

COUNCIL	AGENDA ITEM No. 12
5 MARCH 2014	PUBLIC REPORT

**EXECUTIVE REPORT – FOR INFORMATION
RECORD OF EXECUTIVE DECISIONS**

1. DECISIONS FROM CABINET MEETING ON 3 FEBRUARY 2014

THE FUTURE DIRECTION OF CHILDREN’S CENTRES DELIVERY

Cabinet received a report which brought a revised set of proposals, for Cabinet’s approval, on how children’s centres services would be run in future. The report:

- i) Updated and informed Cabinet on the outcomes of the consultation on proposed changes to the way early years services were run in Peterborough including children’s centres;
- ii) Sought Cabinet’s approval on the creation of four children’s centre hubs that would be located in the City’s highest areas of deprivation and would work with families in the greatest need across the city;
- iii) Sought Cabinet’s approval for the creation of three ‘outreach’ centres that would support the work of the children’s centre hubs;
- iv) Asked Cabinet to approve a reduction in the original savings proposed from £1.28 million to £1.18 million to enable £100,000 to be spent on developing alternative ways to support families such as; helping to set up parent support groups, maintaining a weekly facilitated parent and baby session in communities and providing support to mothers around post natal depression, where it was identified that centres will be re-designated.

Cabinet considered the report and recommendations and **RESOLVED** that:

- 1(a) The modified proposals for the delivery of the Children's Centres as set out in the report be approved; and
 - 1(b) The budget to be recommended to Council for the 2014/15 financial year be amended accordingly to reflect the savings arising from the redesigned Children's Centres.
2. Subject to Council approving the Budget, inclusive of the recommended budget in relation to the future delivery of the Children's Centres, the Director for Communities be authorised to:
- (a) create four children’s centre hubs, three outreach hubs and re-designation of the other eight children’s centres as set out in the report;
 - (b) vary or terminate the contracts with Barnardo’s and Spurgeons to deliver the redesigned centres; and
 - (c) develop alternative ways to support families in areas where children’s centres are proposed to be de-designated.

BUDGET 2014/15 AND MEDIUM TERM FINANCIAL PLAN TO 2023/22

Cabinet received a report as part of the council’s agreed process for integrated finance and business planning.

The purpose of the report was to present budget proposals for 2014/15 through to 2023/24, in line with the provisional local government finance settlement for 2014/15 and in advance of some Department for Education specific grants being announced.

The report contained three key sections:

- i) Cabinet report and summary of council funding implications, including proposals on council tax;
- ii) The draft MTFs, including capital strategy, asset management plan and Treasury Strategy. This will allow consultation to take place on these elements; and
- iii) The budget consultation document to enable scrutiny and discussed with staff, business leaders, the voluntary sector, partner organisations, trade unions, local MPs, parish councils, the Youth MP and Youth Council and other interested parties.

The report set out the proposals for consultation to enable Cabinet at its meeting on 24 February to make recommendations to be made to the meeting of Full Council on 5 March 2014.

In addition, the report also had regard to the revised budget timetable approved by Full Council at the meeting of 4 December under the council constitution Part 4, Section 6 – Budget and Policy Framework Rules.

Cabinet considered the report and **RESOLVED** to agree:

1. The following as the basis for the budget consultation and in light of the announcement of the local government provisional settlement for 2014/15:
 - a) That the MTFs is set in the context of the council priorities;
 - b) The Budget monitoring report as the latest probable outturn position for 2013/14;
 - c) The draft revenue budget for 2014/15 and proposed cash limits for 2015/16 to 2023/24 (including the capacity bids and saving proposals);
 - d) The draft capital programme for 2014/15 and proposed cash limits to 2023/24 and associated capital strategy, treasury strategy and asset management plan;
 - e) The proposed council tax freeze in 2014/15 and 2015/16 with indicative increases for planning purposes of 2% for 2016/17 to 2023/24;
 - f) To spend at the level of the Dedicated Schools Grant for 2014/15 to 2023/24;
 - g) The proposals for reserves and balances; and
 - h) Confirm the proposals for setting fees and charges for 2014/15.
2. That Cabinet approve the budget proposals as the basis to consult with Scrutiny, Staff, Unions, Stakeholders;
3. That Cabinet have regard for the continuing uncertainty of national public finances, the impact that dwelling and business growth locally will have on future funding arrangements;
4. That Cabinet recognise the challenge to close a significant forecast gap of £18m in 2015/16 and also the further gaps in later years; and
5. That Cabinet note that government Grants will not be confirmed until the final settlement is released in February 2014.

