantly. Just where does money come from?	Council tax levels proposed are currently part of the budget consultation and the council welcomes views and comments from residents, businesses and other persons with an interest in the city. The level proposed has been discussed at length including the option of taking the cash freeze grant offered by government for those councils freezing council tax in 2012/13. Based on the current budget proposals for 2012/13, we believe that this increase strikes the right balance between investing in our city, delivering efficiencies and keeping council tax as low as possible.
Children Services	Email	2) primary school investment is good news even if coming a little late (I'm a school governor)	We note your comment. The council is investing heavily in school places, with an overall programme of £73m planned within the budget proposals. However, the council also need to ensure that school place planning and growth within Peterborough does require the level of investment in school places going forward.
Capital Programme	Email	3) public transport infrastructure -next year consider the bus station -its the 1st thing bus & coach users see and its well past its 'use by date'. Roof leaks in a down pour -could use a non-glass roof.	It is recognised that the bus station is in need of improvement. However, the actual building is not the responsibility of the council. In the longer term the council would like to see an improved bus station brought forward as part of the wider redevelopment of the city centre.
Transport	Email	4) Better connection from bus station and better signage to rail station it is URGENT - this is an oft asked question. This includes foot users also from Crescent bridge, Queensgate and other areas.	As part of the council's ongoing local transport plan and local sustainable transport fund works programme, and through the planning process, it is planned to make improvements to signing in the city centre and improve linkages to the bus and railway station.
Council Finances	Email	5) Planning ahead for growing numbers of elderly residents -good idea	Cabinet note your comment.

Category	Source	Issue	Responses
Budget Strategy	Business Briefing	<p>On Thursday, February 2, members of the Peterborough business community received a briefing from Cllr Marco Cereste, leader of Peterborough City Council, and John Harrison, Executive Director of Strategic Resources.</p> <p>Twenty five people attended the event inside the Mayor's Parlour at the Town Hall.</p> <p>Following the briefing, questions were asked about the city council's Invest To Save model and future strategies surrounding housing and health.</p>	<p>Questions within this area were answered directly during the briefing.</p>
One Off Events	Business Briefing	<p>There was general support for the proposals and especially for key initiatives surrounding the Olympic Torch and Diamond Jubilee celebrations and the city centre development</p>	<p>We note your comment.</p>
Budget Strategy	Registered Social Landlords	<p>Housing was not mentioned as a key priority – why is this?</p>	<p>Housing development is a key part of the Councils overall priority of encouraging growth in the city. The narrative of the priority will be amended to reflect this.</p>
Children Services	Voluntary Sector through Peterborough Council for	<p>Are there any plans to establish a separate social services department in the light of the children services improvement plan?</p>	<p>Although there is a focus on children's social care at present, a separate social care department is not being proposed.</p>

Category	Source	Issue	Responses
	Voluntary Service		
Council Finances	Voluntary Sector through Peterborough Council for Voluntary Service	<p>Are there discussions to propose a city wide budget for statutory agencies as the council's budget is only a small part of the overall budget for the city?</p> <p>Is the Council working with other statutory agencies to have a steady state economy?</p> <p>What element of the budget is statutory versus discretionary expenditure?</p>	<p>Discussions are being held with all sectors and the health sector in particular. This is challenging due to the current changes in the health commissioning structure.</p> <p>Innovative work is being delivered around the Single Delivery Plan which is trying to draw together these elements.</p> <p>The Council has reviewed the statutory and discretionary elements of the budget. This is not straightforward as the discretionary expenditure will have an impact on what the Council has to deliver through statutory provision. In some cases the investment in discretionary services can have an impact on delivery of savings elsewhere.</p>
Adult Social Care	Voluntary Sector through Peterborough Council for Voluntary Service	<p>How will the Council address a problem facing occupational therapists in relation to information sharing following the transfer back into the city council?</p> <p>It is understood that there will be a charge for the information reports needed for the service once the transfer has been completed.</p>	<p>The Council is working with partners to extend the existing scope of the information sharing agreement to include occupational therapy and the health services remaining within the primary care trust. This will ensure that the information can be accessed without barriers and charging.</p>
Adult Social Care	Voluntary Sector through Peterborough Council for Voluntary	<p>Following the transfer of adult social care into the Council are there any plans to change the eligibility criteria for this service?</p>	<p>The adult social care service is currently being reviewed by the interim Director to provide a baseline of the current position. This will include consideration of the eligibility criteria.</p>

