

**COUNCIL AGENDA**  
**WEDNESDAY 5 MARCH 2014**  
**BOOK 2 OF 2**  
**MEDIUM TERM FINANCIAL STRATEGY**  
**BUDGET 2014/15 AND**  
**MEDIUM TERM FINANCIAL PLAN 2023/24**

**COUNCILLOR DAVID SEATON**  
**CABINET MEMBER FOR**  
**RESOURCES**

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**EXECUTIVE DIRECTOR –**  
**RESOURCES**

**Growing the right way for**  
**a bigger, better Peterborough**

**PETERBOROUGH**  
  
**CITY COUNCIL**

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# COUNCIL REPORT

COUNCIL	AGENDA ITEM 13(b)
5 MARCH 2014	PUBLIC REPORT

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

R E C O M M E N D A T I O N S
<b>FROM : Executive Director, Resources</b>
That Council is recommended to approve:
<ul style="list-style-type: none"> <li>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;</li> <li>b) The capital programme for 2014/15 to 2023/24 and associated capital strategy, treasury management strategy and asset management plan;</li> <li>c) The council tax freeze in 2014/15 with indicative forecasts of a freeze in 2015/16 and indicative increases of 2.00% in 2016/17 to 2023/24 for planning purposes;</li> <li>d) The setting of fees and charges for 2014/15</li> <li>e) The reserves position</li> <li>f) The council tax setting resolution as set out in appendix A;</li> </ul>

## PURPOSE AND REASON FOR REPORT

- 1.1 The purpose of this report is to present budget proposals for 2014/15 through to 2023/24.
- 1.2 Full Council are required to set the council tax for 2014/15 which includes not only its own requirements but that of the relevant precepting bodies, i.e. Police, Fire and Parishes (where applicable).
- 1.3 The decisions contained in this report are a matter reserved for Full Council.

Is this a Major Policy Item/Statutory Plan?	YES	If Yes, date for relevant Cabinet Meeting	n/a
Date for relevant Council Meeting	5 March 2014	Date for submission to Government department	Communities and Local Government (CLG) 11 March 2014

## 2. BACKGROUND

- 2.1 Cabinet at its meeting on the 24 February 2014, considered a report entitled 'Budget 2014/15 and medium term financial strategy (MTFS) to 2023/24' and an accompanying addendum entitled 'Budget 2013/14 and medium term financial strategy (MTFS) to 2022/23'. The recommendations from Cabinet are attached at appendix B. The addendum provided further budget consultation responses and these have been included in section 10 of the MTFS.

The overall budget position is as follows:

	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
<b>Funding</b>					
Schools Funding	137,845	137,845	137,845	137,845	137,845
Revenue Support Grant	45,973	33,172	30,229	29,424	28,602
Business Rates	45,234	46,191	48,176	49,154	50,116
Other Council Grant	31,177	32,186	31,503	31,395	31,220
Benefit Grant	72,600	72,600	72,600	72,600	72,600
Parish Precepts	445	445	445	445	445
Council Tax	57,591	58,252	60,091	61,987	63,943
Collection Fund Surplus (Business Rates)	649	0	0	0	0
<b>Total Funding</b>	<b>391,514</b>	<b>380,691</b>	<b>380,889</b>	<b>382,850</b>	<b>384,771</b>
<b>Total Net Expenditure</b>	<b>391,514</b>	<b>398,294</b>	<b>403,125</b>	<b>406,443</b>	<b>410,878</b>
<b>Budget Surplus(+)/ Deficit(-)</b>	0	-17,603	-22,236	-23,593	-26,107
<b>Year on year deficit targets</b>		-17,603	-4,633	-1,357	-2,514

- 2.2 During the Cabinet discussion, the saving proposal on St George's hydrotherapy pool was discussed following feedback received through the budget consultation. The Council will continue to keep the facility open beyond April, whilst working with others to consider options for the future. The Cabinet meeting agreed the following recommendation:

*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*

The statement read out during Cabinet on 24 February can be seen at the end of this report immediately before Appendix A – Council Resolution.

- 2.3 The same Cabinet meeting considered a report titled 'Funding Peterborough's Future Growth' which recommended the establishment of setting up a joint venture and based on the financial model, the council will benefit from savings from 2015/16 onwards. The budget has been updated to reflect these savings of £250k from 2015/16 rising to £400k per annum from 2018/19. The treasury management strategy, capital strategy (including capital programme and asset disposal list) and asset management plan have been updated to reflect the changes arising from the Cabinet report. A schedule of these changes can also be seen at the end of this report.

2.4 The Council Tax excluding Parishes (local precepts), can be summarised as follows:

	Band D 2013/14	Band D 2014/15	Percentage Increase
Peterborough City Council	£1,128.03	£1,128.03	0.00%
Major Precepts:			
Cambridgeshire Police and Crime Commissioner	£177.93	£181.35	1.92%
Cambridgeshire and Peterborough Fire Authority	£64.26	£64.26	0.00%
<b>TOTAL</b>	<b>£1,370.22</b>	<b>£1,373.64</b>	<b>0.25%</b>

The average increase in council tax for the Peterborough area incorporating the billing authority and major and local precepts is 0.25%.

Under the Local Government Finance Act 1992 (as amended by the Localism Act 2011), councils are required to determine whether they have set an excessive increase in council tax. The Secretary of State has power to determine the principles of assessing excessive council tax increases and these principles were approved by the House of Commons on 5 February 2014 within the report Referendums Relating to Council Tax Increases (Principles) (England) Report 2014/15.

For principal councils such as Peterborough City Council, an increase in the relevant basic amount of council tax in excess of 2.00% would be deemed excessive and would require a local referendum. The council is not required to perform this calculation on the basis that it is freezing council tax.

The Cambridgeshire Police and Crime Commissioner and the Cambridgeshire and Peterborough Fire Authority have held their own meetings to set the Band D element of council tax. The council is now in receipt of the formal notification of their meetings. The Police and Fire organisations are responsible for ensuring that any increase in their Band D element of council tax meets the referendum regulations.

The parish element of the council tax set by the individual parish councils have either increased or decreased as shown on the council tax bills. Parish councils are separate entities and therefore the council has no control on how parish councils set their budgets. Parish councils are exempt from applying referendum principles in 2014/15 to calculate whether the parish council has set an excessive council tax increase. The average increase in the parish precept is 13.8% from £391k in 2013/14 to £445k in 2014/15. The parish council impact on band D council tax levels range from a reduction of £7.21 to an increase of £20.61 across the Peterborough area.

### **STATUTORY ADVICE – LOCAL GOVERNMENT ACT 2003**

2.5 The Local Government Act 2003 requires the Chief Finance Officer to report on the adequacy of reserves and provisions and the robustness of budget estimates as part of the annual budget process. This report is a key part of the MTFs, and a full analysis of possible budget risks as well as the forecasts for levels of reserves are included in the MTFs, but in summary:

- The Council is required to set a balanced budget for 2014/15. Throughout the MTFs, balances remain at the £6m threshold
- The key budget risk over the life of the MTFs is the uncertainty over future funding levels due to national changes to local government financing. The new funding arrangements expose the council to financial risk if business rates decline and volatility of locally managing the business rate scheme.
- An increasing level of funding allocated by government such as the pooled NHS Funding – ‘Better Care Fund’ requires the council to work closely with the health sector to access

funding to provide services. The council will need to work in partnership with the NHS to agree deliverables and outcomes on health funding available to councils from 2015/16. Dependent on the outcomes and performance achieved, the funding available may be different.

- 2.6 My opinion is based on the forecast of reserves and having regard to the commentary set out in the MTFs in respect of robustness of estimates and risk analysis. I conclude that the level of reserves, balances and contingencies are sufficient for the authority in setting the budget and resultant council tax for 2014/15.

## BUDGET CONSULTATION

- 2.7 The consultation remains open and will close on 4 March 2014 allowing interested parties to put forward their views. As at 19 February, there has been 311 comments made through 73 respondents to the public consultation, 36 responses via the on-line survey and organised consultation events. The council has also received one petition and acknowledges a further two e-petitions set up on the council's website. All responses received during the budget consultation process, and the responses given, are included in this MTFs (section 10). Any further updates will be communicated to Full Council. The key areas receiving five or more comments are as follows:

Subject	Comments
General – includes suggestions and areas not directly related to budget proposals	84
Garden Waste Collection	62
Garden Waste Collection and Council Tax	14
St Georges Hydrotherapy Pool	33
Capital Programme	10
Renewables	6
Children's Centres	16
Garden Waste Collection and General	4
Council tax	39
Adult Social Care proposals	7
Community Leadership Fund	8
4 or less comments	28
<b>TOTAL</b>	<b>311</b>

- 2.8 There has been an amendment to the St George's Hydrotherapy pool saving proposal as outlined earlier in this report, the council will continue to keep the facility open beyond April, whilst working with others to consider options for the future.

*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*

The statement read out during Cabinet on 24 February can be seen at the end of this report immediately before Appendix A – Council Resolution.

- 2.9 The consultation remains open until 4 March, with any further comments to be presented to Council on 5 March as an addendum. This will also include any comments arising from the

Connect Group budget consultation meeting. The Cabinet Member for Resources (after consulting with Cabinet colleagues) does not believe that there should be further changes to the proposals except those outlined earlier in this report.

### **3. IMPLICATIONS**

#### **Elected Members**

- 3.1 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.
- 3.2 It is an offence for any Members with arrears of council tax which have been outstanding for two months or more to attend any meeting of the Council or its committees at which a decision affecting the budget is made, unless the Members concerned declare at the outset of the meeting that they are in arrears and will not be voting on the decision for that reason.

#### **Financial Implications**

- 3.3 The totality of this report considers the Council's budget and financial position for the year. Full details are included in the attached MTFS.

#### **Legal Implications**

- 3.4 Legal implications outlined in the 24 February Cabinet report paragraphs referenced the budget process that the council must follow to set an approved budget for 2014/15 including the new requirement to record the budget decision of each councillor, namely:
  1. All budget proposals approved by Council on 5 March will be implemented with immediate effect as Council decisions are not subject to call in by the Scrutiny Committee.
  2. The Council's budget and policy framework states that the Cabinet must consider the proposals of the relevant Scrutiny Committee and, if it considers it appropriate, it may amend its budget proposals before submitting them to Council.
  3. Cabinet is reminded of the legal obligation to propose a balanced budget to Council. Therefore Cabinet is unlikely to be able to endorse any recommendations unless there are alternative proposals to balance the budget.
  4. The Constitution requires that a substantial amendment or amendments which amount to an alternative budget (i.e. proposes a different level of Council Tax) must be submitted by notice in writing to the Chief Executive by 10.00am on Friday, 28 February 2014. Such notice must then be circulated to all Members of the Council. If more than one such amendment is received they will be considered at the Council meeting in the order of receipt.
  5. If the proposed amendment is not substantial or does not propose an alternative budget then it should be submitted by notice in writing to the Chief Executive by midday on Wednesday, 5 March 2014. This is to ensure that formal budget documents, including the council tax resolution, can be prepared as necessary.
  6. The budget decision taken by Council must include the decision of each councillor recording in the minutes whether the councillor voted for, against or abstained from the budget decision as prescribed in the Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014.
- 3.5 Council must have regard for the budget process legal implications set out in this report. The totality of this report has regards to legal requirements associated with local government finance in England.

### **Human Resources Implications**

- 3.6 Human Resource implications outlined in the 24 February Cabinet report paragraph 10.3.1 assumed the following numbers of posts affected by the budget in the region of 53.5 full time equivalents. The actual number of redundancies will be less after taking into account the removal of vacant posts.

### **Equalities Implications**

- 3.7 Each aspect of the medium term financial plan has been assessed as appropriate. Each saving proposal has been assessed.

## **4. BACKGROUND DOCUMENTS**

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



# Statement on St Georges Hydrotherapy Pool

## St Georges Hydrotherapy pool - Statement read out by Councillor Seaton at Cabinet on 24<sup>th</sup> February

Having had regard to the feedback from the Disability Forum, and the recent petition, Cabinet remains committed to trying to find a future solution for users of St Georges Hydrotherapy pool.

Whilst it is not clear whether there is a long term future for St Georges, given the high level of maintenance and repair the site needs, all avenues should be explored to ensure users can still access the hydrotherapy services they value.

As such the Council will continue to keep the facility open beyond April, whilst working with others to consider options for the future.

A number of Councillors have pledged Community Leadership Fund money to help St Georges. This should help keep the pool open for around another three months into next financial year.

In the meantime, the council will work with the user group and other interested parties to try and find alternative funding for the remainder of the year, including:

- Support from Health, and;
- Other funding and grants that may be available

This search for funds will also see whether such funding could be maintained into a second year, again maintaining the services whilst longer term options are considered.

Keeping it open in the long term will cost a considerable amount of money as the building and site is in poor condition. Whilst the Council remain committed to the timeframes outlined above, if there is a failure in part of the building, it should be noted that repairs may prove prohibitively expensive.

Cabinet are asked 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 discussions through the Health and Wellbeing Board
2. The facility not requiring capital investment during that period

### **Cabinet Recommendation**

*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*

# **Amendments to Treasury Strategy, Capital Strategy and Asset management Plan**

## **Amendments to Treasury Strategy**

New Paragraph after 4.7 Annual Investment Policy

### **Peterborough's Growth Delivery Project**

The following model has been established and agreed in the paper submitted to Cabinet on the 24<sup>th</sup> February 2014

<http://democracy.peterborough.gov.uk/documents/s19284/5.%20Funding%20Peterboroughs%20Future%20Growth.pdf>

A Joint Venture Company (JVCo) 50:50 owned and controlled by the Council and an investment fund called the Peterborough Fund which will work to create commercially viable schemes. Once a scheme is approved by the JVCo board it will pass to the Peterborough Investment Fund, which will create a Special Purpose Vehicle (SPV) to oversee the scheme implementation.

As projects are developed the Council will sell sites previously earmarked for disposal at their current market value to the fund for development. The Council may receive cash or units in the Fund in consideration. The Council will only be able to receive of units in the Fund in relation to this project, and this decision may be subject to a further Cabinet Member Decision, it will not be allowed to use the Fund for general investment purposes.

The Peterborough Fund will be registered in Guernsey, regulated by the Guernsey Financial Services Commission and will be VAT registered in the UK. It is expected that the Fund will initially raise £130 million using international and UK investors.

Table (1a) - Added £1m in 2014/15 to Growth and Regeneration which will be funded from S106 monies

Table (1b) – Added £1m in 2014/15 to Total Capital Expenditure (from the above) and Capital grants and contributions which is the funding from S106 monies

## **Amendments to Capital Strategy**

### **Section 4.4.5**

Removed the sentence “The growth and regeneration function has been centralised under one new directorate who will commission Opportunity Peterborough and a new Wholly Owned Company (WOC) that will focus on the physical regeneration” and replaced with

The Cabinet Report “Funding Peterborough's Future Growth” on the 24<sup>th</sup> February approved the establishment of a Joint Venture Company between the Council and the Peterborough Investment Fund to promote growth, regeneration and economic development.

### **Section 4.4.7**

Added to the end of the paragraph– and the new Joint Venture Company in conjunction with the Peterborough Investment Fund

### **Annex 3**

Growth and Regeneration

Separated the investment in the Joint Venture to its own line £3m in 2014/15 - £2m from the Peterborough Delivery Partnership line and £1m additional expenditure funded from S106 monies

## **Annex 4**

### **Capital Receipts Summary**

Added a separate section to the bottom of the table to add in the sites that the Council will be granting an option to purchase to the Peterborough Investment Fund. Aqua House and the Mill have been noted that although not owned by the Council, if they were to be in the future they would be included in the properties that are to be optioned to the Peterborough Investment Fund.

## **Amendments to AMP**

### **Executive Summary, Section 4 The Future Management of Property**

Para 4.2 – In addition the AMP also sets out how the Council will get more from the portfolio. This will include the following:

Added bullet point:

- To work with its Joint Venture Company and the Peterborough Investment Fund to identify and transfer assets at market value for cash or shares in the Peterborough Investment Fund. The assets transferred to the Fund will be developed to promote growth, regeneration and economic development within the City.

### **Organisational Arrangement for Asset Management – Section 2.6 Partnership Working added -**

The Council has established a Joint Venture Company with an Investment Fund called the Peterborough Investment Fund to prepare viable and consented development schemes for a series of sites which will be developed to promote growth, regeneration and economic development within the City. The Council will be granting Option Agreements on specified sites to the Peterborough Investment Fund within the Cabinet Report Funding Peterborough's Future Growth on the 24<sup>th</sup> February 2014.

### **Section 2.7.4**

Removed the sentence "The growth and regeneration function has been centralised under one new directorate who will commission Opportunity Peterborough and a new Wholly Owned Company (WOC) that will focus on the physical regeneration on specific projects in and around the Riverside Opportunity Area" and replaced with

The Cabinet Report "Funding Peterborough's Future Growth" on the 24<sup>th</sup> February approved the establishment of a Joint Venture Company between the Council and the Peterborough Investment Fund to promote growth, regeneration and economic development.

### **Resourcing Capital Projects section 6.2.2 added the additional point**

- The Joint Venture Company established in the Cabinet Paper "Funding Peterborough's Future Growth" approved on the 24<sup>th</sup> February 2014.

### **Surplus Property – Declaration and Procedures – included new section 8.5.13**

The Council has established a Joint Venture Company with an Investment Fund called the Peterborough Investment Fund to prepare viable and consented development schemes for a series of sites which will be developed to promote growth, regeneration and economic development within the City. The Council will be granting Option Agreements on specified sites to the Peterborough Investment Fund within the Cabinet Report Funding Peterborough's Future Growth on the 24<sup>th</sup> February 2014.

# APPENDIX A – Council Tax Resolution

## COUNCIL TAX 2014/15

Following consideration of the report to this Council on 5 March 2014 and the setting of the Revenue Budget for 2014/15, the Council is requested to pass the resolution below to set the council tax requirement.

### RESOLVED

1. THAT the Revenue Budget in the sum of £149,891,728 (being £287,736,728 less School Funding of £137,845,000) now presented be approved.
  
2. THAT it be noted that at its meeting on 20 January 2014 the Cabinet calculated the following amounts for the year 2014/15 in accordance with regulations made under Section 31B(3) of the Local Government Finance Act 1992 (the Act) (as amended): -
  - (a) 51,054.03 being the amount calculated by the Council, in accordance with regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992 (as amended), as its council tax base for the year.

### (b) Part of the Council's Area

Ailsworth	228.57
Bainton	146.14
Barnack	405.39
Bretton	2,984.43
Castor	359.17
City (non-parished)	30,764.03
Deeping Gate	205.98
Etton	50.27
Eye	1,377.47
Glington	586.93
Hampton	3,414.72
Helpston	403.38
Marholm	73.39
Maxey	304.79
Newborough and Borough Fen	564.38
Northborough	481.62
Orton Longueville	3,010.97
Orton Waterville	3,240.56
Peakirk	165.59
Southorpe	72.22
Sutton	67.12
Thorney	756.79
Thornhaugh	87.89
Ufford	123.42
Wansford	236.30
Wittering	728.85
SUB TOTAL	<hr/> 50,840.36
<b><i>The Council tax base total for areas to which no special items relate</i></b>	213.67
TOTAL	<hr/> <hr/> 51,054.03

being the amounts calculated by the Council, in accordance with regulation 6 of the Regulations, as the amounts of its council tax base for the year for dwellings in those parts of its area to which one or more special items relate.

3. THAT the following amounts be now calculated by the Council for the year 2014/15 in accordance with Sections 31A, 31B and 34 to 36 of the Local Government and Finance Act 1992 (as amended): -

- (a) £439,788,553 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) (a) to (f) of the Act. (Gross expenditure including repayments of grants to government 31A(6) (a), Parish Precepts and Special Expenses 31A (6) (b))
- (b) £381,753,050 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) (a) to (d) of the Act. (Revenue Income)
- (c) £58,035,503 being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council, in accordance with section 31A(4) of the act as its council tax requirement for the year.
- (d) £1,136.75 being the amount at 3(c) above divided by the council tax base at 2(b) above in accordance within section 31B(1) of the Act, as the basic amount of its council tax requirement for the year.
- (e) £445,026 being the aggregate amount of all special items referred to in Section 35 (1)of the Act. (Parish Precepts)
- (f) £1,128.03 being the amount at 3(d) above less the result given by dividing the amount at 3(e) above by the amount at 2(a) above, calculated by the Council in accordance with section 34(2) of the Act, as the basic amount of its Council tax requirement for the year for dwellings in those parts of its area to which no special item relates

(g) Parts of Council's Area

<b>Parish Of:</b>	<b>Band D</b>
Ailsworth	£1,147.33
Bainton	£1,164.36
Barnack	£1,150.50
Bretton	£1,152.31
Castor	£1,176.30
Deeping Gate	£1,139.86
Etton	£1,164.99
Eye	£1,158.63
Glington	£1,148.89
Hampton	£1,147.08
Helpston	£1,148.54
Marholm	£1,138.01
Maxey	£1,138.08
Newborough and Borough Fen	£1,150.17
Northborough	£1,162.90
Orton Longueville	£1,135.95
Orton Waterville	£1,141.83
Peakirk	£1,157.60
Southorpe	£1,134.55
St Martins	
Without	£1,128.03
Sutton	£1,164.86
Thorney	£1,172.98
Thornhaugh	£1,180.20
Ufford	£1,170.01
Upton	£1,128.03
Wansford	£1,166.33
Wittering	£1,185.74
Wothorpe	£1,128.03

Being the amounts given by adding to the amount at 3(f) above the amounts of the special items relating to dwellings in those parts of the Council's area mentioned above divided in each case by the amount at 2(b) above, calculated by the Council, in accordance with Section 34(3) of the Act, as the basic amounts of its Council Tax for the year for dwellings in those parts of its area to which one or more special items relate.

3. (h) Part of the Council's Area

	Valuation Bands							
	A £ . p	B £ . p	C £ . p	D £ . p	E £ . p	F £ . p	G £ . p	H £ . p
Ailsworth	764.89	892.37	1,019.85	1,147.33	1,402.29	1,657.26	1,912.22	2,294.66
Bainton	776.24	905.62	1,034.98	1,164.36	1,423.10	1,681.86	1,940.60	2,328.72
Barnack	767.00	894.84	1,022.66	1,150.50	1,406.16	1,661.84	1,917.50	2,301.00
Bretton	768.21	896.24	1,024.27	1,152.31	1,408.38	1,664.45	1,920.52	2,304.62
Castor	784.20	914.90	1,045.60	1,176.30	1,437.70	1,699.10	1,960.50	2,352.60
Deeping Gate	759.91	886.56	1,013.21	1,139.86	1,393.16	1,646.47	1,899.77	2,279.72
Etton	776.66	906.11	1,035.54	1,164.99	1,423.87	1,682.77	1,941.65	2,329.98
Eye	772.42	901.16	1,029.89	1,158.63	1,416.10	1,673.58	1,931.05	2,317.26
Glinton	765.93	893.58	1,021.23	1,148.89	1,404.20	1,659.51	1,914.82	2,297.78
Hampton	764.72	892.18	1,019.62	1,147.08	1,401.98	1,656.90	1,911.80	2,294.16
Helpston	765.69	893.31	1,020.92	1,148.54	1,403.77	1,659.01	1,914.23	2,297.08
Marholm	758.67	885.12	1,011.56	1,138.01	1,390.90	1,643.80	1,896.68	2,276.02
Maxey	758.72	885.18	1,011.62	1,138.08	1,390.98	1,643.90	1,896.80	2,276.16
Newborough and Borough Fen	766.78	894.58	1,022.37	1,150.17	1,405.76	1,661.36	1,916.95	2,300.34
Northborough	775.27	904.48	1,033.69	1,162.90	1,421.32	1,679.75	1,938.17	2,325.80
Orton Longueville	757.30	883.52	1,009.73	1,135.95	1,388.38	1,640.82	1,893.25	2,271.90
Orton Waterville	761.22	888.09	1,014.96	1,141.83	1,395.57	1,649.31	1,903.05	2,283.66
Peakirk	771.73	900.36	1,028.97	1,157.60	1,414.84	1,672.09	1,929.33	2,315.20
Southorpe	756.37	882.43	1,008.49	1,134.55	1,386.67	1,638.80	1,890.92	2,269.10
St Martins Without	752.02	877.36	1,002.69	1,128.03	1,378.70	1,629.38	1,880.05	2,256.06
Sutton	776.57	906.01	1,035.43	1,164.86	1,423.71	1,682.58	1,941.43	2,329.72
Thorney	781.99	912.32	1,042.65	1,172.98	1,433.64	1,694.31	1,954.97	2,345.96
Thornhaugh	786.80	917.94	1,049.06	1,180.20	1,442.46	1,704.74	1,967.00	2,360.40
Ufford	780.01	910.01	1,040.01	1,170.01	1,430.01	1,690.02	1,950.02	2,340.02
Upton	752.02	877.36	1,002.69	1,128.03	1,378.70	1,629.38	1,880.05	2,256.06
Wansford	777.55	907.15	1,036.73	1,166.33	1,425.51	1,684.70	1,943.88	2,332.66
Wittering	790.49	922.25	1,053.99	1,185.74	1,449.23	1,712.74	1,976.23	2,371.48
Wothorpe	752.02	877.36	1,002.69	1,128.03	1,378.70	1,629.38	1,880.05	2,256.06
<b>Total Non-Parished Areas</b>	<b>752.02</b>	<b>877.36</b>	<b>1,002.69</b>	<b>1,128.03</b>	<b>1,378.70</b>	<b>1,629.38</b>	<b>1,880.05</b>	<b>2,256.06</b>

being the amounts given at 3(g) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

4. That it be noted that for the year 2014/15 the Police and Crime Commissioner for Cambridgeshire and Cambridgeshire & Peterborough Fire Authority have stated the following amounts in the precept issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below :-

THAT the following amounts be now calculated by the Council for the year 2014/15 in accordance with Sections 31A, 31B and 34 to 36 of the Local Government and Finance Act 1992 (as amended): -

	Valuation Bands							
	A	B	C	D	E	F	G	H
	£ . p	£ . p	£ . p	£ . p	£ . p	£ . p	£ . p	£ . p
Police and Crime Commissioner for Cambridgeshire Cambridgeshire & Peterborough Fire Authority	120.90 42.84	141.05 49.98	161.20 57.12	181.35 64.26	221.65 78.54	261.95 92.82	302.25 107.10	362.70 128.52
TOTAL	163.74	191.03	218.32	245.61	300.19	354.77	409.35	491.22



- That having calculated the aggregate in each case of the amounts at 3 (h) and 4 above , the Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of council tax for the year 2014/15 for each of the categories of dwellings shown below :-

	Valuation Bands							
	A £ . p	B £ . p	C £ . p	D £ . p	E £ . p	F £ . p	G £ . p	H £ . p
Ailsworth	928.63	1,083.40	1,238.17	1,392.94	1,702.48	2,012.03	2,321.57	2,785.88
Bainton	939.98	1,096.65	1,253.30	1,409.97	1,723.29	2,036.63	2,349.95	2,819.94
Barnack	930.74	1,085.87	1,240.98	1,396.11	1,706.35	2,016.61	2,326.85	2,792.22
Bretton	931.95	1,087.27	1,242.59	1,397.92	1,708.57	2,019.22	2,329.87	2,795.84
Castor	947.94	1,105.93	1,263.92	1,421.91	1,737.89	2,053.87	2,369.85	2,843.82
Deeping Gate	923.65	1,077.59	1,231.53	1,385.47	1,693.35	2,001.24	2,309.12	2,770.94
Etton	940.40	1,097.14	1,253.86	1,410.60	1,724.06	2,037.54	2,351.00	2,821.20
Eye	936.16	1,092.19	1,248.21	1,404.24	1,716.29	2,028.35	2,340.40	2,808.48
Glington	929.67	1,084.61	1,239.55	1,394.50	1,704.39	2,014.28	2,324.17	2,789.00
Hampton	928.46	1,083.21	1,237.94	1,392.69	1,702.17	2,011.67	2,321.15	2,785.38
Helpston	929.43	1,084.34	1,239.24	1,394.15	1,703.96	2,013.78	2,323.58	2,788.30
Marholm	922.41	1,076.15	1,229.88	1,383.62	1,691.09	1,998.57	2,306.03	2,767.24
Maxey	922.46	1,076.21	1,229.94	1,383.69	1,691.17	1,998.67	2,306.15	2,767.38
Newborough and Borough Fen	930.52	1,085.61	1,240.69	1,395.78	1,705.95	2,016.13	2,326.30	2,791.56
Northborough	939.01	1,095.51	1,252.01	1,408.51	1,721.51	2,034.52	2,347.52	2,817.02
Orton Longueville	921.04	1,074.55	1,228.05	1,381.56	1,688.57	1,995.59	2,302.60	2,763.12
Orton Waterville	924.96	1,079.12	1,233.28	1,387.44	1,695.76	2,004.08	2,312.40	2,774.88
Peakirk	935.47	1,091.39	1,247.29	1,403.21	1,715.03	2,026.86	2,338.68	2,806.42
Southorpe	920.11	1,073.46	1,226.81	1,380.16	1,686.86	1,993.57	2,300.27	2,760.32
St Martins Without	915.76	1,068.39	1,221.01	1,373.64	1,678.89	1,984.15	2,289.40	2,747.28
Sutton	940.31	1,097.04	1,253.75	1,410.47	1,723.90	2,037.35	2,350.78	2,820.94
Thorney	945.73	1,103.35	1,260.97	1,418.59	1,733.83	2,049.08	2,364.32	2,837.18
Thornhaugh	950.54	1,108.97	1,267.38	1,425.81	1,742.65	2,059.51	2,376.35	2,851.62
Ufford	943.75	1,101.04	1,258.33	1,415.62	1,730.20	2,044.79	2,359.37	2,831.24
Upton	915.76	1,068.39	1,221.01	1,373.64	1,678.89	1,984.15	2,289.40	2,747.28
Wansford	941.29	1,098.18	1,255.05	1,411.94	1,725.70	2,039.47	2,353.23	2,823.88
Wittering	954.23	1,113.28	1,272.31	1,431.35	1,749.42	2,067.51	2,385.58	2,862.70
Wothorpe	915.76	1,068.39	1,221.01	1,373.64	1,678.89	1,984.15	2,289.40	2,747.28
Total Non-Parished Areas	915.76	1,068.39	1,221.01	1,373.64	1,678.89	1,984.15	2,289.40	2,747.28

**PARISH PRECEPTS 2014/15**

The following parish precepts have been **levied** on Peterborough City Council (comparable figures are shown for 2013/14) :-

	2013/14 £	2014/15 £	2014/15 Council Tax @ Band D Equivalent £
Ailsworth	-	-	19.30
Bainton & Ashton	5,474	4,412	36.33
Barnack	3,881	5,309	22.47
Bretton	5,348	9,108	24.28
Castor	49,866	72,457	48.27
Deeping Gate	9,877	17,336	11.83
Etton	0	2,436	36.96
Eye	1,780	1,858	30.60
Glington	41,301	42,154	20.86
Hampton	11,428	12,243	19.05
Helpston	63,009	65,047	20.51
Marholm	511	8,272	9.98
Maxey	733	733	10.05
Newborough and Borough Fen	2,429	3,063	22.14
Northborough	16,758	12,498	34.87
Orton Longueville	11,202	16,795	7.92
Orton Waterville	20,766	23,838	13.80
Peakirk	45,806	44,735	29.57
Southorpe	4,974	4,896	6.52
St Martins Without	479	470	-
Sutton	0	0	36.83
Thorney	2,729	2,472	44.95
Thornhaugh	34,200	34,017	52.17
Ufford	4,588	4,585	41.98
Upton	4,299	5,181	-
Wansford	0	0	38.30
Wittering	8,877	9,050	57.71
Wothorpe	40,799	42,061	-
	0	0	
<b>Total</b>	<b>391,113</b>	<b>445,026</b>	

## APPENDIX B – Cabinet Recommendations to Council

<b>CABINET</b>	
<b>24 FEBRUARY 2014</b>	<b>PUBLIC REPORT</b>

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

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

<b>R E C O M E N D A T I O N S</b>	
<b>FROM :</b> Cllr David Seaton	<b>Deadline date:</b> Council Meeting 5 March 2014
Cabinet is recommended to:	
<ol style="list-style-type: none"> <li>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.</li> <li>2. Agree that the budget proposals contained in the report to Cabinet on 3 February updated for items in this report be approved and recommended to Council on 5 March 2014, namely:               <ol style="list-style-type: none"> <li>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;</li> <li>b) The capital programme for 2014/15 to 2023/24, and associated capital strategy, treasury management strategy and asset management plan;</li> <li>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;</li> <li>d) The proposals for setting fees and charges for 2014/15</li> <li>e) The reserves position including the current budget monitoring forecast;</li> </ol> <p>and that a complete MTFS document will be presented to Council.</p> </li> <li>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.</li> <li>4. Approve the discretionary retail relief scheme to businesses and the discretionary reoccupation relief scheme for 2014/15.</li> <li>5. 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.</li> <li>6. That Cabinet recognise the challenge to close a significant forecast gap of £18m in 2015/16 and also the further gaps in later years.</li> </ol>	

## 1. ORIGIN OF REPORT

- 1.1 The report is submitted to the Cabinet as part of the council's agreed process for integrated finance and business planning.

## 2. PURPOSE AND REASON FOR REPORT

- 2.1 The purpose of this report is 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 remains the basis for Cabinet to recommend the budget for approval by Council. The report was supplemented with the MTFS and budget consultation and will be refreshed to include the updates contained within this report for Council on 5 March 2014.
- 2.2 This report also provides an update for budget consultation responses received so far, recognising that the consultation remains open until 4 March and that some meetings with key stakeholder groups are still to take place.
- 2.3 The report is for Cabinet to consider under its Terms of 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."*
- 2.4 In addition, the report also has regard to the revised budget timetable approved by Council at the meeting of 4 December under the council constitution Part 4, Section 6 – Budget and Policy Framework Rules.

### TIMESCALE

Is this a Major Policy Item/Statutory Plan?	YES	If Yes, date for relevant Cabinet Meeting	24 February 2014
Date for relevant Council Meeting	5 March 2014	Date for submission to Government department	Communities and Local Government (CLG) 11 March 2014

## 3. FUTURE BUDGET PROSPECTS AND BUDGET PROPOSALS 2014/15 TO 2023/24

- 3.1 Cabinet firmly believe that budgets over the medium term that support the council's key priorities should be put forward and that these should meet the changing characteristics of the city, its residents, businesses and those that visit the city.

### Priorities and approach

- 3.2 The proposals put forward in this paper maintain our commitment to:
- Growth, regeneration and economic development to bring new investment and jobs. Supporting people into work and off benefits.
  - Improving educational attainment and skills for all children and young people, allowing them to seize the opportunities offered by new jobs and our university provision, thereby keeping their talent and skills in the city.
  - Safeguarding vulnerable children and adults.
  - The Environment Capital agenda including pursuing new income streams from solar energy and wind farm developments.
  - Supporting the city's culture trust Vivacity to continue to deliver arts and culture.
  - Keeping our communities safe, cohesive and healthy.

The sixth priority reflects the recommendation by Scrutiny members outlined later in this report.

### Updates to the budget and MTFs since 3 February Cabinet

- 3.3 The table below summarises the changes that have been made following consultation feedback received to date and the final settlement announced on 5 February. These updates will be incorporated in the MTFs document for approval by Council on 5 March 2014.

	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
<b>Deficit</b>	0	-17,848	-22,486	-23,843	-26,507
Consultation feedback	0	0	0	0	0
Finance Settlement Updates	20	-5	0	0	0
Held in contingency	-20	0	0	0	0
<b>Revised Surplus (+) / Deficit (-)</b>	<b>0</b>	<b>-17,853</b>	<b>-22,486</b>	<b>-23,843</b>	<b>-26,507</b>
Year on year deficit targets		-17,853	-4,633	-1,357	-2,664

- 3.4 It is recommended to set aside the £20k in a contingency at present whilst the council awaits the final notification of Department for Education grants from government. These grants remain provisional in the budget assumptions.

- 3.5 The following presentational changes will be made to the key figures statement presented to Council but have no impact on the budget position as follows:

- i. Presentational change for apportioning business rate income, business rate collection fund surplus and business rate Section 31 grants included within specific grants following submission of the business rates return to government;
- ii. Parish precepts have now been received from Parish Councils and subsequently an updated position has been reflected in the budget tables;
- iii. The council's budget for 2014/15 includes £2.9m of NHS funding assuming a continued agreement with the NHS for spending on social care. An additional allocation announced £661k for Better Care funding in 2014/15 which is available to be pooled between the Clinical Commissioning Group (CCG) and the council. The proposed usage of this funding, is currently being considered between the council and CCG and will be confirmed in April 2014. The NHS funding included within specific grants on the key figures statement will increase;
- iv. The key figures statement included school funding of £164.7m which included recoupment funding not due to the council. The revised school funding figure is £137.8m and a corresponding adjustment has been made within expenditure budgets to match funding. Schools Forum has responsibility for school funding and therefore there is no financial impact for the council.

- 3.6 Since the 3 February Cabinet meeting and after considering all responses received to date on the consultation, the Cabinet Member for Resources (after consulting Cabinet colleagues) has recommended there is no change to budget consultation proposals. However, several organisations consulted to date have suggested that they would like a greater involvement in future delivery of services with the voluntary and community sector and partner organisations believing that they can help deliver efficiencies and better outcomes with the council.

### Items to follow

Due to the timing of consultation events and the release of the Cabinet papers, it will be necessary to issue an addendum to this report to provide further consultation feedback as outlined in section 6 of this report. This will be tabled at the meeting. In line with previous practice, this allows the consultation to remain open for as long as possible.

#### 4. MTFS 2014/15 to 2023/24

##### Financial Settlement 2014/15

- 4.1 The report discussed by Cabinet on 3 February highlighted a grant reduction of £8.9m in 2014/15 and a further £12.3m in 2015/16 based on the provisional local government settlement announcement on 18 December 2013. This represents approximately 28% and 39% reduction in council funding since 2010/11 spending levels. By 2015/16, the council would have seen grant reductions of £44m since 2010/11.
- 4.2 The final settlement was announced on 5 February 2014. The outline of the final settlement is in line with the provisional settlement with a few minor amendments. The table below summarises the changes including an adjustment on business rate income following the submission of the council's Business rate forecast (NNDR 1) 2014/15 submission to government on 31 January.

	2014/15 £k	2015/16 £k	
Revenue Support Grant	11	0	Return of held back funding from £28m to £31.1m nationally in 2014/15
Section 31 grant – New Homes Bonus	-3	-5	Reduction in New Homes Bonus surplus monies returned to the council due to updates nationally on New Homes Bonus allocations to councils.
Business Rate income	12	0	Combined impact of NNDR 1 2014/15 and estimates for Section 31 business rate grants
<b>Improvement (+)</b>	<b>20</b>	<b>-5</b>	

- 4.3 The above changes will be incorporated into the MTFS documents to be approved by Council on 5 March 2014.

##### Business Rates

- 4.4 Cabinet considered a report on 20 January titled Council Tax Base, Collection Fund Surplus and Business Rates 2014/15 that considered the financial implications of the budget setting process with regards to the localised business rates scheme. The formal declaration of business rates surplus or deficit was required to be made no later than 31 January and an estimate was included in the report due to the delay by government in issuing the necessary form for completion and before government legislation was issued on the treatment of the spreading of the cost of backdated appeals over five financial years. Cabinet delegated responsibility of approving the declaration to the Executive Director Resources.
- 4.5 There is no financial implication on budget setting in 2014/15, but there is a presentational change following government legislation to the declared collection fund surplus for 2013/14 to be used in budget setting for 2014/15 and the business rate income forecast for 2014/15. The accounting treatment to be applied to backdated appeals before legislation was issued was open to interpretation. The submitted electronic form can be seen in appendix 1.
- 4.6 The Chancellor's Autumn Statement 2013 announced measures to protect small businesses by introducing a temporary discretionary retail relief scheme for qualifying businesses for a £1,000 discount on their business rate demand in 2014/15. As the scheme is discretionary, it is up to each council to implement, with the council being reimbursed by government for any relief provided. The council's scheme of operation and qualification criteria can be seen in appendix 2.
- 4.7 The Chancellor's statement also announced measures to introduce a temporary reoccupation relief, granting a 50% discount from business rates for new occupants of previously empty retail premises for 18 months. The relief will be granted to businesses moving into long-term retail properties on or after 1 April 2014 and on or before 31 March 2016. As the scheme is discretionary,

it is up to each council to implement, with the council being reimbursed by government for any relief provided. The council's scheme of operation and qualification criteria can be seen in appendix 2.

## 5. COUNCIL TAX

5.1 The budget proposals discussed by Cabinet on 3 February committed to keeping council tax low, the Cabinet are proposing the following:

- to freeze council tax in 2014/15
- to freeze council tax in 2015/16

5.2 If these proposals are agreed at Council on 5 March 2014 the amount of council tax paid to Peterborough City Council for council services will remain the same.

Council tax bills are not only made up of council charges but also charges from other public bodies to fund their services. The remainder of the council tax bill is made up from charges from:

- Police – The Cambridgeshire Police and Crime Panel meeting on 5 February 2014 approved a council tax increase of 1.92% from £177.93 to £181.35 for band D properties. The council will receive formal notification shortly.
- Fire – The Cambridgeshire Fire Authority meeting on 13 February 2014 approved a council tax freeze, resulting in the current charge for band D properties of £64.26 remaining the same for 2014/15. The council will receive formal notification shortly.
- Parish Councils – the precepts will be included in the Council report.

5.3 Given that the Cabinet are proposing a council tax freeze, there is no requirement for the council to calculate its relevant basic amount of council tax to determine whether it has set an excessive council tax increase requiring a local referendum. The local referendum limit announced by government alongside the final settlement was 2.0% and if Council do not accept a council tax freeze in 2014/15, then this calculation would be required.

5.4 For comparative purposes, a 2.0% increase in council tax would generate an additional £1.2m in income, however, the council would lose the council tax freeze grant of £0.7m, resulting in additional benefit to the council of £0.5m. In summary, if the Cabinet had wished to see an increase in its spending power of £0.5m it would require local council tax payers to contribute £1.2m.

## 6. CONSULTATION

6.1 The budget consultation has been in the public domain since 24 January 2014, confirmed by Cabinet at its meeting on 3 February and will run until 4 March 2014 to provide opportunity for debate with residents, staff, businesses and partners. All consultation events and activity have been re-arranged to fit with the new timetable. The consultation will be open for nearly six weeks. Cabinet wanted to ensure that residents, partner organisations, businesses and other interested parties have the chance to comment on all of the savings, efficiencies, service reductions and investments they plan to make to enable the city to continue to grow and give residents the best quality of life.

- A web-based consultation;
- Copies of proposal documents placed in all libraries and receptions at Council buildings;
- Copies of proposal documents are available on request;
- A range of meetings with partners and stakeholders, including:
  - Greater Peterborough Partnership
  - Connect Group
  - Voluntary Sector through Peterborough Council for Voluntary Service
  - Disability Forum
- A scrutiny style event with the Youth Council
- Joint Meeting of the Scrutiny Committees and Commissions
- Health sector via the Joint Commissioning Forum

- Schools Forum
- Trades Unions
- Staff briefings and feedback
- Discussions with the business community
- Discussion with Parish Councils
- Twitter feed via the Peterborough Telegraph

6.2 Consultation responses received so far from the public, members and the meetings held to date have been included in the budget consultation response section in the MTFs along with a Cabinet response. A full schedule of meetings can be seen in appendix 3. A full analysis of the consultation responses will be included in the report to Council.

6.3 Given the timing of the agenda despatch for this meeting and further meetings planned during the consultation period, it is not possible to include feedback from some of the consultation events in this report. The feedback, if any from these discussions will be included as an addendum to this report or to the report to Council on 5 March.

- Business Community – 30 January. A presentation was given to the business community enabling businesses to raise questions or provide feedback via the web based consultation. No comments have been made.
- Connect Group – the meeting is scheduled to be held on 24 February.
- Schools Forum have been communicated with and the council has not yet received any comments.

6.4 Alongside the budget consultation, there have been the following consultations that are affected by the savings proposals put forward by Cabinet as follows:

- Vision for early years services including Children Centres consultation of the reconfiguration of Children Centres across Peterborough. The outcome of this consultation was discussed by Cabinet on 3 February and there is no change proposed to the saving proposal included in the budget.
- Transforming day opportunities for adults under 65 consultation remains open until 3 March 2014 and will feedback into the budget process.

6.5 By the 13 February the council had received a total of 70 emails and on line feedback from organisations and individuals, resulting in 140 comments. In addition, the Cabinet has received feedback from budget consultation meetings with 94 comments being made. In total so far, 234 comments have been received. Many of those who sent in feedback made comments or suggestions on several budget proposals. The main comments received so far include:

<b>Subject</b>	<b>No.</b>
General – includes suggestions and areas not directly related to budget proposals	74
Garden Waste Collection	49
Garden Waste Collection and Council Tax	14
St Georges Hydrotherapy Pool	18
Capital Programme	10
Renewables	6
Children's Centres	11
Garden Waste Collection and General	4
Council tax	6
Adult Social Care proposals	7
Community Leadership Fund	8
4 or less comments	27
<b>TOTAL</b>	<b>234</b>



- 6.6 The feedback received to date have been included at the end of this report and includes a Cabinet response. Most of the feedback received to date expresses concern on the saving proposals but some recognises the financial constraint that the council is under and others are supportive of some savings proposals. Most comments do not offer alternative saving proposals. Where they do, the sums that can be saved are either lower than suggested, or have other consequences that need to be considered. Again it must be stressed that the consultation remains open, and responses from Cabinet remain interim responses at this stage.
- 6.7 Cabinet have considered all of the feedback received so far. Initial responses to all those received so far are included in appendix 3. Given the scale of the financial challenge faced by the council next year, and beyond, Cabinet do not believe that removing any saving proposals at this stage would be viable unless alternative saving proposals can be put forward to ensure that the 2014/15 budget is balanced. Whilst comments received object to some savings proposals, realistic alternatives for finding savings in other areas have not been offered. Cabinet believe that alternative savings would be even more unpalatable, and would impact front line service delivery areas. As such the Cabinet Member for Resources (after consulting with Cabinet colleagues) does not believe that there should be changes to the proposals.
- 6.8 The Joint meeting of the Scrutiny Committees and Commissions discussed the budget proposals at a meeting held on 10 February making comments and five recommendations. The unapproved draft minutes of this meeting is included in appendix 3 of this report including Cabinet's full response to the recommendations. In summary, the recommendations and Cabinet responses were as follows:
- i. Inclusion in the council's priorities reference to the commitment to a healthy city. The sixth priority will incorporate reference to a healthy city:
    - Keeping our communities safe, cohesive and healthy
  - ii. Investigate business rate forecasts impact on revenue budgets. A detailed forecast has been included within the 2014/15 budget alongside reasons why predicting accurately with certainty future forecasts are difficult.
  - iii. The remaining three recommendations referred to the saving proposals put forward of Children Centres, St Georges Hydrotherapy pool and the Community Leadership fund. Having considered these recommendations, in the absence of alternative saving proposals, Cabinet do not believe there should be changes to the saving proposals.
- 6.9 Cabinet will continue to review the consultation feedback and consider any final changes that may result following feedback. The consultation remains open through to 4 March.

## **7. ANTICIPATED OUTCOMES**

- 7.1 The priorities and vision outlined in the Sustainable Community Strategy can only be achieved by ensuring that resources are aligned with these priorities. The MTFs delivers this and also ensures that a balanced budget will be set. For 2014/15 and also future budget challenges reflect delivering these priorities.

## **8. REASONS FOR RECOMMENDATIONS**

- 8.1 The Council must set a lawful and balanced budget.
- 8.2 The Council is required to set a Council Tax for 2014/15 within statutory prescribed timescales and in accordance with the local referendum requirements contained within the Localism Act 2011.
- 8.3 Before setting the level of Council Tax, the Council must have agreed a balanced budget.

## **9. ALTERNATIVE OPTIONS CONSIDERED**

- 9.1 Alternative levels of Council Tax increase and areas for growth/savings can be considered but this must be seen in the context of the Sustainable Community Strategy and other constraints, along with the loss of council tax freeze grant that any increase would lead to.

## **10. IMPLICATIONS**

### **10.1 Elected Members**

- 10.1.1 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.
- 10.1.2 It is an offence for any Members with arrears of Council Tax which have been outstanding for two months or more to attend any meeting of the Council or its committees at which a decision affecting the budget is made, unless the Members concerned declare at the outset of the meeting they are in arrears and will not be voting on the decision for that reason.

### **10.2 Legal Implications**

- 10.2.1 These are considered within the main body of the report. All budget proposals approved by Council on 5 March will be implemented with immediate effect as Council decisions are not subject to call in by the Scrutiny Committee.
- 10.2.2 The Council's budget and policy framework states that the Cabinet must consider the proposals of the relevant Scrutiny Committee and, if it considers it appropriate, it may amend its budget proposals before submitting them to Council.
- 10.2.3 Cabinet is reminded of the legal obligation to propose a balanced budget to Council. Therefore Cabinet is unlikely to be able to endorse any recommendations unless there are alternative proposals to balance the budget.
- 10.2.4 The Constitution requires that a substantial amendment or amendments which amount to an alternative budget (i.e. proposes a different level of Council Tax) must be submitted by notice in writing to the Chief Executive by 10.00am on Friday, 28 February 2014. Such notice must then be circulated to all Members of the Council. If more than one such amendment is received they will be considered at the Council meeting in the order of receipt.
- 10.2.5 If the proposed amendment is not substantial or does not propose an alternative budget then it should be submitted by notice in writing to the Chief Executive by midday on Wednesday, 5 March 2014. This is to ensure that formal budget documents, including the council tax resolution, can be prepared as necessary.
- 10.2.6 The budget decision taken by Council must include the decision of each councillor recording in the minutes whether the councillor voted for, against or abstained from the budget decision as prescribed in the Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014.

### **10.3 Human Resources**

- 10.3.1 During the course of the next financial year, we envisage undertaking a number of re-organisations which may result in a number of posts being made redundant. Whilst it is difficult to predict the exact number of posts affected, we believe this is likely to be in the region of 53.5 Full time equivalent posts. Our approach to minimising any compulsory redundancies will be the one adopted in previous years, including deleting vacant posts, redeployment of affected staff, and seeking voluntary redundancies where we are able to do so.

## **10.4 Equality Impact Assessments**

10.4.1 Each saving proposal being consulted upon has been considered with regards to equality issues and where appropriate separate equality impact assessments has been completed. These can be located on the council's website.

## **10.5 Future Service Delivery**

10.5.1 As part of setting a ten year financial plan, further work is continuing on the future service delivery of services provided by the council. The council moved towards becoming a commissioning focused organisation so that our services and support arrangements better reflect needs, the views of citizens and the improved outcomes for Peterborough people, in the most efficient, effective, equitable and sustainable way.

## **11. BACKGROUND DOCUMENTS**

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

# Appendix 1 – NNDR Return (Part 1)

**NATIONAL NON-DOMESTIC RATES RETURN - NNDR1**  
**2014-15**

Please e-mail to: [nndr.statistics@communities.gsi.gov.uk](mailto:nndr.statistics@communities.gsi.gov.uk) by no later than 31 January 2014.  
 In addition, a certified copy of the form should be returned by no later than 31 January 2014 to  
 Dennis Herbert, Department for Communities and Local Government, Zone 5/06 Eland House, Bressenden Place, London SW1E 5DU

All figures should be shown in whole £.