ANNUAL AUDIT LETTER

Cabinet received a report following a referral from the Council's External Auditor PriceWaterhouseCoopers (PwC).

The purpose of the report was to consider and respond to the Annual Audit Letter for 2012/13, prepared jointly by PwC.

Cabinet considered the report and **RESOLVED** to:

Approve the Annual Audit Letter for 2012/13.

2. DECISIONS FROM CABINET MEETING ON 24 FEBRUARY 2014

UPDATE ON PROPOSED GROUND MOUNTED SOLAR AND WIND FARMS AT AMERICA FARM, MORRIS FEN AND NEWBOROUGH

Cabinet received a report following a Scrutiny Committee for Rural Communities meeting held on 16 December 2013.

The purpose of the report was for Cabinet to consider:

1. The recommendations made by the Scrutiny Commission for Rural communities, these being;

‘The Commission recommends to Cabinet:

- a) Immediately stops both options (1) solar and (2) wind for the America Farm project due to the negative income predicted for the delayed project; and
- b) Stops the solar panel option (1) on all three sites (America Farm, Newborough and Morris Fen) due to the significant total expenditure of £296 million, a poor return of £21 million net income and a Net Present Value figure of only £10.5 million’.

2. The update of the latest financial projections for the three sites;
3. The latest position on survey results etc. at the America Farm site; and
4. The feedback received to date as part of the budget consultation launched at the 3 February Cabinet meeting.

Following consideration of these areas, Cabinet was requested to agree a way forward for the three energy park projects.

Cabinet considered the report and **RESOLVED** to agree:

1. That the project at America Farm be progressed and taken to a Planning Committee for a decision subject to the satisfactory resolution of the outstanding English Heritage Issues;
2. That further consultation on the future development options for Morris Fen and Newborough projects be undertaken with farmers, individuals and key stakeholders;
3. And that a report be brought to the March Cabinet meeting to determine a way forward for these two sites; and
4. That at this stage, the MTFs figures remain as set out in the budget report.

FUNDING PETERBOROUGH’S FUTURE GROWTH

Cabinet received a report which included detailed proposals for the delivery of growth and regeneration schemes in Peterborough and for the Council’s involvement in those schemes.

The purpose of the report was to seek Cabinet’s approval to:

- 1) Establish a 50:50 joint venture company with a new Peterborough Investment Fund to prepare viable and consented development schemes for a series of sites;
- 2) Participate in the governance of the Peterborough Investment Fund through representation on the Fund's Investment Committee and Management Board;
- 3) Grant Option Agreements on the sites listed in section 4.3.3 of this report to the Peterborough Investment Fund;
- 4) Approve the future Council office consolidation plan described in this report and enter into an Agreement for Lease with the Peterborough Investment Fund for new administrative offices to be developed on Fletton Quays; and
- 5) Recommend to Council that the Treasury Management Strategy is amended to permit investments in Collective Investment Schemes to enable the Council to participate in the profits of the Peterborough Investment Fund, if it choose to do so.

Cabinet considered the report and **RESOLVED** the following:

In order to facilitate the establishment of a Peterborough investment Fund to bring forward development through £130M of external investment, Cabinet **APPROVED**:

- (1) The business case for an investment joint venture at Appendix 1;
- (2) The establishment of a Joint Venture Company with a Fund regulated by a UK registered fund manager with a 50% equal shareholding for each party;
- (3) Investment of £3m funded from the existing capital programme, representing the value of the 50% shareholding in the joint venture company and match funded by the Fund;
- (4) Granting of Option Agreements in favour of the Fund on the sites listed within this report, and to be included in the asset disposal list to be agreed by Council as part of the Capital Strategy; and
- (5) An Agreement for Lease with the Fund for the development of offices on Fletton Quays.