Category	Source	Issue	Responses
	Service		
Council Finances	Voluntary Sector through Peterborough Council for Voluntary Service	Has the Council included the bonus for building new homes into the Medium Term Financial Strategy?	The Council has already made assumptions about the number of houses that will be built within the City and have included the grant allocation in the budget calculations. The budget already reflects £2.3m for next year.
Council Finances	Voluntary Sector through Peterborough Council for Voluntary Service	What impact will the results of the 2011 census have on the budget proposals?	The census will provide the Council with accurate population figures for the City. However the government are due to change the local government finance system and the grant allocation will no longer be based on population figures.
Adult Social Care	Voluntary Sector through Peterborough Council for Voluntary Service	Does the budget forecast and deficit highlighted within the presentation include the adult social care over spend?	Yes, this is reflected within the budget.
Council Finances	Voluntary Sector through Peterborough Council for Voluntary Service	Does the additional spending on adult social care services and children's services have an impact across the Council?	Yes, the additional expenditure has been allocated across all areas of the Council.
Children Services	Youth Council and Youth MP	OVERALL COMMENT The team of (youth) Councilors that met decided that the Peterborough Youth Council is in no position to fully respond to the City Council's Budget Proposal.	Cabinet welcome the views and comments of Youth Council and the continued commitment that this group would like in budget strategy. As part of setting the budget, the council has considered how budgets should be allocated across all departments and the

Category	Source	Issue	Responses
		<p>As there are minimum specifics we do not have the knowledge or understanding that would be required to construct a useful proposal.</p> <p>We would however like to have an involvement in the future, when each department goes into more detail about what the allocated money is going to be spent on. The Youth Council would like to have a say on the “Children’s Services budget” so when the Children’s Services team meet to decide on the delegation of funds we would greatly appreciate being involved.</p>	<p>budget consultation process is the council’s opportunity to seek views from interested parties before the final budget is approved by Full Council later this month.</p>
<p>Capital Programme</p>	<p>Youth Council and Youth MP</p>	<p>SUPPORT</p> <p>The main aim of PYC this year is to help reduce the amount of Anti-Social Behavior throughout Peterborough, looking at recent statistics and local news the Hampton area has seen an increasing amount of “ASBO’s” so the £100,000 that is being injected for them is strongly supported by members of the Youth Council, and we are already in talks with City Councilors to find out what the plans are for that. We focused on the Children’s Services Appendix</p>	<p>We note your comment.</p>

Category	Source	Issue	Responses
		and found nothing that we believe is unnecessary, and found nothing that we believe should be made a priority that wasn't already mentioned, so overall, the Youth Council give it's support.	
Children Services	Youth Council and Youth MP	<p>SCHOOLS</p> <p>After attending the Scrutiny of the Budget on 30 January 2012 our main concern has been reassured. Some Youth Councilors were voicing concerns that NEET people were being left out while a lot of schools were being improved, and the Herewood school being re-opened. However we now know this is not the case, and feels the support that is being given to young NEET people is positive, and this is shown by the decreasing number of NEET people in Peterborough.</p>	We note your comment.
Budget Strategy	Youth Council and Youth MP	<p>CLOSING STATEMENT</p> <p>On behalf of the Youth Council I would like to thank yourself and all councilors for the time they have taken to give this information to us, it has shown that our opinion is valid and that we do have a</p>	Cabinet welcome the views and comments of Youth Council and the continued commitment that this group would like in budget strategy.

Category	Source	Issue	Responses
		<p>voice in important decisions. Although we have chosen not to respond directly to the budget we would like to be involved when each department begin to look at where the money is going to go in more detail.</p> <p>Thank you for allowing us to be able to respond and show our support, and we look forward to working closely with yourself and other City Councilors in the Future.</p>	