Please check the Validation tab to see if there are any validation queries that need to be answered

Select your local authority's name from this list:

Authority Name

E-code

Local authority contact name

Local authority contact number

Local authority fax number

Local authority e-mail address

Oxford  
 Fife  
 Peterborough  
 Plymouth

Peterborough
E0501

Ver 1.2

**PART 1A: NON-DOMESTIC RATING INCOME**

	<b>£</b>
<b>COLLECTIBLE RATES</b>	
1. Net amount receivable from rate payers after taking account of transitional adjustments, empty property rate, mandatory and discretionary reliefs and accounting adjustments	91,044,025
<b>TRANSITIONAL PROTECTION PAYMENTS</b>	
2. Sums due to the authority	1,546,269
3. Sums due from the authority	0
<b>COST OF COLLECTION (See Note A)</b>	
4. Cost of collection formula	276,677
5. Legal costs	0
6. Allowance for cost of collection	276,677
<b>SPECIAL AUTHORITY DEDUCTIONS</b>	
7. City of London Offset	0
<b>DISREGARDED AMOUNTS</b>	
8. Amounts retained in respect of Enterprise Zones	0
9. Amounts retained in respect of NDD areas	0
10. Amounts retained in respect of Renewable Energy Schemes (See Note B)	0
of which:	
11. sums retained by billing authority	0
12. sums retained by major precepting authority	0
<b>NON-DOMESTIC RATING INCOME</b>	
13. Line 1 plus line 2, minus lines 3 and 6 - 10	92,313,617

Local Authority : Peterborough

PART 1B: PAYMENTS

The payments to be made, during the course of 2014-15 to:

- i) the Secretary of State in accordance with Regulation 4 of the Non-Domestic Rating (Rates Retention) Regulations 2013;
- ii) major precepting authorities in accordance with Regulations 5, 6 and 7; and to be
- iii) transferred by the billing authority from its Collection Fund to its General Fund,

are set out below

	Column 1 Central Government £	Column 2 Peterborough £	Column 3 £	Column 4 Cambridgeshir e Fire Authority £	Column 5 Total £
<b>Non-Domestic Rating Income for 2014-15</b>					
14. Non-domestic rating income from rates retention scheme	46,156,809	45,233,672	0	923,136	92,313,617
15. (less) qualifying relief in Enterprise Zones	0				0
16	<b>TOTAL:</b>				<b>92,313,617</b>
<b>Other Income for 2014-15</b>					
17. add: cost of collection allowance		276,677			276,677
18. add: amounts retained in respect of Enterprise Zones		0			0
19. add: amounts retained in respect of NDD Area		0			0
20. add: amounts retained in respect of renewable energy schemes		0	0		0
21. add: qualifying relief in Enterprise Zones		0	0	0	0
22. add: City of London Offset		0			0
<b>Estimated Surplus/Deficit on Collection Fund</b>	£	£	£	£	£
23. Estimated Surplus/Deficit at end of 2013-14	662,506	649,255	0	13,250	1,325,011
<b>TOTAL FOR THE YEAR</b>	£	£	£	£	£
24. Total amount due to authorities	46,819,315	46,159,604	0	936,386	93,915,305

Please investigate the error messages shown below and make the appropriate changes to the form. Any comments should be added at the bottom of Part 4

Line 23 column 5 doesn't equal the sum of columns 1 to 4. Please check why.

**Local Authority : Peterborough**

**PART 1C: SECTION 31 GRANT (See Note C)**

Estimated sums due from Government via Section 31 grant, to compensate authorities for the cost of changes to the business rates system announced in the 2013 Autumn Statement.

	Column 2 Peterborough £	Column 3 £	Column 4 Cambridgeshire Fire Authority £	Column 5 Total £
<b>2014-15 Multiplier Cap</b>				
25. Cost of 2% cap on 2014-15 small business rates multiplier	483,125	0	9,800	492,925
<b>Small Business Rate Relief</b>				
26. Cost to authorities of temporary doubling in 2014-15	706,194	0	14,412	720,606
27. Cost to authorities of maintaining relief on "first" property	0	0	0	0
<b>"New Empty" Property Relief</b>				
28. Cost to authorities of giving relief to newly-built empty property	0	0	0	0
<b>"Long Term Empty" Property Relief</b>				
29. Relief on occupation of "long-term empty" property	0	0	0	0
<b>Retail Relief</b>				
30. Relief provided to retail properties	334,469	0	6,826	341,295
<b>TOTAL FOR THE YEAR</b>				
31. Total amount of Section 31 grant due to authorities	1,523,788	0	31,038	1,554,826

**Certificate of Chief Financial Officer / Section 151 Officer**

I confirm that the entries in this form are the best I can make on the information available to me and amounts are calculated in accordance with regulations made under Schedule 7B to the Local Government Act 1988. I also confirm that the authority has acted diligently in relation to the collection of non-domestic rates.

Name of Chief Financial Officer  
or Section 151 Officer : \_\_\_\_\_

Signature : \_\_\_\_\_

Date : \_\_\_\_\_

## **Appendix 2 – Discretionary rate relief schemes in 2014/15**

### **BUSINESS RATE RELIEF**

Included in the Chancellors 2013 Autumn Statement was a series of proposals for a range of measures to be introduced for Business Rates to support high street retailers. The options detailed in the statement are to be delivered under the Authority's discretionary powers, introduced by the Localism Act under section 47 of the Local Government Finance Act 1988, as amended.

Central Government will fully reimburse billing authorities and those major precepting authorities within the rates retention system for the actual cost to them via a grant under Section 31 of the Local Government Act 2003.

### **Retail Rate Relief**

Properties that will benefit from Retail Rate Relief will be occupied assessments with a rateable value of £50,000 or less, that are wholly or mainly being used as shops, restaurants, cafes and drinking establishments.

The total amount of government funded relief for each qualifying property is up to £1,000 for the 2014/2015 & 2015/2016 financial years.

There is no government funded relief for properties with a Rateable Value of more than £50,000 and no proposal is being made to adopt a local scheme to include any properties outside of the Government's proposed scheme.

The Retail Rate Relief will be applied against the net bill after all other applicable reliefs have been granted. Where this results in a net liability less than the £1,000 Retail Rate Relief available the maximum Retail Rate Relief that can be awarded is the value of the net rate liability.

Ratepayers that occupy more than one property will be entitled to receive Retail Rate Relief for each of their eligible properties, subject to State Aid de minimis limits.

Eligibility for relief will be assessed and calculated on a daily basis and therefore any new occupiers to qualifying properties will also be entitled to claim Retail Rate Relief. The calculation formula defined as:

$$\text{Amount of relief to be granted} = \text{£1,000} \times \frac{A}{B}$$

Where:

A is the number of days in the financial year that the hereditament is eligible for relief; and

B is the number of days in the financial year

Guidance issued by the Government considers that a qualifying property is:-

### **Hereditaments being used for the sale of goods to visiting members of the public:**

- Shops (such as: florist, bakers, butchers, grocers, greengrocers, jewellers, stationers, off licence, chemists, newsagents, hardware stores, supermarkets, etc)
- Charity Shops
- Opticians
- Post Offices
- Furnishing shops/display rooms
- Car/caravan show rooms
- Second hand car lots
- Markets
- Petrol Stations
- Garden Centres
- Art Galleries (where art is for sale/hire)

### **Hereditaments used for the provision of services to visiting members of the public:-**

- Hair and beauty services (hair dressers, nail bars, beauty salons, tanning shops etc)
- Shoe repairs/key cutting
- Travel Agents
- Ticket offices (eg theatres)
- Dry Cleaners
- Launderettes
- PC/TV/domestic appliance repair
- Funeral Directors
- Photo processing
- DVD/Video Rentals
- Tool Hire
- Car Hire

### **Hereditaments being used for the sale of food and/or drink:-**

- Restaurants
- Takeaways
- Sandwich Shops
- Coffee Shops
- Pubs
- Bars

The lists above are not exhaustive and it is the Government's intention that the relief is granted based upon the use of the property rather than merely occupation of a property of that type or description in the rating list. Consideration should therefore be given to any case where the use is broadly similar in nature to those listed **above**.

The list **below** sets out the types of uses that the government does not consider to be retail use for the purpose of the scheme and therefore such uses will be excluded from the Council's discretionary scheme:

### **Hereditaments that are being used for the provision of the following services:**

- Financial services (e.g. banks, building societies, cash points, bureau de change, payday lenders, betting shops, pawn brokers)
- Other services (e.g. estate agents, letting agents, employment agencies)
- Medical services (e.g. vets, dentists, doctors, osteopaths, chiropractors)
- Professional services (e.g. solicitors, accountants, insurance agents/financial advisers, tutors)
- Post office sorting office
- Hereditaments that are not reasonably accessible to visiting members of the public

### **RECOMMENDATION**

The Council should exercise its discretionary powers under Section 47 of the Local Government Finance Act 1988 as amended and adopt the schemes detailed above as Local Discretionary relief policies.

Approval is given for all qualifying businesses to be granted the relief as part of the End of Year processes.

Recommendation that the Council delegate authority for any subsequent applications to be authorised by the Council's Chief Financial Officer.

There are no financial implications for the Council to consider as the cost of the relief will be fully refunded to the Council through a Section 31 grant.



## **REOCCUPATION RELIEF**

Introduction of a 50 per cent business rates relief for 18 months – between 1 April 2014 and 31 March 2016 for businesses that move into retail premises that have been empty for a year or more.

## **RECOMMENDATION**

The Council should exercise its discretionary powers under Section 47 of the Local Government Finance Act 1988 as amended and adopt the Reoccupation Relief in line with guidance issued by Central Government for operation of the scheme.

Approval for applications under this local schemes should be delegated to the Chief Financial Officer of the Council.

There are no financial implications for the Council to consider as the cost of the relief will be fully refunded to the Council through a Section 31 grant.

### Appendix 3 – Public Consultation responses

Consultation Event	Date	Comments included in report?
Public consultation	Closes 4 March	All comments received between 24 January – 13 February)
Staff briefings and feedback	24 January	n/a
Discussions with the business community	30 January	No comments made
Trades Unions	30 January	Yes
Disability Forum	30 January	Yes
A scrutiny style event with the Youth Council	4 February	Yes
Communities & Cohesion Board	6 February	Yes
Joint Commissioning Forum	7 February	Yes – Draft minutes
Joint Meeting of the Scrutiny Committees and Commissions	10 February	Yes – Draft minutes
Greater Peterborough Partnership	11 February	Yes
Discussion with Parish Councils	11 February	Yes
Voluntary Sector through Peterborough Council for Voluntary Service	12 February	Yes
Connect Group	14 February	
RSL's/Cross Keys	<b>Cancelled</b>	
Schools forum	No formal meeting so in writing	
Twitter feed via Peterborough Telegraph	n/a	Yes

## APPENDIX C – Addendum to Cabinet

### Addendum to Cabinet – 24<sup>th</sup> February 2014

This addendum is presented to Cabinet at the meeting of 24<sup>th</sup> February as additional information as referenced in paragraph 3.6 (page 3) of the Cabinet Budget report (Item 6):

#### *Items to follow*

*Due to the timing of consultation events and the release of the Cabinet papers, it will be necessary to issue an addendum to this report to provide further consultation feedback as outlined in section 6 of this report. This will be tabled at the meeting. In line with previous practice, this allows the consultation to remain open for as long as possible.*

### Consultation feedback

As at 19<sup>th</sup> February, the council has received further feedback with four further comments from the public consultation (appendix 1), 36 responses to the on-line survey (appendix 2), one petition and acknowledges a further two e-petitions set up on the council's website. Excluding the petitions as these relate to specific issues referred to separately in this addendum, this has resulted in a further 77 comments being received. The budget consultation has now received 119 responses, with a total of 311 comments made in those responses.

Subject	Number of Comments		
	Cabinet report	Addendum	TOTAL
General – includes suggestions and areas not directly related to budget proposals	74	10	84
Garden Waste Collection	49	13	62
Garden Waste Collection and Council Tax	14	0	14
St Georges Hydrotherapy Pool	18	15	33
Capital Programme	10	0	10
Renewables	6	0	6
Children's Centres	11	5	16
Garden Waste Collection and General	4	0	4
Council tax	6	33	39
Adult Social Care proposals	7	0	7
Community Leadership Fund	8	0	8
4 or less comments	27	1	28
<b>TOTAL</b>	<b>234</b>	<b>77</b>	<b>311</b>

The on-line survey asked some specific questions as laid out in the budget consultation and provided the following feedback:

- Proposed withdrawal of funding for St George's Hydrotherapy Pool (15 comments). Most comments were objections to the proposed withdrawal of funding. One respondent said there was no alternative and another said it would increase costs to the council in the future.
- Introduction of the new charge for the brown bin garden waste service (10 comments). Concerns included people will put green waste into black bins and it

will cause an increase in flytipping. One person said they would be happy to pay for a continuous service through the winter

- Re-designation of Children's Centres (5 comments). Comments included that it is short-sighted decision which will increase pressures on social and mental health services in the future.
- One person said the council had offered "a fair budget"
- A total of 14 people said council tax should be frozen and 18 said it should not. Some respondents did not answer the question

The survey also asked for suggestions to help balance the books, with a range of suggestions across several service areas and can be seen in appendix 2. In many cases, the council has considered these suggestions as part of the budget proposals, or is already implementing them, for example outsourcing payroll and administrative functions and withdrawing funding for Opportunity Peterborough. Cabinet will continue to review suggestions.

The council has received one petition in relation to the St Georges Hydrotherapy pool, received by the Cabinet Member for Environment Capital and Neighbourhoods.

A further two e-petitions have been set up on the council's website and are currently still ongoing. The e-petitions and number of respondents are as follows:

1. Stop the garden tax – 8 respondents
2. Save the East Rural Children's Centre (Eye and Thorney) – 48 respondents

All petitions will be considered as part of the comments received during the budget consultation to date.

The consultation remains open until 4 March, with any further comments to be presented to Council on 5 March as an addendum. This will also include any comments arising from the Connect Group budget consultation meeting scheduled for 24 February.

**Appendices have been consolidated in section 10 budget consultation responses**

## The MTFS in a Community Context

### The Medium Term Financial Plan in a Community Context

Peterborough has a clear ambition and vision for the future of the City to meet the diverse needs of our communities as set out in the Sustainable Community Strategy. The Sustainable Community Strategy priorities combine the ambition for growth with the need to improve the quality for life of our residents and, in particular, those experiencing inequalities in outcomes.

#### The City's Vision

A bigger and better Peterborough that grows the right way, and through truly sustainable development and growth...

- improves the quality of life of all its people and communities, and ensures that all communities benefit from growth and the opportunities it brings
- creates a truly sustainable Peterborough, the urban centre of a thriving sub-regional community of villages and market towns, a healthy, safe and exciting place to live, work and visit, famous as the environment capital of the UK.

Led by the Greater Peterborough Partnership (GPP), the commitments within the Sustainable Community Strategy were developed in consultation with our communities and refreshed in 2010 to ensure it continued to reflect the communities' needs and the changing circumstances. The delivery vehicle detailing 'how' we will deliver this vision and the priorities is the new Single Delivery Plan. This plan will have a guiding focus on the four priorities and will set out through transparent actions how we will deliver services. The plan will also assign accountability and resources across the partnership.

#### The City's Priorities

- Creating opportunities - tackling inequalities;
- Creating strong and supportive communities;
- Creating the UK's environment capital; and
- Delivering substantial and truly sustainable growth.

Each of the priority areas will have a number of focused outcomes that will collectively deliver the improvements needed to achieve the vision for the City and meet the needs of the communities.

Our Medium Term Financial Plan continues to align to reflect these priorities and focuses outcomes to ensure the Council continues to deliver what our community wants and reinforces our commitment to playing a lead role in delivering the Sustainable Community Strategy.

#### The council priorities are:

- Growth, regeneration and economic development to bring new investment and jobs. Supporting people into work and off benefits.
- Improving educational attainment and skills for all children and young people, allowing them to seize the opportunities offered by new jobs and our university provision, thereby keeping their talent and skills in the city.
- Safeguarding vulnerable children and adults.
- The Environment Capital agenda including pursuing new income streams from solar energy and wind farm developments.
- Supporting the city's culture trust Vivacity to continue to deliver arts and culture.
- Keeping our communities safe, cohesive and healthy

# Report of the Chief Finance Officer

## 1.1 INTRODUCTION

The previous section outlines what we intend to achieve with partners for our communities using their council tax. The rest of the MTFS outlines the specific financial proposals that will enable us to deliver these priorities.

This section summarises the key financial information, and indicates where the full supporting detail can be found.

**Also Section 25 of the Local Government Act 2003 requires that the Chief Finance Officer (CFO) must report to the Authority in two areas:**

- the robustness of the budget estimates
- the identification and management of risks together with the adequacy of the proposed reserves

and that the authority must have regard to this report when making budget decisions. This report deals with these key issues.

## 1.2 APPROACH TO BUSINESS AND FINANCIAL PLANNING

1.2.1 The council measures actual overall grant reductions as it believes this provides a realistic interpretation of government grants to the tax payer and further excludes council tax assumptions. Taking all grants into account excluding additional pooled NHS funding, public health grant and by removing the New Homes Bonus as this grant is funded based on growth, the actual picture is a grant reduction of £8.9m in 2014/15 and a further £12.3m in 2015/16. This represents approximately 28% and 39% reduction in council funding since 2010/11 spending levels. By 2015/16, the council would have seen grant reductions of £44m since 2010/11.

1.2.2 During this parliament, local government funding will have almost halved since 2010/11 spending levels. Nationally, councils have been warned to expect further reductions in future years and this has certainly been the case to date with each Chancellor's budget and autumn statement announcement. However, local government funding has undergone significant overhaul and reform during this parliament which has meant that funding available to local government comes from a variety of government departments resulting in changes to local government functions including working more closely with the health sector to maximise funding councils can utilise. Nationally, government now measure local government funding in terms of spending power. Spending power measures the overall revenue funding available for councils, including council tax, locally retained business rates and non-education government grants including pooled NHS funding and public health funding. Pooled NHS funding and public health funding has conditions that councils need to comply with and therefore distorts overall funding available to councils to spend on all council services. This has been raised nationally by the Treasurers Societies of upper tier councils and the Local Government Association.

1.2.3 The final local government finance settlement was announced on 5 February 2014 for 2014/15 being the fourth year of the Spending Review 2010 updated

for the Spending Round 2013 including illustrative allocations for 2015/16 incorporating a significant reduction in funding for this year. Nationally, the reduction in spending power is quoted by government as 3.1% reduction in 2014/15 and 2.1% reduction in 2015/16. Excluding pooled NHS funding and Public Health funding the reduction in local government funding would be significantly higher, 4.0% and 6.0% respectively and therefore distorts the real extra local government funding grant reductions.

- 1.2.4 The council's approach to analysing the settlement data is to review governments preferred method of measuring local government spending by a spending power calculation and isolating the components of spending power to understand the actual reduction in overall grant funding compared to 2013/14.
- 1.2.5 The impact of the grant reductions and pressures arising from increased population and the economic growth forecasts present the council with challenging circumstances on how to deliver services in future. A major concern for the council is the scale of further funding reductions in 2015/16 and beyond. With limited information available on future years, the council has taken the approach that the aggregate total of locally retained business rates and revenue support grant will at least remain static and therefore the council has not built any future retained business rate income into forecasts at this time.
- 1.2.6 The retained business rate system is still within its first year of operation, with a significant amount of business rate appeals outstanding that could adversely impact on business rate income. The council has therefore forecast 2014/15 business rate income based on its current understanding and local intelligence of business rate income.
- 1.2.7 Despite the council putting in extensive plans to deal with the initial grant reduction over the previous three years and being able to balance 2014/15, there is an unprecedented grant reduction in 2015/16 which all councils will need to deliver and at this stage there is a strong requirement for the council to put in place transformational change to future service delivery. The first phase has been to implement a commissioning council structure during the current financial year.
- 1.2.8 Our strong financial management has placed the council in a strong position to deal with the national challenges. Cabinet has been involved in detailed meetings since July 2013, examining all areas of expenditure in the authority's budget to deliver a balanced budget for 2014/15. The cabinet has also considered the government's suggestions on reducing local government spending. The report to Cabinet during September 2013 outlined the financial planning approach and assumptions as a basis to commence the formal budget setting process.
- 1.2.9 The budget setting timetable and consultation timetable was updated to reflect the lateness of government announcements. All consultation events and activity were arranged to fit with the revised timetable over the six weeks that the consultation was open. Full Council was rearranged to 5 March 2014 to accommodate the budget consultation process. Cabinet wanted to ensure that residents, partner organisations, businesses and other interested parties have the chance to comment all of the savings, efficiencies, service reductions and investments they plan to make to enable the city to continue to grow and give residents the best quality of life.

- 1.2.10 The budget proposals Cabinet consulted upon therefore considered both the continuing grant reduction and the pressures, whilst demonstrating the Cabinet's commitment to the principles, actions and priorities which are 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
- 1.2.11 Within the Council, draft business plans are being drawn up to record what each department will agree with the Chief Executive that it will deliver in the coming year within the proposed resource limit. This ensures that the golden thread is maintained from partnership priorities, through the MTFs into individual departments. This is further maintained through service plans and individual appraisals.
- 1.2.12 The MTFs covers a ten year period so that the key challenges around delivering our priority of growth can be adequately captured. The drivers continue to be meeting the council's priorities by creating a sustainable budget strategy whilst responding to changes arising from decisions made in the distribution of local government funding.
- 1.2.13 Moving to a funding system that funds the council based on business and dwelling growth provides the council with opportunities to increase funding levels. To maximise the opportunity, the council will need to consider development plans for future growth.
- 1.2.14 The Council is well placed to deal with many aspects of the reduction in public finances and is determined to continue to invest in high quality services to underpin the growth of the City. The MTFs still provides investment in those services that need it.
- 1.2.15 Future year funding forecasting is increasingly uncertain as each year progresses not least by the business rate revaluation in 2017 that will see the retained business rate income rebased by government, making it unpredictable to forecast and align with growth plans. The council has already seen this through amendments made next year to encourage economic growth including capping of the annual RPI increase. Although the council will receive the shortfall in business rate income from government, this income is permanently removed from the rates retention scheme.
- 1.2.16 Furthermore, infrastructure growth is a medium to long term plan coupled with the pending revaluation limits the council in investing in supporting structural growth, if there is no uncertainty of benefit for the tax payers.

### **1.3 FINANCIAL SETTLEMENT FOR 2014/15 AND THE FUTURE PUBLIC FINANCE POSITION**

- 1.3.1 The final local government finance settlement was announced on 5 February 2014, announcing 2014/15 with illustrative settlement funding for 2015/16. The final settlement was broadly similar to the provisional settlement as outlined in the report discussed by Cabinet on 24 February.
- 1.3.2 The outline of the settlement for Peterborough is as follows:



	2013/14 £m	2014/15 £m	2015/16 £m
Revenue Support Grant	55.2	46.0	33.2
Baseline Funding (Business Rates)	36.7	37.4	38.4
<b>Settlement Funding Assessment</b>	<b>91.9</b>	<b>83.4</b>	<b>71.6</b>
Other grants excluding New Homes Bonus	15.2	14.8	14.3
<b>Total</b>	<b>107.1</b>	<b>98.2</b>	<b>85.9</b>
<i>Grant reduction £m</i>		-8.9	-12.3
<i>Grant Reduction %</i>		8.3%	12.5%

Grants	107.1	98.2	85.9
New Homes Bonus	3.4	4.7	6.3
Public Health	8.5	9.3	9.3
Council Tax Freeze Grants 2014/15 and 2015/16	0.0	0.7	1.3
<b>TOTAL</b>	<b>119.0</b>	<b>112.9</b>	<b>102.8</b>
Maximum additional pooled NHS funding available to the council on agreement with the Clinical Commissioning Group		0.7	7.4

- The change in funding arrangements from 2013/14 to a system of localised business rates means that any future government reductions will be removed from the revenue support grant. The Settlement Funding Assessment no longer has the complex formula to distribute funding across all councils and therefore no longer incorporates a mechanism to recognise population increases nor a formula to release funding previously held back from councils through claw back. This is a major challenge for Peterborough in that alongside grant reductions, the council will need to generate sufficient business rate income to fund services through increased population growth that may not keep pace with business rate income alone.
- Spending power government calculations for Peterborough, indicate a 2.8% spending power reduction in 2014/15 and 2.9% reduction in 2015/16. If the council excludes pooled NHS funding and public health grant, spending power would reduce 4.1% and 6.6%. However this calculation excludes education grants which have reduced and is part of council funding.
- The Education Support Grant for 2014/15 has been reduced in advance of reductions expected in 2015/16. Other grants were broadly in line with the council's previous budget assumptions, although there was a slight reduction in New Homes Bonus section 31 grant following the confirmation of new homes bonus grant allocations to all local authorities.
- The Dedicated Schools Grant has increased in line with our pupil number increases but with additional funding for two year old education. A new national funding formula is proposed for 2015/16 which will move funding between authorities. The impact of this change cannot be quantified currently.
- The provisional settlement kept back some funding nationally subject to the outcome of the provisional settlement consultation in respect of

efficiency support. The final settlement returned £3.1m of funding to councils, the council's share was £11k in 2014/15.

- The illustrative settlement for 2015/16 published has not published all specific grants available to the council but does include some important changes as follows:
  - Further settlement funding reduction of £11.4m – This is a major contributor to the forecast gap of approximately £18m in 2015/16
  - Loss of the Local Reform of Welfare grant (Crisis Fund) of £0.8m – This grant was used to support voluntary sector organisations and projects which were focused on helping people with issues surrounding the change to benefits. Cessation of this grant will require the council to review how to continue this work and potentially make savings in other areas.
  - Adult social care new burden funding £0.9m – This funding is the council's share to support transition to capped care costs and deferred payments in 2015/16
  - Pooled NHS funding, Better Care Fund of £7.4m - The additional pooled NHS funding known as The Better Care Fund was announced by the Government at the Spending Review in June 2013 and will provide funding nationally of £3.8bn in 2015-16 from the NHS to adult social care. The additional funding for Peterborough in 2015-16 will be £7.4m. The funding will be under a section 75 agreement and use of the funding will need to be agreed in a local plan between the Clinical Commissioning Group and the Council. Application of the funding should be deliver social care and health benefits. An element of the funding will used to protect social care services. Payment of some of the funding will be dependent on the achievement of performance objectives, which will be a mix of national and local performance metrics. The local plan for Peterborough is currently being drafted and the final plan will need to be submitted to NHS England via Health and Wellbeing Boards by April 2014

These updates have been incorporated in the council's budget plan. The council has responded to the grant settlement, a copy of the response can be seen in appendix A of this report.

1.3.3 The business rates baseline increases each year with the percentage increase in multiplier used to calculate business rate demands. The council retains 49% of the actual amount of business rates collected and following the deduction of the tariff this is compared to the baseline business rates in the above table. If the council is able to achieve business rate growth above the baseline business rate, the council can keep growth after deducting a levy set by the government. The council will retain 41.7 pence to the pound for each pound of growth generated. Conversely, if business rates is lower than the baseline business rate, the council will need to make up any shortfall up to a maximum of £2.8m before government would fund any further shortfall.

1.3.4 For the council's financial planning, the council has taken the following approach:

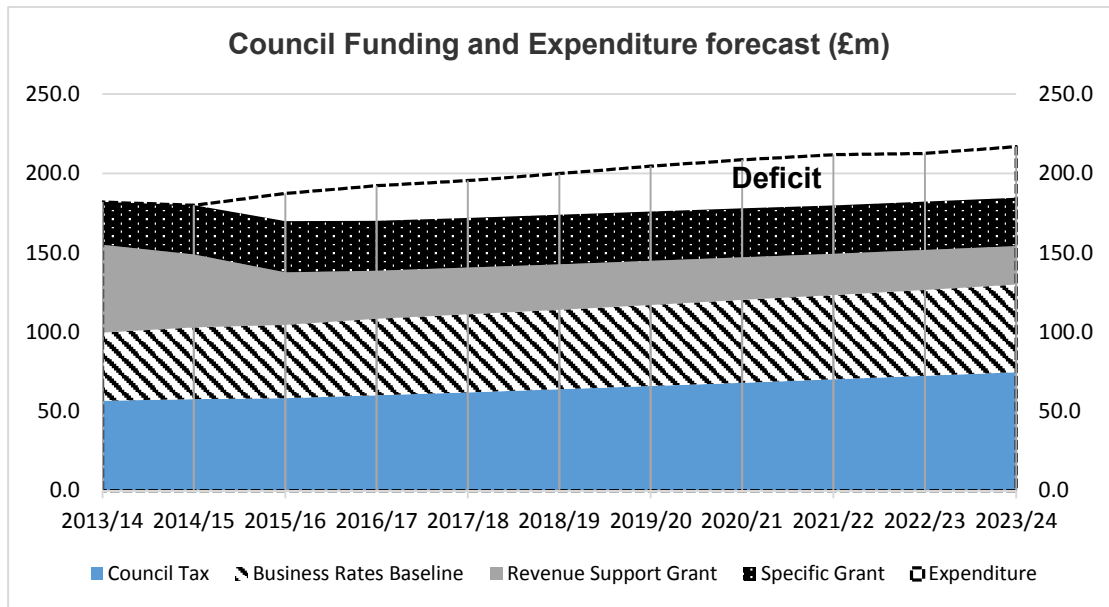
- For 2014/15 and 2015/16 – revised reductions in grant in line with the provisional finance settlement, making estimates of grants still to be announced. The final settlement was confirmed on 5 February

2014. The council has benefited from additional business rate growth in 2013/14 based on the mid-year estimate submitted to government in November 2013 in part due to an increase in the rateable value listing after the council set the business rate income forecast in line with government expectations. The increase in 2013/14 has therefore been assumed to continue in each year thereafter.

- From 2016/17 onwards – Assume the council's overall funding level will remain static, in that any further reduction in revenue support grant will be offset by locally retained business rate growth. There remains significant uncertainty on further revenue support reductions in the next parliament and for the council to forecast business rate growth when the localisation of business rate scheme is still within its first year of operation. Whilst overall there will be reductions in public funding, Peterborough may see some benefit from the new arrangements if it can promote local business growth.

### FUTURE FINANCIAL OUTLOOK

The ten year forecast funding and expenditure can be seen in the following graph, indicating the council has a deficit from 2015/16 onwards.



1.3.5 As the future years progress, there is increasing uncertainty over funding projections such as:

- The level of funding available to councils in the next parliament through revenue support grant and other grants;
- The locally retained growth in business rates forecast in future years against growth plans, the financial impact of business rate appeals outstanding and revaluation of business rates due in 2017. The retained business rates scheme is still in the first year of operation so the council has not forecast growth in business rates at this time for future years

due to wide variations that exist and uncertainty of further reduction in revenue support grant.

- As at September 2013, there was £79m of rateable value with an appeal outstanding on the RV 2010 listing of £230m and an additional £5m of rateable value appeals against the RV 2005 listing. The council now shares liability for successful appeals including backdating of appeals. Some appeals on the RV listing will be backdated to 1 April 2010. The council has no influence on the outcome of appeals but is required to make a provision to cover for any losses of its share of business rate income. In 2013/14 the council has set aside for its share of successful appeals £3.1m in relation to 2013/14 and a further £8.3m in respect of appeals backdated to prior years. There are a few specific categories of appeals that are a major concern to the council on forecasting business rate income as follows:
  - Peterborough power station – The power station has an appeal outstanding for the RV 2010 listing but previously won an appeal in respect of the 2005 RV listing which reduced its 2005 RV to £1. The valuation office is contesting this earlier decision through the land tribunal and it is due to be heard in summer 2014. This will be a key decision nationally as all other power station appeal decisions are pending the outcome of this case. If the valuation office are not successful it is likely to have significant implications on the council's business rate income
  - Most major supermarkets have appeals which are not scheduled to be reviewed until March 2015 and again the council is required to make some assumption on the likely impact, if any on business rate income, accruing any possible liability in all financial years until the appeals are resolved
- Instead the council have assumed for budgeting purposes for 2016/17 and beyond that the aggregate of revenue support grant and business rate income will remain static that is any reduction in revenue support grant would be offset by any growth realised in business rates.

1.3.6 At the same time that the council is experiencing unprecedented reductions in funding, the council is also experiencing significant cost increases and pressures. The council has a range of statutory duties to provide services, and if demand for these services increases the council has a legal duty to provide them. Cost pressures includes:

- There are significant demand pressures within Children Services budgets
- Increasing numbers of households affected by financial austerity placing pressure on budgets
- Costs associated with implementing the necessary infrastructure to support growth and regeneration, for example school places within Peterborough.

## **1.4 COUNCIL TAX**

1.4.1 Peterborough City Council continues to have one of the lowest council tax levels in the country. Out of 56 unitary authorities across the country, Peterborough has the sixth lowest council tax (some £100 per year lower than the average, and £302 lower than the highest).

- 1.4.2 Cabinet understands the current financial pressures that residents face and remains committed to keeping council tax low. The average council tax payer has saved £68 in council tax increases through the council freezing council tax levels for two out of the previous three years.
- 1.4.3 The government has offered a council tax freeze grant for all councils that chooses to freeze council tax in 2014/15. In considering this offer, the Cabinet has carefully considered the medium term sustainability of future budgets and the scale of the budget gap over the next few years against the council tax freeze offer. The budget set in February 2013, proposed an indicative council tax increase of two per cent in 2014/15 to support the council's budget plans but also still had £7.3m gap to close at this time. The conditions of the council tax grant freeze offer against the indicative two per cent increase, required that the Cabinet would need to put forward a further £0.5m of permanent budget savings.
- 1.4.4 Cabinet remains committed to keeping council tax low, the Cabinet are proposing to freeze council tax for this year.
- 1.4.5 Cabinet remains committed to keeping council tax low, the Cabinet are proposing the following:
- to freeze council tax in 2014/15
  - to freeze council tax in 2015/16
- 1.4.6 The council is able to freeze council tax as our prudent budget plans enable us to take advantage of a grant offered by the Government. Government have committed to baseline the tax freeze grant into the revenue support grant permanently to avoid a 'cliff edge' councils' face when this grant is ceased. It is not clear how Government will fund this in the next parliament and could be through a further reduction in revenue support grant. The Government has also announced a tax freeze grant for 2015/16. As such the MTFs assumes, for planning purposes only, a 2% increase in later years. We will continue to work with Government to see if it is possible to keep council tax as low as possible over these future years.

	2014/15	2015/16	2016/17	2017/18	2018/19
	£k	£k	£k	£k	£k
Council Tax increase	0.00%	0.00%	2.00%	2.00%	2.00%
Council Tax Band D	£1,128	£1,128	£1,151	£1,174	£1,197
Council Tax Base - Band Ds	51,054	51,640	52,226	52,817	53,415
Council amount raised (£m)	57.6	58.3	60.1	62.0	63.9

The current band D charge would remain at £1,128.03 in 2014/15 and 2015/16. This would mean that the Council would have frozen council tax in four out of five years.

- 1.4.7 The impact is that for:
- 2014/15 – council tax is frozen
  - The council will be eligible for a council tax freeze grant in 2014/15 resulting in additional funding to the council of £661k in 2014/15 and 2015/16 based on the provisional finance settlement

- 2015/16 – council tax is frozen
- The council will be eligible for a council tax freeze grant in 2015/16 resulting in additional funding to the council of £695k in 2015/16
- 2016/17 to 2023/24 – an increase of 2.00% for planning purposes
- The localisation of council tax benefit scheme remains at 30%, set at a rate to recover the reduction in council tax benefit passed on from government when the council tax benefit scheme was localised. Full Council approved the local scheme on 29 January 2014. The council is conscious of the impact of the local scheme on claimants and continued protection arrangements for pensioners which account for 40% of the 18,000 claimants, therefore a freeze in council tax will benefit those claimants subject to the 30% reduction by maintaining a reduction of 30%.

Council tax bills are not only made up of council charges but also charges from other public bodies to fund their services. The remainder of the council tax bill is made up from charges from:

- Police and fire – they have been offered a similar incentive grant enabling them to potentially levy no increase in council tax.
- Parish Councils – they do not receive any direct funding from the Government so no grant is available for them.

1.4.8 The proposal to freeze council tax will mean that the council will not be subject to the calculation to determine whether the council will need to undertake a referendum for setting an excessive council tax. The local referendum limit announced by government alongside the final settlement was 2.0% and if the council do not accept a council tax freeze in 2014/15, then this calculation would be required.

1.4.9 For comparative purposes, a 2.0% increase in council tax would generate an additional £1.2m in income, however, the council would lose the council tax freeze grant of £0.7m, resulting in additional benefit to the council of £0.5m. In summary, if the Cabinet had wished to see an increase in its spending power of £0.5m it would require local council tax payers to contribute £1.2m.

1.4.10 The Cabinet believe this proposal strikes the right balance between investing in our city, delivering efficiencies and keeping council tax as low as we can.

## 1.5 BUDGET SUMMARY

1.5.1 The summary figures underpinning the council tax proposals are:

	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
<b>Funding</b>					
School Funding	137,845	137,845	137,845	137,845	137,845
Revenue Support Grant	45,973	33,172	30,229	29,424	28,602
Business Rates	45,234	46,191	48,176	49,154	50,116
Other Council Grant	31,177	32,186	31,503	31,395	31,220
Benefit Grant	72,600	72,600	72,600	72,600	72,600
Parish Precepts	445	445	445	445	445
Council Tax	57,591	58,252	60,091	61,987	63,943
Collection Fund Surplus (Business Rates)	649	0	0	0	0
<b>Total Funding</b>	<b>391,514</b>	<b>380,691</b>	<b>380,889</b>	<b>382,850</b>	<b>384,771</b>
<b>Total Net Expenditure</b>	<b>391,514</b>	<b>398,294</b>	<b>403,125</b>	<b>406,443</b>	<b>410,878</b>
<b>Budget Surplus(+)/ Deficit(-)</b>	0	-17,603	-22,236	-23,593	-26,107
<b>Year on year deficit targets</b>		-17,603	-4,633	-1,357	-2,514

1.5.2 Whilst the council has been able to balance 2014/15 with the savings proposals within this budget consultation and absorb the further grant reduction based on the provisional funding announcement for the council, there remains a significant gap in 2015/16. The estimated further grant reduction the council is now expecting in 2014/15 is £12.3m and is a large part of the 2014/15 deficit. The table below illustrates the predicted deficits that the council is facing from 2015/16

	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
<b>Deficit</b>	0	-17,603	-22,236	-23,593	-26,107
Year on year deficit targets		-17,603	-4,633	-1,357	-2,514

1.5.3 Given the uncertainty on the future of the council's funding and needing to fully assess the implications and opportunities arising from localising business rates, the council's approach has been to balance 2014/15 and look at the scale of deficits over a ten year plan. The scale of the challenge in 2015/16 to balance the budget requires transformational change of service delivery, generating income from increased business rate or other income generation opportunities and working collaboratively with other organisations. The council has moved towards becoming a commissioning focused organisation and will develop proposals with Cabinet over the next twelve months to implement further savings.

## Capacity Bids

1.5.4 In preparing the MTFS it is important to ensure unavoidable spending pressures are accurately reflected in future budgets. A summary of these items are shown below, with full detail outlined in the MTFS

	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Inescapable	10,113	12,160	12,421	9,306	9,628
Essential	250	250	250	250	250
<b>Total</b>	<b>10,363</b>	<b>12,410</b>	<b>12,671</b>	<b>9,556</b>	<b>9,878</b>

The items are a mix of pressures that the council cannot avoid or has a legal duty to meet, as well as investments in delivering our priorities and improved services.

## Savings

1.5.5 The council's approach is 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 by:

- Reducing the demand residents have for our services and enabling them to live independent and healthy lives;
- Providing services that prevent residents needing critical and more expensive services and where there is a need to provide specialist services, ensuring that those services properly target the residents' needs or allow the residents to choose the care they want to purchase;
- Building a strong and healthy economy which provides jobs for our residents thereby removing dependency on welfare benefits;
- Focusing on educational attainment in schools and developing University provision to give our young people and residents the skills to take up the new job opportunities;
- Income generating in the new ways through, for example, its renewables project, to make the council less dependent on taxing its residents and on government funding and making the council independent to support its residents and their needs.

The scale of the financial challenge facing the Council, along with the fact that many transformational savings have been achieved, mean that the Council has to consider some service reductions. The new savings proposals are set out in the MTFS and can be summarised as follows:

	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Service Reductions	2,712	3,063	3,063	3,063	3,063
New savings and efficiencies	12,779	12,384	11,964	11,982	11,505
Additional Income	515	515	515	515	515
Terms and Conditions	283	573	1,146	1,719	2,292
<b>Total</b>	<b>16,289</b>	<b>16,535</b>	<b>16,688</b>	<b>17,279</b>	<b>17,375</b>



## 1.6 Reserves

- 1.6.1 For the Chief Finance Officer to recommend the level of reserves and provisions the council should hold, consideration is given to the general economic conditions facing the authority, the internal control framework in operation, and the probability and financial impact of service risks, including specific budget risks identified within the budget process.
- 1.6.2 The council regularly reviews the level of reserves as part of in year budget monitoring, setting the budget and at the end of the financial year in line with the council's reserve policy. Final proposals for reserve usage are approved by members as part of the budget and final accounts approval process. Reserves are reviewed and monitored during the year to ensure that the adequacy and application of reserve are valid and appropriate.
- 1.6.3 There is much debate nationally and more recently locally in the general level of reserves held by councils. Reserves are set aside for either a specific purpose, consideration to the general market conditions, the internal control framework in operation and the probability and financial impact of service risks.
- 1.6.4 Estimated levels of reserves for the next two years are outlined below. This includes sums that we hold on behalf of others and sums that we are independently advised to hold e.g. insurance reserve.

	<b>Estimated balance at 31.04.14 £k</b>	<b>Estimated balance at 31.04.15 £k</b>
<b>Earmarked Reserves</b>		
<b>Departmental Reserve</b> – The majority of this reserve relates to City College Peterborough who operate on academic year funding and retain a reserve for potential claw back from awarding bodies	632	508
<b>Schools Capital Expenditure Reserve</b> - Monies held on behalf of schools for capital spend	381	381
<b>Insurance, and other minor reserves</b> – These reserves are held for a specific purpose and cannot therefore be used for budget setting purposes	3,350	3,259
<b>TOTAL Earmarked reserves for specific purposes</b>	<b>4,363</b>	<b>4,148</b>
<b>General Fund</b> – Set aside to meet unforeseen issues and risks	6,000	6,000
<b>Capacity Building Reserve</b> – This enables us to implement saving proposals	2,746	1,483

- 1.6.5 Projected movements on reserves for this MTFS are shown in the reserves section later in the MTFS.
- 1.6.6 The challenging financial position presents the Council with several issues with regards to reserves:
- The new funding arrangements expose the council to risk if business rates decline. The government will only provide support if the council's business rates declines beyond 7.5%, the safety net threshold set by the new funding arrangements. For 2014/15, the safety net threshold

will be in the region of £2.8m on the council's funding level. However, the council will benefit with increased funding if business rates growth exceeds baseline funding levels subject to a levy payment. The council will keep 41.7 pence in the pound in growth achieved above the baseline funding level for the council.

- The new funding arrangements expose the council to volatility in business rates income throughout the year, for example the impact of business rates appeals that are concluded during the financial year even if the costs relate to previous financial years
- The savings proposals put forward in this consultation document in 2014/15 total 16.3m. If these savings proposals are updated during the budget consultation any shortfall will need to be covered from either finding other saving proposals, reducing bids, increasing council tax or from reserves
- The capacity fund assumes an estimate to fund the costs associated with implementing the savings proposals including headcount implications. It may be necessary to increase / decrease this estimate.
- There remains a significant forecast gap for the council to close in 2015/16 of £18m. To deliver savings of this scale, the council will need to utilise these reserves as appropriate under an invest to save approach.

1.6.7 The MTFS specifically addresses this as follows:

- During the span of the years covered within the MTFS, balances within the general fund are maintained at the £6m level considered prudent.
- The figures for the capacity fund include a prudent estimate of the likely use to support transformation projects, including the voluntary redundancy programme.

1.6.8 The Director has reviewed the financial risks identified (see Section 1.7 below), and the expected level of reserves at 1 April 2014. On this basis the Director is satisfied with the reserves proposals in the MTFS.

## 1.7 ROBUSTNESS OF ESTIMATES

1.7.1 In setting a budget for 2014/15, including a medium term financial plan to 2023/24, it is important that Members consider the risks inherent in the financial figures presented and the potential for there to be variances and events that may occur that may significantly impact on them.

1.7.2 The following is a summary of other matters that Members should take into account when considering the budget:

Area	Risk	Action to Mitigate Risk
Overall Budget	The current grant settlement is for 2014/15 with an illustrative 2015/16 settlement. Government have not published future grant settlements and the funding	Prudent approach to forecasting outlined in section 1.3.4 above.  Ensure council actively reviews new proposals to assess impact for future planning including review of

Area	Risk	Action to Mitigate Risk
	<p>may reduce beyond current forecasts</p> <p>Delivery of the £12.3m grant reduction already announced for 2015/16</p> <p>Final announcement may differ from the provisional announcement</p>	<p>the government announcements and policy reviews.</p> <p>Accelerate our transformation programme</p> <p>Review government websites for the most up to date information</p>
Overall Budget	<p>Specific grants allocated by government underpinning the council's budget reducing through:</p> <ul style="list-style-type: none"> <li>• New Homes Bonus – It is anticipated that the government will be reviewing the New Homes Policy to ensure that the policy is delivering intended outcomes</li> <li>• Welfare Reform Grant – The DWP are no longer providing this funding from 2015/16</li> <li>• Public Health Grant is under review by NHS England including public health functions</li> </ul> <p>Any change to the provisional announcement and the grants not yet announced will have a financial consequence on the council's budget setting</p>	<p>Where information has been released by government as part of the settlement, funding forecasts have been updated.</p> <p>The council will monitor government websites to confirm allocations at the earliest opportunity and budgets reviewed as appropriate.</p> <p>Continue to lobby the government</p>
Overall Budget	<p>Pooled NHS Funding – 'Better Care Fund'. The council will need to work in partnership with the NHS to agree deliverables and outcomes on health funding available to councils from 2015/16. Dependent on the outcomes and performance achieved, the funding available may be different.</p>	<p>The allocation of funding has not been factored into the councils budget position and will be subject to an agreed local plan between the Clinical Commissioning Group and the Council</p>
Overall Budget	<p>Business rate forecasts. The council will benefit from any growth in business rates but will also have to share the risk of volatility of collecting business rates, changes to business rates during the financial year and</p>	<p>Given that the business rates retention scheme is in its first year of operation, the council has not assumed growth in future years given the financial risk that the council is exposed to.</p>

Area	Risk	Action to Mitigate Risk
	administration costs associated with collecting business rates. Furthermore the safety net payment scheme to top up councils for loss in business rates income would require a decrease in business rates of 7.5%.	<p>The finance team will align forecasts using a more detailed approach with planning and revenue and benefit colleagues to monitor business and dwelling growth as part of the budget setting process and at regular intervals during the financial year.</p> <p>On a monthly basis reports will be available to monitor business rates income.</p>
Overall Budget	Business Rates – Achieving growth in business rate income through supporting infrastructure in the acknowledgment of a revaluation in 2017 and impact on business rate income forecasts.	As above
Overall Budget	<p>Business Rate appeals – The council has @ 34% of rateable value under appeal by businesses and has no influence over the outcome of the appeals but is now required to set aside an estimate of its share of income loss including any possible backdating of appeals.</p> <p>The provision set aside by the council may not be sufficient.</p>	As above
Overall Budget	<p>Inflation increases above forecasts assumed in the budget setting process.</p> <p>Budget assumes that inflation remains consistent with government forecasts.</p> <p>Interest rates may change</p>	<p>Monitor inflation position and forecasts, and review impact on budget through budget monitoring process.</p> <p>Active procurement approach in partnership with Serco to secure improved rates and avoid inflationary increases. Again contract provides for level of guaranteed savings</p> <p>Capital financing estimates developed using latest forecasts of interest rates for MTFS (which allow for a level of increase).</p> <p>Review capital programme and debt portfolio if rates increase beyond forecast levels.</p>

Area	Risk	Action to Mitigate Risk
Overall Budget	The council successfully applied to be one of the principal local authorities that would qualify for the Certainty Rate, benefiting from reduced interest rates on PWLB loans by 20 basis points. The council is assuming that there will be a similar scheme in place when this scheme expires and that it will again qualify.	If this risk materialises, the council will continue to monitor alternative sources of funding in market, then if not available the council would refresh budget forecasts as part of setting future budgets.
Overall Budget	Increase in employer's contribution rate to the pension scheme in future years (next triennial valuation due December 2013) if Hutton review does not deliver savings expected.	Following recent discussions with the Actuary, the sums previously included in the MTFS anticipating the next valuation from April 2014 is sufficient.  It should also be noted that actuaries look forward over several decades – well beyond our planning horizon
Overall Budget	Wind and solar energy  The council is pursuing wind and solar energy and income generation that will deliver savings to the council in future. The net income has been built into the budget.  If the projects do not proceed, then the budget gaps the council face will widen	The council has assumed a twelve month delay of the existing projects to allow time for appropriate discussion and approvals to be sought.  Any further delay or stopping of these projects, the council will need to find alternative savings to offset any reduction in income. The latest timelines from Scrutiny's December meeting have been included in the MTFS forecasts.  Report discussed by Cabinet on 24 February.
Overall Budget	The council has moved towards a commissioning function.  Future delivery of services will need to be within cash limits and align with all resources available to the council	Implement a transformation programme and review of future service delivery options.  Regular review of progress by CMT including risks and issues.
Overall Budget	Demand led service pressures.  The Council provides services in a number of areas where	Reviewed through monitoring of budget and management information on a monthly basis.

Area	Risk	Action to Mitigate Risk
	<p>the need for support lies outside the Council's direct control, for example in children's and adult social care. The demographics of the latter will remain under review due to Peterborough's ageing population above national average and complexities in cases being identified. The need for such services remains difficult to predict, and support must be provided where needed.</p> <p>This includes reform on implementing the Social Care Bill</p>	<p>Specific provision has been included in the budget plans for estimates of increased demand for children's and adult social care.</p> <p>Savings plans are also based intervention and reducing need and service demand</p>
Overall Budget	<p>The achievement of a balanced budget is reliant on a challenging savings programme and organisational capacity to deal with speed of change. There is a risk that both savings already extracted from budgets and the new savings programme will not be achieved.</p>	<p>Progress will be monitored via the monthly budget monitoring process.</p> <p>Specific provision has been made in the budget to support the costs of change needed to provide capacity to deliver these savings.</p> <p>The business transformation programme will be delivered in partnership with Serco.</p>
Overall Budget	Impact of reserves and balances	Reserves are reviewed and monitored during the year to ensure that the adequacy and application of reserve are valid and appropriate
Council Tax and Council Tax Benefit	<p>The budget assumes a 2.00% increase in council tax from 2016/17 onwards. These forecasts may need to be revised if the government decrease the referendum threshold limit for 2014/15 when announced in the next few weeks.</p> <p>For budget planning purposes, the council does not assume that a council tax referendum will be held and therefore only considers increasing council tax to the threshold level.</p>	<p>The council will revise future year forecasts on the next Cabinet report.</p> <p>Cabinet will need to consider council tax implications as part of setting future budgets.</p>
Council Tax and Council Tax Benefit	Localisation of council tax benefit scheme if eligible claimants increase beyond forecasts, non-collection of	The council tax benefit scheme is required to be approved annually by Full Council.

<b>Area</b>	<b>Risk</b>	<b>Action to Mitigate Risk</b>
	council tax and future council tax increases may result in a pressure if future schemes are no longer viable to be self-financing	At regular intervals during the financial year, an assessment will be completed to assess actual data against the budget forecast through budget monitoring and budget setting.
Council Tax and Council Tax Benefit	Implementation of the Universal Credit by the Department for Work and Pensions may have a financial consequence arising from shared data between the council and DWP to confirm council tax claimants	The Department for Work and Pensions continue to affirm that they intend to work closely with councils to provide and share data accordingly. This will be regularly monitored during the financial year.  At regular intervals during the financial year, an assessment will be completed to assess actual data against the budget forecast through budget monitoring and budget setting
Capital Expenditure	The proposed Capital Programme is reliant on asset disposals being achieved. Any slippage will impact on capital financing requirements	The estimates used are based on the latest information available in terms of both timing and capital receipt. Schemes will be carefully managed and regular reporting will continue.  Capital plans will be amended if asset disposals cannot be realised
Capital Expenditure	The proposed Capital Programme is reliant on developer contributions being achieved.	As above

## **1.8 FEES AND CHARGES**

- 1.8.1 Last year the council approved indicative fees and charges for 2014/15 and 2015/16 based on an overall approach to increase fees and charges by 2.5% per annum. The fees and charges range from 0% to 6% increase on 2013/14 fees and charges. Schedule of fees and charges has been included in the MTFS

## **1.9 EDUCATION FUNDING**

- 1.9.1 Funding for schools and settings is provided directly through a specific grant known as the Dedicated Schools Grant. The majority of this grant is delegated directly to schools, but some is held centrally and spent on education and children's services across the city.