Cabinet **RECOMMENDED** to Council (*as detailed in the Executive Recommendations report at agenda item 13*):

- (6) Amendments to the Capital Strategy and Asset Management Plan as part of the Medium Term Financial Strategy to be approved by Council to include the revised capital programme, the sites listed in this report on the asset disposal list and the approach to granting Option Agreements;
- (7) Amendment to the Treasury Management Strategy as part of the Medium Term Financial Strategy to be approved by Council to allow the Council to elect to take the benefit of land transfers as units in the fund;
- (8) Amendment of the Constitution 'Appointments to external organisations' to include the joint venture company and the Fund within the 'key partnerships category' to enable the Leader to appoint members to:
 - a. the Board of the Joint Venture Company
 - b. the Fund investment committee
 - c. the Fund management board

Cabinet **DELEGATED** authority to the Director of Growth & Regeneration, in consultation with the Leader of the Council, the Director of Governance and Executive Director of Resources, to;

- (9) Agree the fund investment criteria, shareholders agreement and all other necessary documents to establish the joint venture company and the agreements with the Fund; and

- (10) Authorise the creation of additional organisations such as limited companies, or limited liability partnerships (a council wholly owned company) to hold any dividend bearing units in the Fund.

Cabinet **DELEGATED** authority to the Director of Governance, in consultation with the Executive Director of Resources, to agree the terms of the Agreement for Lease and to execute the transfers of land in response to the exercise of the Option Agreements by the Fund.

BUDGET 2014/15 AND MEDIUM TERM FINANCIAL STRATEGY (MTFS) TO 2023/24

Cabinet at its meeting of 24 February 2014, received a report as part of the Council's agreed process for integrated finance and business planning.

The purpose of the report was to recommend to Council budget proposals for 2014/15 through to 2023/24, in line with the final local government finance settlement for 2014/15 and in advance of some Department for Education specific grants being finalised. The Medium Term Financial Strategy (MTFS) was presented during the Cabinet meeting of 3 February and remained the basis for Cabinet to recommend the budget for approval by Council. The report was supplemented with the MTFS and budget consultation and was due to be refreshed to include the updates contained within the report for submission to Council on 5 March 2014.

The report also provided an update for budget consultation responses received so far, recognising that the consultation remained open until 4 March and that some meetings with key stakeholder groups were still to take place.

Cabinet considered the report and **RESOLVED** to:

1. Have regard to the consultation feedback received to date and statutory advice detailed in the report when determining the budget recommendations, noting that consultation remains open and further update will be provided at the Cabinet meeting and to the council meeting.
2. Agree that the budget proposals contained in the report to Cabinet on 3 February, updated for items in the report and **as amended by the recommendations approved within the 'Funding Peterborough's Future Growth report**, be approved and recommended to Council on 5 March 2014, namely (*as detailed in the Executive Recommendations report at agenda item 13*):
 - a) The revenue budget for 2014/15 and the medium term financial strategy to 2023/24, set in the context of the sustainable community strategy;
 - b) The capital programme for 2014/15 to 2023/24, and associated capital strategy, treasury management strategy and asset management plan;
 - c) The council tax freeze in 2014/15 and 2015/16 with indicative increases for planning purposes of 2% for 2016/17 to 2023/24;
 - d) The proposals for setting fees and charges for 2014/15
 - e) The reserves position including the current budget monitoring forecast;

and that a complete MTFS document will be presented to Council

3. Note the approved and submitted declaration of the surplus on the Collection Fund with regards to business rates for 2013/14 and the business rates forecast for 2014/15;
4. Approve the discretionary retail relief scheme to businesses and the discretionary reoccupation relief scheme for 2014/15;
5. Have regard for the continuing uncertainty of national public finances, the impact that dwelling and business growth locally will have on future funding arrangements; and
6. Recognise the challenge to close a significant forecast gap of £18m in 2015/16 and also the further gaps in later years.

Cabinet **FURTHER RESOLVED** to agree, in principle, to keep the Hydrotherapy pool open for a maximum of two years, subject to:

1. The necessary income and funds being raised to fund the service, including financial support from the NHS; and
2. The facility not requiring capital investment during that period.

3. CALL-IN BY SCRUTINY COMMITTEE OR COMMISSION

Since the publication of the previous report to Council, the call-in mechanism has been invoked once. This was in respect of the decision taken by Cabinet on 3 February 2014 relating to 'The Future Direction of Children's Centres Delivery'. The call-in request was considered by the Creating Opportunities and Tackling Inequalities Scrutiny Committee on 17 February 2014, and following discussion and questions raised on the reasons stated for the call-in, the Committee agreed to the call-in of the decision and to refer it to Full Council for consideration and debate.

It was therefore recommended that under the Overview and Scrutiny Procedure Rules in the Council's Constitution (Part 4, Section 8, and paragraph 13), implementation of the decision would remain suspended until further notice.