- 1.9.2 The estimated Dedicated Schools Grant for 2014/15 is £137.8m. The final figure for 2014/15 will not be confirmed until early 2014, when pupil numbers are finalised.
- 1.9.3 Funding per pupil national remains static but Peterborough's overall DSG has increased as a result of further investment into 2 year old education and to represent the 1,000 extra pupils in the city between October 2012 and October 2013. Further detail can be seen in the consultation document.
- 1.9.4 The funding for the majority of education support services comes through a per pupil allocation through the 'Education Services Grant'. This grant is adjusted annually in light of schools that have become academies and this year the per pupil rate has declined slightly. The grant for 2015/2016 is likely to be cut by up to 25%.

## 1.10 CAPITAL PROGRAMME 2014/15 TO 2023/24

1.10.1 The capital programme is driven by the Council's contribution to the sustainable community strategy. In addition, it is based around the Capital Strategy that is integrated with the Council's Asset Management Plan. These are included as appendices.

1.10.2 In summary, the programme is in the next table.

	2014/15	2015/16	2016/17	2017/18	2018/19
	£k	£k	£k	£k	£k
<b>Total Capital Expenditure</b>	<b>260,808</b>	<b>144,711</b>	<b>61,200</b>	<b>26,579</b>	<b>19,842</b>
<b>Financed by:</b>					
Grants & Third Party Contributions	29,407	10,012	11,827	10,327	5,827
Capital Receipts	9,764	7,620	2,425	2,775	1,000
Capital Financing Requirement (Borrowing)	221,637	127,079	46,948	13,477	13,015
<b>Total Capital Financing</b>	<b>260,808</b>	<b>144,711</b>	<b>61,200</b>	<b>26,579</b>	<b>19,842</b>

### Capital Programme 2019/20 to 2023/24

	2019/20	2020/21	2021/22	2022/23	2023/24
	£k	£k	£k	£k	£k
<b>Total Capital Expenditure</b>	<b>15,780</b>	<b>14,782</b>	<b>15,523</b>	<b>15,700</b>	<b>15,700</b>
<b>Financed by:</b>					
Grants & Third Party Contributions	5,827	5,827	5,650	5,827	5,827
Capital Receipts	-	-	-	-	-
Capital Financing Requirement (Borrowing)	9,953	8,955	9,873	9,873	9,873
<b>Total Capital Financing</b>	<b>15,780</b>	<b>14,782</b>	<b>15,523</b>	<b>15,700</b>	<b>15,700</b>

1.10.3 Members should also be aware that the programme is reliant on capital receipts generated through asset disposal, and in some cases from the receipt of developer contributions (S106, POIS and CIL). Hence some capital schemes will only be initiated if resources are actually achieved.



- 1.10.4 Capital schemes will not progress until external funding has been secured where supporting a scheme.
- 1.10.5 The Local Government Act 2003 introduced the prudential capital system. The key objectives of the prudential system are to ensure, within a clear framework, that local authority capital investment plans are affordable, prudent and sustainable and have regard to the Chartered Institute of Public Finance and Accountancy's Prudential Code.
- 1.10.6 The revenue impact of borrowing has been factored into the budget. The impact of this, including the report on the Prudential Code, Treasury Management Strategy and Minimum Revenue Provision (MRP) Policy are attached.
- 1.10.7 The council has also looked carefully at how it borrows to support the capital programme. The MTFFS is based on the following borrowing assumptions for the next ten years. However, the borrowing strategy is under constant review throughout the year as a result of changes in interest rates and borrowing opportunities. The proposed strategy for 2014/15 financial year is:
- a) To consider the rescheduling (early redemption and replacement) of loans to maximise interest rate savings and possible redemption discounts.
  - b) If there was a significant risk of a sharp fall in long and short term rates e.g. due to a marked increase of risks around relapse into recession or of risks of deflation, then long term borrowings will be postponed, and potential rescheduling from fixed rate funding into short term borrowing will be considered.
  - c) If there was a significant risk of a much sharper rise in long and short term rates than currently forecast, perhaps rising from a greater than expected increase in world economic activity or a sudden increase in inflation risks, then the portfolio position will be re-appraised with the likely action that fixed rate funding will be drawn whilst interest rates were still relatively cheap.
  - d) To maintain an appropriate balance between PWLB and market debt in the debt portfolio and a balance in the maturity profile of debt.
  - e) To give full consideration to other debt instruments e.g. Local Authority Bonds as an alternative to PWLB borrowing. Due regard will be given to money laundering regulations.

## **1.11 ASSET MANAGEMENT PLAN**

- 1.11.1 Attached is the Corporate Asset Management Plan (AMP). This document sets out how the Council will manage Council Property Assets in the future and builds upon the AMP prepared last year. The AMP sets out how we will address future challenges including:
- A property portfolio that is ageing with increasing liabilities for repairs and maintenance.
  - A property portfolio that is not suited to Council needs for service delivery now and into the future.
  - Until recently there was an ad-hoc approach to management of the portfolio i.e. currently service departments manage their property in isolation leading to inconsistencies across the Council. The process to bring asset management together has started but significant work is required to ensure consistency.

1.11.2 In addition, it sets out how we will get the most from our property portfolio. This will include:

- The delivery of in excess of £24m of Capital Receipts in a difficult market over the next ten years to support the Council's Capital Budget.
- Maintaining revenue streams in a difficult market. Current forecasts indicate rental stream of £3.25m to year end 2013/2014.

## **1.12 BUDGET VIREMENT**

1.12.1 The council's Budget and Policy Framework, paragraph 4.9 enables the council to specify the extent of virement within the budget and degree of in-year changes to the Policy Framework which may be undertaken by Cabinet. Virement allows council to move spend approved in the budget to another budget in accordance with Financial Regulations.

1.12.2 Having reviewed the existing framework and the council's Financial Regulations the principle remains that approved budget cannot be moved from one area of spend or project to another unless it meets Financial Regulations. This applies to both revenue and capital budgets.

1.12.3 The virement limits for 2014/15 are as follows:

- Directors within their own area can approve virements up to £500k
- Virements required across departments can be approved by the relevant departments up to a limit of £250k, any virements in excess of this limit will require Cabinet approval
- All budget virements in excess of £500k will require Cabinet approval

## **Appendix A - Peterborough City Council's consultation response to:**

### **Local government finance settlement 2014-15 consultation**

The council welcomes the opportunity to respond to the local government finance settlement 2014/15 consultation and in addition to the questions asked, the council would like government to note the further comments made in this response.

The council remains supportive of the principle of allowing councils to retain locally raised business rate income, however the issue still remains on whether the proportion that the council can retain acts as a disincentive to deliver growth. The council believe it would be a greater incentive if the council could retain more than half of locally raised business rate income helping to bring forward business cases and viable projects to deliver growth working with the businesses and investors.

The level of grant reduction already announced for 2015/16 in excess of £11m for Peterborough against a net budget of £150m is a significant challenge and urge the government to consider an approach to protect councils for any further reductions in 2015/16 in a similar way to protecting schools and the NHS. Implementing any further reductions in 2015/16 will compromise the work the council is already undertaking to reshape service delivery.

The council remains concerned over the lateness of the provisional settlement announcement and the absence of key information such as the council tax referendum threshold and business rate documentation to enable council's to make decisions on challenging deficit reductions and urges government to publish future local government information at the earliest opportunity. The scale of the financial challenge and continual reduction in local government spending requires significant lead time to deliver transformational change and reshaping of council services in the future. It is not acceptable for government to make further cuts at such a late stage in the year, giving insufficient time for councils to consult fully on budget proposals.

With regards to the technical aspects of the provisional settlement, the council is seeking clarity on the protection in cash terms to the 2011/12 council tax freeze compensation given that the element included in the business rates has been capped at 2%. This has the presentational effect of reducing the element due following the capping of business rates. Although the council is expected to be compensated for the capping of business rate impact net of levy, confirmation is required that this is just a presentational issue and the council has not lost funding through this policy implemented by government. A similar issue exists with the Learning Disability and Health Reform Grant.

#### ***Question 1 – Do you agree with the Government's proposal to remove the capitalisation holdback and re-allocate the funds?***

The council does agree to the principle that any monies held back should be returned councils on a fair and equitable basis. The return of this funding will enable councils to utilise this funding in the most appropriate way to deliver sustainable budgets given the further challenges ahead. However, the council does not agree to the capitalisation monies being withheld to fund the rural sparsity funding for authorities explained further in question 3.

***Question 2 – Do you agree with the Government’s proposal to reduce the New Homes Bonus holdback from £800m to £700m?***

The council does support the Government’s proposal to reduce the holdback of the New Homes Bonus as previously responded to in the summer consultation. However, this is not new funding, as the council were expecting this funding to be returned to local government via a S31 grant as provisionally announced last year so is merely a presentation change.

***Questions 3 – Do you agree with the Government’s proposal to increase and roll in funding for rural authorities?***

No, the council strongly disagrees with the government’s proposal and would suggest that the existing efficiency support grant allocated in 2013/14 continues to be funded outside of the Settlement Funding Assessment given its original purpose was to allow certain council’s whose spending power was in excess of the threshold set by government given some protection and look to deliver service efficiencies in the future. If further councils require this support in 2014/15, then these monies should be provided via a S31 grant in 2014/15. The policy on providing the efficiency support grant should be reviewed once the localisation of business rates scheme has been operational for more than one year and a review of local authorities’ balance sheet has been undertaken to understand council sustainability.

There should not be an inclusion of efficiency support for services in sparse areas and instead the monies returned to council’s in full after protecting the council’s affected by the reduction in spending power above the government’s threshold level. The draft finance report suggests that this funding is to support local authorities in sparse areas to help transform their services. Almost all councils have significant financial challenges in future years and will need resources to deliver transformational change.

On reviewing the council’s affected, most councils are top up authorities that were subject to damping arrangements in the previous funding methodology. A similar argument could be put forward by groups of local authorities impacted by other issues, for example excessive population growth as experienced in Peterborough that has during the current Spending Review lose in excess of £12m through the claw back mechanism.

***Question 4 – Do you have any comments on the impact of the 2014-15 settlement on protected groups, as set out in the draft Equality Statement?***

No. Every council will have differing impacts on protected groups which will be assessed on decisions made locally.

## 1. Key Figures

	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	£k	£k	£k	£k	£k	£k	£k	£k	£k	£k
<b>Funding</b>										
Schools Funding	137,845	137,845	137,845	137,845	137,845	137,845	137,845	137,845	137,845	137,845
Business Rates	45,234	46,191	48,176	49,154	50,116	51,096	52,097	53,117	54,158	55,219
RSG	45,973	33,172	30,229	29,424	28,602	27,765	26,910	26,038	25,149	24,243
Other Grants	31,177	32,186	31,503	31,395	31,220	31,108	30,835	30,340	30,401	30,401
Housing Benefit Grant	72,600	72,600	72,600	72,600	72,600	72,600	72,600	72,600	72,600	72,600
Parish Precepts	445	445	445	445	445	445	445	445	445	445
Council Tax Base	56,580	57,591	58,252	60,091	61,987	63,943	65,958	68,036	70,179	72,389
Council Tax Growth Estimate	1,011	661	661	681	702	723	744	767	790	815
Council Tax Increase	0	0	1,178	1,215	1,254	1,292	1,334	1,376	1,420	1,464
Collection Fund Surplus	649	0	0	0	0	0	0	0	0	0
<b>Total Funding</b>	<b>391,514</b>	<b>380,691</b>	<b>380,889</b>	<b>382,850</b>	<b>384,771</b>	<b>386,817</b>	<b>388,768</b>	<b>390,564</b>	<b>392,987</b>	<b>395,421</b>
<b>Gross Departmental Control Totals</b>	<b>397,440</b>	<b>402,419</b>	<b>407,142</b>	<b>414,166</b>	<b>418,375</b>	<b>422,799</b>	<b>426,997</b>	<b>431,187</b>	<b>431,921</b>	<b>435,389</b>
<b>Less: Savings 2014/15</b>										
New Savings and Efficiencies	-12,779	-12,384	-11,964	-11,982	-11,505	-10,923	-10,693	-10,638	-10,637	-10,289
Additional Income	-515	-515	-515	-515	-515	-515	-515	-515	-515	-515
Terms and Conditions	-283	-573	-1,146	-1,719	-2,292	-2,865	-3,438	-4,011	-4,584	-4,584
Service Reductions	-2,712	-3,063	-3,063	-3,063	-3,063	-3,063	-3,063	-3,063	-3,063	-3,063
<b>Sub Total</b>	<b>-16,289</b>	<b>-16,535</b>	<b>-16,688</b>	<b>-17,279</b>	<b>-17,375</b>	<b>-17,366</b>	<b>-17,709</b>	<b>-18,227</b>	<b>-18,799</b>	<b>-18,451</b>
<b>Capacity Bids 2014/15</b>										
Capacity Bid - Inescapable	10,113	12,160	12,421	9,306	9,628	9,744	9,905	9,484	10,212	10,672
Capacity Bid - Essential	250	250	250	250	250	250	250	250	250	250
<b>Sub Total</b>	<b>10,363</b>	<b>12,410</b>	<b>12,671</b>	<b>9,556</b>	<b>9,878</b>	<b>9,994</b>	<b>10,155</b>	<b>9,734</b>	<b>10,462</b>	<b>10,922</b>
<b>Total Expenditure</b>	<b>391,514</b>	<b>398,294</b>	<b>403,125</b>	<b>406,443</b>	<b>410,878</b>	<b>415,427</b>	<b>419,443</b>	<b>422,694</b>	<b>423,584</b>	<b>427,860</b>
<b>Budget Surplus/Deficit(-)</b>	<b>0</b>	<b>-17,603</b>	<b>-22,236</b>	<b>-23,593</b>	<b>-26,107</b>	<b>-28,610</b>	<b>-30,675</b>	<b>-32,130</b>	<b>-30,597</b>	<b>-32,439</b>

	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	£k	£k	£k	£k	£k	£k	£k	£k	£k	£k
Council Tax increase	0.00%	0.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Council Tax Band D £	1,128.03	1,128.03	1,150.59	1,173.60	1,197.07	1,221.01	1,245.43	1,270.34	1,295.75	1,321.67
Council Tax Base - Band Ds	51,054	51,640	52,226	52,817	53,415	54,019	54,629	55,245	55,866	56,495
<b>Council Tax Base</b>	56,580	57,591	58,252	60,091	61,987	63,943	65,958	68,036	70,179	72,389
<b>Council Tax Growth Estimate</b>	1,011	661	661	681	702	723	744	767	790	815
<b>Council Tax Increase</b>	0	0	1,178	1,215	1,254	1,292	1,334	1,376	1,420	1,464
	<b>57,591</b>	<b>58,252</b>	<b>60,091</b>	<b>61,987</b>	<b>63,943</b>	<b>65,958</b>	<b>68,036</b>	<b>70,179</b>	<b>72,389</b>	<b>74,668</b>

## 2. Capacity Bids

### Appendix 2a – Capacity Bids – Inescapable

Dept	Area	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Adult Social Care and Health and Wellbeing (Adult Social Care)	Welfare Reform	108	108	108	108	108
Adult Social Care and Health and Wellbeing (Adult Social Care)	Winterbourne Review	945	945	945	945	945
Adult Social Care and Health and Wellbeing (Adult Social Care)	Contracts and procurement	396	396	396	396	396
Chief Executive (Operations)	Tourist Information Centre and Travelchoice Centres	115	115	115	115	115
Communities (Children Services)	Support for looked after children	919	919	919	919	919
Communities (Operations)	Increased costs to prevent Homelessness	150	150	150	150	150
Communities (Children Services)	Looked After Children Transport	100	100	90	80	70
Governance (Chief Executive)	Expanding the legal team to meet demand	126	126	126	126	126
Governance (Chief Executive)	Coroner Reforms	250	250	250	250	250
Governance (Chief Executive)	Changes to electoral system	50	50	50	50	50

<b>Dept</b>	<b>Area</b>	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
Governance (Operations)	Late Night Levy Income – removal of budget	25	25	25	25	25
Growth and Regeneration (Operations)	Street Lighting Energy Costs	340	340	340	340	340
Growth and Regeneration (Operations)	Resilience function	66	66	66	66	66
Growth and Regeneration (Operations)	Concessionary Fares	0	200	400	600	800
Growth and Regeneration (Operations)	Opportunity Peterborough	50	0	0	0	0
Resources (Strategic Resources)	Carbon Reduction Commitment	140	140	140	140	140
Resources (Strategic Resources)	Business Transformation	2,528	2,396	2,806	2,485	2,801
Resources (Strategic Resources)	Vivacity	47	47	47	47	47
Resources (Strategic Resources)	Football Ground income adjustment	303	134	134	134	134
Resources (Strategic Resources)	Increase to employer's NI contribution	0	0	1,026	1,026	1,026
Resources (Children Services)	Special School Transport	164	164	164	164	164
Adult Social Care and Health and Wellbeing (Adult Social Care)	Social Care Funding changes	0	319	322	391	391



<b>Dept</b>	<b>Area</b>	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
Adult Social Care and Health and Wellbeing <i>(Adult Social Care)</i>	Carers Responsibilities	0	146	260	374	374
Resources <i>(Strategic Resources)</i>	Energy Parks	384	4,193	2,930	-359	-575
Resources <i>(Strategic Resources)</i>	Capital Financing - Investment costs	2322	187	66	212	212
Resources <i>(Strategic Resources)</i>	Energy inflation indices updated to DECC forecast	70	149	51	27	59
Resources <i>(Strategic Resources)</i>	Contingency Fund	20	0	0	0	0
Corporate	Pay Award 2013/14	495	495	495	495	495
		<b>10,113</b>	<b>12,160</b>	<b>12,421</b>	<b>9,306</b>	<b>9,628</b>

**Appendix 2b – Capacity Bids – Essential**

<b>Dept</b>	<b>Area</b>	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2017/18 £k</b>
Resources <i>(Strategic Resources)</i>	Move ICT server to Cloud	250	250	250	250	250
		<b>250</b>	<b>250</b>	<b>250</b>	<b>250</b>	<b>250</b>

### 3. Savings

#### Appendix 3a – Savings – Service Reductions

Dept	Area	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Adult Social Care and Health and Wellbeing (Adult Social Care)	Transforming Day Opportunities for Adults Under 65	400	400	400	400	400
Adult Social Care and Health and Wellbeing (Adult Social Care)	Transport savings	175	175	175	175	175
Communities (Children Services)	Children Centres	931	1,181	1,181	1,181	1,181
Communities (Operations)	St Georges Hydrotherapy pool	45	45	45	45	45
Governance (Operations)	Re-organisation of the licensing team	70	70	70	70	70
Growth and Regeneration (Operations)	Remove historic and natural environment grant and reduce biodiversity strategy budget	25	25	25	25	25
Resources (Strategic Resources)	Reduce funding for parish councils	0	40	40	40	40
Resources (Strategic Resources)	Council Tax support grant for parish councils	0	61	61	61	61
Resources (Strategic Resources)	Introduce charge for garden waste collection service	804	804	804	804	804
Resources (Strategic Resources)	Sports clubs' caretaker service	45	45	45	45	45

<b>Dept</b>	<b>Area</b>	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
Resources <i>(Strategic Resources)</i>	Play area inspections	15	15	15	15	15
Resources <i>(Strategic Resources)</i>	Grass cutting service	78	78	78	78	78
Resources <i>(Strategic Resources)</i>	Changing planting and creating wildlife havens	58	58	58	58	58
Resources <i>(Strategic Resources)</i>	WEEE facility	66	66	66	66	66
		<b>2,712</b>	<b>3,063</b>	<b>3,063</b>	<b>3,063</b>	<b>3,063</b>

**Appendix 3b – Savings – New Savings and Efficiencies**

<b>Dept</b>	<b>Area</b>	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
Adult Social Care and Health and Wellbeing <i>(Adult Social Care)</i>	Transformation and Personalisation	637	637	637	637	637
Adult Social Care and Health and Wellbeing <i>(Adult Social Care)</i>	Older People Day Services	150	150	150	150	150
Adult Social Care and Health and Wellbeing <i>(Adult Social Care)</i>	Physical Disability & Sensory Impairment Services	150	150	150	150	150
Adult Social Care and Health and Wellbeing <i>(Adult Social Care)</i>	Personal Assistants	75	75	75	75	75
Adult Social Care and Health and Wellbeing <i>(Adult Social Care)</i>	Creating One Central Team for Training and Development – Joint teams	100	100	100	100	100
Adult Social Care and Health and Wellbeing <i>(Adult Social Care)</i>	Continuing Health Care	75	75	75	75	75
Adult Social Care and Health and Wellbeing <i>(Adult Social Care)</i>	Development of new respite policy	150	150	150	150	150
Adult Social Care and Health and Wellbeing <i>(Adult Social Care)</i>	Assistive Technology	80	80	80	80	80

<b>Dept</b>	<b>Area</b>	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
Adult Social Care and Health and Wellbeing <i>(Adult Social Care)</i>	Direct Payments and Personal Budgets	100	100	100	100	100
Adult Social Care and Health and Wellbeing <i>(Adult Social Care)</i>	Mental Health Employment Services	80	80	80	80	80
Adult Social Care and Health and Wellbeing <i>(Adult Social Care)</i>	Support cost efficiencies	50	50	50	50	50
Adult Social Care and Health and Wellbeing <i>(Adult Social Care)</i>	Eligibility	100	100	100	100	100
Adult Social Care and Health and Wellbeing <i>(Adult Social Care)</i>	Panel reviews	100	100	100	100	100
Adult Social Care and Health and Wellbeing <i>(Adult Social Care)</i>	Reablement	200	200	200	200	200
Adult Social Care and Health and Wellbeing <i>(Adult Social Care)</i>	Support Cost Estimate	125	125	125	125	125
Adult Social Care and Health and Wellbeing <i>(Adult Social Care)</i>	Supporting Planning	160	160	160	160	160
Chief Executive <i>(Operations)</i>	Markets –reduce cleansing expenditure through contract negotiation	40	40	40	40	40
Chief Executive <i>(Operations)</i>	CCTV – reduce expenditure on line rental through contract negotiation	16	16	16	16	16

<b>Dept</b>	<b>Area</b>	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
Children Services (Children Services)	Social Care improvement – management costs / efficiency	678	867	867	867	867
Children Services (Children Services)	Reviewing Education Support Services	524	524	524	524	524
Children Services (Children Services)	Youth Offending Service	50	50	50	50	50
Children Services (Children Services)	Reviewing Support Services to Children's Services	84	84	84	84	84
Children Services (Children Services)	New central training and development team and joint transitioning team	23	23	23	23	23
Communities (Children Services)	Looked After Children Costs	245	713	913	1,255	1,255
Communities (Operations)	Increase in public health Government grant and re-organising services to make efficiencies	1,090	1,090	1,090	1,090	1,090
Communities (Operations)	Supplies and services	50	50	50	50	50
Communities (Children Services)	Careers Advice and Guidance	132	132	132	132	132
Governance (Chief Executive)	Re-organisation of legal and governance services	203	203	203	203	203
Governance (Operations)	Reduce Community Leadership Fund	183	183	183	183	183
Governance (Chief Executive)	HR re-organisation	57	57	57	57	57
Governance (Chief Executive)	Creation of a corporate team for workforce development and training	24	24	24	24	24

<b>Dept</b>	<b>Area</b>	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
Growth and Regeneration (Operations)	Reduction in expenditure on Local Plan	61	61	61	61	61
Growth and Regeneration (Operations)	Climate change and Environment Capital conference	16	16	16	16	16
Growth and Regeneration (Operations)	Re-organisation of Planning, Transport and Engineering service	101	101	101	101	101
Growth and Regeneration (Chief Executive)	Funding Peterborough's future growth - Joint Venture	0	250	250	250	400
Growth and Regeneration (Strategic Resources)	Trees and woodlands	100	100	100	100	100
Resources (Strategic Resources)	Further savings in finance team	72	72	72	72	72
Resources (Strategic Resources)	External Audit costs	30	30	30	30	30
Resources (Strategic Resources)	Re-organise the Client Services Team in line with changes to the council's structure	100	100	100	100	100
Resources (Children Services) (Strategic Resources)	Reductions in Serco Strategic Partnership and business support	775	775	775	775	775
Resources (Strategic Resources)	Reduce costs of office accommodation	453	580	580	580	580



<b>Dept</b>	<b>Area</b>	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
Resources (Strategic Resources)	Develop new ways to generate income and make savings from all council-owned buildings	220	220	220	220	220
Resources (Strategic Resources)	Reviewing all ICT projects and reducing ICT support costs	461	461	461	461	461
Resources (Strategic Resources)	Reduced costs through new Broadband provision	141	271	517	513	513
Resources (Strategic Resources)	Enterprise contract cost control (indexation)	149	149	149	149	149
Resources (Strategic Resources)	Reduced landfill costs	100	100	0	0	0
Resources (Strategic Resources)	Vivacity - capital investment to generate efficiency savings	133	53	53	53	53
Resources (Strategic Resources)	Vivacity - Peterborough Arts Festival	45	45	45	45	45
Resources (Strategic Resources)	Vivacity - Move Central library to one floor	50	50	50	50	50
Resources (Strategic Resources)	Vivacity - increased income from the new Hampton Premier facility	37	79	79	79	79
Resources (Strategic Resources)	Vivacity - reducing the book fund	70	48	48	48	48
Resources (Strategic Resources)	Vivacity - Further savings to be considered	0	260	260	260	260
Resources (Children Services)	Special School Transport	60	60	60	60	60
Resources (Strategic Resources)	Risk Management contingency	207	207	207	207	207

<b>Dept</b>	<b>Area</b>	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
Resources (Strategic Resources)	Council tax freeze grant	0	1,533	1,533	1,533	1,533
Resources (Strategic Resources)	School capitalisations	250	0	0	0	0
Resources (Strategic Resources)	Inflation	606	366	366	366	366
Resources (Strategic Resources)	Increase in energy initiatives target	12	44	64	64	64
Resources (Strategic Resources)	Capital Financing - Savings	2,799	-35	-821	-1,141	-1,768
		<b>12,779</b>	<b>12,384</b>	<b>11,964</b>	<b>11,982</b>	<b>11,505</b>

**Appendix 3c – Savings – Additional Income**

<b>Dept</b>	<b>Area</b>	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
Chief Executive (Operations)	Self-funding parking enforcement service	30	30	30	30	30
Chief Executive (Operations)	Increase Great Eastern Run income	50	50	50	50	50
Children Services (Children Services)	Adoption Placements	25	25	25	25	25
Communities (Operations)	Increase charges to Registered Social Landlords for Choice-based Lettings	50	50	50	50	50
Communities (Operations)	Issue Energy Performance Certificates and enforce, via Fixed Penalty Notices, against premises failing to display an EPC	200	200	200	200	200
Growth and Regeneration (Operations)	Increase in income to Housing Strategy	20	20	20	20	20
Resources (Strategic Resources)	Increased Income – Bereavement Service	46	46	46	46	46
Resources (Strategic Resources)	Increased Income – Registration Service	54	54	54	54	54
Resources (Strategic Resources)	Charging developers for new bins	40	40	40	40	40
		<b>515</b>	<b>515</b>	<b>515</b>	<b>515</b>	<b>515</b>

**Appendix 3d – Savings – Terms and Conditions**

<b>Dept</b>	<b>Area</b>	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
Corporate	Pay Award from 2014/15 onwards held at 1% provides saving	283	573	1,146	1,719	2,292
		<b>283</b>	<b>573</b>	<b>1,146</b>	<b>1,719</b>	<b>2,292</b>

## 4. Fees and Charges Schedule

Directorate	Service Area	Charge	Average % increase in fees & Charges	Council Lead/Statutory	Comments
Adult Social Care, Health and Wellbeing	Independent Sector Placements	Homecare - hourly rate	-3.5%	Council Lead	Recharged at cost - new contract results in reduced charges for services users
Adult Social Care, Health and Wellbeing	Independent Sector Placements	Extra Care Schemes	2.6%	Council Lead	
Adult Social Care, Health and Wellbeing	Independent Sector Placements	Day services	2.3%	Council Lead	
Adult Social Care, Health and Wellbeing	Independent Sector Placements	Direct payment rates	0.0%	Council Lead	
Adult Social Care, Health and Wellbeing	Independent Sector Placements	Respite	2.5%	Council Lead	
Adult Social Care, Health and Wellbeing	Independent Sector Placements	Meals on wheels	11.9%	Council Lead	Frozen Meals remain unchanged, Hot meals subsidy reduced by £1, charge increases from £4.20 to £5.20
Chief Executive	Parking Services	Off Street Parking	0.0%	Council Lead	
Chief Executive	Parking Services	Off Street Parking Season tickets	0.0%	Council Lead	
Chief Executive	Parking Services	PCN's - All Off Street Parking	0.0%	Statutory	
Chief Executive	Parking Services	Staff Parking	0.0%	Council Lead	
Chief Executive	Parking Services	On Street Parking	0.0%	Council Lead/Statutory	
Chief Executive	Parking Services	Residential Parking	0.0%	Council Lead	
Chief Executive	City Centre Services	City Services Street Trading	0.0%	Council Lead	

<b>Directorate</b>	<b>Service Area</b>	<b>Charge</b>	<b>Average % increase in fees &amp; Charges</b>	<b>Council Lead/Statutory</b>	<b>Comments</b>
Chief Executive	Tourism	Tickets sold on behalf of event organisers	0.0%	Council Lead	
Children's Services	Childrens Social Care	Unauthorised absence penalty notice	20.0%	Statutory	Nationally set charge. Main charge rises from £50 to £60
Children's Services	Learning & Skills	Placement costs recovery	0.0%	Statutory	
Children's Services	Learning & Skills	Parental contribution to Bus Passes issued	0.3%	Council Lead	
Communities	Enforcement	Houses of Multiple Occupation License	0.0%	Statutory	
Communities	Children & Families	Accommodation charges	0.0%	Council Lead	
Communities	Children & Families	Inter-agency adoption fee	105.5%	Statutory	Nationally set charge rising from £13k to £27k
Governance	Licensing	Public Entertainment Licences	0.0%	Statutory	
Governance	Licensing	Gambling Act Licensing	0.0%	Statutory	
Governance	Licensing	Hackney Carriage Licensing	4.0%	Council Lead	
Governance	Licensing	Animal Welfare Licensing	3.1%	Council Lead	
Governance	Business Regulations	Other Environmental Health Licensing	4.0%	Council Lead	
Governance	Business Regulations	Construction, Design and Management Fees	3.0%	Statutory	
Governance	Business Regulations	Trading Standards	0.4%	LACORS (Local Authority Coordination of Regulated Services)	
Governance	Business Regulations	Street Trading Consents (Non Pedestrian Area)	3.4%	Council Lead	

Directorate	Service Area	Charge	Average % increase in fees & Charges	Council Lead/Statutory	Comments
Governance	Licensing	Lottery Licensing	50.0%	Statutory	Renewal rises from £20 to £40 in line with initial application fee which remains at £40
Governance	Community Protection	Environmental Protection Act	0.0%	Statutory	
Governance	Business Regulations	Other charges	15.4%	Council Lead/Statutory	Average increase for high hedge disputes fee £217, other fees remain unchanged
Governance	Community Protection	Environmental Enforcement	8.3%	Statutory	Average increase of £5 across numerous statutory fees
Growth and Regeneration	Passenger Transport	Queensgate Bus Station	0.0%	Council Lead	
Growth and Regeneration	Street Works	Licenses and permits	5.4%	Council Lead	
Growth and Regeneration	Trans and Development	Highways Development	0.0%	Council Lead	
Growth and Regeneration	Planning	Planning Fees and Charges	0.0%	Council Lead/Statutory	
Resources	Mayoralty/Civic	Civic Room Lettings	5.0%	Council Lead	
Resources	Land charges	Search fees	0.0%	Council Lead/Statutory	
Resources	Bereavement Services	Crematorium fees	5.0%	Council Lead	
Resources	Bereavement Services	Memorial Sales	5.3%	Council Lead	

<b>Directorate</b>	<b>Service Area</b>	<b>Charge</b>	<b>Average % increase in fees &amp; Charges</b>	<b>Council Lead/Statutory</b>	<b>Comments</b>
Resources	Bereavement Services	Cemetery fees	2.7%	Council Lead	
Resources	Registration Services	Private Citizenship Ceremonies	4.2%	Council Lead	
Resources	Registration Services	Approved Premises/Registration Office	5.0%	Council Lead	
Resources	Registration Services	Nationality Checking	19.5%	Council Lead	Average increase of £17 per fee
Resources	Registration Services	Baby Naming/Renewal of Vows	6.5%	Council Lead	
Resources	Registration Services	Registration Services – Statutory fees	0.0%	Statutory	
Resources	Strategic Property	Property Rents	Varies - see comment	Council Lead	Increases in rent are dictated by the terms of the leases



## 5. Reserves Position

	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
	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	Estimated Balance at 31.03.18 £000	Estimated Balance at 31.03.19 £000
<b>Earmarked Reserves</b>						
Departmental Reserve	632	508	503	498	493	488
Schools Capital Expenditure Reserve	381	381	381	381	381	381
Insurance and Other minor reserves	3,350	3,259	3,167	2,929	2,818	2,707
<b>Subtotal - Earmarked Reserves</b>	<b>4,363</b>	<b>4,148</b>	<b>4,051</b>	<b>3,808</b>	<b>3,692</b>	<b>3,576</b>
General Fund Balance	6,000	6,000	6,000	6,000	6,000	6,000
Capacity Building Reserve	2,746	1,483	1,483	1,483	1,483	1,483

## 6. Budget Monitoring – Probable Outturn

### BUDGET MONITORING POSITION NOVEMBER 2013

#### 1 Revenue Monitoring

- 1.1 A balanced budget was approved for 2013/14 by Council on 6<sup>th</sup> March 2013. During the course of the year the budgetary position is updated monthly and reported in detail to departmental management teams and is summarised to CMT. As risks and pressures arise directors and their staff take appropriate action to minimise the impact by managing the pressures and risks downwards, reviewing planned expenditure and commitments and by making additional efficiency savings within the service.
- 1.2 When compared to the approved budget the latest forecast of the year end position is an overspending of £271k which represents an improvement of £1,959k compared to the position reported to Cabinet on 23<sup>rd</sup> September 2013 based upon July figures. Table 1 below summarises the budget monitoring position for November which is set out in more detail in Appendix A.
- 1.3 The budget has been reallocated to the new departments following the recent senior management review and amendments have been made to the July variance where significant budget transfers have taken place to aid comparison. As an interim measure prior to finalisation of all budget allocations the further breakdown shown within Appendix A is based upon the previous department and service. The organisational change process is still subject to some change which will need to be reflected in future budget reports. For information Appendix B shows the latest variance compared to the position reported to September Cabinet in the old departmental structure.
- 1.4 It has been assumed that the forecast overspend of £271k will continue to be managed downwards by departments and that they will be fully contained within budget by year end and therefore no drawdown of reserves is planned.

**Table 1**

<b>Forecast Variance July £k</b>	<b>DEPARTMENT</b>	<b>Budget 2013/14 £k</b>	<b>Forecast Spend 2013/14 £k</b>	<b>Forecast Variance 2013/14 £k</b>
-755	Adult Social Care, Health and Wellbeing	43,240	42,978	262
9	Chief Executive's Department	-929	-756	-173
294	Children Services	14,334	14,167	167
-1,644	Communities	44,634	46,121	-1,487
-13	Governance	6,362	6,591	-229
-102	Growth and Regeneration	16,090	15,728	362
-19	Resources	32,882	32,055	827
<b>-2,230</b>	<b>Total Underspend (+) / Overspend (-)</b>	<b>156,613</b>	<b>156,884</b>	<b>-271</b>

## **2 Departmental Position and Key Variances**

2.1 The report to Cabinet in September forecast a year end position of £2.2m overspending which included significant cost pressures relating to:

- Increased demand on statutory services the council has to provide, including extra demand to support vulnerable people within Adult Social Care in the Independent Sector Placement budget (£163k) and in Children services with ongoing pressure of Looked after Children placements (£1,027k).
- Pressures within neighbourhood budgets arising from costs within supporting people budgets (£369k).
- Street energy lighting costs arising from increased energy costs and an increased network of street lighting from new developments ((£340k)
- Implementing the nationally agreed pay award from April 2013 (£495k)

2.2 The overall reported position on the General Fund has been gradually improving since July and it is anticipated that the position will improve further prior to year end. Since the report to Cabinet in September the position has improved by £2m, the key improvements being:

- The council to receive a government grant in 2013/14 to pay for loss of the council's share of business rate income in relation to the continuation of the doubling of the small business rate relief to businesses by government (£625k)
- Reduction in borrowing costs associated with updates to the capital programme during the financial year (£385k)
- Additional income and grant income offsetting in part pressures within social care budgets (£896k)

2.3 Last year the government announced an extension to the temporary doubling of the small business relief scheme for an additional year, 2013/14; which has again been extended in the Autumn statement for 2014/15. In both of these instances the government undertook to fund this cost as it impacts upon the level of business rates the council receives under the new business rates retention system. However due to the complexity of the business rates system it is unclear as to how much and in which year this income would be received and formal details are still not available however it has recently become clearer that an amount will be available for 2013/14. On this basis an amount of £625k has been included in the Resources department forecast outturn for 2013/14, as set out in paragraph 2.2.

## **3 Capital Monitoring**

3.1 Since the report to Cabinet on 23<sup>rd</sup> September the forecast outturn position has moved from £173.6m to £132.3m. The table and commentary below have been updated to reflect this new position. The table sets out the position for the Council's capital investment at departmental level together with the associated financing as at the end of November 2013. Appendix C provides a table in the previous council structures.

<b>Capital Programme by new Directorate</b>	<b>Budget 01/04/2013</b>	<b>Budget as at November 2013</b>	<b>Budget to Date</b>	<b>Actual Expenditure to date</b>	<b>Total Spent Against Budget to date</b>	<b>Forecast Outturn</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>		<b>£000</b>
Adult Social Care	949	297	223	27	12%	297
Chief Executives	895	672	504	359	71%	672
Communities	3,795	3,591	2,693	1,082	40%	3,591
Growth & Regeneration	34,589	25,459	18,992	8,638	45%	25,459
Resources	203,443	99,904	65,486	40,815	62%	99,904
Resources - Renewable Energy	17,005	2,685	2,938	210	7%	2,685
<b>Total</b>	<b>260,676</b>	<b>132,608</b>	<b>90,836</b>	<b>51,131</b>	<b>56%</b>	<b>132,608</b>
<b>Financed by:</b>						
Grants & Contributions	37,558	37,558	19,015	19,014	100%	37,558
Capital Receipts	13,228	3,051	2,268	2,268	100%	3,051
Borrowing - Invest to Save	96,240	4,080	53	443	0%	4,080
Borrowing	113,650	87,919	69,500	29,406	42%	87,919
<b>Total</b>	<b>260,676</b>	<b>132,608</b>	<b>90,836</b>	<b>51,131</b>	<b>56%</b>	<b>132,608</b>

- 3.2 The table shows that the current year's budget has been reduced significantly by £128.1m which has been reprofiled into future years, predominantly into 2014/15. The key change is under the renewable energy budget where £92.1m has been reprofiled and where specific schemes are been reviewed and assessed on the basis of rigorous business cases.
- 3.3 The other key changes to the programme are the reprofiling of the Wind and Solar Farms (15.8m), Affordable Housing Scheme (2.2m), Broadway infrastructure (£2.8m), Long Causeway Public Realm (1.5m), Cemetery Provision (£1.1m), Waste Management Strategy (£5.6m) and Oracle upgrade (£1m).
- 3.4 On the current programme the actual expenditure to date of £51.1m is £39.7m short of the profiled budget to date (£90.8m) and represents a spending level of 56% of corresponding budget. However all departments are forecasting full spend of the current budget by the year end and therefore no variance against the revised forecast is being forecast.
- 3.5 The key impact of the reprofiling on the financing requirements for 2013/14 is the reduction of the Council's borrowing requirement by £118m (including invest to save schemes).
- 3.6 The Invest to Save **outturn** of £4,080k in 2013/14 includes £600k for the Energy Performance contract which has incurred expenditure of £443k, £3.0m for Phase 2 of the Schools Solar Panel Scheme which has not commenced and £480k for other renewable projects.

#### 4 Reserves

- 4.1 Estimated levels of reserves for the next two years are outlined below. This includes sums that we hold on behalf of others and sums that we are independently advised to hold e.g. insurance reserve.

	<b>Estimated balance at 31.04.14 £k</b>	<b>Estimated balance at 31.04.15 £k</b>
<b>Earmarked Reserves</b>		
<b>Departmental Reserve</b> – The majority of this reserve relates to City College Peterborough who operate on academic year funding and retain a reserve for potential claw back from awarding bodies	632	508
<b>Schools Capital Expenditure Reserve</b> - Monies held on behalf of schools for capital spend	381	381
<b>Insurance, and other minor reserves</b> – These reserves are held for a specific purpose and cannot therefore be used for budget setting purposes	3,350	3,259
<b>TOTAL Earmarked reserves for specific purposes</b>	<b>4,363</b>	<b>4,148</b>
<b>General Fund</b> – Set aside to meet unforeseen issues and risks	6,000	6,000
<b>Capacity Building Reserve</b> – This enables us to implement saving proposals	2,746	1,483

**Appendix A**  
**REVENUE MONITORING REPORT AS AT 30th NOVEMBER 2013 (PROBABLE OUTTURN)**

<b>Forecast Variance 2013/14 July update for CPF £k</b>	<b>New Department (showing previous department and service area)</b>	<b>Budget 2013/14 £k</b>	<b>Forecast Spend 2013/14 £k</b>	<b>Forecast Variance 2013/14 £k</b>
	<b>ADULT SOCIAL CARE, HEALTH AND WELLBEING</b>			
-35	ASC- Directors Office	445	447	-2
-35	ASC - Care Services	6,674	6,510	164
-813	ASC - ISP	35,810	36,440	-630
127	ASC - Quality Information and Performance	1,148	995	153
1	ASC - Finance and Organisational change	-837	-1,414	577
<b>-755</b>	<b>TOTAL ADULT SOCIAL CARE, HEALTH AND WELLBEING</b>	<b>43,240</b>	<b>42,978</b>	<b>262</b>
	<b>CHIEF EXECUTIVE'S DEPARTMENT</b>			
0	CEX- Chief Execs Office	338	338	0
10	CEX - Chief Execs Departmental Support	121	111	10
-1	OPS - Commercial Operations	-1,388	-1,205	-183
<b>9</b>	<b>TOTAL CHIEF EXECUTIVE'S DEPARTMENT</b>	<b>-929</b>	<b>-756</b>	<b>-173</b>
	<b>CHILDREN SERVICES</b>			
214	CHS - Education	6,404	6,179	225
-425	CHS - Safeguarding families and communities	7,930	8,347	-417
505	Savings plan to be agreed		-359	359
<b>294</b>	<b>TOTAL CHILDREN SERVICES</b>	<b>14,334</b>	<b>14,167</b>	<b>167</b>
	<b>COMMUNITIES</b>			
-207	ASC - Strategic Commissioning	3,693	3,701	-8
-1,162	CHS - Strategy, Commissioning and Prevention	38,221	39,357	-1,136
-275	OPS - Neighbourhoods	3,211	3,554	-343
	OPS - Public Health	-491	-491	0
<b>-1,644</b>	<b>TOTAL COMMUNITIES</b>	<b>44,634</b>	<b>46,121</b>	<b>-1,487</b>
	<b>GOVERNANCE</b>			
14	ASC- Quality, Information and Performance	300	261	39
97	CEX- Legal	3,657	3,655	2
21	CEX - Communications	583	766	-183
5	CEX - Human Resources	992	969	23
-150	OPS - Neighbourhoods	830	940	-110
<b>-13</b>	<b>TOTAL GOVERNANCE</b>	<b>6,362</b>	<b>6,591</b>	<b>-229</b>
	<b>GROWTH AND REGENERATION</b>			
0	CEX - Growth and Regeneration	1,806	1,806	0
-102	OPS - Planning Transport and engineering	14,284	13,922	362
<b>-102</b>	<b>TOTAL GROWTH AND REGENERATION</b>	<b>16,090</b>	<b>15,728</b>	<b>362</b>

Forecast Variance 2013/14 July update for CPF £k	New Department (showing previous department and service area)	Budget 2013/14 £k	Forecast Spend 2013/14 £k	Forecast Variance 2013/14 £k
	<b>RESOURCES</b>			
0	SR - Director's Office	199	199	0
-610	SR - Corporate Services	17,075	16,806	269
-45	SR - Environment Capital	-260	-215	-45
44	SR - Internal Audit	295	251	44
0	SR - Insurance	41	41	0
562	SR - Strategic Client Services	5,624	5,062	562
0	SR - Peterborough Serco Strategic Partnership	8,825	8,825	0
0	SR - ICT	3,972	3,972	0
200	SR - Waste and Operational Services Management	14,259	14,059	200
-90	SR - Cultural Services	4,075	4,198	-123
100	SR - Registration and Bereavement	-937	-1,045	108
-16	SR - Westcombe Engineering	7	28	-21
-180	CHS- Resources	-20,641	-20,461	-180
0	CEX - Growth and Regeneration	147	147	0
16	OPS - Planning Transport and engineering	201	188	13
<b>-19</b>	<b>TOTAL RESOURCES</b>	<b>32,882</b>	<b>32,055</b>	<b>827</b>
<b>-2,230</b>	<b>TOTAL GENERAL FUND</b>	<b>156,613</b>	<b>156,884</b>	<b>-271</b>

## Appendix B

### REVENUE MONITORING REPORT AS AT 30th NOVEMBER 2013 (PROBABLE OUTTURN)

Previous Variance (Jul) £k	Old Departmental Structure	Budget 2013/14 £k	Forecast Spend 2013/14 £k	Forecast Variance 2013/14 £k
	<b>ADULT SOCIAL CARE</b>			
-35	Director of Adult Social Care	445	447	-2
-207	Strategic Commissioning	3,693	3,701	-8
-35	Care Services Delivery	6,674	6,510	164
-813	Independent Sector Placements	35,810	36,440	-630
141	Quality, Information and Performance	1,448	1,256	192
1	Finance and Organisational Change	-837	-1,414	577
<b>-948</b>	<b>TOTAL ADULT SOCIAL CARE</b>	<b>47,233</b>	<b>46,940</b>	<b>293</b>
	<b>CHILDREN SERVICES</b>			
-507	Education and Resources	3,949	4,659	-710
-1,543	Strategy, Commissioning and Prevention	20,099	21,712	-1,613
-503	Safeguarding Family and Communities	7,865	8,407	-542
1,000	Savings Achieved to be allocated to services	0	-1,357	1,357
505	Departmental Action Plan to be achieved	0	-359	359
<b>-1,048</b>	<b>TOTAL CHILDREN SERVICES</b>	<b>31,913</b>	<b>33,062</b>	<b>-1,149</b>
	<b>OPERATIONS</b>			
0	Business Support	40	40	0
-25	Commercial Operations	-1,388	-1,205	-183
58	Directors Office	713	505	208
-402	Neighbourhoods	4,040	4,493	-453
-143	Planning, Environment, Transport and Engineering	13,733	13,566	167
0	Public Health	-491	-491	0
0	Departmental Action Plan		0	0
<b>-512</b>	<b>TOTAL OPERATIONS</b>	<b>16,647</b>	<b>16,908</b>	<b>-261</b>
	<b>CHIEF EXECUTIVE'S DEPARTMENT</b>			
0	Chief Executive's Office	338	338	0
97	Legal and Governance Services	3,657	3,655	2
10	Chief Executive Departmental Support	121	111	10
0	Growth and Regeneration	1,953	1,953	0
21	Communications	583	766	-183
5	Human Resources	992	969	23
<b>133</b>	<b>TOTAL CHIEF EXECUTIVE'S DEPARTMENT</b>	<b>7,644</b>	<b>7,792</b>	<b>-148</b>
	<b>STRATEGIC RESOURCES</b>			
0	Director's Office	199	199	0
-610	Corporate Services	17,076	16,807	269



<b>Previous Variance (Jul) £k</b>	<b>Old Departmental Structure</b>	<b>Budget 2013/14 £k</b>	<b>Foreca st Spend 2013/14 £k</b>	<b>Forecast Variance 2013/14 £k</b>
-45	Environment Capital	-260	-215	-45
44	Internal Audit	295	251	44
0	Insurance	41	41	0
562	Strategic Client Services	5,624	5,062	562
0	Peterborough Serco Strategic Partnership	8,825	8,825	0
0	ICT	3,972	3,972	0
200	Waste and Operational Services Management	14,259	14,059	200
-90	Cultural Services	4,075	4,198	-123
100	Registration and Bereavement	-937	-1,045	108
-16	Westcombe Engineering	7	28	-21
<b>145</b>	<b>TOTAL STRATEGIC RESOURCES</b>	<b>53,176</b>	<b>52,182</b>	<b>994</b>
<b>-2,230</b>	<b>TOTAL GENERAL FUND</b>	<b>156,613</b>	<b>156,884</b>	<b>-271</b>

## Appendix C

Capital Programme by Directorate	Budget 01/04/2013	Budget as at November 2013	Budget to Date	Actual Expenditure to date	Total Spent Against Profiled Budget to date	Forecast Outturn
	£000	£000	£000	£000		£000
Adult Social Care	1,850	2,277	1,518	27	2%	2,277
Chief Executive Department	18,967	17,274	11,546	2,481	21%	17,274
Childrens Services	41,895	41,002	27,334	23,851	87%	41,002
Operations	31,226	23,868	18,361	9,015	49%	23,868
Strategic Resources	53,493	41,422	29,086	15,104	52%	41,422
Invest to Save	96,240	4,080	53	443	0%	4,080
Renewable Energy	17,005	2,685	2,938	210	0%	2,685
<b>Total</b>	<b>260,676</b>	<b>132,608</b>	<b>90,836</b>	<b>51,131</b>	<b>56%</b>	<b>132,608</b>
<b>Financed by:</b>						
Grants & Contributions	37,558	37,558	19,015	19,014	100%	37,558
Capital Receipts	13,228	3,051	2,268	2,268	100%	3,051
Borrowing - Invest to Save	96,240	4,080	53	443	0%	4,080
Borrowing	113,650	87,919	69,500	29,406	42%	87,919
<b>Total</b>	<b>260,676</b>	<b>132,608</b>	<b>90,836</b>	<b>51,131</b>	<b>56%</b>	<b>132,608</b>

The Prudential Code  
&  
Treasury Management Strategy  
2014/15 to 2023/24

Including the Minimum Revenue Policy 2014/15

## 1. Introduction

### 1.1 Background

1.1.1 The Council is required to operate a balanced budget, which means that cash raised through the year will meet cash expenditure. The role of treasury management is to ensure cash flow is adequately planned so that cash is available when it is needed. Surplus monies are invested in low risk counterparties commensurate with the Council's low risk appetite ensuring that security and liquidity are achieved before considering investment return.

1.1.2 Another role of treasury management is to fund the Council's capital programme. The programme provides a guide to the borrowing needs of the Council and the planning of a longer term cash flow to ensure capital obligations are met. The management of long term cash may involve arranging short or long term loans or using longer term cash flow surpluses.

1.1.3 CIPFA defines treasury management as:

*“ The management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”*

### 1.2 Reporting requirements

1.2.1 The Council is required to receive and approve, as a minimum, three reports each year. These reports are to be scrutinised by the Audit Committee before being recommended to Council.

1.2.2 The Prudential Code and Treasury Strategy report will cover:

- the capital programme (including prudential indicators)
- a Minimum Revenue Provision (MRP) Policy

- the Treasury Management Strategy including treasury indicators; and

- an Investment Strategy

1.2.3 A mid-year Treasury Management Report will update members of the Audit Committee with the progress of the capital programme and amending prudential indicators as necessary.

1.2.4 Any revisions to the Treasury Strategy will need to be approved by Full Council.

1.2.5 An Annual Treasury Report will provide details of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy presented alongside the Statement of Accounts.

### 1.3 Treasury Management Strategy for 2014/15

1.3.1 The strategy for 2014/15 will cover

- Policy on use of external advisors
- Capital programme and the Prudential Indicators
- MRP strategy
- Current treasury position
- Treasury Indicators
- Interest Rates
- Borrowing Strategy
- Policy on borrowing in advance of need
- Debt rescheduling
- Investment Strategy
- Creditworthiness Policy
- Treasury Management Scheme of Delegation

1.3.2 These elements cover the requirements of the Local Government Act 2003, the CIPFA Prudential Code, the Communities and Local Government (CLG) MRP Guidance, the CIPFA Treasury Management Code and the CLG Investment Guidance.

#### 1.4 Treasury Management Advisors

- 1.4.1 The Council uses Capita Asset Services, as its external treasury management advisors who have a contract until December 2014.
- 1.4.2 The Council recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon external advisors.
- 1.4.3 The Council also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are

properly agreed and documented and subjected to regular review.

#### 2. Capital Prudential Indicators 2014/15 to 2023/24

- 2.1 The Council's capital programme is the key driver of the treasury management activity. The output of the capital programme is reflected in the prudential indicators which are designed to assist member's overview and confirm the capital programme.
- 2.2 **Indicator 1** - Capital Expenditure - this Prudential Indicator is a summary of the Council's estimated capital expenditure for the forthcoming financial year and the following nine financial years.

(1a) Capital Expenditure	2012/13 <i>Actual</i> £m	2013/14 Est. £m	2014/15 Est. £m	2015/16 Est. £m	2016/17 Est. £m	2017/18 Est. £m	2018/19 Est. £m	2019/20 Est. £m	2020/21 Est. £m	2021/22 Est. £m	2022/23 Est. £m	2023/24 Est. £m
Adult Social Care	1.4	0.3	1.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Chief Executives	0.2	0.7	0.6	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Communities	3.4	3.6	4.9	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4
Growth & Regeneration	12.3	25.0	35.8	26.2	15.0	12.0	8.9	7.6	7.6	7.6	7.6	7.6
Resources	91.7	83.7	124.9	115.8	43.5	11.9	8.2	5.5	4.5	5.2	5.4	5.4
Invest to Save	2.7	4.0	93.3	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>111.7</b>	<b>117.3</b>	<b>260.8</b>	<b>144.7</b>	<b>61.2</b>	<b>26.6</b>	<b>19.8</b>	<b>15.8</b>	<b>14.8</b>	<b>15.5</b>	<b>15.7</b>	<b>15.7</b>

2.3 The table below summaries the capital expenditure on the previous page and how it will be funded either from grants,

contributions, or capital receipts with the remaining 'net financing need for the year' to be sourced via borrowing.

(1b) Capital Expenditure & Financing	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	<i>Actual</i> £m	Est. £m	Est. £m	Est. £m	Est. £m	Est. £m	Est. £m	Est. £m	Est. £m	Est. £m	Est. £m	Est. £m
Capital Expenditure	111.7	117.3	260.8	144.7	61.2	26.6	19.8	15.8	14.8	15.5	15.7	15.7
<b>Financed by:</b>												
Capital receipts	5.1	3.5	9.8	7.6	2.4	2.8	1.0	-	-	-	-	-
Capital grants & contributions	31.4	35.5	29.4	10.0	11.8	10.3	5.8	5.8	5.8	5.7	5.8	5.8
<b>Net financing requirement</b>	<b>75.2</b>	<b>78.3</b>	<b>221.6</b>	<b>127.1</b>	<b>47.0</b>	<b>13.5</b>	<b>13.0</b>	<b>10.0</b>	<b>9.0</b>	<b>9.8</b>	<b>9.9</b>	<b>9.9</b>

2.4 The Invest to Save scheme, Renewable Energy projects and the Energy From Waste plant are included in the tables that detail total capital expenditure and the funding resources to be used. However, these schemes will either generate income or generate savings or avoid additional costs e.g. landfill tax. Therefore the borrowing costs associated with these projects will have no overall impact on the Council's MTFs position. The generated income / savings are detailed in previous pages of this MTFs.

2.5 **Indicator 2** - Capital Financing Requirement (CFR) - the CFR is the total historic capital expenditure which has not yet been

paid for from either revenue or capital resources. It is a measure of the Council's underlying borrowing requirement. Any capital expenditure which has not immediately been paid for will increase the CFR.

2.6 The CFR includes any other long term liabilities (e.g. PFI schemes, finance leases) included on the Council's balance sheet following the IFRS conversion in 2010/11. Whilst this increases the CFR, and therefore the Council's borrowing requirement, these types of schemes include a borrowing facility and so the Council is not required to separately borrow for these schemes.

2.7 The following table shows the CFR estimates for the next ten financial years:

(2) Capital Financing Requirement	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	Actual £m	Est. £m	Est. £m	Est. £m	Est. £m	Est. £m	Est. £m	Est. £m	Est. £m	Est. £m	Est. £m	Est. £m
CFR B/fwd	250.2	316.1	384.4	594.1	705.5	734.6	729.5	723.6	714.1	703.1	692.9	682.2
Borrowing	63.0	64.2	116.4	111.4	29.1	(5.1)	(5.9)	(9.5)	(11.0)	(10.2)	(10.7)	(11.7)
Invest to Save*	2.9	4.1	93.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CFR C/fwd	316.1	384.4	594.1	705.5	734.6	729.5	723.6	714.1	703.1	692.9	682.2	670.5
<b>Movement in CFR</b>	<b>65.9</b>	<b>68.3</b>	<b>209.7</b>	<b>111.4</b>	<b>29.1</b>	<b>(5.1)</b>	<b>(5.9)</b>	<b>(9.5)</b>	<b>(11.0)</b>	<b>(10.2)</b>	<b>(10.7)</b>	<b>(11.7)</b>
Net financing requirement	75.2	78.3	221.6	127.1	47.0	13.5	13.0	10.0	9.0	9.8	9.9	9.9
Less MRP & other financing	(9.3)	(10.0)	(11.9)	(15.7)	(17.9)	(18.6)	(18.9)	(19.5)	(20.0)	(20.0)	(20.6)	(21.6)
<b>Movement in CFR</b>	<b>65.9</b>	<b>68.3</b>	<b>209.7</b>	<b>111.4</b>	<b>29.1</b>	<b>(5.1)</b>	<b>(5.9)</b>	<b>(9.5)</b>	<b>(11.0)</b>	<b>(10.2)</b>	<b>(10.7)</b>	<b>(11.7)</b>

\* The cost of borrowing associated with this scheme will be offset by the income generated in accordance with the approved business case (see comment in 2.4)

2.8 **Indicator 3** - Actual and estimates of the ratio of financing costs to net revenue budget. This indicator identifies the proportion of the revenue budget which is taken up in

financing capital expenditure i.e. the net interest cost and the provision to repay debt.

3) Ratio of financing costs to net revenue budget	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	Actual	Est.	Est.	Est.	Est.	Est.	Est.	Est.	Est.	Est.	Est.	Est.
Total ratio *	5.2%	6.0%	7.1%	8.8%	10.2%	10.4%	10.5%	10.6%	10.6%	10.5%	10.6%	11.7%

2.9 **Indicator 4** - Actual and estimates of the incremental impact of capital investment decisions on council tax.

2.10 The calculation of this indicator is based upon the estimated amount of the capital programme that is to be financed from borrowing.

2.11 The calculation is based on the interest assumptions for borrowing and MRP charges that have been included in the previous and this MTFS for the capital financing budget.

2.12 This indicator shows the incremental impact on the 'adjusted' council tax base.

<b>(4) Incremental impact of capital investment decisions on Council Tax</b>	<b>2012/13 Actual</b>	<b>2013/14 Est.</b>	<b>2014/15 Est.</b>	<b>2015/16 Est.</b>	<b>2016/17 Est.</b>	<b>2017/18 Est.</b>	<b>2018/19 Est.</b>	<b>2019/20 Est.</b>	<b>2020/21 Est.</b>	<b>2021/22 Est.</b>	<b>2022/23 Est.</b>	<b>2023/24 Est.</b>
Incremental change in capital financing budget between MTFS's on Band D Council Tax (£)	(£71.88)	(£31.55)	(£72.33)	(£128.45)	(£51.39)	(£23.23)	(£9.85)	£3.15	£11.33	£16.34	£23.57	£36.61

### 3. Minimum Revenue Provision (MRP) Policy

3.1. Capital expenditure is generally expenditure on assets which have a life expectancy of more than one year e.g. buildings, vehicles, equipment, etc. Such expenditure is spread over several years in order to try to match the years over which such assets benefit the local community through their useful life. The manner of spreading these costs is through an annual Minimum Revenue Provision (MRP).

3.2. CLG Regulations require full Council to approve a MRP statement in advance of each year. A variety of options are provided to Councils to calculate this revenue charge and the Council must satisfy itself that the provision is prudent.

3.3. The Council is recommended to approve the following MRP statement:

<b>Capital Expenditure Incurred</b>	<b>MRP Methodology</b>
Historic debt liability and expenditure funded by supported borrowing	Continue to be charged at the rate of 4% in accordance with existing practice outlined in former CLG regulations
Expenditure funded by unsupported borrowing reflected within the debt liability after the 31 <sup>st</sup> March 2008 and up to 31 <sup>st</sup> March 2009	Asset Life Method, equal instalments - MRP will be based on the estimated life of assets equally across each year



<b>Capital Expenditure Incurred</b>	<b>MRP Methodology</b>
Expenditure funded by unsupported borrowing reflected within the debt liability after the 31 <sup>st</sup> March 2010	Asset Life Method, annuity method – MRP will be based on the prevailing PWLB interest rate for a loan with a term equivalent to the estimated life of the project.

- 3.4. The Council participates in the Local Authority Mortgage Scheme (LAMS). During 2011/12 the Council deposited £1m with Lloyds and a further £1m during 2013/14. The Council has the authority to make a total contribution of £10m but with the introduction of the Help To Buy scheme any future contributions will be given further consideration before any decisions are made.
- 3.5. Such deposits are treated as capital expenditure, as a loan to a third party. The CFR will increase by the total of these indemnities. Operation of the Scheme sees these deposits returned in full at maturity, period of five years, with interest paid annually. Once the deposit matures, and funds are returned to the Council, the funds are classed as a capital receipt (as it is a loan) and the CFR will reduce accordingly. As this is a temporary five year arrangement and the funds are anticipated to be returned in full, there is no MRP application. However, the Council has agreed to place a proportion of the interest received on the deposit into an earmarked reserve to mitigate the impact if the indemnity is used over that period of the Scheme.
- 3.6. Repayments included in annual PFI and finance leases are applied as MRP, and the associated amounts are included in these Prudential Indicators.

- 3.7. For more detailed guidance on MRP see the CLG website [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/11297/2089512.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/11297/2089512.pdf)

## **4. Treasury Management Strategy**

### **4.1 Treasury Management Policy**

- 4.1.1 The treasury management function ensures that the Council's cash is managed in accordance with the relevant professional codes, so that sufficient cash is available to meet the Council's service requirements. This will involve both the management of cash flow and, where the capital programme requires, the organisation of appropriate borrowing facilities. This strategy covers the relevant treasury / prudential indicators, the current and projected debt positions, and the Annual Investment Strategy.

- 4.1.2 The Council's primary treasury management objectives are:

- a) to invest available cash balances with a number of high quality investment counterparties (see 4.7.1.2) over a spread of maturity dates in accordance with the Council's lending list;
- b) to reduce the revenue cost of the Council's debt in the medium term by obtaining financing at the cheapest rate possible; and
- c) to seek to reschedule debt at the optimum time.

### **4.2 Current Treasury Position**

- 4.2.1 **Indicator 5** - The Council's treasury position at 31<sup>st</sup> March 2013, with estimates for future years, are summarised below. The table below shows the actual external borrowing (Gross Debt) against the CFR.

(5) Gross debt & capital financing requirement	2012/13 <i>Actual</i> £m	2013/14 Est. £m	2014/15 Est. £m	2015/16 Est. £m	2016/17 Est. £m	2017/18 Est. £m	2018/19 Est. £m	2019/20 Est. £m	2020/21 Est. £m	2021/22 Est. £m	2022/23 Est. £m	2023/24 Est. £m
<b>External Borrowing</b>												
Market Borrowing	132.9	208.9	279.0	488.5	604.2	635.0	635.0	635.0	635.0	635.0	635.0	635.0
Repayment of borrowing	0.0	(38.0)	(44.0)	(17.0)	(7.0)	(13.0)	(6.0)	0.0	0.0	0.0	(7.1)	0.0
Expected change in borrowing	76.0	108.1	253.4	132.7	37.8	13.0	6.0	0.0	0.0	0.0	7.1	0.0
Other long-term liabilities	41.2	39.4	37.4	35.6	34.0	32.6	31.3	30.0	28.7	27.8	26.9	25.8
<b>Gross Debt at 31 March</b>	<b>250.1</b>	<b>318.4</b>	<b>525.8</b>	<b>639.8</b>	<b>669.0</b>	<b>667.6</b>	<b>666.3</b>	<b>665.0</b>	<b>663.7</b>	<b>662.8</b>	<b>661.9</b>	<b>660.8</b>
CFR	316.1	384.4	594.1	705.5	734.6	729.5	723.6	714.1	703.1	692.9	682.2	670.5
<b>% of Gross Debt to CFR</b>	<b>79.0%</b>	<b>82.8%</b>	<b>88.5%</b>	<b>90.7%</b>	<b>91.0%</b>	<b>91.5%</b>	<b>92.0%</b>	<b>93.1%</b>	<b>94.4%</b>	<b>95.6%</b>	<b>97.0%</b>	<b>98.5%</b>

4.2.2 Within the prudential indicators there are a number of key indicators to ensure that the Council operates its activities within defined limits. One of these is that the Council needs to ensure that its total borrowing does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2014/15 and the following two financial years. This allows some flexibility for limited early borrowing for future years, but ensures that borrowing is not undertaken for revenue purposes.

4.2.3 The Executive Director Resources reports that the Council complied with this prudential indicator in the current year and does not envisage difficulties for the future. This view takes into account current commitments, existing plans and the proposals in this medium term financial strategy (MTFS).

4.2.4 **Indicator 6** - The Operational Boundary - this is the limit beyond which external borrowing is not normally expected to exceed. If the operational boundary was exceeded this would be reported immediately to the members of the Audit Committee with a full report taken to the next committee meeting. In the current year it has not been exceeded.

<b>(6) Operational Boundary</b>	<b>2012/13 Actual £m</b>	<b>2013/14 Est. £m</b>	<b>2014/15 Est. £m</b>	<b>2015/16 Est. £m</b>	<b>2016/17 Est. £m</b>	<b>2017/18 Est. £m</b>	<b>2018/19 Est. £m</b>	<b>2019/20 Est. £m</b>	<b>2020/21 Est. £m</b>	<b>2021/22 Est. £m</b>	<b>2022/23 Est. £m</b>	<b>2023/24 Est. £m</b>
Borrowing	208.9	598.3	629.3	629.1	633.4	635.0	635.0	635.0	635.0	635.0	635.0	635.0
Other long term liabilities	41.2	39.4	37.4	35.6	34.0	32.6	31.3	30.0	28.7	27.8	26.9	25.8
<b>Total</b>	<b>250.1</b>	<b>637.7</b>	<b>666.7</b>	<b>664.7</b>	<b>667.4</b>	<b>667.6</b>	<b>666.3</b>	<b>665.0</b>	<b>663.7</b>	<b>662.8</b>	<b>661.9</b>	<b>660.8</b>

4.2.5 **Indicator 7** - The Authorised Limit for external borrowing - this represents a limit beyond which external borrowing is prohibited, and this limit needs to be set or revised by full Council.

- This is a statutory limit determined under section 3 (1) of the Local Government Act 2003. The Government retains an

option to control either the total of all Council's plans, or those of a specific Council, although this power has not yet been exercised.

- The Council is asked to approved the following Authorised limit:

<b>(7) Authorised Limit</b>	<b>2012/13 Actual £m</b>	<b>2013/14 Est. £m</b>	<b>2014/15 Est. £m</b>	<b>2015/16 Est. £m</b>	<b>2016/17 Est. £m</b>	<b>2017/18 Est. £m</b>	<b>2018/19 Est. £m</b>	<b>2019/20 Est. £m</b>	<b>2020/21 Est. £m</b>	<b>2021/22 Est. £m</b>	<b>2022/23 Est. £m</b>	<b>2023/24 Est. £m</b>
Borrowing	208.9	608.3	779.9	668.2	643.4	645.0	645.0	645.0	645.0	645.0	645.0	645.0
Other long term liabilities	41.2	39.4	37.4	35.6	34.0	32.6	31.3	30.0	28.7	27.8	26.9	25.8
<b>Total</b>	<b>250.1</b>	<b>647.7</b>	<b>817.3</b>	<b>703.8</b>	<b>677.4</b>	<b>677.6</b>	<b>676.3</b>	<b>675.0</b>	<b>673.7</b>	<b>672.8</b>	<b>671.9</b>	<b>670.8</b>

### 4.3 Prospects for interest rates

4.3.1 The Council utilises the treasury services of Capita Asset Services and part of their service is to assist the Council to formulate a view on interest rates to assist with borrowing and investment decisions. The Capita Asset Services

forecast for bank base rate and PWLB new borrowing is as follows (note that the PWLB Borrowing Rate includes the Certainty Rate adjustment):

<b>Interest Rate</b> (All rates shown as %)	<b>Now</b>	<b>Mar 14</b>	<b>Jun 14</b>	<b>Sep 14</b>	<b>Dec 14</b>	<b>Mar 15</b>	<b>Jun 15</b>	<b>Sep 15</b>	<b>Dec 15</b>	<b>Mar 16</b>	<b>Jun 16</b>	<b>Sep 16</b>	<b>Dec 16</b>	<b>Mar 17</b>
Bank Rate View	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.75	1.00	1.00	1.25
5yr PWLB Rate	2.50	2.50	2.60	2.70	2.70	2.80	2.80	2.90	3.00	3.10	3.20	3.30	3.40	3.40
10yr PWLB Rate	3.70	3.60	3.70	3.80	3.80	3.90	3.90	4.00	4.10	4.20	4.30	4.30	4.40	4.50
25yr PWLB Rate	4.40	4.40	4.50	4.50	4.60	4.60	4.70	4.80	4.90	5.00	5.10	5.10	5.10	5.10
50yr PWLB Rate	4.40	4.40	4.50	4.50	4.60	4.70	4.80	4.90	5.00	5.10	5.20	5.20	5.20	5.20
Budget Assumption	4.40	4.58				4.95				5.20				

4.3.2 The Council successfully applied to be one of the principal local authorities that would qualify for the Certainty Rate, during the period 1 November 2013 to 31 October 2014. This results in the Council being able to benefit from reduced interest rates on PWLB loans by 20 basis points (0.20%). The Council is assuming that there will be a similar scheme in place when this scheme expires. The Council will submit a new application to ensure it qualifies.

4.3.3 The MTFSS assumes borrowing is taken at the 50 year period with an average taken across the quarters for that year but then adjusted with a range of borrowing periods and associated interest rates. The Chief Finance Officer believes this prudent as it mitigates some of the risk of PWLB rate rise.

4.3.2 Capita Asset Services interest rate forecasts, detailed above, are based on their views of the future economic climate, and below are some extracts taken from their economic forecasts:

- Until 2013, the economic recovery in the UK since 2008 had been the worst and slowest recovery in recent history. However, the economy has grown in quarter 1 and 2 of 2013. Growth prospects remain strong going forward in all three main sectors, services, manufacturing and construction.

- There is still some risk of Quantitative Easing (QE) if there is a dip in strong growth or the Monetary Policy Committee (MPC) take action to reverse the rapid increase in market rates.
- This economic outlook and structure of market interest rates and government debt yields have several treasury management implications:
  - Eurozone sovereign debt difficulties still cause concern and how the levels of debt will be managed over the next few years. Counterparty risks therefore remain elevated. This continues to suggest the use of higher quality counterparties for shorter term periods.
  - Investment returns are likely to remain low during 2014/15 and beyond.
  - Borrowing interest rates have risen significantly during 2013 and are on a rising trend.
  - There will remain a cost of capital - any borrowing undertaken that results in an increase in investments will incur a revenue loss between borrowing costs and investment returns.

#### 4.4 Borrowing Strategy

4.4.1 The Council is currently maintaining an under-borrowed position, where CFR balance is greater than gross debt. (See table 4.2.) This is in line with the agreed strategy that the Council's cash balances be used to fund capital expenditure before additional borrowing is undertaken.

4.4.2 The MTFS is based on the following borrowing assumptions for the next ten years. However, the borrowing strategy is under constant review throughout the year as a result to changes in interest rates and borrowing opportunities. The proposed strategy for 2014/15 financial year is:

- a) To consider the rescheduling (early redemption and replacement) of loans to maximise interest rate savings and possible redemption discounts.
- b) If there was a significant risk of a sharp fall in long and short term rates e.g. due to a marked increase of risks around relapse into recession or of risks of deflation, then long term borrowings will be postponed, and potential rescheduling from fixed rate funding into short term borrowing will be considered.
- c) If there was a significant risk of a much sharper rise in long and short term rates than currently forecast, perhaps rising from a greater than expected increase in world economic activity or a sudden increase in inflation risks, then the portfolio position will be re-appraised with the likely action that fixed rate funding

will be drawn whilst interest rates were still relatively cheap.

- d) Loans will primarily be arranged from the PWLB and other Local Authorities.
- e) To maintain an appropriate balance between PWLB, Local Authority and other market debt in the debt portfolio and a balance in the maturity profile of debt.
- f) To give full consideration to other debt instruments e.g. Local Authority Bonds as an alternative to PWLB borrowing. Due regard will be given to money laundering regulations. The Council is monitoring the development of the scheme and may participate if this proves beneficial.

4.4.3 There are three debt treasury indicators which ensure the activity of the treasury function remains within certain limits. This manages risk and reduces the impact of any adverse movement in interest rates. The indicators are:

- **Indicator 8** – Upper limit on fixed interest rate exposure. This identifies a maximum limit for fixed interest rates based upon the debt position net of investments. This has been set at 100% of the borrowing requirement.
- **Indicator 9** - Upper limit on variable rate exposure. This identifies a maximum limit for variable interest rates based upon the debt position net of investments. This has been set at 25% of the borrowing requirement.

Interest Rate Exposure (Upper Limits)	2012/13 <i>Actual</i> £m	2013/14 Est. £m	2014/15 Est. £m	2015/16 Est. £m	2016/17 Est. £m	2017/18 Est. £m	2018/19 Est. £m	2019/20 Est. £m	2020/21 Est. £m	2021/22 Est. £m	2022/23 Est. £m	2023/24 Est. £m
<b>(8) Limits on fixed interest rates based on net debt</b>	208.9	608.3	779.8	668.2	643.3	645.0	645.0	645.0	645.0	645.0	645.0	645.0
<b>% of fixed interest rate exposure</b>	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
<b>(9) Limits on variable interest rates based on net debt</b>	0.0	152.1	195.0	167.7	160.8	161.2	161.2	161.2	161.2	161.2	161.2	161.2
<b>% of variable interest rate exposure</b>	0%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%

- **Indicator 10** - Maturity structure of borrowing. These gross limits are set to reduce the Council's exposure to large fixed rate sums falling due for refinancing.

<b>(10) Maturity Structure of borrowing</b>	<b>Upper Limit</b>
Under 12 months	40%
12 months to 2 years	40%
2 years to 5 years	80%
5 years to 10 years	80%
10 years and above	100%

#### **4.5 Policy on Borrowing in Advance of Need (Future Capital Expenditure)**

- 4.5.1 The Council will not borrow more than, or in advance of its needs, purely in order to profit from the investment of the extra sums borrowed. However, at any time the Council may obtain a loan or other financing at what are considered advantageous opportunities in anticipation of future capital expenditure, which can be invested temporarily. The Council may also borrow in the day to day management of its cash flow operations or as an alternative to redeeming higher yielding investments.
- 4.5.2 Any decision to borrow in advance of need will be within forward approved CFR estimates, and will be considered carefully to ensure value for money.

4.5.3 The Council will ensure there is a clear link between the capital programme across the future years and the maturity profile of the existing debt portfolio which supports the need to take funding in advance of capital expenditure.

4.5.4 The Council will ensure the ongoing revenue liabilities created, and the implications for the future plans and budgets have been considered and factored into the MTFS.

4.5.5 Consideration will be given to the alternative interest rate bases available, the most appropriate periods to fund and repayment profiles to use.

#### **4.6 Debt Rescheduling on Existing Debt Portfolio**

4.6.1 As short term borrowing rates will be considerably cheaper than longer term fixed interest rates there may be potential to generate savings by switching from the existing long term debt to short term debt. However, these savings will need to be considered in the light of the current treasury position and the size of the cost of debt repayment (premiums incurred). Debt rescheduling will only be carried out on current debt portfolio as future borrowing will be carried out as per this strategy and over shorter periods of time.

4.6.2 The reasons for rescheduling will include:

- the generation of cash savings and/or discounted cash flow savings;
- helping to fulfil the treasury strategy;
- enhance the balance of the debt portfolio.

4.6.3 All rescheduling will be reported to the Audit Committee at the earliest opportunity.

#### **4.7 Annual Investment Policy**

4.7.1 The Council's investment policy has regard to the CLG's Guidance on Local Government Investments ("the Guidance") and the 2011 revised CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes ("the CIPFA TM Code").

4.7.2 The Council's investment priorities are the security of capital and the liquidity of investments. The Council will aim to achieve the optimum return on its investments commensurate with proper levels of security and liquidity.

4.7.3 Investment instruments identified for use in the financial year are listed in Appendix 1 under the 'Specified' and 'Non-Specified' Investment categories. Counterparty limits will be as set through the Council's Treasury Management Practices.

#### **4.7.4 Investment Counterparty Selection Criteria and Investment Strategy**

4.7.5 As the Council has run down its cash balances, surplus cash will be generated from cash flow movements e.g. a grant received in advance of spend or from borrowing in advance of need. Therefore investment activity will be kept to a minimum.

4.7.6 However, where it is necessary for investments to be undertaken in order to manage the Council's cash flows, the Council's primary principle is for the security of its investments. After this main principle the Council will ensure that:

- It maintains a policy covering both the categories of investment types it will invest in, criteria for choosing

investment counterparties with adequate security and monitoring their security.

- It has sufficient liquidity in its investments. For this purpose it will set out procedures for determining the maximum periods for which funds may prudently be committed. These procedures also apply to the Council's prudential indicators covering the maximum principal sums invested.

4.7.7 The Executive Director Resources will maintain a counterparty list in compliance with the following criteria and will revise the criteria and submit them to Council for approval as necessary.

4.7.8 The Council's minimum criteria will apply to the lowest available rating for any institution. For instance, if an institution is rated by the three credit agencies and two meet the Council's criteria and the other one does not, the institution will fall outside the lending criteria. This complies with a CIPFA Treasury Management Panel recommendation in March 2009 and the CIPFA Treasury Management Code of Practice.

4.7.9 In order to minimise the risk to investing, the Council has clearly stipulated the minimum acceptable credit quality of counterparties for inclusion on the lending list. The Council uses the creditworthiness service provided by Capita Asset Services which uses ratings from all three rating agencies, Fitch, Moody's and Standard and Poor's, as well as Credit Default Swap (CDS) spreads. Capita Asset Services monitors ratings on a real time basis and notifies clients immediately on any rating changes or possible downgrades.

4.7.10 All credit ratings will be monitored weekly. The Council is alerted to changes to ratings of all three rating agencies by Capita Asset Services.

- If a downgrade results in the counterparty or investment scheme no longer meeting the Council's minimum criteria it will be removed from the Council's lending list immediately.
- In addition to the use of credit ratings the Council will be advised of information in movement in CDS's against the iTraxx (brand name for the group of credit default swap index products) benchmark and other market data on a weekly basis. Extreme market movements may result in the downgrade of an institution or removal from the Council's lending list.

4.7.11 Sole reliance will not be placed on the use of Capita Asset Service's advice. The Council will also use market data, market information, information on government support for banks and the credit ratings of that government support.

4.7.12 The criteria for providing a pool of high quality investment counterparties (both Specified and Non-Specified investments), and is shown in the order of use by the Council, follows:

- UK Government (including gilts and the Debt Management Account Deposit Facility (DMADF)).
- Bank of Scotland call account (part of the Lloyds Banking Group).
- UK Local Authorities.
- Barclays Bank, the Council's own banker. If Barclays fall below the criterion in 4.7.15 then the following strategy will be followed:
  - The Council would withdraw any money held in the call account, current limit £5m, and place with the Debt Management Office, Bank of Scotland or UK Local Authorities.



- As the Council will still require to use the Barclays accounts for transactional purposes, a minimum balance of £300k (increased from £100k to ensure adequate cash flow management ability) will be left overnight to prevent the account becoming overdrawn and incurring overdraft fees
- An amendment to the Treasury Strategy could be proposed to lower the minimum ratings and would be taken to both Audit Committee and Council for approval. This could also be an option if all the UK banks were downgraded at the same time and not just Barclays.
- Seek advice from Capita Asset Services.

The above approach has been developed following consideration of:

- that the Council needs banking facilities to process daily banking transactions, and such activity presents a lower risk profile compared to investment activity
- the significant impact, resource requirement, and risk exposure of changing bank provider
- the possible state and stability of the banking sector and viable alternative suppliers
- Local Authority Mortgage Scheme. Under this scheme the Council has placed funds of £2m with Lloyds Bank for a period of five years. This is classified as being an indemnity arrangement and therefore accounted for as a capital expenditure transaction, rather than a treasury management investment. Therefore LAMS is outside the Specified/Non specified categories but is included in this Strategy for completeness. The Council can place a further £8m into LAMS and the limit per counterparty is £2m. Any other counterparty used will fall outside the

Specified/Non specified categories as per the reason stated above. Therefore the minimum credit criteria need not apply to the LAMS scheme.

- Banks Group 1 - Part nationalised UK banks - Lloyds Banking Group Plc. (Bank of Scotland and Lloyds) and Royal Bank of Scotland Group Plc. (National Westminster Bank, The Royal Bank of Scotland and Ulster Bank Ltd). These banks can be included if they continue to be part nationalised and / or they meet the ratings below.
- Banks Group 2 – good credit quality - the Council will only use banks which are UK banks and have, as a minimum the following credit ratings: (See Appendix 3 for explanation of the credit ratings)

Agency	Short Term	Long Term	Viability / financial strength	Support
<b>Fitch</b>	F1	A	a	1
<b>Moody's</b>	P-1	Aa	C	
<b>Standard &amp; Poor's</b>	A-1	A		

- Building Societies – if they meet the ratings above
- Money Market Funds - AAA rated
- Bill Payment Service – The Council currently has a contract with Santander UK who collect payments of Council Tax through the post office via various methods of payment such as Paypoint. The funds that are collected are transferred to the Council daily thus minimising the risk of Santander UK holding the Council's cash. This arrangement for the bill payment service falls outside the investment criteria for investments therefore any downgrade of Santander UK will not affect this service. However this arrangement will be

closely monitored to ensure funds continue to be transferred daily.

4.7.14 The Council's lending list will comprise of the institutions that meet the investment criteria above. Each counterparty on the list is assigned a counterparty limit as per the table in Appendix 1. Counterparties that no longer meet the investment criteria due to a credit rating downgrade will be removed from the list and any changes will be approved by the Executive Director Resources. Approval will also be required if any new counterparties are added to the lending list.

4.7.15 Capita Asset Services approach to assessing creditworthiness of institutions is by combining credit ratings, credit watches, credit outlooks and CDS spreads to produce a colour coding system which the Council uses to determine the duration of investments. The Council will use counterparties within the following maximum maturity periods, in order to mitigate the risk of investing in these institutions:

<b>Capita Asset Services Banding</b>	<b>Description</b>
Blue	1 year (only applies to nationalised/semi nationalised UK banks)
Orange	1 year
Red	6 months
Green	3 months
No colour	The Council will not invest with these institutions

4.7.16 The proposed criteria for Specified and Non-Specified investments are shown in Appendix 1 for approval. During this time of significant economic uncertainty due regard will be taken of the selection criteria outlined in 4.7.15, when using the options outlined in Appendix 1.

4.7.17 Investment returns expectations - Bank Base Rate is forecast to remain unchanged at 0.50% before starting to rise from quarter three in 2016. Bank Rate forecasts for financial year ends are:

<b>Financial Year</b>	<b>Bank Base Rate</b>	<b>Forecast</b>
2013/14	0.50%	There is an upside risk to these forecasts (i.e. if increases in Bank Rate occurs sooner than forecast) if economic growth remains strong and unemployment falls faster than expected. However there is also a downside risk if the pace of growth falls back particularly if the Bank of England inflation forecasts for the rate of unemployment prove to be too optimistic.
2014/15	0.50%	
2015/16	0.50%	
2016/17	1.25%	

4.7.18 **Indicator 11** - Upper limit for total principal sums invested for over 364 days. This limit is set with regard to the Council's liquidity requirements and to reduce the need for an early sale of an investment, and is based on the availability of funds

after each year-end and up-dates are reported to the Audit Committee at midyear. These upper limits are to provide approved flexibility for future LAMS contributions.

(11) Interest Rate Exposure (Upper Limits)	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	<i>Actual</i> £m	Est. £m	Est. £m	Est. £m	Est. £m	Est. £m	Est. £m	Est. £m	Est. £m	Est. £m	Est. £m	Est. £m
Principal sums invested > 364 days	1.0	2.0	4.0	6.0	8.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0

4.7.19 At the end of the year, the Council will report on its investment activity as part of its Annual Treasury Report to the Audit Committee.

4.7.20 The Executive Director Resources may appoint external fund managers to access markets not available to the in-house treasury team, diversify the investment portfolio and to optimise investment income returns. Fund Managers will only be used if the Executive Director Resources is satisfied the risk of loss is minimised and they can provide material out-performance when compared against comparative cash benchmarks. Fund Managers must comply with the Annual Investment Strategy.

#### 4.8 Peterborough's Growth Delivery Project

4.8.1 The following model has been established and agreed in the paper submitted to Cabinet on the 24<sup>th</sup> February 2014 <http://democracy.peterborough.gov.uk/documents/s19284/5.%20Funding%20Peterboroughs%20Future%20Growth.Pdf>

4.8.2 A Joint Venture Company (JVCo) 50:50 owned and controlled by the Council and an investment fund called the Peterborough Fund which will work to create commercially viable schemes. Once a scheme is approved by the JVCo board it will pass to the Peterborough Investment Fund, which will create a Special Purpose Vehicle (SPV) to oversee the scheme implementation.

4.8.3 As projects are developed the Council will sell sites previously earmarked for disposal at their current market value to the fund for development. The Council may receive cash or units in the Fund in consideration. The Council will only be able to receive units in the Fund in relation to this project, and this decision may be subject to a further Cabinet Member Decision, it will not be allowed to use the Fund for general investment purposes.

4.8.4 The Peterborough Fund will be registered in Guernsey, regulated by the Guernsey Financial Services Commission and will be VAT registered in the UK. It is expected that the Fund will initially raise £130 million using international and UK investors.

#### **4.9 Treasury Management Scheme of Delegation**

4.9.1 The following is a list of the main tasks involved in treasury management and who in the Council is responsible for them:

Full Council / Audit Committee

- Receiving and reviewing reports on treasury management policies, practices and activities.
- Approval of Annual Strategy.

Audit Committee / S151 Officer (Executive Director Resources)

- Approval of / amendments to the Council's adopted clauses, Treasury Management Policy Statement and Treasury Management Practices.
- Budget consideration and approval.
- Approval of the division of responsibilities.
- Receiving and reviewing regular monitoring reports and acting on recommendations.

Section 151 Officer (Executive Director Resources) / Head of Strategic Finance / Financial Services Manager-Corporate Accounting

- Reviewing the Treasury Management Policy and procedures and making recommendations to the responsible body.
- Recommending clauses, treasury management policy/practices and making recommendations to the responsible body.
- Submitting regular treasury management reports.
- Submitting budgets and budget variations.
- Receiving and reviewing management information reports.
- Reviewing the performance of the treasury management function.
- Ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function.
- Ensuring the adequacy of internal audit, and liaising with external audit.
- Recommending the appointment of external service advisors.

## Specified and Non-Specified Investments

## APPENDIX 1

### Specified Investment:

- Offer high perceived security such as placements with Central Government Agencies, Local Authorities or with organisations that have strong credit ratings
- They offer high liquidity i.e. short term or easy access to funds
- Are denominated in £ sterling
- Have maturity dates of no more than 1 year
- For an institution scheme to qualify as a 'Specified Investment' it must have a minimum rating (see 4.7.9)

<b>APPROVED "SPECIFIED" INVESTMENTS</b>				
<b>Investment Type</b>	<b>Maximum Maturity period</b>	<b>Minimum Credit Criteria</b>	<b>Collective Limit £m</b>	<b>Individual Limit £m</b>
Debt Management Agency Deposit Facility	Currently only accepts deposits up to 6 months duration.	UK Government backed	N/A	75
Term deposits with UK Government & Local Authorities	6 months	Sovereign risk / high security although not credit rated	100	20
Term deposits & Certificates of Deposit with Banks Group 1	6 months	Minimum ratings - F1(Fitch - short term) AAA (long term)	100	15
UK Government & Local Authority Stock Issues	6 months	Sovereign risk / high security although not credit rated	100	20
Term deposits & Certificates of Deposit with Banks Group 2	6 months	Minimum ratings – F1 (Fitch-short term) A (long term)	50	10
Deposit accounts with regulated UK building societies	6 months	Minimum ratings - F1 (Fitch short term) A (long term)	50	10
Money Market Funds	Repayable on call, without notice.	Minimum rating – AAA (Fitch)	50	10

<b>APPROVED "SPECIFIED" INVESTMENTS</b>				
<b>Investment Type</b>	<b>Maximum Maturity period</b>	<b>Minimum Credit Criteria</b>	<b>Collective Limit £m</b>	<b>Individual Limit £m</b>
Commercial Paper (short term obligations issued by banks, corporations & other issuers).	6 months	Minimum short term rating - F1 (Fitch) (Held by custodian)	10	10
Gilt & Bond Funds (open ended mutual funds investing in Gov. & corporate bonds)	Highly liquid, may be sold at any time.	Minimum rating - AAA-(Fitch, S&P A-1 etc.)	10	10
Reverse Gilt Repos (Gilts bought with commitment to sell on a specified date or on call, at agreed price)	6 months	UK Government backed (Held by custodian)	10	10
Treasury Bills	Maturities of up to 6 months Issued through a bidding process at a discount to face value	UK Government backed (Held by custodian)	10	10
Bonds issued by a financial institution guaranteed by UK Government	6 months	UK Government backed (Held by custodian)	10	10
Bonds issued by multilateral development banks	6 months	Minimum rating – AAA (Fitch, S&P A-1etc)	10	10

**Non-Specified Investment:**

- With the same institutions classified as “specified” investments but have maturity dates in excess of one year, or
- Are offered by organisations that are not credit rated or the credit rating does not meet the criteria set out above
- In the current economic climate the Council has run down its cash balances as an alternative to borrowing and investments have been made short term and the Council would not consider using investments that fall under the ‘Non-Specified’ Investments category at this time.

<b>APPROVED "NON - SPECIFIED" INVESTMENTS</b>				
<b>Investment Type</b>	<b>Repayable / Maturity Period</b>	<b>Minimum Credit Criteria</b>	<b>Collective Limit £m</b>	<b>Individual Limit £m</b>
Term deposits with UK Government & Local Authorities	Maturities of 1 - 5 years	Sovereign risk / high security although not credit rated	20	20
Term deposits & Certificates of Deposit with Banks Group 1	Maturities of 1 - 5 years Certificates of Deposit are tradable	Minimum ratings - F1(Fitch - short term) AAA (long term)	10	10
UK Government & Local Authority Stock Issues	Maturities of 1 - 10 years but tradable	Sovereign risk / high security although not credit rated	10	10
Term deposits & Certificates of Deposit with Banks Group 2	Maturities of 1 - 5 years Certificates of Deposit are tradable	Minimum ratings – F1 (Fitch-short term) A (long term)	20	10
Deposit accounts with regulated UK building societies	Maturities of 1 – 5 years	Minimum ratings - F1 (Fitch short term) A (long term)	5	5
Foreign Government Stock Issues (priced in £ Sterling)	Maturities of 1 - 10 years but tradable	Minimum rating – AAA (Fitch, S&P A-1etc) (Held by custodian)	5	5
Term deposits with UK building societies without formal credit ratings	Maturities of up to 1 year	Financial position assessed by Executive Director Resources	5	5
Bonds issued by a financial institution guaranteed by UK Government	Maturities of 1 - 10 years but tradable	UK Government backed Minimum rating – AAA (Fitch, S&P etc.)	5	5

<b>APPROVED "NON - SPECIFIED" INVESTMENTS</b>				
<b>Investment Type</b>	<b>Repayable / Maturity Period</b>	<b>Minimum Credit Criteria</b>	<b>Collective Limit £m</b>	<b>Individual Limit £m</b>
Bonds issued by multilateral development banks	Maturities of 1 - 10 years but tradable	Minimum rating - AAA (Fitch, S&P A-1etc)	5	5
Floating Rate Notes (fixed term but interest rate varies quarterly)	Maturities of 1 - 5 years but tradable	Financial position assessed by Executive Director Resources. Requires capital or revenue financing as share or loan capital.	5	5
Bonds issued by corporate issuers other than sovereign bonds	Maturities of 1 - 10 years but tradable	Minimum rating – AAA (Fitch, S&P A-1etc) Requires capital or revenue financing as share or loan capital	5	5



## Summary of capital and treasury prudential indicators

Summary of capital & treasury prudential indicators	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	Actual	Est.	Est.	Est.	Est.	Est.	Est.	Est.	Est.	Est.	Est.	Est.
(1) Capital expenditure (£m)	£111.7m	£117.3m	£260.8m	£144.7m	£61.2m	£26.6m	£19.8m	£15.8m	£14.8m	£15.5m	£15.7m	£15.7m
(2) Capital Financing Req. (CFR) (£m)	£316.1m	£384.4m	£594.1m	£705.5m	£734.6m	£729.5m	£723.6m	£714.1m	£703.1m	£692.9m	£682.2m	£670.5m
(3) Ratio of financing costs to net revenue budget	5.2%	6.0%	7.1%	8.8%	10.2%	10.4%	10.5%	10.6%	10.6%	10.5%	10.6%	11.7%
(4) Incremental impact of capital investment on Council Tax (£) Adjusted	(£71.88)	(£31.55)	(£72.33)	(£128.45)	(£51.39)	(£23.23)	(£9.85)	£3.15	£11.33	£16.34	£23.57	£36.61
(5) % of gross debt to the CFR	79.0%	82.8%	88.5%	90.7%	91.0%	91.5%	92.0%	93.1%	94.4%	95.6%	97.0%	98.5%
(6) Operational boundary for External Debt (£m)	£250.1m	£637.7m	£666.7m	£664.7m	£667.4m	£667.6m	£666.3m	£665.0m	£663.7m	£662.8m	£661.9m	£660.8m
(7) Authorised Limit for External debt (£m)	£250.1m	£647.7m	£817.3m	£703.8m	£677.4m	£677.6m	£676.3m	£675.0m	£673.7m	£672.8m	£671.9m	£670.8m
(8) Upper limit for fixed interest rate exposure (£m)	£208.9m	£608.3m	£779.8m	£668.2m	£643.3m	£645.0m	£645.0m	£645.0m	£645.0m	£645.0m	£645.0m	£645.0m
(9) Upper limit for variable interest rate exposure (£m)	£0.0m	£152.1m	£195.0m	£167.7m	£160.8m	£161.2m	£161.2m	£161.2m	£161.2m	£161.2m	£161.2m	£161.2m
(10) – Maturity Structure of Borrowing – See Section 4.4.3 for details												
(11) Interest Rate Exposure (Upper Limits) >364 days	£1.0m	£2.0m	£4.0m	£6.0m	£8.0m	£10.0m	£10.0m	£10.0m	£10.0m	£10.0m	£10.0m	£10.0m

**Explanation of credit ratings**

**APPENDIX 3**

Agency	Short Term	Long Term	Viability/financial strength	Support
<b>Fitch</b>	<b>F1</b> -Highest short-term credit quality. Indicates the strongest intrinsic capacity for timely payment of financial commitments; a “+” may be added to denote any exceptionally strong credit feature.	<b>A</b> -High credit quality. ‘A’ ratings denote expectations of low credit risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher ratings.	<b>a</b> - High fundamental credit quality. ‘a’ ratings denote strong prospects for ongoing viability. Fundamental characteristics are strong and stable, such that it is unlikely that the bank would have to rely on extraordinary support to default .This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher ratings.	<b>1</b> -A bank for which there is an extremely high probability of external support. The potential provider of support is highly rated in its own right and has a very high propensity to support the bank in question. This probability of support indicates a minimum Long Term Rating floor of ‘A-’.
<b>Moody’s</b>	<b>P-1</b> -superior ability to repay short-term debt obligations	<b>Aa</b> -high quality and are subject to very low credit risk	<b>C</b> -Possess intrinsic financial strength. Typically, they will be institutions with more limited but still valuable business franchises. These banks will display either acceptable financial fundamentals within a predictable and stable operating environment or good financial fundamentals within a less predictable and stable operating environment.	
<b>Standard &amp; Poor’s</b>	<b>A-1</b> -The obligor’s capacity to meet its financial commitment on the obligation is strong. Within this category, certain obligations are designated with a plus sign (+). This indicates that the obligor’s capacity to meet its financial commitment on these obligations is extremely strong.	<b>A</b> -more susceptible to the adverse effects of changes in circumstances and economic conditions. However the obligor’s capacity to meet its financial commitment on the obligation is still strong.		

**8. Capital Strategy, Programme and Disposals**



# Capital Strategy

2014 – 2024

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## 1 Introduction and Strategic Principles

- 1.1 The Capital Strategy outlines how Peterborough City Council (PCC) will manage its capital resources to help achieve the strategic priorities of the Council. It is good practice that the Capital Strategy and Asset Management Plans are regularly reviewed and revised to meet the changing priorities and circumstances. The Council's capital strategy is reviewed on an annual basis to reflect the changing needs and priorities of the residents.
- 1.2 The strategy is intrinsically linked with the Medium Term Financial Strategy (MTFS) and the Asset Management Plans (AMPs) of the Council and should be read in conjunction with these documents.
- 1.3 Over the period of the MTFS, the Council needs capital investment to deliver its priorities. In order to achieve this, it recognises the need to deliver efficiencies, seek additional funding and periodically review both the consumption of the capital resources and stated priorities. It ensures this happens through the four core principles below:
- 1.4 **Principle 1** – Managing the impact of investment decisions on revenue budgets
  - Ensuring capital investment decisions do not place excessive pressure on the Medium Term Financial Strategy or Council Tax, and they are also within the Council's Prudential Indicators (see the Prudential Code and Treasury Management Strategy and Minimum Revenue Provision Policy).
  - Promoting capital investment which enables invest to save outcomes.
  - Making sure assets yield maximum return, through effective ongoing asset management, consistent with levels of investment. (See Asset Management Plan).
- 1.5 **Principle 2** – Optimise the availability of capital funding where that funding supports the priorities for Peterborough
  - Disposal of surplus assets (including asset transfer to community organisations where appropriate) and reinvestment.
  - Effective working relationships with potential funders.
  - Listening to and supporting effective partnering arrangements.
  - Having clear policies for the consumption of any reserves.
- 1.6 **Principle 3** – Ensure effective pre and post project appraisal
  - Ensuring a system of competition exists for project approval.
  - Building into project appraisal recognition of environmental sustainability.
  - Fully considering project risk.
  - Carefully considering value for money and efficiency of every project.
- 1.7 **Principle 4** – Performance manage the capital programme
  - Integrating the capital programme into the performance management framework.
  - Integrating the capital programme with the Verto project management system, Infrastructure Planning systems/processes e.g. Infrastructure Delivery Schedule (IDS) and other service plans.
  - Ensuring the capital schemes use appropriate project management tools.

- Ensuring responsibility for the delivery of the capital programme is clearly defined.

## **2 Aims of the Strategy**

2.1 The specific aims of this strategy are to ensure:

- Physical assets and related resources are efficiently and effectively used to support the Council's priorities. These inputs when reviewed against the outputs from capital schemes will demonstrate value for money;
- Issues related to property and other assets are fully reflected in the Council's planning, for example, ensuring adequate funds for maintenance are available;
- Stakeholders can understand the Council's capital investment decisions and the management of its capital projects;
- Adequate provision is made for delivering corporate priorities and demonstrated through effective resource allocation;
- Invest to save projects are encouraged;
- The Council works within the Prudential Code framework and demonstrates robust and linked capital and treasury management; (see the Prudential Code and Treasury Management Strategy and Minimum Revenue Provision Policy);
- Optimal use of the Council's existing assets, and reflects the AMP;
- Asset management plans are reviewed to identify surplus assets which can move through a disposal process to generate new capital resources; (see AMP);
- Capital spending plans are affordable, financially prudent, sustainable and integrated with the MTFS;
- Support for our partners by maximising the potential for joint working and match funding, where this secures better outcomes than could be achieved in isolation.

## **3 Strategic Context**

3.1 The Capital Strategy is a high level summary of PCC's approach to capital investment in the city for the future. It guides the development of service capital plans, and sets out the policies and practices that the authority uses to establish, monitor and manage the Council's capital programme, in line with the MTFS.

### **3.2 Sustainable Community Strategy (SCS)**

- 3.2.1 An influence for the need of capital investment is the major growth aspirations of the Council. Growth requires investment in infrastructure, and the Council plays a major role in securing and providing such investment. The context for the growth ambition is Peterborough's SCS which sets ambitious plans for a 'bigger and better Peterborough', including the delivery of 'substantial and truly sustainable growth'
- 3.2.2 Like the MTFS the Capital Strategy is driven by the SCS, which sets out a vision and overall strategy for the future of the city and surrounding villages and rural areas, covering the period 2008 - 2021. It reflects both the agenda for growth

and the clear desire to ensure that Peterborough grows in the right way, so that economic and population growth leads to genuine improvements in key areas, particularly those where Peterborough currently has specific problems or issues. It takes account of both national and local improvement priorities that are established through effective consultation with residents and partners. The local priorities underpinning the SCS are set out in the Single Delivery Plan (SDP) which identifies the key priorities for the next five years. These have both informed the production of this Capital Strategy.

### **Peterborough Planning Policy Framework<sup>1</sup>**

- 3.2.3 To facilitate and coordinate this growth, the City Council is well advanced in preparing its statutory planning policy framework, or 'Local Plan', which is a set of planning policy documents to guide growth. The key planning policy documents are:
- The Peterborough Core Strategy Development Plan Document (DPD), which sets the headline growth targets (25,500 dwellings, 20,000 new jobs) and sustainable development policy – adopted 2011
  - The Site Allocations DPD, which allocates sites and identifies on a map the precise locations for new development – adopted 2012
  - Minerals and Waste Core Strategy and Site Allocations Documents – adopted 2011 and 2012 respectively
  - Planning Policies DPD - adopted 2012
  - City Centre Plan, which will set detailed policy and identify opportunity areas within the city centre – programmed for public examination and adoption in 2014.
- 3.2.4 Having these up to date plans in place puts the Council in an excellent position to encourage and guide public and private investment decisions.
- 3.2.5 The major growth identified in the above policy documents will require substantial funding for the infrastructure requirements, which such growth generates (on top of funding required to maintain our existing infrastructure). The sources of such funding are wide ranging, including government grants, private sector investment and our own corporate resources. It should also be noted that this growth will also in turn generate additional funding which will offset some of the investment cost, such as increases in Council Tax revenues from additional homes built, additional New Homes Bonus grant from government, and through the new funding arrangements surrounding Business Rates where local authorities are able to keep an element relating to growth.
- 3.2.6 To coordinate the infrastructure requirements associated with growth, the Council has embarked on preparing an Infrastructure Delivery Schedule (IDS)<sup>2</sup>; the first such schedule was approved by Cabinet on 24 September 2012. The IDS is intended to be refreshed and approved annually by Cabinet. The IDS is a 'live' schedule of the entire infrastructure needed to support sustainable growth in Peterborough, with an indication of when such infrastructure is needed and how much it might cost. The IDS is linked into the Council's project management system (Verto). A variety of funding sources will then be used to pay for the items on the IDS, in a prioritised way, including from:
- Developer Contributions.

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<sup>1</sup> PPPF – [http://www.peterborough.gov.uk/planning\\_and\\_building/planning\\_policy/planning\\_policy\\_framework.aspx](http://www.peterborough.gov.uk/planning_and_building/planning_policy/planning_policy_framework.aspx)

<sup>2</sup>IDS - <http://www.peterborough.gov.uk/pdf/3.%20IDS%202012%20PDCS%20Versiona.pdf>

- Government and Other Grants.
- City Council's own capital investment.