4. SPECIAL URGENCY AND WAIVE OF CALL-IN PROVISIONS

Special Urgency and Waiver of Call-in

Scrutiny Procedure Rule 14 and Executive Procedure Rule 7 require any instances where the Council's special urgency provisions have been invoked, and/or the call-in mechanism was not applied, to be reported to the next available meeting of the Council, together with reasons for urgency.

Since the previous report to Council, the urgency provisions have been invoked once.

A1139 Fletton Parkway Junction 17 A1(M) – Junction 2 Widening Scheme – Appointment of Construction Contractor

The Chairman of the Council's Sustainable Growth and Environment Capital Scrutiny Committee agreed to the Council's urgency procedures being invoked in respect of this decision which:

- (i) waived the five day consideration period; and
- (ii) waived the three day call-in period.

The scheme construction start date was, at the time, seven weeks behind the planned build programme. Any further delays were likely to push the build programme back into March 2015, potentially putting at risk some of the DfT grant money awarded and achievement of

the agreed Government deadline for scheme completion. Potential loss of funding and damage to the Councils impressive reputation in delivering major road schemes, could also impact on future funding bids and hence on the Councils growth agenda.

5. CABINET MEMBER DECISIONS

CABINET MEMBER AND DATE OF DECISION	REFERENCE	DECISION TAKEN
Councillor John Holdich 24 January 2014	JAN14/CMDN/06	Appointment of Authority Governor – Queens Drive Infant School The Cabinet Member appointed Mr Simon Collister, nominated by the Governing Body.
Councillor Cereste 27 January 2014	JAN14/CMDN/07	Peterborough Shop Front Design Guidance Supplementary Planning Document The Cabinet Member adopted the Peterborough Shop Front Design Guidance as a Supplementary Planning Document to come into effect on 20 January 2014.
Councillor Seaton 31 January 2014	JAN14/CMDN/08	Legal Advisory Services for the City Council on Behalf of the Energy Services Company (ESCo) ‘Blue Sky Peterborough’ and Related Projects and other City Council Major Development / Investment Projects The Cabinet Member: 1. Approved the award of a contract to Pinsent Mason LLP relating to the delivery of Legal Advisory Services for Peterborough City Council and the Energy Services Company (ESCo), ‘Blue Sky Peterborough’ on a ‘call-off’ basis. The duration of the contract will be for an initial two year period with an option for an extension for a further two year period; and 2. Authorised the Director of Governance and the Head of Strategic Finance to award any call-off assignments against the contract as and when required.
Councillor Seaton 11 February 2014	FEB14/CMDN/12	Sale of Craig Street Car Park The Cabinet Member authorised the Executive Director of Resources to release an operational asset and conclude a sale to MedicXGPG Holdings Ltd of land at Craig Street, currently used as a car park.

<p>Councillor Cereste</p> <p>12 February 2014</p>	<p>FEB14/CMDN/13</p>	<p>A1139 Fletton Parkway Junction 17 A1(M) – Junction 2 Widening Scheme – Appointment of Construction Contractor</p> <p>The Cabinet Member:</p> <ol style="list-style-type: none"> 1. Approved the appointment of Birse Civils Limited to construct the A1139 Fletton Parkway Junction 17 A1(M) – Junction 2 widening scheme and the award of a contract through the Midlands Highway Alliance (MHA) Medium Schemes Framework 1 Contract (MSF 1), for the target cost sum of up to £12,000,000 (the maximum permitted under the framework contract); 2. Authorised that the Director of Growth and Regeneration can vary this contract when required, subject to; (i) available budget being in place; (ii) the total sum of each variation not exceeding £500,000; and 3. Authorised the transfer of £600,000 from the 2014/15 Parkway Lighting Budget (allocated in the 2013 Medium Term Financial Strategy) to the A1139 Fletton Parkway Junction 17 A1(M) – Junction 2 widening scheme budget.
<p>Councillor Holdich</p> <p>17 February 2014</p>	<p>FEB14/CMDN/14</p>	<p>Appointment of Authority Governor – Gladstone Primary School</p> <p>The Cabinet Member appointed Miss Katherine Band as authority governor, as nominated by the school.</p>
<p>Councillor Holdich</p> <p>17 February 2014</p>	<p>FEB14/CMDN/15</p>	<p>Appointment of Authority Governor – St Botolph’s Primary School</p> <p>The Cabinet Member appointed Mrs Jennifer Radford as authority governor, as nominated by the Local Authority.</p>