## **4 Key Areas of Council Capital Investment**

4.1 The Council's Capital Programme for 2014/15 to 2023/24 totals £590m and is summarised in Annex 1. Individual schemes are itemised in Annex 3.

4.2 The following is a summary of the key elements of the strategy by service area.

### **Adult Social Care**

#### **4.3 Adult Social Care**

4.3.1 Adult Social Care is going through a major transformation which will focus on increasing prevention, reducing dependency and increasing personal choice. The capital strategy over the next few years needs to reflect the implications of the transformation and also take into account the additional responsibilities arising from the Care Bill.

4.3.2 Areas where investment will be required in this context are as follows:

- Extra Care housing is an area where development is needed as an alternative to more expensive residential care. The Council no longer has any in-house residential care homes following the closure of its two remaining care homes in 2012/13 however independent residential care home provision has been made available. Additional investment in Extra Care is required as part of the Older Person's Accommodation strategy.
- The provision of supported housing within Peterborough for people with learning disabilities or mental health difficulties will continue to be a requirement. It is intended that such housing will be provided by social housing landlords and private sector landlords. However, funding may be required in order to alter existing properties to make them fit for their new purpose of providing supported housing.
- Investment in aids and adaptations and assistive technology is essential in delivering cost effective services which support people to remain living at home. This will include investment for mental health services aimed to decrease social exclusion, encourage healthy lifestyles and support mental health recovery.
- Information Technology continues to be an important area of investment to effectively manage the business. A new client record system (Frameworki) was introduced in December 2012 and further enhancements will be required to get the most out of the system from a performance management perspective and meet changes arising from the Care Bill. There is also likely to be a requirement for investment in Electronic Document Record Management (EDRM) associated with the Frameworki system. Additional capital investment is planned to enable implementation of mobile working for Social Workers as part of the Transformation programme.



- The Council will continue to develop services to support people with dementia. The Dementia Resource centre will open in Spring 2014 and there has been provision made for capital investment for future years for Dementia resources in this MTFS, in line with the Dementia Strategy.
- 4.3.3 The strategy as presented is in the context of a developing service relating to the Transformation of Social Care and the implications of the emerging Care Bill and future integration with health, so will need to be kept under constant review.

### **Delivery of Growth Schemes (Growth and Regeneration)**

#### **4.4 Delivery of Growth Schemes – Growth and Regeneration**

- 4.4.1 Through its Planning Policy Framework, the City Council is translating the Sustainable Community Strategy into a series of land allocations and planning policies to guide public and private investment decisions. The various documents making up the Framework identify and programme new growth which will require funding for the infrastructure requirements it generates. This sits alongside existing and emerging developer contributions and community infrastructure levy mechanisms for securing the necessary contributions towards funding and maintaining this infrastructure.
- 4.4.2 Work is well advanced on the City Centre Development Plan<sup>3</sup> and this will be a key driver in helping the city centre become more vibrant, dynamic and diverse. Offering a high quality built environment, employment, and learning and leisure opportunities by encouraging new investment into the city.
- 4.4.3 Improving the city centre began in earnest with the completion of the first phase of a revitalised public realm in Cathedral Square and the nearby St John's Square. This gave a much-needed face lift to a key part of the city centre, helping Peterborough to better compete regionally, and has been continued with major improvements in Cowgate and down the length of Bridge Street, with a further scheme being developed for Long Causeway.
- 4.4.4 The Peterborough Long Term Transport Strategy identified the infrastructure required to meet the demand for travel resulting from the growth agenda. Increased investment in sustainable travel infrastructure coupled with a programme of highway infrastructure improvements has been identified and is set out in the Peterborough Infrastructure Delivery Plan (IDP) and associated schedule (IDS). The third Peterborough Local Transport Plan (LTP3) was adopted in April 2011 and sets out the Long Term Transport Strategy (LTTS)<sup>4</sup> for the area to 2026 and a more detailed programme of works to 2016.
- 4.4.5 The delivery of major growth schemes in a difficult economic climate requires different arrangements to those of the boom of the preceding years. The proposals agreed by Cabinet in December 2009 have now been further developed. The Cabinet Report "Funding Peterborough's Future Growth" on the 24<sup>th</sup> February approved the establishment of a Joint Venture Company between the Council and the Peterborough Investment Fund to promote growth, regeneration and economic development. Opportunity Peterborough will continue to focus on core economic development strength.

<sup>3</sup> City Centre Action Plan – [fly-through demonstration link](#)

<sup>4</sup> LTTS - <http://www.peterborough.gov.uk/pdf/traffic-strategic-transportpolicy-ltp3-Section7.pdf>

- 4.4.6 The willingness and ability of the Council to leverage its own assets where possible and appropriate to bring sites forward remains a pillar-stone for delivering this growth agenda, playing a key part in the task of making sites financially viable. The development now in progress on the “Carbon Challenge” site, which aims to minimise carbon emissions and traditional energy uses in its new dwellings, is an example of this working in practice for the redevelopment of the South Bank area. Working alongside the Homes and Communities Agency and its predecessor organisations has been a primary partner at this site throughout the development process.
- 4.4.7 In addition the Council is taking forward the development of the South Bank - now called the Fletton Quays Opportunity Area. This is one of the most significant developments in the East of England and can only move forward because the Council are prepared to use their land holdings to form the basis of the development. It is anticipated that this will be one of the first projects delivered through the revised management structures and the new Joint Venture Company in conjunction with the Peterborough Investment Fund.

### **Transport (Growth and Regeneration)**

#### **4.5 Transport (Growth and Regeneration)**

- 4.5.1 Transport incorporates new roads, bus and railway stations, street lighting, footways / cycle ways and other transport related infrastructure items for the period 2014-2024.
- 4.5.2 To provide the context, the third Peterborough LTP (LTP3) was adopted in April 2011 and sets out the Peterborough Long Term Transport Strategy (LTTS) for the area to 2026 and a more detailed programme of works to 2016. The LTTS identifies the infrastructure required to meet the demand for travel resulting from the growth agenda. Increased investment in sustainable travel infrastructure coupled with a programme of highway infrastructure improvements has been identified and a programme of works is set out in the transport element of the IDS.
- 4.5.3 The transport capital programme, as reflected in the IDS, takes account of the following five goals for transport:
- Tackling climate change
  - Promoting equality of opportunity
  - Improving quality of life and promoting a healthy natural environment
  - Supporting economic growth
  - Contributing to better safety, security and health
- 4.5.4 LTP3 sets out how the forecast increased demand to travel will be met by a combination of increased use of sustainable travel and a programme of targeted highway infrastructure improvement and capital maintenance works.
- 4.5.5 The Council awarded as of 1<sup>st</sup> October 2013 a new 10 Year Highway Services contract, which can be extendable by a further 10 years. This contract gives the authority more flexibility in meeting its strategic objectives and goals in an efficient and effective manner.
- 4.5.6 The Council has progressed a Transport Asset Management Plan (TAMP) in accordance with Department for Transport requirements. The TAMP will help

define the extent of additional sums required firstly to tackle the backlog of maintenance work and thereafter, maintain the existing highway infrastructure.

- 4.5.7 The Council has experienced a reduction in transport capital allocations through a reduction in Government LTP allocations in 2011/12 partly as a result of the cessation of Primary Route Network (PRN) structures funding. However, a number of medium sized transport schemes shown on the table below are under development for delivery through corporate capital funding in 2014/15.

#### **Culture and Leisure (Resources)**

#### **4.6 Culture and Leisure (Resources)**

- 4.6.1 Peterborough's projected growth places greater challenges on its cultural services than at any time in the city's past. Not only will population growth lead to increases in demand, but the increasing variety of demographics across the city will change the nature of that demand. The Council has recognised this, and the need to respond to current challenges, and its commitment to protecting and enhancing cultural services, both now and in the future, has been demonstrated by the establishment of the city's Cultural Trust – Vivacity.
- 4.6.2 Cultural Services within the city face significant challenges which relate to growth and the re-development of existing facilities to meet changing customer expectations.
- 4.6.3 Customers are demanding ever increasing quality of service and much of the city's cultural infrastructure falls short of customer aspiration. We will ensure that our cultural services take into account the access needs of disabled people and we will routinely consult with the Disability Forum during any development work. Development underway includes:
- Development of sports facilities to refresh and upgrade existing provision.
- 4.6.4 Consideration is being given to investment to refurbish the Regional Pool and undertake the upgrade of air conditioning and lighting at the Central Library.
- 4.6.5 PCC has recently taken out a lease from a private developer for a new sports centre at Hampton. The new facility is one of the first private/ local government / charity ventures. The facility includes a state of the art gym and a new 25 metre pool thus helping to meet the shortage of swimming provision in the city.
- 4.6.6 PCC has constructed a new state of the art dual use facility in Hampton. The building incorporates a primary school, library and a sports centre. The sports facility offers a multi-use sports hall, new gym facility, fitness studios and outdoor sports pitches.
- 4.6.7 PCC is in discussion with British Cycling with the aim of providing a new purpose built cycling track on the embankment site. It is hoped that half of the £300k capital investment will be met from external grants. The cycling track will make the city one of the leading councils in the country for cycle provision. British Cycling have stated that the new track could lead to national cycling events visiting the city.
- 4.6.8 The ENPC contract will see a range of improvements to the Leisure Trust Property portfolio which will result in significant energy and CO2 savings across the property portfolio. The works will also reduce the maintenance back log on the estate.

## **Strategic Property and ICT (Resources)**

### **4.7 Strategic Property and ICT (Resources)**

- 4.7.1 The Council keeps its property portfolio under constant review; ensuring assets are kept only for specific reasons. Co-location and other rationalisation are expected to improve overall efficiency of all partners' estates and will be used to contribute to the overall growth of Peterborough.
- 4.7.2 Peterborough is no different from other local authorities in-so-much as the operational property portfolio is old and coming to a point where major investment is required to maintain it in a 'fit' state for the delivery of Council objectives.
- 4.7.3 The recent improvements to Bayard Place have enabled the Council to increase the number of workstations by 85. The Council now has a major opportunity to rationalise the property portfolio whilst introducing new working practices. Over the next 12 months the Council will continue to move forward on the rationalisation of the portfolio, for further information see the Asset Management Plan.
- 4.7.4 Overall the Council aims to dispose of surplus assets and use the capital receipts raised to support other initiatives. A 'best consideration' approach may also be applied where the site is in a key growth area. Work is ongoing to identify further sites that are suitable for disposal but it should be noted that in the current economic climate the disposal decision is no longer the only clear option. The final decision takes into account issues such as holding costs.
- 4.7.5 ICT has put together a programme of works that will enable departments to undertake transformation projects without any restrictions placed on it due to the ICT infrastructure within the Council. By moving to hosted and cloud based services and improvements in current hardware staff will be truly mobile and "infrastructure free" and ICT will act as an enabler to future transformation projects within Directorates. The investment and therefore the changes that ICT will introduce over the coming years will comply with the Councils ICT Strategy and allow ICT to work more closely with departments and meet their requirements and move away from back end maintenance tasks. ICT will have a key role to play in the transformation of the Council and the service needs to be in a position to help deliver this.

## **School Places (Resources)**

### **4.8 School Places (Resources)**

The schemes currently provisionally proposed for 2014/15 onwards are shown in the table. The list is under constant review as the school place planning situation changes in the city.

<b>Scheme</b>	<b>Description</b>	<b>Expected Year of Opening</b>	<b>Additional places created</b>
Thomas Deacon Academy	Thomas Deacon Academy will extend its age range to take 360 KS2 (junior) pupils	September 2014	360

<b>Scheme</b>	<b>Description</b>	<b>Expected Year of Opening</b>	<b>Additional places created</b>
Gladstone Park School	Redevelopment of Gladstone community centre to incorporate primary school provision	September 2014	420
West Town Primary	Move existing school to new site and increase capacity	September 2016	315
Woodston Primary	Increase by one to two forms of entry (FE)	September 2014	210
Ravensthorpe	Expansion by one to two FE using existing space in school	Feb 2015	210
Orton Wistow	Increase capacity by 0.5 FE to support housing development at East of England Showground	September 2014	105
Orton St John's	Increase school up to two FE using the Department for Education 'Priority schools building programme' and funded through a government operated capital scheme	September 2015	148
Hampton Secondary School provision	Joint development of secondary school with Cambridgeshire County Council to support growing needs in the South West of Peterborough.	September 2017	1,500(including 6 <sup>th</sup> form)
Additional Stanground Primary capacity	Current forecasts suggest a further one FE is required in Stanground as an expansion to an existing school	September 2017	210
Hampton Leys Primary	First of two new two FE primary schools to support new developments east of A15	September 2018	420
Paston Reserve Primary School	A new two FE primary school to support new development	September 2017	420
St Michael's, Stanground	Phase 2 extension from one FE to two FE in response to growth at the Cardea development	September 2017	210
Great Haddon Primary Schools	Three primary schools are planned under Section 106 agreement	September 2018	1,260
Great Haddon Secondary	A seven FE secondary school is planned for the new township only	September 2018	1,050
Additional PE1 Provision	Further primary school places to be identified to meet demand	September 2016	420

## **Community Infrastructure (Communities)**

### **4.9 Community Infrastructure (Communities)**

- 4.9.1 Community Infrastructure incorporates community centres, sports facilities, open space, affordable housing, and ensuring safe, warm and affordable housing in the private sector and other community infrastructure related items for the period 2014-2024. Funding for community infrastructure needs primarily come forward via new developments as part of the S106/POIS/CIL.
- 4.9.2 During the first 30 years of the contract governing the Large Scale Voluntary Transfer of the Council's housing stock to Cross Keys Homes (CKH) in October 2004, the Council receives part of the sale proceeds under the Preserved Right to Buy (Council tenants transferred to CKH retain the right-to-buy) on an agreed basis. The Council adopted a policy in 2011 setting out in detail how it would spend these receipts, but in summary they will be used to support the provision of new affordable housing in Peterborough. The current intention is to spend up to £4m per year should appropriate projects come forward in line with the adopted policy.
- 4.9.3 The majority of new affordable housing provision will continue to come forward via developers as part of S106 planning agreements. The Council's current planning policy aims to secure 30% of all new housing (on eligible sites) to be affordable homes, subject to negotiation with developers. The delivery of affordable housing varies each year according to national funding allocations, local funding and planning permissions approved. For 2013/14, current projections indicate at least 230 new affordable homes should be completed. The IDS has further details on specific affordable housing projects in the pipeline.
- 4.9.4 In 2009 PCC commissioned a city wide Private Sector Housing Stock Condition Survey in compliance with the Housing Act 2004 Part 1 Section 3. The report focused on the condition of the stock in the city including category 1 hazards under the Housing Act, decent homes and energy efficiency. The report found that 23% of the stock has a category 1 hazard and a further 22% of the stock has a category 2 hazard which if not addressed will become a category 1 hazard. This equates to 45% of the stock. The main category 1 hazards are excess cold, 15.6% of households in the city are in fuel poverty. The cost to remedy the urgent repairs in the private sector stock is £70.3m, and to remedy the basic repairs needed it will cost £106.5m. Repairs assistance is targeted at properties occupied by vulnerable elderly residents and families on low incomes who are likely to be in fuel poverty whose property has a category 1 hazard. PCC are committed to providing repairs assistance to these vulnerable households in the city to ensure their homes and health are improved. An updated stock survey is being commissioned in early 2014.
- 4.9.5 The Council are committed to delivering disabled facility grants in line with the Housing Grants, Construction and Regeneration Act 1996 to adapt disabled and elderly people's homes to meet their needs. PCC have an ageing population who the Council want to support to live independently in their own homes through the work and services of our Care and Repair Home Improvement Agency, working very closely with the Adult Social Care Occupational Therapy Team in delivering disabled facility grants, minor aids and adaptations, assistive technology and repair assistance. This is in line with the Council's Adult Social Care Older Person's Accommodation Strategy 2012. As at September 2013 there were 5468 households on the Council's Housing

Register bidding for Housing Association properties through choice based lettings. The need for affordable housing in the city has never been greater, especially with the impact of the Welfare Reform Act now embedding its effect with the residents of the city. From 2015/16 the disabled facility grant will be transferred to the Better Care Fund rather than directly to the Council which raises uncertainty to the Council's future funding.

- 4.9.6 The Council's empty homes work bringing privately owned properties back into use is instrumental in updating the council tax records and therefore informing the homes bonus funding from Government.
- 4.9.7 Future Community Infrastructure will be delivered through a principle of 'co-located' facilities providing flexible use of space as a community hub which will incorporate multiple needs for service provision such as health, police/emergency services, community facilities, learning and skills, libraries etc. The revised approach is intended to provide greater consistency and innovative approaches to providing infrastructure which reduce cost whilst ensuring well designed, quality places to live and work.
- 4.9.8 Evidence for community infrastructure requirements will be captured via community needs assessments, Parish Plans and/or Neighbourhood Plans.
- 4.9.9 The Council is committed to working with the civil sector to assist successful community asset transfers in Peterborough that will result in successful, vibrant and inclusive community managed assets that are sustainable in the long term.
- 4.9.10 The Green Open Space Strategy (GOSS) for Peterborough has been developed by Enterprise Peterborough at part of their partnership commitment with the Council.
- 4.9.11 The Council recognises that there is a need within the city to provide adequate amenities to meet the needs of the Traveller and Gypsy community. Within Peterborough there are two permanent Traveller and Gypsy sites located at Norwood Lane and Oxney Road. We are exploring a range of delivery options to improve the way these current sites are managed and maintained.
- 4.9.12 The Council is also looking to change the way it responds to the needs of Gypsy and Travellers who visit the city for short to medium periods. Like many parts of the country, Peterborough has experienced a number of unauthorised Traveller sites. This can lead to distress and tensions within the resident population and significant costs to the Council in managing the site and eviction process. We are working on developing new policies based upon best practice in other parts of the country, which will lead to the establishment of lawful sites for temporary use by the Gypsy and Traveller community.

## **Children's Services**

### **4.10 Children's Services**

- 4.10.1 The Council is responsible for ensuring there are sufficient school places within its area to meet the needs of the population. The Council is responsible for providing transport where children have to access schools which are some distance from their home, often as a result of a shortage of school places.
- 4.10.2 The Council has some clear objectives in terms of school place planning:
  - Local places for local children with the aim to meet parental preferences for catchment schools.

- Offering a range of different schools for all parts of the community including community schools, foundation schools, trust schools, faith schools and academies.
  - High quality places for people to learn that encourage high levels of achievement.
  - Avoiding significant changes to catchment areas
  - Limited and temporary use only of mobile accommodation.
- 4.10.3 However, there are a number of factors that make it more difficult for the Council to meet these objectives:
- There has been exceptional growth in the number of children living in Peterborough in recent years due to a number of issues:
- Birth rates - Peterborough had the 6th highest birth rates in England and Wales in 2011. Our birth rate was almost a third higher than the England average at 86.8 live births per 1000 women as opposed to the England average of 65.7. Data from 2012 suggests that the number of births has levelled off but remains high. Numbers are monitored annually and forecast adjusted accordingly.
  - Migration continues to have a significant impact but is more difficult to measure. However Peterborough exceeds all its statistical neighbours in terms of National Insurance number registrations for migrant workers and in terms of new GP registrations from those people living overseas. The number of languages spoken within the city continues to grow and now exceeds 100. The overall population of the city increased from 163,295 to 183,600 between 2007 and 2011.
  - Economic growth / stability / employment – the buoyant local economy continues to retain workers whilst in other parts of the country, a significant number of migrant workers have returned home.
  - The quality of the City's schools continues to attract students from other local authorities. Peterborough is a net importer of children overall which means the City has more children coming into it from outside the boundaries than Peterborough children studying at schools outside the boundaries.
- 4.10.4 Peterborough has been allocated government grants of £2.4m to cover capital maintenance in 2013-14 and £23.1m in basic need funding to provide additional school places for the two year period 2013-15. In addition £1.9m has been allocated to expand Fulbridge Academy following a Targeted Basic Need Programme bid and £0.7m for City College from Demographic Growth Capital.
- 4.10.5 The availability of land to create school places especially in certain areas of the city is limited. The Council is now looking at more creative solutions to finding suitable accommodation and this includes reusing buildings currently used for other purposes.
- 4.10.6 The Council needs to assess its 'school place needs' now and in the future. If schools are built to cater for a short-term pressure created by a high birth rate one year or the pressures of migration and this demand decreases in the future, this could lead to empty schools which would not be an efficient use of public funding. The challenge is to balance these short and long term issues to ensure public money is used as effectively and efficiently as it can be for now and the future.



- 4.10.7 Limited places remain in the city but these are not always in the right places where demand exists. This is particularly the case with rural schools against the demand from the city.
- 4.10.8 Significant pressures are within primary schools where the number of four year olds in the city has risen from 2,165 in 2006 to an expected 3,200 in 2015. This has meant significant investment is required to meet basic numbers issues. The impact of this significant growth in primary school age children means that when these children grow up this will eventually put pressure on the Council's secondary schools too. Current forecasts suggest pressure for year 7 places will start in 2015 and be critical by 2017.
- 4.10.9 The Children Services capital programme addresses the dual pressures caused by an increase in population and the growth in housing developments in the city.
- 4.10.10 The schemes provisionally proposed for 2013/14 onwards are shown in the capital programme. This list is under constant review as the school place planning situation changes in the City. Full costings are not yet known as school building specification continue to change and the value of projects are commercially sensitive. The Council continue to reduce building costs through procurement processes and costs will be further reduced by –
- Use of mobile classrooms to support temporary increase in numbers
  - Review of options regarding pre-built, offsite, modular buildings – these are similar to 'flat-pack' buildings where the walls and roof are already together in sections and slot together to quickly form a building. This is how many fast food chains build their roadside restaurants.
  - Seeking, where possible, to refurbish and alter existing buildings on school sites
- 4.10.11 The Council are working on a five year capital programme for schools owing to the variability of pupil numbers and the inability to predict numbers for children pre-birth. Demography forecasts are updated annually. Beyond this horizon, there are a number of schools planned as part of new developments around Peterborough. As developments receive planning permission, the capital programme will be updated to reflect the new schools intended to be built funded partially by developer contributions.

### **Invest to Save and Renewable Energy**

#### **4.11 Invest to Save**

4.11.1 The Capital Programme contains funding for Invest to Save schemes. This budget is included on the basis that any projects funded via this budget will deliver savings to the Council, for example renewable energy schemes. Business cases for future proposals are required to demonstrate how the cost of borrowing will be covered, eg through income generation, etc. Therefore, each scheme will be self-financing so that Invest to Save schemes will have no overall impact against the Council's bottom line.

4.11.2 The following set of principles are applied in assessment of such schemes:

- Each project needs to complete the Council's standard full business case. This includes the required officer evaluation and approvals as for all business cases.

- Schemes should deliver savings that improve the financial position of the Council as presented in this MTFS.
- Schemes will also be considered that maintain the MTFS position (ie neither improve nor worsen the position), but contribute towards delivery of service improvements, or contribute to achievement of Council priorities.
- The MTFS assumes that payback from schemes commence in the same year the project starts. If this is not the case, proposals will need the following additional analysis in the business case:
  - A full net present value (NPV) analysis
  - An outline of how the finance will be covered across financial years if schemes are not cost neutral within each financial year
- Proposals will need to be subject to the Council's decision making requirements, eg any schemes above £500k will be subject to a Cabinet Member Decision Notice (CMDN) approved by the Cabinet Member for Resources and relevant portfolio holder.
- And update on schemes is included in future financial reports to Cabinet during the year.

#### 4.11.3 Invest to Save Current Schemes:

- **Schools Solar PV Installation** - £2.4m of Invest to Save budget was approved to carry out the installation of solar panels to school buildings. Phase 1 of the programme has already been completed where 12 schools now benefit from the renewable energy that is generated from these panels. A second phase of the programme is due to be rolled out shortly with further phases to follow. A further £5m has been agreed for this programme.
- **City Fibre** - Peterborough has been chosen as City Fibre's next Gigabit City. City Fibre is looking to invest up to £30m in laying a fibre network through the city. The Council is looking to maximise this investment for its own requirements and has taken a licence to use the network once built to serve all Council and Vivacity buildings and the majority of schools. This will not only give the Council and the schools access to one of the best networks in the UK, but the city one of the best city infrastructures in the world.

It was originally intended to use some of the Invest to Save pot to support the City Fibre but given the timing of this project, the Council capital programme now includes the specific capital budget required for this project and thus no longer uses the Invest to Save scheme.

- **Energy Performance Contracts** - The Council entered into an Energy Performance framework agreement (EnPC) with Honeywell Control Systems ("Honeywell") in June 2013 and the first call off contract under the framework ("Phase 1") was entered into in December 2013. There are two main types of proposals:
  - Energy conservation measures (ECM's) – the savings generated more than offset the costs of delivering the scheme, and each project makes a surplus.

- Pool Filters – these are schemes that the Council needs to undertake across its pools, and has made appropriate budgetary provision for this work. The energy savings do not fully offset the investment costs, but as the Council has budget for the works, all of the energy savings contributes towards the MTFS targets

#### 4.12 Renewable Energy / Energy Efficiency

- **Wind and Solar Farms** - Development of Ground Mounted Solar Photovoltaic (PV) Panels (Solar Farms) and Wind Turbines – at the Cabinet meeting of 10 July 2012 the proposal to submit planning applications in respect of development of ground mounted solar photovoltaic panels across three Council owned agricultural sites (Americas Farm, Morris Fen and farms at Newborough) was approved.

This scheme will make a significant contribution towards the Environment Capital Agenda as well as generating renewable energy which can be used by the Council to safeguard its budgets against future rising and uncertain, energy price inflation. Additionally, the energy generated can be sold to generate a significant new source of revenue to the Council that will help to close the Council's funding gap and help protect its ability to continue in the provision of front line services.

Planning applications for the development of ground mounted solar PV panels were submitted in December 2012. Since the submissions, the Council has been working towards resolving a number of key issues. Also, following a request from English Heritage, further detailed surveys are currently being undertaken before the applications can be determined. These works have resulted in a delay to the programme and the anticipated profile of spend on the project.

Public consultation by the Council was undertaken before the submission of the applications and then the Local Planning Authority undertook its own consultation after the submission.

Further studies are being undertaken with a view to developing wind turbines across Morris Fen and the farms at Newborough. An element to this is the installation of a meteorological mast which was completed in November 2013. The information provided from this will help to determine the final design proposals. The outcomes and proposed design will be presented to Cabinet in the future for consideration prior to submitting planning applications for these developments.

- **Energy Performance Contracts** - The Council entered into an Energy Performance framework agreement (EnPC) with Honeywell Control Systems ("Honeywell") in June 2013 by which energy efficiency improvements would be made initially to Council properties with the possibility of widening the scope of the scheme to other local authorities, social housing and other organisations.
- **District Heating Scheme** - The Council is also evaluating the creation of a district heating scheme based around the core locations of Regional Pool, Lido and Town Hall. As part of this work a feasibility study is being undertaken to consider the viability of extending this core scheme across the city centre. Further feasibility studies will also be undertaken to consider

the application of this across other areas of the city and also any connectivity to the Energy from Waste plant.

- **British Gas Energy Efficiencies** - The Council is in discussions with British Gas around the launch of a competitive local energy supply package for domestic properties in the area. Subject to final details, it is anticipated that this will be launched by the end of February 2014. This will be the UK's first market-leading retail energy package of this type; offering both a competitive tariff for energy, as well as support for homeowners – particularly with those lower incomes – to install ECO and Green Deal energy efficiency measures. The intention is that after the Peterborough implementation, British Gas will roll this package out across the UK.
- **Acquisition and Development**  
In addition to developments in and around the city the Council is also examining the possibility of acquisition or development of wind, ground mounted and EFW schemes across the UK
- **Regeneration**  
The Council is currently undertaking a review of its regeneration sites and is considering third party funding opportunities in order to bring forward new commercial and residential development within the city boundaries.

The deep recession has seen a prolonged period of under investment in development opportunities across the UK. One reason for this is the unwillingness of developers to meet the cost of energy and civil infrastructure costs (and planning carbon offset obligations, such as "Allowable Solutions"). The powers of the Energy Service Company (ESCO) are sufficiently wide to allow the ESCO to participate as a potential "enabler" of infrastructure (which could be funded through Prudential borrowing). Subject to satisfying regulatory compliance issues, the approach would create a long term secure income stream for the ESCO through "Distribution and Use of Network" charging.

The impact would be twofold for the Council:

Actively helping to meet the challenge of enabling and unlocking development in Peterborough; and providing investment into the local economy, other than by way of grant funding methods. Notably, grant funding would provide economic development, but would not provide a long term income return back to the Council on the infrastructure capital injection.

The Council should note that it can always sell infrastructure assets to one of the seven independent network operators at a future date. This would allow the Council to recover any borrowing costs incurred (with a potential profit, given the income generative element to the asset).

As part of the regeneration strategy, we are also examining the feasibility of the introduction of smart energy grids in the city and the rollout of smart energy meters.

#### **4.13 Energy from Waste Facility**

- 4.13.1 In February 2013 Peterborough City Council signed a contract with Viridor, to build and operate a new 'energy from waste' facility in the City. This investment will offer a more environmentally friendly and lower-cost alternative to burying the City's waste in landfills.
- 4.13.2 The energy from waste facility will save over 10,000 tonnes of CO<sub>2</sub> every year compared to sending the City's waste to landfill. The facility will be built close to the power station in Fengate, and is designed to meet the City's needs for the next 30 years. The facility will use heat to turn any waste that cannot be recycled to ash. In doing so, the weight of rubbish needing to be sent to landfill will be reduced by more than 93 per cent. The remaining ash can also be recycled, for example as aggregate for building roads, diverting potentially 100 per cent from landfill.
- 4.13.3 The facility will also harness the energy released in the process to generate around 53,000 megawatt hours of electricity, which can be used locally or sold to the National Grid. This is enough electricity to power approximately 15 per cent of the homes in Peterborough for a year.

### **5 Managing the Capital Programme**

- 5.1 To manage the capital programme the Council operates a project management system (Verto) which is governed by the Delivery and Commissioning Board. This board oversees business cases and monitors the performance of major Council projects. Option appraisals and feasibility studies are required to support and justify a business case for projects. The Programme Management Team are responsible for co-ordinating and monitoring this process. The longer term property and revenue implications (i.e. whole-life considerations) are part of this process which is consistent with the principles set down in the Prudential Code for Capital Finance in Local Authorities.
- 5.2 Project officers monitor the implementation of the Capital Programme on a regular basis with reports being submitted monthly to Verto. These updates are reviewed by the members of the Delivery and Commissioning Board. The chair of the board has delegated responsibilities from the Chief Executive. The board provides a project assurance role and acts on behalf of the Corporate Management Team (CMT), ensuring that projects and programmes have appropriate management, governance, and reporting arrangements in place that prompt ongoing critical appraisal and enquiry as to their capability of achieving the intended benefits.
- 5.3 The capital programme as a whole (both expenditure and income) is reported to CMT on a quarterly basis. The quarterly report sent to CMT contains an overview of the current position and provides CMT with the information required to ensure that the capital programme is sustainable in the long term through revenue support by the Council or its partners and that use of capital resources reflects what was agreed in the production of the Council's MTFS.

### **6 Sources of Capital Funding**

- 6.1 A summary of the sources of Capital funding is shown in Table 1, Annex 1.
- 6.1.1 External sources arise from the Council's aims, together with partners, to maximise opportunities for funding from any source, including European and

Government Grants and applications for National Lottery funding for schemes. Corporate resources consist of capital receipts and borrowing. Under the Prudential Code for Capital Finance, the Council has the ability to borrow money. To do this, the Council must be able to show that any borrowing is affordable, prudent and sustainable, see the Treasury Management, Prudential Code and Minimum Revenue Provision Strategy.

- 6.1.2 The Council is required to pay the Homes and Communities Agency (HCA) a percentage of gross capital receipts from sales of Community Related Assets (CRA) transferred to it from the Peterborough Development Corporation. From August 2013, this is 48% (diminishing annually by 2%). Although this represents a significant loss of opportunity for the Council, the HCA is encouraged to reinvest the receipt back into Peterborough. The Council is currently awaiting consultation from the HCA regarding the policy surrounding these arrangements.
- 6.1.3 Developers are required to contribute resources to ensure appropriate infrastructure comes forward alongside growth. Some of this contribution is made directly by the developer, such as the provision of new community facilities as part of a development scheme. Developers also commonly contribute financially to the Council, so that the Council can pool contributions to deliver infrastructure. This process is currently operated through Section 106 agreements with developers, assisted by the adopted Peterborough Planning Obligations Implementation Scheme (POIS).
- 6.1.4 However, following national legislation changes, the Council has commenced preparation of a Community Infrastructure Levy (CIL) Charging Schedule which will, once adopted, replace POIS and some elements of the Section 106 process. CIL will introduce a levy on new development via a fixed per square metre charge on net new floor space built. CIL receipts will be pooled by the Council and spent on infrastructure to support growth. Such receipts will become a major source of funding for capital projects in the future.
- 6.1.5 Legislation requires the Council to hand over a proportion of any CIL money it receives to the parish council in which the development is located (if it is in a parished area) or to discuss with the local community how to spend that proportion locally (if the development is in an un-parished area). The proportion to be handed over depends upon whether there is or is not a statutory neighbourhood development plan in place. Provisionally, the Council has agreed that the remaining CIL receipts are to be split via the following thematic areas (though it is important to note that such thematic areas will receive other funding via other sources in addition to the CIL):

**Proposed funding split by infrastructure theme**

Skills & Education	40%	Health & Wellbeing	5%
Transport	30%	Emergency Services	5%
Community Infrastructure	10%	Utilities & Services	5%
Environmental Sustainability	5%		

**6.2 Alternative Financing Arrangements**

- 6.2.1 The Council has actively investigated public/private partnerships (PPP) and other innovative financing arrangements in relation to a range of capital projects. Examples include:-
- Close collaborative working with our private sector contractor and consultant within the Environment, Transport and Engineering service to investigate ways of making significant savings and providing increased value for money.

A new contract, contracts or contract extensions has been procured to cover these work areas and commenced in October 2013.

- Partnership arrangements with various Registered Social Landlords for the provision of affordable housing.
- Alternative structures for the development of key sites within Peterborough including the establishment of joint ventures.
- For future delivery of the programme, investigations into Special Purpose Vehicles (SPV), which is a private, company that has been set up with a specific and sole objective of carrying out a given project.

### **6.3 Capital Receipts**

- 6.3.1 A capital receipt is an amount of money exceeding £10,000, which is generated from the sale of an asset. The need to generate capital receipts is a fundamental part of the Asset Management Plan. The rationalisation of the asset portfolio has benefits such as reducing revenue costs that relate to surplus assets and also releases assets for disposal. Capital receipts are an important funding source for the current capital programme.
- 6.3.2 The Council takes a holistic approach to funding its capital programme and will adapt its approach based on overall financial circumstances and the needs of particular services. An outcome of this approach is to treat all capital receipts as a corporate resource; enabling investment to be directed towards those schemes or projects with the highest corporate priority and to ensure the Council achieves value for money from its capital receipts. This means that individual services are not reliant on their ability to generate capital receipts.
- 6.3.3 The timing and value of asset sales is the most volatile element of funding, especially in the current financial climate. As a result, the Executive Director Resources closely monitors progress on asset disposal. Any in year shortfalls could potentially need to be met from increased corporate resources.
- 6.3.4 Receipts due to support the funding of the capital programme are shown in Annex 4 to this Strategy.

## **7 Procurement Strategy**

- 7.1 Procurement has an important part to play in the delivery of the Council's SCS and its core aims and objectives. Principally, this can be achieved through procurement activity that enhances quality, provides savings and better value for money and promotes equality of opportunity for service users and businesses. The Council continues to be under increasing external pressure to reduce costs and increase efficiency, particularly as a result of the spending review of October 2010. The Council's core aims and objectives, and the savings required, cannot be delivered without both effective and efficient procurement procedures and skilled, professional staff to deliver those processes across the Council and the wide range of goods and services that it requires.
- 7.2 In October 2010, the Council undertook a procurement exercise to outsource key services to an external provider, including Operational Procurement. As a result, on 28 November 2011, the Council awarded a contract to Serco Ltd as their Strategic Partner under the Peterborough Serco Strategic Partnership (PSSP). The Commercial and Procurement Unit (CPU) now falls under the partnership and as part of their tender submission, Serco has been engaged by

the Council to carry out the 'business as usual' function for the Council as well as acting as agents for new procurements. In addition, Serco has guaranteed to reduce the Councils procurement spend by a range of initiatives which will generate savings for the Council.

## **8 Conclusion**

- 8.1 The Capital Strategy demonstrates and sets the framework for how the Councils capital programme supports its strategic priorities. The Capital Strategy is subject to continuous review and has been prepared in collaboration with other services to ensure it's consistent with the MTFS, which itself has been reviewed and updated. Any revenue implications from the Capital Strategy have been built into the MTFS.
- 8.2 The Council has implemented and continues to implement changes to its core business and culture to ensure that limited funding is prioritised and effectively targeted to deliver the objectives, through reviewing the current capital programme for efficiencies in procurement and rationalisation of programmes.



Table 1 - Summary Capital Programme

Annex One - Core Data

Capital Expenditure by Service:	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
Adult Social Care	1,296	216	216	216	216	216	216	216	216	216
Chief Executives	639	100	100	100	100	100	100	100	100	100
Communities	4,896	2,420	2,420	2,420	2,420	2,420	2,420	2,420	2,420	2,420
Growth & Regeneration	35,819	26,163	14,984	11,978	8,928	7,618	7,618	7,618	7,618	7,618
Resources	191,866	51,012	19,481	11,865	8,178	5,426	4,428	5,169	5,346	5,346
Invest To Save	93.3	-	-	-	-	-	-	-	-	-
Resources - Renewable Energy	26,200	64,800	23,999	-	-	-	-	-	-	-
<b>Total Capital Expenditure</b>	<b>260,808</b>	<b>144,711</b>	<b>61,200</b>	<b>26,579</b>	<b>19,842</b>	<b>15,780</b>	<b>14,782</b>	<b>15,523</b>	<b>15,700</b>	<b>15,700</b>
<b>Financed by:</b>										
Grants & 3 <sup>rd</sup> Party Contributions	29,407	10,012	11,827	10,327	5,827	5,827	5,827	5,650	5,827	5,827
Capital Receipts	9,764	7,620	2,425	2,775	1,000	-	-	-	-	-
Capital Financing Requirement (Borrowing)	221,637	127,079	46,948	13,477	13,015	9,953	8,955	9,873	9,873	9,873
<b>Total Capital Financing</b>	<b>260,808</b>	<b>144,711</b>	<b>61,200</b>	<b>26,579</b>	<b>19,842</b>	<b>15,780</b>	<b>14,782</b>	<b>15,523</b>	<b>15,700</b>	<b>15,700</b>

## Summary of Fixed Asset Values

Fixed Asset Values	Gross book value £000	Depreciation £000	Net book value £000
Land & buildings	333,231	(20,999)	312,232
Vehicles, plant & equipment	51,923	(34,556)	17,367
Infrastructure assets	184,378	(64,412)	119,966
Community assets	4,083	(3,207)	876
Heritage assets	570	-	570
Investment properties	35,208	-	35,208
Surplus assets	25,567	(2,049)	23,518
Assets Under Construction	32,907	(318)	32,589
<b>Total</b>	<b>667,867</b>	<b>(125,541)</b>	<b>542,326</b>

*(These values follow recommended practice for presenting accounts and are not indicative values for insurance purposes nor do they reflect potential disposal values.)*

## **Annex Two**

**Peterborough City Council Planning Obligations Implementation Scheme Supplementary Planning Document (as per Section 7.1.3):**

[http://www.peterborough.gov.uk/pdf/Planning-policy\\_Planning%20Obligation%20Implementation%20Scheme%20SPD1.pdf](http://www.peterborough.gov.uk/pdf/Planning-policy_Planning%20Obligation%20Implementation%20Scheme%20SPD1.pdf)

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Capital Programme Budget & Funding Summary 2014/15 to 2023/24

Annex Three

Project	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2014 to 2019 Total 5 Yrs		2014 to 2024 Total 10 Yrs	
	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Corp. Res.	3rd Party Inc.	Corp. Res.	3rd Party Inc.
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>ADULT SOCIAL CARE</b>														
Aids and Adaptations	216	216	216	216	216	216	216	216	216	216	1,080	0	2,160	0
Adults Personal Social Services Capital Grant	514	0	0	0	0	0	0	0	0	0	0	514	0	514
Frameworki	139	0	0	0	0	0	0	0	0	0	139	0	139	0
Community Capacity	427	0	0	0	0	0	0	0	0	0	0	427	0	427
<b>Total Adult Social Care</b>	<b>1,296</b>	<b>216</b>	<b>216</b>	<b>216</b>	<b>216</b>	<b>216</b>	<b>216</b>	<b>216</b>	<b>216</b>	<b>216</b>	<b>1,219</b>	<b>941</b>	<b>2,299</b>	<b>941</b>
<b>CHIEF EXECUTIVES</b>														
Wireless CCTV	240	0	0	0	0	0	0	0	0	0	240	0	240	0
Solar Panels on Food Hall	25	0	0	0	0	0	0	0	0	0	25	0	25	0
Off Street Car Parks - Structural Works And Resurfacing	250	100	100	100	100	100	100	100	100	100	650	0	1,150	0
Parking (Meter Replacement)	110	0	0	0	0	0	0	0	0	0	110	0	110	0
Break Worrina car park lease & bring in line with other PCC operated & managed car parks	14	0	0	0	0	0	0	0	0	0	14	0	14	0
<b>Total Chief Executives</b>	<b>639</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>1,039</b>	<b>0</b>	<b>1,539</b>	<b>0</b>
<b>COMMUNITIES</b>														
Mental Health Preventative Housing Project	150	0	0	0	0	0	0	0	0	0	0	150	0	150
Dementia Resources Centre	350	0	0	0	0	0	0	0	0	0	350	0	350	0
Phase II Framework Project	50	0	0	0	0	0	0	0	0	0	50	0	50	0
Extra Care Provision	1,500	0	0	0	0	0	0	0	0	0	1,500	0	1,500	0
Communities - Infrastructure	63	0	0	0	0	0	0	0	0	0	0	63	0	63
Disabled Facilities Grant	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	2,355	4,645	4,710	9,290
Repair Assistance	1,260	1,020	1,020	1,020	1,020	1,020	1,020	1,020	1,020	1,020	5,340	0	10,440	0
Upgrade Norwood Lane Travellers Park	50	0	0	0	0	0	0	0	0	0	50	0	50	0
Upgrade Oxney Road Travellers Park	30	0	0	0	0	0	0	0	0	0	30	0	30	0
Case Management System	43	0	0	0	0	0	0	0	0	0	0	43	0	43
<b>Total Communities</b>	<b>4,896</b>	<b>2,420</b>	<b>2,420</b>	<b>2,420</b>	<b>2,420</b>	<b>2,420</b>	<b>2,420</b>	<b>2,420</b>	<b>2,420</b>	<b>2,420</b>	<b>9,675</b>	<b>4,901</b>	<b>17,130</b>	<b>9,546</b>
<b>GROWTH &amp; REGENERATION</b>														
Peterborough Delivery partnership projects	237	500	500	500	500	500	500	500	500	500	2,237	0	4,737	0
Joint Venture with Peterborough Investment Fund	3,000	0	0	0	0	0	0	0	0	0	2,000	1,000	2,000	1,000
Other Infrastructure	3,780	60	60	60	60	0	0	0	0	0	1,920	2,100	1,920	2,100
Local Transport Plan & Integrated Transport Plan	2,013	1,813	1,813	1,813	1,813	1,813	1,813	1,813	1,813	1,813	2,952	6,313	4,517	13,813
Long Causeway Public Realm Works	1,500	0	0	0	0	0	0	0	0	0	1,500	0	1,500	0
Local Sustainable Transport Fund	720	170	170	170	170	170	170	170	170	170	1,040	360	1,890	360
Affordable Housing	4,173	8,635	1,456	500	500	500	500	500	500	500	15,264	0	17,764	0
Roads and Bridges (including footpaths)	14,836	8,535	6,135	4,535	4,535	4,535	4,535	4,535	4,535	4,535	22,916	15,660	30,891	30,360
Intelligent Transport Systems infrastructure	0	250	250	250	250	0	0	0	0	0	1,000	0	1,000	0
Strategic Network Review	100	100	0	0	0	0	0	0	0	0	200	0	200	0
Refurbishment of Traffic Signal sites nearing end of life	100	100	100	100	100	100	100	100	100	100	500	0	1,000	0
Continuation of Public Realm	3,700	2,000	0	0	0	0	0	0	0	0	5,700	0	5,700	0
Parkway Street Lighting	1,000	1,000	1,000	1,000	1,000	0	0	0	0	0	5,000	0	5,000	0

Project	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2014 to 2019 Total 5 Yrs		2014 to 2024 Total 10 Yrs	
	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Corp. Res.	3rd Party Inc.	Corp. Res.	3rd Party Inc.
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Extreme Weather Damage +	500	500	500	0	0	0	0	0	0	0	1,500	0	1,500	0
A47/AA15 Lincoln Road Junction 18 improvements	160	2,500	0	0	0	0	0	0	0	0	2,660	0	2,660	0
A47/A15 Paston Parkway Junction 20 improvements	0	0	3,000	0	0	0	0	0	0	0	3,000	0	3,000	0
Bourges Boulevard Crescent Bridge Roundabout	0	0	0	3,000	0	0	0	0	0	0	3,000	0	3,000	0
Civil Enforcement Officers Cars	0	0	0	50	0	0	0	0	0	0	50	0	50	0
<b>Total Growth &amp; Regeneration</b>	<b>35,819</b>	<b>26,163</b>	<b>14,984</b>	<b>11,978</b>	<b>8,928</b>	<b>7,618</b>	<b>7,618</b>	<b>7,618</b>	<b>7,618</b>	<b>7,618</b>	<b>72,439</b>	<b>25,433</b>	<b>88,329</b>	<b>47,633</b>
<b>RESOURCES</b>														
London Road Stadium	5,140	0	0	0	0	0	0	0	0	0	5,140	0	5,140	0
Cost of Disposals	2,200	500	500	500	500	500	500	500	500	500	4,200	0	6,700	0
Modernisations	2,600	600	400	400	400	400	400	400	400	400	3,059	1,341	5,059	1,341
New School Places	25,858	19,000	13,100	7,100	2,800	0	0	0	0	0	44,849	23,009	44,849	23,010
Other Schools	404	100	0	0	0	0	0	0	0	0	200	304	200	304
Schools direct spend	533	458	458	458	458	458	458	458	458	458	0	2,365	0	4,655
Academies	2,500	6,500	0	0	0	0	0	0	0	0	1,030	7,970	1,030	7,970
Nursery Places for 2 year olds	200	0	0	0	0	0	0	0	0	0	200	0	200	0
Free Schools Meal Grant	562	0	0	0	0	0	0	0	0	0	0	562	0	562
Health & Safety Adaptations	313	225	225	225	225	225	225	225	225	225	1,213	0	2,338	0
Spend on Council Properties	2,835	2,740	2,716	1,660	2,885	2,560	1,660	2,401	2,578	2,578	12,836	0	24,790	(177)
Investment Properties	650	650	150	150	150	150	150	150	150	150	1,750	0	2,500	0
Culture & Leisure Trust	2,279	350	350	350	350	350	350	350	350	350	3,679	0	5,429	0
Crematorium/Cemetery Development	818	340	0	0	0	0	0	0	0	0	1,109	49	1,109	49
ICT Projects	6,650	1,050	330	0	0	250	250	250	250	250	8,030	0	9,280	0
Local Authority Mortgage Scheme	1,000	0	0	0	0	0	0	0	0	0	1,000	0	1,000	0
Peterborough Strategic Serco Partnership	1,747	99	842	612	0	98	0	0	0	0	3,300	0	3,398	0
ICT Managed Service	300	225	225	225	225	250	250	250	250	250	1,200	0	2,450	0
Play Areas	185	185	185	185	185	185	185	185	185	185	925	0	1,850	0
Waste Management Strategy	37,434	17,040	0	0	0	0	0	0	0	0	54,474	0	54,474	0
Roman Gallery & Georgian Operating Theatre	0	300	0	0	0	0	0	0	0	0	300	0	300	0
Capitalisation	250	0	0	0	0	0	0	0	0	0	250	0	250	0
City Centre Wi-fi extension	0	150	0	0	0	0	0	0	0	0	0	150	0	150
Invest to Save Projects	93,301	0	0	0	0	0	0	0	0	0	93,301	0	93,301	0
City Fibre (Invest to Save)	4,200	0	0	0	0	0	0	0	0	0	4,200	0	4,200	0
Cycle Track - Embankment	0	500	0	0	0	0	0	0	0	0	125	375	125	375
<b>Total Resources</b>	<b>191,959</b>	<b>51,012</b>	<b>19,481</b>	<b>11,865</b>	<b>8,178</b>	<b>5,426</b>	<b>4,428</b>	<b>5,169</b>	<b>5,346</b>	<b>5,346</b>	<b>246,370</b>	<b>36,125</b>	<b>269,972</b>	<b>38,239</b>
<b>RESOURCES - RENEWABLE ENERGY PROJECTS</b>														
Wind & Solar Energy Project	25,700	64,300	23,999	0	0	0	0	0	0	0	113,999	0	113,999	0
Renewable Energy Projects	500	500	0	0	0	0	0	0	0	0	1,000	0	1,000	0
<b>Total Renewable Energy Projects</b>	<b>26,200</b>	<b>64,800</b>	<b>23,999</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>114,999</b>	<b>0</b>	<b>148,030</b>	<b>0</b>
<b>TOTAL CAPITAL PROGRAMME</b>	<b>260,808</b>	<b>144,711</b>	<b>61,200</b>	<b>26,579</b>	<b>19,842</b>	<b>15,780</b>	<b>14,782</b>	<b>15,523</b>	<b>15,700</b>	<b>15,700</b>	<b>445,741</b>	<b>67,399</b>	<b>494,268</b>	<b>96,358</b>

**Capital Receipts Summary from 2014 to 2018**
**Annex Four**

<b>Asset</b>	<b>14/15</b>	<b>15/16</b>	<b>16/17</b>	<b>17/18</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
11 Commerce Road	*			
5 & 7 York Road	*			
Adult Social Care Properties	*	*		
Arthur Mellows caretakers house	*			
Bishops Road Car Park		*		
Primary School Surplus Land (extend to be determined)		*	*	*
Bretton Court		*		
Bretton Woods (Residential)		*		
Caxton Court / Coneygree Road	*			
City Clinic			*	
Covenants	*	*	*	*
CRA Winfall	*	*	*	*
Crocus Grove	*			
Dickens Car Park	*			
First Drove, Fengate	*			
Fleet	*			
Food Hall & Market				*
Goswick - Orton Brimbles	*			
Herlington Centre	*			
Hill Farm Barn (Farm Estate)		*		
Homenene House	*			
Horsefair Car Park		*		
John Mansfield (Remote site)	*			
John Mansfield Main Site	*			
Land at Splash Lane Woodlands Castor		*		
Land at Tenterhill - Thistle Drove		*		
Land at the Dell, Woodston	*			
Land in & around Laxton Square				*
Lindens	*			
London Road (Former Allotment Land)		*		
Miscellaneous Farm Estate			*	*
New England Complex, Lincoln Road		*		
Northminster House, Ground Lease	*			
Operational Assets Pending Property Rationalisation	*	*	*	*
Orton Bowling Green		*		
Orton Avenue Garage Site	*			
Orton Centre Filling Station		*		
Paston CRA land			*	
Peterscourt		*		
Pyramid Centre, North Bretton	*			
Land at Riseholme, Orton Goldhay		*		
St Pauls Road	*			
Substations	*	*		
The Croft - Eye				
Thorney Tank Yard, Thorney		*		

Vergette Road	*			
Welland Allotment Land at Nab Lane		*		
Welland Close (Land)	*			
Welland House-ASCP			*	
Wellington Street Car Park		*		
Westwood Centre Car Park (part)	*			
<b><u>Growth and Regeneration Joint Venture</u></b>				
Wirrina Car Park		*		
Former B & Q Site		*		
Former Matalan Site		*		
Bridge House		*		
Engine Sheds		*		
Pleasure Fair Meadows Car Park		*		
Aqua House*		*		
The Mill*		*		
Bayard Place				*
Market Multistorey Car Park				*
Central Library				*

N.B. Land disposals linked to schools will be discussed further with Children's services nearer the relevant financial year to ensure they remain compatible with any emerging expansion plans

\* These properties have not yet been purchased, but if they do come into the Council's ownership they may be included within the properties optioned to the Peterborough Investment Fund.

**9. Asset Management Plan**

**Asset Management Plan**

**2014 – 2019**



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## Preface

The challenges that the Council faces are unprecedented. More is required to be delivered for less cost. Consequently the way the Council has to approach the management of the property portfolio needs to change. Some changes have already been put in place through the strategic partnerships, such as with Serco for the estates and facilities management work and Amey on design services and property maintenance.

The Localism Act of 2011 will help support the Council in bringing forward some of these changes, or at least influence the way the Council manages, maximises opportunities and reduces liabilities on its assets. Certain sites for example, earmarked for alternative use, can now be considered in the context of a streamlined planning process. The Act also challenges authorities to work closer with the voluntary sectors, in particular where they relate to community facilities.

In response, the Council developed a Community Asset Transfer policy and allocated resources to support voluntary organisations bidding for services under the auspices of community transfer. The Council Asset Management Plan (AMP) will consider these matters and other evolving asset management related matters, such as the government's agenda around transparency where more and more asset related data will be available to view online. The previous AMP (contained within the previous Medium Term Financial Strategy- the Council's Budget 2013/14) has therefore been refreshed to bring the latest position of the Council property portfolio for this budget round.

During the Spring of 2014 the Council will be working with various Scrutiny Panels and wider Stakeholders/Members to develop a new Farms Estates Strategy. This will be one of the items set out in the implementation plan which will be updated as the drafting of this strategy progresses.

The Council has identified, as part of the Senior Management Review (concluding in November 2013) the importance of having a strengthened asset management team and a refreshed and different approach to how services in particular, occupy Council assets. It is intended that a new Asset Management Board will be set up under the Chair of the Cabinet Member for Resources. The terms of reference and membership of this board will be worked on during the Spring of 2014.

The Council has recently brought together a range of Children's Services functions and asset management under a new role of Head of Corporate Property and Children's Resources and appointed to this senior management post from within the Council. It has also established full senior officer, Leader and Cabinet Member support to strengthening the asset management service following the commissioning of a report on asset management from the East of England Local Government Association (EELGA).

The EELGA review of the portfolio and the way the Council manages the assets was covered in a series of reports issued in Autumn 2013 in the form of a Health Check. There were a series of recommendations in this Health Check including the one which has already been implemented as part of the Council's senior management restructure, the appointment of a new Corporate Property Officer. A number of the other recommendations will be covered in future AMP's. These centre on 2 main areas set out in the diagram below. The first is to identify what factors are driving the operational estate (the buildings we directly deliver services to the public from such as schools, community centres and administrative accommodation such as Bayard Place and the Town Hall). Secondly, what are the drivers for the investment estate and development land interests. The primary ones which are common to both the operational and investment assets are set out in diagram below:

**Driver of Operational Estate is Cost & Efficiency**



**Driver of Investment & Development land is Value**



## **Executive Summary - Asset Management Plan**

### **Policy Context**

1.1 This AMP sets out the way in which the Council will manage its physical properties now and into the future. It is anticipated that this document will form part of the budget papers and be approved by full Council as a Policy.

### **2.0 Background**

2.1 Peterborough City Council is a major property owner with an asset base of circa 1493 assets. These assets are used to deliver the Council's wide ranging objectives.

2.2 However, the Council faces a number of major challenges with regard to the property portfolio. These include:

- A property portfolio that is ageing with increasing liabilities for repairs and maintenance.
- A property portfolio that is not suited to Council needs for service delivery now and into the future. As the Council moves from a delivery to a commissioning approach, there is a requirement for its assets to be utilised in a different way.
- Up until recently, there was an ad-hoc approach to management of the portfolio i.e. currently service departments manage their property in isolation leading to inconsistencies across the Council. The process to bring asset management together has started but significant work is required to ensure consistency.

2.3 In addition the Council needs to realise greater value from the portfolio. This will include:

- The delivery of in excess of £24m of Capital Receipts (90% of which is forecast in the first 3 years) in a difficult market over the next five years to support the Council's Capital Budget. The programme allows some flexibility for further assets to be added and assets to be removed however removal of assets creates a pressure on the capital budget due to the decrease in receipts to be received.
- Using Property in different ways to support the 'Growth Agenda' for the city.
- Maintaining revenue streams in a difficult market. Current forecasts indicate a rental stream of £3.25m to year end 2013/2014.

2.4 The Council needs to establish and embed the way it manages property to get the most from its assets. This Asset Management Plan (AMP) sets out how to do this ensuring that the portfolio is fit to face the challenges of the 21<sup>st</sup> Century and the changing face of Local Authorities.

### **3.0 The Format of the Asset Management Plan**

3.1 The AMP sets out the following elements:

- Sets out the strategy for managing the portfolio and what the Council will do to meet the challenges faced. It also aligns with the guidance provided by the RICS and DCLG.
- Sets out the processes and procedures to be followed in the management of the Property Portfolio.
- Sets out future property needs for individual services.

3.2 In addition to meeting the requirements of an Asset Management Plan this document also aims to bring together into one document processes and procedures that govern the management of the property portfolio. It is intended that those who deal with property on a day-to-day basis will use this document as a guide allowing them to get the best from the property portfolio.

## **4.0 The Future Management of Property**

4.1 The AMP sets out how the Council will manage property in the future. In particular it:

- Reinforces and strengthens the role of the Corporate Property Officer (CPO).
- Establishes the CPO as the single point of responsibility for all Council property.
- Establishes property as a strategic resource which will be managed corporately.
- Proposes a Property Board is formed which will take a strategic overview of the property portfolio and prioritise needs.
- Creates the environment for establishing challenging targets.
- To consider using property to support environmental improvements
- Sets challenging targets for the realisation of Capital Receipts from the Property Portfolio.

4.2 In addition the AMP also sets out how the Council will get more from the portfolio. This will include the following:

- Challenging the use of property by services. Each service will be required to justify the property it uses, the extent of usage and whether the service could be provided differently.
- Allocating property on 'need' and best fit.
- Recycling properties which are declared surplus. Any future use will be subject to the completion of a Business Case that is supported by an Option Appraisal with an emphasis on risk considerations if the future use were not approved and investment, in particular whole life considerations.
- Co-location of services where practicable to benefit from economies of scale.
- Maximise the use of properties that are held 'In Trust' for the use of the Community.
- Disposal of operational property assets that are no longer filling their requirements for the service delivery needs and have the greatest outstanding liabilities. These liabilities will include DDA, backlog of maintenance, Energy Efficiency, Asbestos etc.
- Working with partners to maximise the joint use of property and benefit from economies of scale.
- Transfer of the ownership of property to partners where the objectives of that partner accord with the objectives of the Council.
- Ensuring that **all** assets built by or on behalf of the Council accord with good practice, demonstrate value for money over the life of the property, and are economically and environmentally sustainable.
- Focusing expenditure on those assets that have a long term future.
- Transferring assets which have long term strategic community use to community groups to ensure their long term viability and to ensure value for money.
- To work with its Joint Venture Company and the Peterborough Investment Fund to identify and transfer assets at market value for cash or shares in the Peterborough Investment Fund. The assets transferred to the Fund will be developed to promote growth, regeneration and economic development within the City.

## **1.0 Introduction**

### **1.1 The Asset Management Plan in Context**

1.1.1 This AMP aims to demonstrate how the Council will work towards addressing the agreed priorities and outcomes in ensuring that the Council continues to deliver what the community wants and reinforcing the commitment to playing a lead role in delivering the Sustainable Community Strategy.

1.1.2 The four priorities as defined by the Sustainable Community Strategy are as follows:

- Creating opportunities – tackling inequalities.
- Creating the UK's environment capital.
- Creating strong and supportive communities.
- Delivering substantial and truly sustainable growth.

1.1.3 Each of these priority areas has a focus on a number of outcomes that will collectively deliver the improvements and expectations of the Community of Peterborough.

#### Creating opportunities – tackling inequalities

- **Improving health** – so that everyone can enjoy a life expectancy of the national average or above and benefit from speedier access to high quality local health and social care services.
- **Supporting vulnerable people** – so that everyone can access support and care locally to enable them to maintain independence, should they be affected by disadvantage or disability at any point in their life.
- **Regenerating neighbourhoods** – so that the most deprived communities can achieve their full potential and therefore contribute to and benefit from sustainable economic growth in the Peterborough area.
- **Improving skills and education** – so that the people of Peterborough have better skills and benefit from high quality education from cradle to grave, including through the new university.

#### Creating strong and supportive communities

- **Empowering local communities** – so that all communities and individuals are engaged and empowered, and take their opportunities to shape the future of Peterborough.
- **Making Peterborough safer** – so that people of all ages and abilities can live, work and play in a prosperous and successful Peterborough without undue fear of crime.
- **Building community cohesion** – so that new communities are integrated into Peterborough and welcomed for the contribution they bring to our city and rural areas.
- **Building pride in Peterborough** – recognise, celebrate and take pride in Peterborough's achievements, its diverse but shared culture and the exciting opportunities for leisure and relaxation.

#### Creating the UK's environment capital

- **Making Peterborough cleaner and greener** – to become the UK's greenest city with attractive neighbourhoods, surrounded by beautiful countryside and thriving biodiversity.
- **Conserving natural resources** – reduction of Peterborough's overall consumption of the Earth's natural resources.
- **Growing our environmental business sector** – so Peterborough is the natural location for green businesses.
- **Increasing use of sustainable transport** – so that Peterborough has the highest proportion of citizens using sustainable transport modes in the UK.

#### Delivering substantial and truly sustainable growth

- **Creating a safe, vibrant city centre and sustainable neighbourhood centres** – so that people have more diverse and improved places to visit and enjoy.
- **Increasing economic prosperity** – so that the people of Peterborough can work locally, benefiting from a strong local economy that is an attractive destination for business investment, particularly in higher skilled sectors.
- **Building the sustainable infrastructure of the future** – create the conditions for business, service and community prosperity and growth.
- **Creating better places to live** – provision of better places to live for both new and existing communities, ensuring the highest environmental standards of new building

1.1.4 Delivering these outcomes cannot be achieved by the Council alone, which is why partnership working is so important to realising the Sustainable Community Strategy's ambition. The Council will continue to build on its successes with the Police, Academy Trusts, the clinical commissioners, and many other key partners to make this ambition a reality for the City and its community.

1.1.5 The 2014 Asset Management Plan sets out the overall direction and framework for managing the Council's assets

- Brings together cross-service issues into an authority-wide, corporate plan
- Is linked to the Council's corporate policies and priorities
- Incorporates the Key Issues of service property requirements
- Complements the Council's Capital Strategy
- Develops and updates Peterborough City Council's (PCC) earlier AMPs.

## **1.2 What is an Asset?**

- i. There are various different definitions of an asset but this AMP is concerned with the Property Assets of the Council. This includes all the land and built property (both owned and leased-in) that is operated to support the corporate objectives of the Council.

## **1.3 The Use of Assets**

1.3.1 The AMP will assist the Council in pursuing the objectives set out in the Sustainable Community Strategy for optimising the contribution that the Council's property assets make to delivering quality services to the community. More specifically, it will:

- help to prioritise Council's decisions on spending on the estate
- integrate property and other asset decision making into the Council's service and ultimately, the corporate planning process
- identify opportunities for innovation
- provide a context for evaluating capital and revenue projects
- provide a basis for developing partnerships
- identify assets suitable for investment or disposal
- identify opportunities to increase income generation or reduce expenditure
- encourage innovative methods of securing service property requirements
- ensure value for money from the operation of the Council property portfolio
- ensure that the property portfolio is managed effectively and efficiently
- Contribute to reducing the Council's contribution to climate change through its commitment to Carbon Reduction Commitment and Peterborough as an environment city.

1.3.2 The relationship of the AMP to other key corporate documents support and complement the Council's overarching corporate values.

## **2.0 Organisational Arrangements for Asset Management**

### **2.1 CPO – Roles and Responsibilities**

2.1.1 The Executive Director Resources is the Council's Corporate Property Officer (CPO). As a member of the senior management team, the CPO has the responsibility and authority to implement the necessary actions to facilitate effective asset management. These responsibilities are delegated to the Head of Corporate Property and Children's Resources and with support from the Head of Strategic Projects are responsible for the day to day strategic lead on the Councils assets.

2.1.2 Strategic Resources was reorganised in November 2011. Serco took over responsibility for the operation of Operational Human Resources, Payroll, Business Transformation, Revenues and Benefits, Strategic Property, and Customer Services. However Resources retain direct responsibility for the delivery of Strategic Finance and Internal Audit whilst retaining overall responsibility for the delivery of the services previously managed.

2.1.3 Under the Council's constitution, Cabinet and the Council have agreed the roles and responsibilities of the CPO. A synopsis of these is as follows (the comprehensive list of delegations is set out in Part 3 delegations Section 3 – Executive Functions item 3.16:

- Consults with Heads of Service, partners, elected members, stakeholders and users concerning the management of the Property Portfolio.
- Ensuring that up to date electronic and paper copy records about ownership (tenure), condition, sufficiency and suitability of the Council's property portfolio, and investment required are maintained.
- Regularly reports to the Corporate Management Team (CMT) and the Cabinet on the performance of the Council's property portfolio.
- Ensuring that Leasing and Letting property on behalf of all services of the Council are carried out.
- Acquisition and disposal of property.
- Ensuring that work in respect of covenants is carried out as required.

## **2.2 Reporting Framework – Cabinet & Corporate Management Team (CMT)**

2.2.1 The Council's constitution is based on a Leader and Cabinet style of decision making. The Cabinet meets on a regular basis to make decisions within the terms of the constitution and to make recommendations to Council on matters of policy when appropriate. The Council, which meet on a regular basis, approves the annual capital and revenue budgets and agrees the major policy framework.

2.2.2 The Leader of the Council chairs a Cabinet of 12 Members including Cabinet Advisers. Each Cabinet Member has lead responsibility for a portfolio area. Areas of responsibility are as follows:

- Leader of the Council and cabinet member for Growth, Strategic Planning, Housing, Economic Development and Business Engagement
- Deputy Leader and Cabinet Member for Education, Skills and University
- Cabinet Member for Culture, Recreation and Waste Management (Culture and Recreation)
- Cabinet Member for Adult Social care
- Cabinet Member for Children's Services
- Cabinet Member for Resources
- Cabinet Member for Environment Capital and Neighbourhoods
- Cabinet Advisor to the Deputy Leader
- Cabinet Member for Community Cohesion, Safety and Public Health
- Cabinet Advisor (Business engagement, Tourism and International Links)
- Cabinet Advisor to the Leader (Planning and Housing)
- Cabinet Advisor to the Cabinet Member for Community Cohesion, Safety and Public Health (Community Cohesion and Safety)

2.2.3 The Council places a high priority on asset management and the resource implications of delivering the Council's policies. In recognition of this importance, the responsibility for asset management lies with the Cabinet Member for Resources. As the relevant portfolio holder, the Cabinet Member is the political lead on asset management and is responsible for leading change through review and development of services related to asset management as set out in the Council's constitution.



- 2.2.4 The Cabinet Member acting under delegated powers considers reports on the Council's property issues and asset management as presented by the CPO. The Cabinet, Cabinet Member and/or CPO are responsible for making decisions on acquisitions, disposal and on the most appropriate use of assets to deliver the Council's policies. A key element in the implementation of the AMP is the budgetary considerations. The Capital Strategy 2014-2023 includes an AMP budget to address maintenance backlog, condition, accessibility, energy efficiency and specific projects such as alterations, refurbishment and new build. Capital budgets are supported by revenue budgets to operate and manage the non-income generating property portfolio on a day-to-day basis. Cabinet Members have a key role in challenging the use of assets, investment and disposal decisions on an on-going basis.
- 2.2.5 Scrutiny Committees and Panels are an integral part of the Council's framework and form part of a constructive process, which is open, accountable and contributes to policy development.
- 2.2.6 The Corporate Management Team (CMT) leads the officer contribution to strategic development and thinking in the Council and is made up of the Chief Executive, Directors and specific senior management representatives. The CMT meets every other week and the CPO is fully briefed on property matters to enable CMT to be incorporated as required. CMT can then consider issues affecting the Council's Asset Management Plan.

### **2.3 Links to Strategies and Plans**

- 2.3.1 The CPO, as lead officer, is responsible for ensuring that the Corporate AMP reflects the aspirations of the Council and reflects other policies that are in place. Strategic Property is the main area of consultation on property matters and the various plans and strategies required for successful asset management.
- 2.3.2 The Sustainable Community Strategy 2008-21 has been produced by the Greater Peterborough Partnership and is an overarching plan to promote and improve the economic, social and environmental wellbeing of local people. The plans and strategies of all the partner organisations are used to inform the Strategy which identifies key priorities for action.
- 2.3.3 The Capital Strategy has been developed as a key policy document, which brings together the strategic capital requirements emerging from the service strategies as identified in the plans detailed above. It determines the Council's approach to capital investment and sets in place the process for monitoring investment to achieve the Council's policy priorities.
- 2.3.4 Through the Corporate AMP, the School Organisation Plan, Highways AMP, and the Capital Strategy, the Council has a complete management framework for all of its property assets including the highways and road infrastructure. Each of these documents is determined by the Council's policy priorities and facilitates the delivery of quality services to the people of Peterborough.
- 2.3.5 Strategic Housing – The Council adopted The Peterborough Housing Strategy 2011-15 in February 2012.
- 2.3.6 The Council is working hard to support the on-going development and delivery of the Housing Strategy for Peterborough which defines the level and type of housing in Peterborough, and is forming its response to social housing demand through a review of its allocations policies and operational practices. The Council is also supporting some of its most vulnerable

residents to continue to live in their own homes through programmes such as Supporting People and the Care & Repair Service.

- 2.3.7 Peterborough's Children's Services Department has published a new School Organisation Plan (once a statutory document). This strategic document includes information on demography and will inform the planning of schools places (including the need for additional schools) into the future.
- 2.3.8 As the population continues to rise, further funding will be required to deliver sufficient primary and secondary school places; this will be a combination of Government grants, developer contributions and corporate funding. However Government funding is diminishing and the change in the developer contribution system will mean a far larger proportion of capital having to come from corporate resources.
- 2.3.9 The Local Development Framework sets out how the Council sees the development of Peterborough moving forward. In particular it integrates the various approaches to ensure that any development is coherent and compliments the ambitious growth programme for Peterborough. The speed at which the growth agenda is implemented is reliant on inward investment from the private sector and the economic climate. The Council acts as an enabler to the plans either through contributing financial resources or providing land.
- 2.3.10 The Local Transport Plan reflects a local approach to transport needs. Capital needs and the approach to investment is shaped by an indicative breakdown between maintenance and integrated transport themes.
- 2.3.11 The Council has demonstrated its commitment to equalities and diversity by the development and implementation of equality schemes on race, disability and gender. It also has comprehensive equality and diversity policies and procedures that focus on service users, staff and working with our partners to meet the needs of the diverse communities that it serves. The Council continues to develop an Access Strategy that will identify emerging needs, agree standards and determine systems to make its Services available to equality groups with the protected characteristics of age, disability, sex, gender reassignment, sexual orientation, marriage and civil partnership, pregnancy and maternity, religion and belief. This will build on the work undertaken by the One Community Project and involve the Disability Forum to contribute in the development of access plans.
- 2.3.12 PCC has already implemented an Accessibility Strategy for schools. It has recently started developing a Local Authority Access Strategy that will cover accessibility for all to Council Services. The requirements of both of these strategies will need to be considered when looking at the future development of the Property Portfolio.
- 2.3.13 Each service has prepared a Business Continuity Plan in the event that a major problem occurs in the City preventing them from operating from their present location. The plan sets out their property needs for service continuation and those elements that are essential services. If the ICT servers were unavailable, the Council has back-up provision for key services in a remote location from where a number of key service personnel can operate. If a building is unavailable through unforeseen circumstances such as fire or floods, provision is available in other Council buildings for staff to work as part of the Councils plans to encourage agile working.
- 2.3.14 In addition Peterborough aims to be an example of how the Council has worked together with our partners to build on our Environmental City status by becoming the UK's Environment Capital. This aspiration will be a core theme in the revised Community Strategy and Local Area Agreement. The Council entered into an Energy Performance Framework agreement with Honeywell Control Systems in June 2013 by which energy efficiency improvements will be made. Other initiatives include wind and solar farms and a district heating scheme. The Council has targets to meet for the Carbon Reduction Commitment and failure to meet these

is likely to result in a financial penalty. The focus will therefore be on the properties or areas where this applies.

## **2.4 Asset Management and obtaining value for money from the Property Portfolio**

- 2.4.1 The implementation of the Asset Management Plan in conjunction with the Capital Strategy ensures the efficient and effective management of property for the Council's activities. These activities are determined through the Council's corporate policy framework and require a fundamental review of key service areas to ensure that value management is fully integrated into the policy development framework.
- 2.4.2 Value management has, at its core, provision of better quality services at a reasonable cost through maximisation of investment on properties to support those services throughout their life in use. This enables freeing up of funding to target service provision. Local people are enabled to have a greater contribution in what they want, why, and how they want it and to set robust targets for improving services. The Council is committed to providing the best service possible for the people of Peterborough. One of the key aims of supporting this principle is managing the Council's portfolio of land and buildings effectively and ensuring the provision of safe and efficient accommodation for all of its activities.
- 2.4.3 The property assets of the Council are regularly reviewed to challenge suitability i.e. do they meet the evolving needs of the services, what is their condition, how much investment is needed to bring them to good condition etc., and are they sufficient i.e. do they meet the changing space requirements needed. In addition, the use and ownership of the Council's investment property portfolio (industrial units, retail units, and farms estate) is challenged, and in some instances market tested against similar private sector property. The Council continues to invest in maintaining and upgrading its assets to extend the life of the property.
- 2.4.4 A key challenge for the Council is to reduce the numbers of vacant properties as these have financial implications in making secure, providing roaming security, paying empty property business rates, and maintaining the property to ensure it remains watertight and safe. The costs of providing roaming security is prohibitive and in some instances it has been considered good value management to demolish the buildings, particularly where these represent a health & safety issue.

## **2.5 The Use of IT to Support Property**

- 2.5.1 Organisations cluster around the information they hold in order to do their business: traditionally this information is paper based and has been held in filing cabinets, to ensure easy access and to enable sharing of information with fellow workers.
- 2.5.2 Use of ICT – whilst not promising the paperless office – ICT enables the organisation to access that information from anywhere, any place and at any time and is integral to effective use of the property estate.
- 2.5.3 Investment in and development of the Council's ICT can enable greater use of mobile and nomadic working, home working and the opportunity to provide access to services from community based facilities. Specific projects planned for the next period include moving to cloud based servers, wireless CCTV, refreshed disaster recovery, remote working, Cisco (telephony) refresh, an extension of our City Centre Wi-Fi, exploring staff accessing ICT using 'Bring your own device' and implementing Microsoft Office 365.
- 2.5.4 Peterborough has been chosen as City Fibre's next Gigabit City. City Fibre is looking to invest up to £30m in laying a fibre network through the city. The Council is looking to maximise this investment for its own requirements and has taken a licence to use the network once built to serve all Council and Vivacity buildings and the majority of schools. This will not only give the

Council and the schools access to one of the best networks in the UK, but the city one of the best city infrastructures in the world.

- 2.5.5 The Council has a partnership with SERCO to provide and manage ICT Services. SERCO has implemented a refresh of the desktop ICT access through introducing a “thin client” solution. Thin client offers flexibility around access at any computer through programmes being installed on the Council’s main servers, and desktop units (phones/computers) being standardised and refreshed where necessary to enable use by anyone, anytime and at any work station. This will support flexible and agile working proposals, and help to reduce costs of office moves as ICT will remain in situ and only the person moves.
- 2.5.6 These approaches will support the rationalisation of the property portfolio as they will allow greater use of a flexible portfolio. This is essential to maximise usage and given the increased opportunities to work from home will also increase the opportunity to reduce the number of core assets that the Council needs to hold for service provision.

## **2.6 Partnership Working**

- 2.6.1 Peterborough also takes the opportunity whenever practicable to work in partnership to deliver joint outcomes.
- 2.6.2 Current partnership initiatives include working with other government/quasi government organisations, such as Health, Police, Fire Services, Social Landlords etc. to share services and accommodation. An initial project was carried out under the Green Shoots banner to share and collate property data and PCC has recorded this electronically on behalf of partners using Graphical Information System to overlay properties and identify any overlaps/synergies. A long term objective is to rationalize the existing operational estate and to realize greater incidences of co-location.
- 2.6.3 PCC is a member of the Greater Peterborough Partnership (GPP). In 2007 the partners within GPP reviewed and updated the Sustainability Strategy. As outlined earlier in this document four new priorities and key outcomes were identified including an emphasis on growth and developing services for the community. The aim to share services and accommodation, and longer term to co-locate into new sustainable premises, will promote growth in the City through encouragement of property initiatives, utilizing local authority and quasi government premises as enablers for new developments and businesses.
- 2.6.4 PCC continues to work in Partnership with Health Services in Peterborough. This partnership is managed through the Joint Commission Forum (JCF). The delivery of Learning Disability Services is via a Section 75 agreement and the delivery of Public Health became the responsibility of the Council in April 2013.
- 2.6.5 The delivery of day services are currently being reviewed, which is likely to involve the redevelopment of current City Council stock to provide provision fit for purpose. Further adult properties de-commissioned in 2012/13 included Greenwood House and Welland House. Greenwood House is now being reviewed for sale options and Welland House is being let to the NHS Mental Health team for up to 3 years to allow them to move from the Lucille Van Geest building on the old Hospital site, prior to a review of options nearer the time of the lease expiry.
- 2.6.6 The Adult Social Care team have signed a contract to commence work on an existing Council property in Lincoln Road to deliver a Dementia Resource Centre.
- 2.6.7 The Council has established a Joint Venture Company with an Investment Fund called the Peterborough Investment Fund to prepare viable and consented development schemes for a series of sites which will be developed to promote growth, regeneration and economic development within the City. The Council will be granting Option Agreements on specified

sites to the Peterborough Investment Fund within the Cabinet Report Funding Peterborough's Future Growth on the 24<sup>th</sup> February 2014.

## **2.7 Delivering Growth**

- 2.7.1 Through its Local Development Framework (LDF), the City Council is translating the Sustainable Community Strategy into a series of land allocations and planning policies to guide public and private investment decisions. The various documents making up the LDF identify and programme new growth which will require funding for the infrastructure requirements it generates. This sits alongside existing and emerging developer contributions and future community infrastructure levy mechanisms for securing the necessary contributions towards funding and maintaining this infrastructure.
- 2.7.2 Work is underway on the City Centre Development Plan Document. This will be a key driver in helping the city centre become more vibrant, dynamic and diverse. Planning for a high quality built environment, employment, learning and leisure opportunities by encouraging new investment into the city, will be the key to this.
- 2.7.3 Improving the city centre continues. Phases 1, 2 and 3 (Cathedral Square, Cowgate and Bridge Street) have now been completed and has given a much needed face lift to a key part of the city centre, helping Peterborough to better compete regionally. It is now continuing with the planned refurbishment of Long Causeway scheduled to start during 2014.
- 2.7.4 The delivery of major growth schemes in a difficult economic climate requires different arrangements to those of the boom of the preceding years. The proposals agreed by Cabinet in December 2009 namely to set a dedicated growth and regeneration team, has now been developed further. The Cabinet Report "Funding Peterborough's Future Growth" on the 24<sup>th</sup> February approved the establishment of a Joint Venture Company between the Council and the Peterborough Investment Fund to promote growth, regeneration and economic development. Opportunity Peterborough will continue to focus on their core economic development strengths.
- 2.7.5 The willingness and ability of the Council to leverage its own assets where possible and appropriate to bring sites forward remains a pillar-stone for delivering this revised approach, playing a key part in the task of making sites financially viable. One example is how the Council has used its own assets to deliver development is on the low carbon Vista development at London Road (previously named the "Carbon Challenge" site). Here the Council has worked alongside the Homes and Communities Agency (HCA) and former East of England Development Agency (EEDA) to bring together land in public ownership to deliver approximately 300 new homes on the edge of the city centre. All of the new dwellings will be low carbon and highly energy efficient. The Vista site sits within the wider Riverside Opportunity Area (ROA), some 45 hectares (110 acres) of predominantly Council owned land incorporating what has been referred to in previous asset management plans as the South Bank Opportunity Area, land fronting London Road to the West and parts of the North Embankment particularly land fronting Bishops Road. This is one of the most significant developments in the East of England and can only move forward because the Council are prepared to use their land holdings to form the basis of the development. This will be one of the first projects delivered through the revised management structures.
- 2.7.6 Within the ROA the Council has already commenced redevelopment works on the London Road Stadium, investing up to £9.5m on a replacement for the Moy's End Terrace with a new 2460 all seater stand incorporating a 3700 sq. metre Sustainable Skills Centre. The Council has also set aside in its Budget, up to £1m of funding for phase 2 as a contribution to the redevelopment of London Road Terrace or to fully fund a retrofitting of seating and upgrade of the existing stand.

- 2.7.7 Opportunities to invest into sport facilities are currently being examined. This is by either improving what facilities we have, for example by using the new Energy Performance Contract to upgrade the Regional Pool and heat water in the Lido to a higher temperature or building new. The Council working in partnership with Sport England and Vivacity jointly commissioned during 2013, a leading sports consultant to prepare an assessment of the current supply of sports facilities across the city and future needs. The findings of that report are currently being analysed particularly around swimming, cycling, all weather pitch provision and sports halls.

### **3 Consultation**

#### **3.1 Consultation**

- 3.1.1 Consultation is an important part of the Council's approach to the asset management process. Feedback from services, employees, users, tenants, partners and interest groups allows the Council to ensure that the property portfolio is allowing the delivery of good quality services.

#### **3.2 Neighbourhood Management in Peterborough**

- 3.2.1 Co-ordination of services and agencies across geographical areas is an essential prerequisite to ensuring local services meet local needs and expectations and are accountable to local people.
- 3.2.2 When residents and local communities can see how services are responding to their particular range of issues and problems, or perhaps responding to their ideas, it helps forge a stronger relationship between service providers and customers.
- 3.2.3 It is not just about the Council and the way it delivers its own services in a particular area; it involves all agencies and organisations that allocate resources into an area coming together, and by working together adding value to the resources which are already there.
- 3.2.4 By developing mutual understanding and ways of joint working, extensive and sometimes innovative ways of involving local people in service planning is needed - and not just on a one-off basis. The benefit of this approach is the development of responsive services- a key to creating and maintaining sustainable communities. This is the essence of Neighbourhood Management, demonstrating why this principle is at the heart of the Government's priorities for better public services.
- 3.2.5 The Council is keen to ensure that the benefits of growth in Peterborough are shared across the city and that the co-ordination of services at the neighbourhood level achieves better impact and value for money. To achieve this we have developed a Community Asset Transfer Strategy, we will continue to work with community groups and parish councils, and, where

relevant, we will support the development of local community plans to better define local need.

- 3.2.6 The plan creates the opportunity to take a more comprehensive approach to service investment on a geographic basis and will encourage a better planned approach to the rationalisation, investment in and management of community assets.'

## 4 Data Management

### 4.1 Identification of Assets

- 4.1.1 A statement of the Authority's built and land assets are held electronically in a property management system (The Technology Forge (Tf)). Property ownership (Land Terrier) details are also held in digital format on GIS. Deeds for PCC freehold properties are held in secure storage and are accessed by designated officers. Electronic copies of the Deeds are retained for daily use in the property database where appropriate.
- 4.1.2 Drawn data is held in electronic (AutoCAD Lite/ GIS - Cartology), paper and microfiche format; condition surveys, suitability, sufficiency, asbestos, and access audits are held electronically and are being transferred to the Tf database. Other records such as service contracts, fire risk assessments, energy billing, and energy performance ratings will be electronically stored with the Tf database, which will be the main Property database for the Council and will, in the future, be accessible to many users via an Internet Portal.
- 4.1.3 Individual assets have their own condition surveys and revaluations on a rolling 3 year programme. The introduction of the TF database has meant that all properties (schools and corporate buildings) which have had new surveys undertaken can record them in a single location. The condition surveys identify the estimated cost of the back log of maintenance. Drawn information is checked against the property and amended at the same time if necessary. If a drawing exists in a medium other than electronic, and requires updating the AMP property surveyor transfers the whole to electronic database.
- 4.1.4 Future development of the property data includes updating and improving drawn plans of all properties owned/leased by the Council for service provision. These will be formatted to show data such as services installations infrastructure, asbestos, drainage, firefighting installations etc.
- 4.1.5 Although surveys are being undertaken currently, they can quickly become out-of-date since property requirements change regularly, alteration works are carried out, or condition or asbestos recommendations are addressed. The AMP relies on feedback from property users, maintenance surveyors, service client etc. communicating any actual or proposed changes. Where such information is made available a written note is placed on a file in service client and date order for updating the relevant AMP data. When the data has been updated the note is annotated.
- 4.1.6 Due to financial constraints, limited funds are available for investment in the property to address the backlog of maintenance. There remains a need for the Council to undertake a rigorous review of the current property holdings used for service delivery.
- 4.1.7 The AMP condition data will also be used to inform repair and maintenance programmes, with whole life aspects being taken into account to enable planned maintenance programmes to be established. The benefit of implementing a programme of planned maintenance will result in an overall reduction in cost in the long term.
- **School AMP works** - funded specifically by DfE (Modernisation and Formula Capital) enabling capital to be targeted at the greatest needs. A new system of a single capital

allocation with no specific labelling has meant a significant cutback in this budget as we have had to use the majority of the funding to meet our statutory duty to provide school places. We have allocated a specific sum to deal with the most pressing of condition works, putting any works that have H&S implications as priority.

- **Suitability & Sufficiency & Access Audits** – data has been gathered from the property users and through access audits. These will inform the strategic property decisions on the effectiveness, efficiency and economic use of property for service provision and the need for change. Existing office floor space are being maximised with the rationalisation of existing services in one of the principal operational buildings.
- **Costs** – the Schools AMP includes a 10 year financial plan for condition (including asbestos related works), suitability issues are priced and access audits are priced and prioritised. The cost information will be used to inform overall decisions on the use of the property and the need to retain or dispose. Under-performing assets may have high running costs and these will need to be investigated.
- **Environmental Considerations** – Operational property, energy, water and CO<sup>2</sup> emissions data has been collected.
- **Investment Portfolio** – The authority has industrial, retail and agricultural investment properties, which are continually under reviewed. Some of the retail units are in the process of, or have been sold where it is known that considerable capital investment would be required to upgrade them.

## 4.2 GIS in Peterborough

4.2.1 Peterborough City Council has implemented a corporate GIS programme. This programme includes using GIS to enable the Council achieve its corporate objectives and priority outcomes, developing a corporate set of data and developing an internet/intranet service to make spatial data available to all officers of the Council and the wider community. The objective of the strategy can be defined as: “To improve the effectiveness and efficiency of service delivery through access to and analysis of high quality comprehensive spatial information referenced to land and property.”

4.2.2 The GIS programme assesses the quality of the data captured by the Council along with spatial information taken from outside the authority and assists with correcting anomalies and capturing missing data areas. Where appropriate, this data can then be made available through the desktop applications and the internet/intranet service. Hawkeye has been available for this purpose since July 2007.

## 4.3 Asset Summary

4.3.1 The new Property database has enabled an increase in the amount of data that is held by the Council in support of the Property Portfolio. Current property holdings are estimated to amount to 1493 asset records. The data has been refreshed and is vital to enable meaningful management decisions to inform what property is retained for service provision, investment decisions and disposals and will align to the Strategic Property service plan.

4.3.2 The below is a breakdown of the above figure:

Details of categories	Summary of categories	No.
Office, Depot/Store/Public Convenience	Admin/Depot/Other	53
Arts Venue/Pools	Leisure	5
Library	Libraries	10



Schools/Colleges/Children's Centre/Pupil Referral Unit/Special Schools/Caretaker Houses/Nurseries	Education	104
Residential Homes/Day Care Centres	Social care	16
Sports Centres/Youth Centres/Community Use/Community Related Asset/Pavilion/Play Centre/Recreation Grounds/Allotments	Community assets	177
Cemetery/Industrial/Retail/Not defined/Open Space /Garage Site/Travellers Site/Car Parks/Substations/Farms	General	1106

## **5 Performance Management, Monitoring and Information**

### **5.1 Responsibility for Performance Management**

- 5.1.1 As the lead officer for asset management, the CPO is responsible for ensuring that the Council's property portfolio performs to its optimum. The Council has developed its approach to asset management to ensure that assets are utilised to their maximum potential in delivering good quality services and financial return.
- 5.1.2 The Council's asset database system is used to collect, maintain and analyse performance information across all portfolio areas.
- 5.1.3 The Council is committed to providing the best possible services to local people and will continue to assess how it can improve those services even further. Through the asset management process, the continuing development of service delivery plans and service key issues set out the property implications of service requirements. This enables the Council to understand, improve and target more efficient, high standard accommodation for service provision. The aim continues to be to provide such accommodation where this will improve service delivery.
- 5.1.4 Use of resources has been one of the key drivers for identifying service delivery priorities. However there are a number of other drivers that also establish the need for Council Assets in the future. For example this would include reviews of Service Assets, Improvement Plan and Council Priorities. These drivers have an impact on accommodation and physical resource requirements for service improvement and set actions for improving services through rationalisation, refurbishment, rebuilding, integration of services, improving response to repair requests and other measures to ensure greater efficiency and increased performance.
- 5.1.5 The Council also takes the opportunity to Network with other organisations through forums such as CIPFA. In particular this networking allows the Council to develop and adopt best practice from elsewhere.

## **6 Programme and Planned Development and Implementation**

### **6.1 Service Delivery and Property – identifying project need**

- 6.1.1 The Council has implemented a corporate approach to asset management. This is an ongoing process of developing a programme whereby the Council's assets contribute towards the Council's objectives of year on year improvement in service delivery. In practice this involves:

#### Property Information

- A co-ordinated property review programme.

- A rolling programme of condition surveys.
- Asset energy use monitoring.
- Suitability & sufficiency surveys.
- DDA, asbestos and other specialist surveys.
- Compilation of data in the asset database.
- Ongoing reviews of property holdings, (Community Centres, Libraries, etc.).

#### Corporate and Service Direction

- Property Key Issues.
- Service Plans and Business Plans.
- Business Continuity.
- Corporate Policies & Strategies.
- Capital Strategy.
- Central Government Input.

6.1.2 The collation of property information and data is essential to enable informed decisions to be made with regard to the assets. The corporate and service direction issues guide these decisions.

6.1.3 The forum for making recommendations to Members on property issues is currently through the CPO. Decisions on programmes and plans for projects are made taking into account output and outcome targets. Approval of decisions made via the CPO is sought through CMT, the portfolio holder and Cabinet. An example of this in practice is the use/ownership of property and costs in use associated with that property such as revenue costs of maintenance, capital investment in repairs and other associated costs such as running costs. It is essential that the Council only retains property that will support service provision and meet priorities going forward.

## **6.2 Resourcing Capital Projects**

6.2.1 The Council can raise capital funding from a number of sources;

- Grants and Contributions from external sources through the various funding regimes and/or through government initiatives e.g. Heritage Lottery funding has enabled a project to significantly improve the Museum facilities with an emphasis on learning and improving the visitor experience.
- Borrowing, with the financing of the borrowing funded by either Central Government, Council Tax or savings within the revenue budget
- Contributions from the revenue budget
- Capital Receipts generated as a result of the LSVT with Cross Keys Housing which is on a 30 year formulaic agreement
- Disposal of assets.

6.2.2 In addition the Council continues to investigate alternative ways in which funding can be delivered although these sources have been severely impacted by recent Government Spending Reviews and subsequent austerity measures. Examples include:

- Public Private Partnership.
- Making Better Use of Local Authority Assets.
- LEP
- The Joint Venture company established in the Cabinet Paper “Funding Peterborough’s Future Growth” approved on the 24<sup>th</sup> February 2014.

6.2.3 To meet the challenging objectives of the Council and the associated Capital needs it is essential that maximum capital receipts are generated where practicable. However, the

Council will not dispose of Property Assets at less than the market valuation unless there is an overriding need which is supported by a Business Case.

6.2.4 The Business Case will consider the difference in value between the proposed capital receipt and the maximum capital receipt that could have been obtained following receipt of the valuation which is procured through the property team.

6.2.5 The Council has also adopted the Community Asset Transfer Strategy\* from September 2013, the aims of which are to:

- Encourage and support the retention of local facilities which are used for a variety of social, community and public purposes without the use of Council funds in the future – on the basis that we are satisfied that the business case for such a transfer is financially viable and sustainable in the long term
- Increase the effectiveness and efficiency of Council owned community assets through local management
- Maintain local public facilities through community management
- Explore innovative ways of enhancing existing community facilities, for example by transferring multiple assets to one provider who can then deliver benefits linked to economies of scale
- Support the development of social enterprises that clearly demonstrate the returns to the local community

It should be noted that the economic recession continues to have a significant impact on the funding on the Capital Programme, with the capital receipts target hit by a fall in value of both land and property and the Council receiving a reduction in demand for the larger sites.

[\\*http://democracy.peterborough.gov.uk/documents/s17994/4.%20Community%20Asset%20transfer%20report.pdf](http://democracy.peterborough.gov.uk/documents/s17994/4.%20Community%20Asset%20transfer%20report.pdf)

### **6.3 Children's Services Requirements**

6.3.1 The Department has published, in April 2013, a School Organisation Plan (once a statutory document). This strategic document includes information on demography and will inform the planning of schools places (including the need for additional schools) into the future.

6.3.2 Previously 80% of Children's Services capital expenditure had been Government grant funded. That position has changed significantly and now far more corporate capital funds are required to meet our statutory need to make available sufficient school places. As a result of the huge rise in demand for school places due to increased birth-rate, migration and changing demographics, this demand is outstripping available places already at an alarming rate.

6.3.3 The Local Authority concluded its programme of modernisation of Peterborough's secondary school estate in 2013 with new builds at Nene Park Academy, Stanground Academy and an expansion at Hampton College. Two Free Schools (supported by the Local Authority), City of Peterborough Academy and City of Peterborough Academy Special School are now open on the remodelled Hereward Community College site. Peterborough is one of the few authorities in the country which now has modernised all its secondary schools. Unfortunately these schemes will not be enough to meet the need for secondary school places and demand will exceed current capacity in 2015/16.

6.3.4 The need for additional primary school places has meant that around 20 projects are underway at the present time including a new build block for Gladstone Primary school, linked with Gladstone Community Centre. It has also meant the need to place more mobile classrooms on school sites; a practice we had begun to phase out.

6.3.5 The original programme was meant to address condition issues as well as provide new places. The continuing need for new places means a cut back in larger capital maintenance

schemes and our whole school estate will begin to suffer without considerable investment. Schools own funding for maintenance has also been cut drastically.

## **6.4 Option Appraisal and Project Prioritisation**

6.4.1 The capital resources calculation for forthcoming years, as part of the budget setting process takes account of the Council's agreed policy for prioritising capital proposals. Priority is given to schemes that:

- Are consistent with policy priorities identified in the Council's Action Plans in particular those working towards the Council's longer term strategic objectives.
- Meet the principles of the Sustainable Community Strategy.
- Allow spending in accordance with allocations and specific resources.
- Relate to commitments from previous years.
- Address strategic maintenance needs of existing assets from the AMP.
- Assist in the maintenance of existing service provision.
- Maximise the availability of external funding to enhance value for money.

6.4.2 Meet mandatory and or statutory requirements. Should it be decided that the most appropriate route for financing a project is through the Council's capital programme, there is a robust appraisal mechanism that ensures that all projects work together towards the delivery of the key outcomes.

6.4.3 Capital project proposals and an agreed capital programme are developed from action plans evolving through the Policy and Service Planning Cycle.

6.4.4 It is now mandatory that the CPO is consulted as part of this process. If the project is in accordance with the Asset Management Plan the CPO or their delegated officer for property signs approval to the project and considers any property implications arising from the project. Targets are set for all projects and programmes requiring capital investment in accordance with the Council's Asset Management Plan.

6.4.5 The need to reduce revenue costs associated with property ownership, which in part are linked into environmental considerations such as carbon reduction commitment, reducing energy inefficiencies, what happens to the property at the end of its useful life etc., require a committed consideration of total life costs. This will require risk assessments to be undertaken to evaluate differing options and the risk/benefits of doing/not doing a project. Emphasis should be placed on reduce, re-use and recycle where practicable rather than renew.

## **6.5 Links to the Capital Programme**

6.5.1 The Head of Strategic Finance is responsible for co-ordinating the Council's capital programme. The capital programme is based on the future ten years capital investment required by the city. Every year during the MTFs process, which starts in the early summer, the capital programme is reviewed by the Council to ensure that the programme only captures

the capital investment requirement for the future and is affordable within the capital financing budget available.

6.5.2 The resources for the capital programme will come from the following sources:

- Capital Receipts
- Capital Grants & Third Party Funding
- Borrowing

## **6.6 Financial Planning for the future (3-5 year action plan)**

6.6.1 The capital programme for 2014/15 has been included in the Medium Term Financial Strategy 2014/15-2023/24 This includes the rolling programme for Structural Maintenance of Council Buildings. This programme will be reviewed in line with the level of resources available and in accordance with the development of the Asset Management Plan and the Capital Strategy.

6.6.2 As additional resources are confirmed, the Council will add schemes to the capital programme or reduce the borrowing requirements.

6.6.3 The Council will also look to maximise the use of external resources to deliver Council objectives.

Consideration will include:

- Identify and disseminate information on relevant funding opportunities within the Council.
- Analyse and evaluate funding opportunities in relation to Peterborough City Council's strategy and long term objectives, and to recommend appropriate bidding strategies.
- Provide specific advice to Directorate staff on project funding opportunities.
- Lead on the development of cross-Council and inter-agency bids and initiatives, as appropriate.
- Provide intelligence/analysis to Cabinet Members, Directors and lead staff
- Develop and maintain high level relationships and contact with the representatives of principal UK agencies and organisations.
- Develop and continuously improve relationships with key partners in respect of external funding.
- Support and develop external and internal funding networks that focus on increasing funding leverage and improving capability internally and externally to develop successful relevant bids.
- Identify quantitative and qualitative performance measures and to collate and compile corporate performance reports on external funding.

## **6.7 Financial Planning for the future (6-10 year action plan)**

6.7.1 To support the existing and approved Council strategies, particularly those associated with growth such as the Core Strategy, Integrated Development Plan, School Organisation Plan and Local Transport Plan, there are a variety of growth bids that are necessary in order to deliver future infrastructure requirements. These include new schools, highways and transport schemes. These bids are dependent on the rate of growth within the City over the next ten years, and may be funded through a variety of funding streams which require further exploration such as, but not limited to:

- Third Party contributions – grants and developers
- Tax incremental Financing – awaiting further developments in this area following the recent localisation of business rates consultation
- Business Rates – for example, locally led increase in business rates to support infrastructure
- Community Infrastructure Levy expected to be implemented from Autumn 2014

- Capital Receipts
- Corporate Borrowing – either through traditional PWLB methods or through the market

## 7 Towards the Future

### 7.1 Getting More From Less

7.1.1 At present day-to-day management of property is left to those Services that use it to deliver a service. Whilst major maintenance will be funded from a variety of Capital Budgets the balance is funded from the services. This tends to be responsive and is unlikely to take into account the long term future of the asset.

7.1.2 In addition the Council is suffering from an ageing Property Stock. There has been an under-investment in the property portfolio and Peterborough, in common with many other authorities, faces a maintenance liability in excess of upward of £50M that will have to be addressed.

7.1.3 The current approach has led to a portfolio that is not focussed on Council-wide delivery. Some services are being delivered from assets simply because the building has become available and not that it is ideally located and fit-for-purpose. A more strategic approach would lead to a Property Portfolio that is targeted on service delivery consistent with the efficient use of assets.

7.1.4 The Council is required to obtain Value for Money from the property it uses. It must ensure that their property portfolio is tailored to the needs of the Council with sufficient flexibility built into assets to ensure that it can respond efficiently and effectively to changing requirements.

7.1.5 The current perceived piecemeal approach is leading to expenditure across the whole of the portfolio without focussing on those areas where there is a long term need and in-house expertise is not being fully utilised. In contrast, a more centralised approach to the management of property would lead to:

- A consolidation of the property portfolio into core assets i.e. those that have a long term future.
- Savings generated from economies of scale.
- Efficient and effective use of the property portfolio.

7.1.6 In addition we would wish to achieve the following outcomes:

- Enhanced customer and Stakeholder satisfaction – leading to greater VFM. This will be measured by benchmarking, market testing and customer satisfaction questionnaires
- Affordability – a clear process for assessing prudence, affordability and sustainability.
- Compliance with statutory and regulatory codes
- Improved corporate management – the ability to demonstrate clear linking between corporate and service goals
- Environment – Sustainability through efficient use of resources and minimise the impact of our property portfolio on the environment.

## **7.2 The Next Steps**

7.2.1 During the next three years PCC will face many changes and in particular they will focus on the effective use of Property Assets. The targets for property will be subject to change. However it is possible for us to identify both medium and long term targets.

7.2.2 Given the above the following action will be undertaken to support the rationalisation of the property portfolio:

- Savings outlined by inclusion within the budget strategy
- Reducing the Council's property footprint to deliver savings using ICT and better working environments.

## **8 The Strategic Approach to Property**

### **8.1 The Current Position**

8.1.1 Whilst there have been prestigious developments such as the secondary schools project, the underlying trend is of an ageing stock.

8.1.2 This is confirmed by the increasing backlog of Maintenance and further compounded by the impact of new legislation such as the Disabilities Discrimination Act 1995, Regulatory Reform (Fire Safety) Order, Asbestos Act, and Energy Performance requirements etc.

### **8.2 The Way Ahead**

8.2.1 It is clear that we must drive towards a more efficient use of the Property Portfolio. As a Council we need to look at ways in which we can make more of our existing portfolio whilst disposing of those which do not meet an operational need or fail to meet the necessary performance criteria.

8.2.2 In addition the establishment of Peterborough as a Growth Area will also lead to greater investment in the PCC area. Working with Opportunity Peterborough and other Partners, PCC will also lead on encouraging inward investment from the public and private sectors.

### **8.3 The Disposal Option**

8.3.1 The process for dealing with surplus assets is set out later in this document. However there are factors that will be considered in coming to a disposal solution.

8.3.2 The disposal of an asset is not a decision that will be taken lightly. The criteria that will be considered are summarised below:

- |                            |                         |
|----------------------------|-------------------------|
| • Location                 | • Value                 |
| • Suitability              | • Alternative use value |
| • Maintenance liability    | • Energy Cost           |
| • Annual Maintenance costs | • Running Costs         |
| • Age                      | • Covenants             |
| • Condition                | • Potential future uses |
| • Capacity                 | • Sustainability        |

8.3.3 Each asset will be assessed against each of these criteria. However any decisions will be based on the strategic need for a particular asset in a particular area and the impact of the

closure and eventual disposal would align with the overall Council objectives. It will also be supported by a fully developed business case.

8.3.4 The whole of the property portfolio will be kept under review. Those operational assets held by services will be robustly challenged. This will require services to justify the holding of assets. As a Council we will only continue to hold those assets where there is:

- A justified operational requirement.
- An acceptable investment return.
- A strategic reason.
- Social need.

8.3.5 The Council will also consider disposal of assets to partner organisations. In such circumstances such partner organisations will also need to agree to sign up to the delivery for options that align with those of the Council. In addition the Council will reserve the right to bring those assets back into council ownership. Also such assets will not be disposed of without the permission of the Council and the partner organisation will also take on all maintenance liabilities.

8.3.6 In addition the Council may look to dispose of assets to community organisations. In such circumstances the Council will need to be certain that any community organisation is capable of actively managing such assets. Similarly any such agreement will allow for the use of the asset for community uses.

## **8.4 Outcomes**

8.4.1 The Strategic approach to property must lead to a Property Portfolio that is tailored to the outcomes of the Council. Property does not exist for properties sake. The approach outlined will not only lead to a rationalised property portfolio but it will also ensure that the Council has a portfolio for the future. A Portfolio that has the flexibility and efficiency to take the Council into the future.

## **8.5 Surplus Property - Declaration and Procedures**

8.5.1 Decisions to declare assets surplus to requirements and to progress a disposal generally need to be handled carefully in a planned and co-ordinated manner. Often disposals come forward as a consequence of changes to service delivery and these ordinarily can be planned for. Some of these service changes can be sensitive for example the current disposals programme contains closed former care homes. These were declared surplus as a consequence of alternative ways of delivering care set out in the Older Person Accommodation Strategy. Other assets come forward in a less structured fashion as they may be a direct response to an approach from a neighbouring owner for assets to be offered jointly for sale.

8.5.2 As soon as a Head of Service becomes aware that property used by his / her service may become surplus to the requirements of that service (either through a service review or otherwise) the CPO will be advised immediately.

8.5.3 If a building or structure is at any time vacated by a service, it is the duty of the Head of Service to make arrangements, in consultation with the CPO, regarding security and insurance of that property.

8.5.4 The CPO must be consulted over any Cabinet / Strategy /CMDN report mentioning potential closure / vacation of a property. This will enable the CPO to inform and comment on the



implications for the service and the Council over the future of that property and likely timescale for disposal.

8.5.5 When a Head of Service can confirm that a property definitely will be / is surplus to that services requirements, they will advise the CPO. The following information will be provided:

- The future of any fixtures and fittings in the property
- Arrangements for services and utilities and meter readings if necessary
- Arrangements for security, fire and any other alarms
- Arrangements for physical security of the property
- Arrangements for any heating system in the property
- Labelling and hand over of keys
- Date for the property to be transferred to the responsibility of CPO.
- Details of where costs associated with the previous use of the building e.g. dilapidations are to be booked to.

8.5.6 The CPO will only accept the asset when:

- It is secure and the necessary security measures are in place
- The asset is safe or alternatively Strategic Property agrees to take the asset with the outstanding safety issues.
- It is wind and watertight
- Operating Costs budgets i.e. rent, rates, insurances, security, FM etc. have been transferred to Strategic Property.
- Any income is transferred to Strategic Property
- The keys are provided

8.5.7 In some instances the CPO will require the service declaring the property/land surplus to undertake certain works. For example this could include demolitions or dilapidations. These will be agreed before the CPO accepts the asset.

8.5.8 The service declaring the asset surplus should also make sufficient provision to cover dilapidations costs if there is no longer a requirement for the asset, if the lease (if applicable) is to be surrendered or the lease has come to an end.

8.5.9 On the date that the property is transferred to the responsibility of the CPO, the service declaring the property surplus will have:

- No further physical management responsibility for the property.
- No further responsibility for the capital charges, business rates (NNDR), energy costs, security and essential repair & maintenance for that property.

8.5.10 Once the CPO has been informed of a property being considered as surplus by a service, and as soon as is appropriate, he will approach all appropriate Heads of Service across the Council. This approach will be by e-mail and will identify the property and location, and invite any interest from other services, or partner organizations, with a deadline for response. If no response is received within 4 weeks then it will be assumed that there is no future use for the asset. Any future use of the asset will be supported by an Option Study that will include a Whole Life Costing. The CPO reserves the right not to offer any asset to Head of Service if there is a Strategic requirement to use that asset in another way.

8.5.11 In considering interest in the property, the Head of Service will be required to:

- Identify service need for additional property requirements

- Identify funding for the costs likely to be associated with the property - CPO will endeavor to provide information on capital charges, business rates (NNDR), energy costs and repair & maintenance allowance.
- Identify when occupation is likely to be required from and, if not indefinite, the period of occupation required
- Respond within a set timescale.

8.5.12 When a service wishes to take over an asset it will, from the date stipulated by the CPO, take over the full operating and management costs of the asset. The costs of this will be borne entirely by the Service taking the asset. There will be no transfer of funds from Strategic Property.

8.5.13 The Council has established a Joint Venture Company with an Investment Fund called the Peterborough Investment Fund to prepare viable and consented development schemes for a series of sites which will be developed to promote growth, regeneration and economic development within the City. The Council will be granting Option Agreements on specified sites to the Peterborough Investment Fund within the Cabinet Report Funding Peterborough's Future Growth on the 24<sup>th</sup> February 2014.

## **8.6 CMDN – Surplus Declaration and Future of the Property**

8.6.1 Where a service has a potential use for the property (either alone or as a joint occupation with another service), the CPO will arrange for the transfer of the property to that service or services. This will initially involve a CMDN prepared by the CPO involving both the service declaring the property surplus and the service(s) requiring occupation. Subject to CMDN, the CPO will then arrange for the transfer at an agreed date.

- of the property
- of management responsibility for the property
- To the service(s) requiring occupation (as appropriate).

8.6.2 Where there is a strategic reason to retain a property but no identified, immediate service need, the CPO will report this to CAMG and Portfolio Holder with details of:

- An identified future need.
- proposals for management of the property in the meantime
- A budget for management of the property as the service declaring the property surplus will not continue to be responsible for associated costs.

8.6.3 Where there is no service requirement for the property and no strategic reason to retain the property, the CPO will take immediate steps to report this to the Property Board. Such a report will request that the property is declared surplus to the Council's requirements and is disposed

of on the open market by the CPO. The subsequent agreed terms of any such disposal will be reported to the Cabinet for approval.

8.6.4 Where there is no service requirement for the property or there is no market for a disposal the CPO will report this to Cabinet with details of:

- any alternative strategy for the property - demolition, gifting the property to an external body
- proposals for the management of the property in the meantime
- Budget for management of the property as the service declaring the property surplus will not be responsible for associated costs.

## 8.7 The Localism Act 2011

8.7.1 The Act has three areas which will potentially affect the Council's asset management plans.

8.7.2 The Right to Bid – This provides for Local Interest Groups in the Community to be given the opportunity to bid for property or land they consider to be of Community benefit. The Council is agreeing a process which will monitor applications and provide advice to the Community Groups as appropriate.

8.7.3 The Right To Challenge – This is the right for a Community Group to bid to take on a service provided by the Council if it can be proved that it can be done without a loss of quality and at competitive prices.

8.7.4 Neighbourhood Planning – This is a right for Neighbourhoods to draw up plans with statutory impact which subject to due process will be included in the Council's Planning Policy. This will mean an increase in workload for Local Authority Planning Departments.

## 9.0 Asset Management Plan Glossary of Terms

Acronym	Meaning
AMP	Asset Management Plan
CAMG	Corporate Asset Management Group
CAMP	Corporate Asset Management Plan
CLG	Communities and Local Government
CMDN	Cabinet Member Decision Notice
CMT	Corporate Management Team
CIPFA	Chartered Institute of Public Finance
CPO	Corporate Property Officer
CSCI	Commission for Social Care Inspection
DDA	Disabled Discrimination Act
DEFRA	Department for Environmental Food and Rural Affairs
EDRMS	Electronic Document Retrieval Management System
GIS	Geographical Information System
IRR	Internal Rate of Return
NNDR	National Non-Domestic Rates
OP	Opportunity Peterborough
PB	Property Board

PCC	Peterborough City Council
RICS	The Royal Institution of Chartered Surveyors
VFM	Value for Money

## **10. Budget Consultation Responses**

## Public Consultation

	Category	Comment	Response
1	Garden Waste Collection	<p>Please stop spending my money on translation costs and Trades Union representation for council employees. Use the money saved to pay for brown bin collection. Then use the contents of brown bins to make compost for resale. Its green and it's recycling and it's self-financing, then use the profit for adult social care. Simple really.</p> <p>Finally, realize that Councillor Seaton is not fit for purpose.</p>	<p>This proposal is not financially viable. The Council only spends money on translation costs where absolutely unavoidable e.g. a statement for a Court case when a child may be taken in to care.</p> <p>The Trade Union and Labour Relations Act 1992 gives trade unions and their members the legal right to take time off with full pay to undertake trade union activities. All organisations that recognise trade unions will bear similar costs.</p> <p>The council has decided to discharge its responsibilities under this act in the most efficient and effective way by seconding two full-time employees into full-time trade union roles rather than having a larger number of trade union representatives. These two officers deal with issues on an individual level attending disciplinary hearings and grievances as well as getting involved in collective consultations.</p> <p>We believe this is far less disruptive to services because it means union representatives are not taking ad-hoc time off from their full-time roles to carry out trade union duties, reducing the need to bring in temporary staff or pay overtime. It also means that our trade union representatives are becoming more experienced in their roles enabling employment matters to be resolved at an early stage.</p> <p>We have to pay to dispose of residents' garden waste – whilst it is used for compost it does not generate any significant income. However, the cost is substantially lower than the cost of sending waste to landfill.</p> <p>More than 100 councils across the country already charge to collect garden waste and research has</p>

	Category	Comment	Response
			<p>shown those areas have not seen a significant increase in flytipping or in the amount of waste that goes to landfill after charges were introduced. The organisation that takes the garden waste away already turns it into compost for re-sale. As stated previously this is a cost to the council it does not generate income.</p> <p>Cllr Seaton notes the last comment and welcomes any input that will sensibly and usefully support the budget challenges facing the Council.</p>
2	Garden Waste Collection	<p>If PCC have suggested statistics about low usage then 1) renegotiate the contract; 2) move to fortnightly collections; 3) increase the council tax by an amount to cover the renegotiated cost (answer isn't £39); 4) save on the wages of the civil servants that can't work this out for themselves. DON'T just BIN the service. Couldn't resist the pun sorry.</p> <p>How were you planning to administrate and identify households that have paid on collection day exactly? Surely there's an added cost here.</p> <p>Let me know if you need any more help. The consultation fee is waived on this occasion.</p>	<p>The contract has already been renegotiated with substantial savings achieved. Brown bins used to collect garden waste including grass, twigs and leaves are already collected on a fortnightly basis on alternate weeks to black bin collections.</p> <p>If the proposal is approved, the charge will be £36 for the year for anyone signing up before 27 May 2014, or £39 for those who sign up after this date.</p> <p>Increasing Council Tax by 2% would deliver £0.5m income compared to this proposal which delivers £0.8m. It would also impact all residents rather than just those who use this discretionary service.</p> <p>The refuse collectors will have up-to-date information on their vehicles to let them know which residents have paid for the service and they will only collect their bins.</p>
3	Garden Waste Collection	<p>Hi</p> <p>What we put in our brown bins could probably be put in our rarely full black bin but would this have a negative effect from what you currently do with brown bin waste?</p>	<p>We would discourage people from using their black bins to dispose of garden waste as this will then go to landfill. If the proposal is agreed and you do not wish to sign up for the new garden waste service we would encourage you to compost garden waste or take it to the Household Recycling Centre in Welland Road, Dogsthorpe.</p>

	<b>Category</b>	<b>Comment</b>	<b>Response</b>
4	Garden Waste Collection	<p>Dear Council,</p> <p>I just want to make the point (which you have probably considered) if you start charging for collection of garden waste you will need to do something about the tip facilities. Access during the summer is already a nightmare. With everyone taking their garden waste as well, it will be impossible. You will get more fly tipping and people 'hiding' their grass cuttings in bags in the ordinary (land fill) waste.</p> <p>I'm sure you have thought about this and I know there are other councils that don't provide brown bin collection but they don't have the population of city dwellers either!</p>	<p>A planning application has been submitted to build a new Household Recycling Centre in Fengate, Peterborough that will replace the current facilities in Dogsthorpe and enable residents to recycle a wider variety of materials.</p> <p>We would discourage people from putting garden waste in their black bins as this would then go to landfill.</p> <p>People who do not wish to use the new service could take their garden waste to the household recycling centre in Welland Road, Dogsthorpe. We would also encourage the use of home composters if you have the space to do so in your garden.</p> <p>More than 100 councils across the country already charge to collect garden waste and research has shown those areas have not seen a significant increase in flytipping or in the amount of waste that goes to landfill after charges were introduced.</p>
5	Garden Waste Collection and Council Tax	<p>First of all I hope this is not what you call a consultation process. It's not consultation until everyone has the opportunity to respond to a clear set of publicised proposals.</p> <p>Pay extra for brown bin collection while claiming a victory in not raising council tax ? Don't really go together do they.</p> <p>So many questions raised by the proposal anyway, including: - what about those who don't pay or can't pay, what if you get brown bin waste put in bags and then into black bins, what about the prospect of extra waste being tipped illegally.</p> <p>Local income tax - its the only honest and fair way, an old tory once said to me "you get nothing for nothing" - He was an old fascist but right on this score - we pay for everything in the end so why not be up front about it. Everyone paying their share according to their means and ability to do so.</p>	<p>The budget proposals are clearly set out including what each department does, its budget and the savings proposals. Cllr Seaton introduced this improved approach but is always grateful for feedback on how it may be further developed.</p> <p>Council tax increases impact all residents whilst we estimate a third will pay for this discretionary service. In addition Council tax has been frozen for 4 out of 5 years saving all residents £68 a year on average.</p> <p>The budget proposals were first published on 24 January 2014 in the meeting papers for the Cabinet meeting on 4 February 2014. Councils have a duty to publish meeting agendas five working days before that meeting is due to take place.</p>



	Category	Comment	Response
			<p>However, the budget consultation could not be officially launched until after that meeting took place.</p> <p>A dedicated budget area of the website was launched on Monday 4 February and can be accessed via the council's website <a href="http://www.peterborough.gov.uk/budget">www.peterborough.gov.uk/budget</a> From this page people can read the proposals, and then respond through the on-line survey, via email, or they can pick up a printed copy of the consultation document from the Town Hall reception or the Customer Service Centre at Bayard Place, Broadway, Peterborough and respond in writing to the Financial Services Manager, Peterborough City Council, Town Hall, Bridge Street, Peterborough, PE1 1HG</p> <p>The formal consultation will end at 5pm on Tuesday 4 March 2014.</p> <p>The comments about flytipping and black bins have already been addressed.</p> <p>If the proposed new charge for the garden waste collection service is agreed it will be an opt-in service. Residents do not have to pay the charge if they do not wish to use the new service. We would encourage people to home compost if they have the space available or they will still be able to take their garden waste to the household recycling centre in Welland Road, Dogsthorpe, Peterborough.</p>
6	Garden Waste Collection	<p>Dear Sirs,</p> <p>We do not need our brown bin please collect it if it means another £40!</p> <p>We cannot afford £40 on my pension credits!</p> <p>Angered resident in Paston!</p>	<p>If the proposed new charge for the garden waste collection service is agreed it will be an opt-in service. Residents do not have to pay the charge if they do not wish to use the new service or they can share a bin with a neighbour. We would encourage people to home compost if they have the space available or they will still be</p>

	Category	Comment	Response
		Better solution is,  get rid of half the useless councillors! save a fortune in minutes!	able to take their garden waste to the household recycling centre in Welland Road, Dogsthorpe, Peterborough. We are not proposing to take brown bins away from households that don't sign up for the service. Wheelie bins are provided for the use of the property rather than individual residents. Whilst the last comment is noted, it is also the case that Peterborough has one of the lowest council tax rates in the country so providing value for money for all residents.
7	General	You have the same problem that all councils have and that is a lack of creativity within your ranks to innovate to solve your financial issues. Too many bureaucrats and not enough entrepreneurial thinkers. Don't worry though, the vast majority are exactly the same which is why you will always struggle. It's not personal, it's just a simple truth.	Cllr Seaton notes this comment and would be happy to meet with you to correct your understanding as the Council has a real track record of innovation.
8	General	How about you councillors taking a wage drop, you will save a lot of money. You are asking for more people to become foster parents you had a lot of very good foster parents but the children services saw fit to sack them for being too fat, too old, and even used the fact that they are disabled that they couldn't do the job they had been doing for years and doing such a fantastic job of it for many many years. And you want people to join you to help these kids? Because as soon as their face does not fit in they will be sacked.	Councillors do not receive a wage. They receive a basic allowance and those councillors that hold special responsibilities such as Cabinet members or chairmen or chairwomen of committees receive additional allowances. A full list of these allowances are available at <a href="http://democracy.peterborough.gov.uk/documents/s16837/Members%20Allowances%202012-13.pdf">http://democracy.peterborough.gov.uk/documents/s16837/Members%20Allowances%202012-13.pdf</a> At a meeting of Council in December, councillors rejected a recommendation by an independent panel to increase their allowances It means councillors' allowances have been frozen for 2014/15. We cannot comment on individual cases about foster carers from the past. However, if people are interested in becoming foster carers we would love to hear from them. For more information call 01733 317427; email <a href="mailto:wanttofoster@peterborough.gov.uk">wanttofoster@peterborough.gov.uk</a> or visit the website <a href="http://www.peterboroughfostering.co.uk">www.peterboroughfostering.co.uk</a>

	Category	Comment	Response
9	Garden Waste Collection and Council Tax	<p>Sir</p> <p>I saw a report that a charge was being considered for brown bin collection. This seems like a cost rather than a saving for two reasons.</p> <p>1 people will elect to have brown bin taken away and not use it but the lorries still need to collect in a street whether picking up 1 or 50 bins</p> <p>2 responsible people will compost their waste but others will fly tip costing the council money to clean up.</p> <p>Rather than putting a charge on a particular resident wide service why not just put up the council tax by the same amount? It hasn't gone up for 4 of the last 5 years so has become cheaper in real terms. If there is a penalty from central government for doing this then this would need to be factored in.</p> <p>Will people be able to opt out of brown bin collection ? What is to stop people putting any waste in black bins?</p>	<p>The majority of points have been previously answered. The Council is only seeking to cover the cost of this discretionary service.</p>
10	Garden Waste Collection	<p>Dear Sirs,</p> <p>If you want to charge for the emptying of brown bins then you can have my bin returned and I will take the rubbish elsewhere.</p>	<p>We believe a charge of 75p a week is good value and probably less than the cost of taking the rubbish elsewhere to dispose of.</p>
11	General	<p>You could consider getting rid of the town clerks car oh sorry CEO... and also renting out some officers in the town all as some meetings and council business is conducted in Costa Coffee</p>	<p>The council does not provide the chief executive with a car.</p> <p>Rooms within the Town Hall are already available for hire including the Reception Room, the Bourges/Viersen rooms and the Council Chamber. To find out more (01733) 747474.</p>
12	Garden Waste Collection	<p>If I don't use the brown bin why should I pay this charge?</p> <p>My house has no grass or garden. It is all block paved.</p> <p>Why expect people to pay for something they do not require.</p>	<p>The service will be discretionary so you do not have to pay.</p>
13a	Garden Waste Collection	<p>Hello,</p> <p>We think it is ridiculous to have a <b>separate</b> charge for the brown bin, thereby creating extra complexity and extra admin overhead.</p> <p>As we have no children at home our other bins are usually less than half full, so why should we pay to be using another bin? ... and why should we pay to provide bags for the small waste food bin when they should be creating enough money to cover the cost of the bags?</p>	<p>Garden waste collection is a discretionary service. The proposal to charge for brown bin collections would mean that people would only be required to pay for the service if they want to use it from 27 May 2014.</p> <p>If you do not wish to use the service you will still be able to take garden waste to the household recycling centre in Welland Rd, Dogsthorpe.</p>

	Category	Comment	Response
		This is a crazy knee jerk idea that has not been thought through properly.	
13b	St George's Hydrotherapy Pool	<p>Closure of St George's hydrotherapy pool</p> <p>Hello,</p> <p>I agree with closing this facility to save money.</p> <p>Some people need to get real - this is a luxury, not a necessity and should not be subsidised. These sort of things should be paid for by the people that use them or are directly involved not the rest of us.</p> <p>Years ago we coped fine without all this stuff. Fund the essentials e.g. like the bin collections and let the luxuries pay for themselves or go under.</p>	<p>The 24 February Cabinet meeting discussed the saving proposal on St George's hydrotherapy pool following feedback received through the budget consultation. The Council will continue to keep the facility open beyond April, while working with others to consider options for the future. The Cabinet meeting agreed the following recommendation:</p> <p>Cabinet FURTHER RESOLVED to agree, in principle, to keep the Hydrotherapy pool open for a maximum of two years, subject to:</p> <ol style="list-style-type: none"> <li>1. The necessary income and funds being raised to fund the service, including financial support from the NHS; and</li> <li>2. The facility not requiring capital investment during that period</li> </ol>
14	Garden Waste Collection and Council Tax	<p>To Whom it may concern. I have just a report that there is a proposal to charge for Brown Bin collection, I would like to say this, I hope the council will make a concessionaire for senior citizens who a fixed income and who finding there real income going down by extra charges being. If the council are going to charge £39.00 per year for the collection of garden rubbish why not just increase the council tax by that amount because as far as I can it's the same thing.</p>	<p>There will be a flat charge of £36 a year for anyone paying before 27 May 2014 for the new garden waste collection service.</p> <p>If the proposed new charge for the garden waste collection service is agreed it will be an opt-in service. Residents do not have to pay the charge if they do not wish to use the new service.</p> <p>The budget proposal is to freeze council tax for 2014/15 and 2015/16. However increasing council tax within the referendum limit would not raise as much money whilst impacting all residents.</p>
15	Garden Waste Collection	<p>I have a small, low maintenance garden.</p> <p>No grass, just a few bushes that are trimmed twice a year.</p> <p>And that is how often my Brown bin is used, just twice a year.</p> <p>Prior to the Brown bins, the garden rubbish was placed in the Black bin.</p> <p>And that's what I, and others people will do rather than pay a £40 surcharge.</p> <p>Result: The existing land fill will become even more critical.</p>	<p>We would discourage people from putting garden waste in their black bins as this would then go to landfill.</p> <p>People who do not wish to use the new service could take their garden waste to the household recycling centre in Welland Road, Dogsthorpe. We</p>

	Category	Comment	Response
		Is there no person on the council that has the ability to see that this will happen?	would also encourage the use of home composters if you have the space to do so in your garden.
16	Garden Waste Collection and Council Tax	<p>Regarding the decisions being made to save money with the reduced budget.</p> <p>Firstly the decision to charge for brown bins is wrong. It will simply lead to a huge increase in “fly tipping” as people just drive into surrounding areas to empty their garden waste.</p> <p>The clear and very obvious way to ensure the council tax budget is viable is to ensure EVERYONE actually pays it. To turn a “blind eye” every year to £400,000 or more in lost payments is simple stupid. If the Council is “happy” for some many householder not to pay the tax then frankly why should any pay it. Get out there and collect the unpaid tax or deport or jail the offenders if they still refuse to pay.</p> <p>Yes, the solution is as simple as that.</p>	<p>More than 100 councils across the country already charge to collect garden waste and research has shown those areas have not seen a significant increase in flytipping after charges are introduced. Flytipping is illegal. The council treats flytipping as a serious offence and will prosecute any person or company caught fly tipping. Flytipping carries a fine of up to £50,000 (unlimited if taken through the Crown Court) and offenders could be jailed or have their vehicle seized.</p> <p>We do not “turn a blind eye” to unpaid Council Tax. The council vigorously pursues those who do not pay and will take court action and employ bailiffs to recover goods to the value of outstanding charges and costs.</p>
17	Garden Waste Collection	<p>Hello my name is NAME WITHHELD I am a Pensioner who is PERSONAL INFORMATION, I have just lost my Direct Payment's. To add another Bill of £40 to empty a Brown Bin is something I do not have a rise in my Pension to pay it, it is not on, I love to do the Garden to potter around but it take's day's to do it. We pay Council Tax and all the other rises the this Government is putting on us, I have been a Conservative all my life but the attitude of Saving Benefits and Money from us is Disgusting. Since they have been chopping the Benefits we in the Community are being Abused, Verbally PERSONAL INFORMATION, If David Cameron want's more Money you change the rules how Companies pay Tax, also Stop People that earn over £150,000 only pay !% in Tax..If you look on the internet (this is only that come up first if I put down everybody I could fill about 4 to 5 A4 sheets) at who does not pay 20p in the pound.. Look at Doctors. Locum Doctors take the first person who the ran the new City Hospital in 2010 he Boasted that he does not get Payed he is a Company,... Bankers, Entertainers and every body else that earns Hundreds of Thousands of pounds and Companies that take in this Country 100's of Millions Pound's..Look at Amazon and the Apple Company it makes Billions and does not pay Tax in this Country because they have a Registered Company in Ireland.. if you Tax these People just</p>	<p>There will be a flat charge of £36 a year for anyone paying before 27 May 2014 for the new garden waste collection service. Alternatively the Council can provide a composter.</p> <p>We cannot comment on individual Direct Payments cases. However each is carefully reviewed to consider the personal circumstances of that individual. If you feel this process was unfair you may wish to speak to your local Councillor.</p>

	Category	Comment	Response
		like the Ordinary People....We pay VAT as well do they... that would sort out the Problems in this Country.. I do hope that you look at charging an Extra £40 Because People like me really have no spare cash at all....NAME WITHELD	
18	School Transport	Hi I think you should cut school transport ,because I work as a taxi driver and all the kids I pick up they have a lots money the parent have a least 2 cars in the drive way and big house ,I think you should provide a transport only for poor kids.	Under the council's home to school transport policy, and in line with legislation, we will provide free transport for pupils living in our area if the nearest suitable school (at which the pupil is registered) is not within walking distance of home and there are no available places at any schools within walking distance of their home. The definition of 'walking distance' is two miles for primary school pupils and three miles for secondary school pupils, measured by the shortest available walking route. This is not means tested.
19	Council Tax	<u>One way to increase the Council Tax intake more fairly would be to re band all the properties in Peterborough that have been extended and since resold since the original banding.</u> <u>Ours is the only property in this street banded D,all others are band C despite many having been extended and resold.</u> <u>I have had a dispute with the banding authority for many years but like all Government and Local Authority people they stick their heads in the sand and do nothing.</u> <u>Many of these houses are in multiple occupancy yet pay less tax</u>  <u>Also stop some of Marco Cerestes ridiculous schemes..</u>	Peterborough City Council is not responsible for setting the council tax banding of properties. It is the Valuation Office Agency (VOA).  Cllr Seaton notes the comment about "schemes". Presumably this relates to such initiatives as those which have ensured we have one of the lowest shop vacancy rates in the country, have seen 3800 jobs created in the last year, one of the highest rates of home building and significant inward investment from companies moving to this area.
20	Street Cleansing	I cannot believe how bad the litter problem is these days and I know the council do an excellent job clearing up rubbish daily, however, I think the attitude of some people is they can drop their rubbish because it will be cleared up and also because they don't think they will get caught. Could traffic wardens be allowed to fine people for dropping litter, maybe they can already. People need to be worried about being fined because as it is they are not bothered. I cleared up four cans outside my house today and regularly pick up rubbish.	The council has five environmental enforcement officers who are responsible for helping to keep the city looking clean and tidy by trying to prevent fly-tipping and littering and issuing fines to offenders.  We agree that litter is a blight on our city and we will continue to fine people who think it is acceptable to throw their litter on the floor.

	Category	Comment	Response
21	Garden Waste Collection	What a stupid idea having to pay to get the brown bin empty I can't afford that on a pension nor am I able to go to the tip so garden rubbish will have to go in the black bin. Get rid of that stupid grey bin don't see many of them out!	There will be a flat charge of £36 a year for anyone paying before 27 May 2014 for the new garden waste collection service. We would discourage people from putting garden waste in their black bins as this would then go to landfill. If people cannot get to the household recycling centre we would encourage the use of garden composters if you have the space to do so.
22	General	What a jole keep spending money on the usless fountains plus how much is the work costing to do the walk though at bridge street mmmm 300.000 I think just money grabbing peers again stop spending so much on wasteless things	The public realm work has ensured Peterborough has one of the lowest shop vacancy rates in the country.
23	Garden Waste Collection	I've just read a report in the local paper about the council proposing to charge for the opening of garden waste bins in the Peterborough area.  I do hope the report was wrong!  if it's true, then I very much object to the plan. I already pay for the bin to be collected and don't understand why I should pay again. If charges reflect usage, then I'd like a refund for the amount I pay for libraries, schools, adult social care, buses, museums and community centres - none of which I use. Surely that's only fair... The idea of public services is that the whole community pays for services, regardless of usage - but that won't be the case if you charge additional amounts to empty bins.  If the charge does happen - and I hope it won't - when will you be pick my brown bin up from Deeping Gate - I will require you to remove it from my property.	Garden waste collection is a discretionary service for Councils. If the proposed new charge for the garden waste collection service is agreed it will be an opt-in service. Residents do not have to pay the charge if they do not wish to use the new service.  We would encourage people to compost if they have the space available or they will still be able to take their garden waste to the household recycling centre in Welland Road, Dogsthorpe, Peterborough.  We are not proposing to take brown bins away from households that don't sign up for the service. Wheelie bins are provided for the use of the property rather than individual residents.
24	Garden Waste Collection	Hi To whom it may concern. If you do implement a charge for my brown bin, I for one will not be paying the charge. 1. I only have a half size bin, which you can have back, if you wish. 2. The size of my garden and waste doesn't warrant it. 3. And for any grass cuttings, which I hasten to add, half of which is grass on land you own, will go into the black bin, like they used to.  SO THINK ON!!!!	If the proposed new charge for the garden waste collection service is agreed it will be an opt-in service. Residents do not have to pay the charge if they do not wish to use the new service.  We would discourage people from putting garden waste in their black bins as this would then go to landfill.

	Category	Comment	Response
		<p>BROWN BIN CHARGE PROPOSAL</p> <p>How can you have the 'front' to ask everybody to pay an extra charge for the above, when all through the year when the travellers set up camp, illegally, leave all there rubbish, which you clear up for them, at no cost to them!!!</p> <p>We pay council tax, they don't. About time you dealt with these 'freeloaders', and leave lawabiding, 'soft touch' citizens alone.</p>	<p>People who do not wish to use the new service could take their garden waste to the household recycling centre in Welland Rd, Dogsthorpe. We would also encourage the use of composters if you have the space to do so in your garden.</p> <p>A cross-party group of Councillors is working on transit site options to improve the issue with Travellers.</p>
25	Garden Waste Collection and Council Tax	<p>Sirs</p> <p>I have heard about this proposal via BBC Radio Cambridgeshire.</p> <p>I would rather everyone pay extra council tax than individuals pay a proposed £35/£36 pa for the use of a brown garden waste bin.</p> <p>The main reason for this is that I know my brown bin will be used by other residents who do not want to pay for it.</p> <p>If the proposal is on your website it is not clear and easy to find, so I expect this will another decision made by the council without any real input by the local community as most residents (especially those out at work during the day who don't listen to the radio) probably won't know what's going on until too late!</p>	<p>The budget proposals can be viewed at <a href="http://www.peterborough.gov.uk/budget">www.peterborough.gov.uk/budget</a>.</p> <p>Printed copies are also available in the Town Hall reception, libraries and the council's Customer Service Centre at Bayard Place, Broadway, Peterborough. The budget proposals are widely covered by radio and the press at the same time each year.</p> <p>You can send in your comments on any of the proposals or send in your own suggestions on how savings could be made until the consultation closes on Tuesday 4 March 2014 at 5pm.</p> <p>A general council tax increase would affect all householders and not raise the same amount of income.</p>
26	Garden Waste Collection and Council Tax	<p>I certainly won't be paying for my brown bin to be emptied. You as a council dictated it's use however many residents put garden waste in the grey bin. I will revert to using the grey bin for garden waste which will save you money but potentially cost you in EU fines.</p> <p>I feel you need to get a grip and decide what your priorities are. You can't say we will freeze council tax and then make extra charges.</p>	<p>If the proposed new charge for the garden waste collection service is agreed it will be an opt-in service. Residents do not have to pay the charge if they do not wish to use the new service.</p> <p>We would discourage people from putting garden waste in their black bins as this would then go to landfill.</p>



	Category	Comment	Response
			<p>People who do not wish to use the new service could take their garden waste to the household recycling centre in Welland Road, Dogsthorpe. We would also encourage the use of composters if you have the space to do so in your garden.</p>
27	Garden Waste Collection	If the heating in all council properties was turned down to a comfortable level there would probably be a saving far greater than the brown bin cost that householders already pay for anyway	The council has an Energy Performance Contract to improve its energy efficiency, reduce its CO2 emissions and reduce its energy costs by making all of its buildings more energy efficient and is leading the way at enabling other councils to introduce similar measures to achieve the same
28	Garden Waste Collection and Council Tax	<p>I would like to register my objection to the proposed fees for brown bins.</p> <p>We do not use the brown bin and would therefore be unhappy to be charged for them.</p> <p>That's said I would understand an increase in council tax to cover improvements in services.</p>	If the proposed new charge for the garden waste collection service is agreed it will be an opt-in service. Residents do not have to pay the charge if they do not wish to use the new service.
29	Garden Waste Collection	<p>I must object in the strongest possible terms to the proposed charge of £39 per annum for the collection of my brown bin. If it is implemented I will frankly refuse to pay it and find other means of disposal of my garden waste.</p> <p>This is a ridiculously short-sighted policy which will simply encourage fly-tipping and contradict the City Council's 'Environment City' credentials and recycling aspirations. I will therefore be lobbying my ward councillors on this issue.</p> <p>I do wonder what I already receive in return for my £127 per month Council Tax and this proposal will do nothing to allay those sentiments.</p>	<p>If the proposed new charge for the garden waste collection service is agreed it will be an opt-in service. Residents do not have to pay the charge if they do not wish to use the new service.</p> <p>We would discourage people from putting garden waste in their black bins as this would then go to landfill.</p> <p>People who do not wish to use the new service could take their garden waste to the household recycling centre in Welland Road, Dogsthorpe. We would also encourage the use of composters if you have the space to do so in your garden.</p> <p>Council services are set out in detail in the budget consultation document.</p>

	Category	Comment	Response
30	Garden Waste Collection	<p>great so you plan to charge us £40 to collect our green bins?!! how is this going to save pcc money? the majority will refuse to pay and consequently dump garden waste in black bins which in turn will see pcc paying more money for landfill taxes or they will fly tip their garden waste costing the pcc more in clean ups than they'll collect in brown bin payments!! well thought out - NOT!!</p> <p>you'll be hitting thoses that cant afford to be hit, like myself, im disabled and unable to work dependent on carers etc, yet ive already been hit by bedroom tax now going to be hit by brown bin charges, I have no choice to live where I live as there are no wheelchair accessable homes available and when one does come up it rarely goes to someone that actually needs the facilities, a very big percentage of wheelchair accessable accommodation is rented by abled bodied people or disabled people that don't even own a wheelchair. hence I have no choice but to live where I do and have to already pay a gardener now I have to pay for my brown bin, we'll I hope your going to spread the cost across the 12 mths as the brown bin payment is more than I have left in A MONTH FOR FOOD, and im not the only one in this situation, try looking at expenses claimed by councillors etc that's where you could cut back, their claims for one days meal is what I have to feed myself on for a week!!</p>	<p>There will be a flat charge of £36 a year for anyone paying before 27 May 2014 for the new garden waste collection service.</p> <p>If the proposed new charge for the garden waste collection service is agreed it will be an opt-in service. Residents do not have to pay the charge if they do not wish to use the new service.</p> <p>We would discourage people from putting garden waste in their black bins as this would then go to landfill.</p> <p>People who do not wish to use the new service could take their garden waste to the household recycling centre in Welland Road, Dogsthorpe. We would also encourage the use of composters if you have the space to do so in your garden.</p> <p>About 100 councils across the country already charge to collect garden waste and research has shown those areas have not seen an increase in fly-tipping after charges are introduced.</p> <p>Fly tipping is illegal. The council treats fly tipping as a serious offence and will prosecute any person or company caught fly tipping. Fly tipping carries a fine of up to £50,000 (unlimited if taken through the Crown Court) and offenders could be jailed or have their vehicle seized.</p> <p>At a meeting on Council in December, councillors rejected a recommendation by an independent panel to increase their allowances It means councillors' allowances have been frozen for 2014/15.</p>
31	Garden Waste Collection	Thank you for giving residents the opportunity to comment on the budget proposals for 2014/5.	If the proposed new charge for the garden waste collection service is agreed it will be an opt-in service. Residents do not have to pay the charge if they do not wish to use the new service.

	Category	Comment	Response
		<p>I wish to register my dismay and opposition to the proposal to charge for the brown bin collection. I have several reasons:</p> <ul style="list-style-type: none"> <li>• In a city which is striving to be Environment Capital, the decision to take any action which would reduce the amount of recycling in the city is contrary to all its environmental aspirations.</li> <li>• How will the scheme be administered? Will those who choose not to continue the brown bin collection have to return their bins, if so how will this work? I assume the unwanted bins would have to be collected and I can't believe that this would be feasible. If the non-payers keep their bins, what will prevent them from using them and putting them out for collection? Surely it would be impractical for the refuse collectors to refer to records for every house on each collection day.</li> <li>• Most bins are easily accessible. How will those who have paid for the collection prevent those who haven't from putting waste in their bins? One can imagine the disputes between neighbours that could ensue.</li> <li>• What will be the cost of clearing up fly-tipping that would no doubt result? For example, I discussed this matter with a group of people today and one person (who has always seemed an upright citizen!) said that they would not pay for a collection as they had very little grass and only filled their bin two to three times a year. They said that they will 'go and tip the grass cuttings in the lane' near their property.</li> <li>• Lots of elderly folk get real pleasure from their gardens and from growing their own vegetables and they are the least able to take their garden waste to the tip or maybe afford the charge. Not all garden waste can be composted. We have two bins but still have to use our brown bin for woody items from shrubs and trees and when our bins are full.</li> </ul> <p>So many things to consider .....</p>	<p>We would discourage people from putting garden waste in their black bins as this would then go to landfill.</p> <p>People who do not wish to use the new service could take their garden waste to the household recycling centre in Welland Road, Dogsthorpe. We would also encourage the use of composters if you have the space to do so in your garden.</p> <p>Bins are allocated to individual properties and therefore we will not be collecting them from those residents who do not wish to pay for the new service.</p> <p>About 100 councils across the country already charge to collect garden waste and research has shown those areas have not seen an increase in fly-tipping after charges are introduced. Fly tipping is illegal. The council treats fly tipping as a serious offence and will prosecute any person or company caught fly tipping. Fly tipping carries a fine of up to £50,000 (unlimited if taken through the Crown Court) and offenders could be jailed or have their vehicle seized.</p> <p>There will be a flat charge of £36 a year for anyone paying before 27 May 2014 for the new garden waste collection service. However, if you choose to pay by direct debit then you will be given the option of splitting the payments over the year.</p> <p>The council discourages the use of bottled water at meetings and jugs of tap water are provided instead.</p>

	Category	Comment	Response
		I do realise that cuts have to be made somewhere but it would appear that there will be as much expense involved in this as it will save. I also realise that it is helpful if suggestions are made where cuts could be made. I guess someone with more knowledge of the budget could suggest more but how about cutting out the use of bottled water (also not environmentally friendly) at all functions, meetings, etc except for the Great Eastern Run?	
32	Garden Waste Collection and Council Tax	no council tax rises as you say but your putting £39 on a brown bin do we have to pay this or can we have our brown bin removed . £39 is the same as putting up council tax so we r no better off some pensioners like me if this does go up im sending mine back i dont want to pay £39 as most of my garden is 90% gravel	<p>If the proposed new charge for the garden waste collection service is agreed it will be an opt-in service. Residents do not have to pay the charge if they do not wish to use the new service.</p> <p>People who do not wish to use the new service could take their garden waste to the household recycling centre in Welland Road, Dogsthorpe. We would also encourage the use of composters if you have the space to do so in your garden.</p> <p>Bins are allocated to individual properties and therefore we will not be collecting them from those residents who do not wish to pay for the new service.</p> <p>There will be a flat charge of £36 a year for anyone paying before 27 May 2014 for the new garden waste collection service.</p>
33	School Transport and Council Tax	As a resident of the City of Peterborough I am greatly concerned that charges for Post 16 Special Needs School transport should NOT be implemented and respectfully ask that these proposals be reconsidered. I would also ask why a modest increase in Council Tax 2 per cent would equate to 50p per week for a Band D property should not be levied so all Council Tax payers share equally in these difficult economic circumstances. The Government is continuously saying we are all in this together.	There are no proposed changes to the provision of transport for post-16 students with special needs in this year's budget proposals.

	<b>Category</b>	<b>Comment</b>	<b>Response</b>
34	Garden Waste Collection	I think it is fairly obvious that we will see a huge increase in people fly tipping their garden refuse, if the proposed charges come into effect. It will then cost the council large amounts to clear it up. Not particularly cost effective.	More than 100 councils across the country already charge to collect garden waste and research has shown those areas have not seen a significant increase in fly-tipping after charges are introduced. Fly tipping is illegal. The council treats fly tipping as a serious offence and will prosecute any person or company caught fly tipping. Fly tipping carries a fine of up to £50,000 (unlimited if taken through the Crown Court) and offenders could be jailed or have their vehicle seized.
35	Garden Waste Collection	The proposal to charge £40 for a brown bin is a ludicrous idea. It would encourage a massive increase in fly tipping. When walking or driving around Peterborough it is obvious that fly tipping is making the City look very scruffy. One only has to read the ET to see how much fly tipping is happening. I thought Peterborough was a City that was promoting recycling. The cost of clearing the fly tipping green waste will far outweigh the collection of the content of the brown bin.	More than 100 councils across the country already charge to collect garden waste and research has shown those areas have not seen a significant increase in fly-tipping after charges are introduced. Fly tipping is illegal. The council treats fly tipping as a serious offence and will prosecute any person or company caught fly tipping. Fly tipping carries a fine of up to £50,000 (unlimited if taken through the Crown Court) offenders could be jailed or have their vehicle seized.
36	Garden Waste Collection and Council Tax	<p>As part of the consultation on next year's PCC budget and, specifically, the proposal to charge householders to have their brown bin emptied, please advise me:</p> <p>a) how much the brown bin service currently costs,  b) how much it would cost to collect brown bins once a month,  c) have the council attempted to renegotiate the contract? If so, what were the key issues that arose that meant the most palatable option was to charge households extra for brown bin collection?</p> <p>It is difficult to offer any alternative proposal without these questions being answered.</p> <p>My gut feeling is that charging extra will not work. My neighbour already uses my brown bin without my permission. I would rather hand the bin in than pay for my neighbour's waste to be emptied.</p> <p>I am also concerned that this is a council tax increase by another name.</p>	<p>The brown bin garden waste collection services currently costs the council about £800,000 a year to run.</p> <p>More than 100 councils across the country already charge to collect garden waste and research has shown those areas have not seen a significant increase in fly-tipping after charges are introduced.</p> <p>We would discourage people from putting garden waste in their black bins as this would then go to landfill.</p> <p>People who do not wish to use the new service could take their garden waste to the household recycling centre in Welland Road, Dogsthorpe. We would also encourage the use of composters if you have the space to do so in your garden.</p>

	Category	Comment	Response
		<p>I am concerned that many people will put their brown waste into their black bins, increasing landfill costs. Worse, some will fly tip.</p> <p>I would prefer that brown bin collections be made at a frequency that enables the service to be self-funding, as it was intended to be.</p> <p>Brown bins:</p> <ul style="list-style-type: none"> <li>• what makes you think quarter of households will pay for brown bins? they won't. Less risky to collect monthly</li> <li>• It is ridiculous to charge for brown bin collection given that Peterborough aims to be an Environment City</li> <li>• how will you make sure brown bin stickers are not defaced?</li> <li>• what do other councils pay each year to replace defaced stickers?</li> <li>• hoe much extra do similar councils (i.e. Lincolnshire) have to pay for their complaint service in staffing and compensation costs since introducing a bin sticker system? Important to benchmark with other councils who have already gone down this path.</li> <li>• how much will it cost to collect brown bins once a month?</li> <li>• I propose collecting brown bins once per month to realise efficiencies, instead of charging £39 per year for fortnightly collection</li> <li>• why is the brown bin scheme not self-funding as it was originally intended to be? Where is the subsequent compost on sale? If not already in place, I propose you negotiate deals with local garden centres so consumers can buy the compost easily without ringing a special number.</li> <li>• there will be an increase in fly-tipping if this charge is introduced. PCC needs to factor this in to the financial analysis. How much have PCC budgeted for this to cost?</li> <li>• a lot of people will put garden waste in their black bins. PCC needs to factor the additional cost of landfill in to the financial analysis. How much have PCC budgeted for this to cost?</li> </ul>	<p>We appreciate your additional feedback on the proposed new paid for garden waste collection service.</p> <p>We are faced with having to make some very difficult decision to close a £19 million gap in our budget. Over five years we will have lost £40 million of our government funding.</p> <p>Despite this, we are committed to ensuring that we continue to provide service for those who need our help and support the most such as the elderly and vulnerable and families in need.</p> <p>Unfortunately, it means we cannot continue to do everything we currently do. This includes providing services that we are not legally required to. Garden waste collection is one of them.</p> <p>If the proposed new charge is agreed it will be an opt-in service. You will not have to pay the charge if you do not wish to use the new service.</p> <p>Bins are allocated to individual properties and therefore we will not collecting them from homes/residents who do not wish to pay for the new service.</p> <p>More than 100 councils across the country already charge to collect garden waste and research has shown those areas have not seen a significant increase in flytipping or in the amount of waste that goes to landfill after charges were introduced.</p> <p>Flytipping is illegal. The council treats fly tipping as a serious offence and will prosecute any person or</p>

	Category	Comment	Response
		<ul style="list-style-type: none"> <li>• there will be extra complaints to the police and council with regards to brown bins being stolen, or being filled by neighbours. This already happens, but the problem will escalate if charging is brought in. PCC and the Police Service need to factor this in to the financial analysis. How much have PCC and the police budgeted for this to cost?</li> <li>• What benchmarking has PCC done with other councils who have already been running this charging system for a while? What are the types of issues that arise for those councils, and how many extra complaints about bins have those councils received since commencing charging. How does this compare to their pre-charging experience?</li> </ul> <p>Children's centres</p> <ul style="list-style-type: none"> <li>• why have you not asked children centre managers to identify efficiencies? why just choose to close them?</li> <li>• why are you putting free wi-fi in city centre and closing care homes and children centres? I propose you charge for wi-fi; perhaps after the first 15 minutes. Trains manage this successfully.</li> <li>• explore putting solar panels on roofs of all council buildings, including children's centres, to reduce bills.</li> <li>• allow continued universal access</li> <li>• a number of children's centres offer space rent free for chargeable ventures. Ask them to make a reasonable contribution to rent.</li> <li>• Offer one free educational session per week for 0-3 year olds and their parents. Charge for other educational play sessions.</li> </ul>	<p>company caught fly tipping. Fly tipping carries a fine of up to £50,000 (unlimited if taken through the Crown Court) and offenders could be jailed or have their vehicle seized.</p> <p>We have to pay to dispose of residents' garden waste it does not generate any income. However, the cost is substantially lower than the cost of sending waste to landfill.</p> <p>The organisation that takes the garden waste away already turns it into compost for re-sale. As stated previously this is a cost to the council it does not generate income.</p> <p>As this is a new scheme we will continue to monitor the impact and would make changes as necessary.</p> <p>Thank you for your feedback and suggestions for changes to children's centres.</p> <p>Throughout the public consultation we met with the two main children's centre providers, staff and the parent user groups and we listened carefully. That is why we decided to amend our original proposals to put in an additional £100,000 to the budget. This was to ensure that there would be services for families, with children under five, in all the areas where the children's centre buildings will be re-used.</p> <p>Families in every area will still be able to access midwife and health visitors services in their area,</p>

	Category	Comment	Response
		<p>Research suggests most parents would be happy to pay £2 per session, with low income families operating on a voucher system.</p> <ul style="list-style-type: none"> <li>• consider operating a membership system, i.e. monthly charge of £15-20 per child, reductions for siblings. This will provide an element of security of income.</li> <li>• ration use of the council estate across Peterborough. Reconsider sites of children's centres and move them where appropriate.</li> <li>• I hear Peterborough Library will be moving to one floor. What will go upstairs? Consider siting a children's centre downstairs in the Library (with appropriate soundproofing). All buses go to the town centre so it makes sensible to have a universal access centre here.</li> </ul> <p>Bayard Place and Town Hall</p>	<p>They will still be able to attend baby cafes in their area for advice on breastfeeding and they will also be able to make use of a one-hour child development session in their area each week run by professionals.</p> <p>However, we cannot continue all services as they currently are as we have to close a £19 million gap in our budget. Over five years we have seen a 40 per cent cut in our government funding.</p> <p>We have already said we would continue to fund essential children's services in particular for those families that need them the most.</p> <p>We have given a commitment to focus our resources on those families who need our support the most.</p> <p>The additional £100,000 will go some way to mitigate against the change of use of the children's centre buildings that are going to be re-used by, among other things, supporting for those parents wishing to set up their own groups to get the training they need so they have a full understanding of their duties to ensure children are properly safeguarded.</p> <p>Our listening does not end there. We continue to work with families and childcare providers to ensure those families who need our support the most get the services they need.</p>



	Category	Comment	Response
		<ul style="list-style-type: none"> <li>• turn the heating off above ground floor. It is unnecessarily hot in these two buildings.</li> <li>• Significant efficiencies could be gained by regulating heat better and turning lights, computers and heating off when not needed.</li> <li>• If not already in place, consider the benefits of installing "nightwatchman" software on council computers so that they automatically turn off at, say, 10pm, then come back on in the morning.</li> </ul>	<p>We are committed to reducing our energy usage and as such are working with the global energy company Honeywell to review all of our buildings and to find investment that will reduce the amount of energy we use in the long term.</p> <p>Some of our buildings are already fitted with automatic lights that are only on when people are in the room. We also have software that automatically turns off computers that have been left on. This saves energy and cost.</p>
37	Garden Waste Collection and General	<p>To make savings by again hitting adult social care, and children's centers is a disgrace. Also charging for the brown bins will not work. All that will happen is more and more people will end up dumping garden waste around the city costing the council more in clean up costs. We've spent thousands on Mr Cereste dream of fountains that never seem to work and doing up cowgate, and also other tin pot ideas he has. Millions on a dilapidated football ground overspent when there is no benefit to council tax payers. We have the owner of the football club willing to purchase at a sensible cost sell it to him. Shops still standing empty and many people in Peterborough now go shopping in places like Milton Keynes where there is greater choice, we have not been able to attract some big name retailers and have stood still in that respect for the last 20 years Let's get the basics right first.</p>	<p>Cllr Cereste was not Leader of the Council when the fountains proposal was agreed. However the work on public realm including Cowgate has ensured we have one of the lowest shop vacancy rates in the country. We have also attracted major retailers such as Primark to the city.</p> <p>The owner of the football club has not expressed a desire to purchase the ground at this time. However Council ownership has ensured a community stadium with a new skills centre being built.</p> <p>We will continue to provide children's centre services in the areas that need them most as well as a range of services for under-fives in all areas of the city; such as childcare and health visiting services, alongside specific parental support groups for things such as post natal depression and child development.</p> <p>More than 100 councils across the country already charge to collect garden waste and research has shown those areas have not seen a significant increase in fly-tipping after charges are introduced.</p>

	Category	Comment	Response
			Fly tipping is illegal. The council treats fly tipping as a serious offence and will prosecute any person or company caught fly tipping. Fly tipping carries a fine of up to £50,000 (unlimited if taken through the Crown Court) and offenders could be jailed or have their vehicle seized.
38	Garden Waste Collection and General	<p>Dear Sir or Madam,</p> <p>I for one will not pay for a £40 charge for Brown Bin collection my garden waste will go into the grey bin bagged up in black bin liners, the proposition to charge for brown bin collection will backfire on the council it will result in more fly tipping &amp; residents refusing to pay.</p> <p>I would suggest the council looks at the costs of outside consultants &amp; cutting wages for council staff paid over £50,000 a years.</p>	<p>We have continued to reduce our spend on consultants year-on-year since 2009/10 and the use of consultants is reported to Audit Committee on a regular basis for review by this cross-party group of members.</p> <p>The majority of council staff are on national terms and conditions and we are required to adhere to those including allocation of any pay awards.</p> <p>A new senior officer pay scale has recently been set following an independent review. Our pay scales for senior officers were benchmarked against other local authorities and not-for-profit organisations to ensure what we are paying is fair and equitable. This new pay scale has been agreed by Employment Committee.</p>
39	Garden Waste Collection	<p>Dear Sir</p> <p>I am sure that we are not alone in feeling that this plan is unacceptable. Surely this is one of the services funded by our Council Tax.</p> <p>The service should remain as originally introduced - ie; a part of the Greater Peterborough Recycling initiative. It should not be some sort of specialist clearance programme for which we, as residents, have to pay.</p> <p>We can envisage yet more rubbish being dumped in lay-byes and country lanes if the payment plan is passed. Perhaps prevention of this activity should be a priority by providing improved funding to pay for more regular Bin collection services. This funding should not be raised by charging households for the service. It should be a basic requirement of the City Council to provide it.</p>	<p>Garden waste collection is a discretionary service for councils.</p> <p>More than 100 councils across the country already charge to collect garden waste and research has shown those areas have not seen a significant increase in fly-tipping after charges were introduced.</p> <p>Flytipping is illegal. The council treats flytipping as a serious offence and will prosecute any person or company caught fly tipping. Flytipping carries a fine of up to £50,000 (unlimited if taken through the Crown Court) and offenders could be jailed or have their vehicle seized.</p>

	Category	Comment	Response
		Given that when recycling was introduced, threats to introduce fines to those households who did not use their green & brown bins were made, this plan feels morally wrong, and an insult to the regions` law abiding citizens.	
40	Garden Waste Collection	<p>To whom it may concern,</p> <p>Have just seen on the website that a proposal to pay for the collections. I am sure it will save the council money and that is good but feel people will not pay and tip garden waste anywhere if the bins are not collected for free. I am sure other councils charge about £10 a year.</p> <p>I feel that the council should look at what will happen to garden waste, in the future if the charge goes ahead.</p> <p>We already have bins left out all week on our estate and also rubbish is put out in the hope that a rag and bone man comes along to collect things. TV sets etc</p> <p>There is a pile of rubbish near the roundabout at house in Atherstone Avenue that has been there for weeks also others.</p> <p>I feel the council will loose out on the garden waste which will go into the black bins.</p> <p>Not everyone has a car to go to the tip.</p> <p>Hope you can pass this on to someone,</p>	<p>About 100 councils across the country already charge to collect garden waste and research has shown those areas have not seen an increase in fly-tipping after charges are introduced.</p> <p>Our research has shown that other areas are charging between £25 and £90 a year for garden waste collections.</p> <p>Thank you for reporting the issue of fly-tipping at Atherstone Avenue. If you spot any issues then please report them to 01733 747474 or online at <a href="https://customer.enterprise.plc.uk/PeterboroughWebOrders/Terms.aspx">https://customer.enterprise.plc.uk/PeterboroughWebOrders/Terms.aspx</a></p> <p>We would discourage people from putting garden waste in their black bins as this would then go to landfill.</p> <p>People who do not wish to use the new service could take their garden waste to the household recycling centre in Welland Road, Dogsthorpe. We would also encourage the use of composters if you have the space to do so in your garden.</p>
41	Garden Waste Collection and General	<p>I think you are wrong in assuming you will save money by charging for the Brown Bin Collection.</p> <p>You will find that people will NOT use the bin but take whatever they need to the local tip, or even fly-tip if they think they wont be caught.</p> <p>As you will still be collecting the green bin and hungry harry bin on alternate weeks then it still makes sense to keep the brown bins going.</p>	<p>There are already proposals within the budget to change the frequency of grass-cutting to a three-weekly cycle which would save £78,000.</p> <p>There is also a proposal to replace some flowerbeds and borders with shrubs to save the</p>

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		<p>Savings can be made elsewhere like cutting the money that is paid to the so-called senior council members. Cut down on the amount of people you have cutting the grass/hedgerows and picking up litter. I have seen examples of 10 people supposedly picking up litter, in fact only half of them do it and the others stand around watching. You need to look at sensible cut-backs and not stupid ones. Going back to the brown bin charges – you don't collect them January/February – so there is a saving straight away, some people only put theirs out once a month, I believe you will not make any substantial savings by trying to adopt a charge.</p>	<p>costs of regular replanting and allow grass to grow longer in some areas to encourage wildlife and wildflowers and this is anticipated to save £58,000.</p> <p>The current brown bin collection service costs the council £804,000 a year to run. By introducing a charge for this service it is anticipated to save the council about £800,000 a year.</p> <p>More than 100 councils across the country already charge to collect garden waste and research has shown those areas have not seen a significant increase in flytipping after charges were introduced.</p>
42	St George's Hydrotherapy Pool	<p>Hello</p> <p>I am writing to say, this pool definitely needs to be kept Open and funded. I recently went each week after a broken shoulder for sessions with PAt, physio, in the pool. WE paid £10 each week, well worth it. Pat is a brilliant physio with time for all, knows her job.</p> <p>All kinds of people go for various reasons, and also severely disabled people, they have broad smiles in there.</p> <p>The staff are brilliant, so enthusiastic and also very caring, and put on fund raising efforts themselves.</p> <p>WE now have no hydrotherapy pool at the main hospital , so St Georges is needed even more, for a town the size of Peterborough.</p>	<p>The 24 February Cabinet meeting discussed the saving proposal on St George's hydrotherapy pool following feedback received through the budget consultation. The Council will continue to keep the facility open beyond April, while working with others to consider options for the future. The Cabinet meeting agreed the following recommendation:</p> <p>Cabinet FURTHER RESOLVED to agree, in principle, to keep the Hydrotherapy pool open for a maximum of two years, subject to:</p> <ol style="list-style-type: none"> <li>1. The necessary income and funds being raised to fund the service, including financial support from the NHS; and</li> <li>2. The facility not requiring capital investment during that period</li> </ol>
43	St George's Hydrotherapy Pool	<p><i>Good evening, I have to register a protest regarding any closure of this very important health related pool, it caters for so many conditions, especially limb problems who need exercise but are unable to do it other than in a pool environment, as a former Peterborough City Councillor I find it impossible to understand just how a support of</i></p>	<p>The 24 February Cabinet meeting discussed the saving proposal on St George's hydrotherapy pool following feedback received through the budget consultation. The Council will continue to keep the facility open beyond April, while working with others</p>

	Category	Comment	Response
		<i>"£45,000 is such a large amount in the scheme of things, but I have to say that this sort of action against the most disabled of our society is the way that this council behaves in its dealings with people with a disability, I request that you look again and show some common sense in this matter."</i>	<p>to consider options for the future. The Cabinet meeting agreed the following recommendation:</p> <p>Cabinet FURTHER RESOLVED to agree, in principle, to keep the Hydrotherapy pool open for a maximum of two years, subject to:</p> <ol style="list-style-type: none"> <li>1. The necessary income and funds being raised to fund the service, including financial support from the NHS; and</li> <li>2. The facility not requiring capital investment during that period</li> </ol>
44	Garden Waste Collection	<p>I think this is so wrong.</p> <p>We live in rural Peterborough, our children (&gt;18) pay 10k each a year for their education. They can't afford to leave home. We receive less policing, less lighting, less road maintenance, we have no maintained public spaces. The only thing we potentially receive more than inner city areas is our brown bin collection, surely this is also an environmental issue too. WHY should we pay extra for this service???</p>	<p>The brown bin garden waste collection service is a discretionary service that costs the council about £800,000 each year to run.</p> <p>If the proposed new charge for the garden waste collection service is agreed it will be an opt-in service. Residents do not have to pay the charge if they do not wish to use the new service.</p> <p>If the proposal is approved, the charge will be £36 for the year for anyone signing up before 27 May 2014, or £39 for those who sign up after this date.</p> <p>People who do not wish to use the new service could take their garden waste to the household recycling centre in Welland Road, Dogsthorpe. We would also encourage the use of composters if you have the space to do so in your garden.</p>
45	Garden Waste Collection and Council Tax	<p>Dear Sirs</p> <p>It has come to my attention the recently announced plans for the Peterborough Council budget of next year from reading the Peterborough Evening Telegraph. I would like to register my discomfort in the idea of a £40 brown bin collection tax.</p>	<p>We have to pay to dispose of residents' garden waste it does not generate any income. However, the cost is substantially lower than the cost of sending waste to landfill.</p> <p>The organisation that takes the garden waste away already turns it into compost for re-sale. As stated</p>

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		<p>The brown bins are presently collected for Garden Waste. This waste is collected, composted and sold. This is a process that takes around 20 weeks. I note from the Peterborough council website that information regarding this process is not shared. From looking at the websites of other councils however, it is confirmed that the compost is sold for the purpose of commercial farming and gardening. How then can it be justified for collection when money is made on sale? As we live in the centre of a large agricultural sector of the country money should be look to be made from the sale of compost rather than the individuals collecting.</p> <p>I further find it very unsettling that this levy be placed on top of the tax already paid. The council has a mandate to provide services from its tax already, if it cannot meet these requirements it should not look to penalise certain users to meet budgets. Should those who are the victims of crime be victim to a Police Levy? If the cost cannot be met then either services must decrease or council tax increase. Putting a levy on top only serves to divide tax payers between rural and city. I feel this is drastically opposed to the position the council should be fostering.</p> <p>I finally would like to object to the idea of a brown bin tax as opposed to other waste products. Brown bins are incredibly important for the support of our natural world, the prevention of land fill and the protection of agricultural output. By use of brown bins it helps to prevent this waste going to landfill, where it produces methane. This make the land incredibly unstable for future use, as well as causing the risk of explosion. On top of this the Climate Change implications of this methane release are both drastic and overlooked. Methane is a gas more than 20 times more detrimental to the atmosphere than Carbon Dioxide. Because of this I ask, surely if this tax is a necessity a black bin tax would make more sense then a brown bin?</p> <p>I hope my objections are marked</p>	<p>previously this is a cost to the council it does not generate income.</p> <p>We appreciate your comments on the introduction of a charge for the service, but we are faced with making some very difficult decisions as we try to close a £19 million gap in our budget. Over five years we will have lost 40 per cent of our government grant.</p>
46	Garden Waste Collection	<p>dear sir or madam today in the local newspaper I have seen that you are going to start charging to have the brown bin collected at a cost of £40.00 well I am sorry but I am not paying that and you can come and take my brown bin</p>	<p>If the proposed new charge for the garden waste collection service is agreed it will be an opt-in service. Residents do not have to pay the charge if they do not wish to use the new service.</p>

	Category	Comment	Response
		away . I have got moor important things to spend my pay on like food gas Electric .thank you .	<p>We would discourage people from putting garden waste in their black bins as this would then go to landfill.</p> <p>People who do not wish to use the new service could take their garden waste to the household recycling centre in Welland Road, Dogsthorpe. We would also encourage the use of composters if you have the space to do so in your garden.</p> <p>Bins are allocated to individual properties and therefore we will not be collecting them from those residents who do not wish to pay for the new service.</p>
47	Garden Waste Collection and Council Tax	How can it be that Peterborough City Council have made the decision to avoid putting Council Tax up this year and then enterprise are saying that they are going to charge us for Brown Bin Collection this year, I think you will find that a lot of people will opt out of paying for that service and end up either dumping their garden waste elsewhere or just putting it in their black bin, and if that happens you know only too well that the bin men cannot check every bin they empty so how is that going to work, its outrageous that they are even thinking of charging for a service that we are already paying for through our council tax.	<p>If the proposed new charge for the garden waste collection service is agreed it will be an opt-in service. Residents do not have to pay the charge if they do not wish to use the new service.</p> <p>We would discourage people from putting garden waste in their black bins as this would then go to landfill.</p> <p>People who do not wish to use the new service could take their garden waste to the household recycling centre in Welland Road, Dogsthorpe. We would also encourage the use of composters if you have the space to do so in your garden.</p> <p>Bins are allocated to individual properties and therefore we will not be collecting them from those residents who do not wish to pay for the new service.</p> <p>More than 100 councils across the country already charge to collect garden waste and research has</p>

	Category	Comment	Response
			shown those areas have not seen a significant increase in flytipping after charges were introduced
48	St George's Hydrotherapy Pool	<p>I have read that Peterborough Council will no longer fund the Hydrotherapy Pool and therefore are considering closing it down if you cannot source another form of funding.</p> <p>This is <b>extremely bad news</b> for the community of Peterborough and in particular all those individuals who utilise the pool for a variety of reasons.</p> <p>I truly believe that my recovery from recent hip replacement surgery would not have been as successful without the use of the hydrotherapy pool. In fact I would say it has been the most successful support that I have utilised. It is within easy driving distance, coupled with knowledgeable staff and managed extremely well by NAME.</p> <p>The staff are wonderful to all the customers – never judgmental and extremely helpful to all individual needs. It is the one service that I can honestly say 'makes a difference' within the Peterborough area. Without it, I may well need to utilise the NHS physio services which I am sure is an even more expensive service to provide to the community!</p> <p>I would ask that before you make a decision to 'close' this service/centre down – why don't you take the time to come and visit the pool, watch the clients using it, actually speak to the clients getting to really understand the difference it makes to our lives. Perhaps the information gathered from this will motivate you and inspire you to do whatever it takes to find the funding for this fantastic centre.</p> <p>Please do not put 'Money' as a priority above the health and well-being of your local community.</p>	<p>The 24 February Cabinet meeting discussed the saving proposal on St George's hydrotherapy pool following feedback received through the budget consultation. The Council will continue to keep the facility open beyond April, while working with others to consider options for the future. The Cabinet meeting agreed the following recommendation:</p> <p>Cabinet FURTHER RESOLVED to agree, in principle, to keep the Hydrotherapy pool open for a maximum of two years, subject to:</p> <ol style="list-style-type: none"> <li>1. The necessary income and funds being raised to fund the service, including financial support from the NHS; and</li> <li>2. The facility not requiring capital investment during that period</li> </ol>
49	Adult Social Care	<p>Dear Council,</p> <p>As the wife of a severely disabled older gent, in receipt of NHS provided Continuing Care, I have the following points to make.</p>	<p>Thank you for your feedback on the budget consultation document.</p> <p>We apply a vigorous approach to ensuring that any housing applicant's medical needs are assessed and investigated fully so that any disabled resident and their family's needs are matched with suitable, available accommodation. We accomplish this by</p>



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		<p>I have read in the press that there will be a closer working relationship between social and health provided care. This sounds like a good idea in principle as long as that does not mean that those with higher medical based needs are palmed off with care workers that are really only qualified to service social need clients. The level of care provided must be risk assessed, suitable and flexible to meet the needs of the client as per the national drive for fully integrated personalised care.</p> <p>I read in the local newspaper a quote regarding helping vulnerable citizens to stay as long as possible in their own homes. If this is truly an aim of your council then it is incumbent on you as a council to totally overhaul your housing policies for the old and/ or disabled.</p> <p>Your housing OTs need to recognise the different space requirements needed for a wheelchair user living with drop in care as opposed to those that have a near full time care team looking after them. The latter is a place of work for a care worker as well as the clients home.</p> <ol style="list-style-type: none"> <li>1. Many times because of the double incontinence of the client a separate hygiene area is needed for those care workers to protect their Health and Safety in the work place.</li> <li>2. Bedroom sizes need to take into account how many beds are needed in that room and what equipment will be used. If sliding sheets are employed access for care workers all around the bed is needed, plus sufficient space for a mobile hoist and the clients wheelchair to manoeuvre free of danger of banging into door frames and walls.</li> <li>3. Space allowance allocation needs to assume that not only are the tenant(s) occupying the space but also the care team when making such calculations , e.g. is the living room big enough to seat , client + family+ care team e.t.c .</li> </ol> <p>I also see around me totally wheelchair bound clients being housed on other than the ground floor, while I recognise there may be some personal choice in that. Cognisance needs to be more seriously taken in how will that person evacuate during an emergency , is the lift big enough to take an ambulance trolley. If the lift is not working will the returning</p>	<p>having fully qualified and experienced occupational therapists working alongside our experienced housing staff. This approach has been very successful through our choice based lettings scheme in providing accommodation to meet our residents' needs.</p> <p>Care Homes staff play an important part in identifying equipment needs when a person commences living in a care home and when their care needs change. People living in care homes have the same right to services, including the provision of equipment, as those living in their own homes. This includes assessment and provision of assistive technology like telecare. Care homes provide standard moving and handling equipment, e.g. handling belts and slide sheets as well as stand aids, hoists and slings. A community occupational therapy referral would also be made for additional moving and handling advice and information or when none of the equipment in the care home meets a resident's needs and alternative solutions need to be considered.</p> <p>An occupational therapist would first obtain a medical summary from the GP, carry out a visit and complete a core assessment and care plan and provide necessary assistive equipment through ICES (Integrated Community Equipment Services) to meet the needs of the client and/or carers, e.g. specialist slings.</p> <p>From February 2014, this service is provided via a seven year contract with Nottingham Rehab Supplies (NRS). Occupational therapists work in close partnership with housing needs in identifying adapted or adaptable properties for people on the rehousing register.</p>

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		<p>client be able to get into their home. Care workers as is human nature, in an emergency will save themselves first before their clients, why put the risk there in the first place. Building construction also needs to be better examined , for example we cannot have either a wall mounted or ceiling track hoist fitted because there is nothing solid to fix it too.</p> <p>You will not have many people on your housing lists, in your extra care facilities that come under this particular remit I speak of. I think they deserve the extra time and effort that a specific case manager would bring to house them in surroundings that will be conducive to both their ongoing general health as well as their mental health. Not to mention the health and safety at work of their care workers / nursing staff.</p> <p>If you have not got such in your current housing stock then some of your budget needs to be set aside to remedy the situation as soon as possible, as more disabled people are living longer with more and more complicated medical conditions, many of whom it is not appropriate to be placed in a nursing home. Talk to the experts in the field, such as Habinteg, Aspire, Papworth Trust, get some more qualified help on board as what you are doing now is not cutting it.</p> <p>On a personal note I am utterly disgusted with the way myself and my husband have been treated under the majority of the local services here in Peterborough. From where I am sitting Peterborough does not look after its sick, disabled and vulnerable.</p>	
50	Garden Waste Collection	<p>Hi,</p> <p>Could you tell me how I go about getting rid of my brown bin?? As I refuse to pay an additional amount on top of my Council Tax, to be quite honest I cannot afford the extra amount, as I am sure many other people cannot.</p> <p>Many Thanks,</p>	<p>If the proposed new charge for the garden waste collection service is agreed it will be an opt-in service. Residents do not have to pay the charge if they do not wish to use the new service.</p> <p>We would discourage people from putting garden waste in their black bins as this would then go to landfill.</p> <p>People who do not wish to use the new service could take their garden waste to the household</p>

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			<p>recycling centre in Welland Road, Dogsthorpe. We would also encourage the use of composters if you have the space to do so in your garden.</p> <p>Bins are allocated to individual properties and therefore we will not be collecting them from those residents who do not wish to pay for the new service.</p>
51	Garden Waste Collection	When you start charging for Brown Bin collection, will the bins be emptied 12 months of the year and not left for 3 months as has happened this winter?	The proposed new brown bin collection service will be fortnightly apart from December and January, when they will be collected monthly.
52	Garden Waste Collection and Council Tax	<p>Dear Councillors – are you sure you can meet all your statutory commitments by continuing to freeze council tax as well as taking huge hits from central government funding? Maybe put up our Council Tax by the permitted amount and extend the Council Tax relief system to help those who need it – using some, but not all, the increase in the Council Tax – at least there would be some extra.</p> <p>Does the company which collects our brown bins make any money from the recycling of the brown bin contents – if so why are we having to pay £40 extra to have the brown bin rubbish collected – will this not lead to more dumping and expense to clear the rubbish up?</p> <p>I do hope you can all pull together to create a great City.</p>	<p>The budget proposals are a package of measures being recommended by Cabinet to meet a £19 million gap in the budget for 2014/15. This is to enable the council to continue to meet its statutory duties, keep open some of the services that we do not have to provide but that you value such as libraries, the museum, sports centres and swimming pools and also invest in the city to keep it prosperous.</p> <p>These proposals include a two-year council tax freeze.</p> <p>We have to pay to dispose of residents' garden waste. The cost is substantially lower than the cost of sending waste to landfill.</p> <p>The organisation that takes the garden waste away already turns it into compost for re-sale. As stated previously this is a cost to the council it does not generate income.</p> <p>More than 100 councils across the country already charge to collect garden waste and research has</p>

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			shown those areas have not seen a significant increase in fly-tipping after charges are introduced
53	Garden Waste Collection and General	<p>Hi All</p> <p>While you may well be looking at making cuts I think there are areas where finances can be cut first i.e.:-</p> <p>instead of having a staff agency employ people in permanent jobs like if you have to have someone work for 12 months in a department give a 12 month temporary contract not an indefinite contract.</p> <p>Brown bins - do you really think its a good idea to charge as the waste put in this bin helps make compost which you sell back to the public - if you charge people for brown bins usage then instead of charging for compost bring them some compost as part of the charge? say spring and autumn when people will be planting bulbs!</p>	<p>We have to pay to dispose of residents' garden waste it does not generate any income. However, the cost is substantially lower than the cost of sending waste to landfill.</p> <p>The organisation that takes the garden waste away already turns it into compost for re-sale. As stated previously this is a cost to the council it does not generate income.</p> <p>We are constantly reviewing the way we provide service to ensure that we delete any vacant posts we no longer need. We also use temporary staff on short-term contracts where appropriate to carry out time-limited projects.</p>
54	Garden Waste Collection and Council Tax	<p>As a member of the public I have already asked who introduced garden waste bins in the first place, the Peterborough City Council of course. Why are not the Theatres run as a private concern, I would suspect that less than 10% of Peterborough people visit these venues so why do the other 90% pay to support them. My other point is how much would be raised if the Council Tax were to be raised by £40 per year per household. What is the point of freezing the Council tax for two years if you are going to reduce other services. Telling the Peterborough People that you are freezing the Council Tax for two years is nothing more than a vote catcher. Why don't you go back to the times when Counillors claimed expenses and worked for the good of the community, and not joined for a second income which comes from the Council tax payers pockets.</p>	<p>The government sets a limit on the level that councils could raise council tax by and if councils wanted to raise council tax by more than this they would be required to hold a local referendum that could cost hundreds of thousands of pounds. Currently the threshold is set at two per cent. If we were to raise council tax by two per cent this would cost the average household around £23 extra a year.</p>
55	Garden Waste Collection	<p>Dear Sirs, I read in the Evening Telegraph that you are going to charge a fee for having Brown Bin Collections. I do not own a brown bin as I compost all my rubbish and I want to know how you are going to implement the charge.Can you please telephone me on with regard to this question.</p>	<p>If the proposal is approved, the charge will be £36 for the year for anyone signing up before 27 May 2014, or £39 for those who sign up after this date. People who do not wish to use the service do not have to pay.</p> <p>The refuse collectors will have up-to-date information on their vehicles to let them know which</p>

	Category	Comment	Response
56	St George's Hydrotherapy Pool	<p><b><u>“St George’s Hydrotherapy Pool</u></b></p> <p><i>There is currently no specific budget to pay for the hydrotherapy pool which has been funded for a number of years through department under spends. There has been a drive to make the facility self-funding, however, this has proved unsuccessful to date. In 2013/14 the council subsidised the pool by £45,000. Unless a source of funding can be found, we are no longer in a position to support the facility and the pool will close. As a result of the age and condition of the facility it requires substantial investment for it to have any future.”</i></p> <p>Dear Stewart and Peterborough City Council</p> <p>I am greatly annoyed with the fact that the Peterborough City Council are cutting its funding for this essential medical necessity, when the government is spending £30 million on a bridge over the River Thames bearing just a garden – for whom?</p> <p>I am sure that with the increasing need for persons needing the pool, the Peterborough City Council can find other ways of cuttings costs or just say “NO” to the Government. Are we not more important in this world, than a Government who wants its financial figures to look good to other nations?</p> <p>I have suffered with hip problems for several years and I know the comfort and relief that this pool gives. Perhaps both the Government and the Peterborough City Council would rather have no pool and extra costs being made on benefits and other medical recourses.</p> <p>I await your response with interest.</p>	<p>residents have paid for the service and they will only collect their bins.</p> <p>The 24 February Cabinet meeting discussed the saving proposal on St George’s hydrotherapy pool following feedback received through the budget consultation. The Council will continue to keep the facility open beyond April, while working with others to consider options for the future. The Cabinet meeting agreed the following recommendation:</p> <p>Cabinet FURTHER RESOLVED to agree, in principle, to keep the Hydrotherapy pool open for a maximum of two years, subject to:</p> <ol style="list-style-type: none"> <li>1. The necessary income and funds being raised to fund the service, including financial support from the NHS; and</li> <li>2. The facility not requiring capital investment during that period</li> </ol>
57	General	<p>As invited by various people and 'the media', I am happy to submit a few thoughts regarding ways in which Council expenditure could be reduced. I do not attempt claim that any of the following is original, it is mainly a summary of popular opinion that one may hear whenever this topic is being discussed.</p>	<p>The senior management restructure at the end of last year and subsequent voluntary redundancies led to six senior management posts being deleted.</p> <p>At Employment Committee on 4 February, the cross-party group of councillors agreed to set a</p>

	Category	Comment	Response
		<p>1/ Stop paying ridiculously high levels of remuneration to 'senior' Council employees and consultants and, indirectly, to the employees of the organisations to which services have been out-sourced. (Apart from being poor 'value for money', many of these people do not hold the qualifications, or have the 'track record', to ever justify what they are receiving.)</p> <p>2/ Overhaul the administrative structure and dispose of all those that are occupying sinecure and valueless posts.</p> <p>3/ Have a serious look at what is being paid out by the Council as reimbursable expenses, with a view to reducing what is allowed to be claimed.</p> <p>4/ 'Final salary' based pension schemes have been abandoned by commerce and industry as being too expensive and too easily to fiddle. Follow this example, and reduce the cost of the present overly-generous pension scheme that Council employees are in ! (See the last set of accounts for details of the 'black hole')</p> <p>5/ Put a stop to Council spending on vanity and speculative projects; concentrate instead on providing efficiently run civic services.</p> <p>6/ Put an end to the practice of contracting out basic operations, in the pretense that savings are thus being achieved. (It is blatantly apparent that paying out public funds to companies whose raison d'être is to maximise the production of profits for the stock-exchange investors that own them, is not of benefit to the community that is the source of these funds.)</p>	<p>new pay scale for directors and senior managers following an independent review of senior officer salaries across other local authorities and the not-for-profit sector. The new pay-scale that has been set is mid-range which we feel will enable us to attract the right people to lead the organisation.</p> <p>The Council Leader and Cabinet Members do not receive salaries although the roles are often more than full time. All councillors receive a basic allowance for being a councillor and those that hold other special responsibilities such as Cabinet Members and the chairmen and chairwomen of committees receive an additional allowance to reflect their added responsibilities.</p> <p>A full list of these allowances are available at <a href="http://democracy.peterborough.gov.uk/documents/s16837/Members%20Allowances%202012-13.pdf">http://democracy.peterborough.gov.uk/documents/s16837/Members%20Allowances%202012-13.pdf</a></p> <p>At a meeting of Council in December, councillors rejected a recommendation by an independent panel to increase their allowances. It means councillors' allowances have been frozen for the past five years.</p>
58	School Places	<p>I understand from my local Conservative Party newsletter that the City Council is committed to spending £26000000 on new school provision.</p> <p>As a hard-pressed council tax payer I would be grateful to be informed of the source of this money.</p>	<p>We are expecting to receive around £13.5 million in government grant in 2014/15 to support the growing need for school places we have in the city. The £26 million is going on meeting the demographic increases in population across the city.</p>
59	Garden Waste Collection	<p>I am concerned that charging for brown bins will increase the amount of rubbish being sent to land fill. This is surely against the principal of the council and government who wish to increase the amount of items that</p>	<p>The proposed new brown bin collection service fortnightly apart from December and January, when they will be collected monthly.</p>

	Category	Comment	Response
		<p>are recycled. I believe that the council is fined by the government for sending increased items to land fill. Surely this will out weigh any increase in revenue received by charging for the service.</p> <p>The charge of £39 for a fortnightly collection does seem high especially when a rural authority (Cotswold District Council) charges £30 for a weekly collection of garden waste.</p> <p>I also assume that the collection will continue throughout the year and not have a break during the winter months as happened this year.</p>	<p>More than 100 councils across the country already charge to collect garden waste and research has shown those areas have not seen a significant increase in fly-tipping after charges are introduced or any substantial increase in waste sent to landfill.</p>
60	Garden Waste Collection	<p>I understand that from 2014 there will be an annual charge for the collection of brown bin waste. As I have seven compost bins to recycle my kitchen and garden waste, I have no need for my brown bin. Therefore please can you outline how I and when I can make my brown bin available for collection?</p>	<p>If the proposed new charge for the garden waste collection service is agreed it will be an opt-in service. Residents do not have to pay the charge if they do not wish to use the new service.</p> <p>Bins are allocated to individual properties and therefore we will not be collecting them from those residents who do not wish to pay for the new service.</p>
61	General	<p>So you need to save £800,000 as you say that's the cost of brown bin collection.</p> <p>Firstly I understand about £500,00 has been spent on the unnecessary "cathedral square Fountains"</p> <p>At this time they are still not working properly ( no height) and only run for a short few months.</p> <p>A totally needless expenditure when the money should be focused on people and services.</p> <p>This means not closing the child care centre's and providing the services to the tax payers of Peterborough.</p> <p>These are the priorities in times such as this.</p> <p>Also how about the £1.5 million spent so far on the solar project. An utter disgrace.</p> <p>With this money better spent you could have done the important things and keep the child centre's open and the bin service going.</p> <p>It then would have been spent on people, not projects and water features.</p>	<p>We appreciate your feedback on the proposed new paid for garden waste collection service, however, we are faced with having to make some very difficult decision to close a £19 million gap in our budget. Over five years we will have lost £40 million of our government funding.</p> <p>However, we are committed to ensuring that we continue to provide service for those who need our help and support the most such as the elderly and vulnerable and families in need.</p> <p>Unfortunately it means we cannot continue to do everything we currently do, especially those service we are not legally required to provide such as garden waste collections. More than 100 councils have already introduced charges to run garden waste collection services.</p> <p>The funding for the fountains in Cathedral Square came from the government's Growth Area Fund,</p>

	Category	Comment	Response
			<p>and the East of England Development Agency (EEDA). It was specifically allocated to be spent on Public Realm works and could not be used for anything else. If we hadn't used it for the Cathedral Square project we would have had to return it and another town or city could have benefited from the funding instead.</p> <p>The fountains have become increasingly popular feature of our regenerated city centre and the works in Cathedral Square, St John's Square, Bridge Street and Cowgate are already showing a return. Not only have we attracted big high street names to Peterborough who may otherwise not have come here but we also now have one of the lowest shop vacancy rates in the country (nine per cent compared to 14 per cent nationally) and are the UK's fastest growing city and have the second highest private sector employment growth.</p> <p>The budget consultation document highlights the potential income that would be generated from our renewable energy projects and the predicted profit from all schemes. It also outlines the impact on future budget deficits should they not go ahead.</p> <p>There are many benefits to these schemes. The energy generated could be sold to provide an important source of income to fund future services at a time when government funding is scarce and councils are facing year-on-year cuts. Generating our own energy would also help us safeguard our budgets against future rising and uncertain energy costs.</p> <p>The projected income from these projects has already been factored in to our budget position for future years. If they did not go ahead this would have a dramatic impact on our funding gap.</p>



	Category	Comment	Response
			<p>Full details of progress and latest financial forecasts were reported to the Scrutiny Commission for Rural Communities on 16 December 2013. More details can be found at the link below:</p> <p><a href="http://democracy.peterborough.gov.uk/ieListDocuments.aspx?CId=405&amp;MId=3273&amp;Ver=4">http://democracy.peterborough.gov.uk/ieListDocuments.aspx?CId=405&amp;MId=3273&amp;Ver=4</a></p>
62	Garden Waste Collection	<p>Re this proposal.</p> <p>Please be aware that many householders (me included) in the Netherton and Longthorpe areas cut the grass on open spaces adjacent to their properties. They do this because either the grass is not cut by anyone else or because the Council only cuts it spasmodically and to a rough standard. Householders cutting the grass growing on such open space areas will place it in their brown bins.</p> <p>There is therefore the real possibility that should a charge be levied for brown bin content then householders will stop cutting the grass on such open space areas. In consequence the appearance of these areas will suffer.</p> <p>I expect that there are also other areas of the City where householders also cut the grass on open space areas given the extent of green open space area in the City.</p> <p>Please can you pass this submission on to the Councillors representing the Netherton and Longthorpe areas and confirm to me that this has been done.</p>	Your comments have been passed onto your local councillors.
63	St George's Hydrotherapy Pool	<p>&gt;&gt;</p> <p>&gt;&gt; I care for my 5 year old disabled son NAME WITHELD who suffers from Cerebral Palsy, I have been taking NAME WITHELD to this fantastic facility for over two years now, and though the use of this pool he has learnt to swim independently, with NAME WITHELD disability there are not many things he can do independently i.e. move from position to position, sit to stand, or laying down to sitting up or even walk, the positive benefits NAME WITHELD gets from swimming is building</p>	The 24 February Cabinet meeting discussed the saving proposal on St George's hydrotherapy pool following feedback received through the budget consultation. The Council will continue to keep the facility open beyond April, while working with others to consider options for the future. The Cabinet meeting agreed the following recommendation:

	Category	Comment	Response
		<p>muscle strength, independence and confidence in the water. NAME WITHELD is unable to use a normal swimming pool as the muscles in his legs tighten when in cooler water causing him discomfort.</p> <p>&gt;&gt;</p> <p>&gt;&gt; I believe Matley primary school no longer have a pool in use, Peterborough Hospital didn't go ahead with building a new pool when the the Hospital was relocated and the Phoenix school is not open to the public. If St George's Hydro pool closes this will have a massive negative impact on NAME WITHELD well being</p> <p>&gt;&gt;</p> <p>&gt;&gt;</p> <p>&gt; I understand that St George's needs a lot of money spending on it, is the Phoenix school owned by the council, if so could this facility not be used after school and weekends, I am sure users would be happy to pay and funds could go back into the Phoenix school</p> <p>&gt; I think if users of the pool had some sort of alternative given they would be happy</p>	<p>Cabinet FURTHER RESOLVED to agree, in principle, to keep the Hydrotherapy pool open for a maximum of two years, subject to:</p> <ol style="list-style-type: none"> <li>1. The necessary income and funds being raised to fund the service, including financial support from the NHS; and</li> <li>2. The facility not requiring capital investment during that period</li> </ol>
64	St George's Hydrotherapy Pool	<p>Dear Sir or Madam,</p> <p><b><u>Against the proposal to withdraw support from St George's Community Hydrotherapy Pool</u></b></p> <p>I am writing to request that the Council do not withdraw support from St George's Community Hydrotherapy Pool at the end of March. Instead it apply pressure for the Leads of Cambridgeshire and Peterborough CCG along with the Council, Adult Social Care, Children's Services, service users, and other pertinent groups, to work collaboratively to find a suitable short, and ultimately a long-term solution, as quickly as possible please.</p> <p>The reasons:</p> <p><u>Hydrotherapy is important</u></p> <p>Hydrotherapy is the only form of safe exercise available for those whose medical condition or disability means that they are unable to benefit from land exercise or pools with lower temperatures. This is potentially a large number of people: I understand that there are 35,000 people living in</p>	<p>The 24 February Cabinet meeting discussed the saving proposal on St George's hydrotherapy pool following feedback received through the budget consultation. The Council will continue to keep the facility open beyond April, while working with others to consider options for the future. The Cabinet meeting agreed the following recommendation:</p> <p>Cabinet FURTHER RESOLVED to agree, in principle, to keep the Hydrotherapy pool open for a maximum of two years, subject to:</p> <ol style="list-style-type: none"> <li>1. The necessary income and funds being raised to fund the service, including financial support from the NHS; and</li> <li>2. The facility not requiring capital investment during that period</li> </ol>

	Category	Comment	Response
		<p>Peterborough with long-term condition or disability; anyone may require hydrotherapy at any time.</p> <p><u>Hydrotherapy is saving the LA and CCG money</u></p> <p>I normally prefer to keep my own circumstances private but if sharing these today could make a difference and serve to illustrate how beneficial hydrotherapy can be - especially when it comes to saving money – it will be worth it.</p> <p>I have complex conditions PERSONAL INFORMATION My professors in London describe hydrotherapy as “an essential treatment” for me. I have paid for regular twice-weekly hydrotherapy in Peterborough for past 14 years. Owing to hydrotherapy, I maintained enough independence to ensure I have not required any support from the local authority. My husband works part-time. Also amongst other savings, for 14 years I have been able to postpone major and expensive surgery in London.</p> <p><u>Impact and cost of removing hydrotherapy</u></p> <p>If I lose access to hydrotherapy, none of the above will continue. I am likely to become significant financial burden to both the LA and CCG.</p> <p>Removing support for this essential service WILL prove to be a false economy for the authority, while at the same time hurting the most vulnerable.</p> <p>I realize it is very hard to measure prevention, but anyone visiting the hydrotherapy pool will find a multitude of users with similar stories and I have not even mentioned the positivity and palpable sense of improved health and wellbeing you find there.</p> <p><u>To date, there has been a lack of consultation or an assessment of the impact that closing the pool, at short notice and with no alternative provision, will cause</u></p>	

	Category	Comment	Response
		<p><u>St George's Community Hydrotherapy Pool fulfils many of the Council's stated aspirations</u>: improving health, lifestyle, independence, community cohesion and reducing inequalities.</p> <p><u>St George's 45K subsidy may be lower</u></p> <p>I understand the 45K (13/14) could be potentially be less because it does not include the income from commissioning nor the later CLF contributions. However, it does include a staffing cost that has been removed, so would not be repeated again. At worst, 45K considering the potential costs of removing hydrotherapy with no alternative provision does not seem a great deal if shared between all the main stakeholders - including the service users – until a long-term solution is found.</p> <p><u>Possible sources of funding:</u></p> <p>I read that Cambridge and Peterborough CCG and Council are now required to join up health and care services with aim of shifting resources from acute to into community and preventative settings. I understand £7.4m will be available 2015-16 (in addition to Public Health funding). Could funding a hydrotherapy facility for the whole community of Peterborough be a consideration?</p> <p>I would also support PCC raising the council tax up to the 2% threshold in order to preserve vital services like this.</p> <p>For your information, I included a summary of information about St George's below. I will be happy to supply additional details and evidence, if required.</p> <p style="text-align: center;"><u>Summary of Information about St George's Community Hydrotherapy Pool</u></p> <p><u>The clients:</u></p>	

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		<p>1,800 people have used St George's Community Hydrotherapy Pool.</p> <p>Clients come from every ward in the city.</p> <p>Users' ages range from under 8 months to well over 80 years.</p> <p>Users have a wide range of acute and chronic illnesses and disabilities.</p> <p>Approximately 250 people access the pool every week and a fifth (50) are children under 16.</p> <p>Seven schools, one nursery, and one college currently use the pool.</p> <p>Four local day centres (including one for children) access the pool.</p> <p>Six care homes use the pool.</p> <p>In addition, a number of users with care plans and packages access the pool independently.</p> <p>The pool has just started new physiotherapy and aquafit classes. These are already fully booked.</p> <p><u>Positive health outcomes and cost savings</u></p> <p>Hydrotherapy at St George's Community Pool fulfils each one of the five priorities expressed in Peterborough's Health and Wellbeing Strategy 2012-15.</p> <p>Three studies conducted at the pool showed positive health outcomes after just two sessions with an NHS aquatic physiotherapist. 74% of those who completed both sessions paid to continue their treatment at the pool.</p> <p>In addition, we have a number of case studies that show clients are using hydrotherapy at St George's to:</p>	

	Category	Comment	Response
		<ul style="list-style-type: none"> <li>• Improve their rehabilitation times, meaning faster returns to work and normal life</li> <li>• Prevent surgery and hospitalizations</li> <li>• Improve their independence</li> <li>• Prevent additional care needs</li> <li>• Decrease their pain medication</li> <li>• Decrease their visits the GP</li> <li>• Improve their quality of life and their mobility</li> </ul> <p>Despite all the thousands of people living in Peterborough with disability or long-term condition, two hydrotherapy pools at (PDH and Matley) have recently been closed leaving only the Phoenix School (which is at full capacity) and St George's open. If the pool at St George's closes many of the city's most vulnerable patients will be left without any access to this vital service, the new pool at PJ Care may only be suitable for 3% of St George's clients.</p>	
65	Garden Waste Collection	<p>I was concerned when I heard on Cambridge Radio that Peterborough City Council are going to charge the house holders to have their Brown Bins emptied the brown bin was introduced by the council, so that garden waste was pu into the Borwn bins and recycled intead of being put in the black bin for landfill.</p> <p>The council introduced the brown bin to stop garden waste filling precious land-fill space and areas.</p> <p>I was lead to believe that the garden waste would be recycled into compost if so where does any income from either selling it or the savings from the parks and amenities using it go to surly this should off put any extra costs that the council incur And also the council taxes have been assessed with the costing of emptying of these bins.</p> <p>One of my objection to being charged for having to pay for having the bin emptie is that where I live in Cerris Rd there are several oak trees that shed their leafs that then end up in my front garden and then in to the brown bin for collection.</p> <p>Will the council be prepared to reimburse the cost incurred in clearing the leafs from my property, or have somebody paid by them to clear them of my frontage when require daily in the Autumn period , I think not because the cost would far out strip the cost of emptying them on a fortnightly period that the rate payer already pays for in their council taxes.</p>	<p>We have to pay to dispose of residents' garden waste it does not generate any income. However, the cost is substantially lower than the cost of sending waste to landfill.</p> <p>The organisation that takes the garden waste away already turns it into compost for re-sale. As stated previously this is a cost to the council it does not generate income.</p> <p>More than 100 councils across the country already charge to collect garden waste and research has shown those areas have not seen a significant increase in flytipping or in the amount of waste that goes to landfill after charges were introduced.</p> <p>Flytipping is illegal. The council treats fly tipping as a serious offence and will prosecute any person or company caught fly tipping. Fly tipping carries a fine of up to £50,000 (unlimited if taken through the Crown Court) and offenders could be jailed or have their vehicle seized.</p>

	Category	Comment	Response
		<p>If the council insist on charging rate payer to have their bins emptied there will be more needless fly tipping done which will then create more eyesores around Peterborough.</p> <p>Also on Dogsthorpe more householder will sweep the leafs on to the public footpaths and roads instead of putting them into the brown bins, which will then when the leafs are wet create health and safety issues because of old and young people slipping on them, this will then incur more expense to the council and rate payers paying compensation to the victims.</p>	
66	Children's Centres	<p>I wish to register my disagreement with the proposals to reduce the funding given to Surestart Children's Centres.</p> <p>Central Government has stated that they have not reduced local authority funding for Surestart - they have merely removed the requirement for councils to ring fence it -so for Councillor Scott to try to blame the Government is misleading. Peterborough City Council has decided to cut the funding for Children's Centres - but it has got its priorities wrong and needs to reconsider that decision.</p>	<p>We appreciate your comments on the proposed changes to how children's centre services will be provided in the future</p> <p>Under the proposals, there will be services for families in each of the areas where the children's centres buildings are going to be used differently.</p> <p>Vulnerable families in the greatest need, wherever they live in our city, will be supported through the four main centres and the outreach centres and if necessary we can take this support into their local area and their own homes.</p> <p>We have had to make some very difficult decisions. We will have lost 40 per cent of our funding from government over five years including reductions in funding for children's services.</p> <p>We did listen to parents concerns through the consultation and we continue to listen.</p> <p>This is why we are putting in an additional £100,000 to support those services that parents said they care about the most. This means all parents will still be able to go to their midwife and health visitor clinics in their local area and attend</p>

	Category	Comment	Response
			<p>child development play sessions and receive support for post natal depression.</p> <p>The proposed changes to children's services are no different to those being made by councils across the country.</p>
67	Garden Waste Collection	<p>Just contacting you about the proposal to charge for the emptying of the brown bins.</p> <p>I for one am certainly not happy about this as I make full use of my bin and not in a position to go to the Household waste with garden refuse.</p> <p>This probably goes for many retired people on a limited income.</p> <p>The situation with all refuse is a problem and I'm sure this will just compound it.</p> <p>The decision to not collect for the three months this winter has not helped coping with the piles of leaves that accumulate.</p>	<p>Thank you for your feedback on the proposed new paid-for garden waste collection service.</p> <p>If the new service is introduced, residents would be able to split the annual £36 a charge over three direct debit payments of £12 in May, August and November.</p> <p>More than 100 councils across the country already charge to collect garden waste and research has shown those areas have not seen a significant increase in flytipping or in the amount of waste that goes to landfill after charges were introduced. If the new service is introduced it would be fortnightly throughout the year apart from December and January when it would be monthly.</p>
68	General	<p><b><u>Have your say on the Peterborough Budget Proposals THINK OUTSIDE THE BOX!</u></b></p> <p><b>We did this over a pint at the Brewery Tap (FREE WI-FI too!), consultants would have charged £1,200 a day.. so reducing the Council Debt already ( PS: JHB on at £2:60 this month!)</b></p> <p><b>Perhaps Cllr Seaton over a fine Claret can come up with a few more:</b></p> <p>Quadruple rent of street vending hot dogs stands and when not in use must be removed (eg Hot dog stand opposite Magistrates Court )and apply parking fine to vendors van which is habitually parked on pavement). Should reduce council debt annually by £50,000</p> <p><b>Have your say on the Peterborough Budget Proposals</b>  <b>EMAIL: <a href="mailto:budget@peterborough.gov.uk">budget@peterborough.gov.uk</a>.</b></p>	<p>We do not use consultants to develop our budget proposals.</p> <p>We are in unprecedented times and councils across the country are faced with making very difficult decisions as they face year-on-year cuts to their government funding.</p> <p>Over five years we will have seen a 40 per cent cut in our government grant which equates to £44 million.</p> <p>For 2014/15 pressures on the budget and a £9 million reduction in government funding has left us with a £19 million shortfall.</p>



	Category	Comment	Response
	General	<p>By post: Financial Services Manager, (MARK ENVELOPE 'BUDGET PROPOSALS' ) Peterborough City Council, Town Hall, Bridge Street, Peterborough PE1 1HG.</p> <p>Details are on the city council website: <a href="http://www.peterborough.gov.uk">Budget proposals 2014/15 - www.peterborough.gov.uk</a></p> <p>The consultation will end at 5pm on Tuesday, 4th March.</p> <p><b>PBROTRIB</b> admittedly back of cigarette packet suggestions, but might stop Cllr Seaton from endlessly carping on, that no one is coming up with debt reduction ideas :</p> <p>Permanently cap off Cereste Memorial Fountains, serve Writ on installers to get all the wasted money back rather than give them £90,000 more to attempt to fix the clearly not fit for purpose dismal initial installation. Installers to make good any damage. Should reduce council debt by £2 million.</p>	<p>It is clear that you have given some considerable thought to your ideas for how we could save money.</p> <p>However, despite your best efforts, it is doubtful that your suggestions would help us achieve the savings we require.</p> <p>You have over estimated many of the costs you highlighted and your proposed likely efficiencies are unrealistic.</p> <p>For example, we spend £26,000 a year on printing papers for council meetings, not the £750,000 you suggest.</p> <p>And, despite the fact we think council meetings are really rather interesting, regrettably we're not too sure enough people would "tune in" to enable us to raise three quarters of a million pounds in advertising revenue.</p> <p>We have, however, sent your suggestions to the relevant departments for them to review.</p>
	General	<p>Stop printing reams of council documents for each meeting, install computer screens in Council Chamber. Councillor who refuse to use them asked to resign. Should reduce council debt by £750,000.</p>	
	General	<p>Start live streaming over the internet main council meetings installation cost no more than £5,000. Sell advertising on stream, outside of Meetings and during any mid meeting recess, and on rebroadcast of stream. Should reduce council debt by £750,00 per annum after commissions etc.</p>	
	General	<p>Carry advertising on all council/ franchise vehicles. Should reduce council debt by £30,000 annually.</p>	

	Category	Comment	Response
	General	All taxis/ private hire cars to be smartly liveried and of identical saloons/ vintage. Liveries wrapping charged for by council. Take advice from Brighton Council. Should reduce council debt by £750,000 annually.	
	General	Strictly apply existing advertising planning rules to BT street boxes in residential areas advertising their expensive broadband services. Should reduce council debt by £20,000 annually.	
	General	Withdraw all special responsibility allowances and only retrospectively pay an allowance if the councillor physically attends a meeting. Should reduce council debt annually by £ 750,000 plus. No cash payments all to be on a council VISA type debit card and against vouchers submitted.	
	General	If councillors are on long term sick leave, then councillor allowances should be reduced or cancelled. And the councillor asked to stand down, as clearly unable to do the work Should reduce council debt annually by £1 million	
	General	Require all High Street retail stores to physically use any upper level space or offer as units for private dwellings. Failure to use the space will be incur a recurring community empty surcharge. Should annually raise £1 million plus.	
	General	The £300,000 being spent on St Peters Arcade, scrap the sliding doors for the arcade. Units and through access to remain open in the evening. Should reduce council debt by £150,000. Investigate Mrs Cerestes shop lease to ensure a level playing field, that it was widely advertised, and let at a commercial rent.	
	General	Cull levels of duplication of Senior Management on eyewatering metropolitan salaries as previously suggested. Most services outsourced so less supervision now needed, reduce council debt by £1 million plus annually.	
	General	Instruct Cllr Irene Walsh to charge at commercial rates for all facilities offered to Unite and other Union representatives (known as 'Pilgrims' ) Should reduce council debt annually by £750,000 she could also carry	

	Category	Comment	Response
	General	council advertising on her white handbag (both sides) when on official duties!	
	General	The maintained but unused Fenced and gated Stanground Bowling Green, behind the Stanground Community Centre but bowlers not allowed to used the Community Centre to change ....( apparently a Cllr Brian Rush CON Stanground Central project) has cost over £150,000 to maintain the lawn for a decade or so. Suggest remove turf lay down pea gravel ( for petanque / boules) and install concrete table tennis tables and a bench.	
	Capital Programme	Halt Long Causeway tart up, just refurbish existing structure which still has a shelf life of 20 years or so. Should reduce council debt by £11 million	
	Capital Programme	Cancel Boulevard proposal to remove walkway simply maintain and repair existing structure. Should reduce council debt by £11 million.	
	General	Tax all 'A' Boards. Should reduce council debt by £30,000	
	General	All community centre buildings owned by the council 50% of rental revenues generated by hiring out community facilities to commercial enterprises such as Slimming World to be returned to local community for local re investment. Should raise £500,000	
	Community Leadership Fund	Community leaders funding to only be spent within the councillors own ward.	
	St Georges Hydrotherapy Pool	Where it is intended to canvas for postal votes councillors and supporters may not offer community leaders funding, treats, outings to those communities where postal votes have been canvassed.	
	St Georges Hydrotherapy Pool	Scrap existing Hydrotherapy pool as building needs substantial repair and rewire, or offer out to tender to private operator on full repairing lease. Should reduce council debt annually by £750,00  Abandon daft plan to sell off car parks, drastically cut car park charges to	

	<b>Category</b>	<b>Comment</b>	<b>Response</b>
	Capital Programme	encourage use. Possibly offer upper levels for longer term cage locked parking.	
	General	Gillian Beasley to revert to her former role as Solicitor, hire a professional commercially aware, experienced turn-around Chief Executive. Should reduce annual council debt by millions.....	
	Market	Move a proper weekday market back into Cathedral Square - see how they do it in Milton Keynes. Should reduce council debt by £1 million annually	
	General	Scrap the Italian and all other festivals unless fully sponsored and returning a surplus..	
	Renewables	An eye-watering amount has been wasted on legal consultation and legal advice in relation to the solar farm adventure. Clearly the costs are out of control. All legal firms to re-tender for services and existing 'cosy' law firm relationships to be axed. Should reduce council debt by £1 million plus.	
	General	Drop paid membership of the Local Government Association. Other far more effective forums are now available. Should save countless millions of annual council debt.	
	General	The Director of Operations remit to be disbanded and taken into the new professional Chief Executives role. Should reduce council debt annually by several millions.	
	General	No further retired policemen or service personnel to be parachuted into PCC roles without the roles FIRST being properly and widely advertised, and professionals with prior expertise headhunted for future roles ideally from the private sector. Should reduce council debt by £50,000	
	General	Invite Cllr Fitzgerald to purchase the so-called 'community radio' studio as it appears to be more about his old radio chums being offered airtime, very little talk content, all music based. Withdraw all funding and charge commercial rent. Should reduce council debt by £150,000	

	Category	Comment	Response
	General	All PCC salaried roles to be offered to local residents/ professionals first.	
	General	All leased PCC Car and parking Perks to be withdrawn. AA mileage rate offered for use of own private car.	
	General	Electric parking points ( which do not service all marques) to be scrapped and revert to disabled parking spaces.	
	General	Stop the translation and printing of council publications into several languages.	
	Tourist Information Centre	Close down the PPC information Booth in St Peters Arcade and move to Key Theatre foyer. Let shop unit.	
	General	Offer Summer boating/ punting concession on River.	
	General	Offer City Bridge Street, Long Causeway, Broadway, Cowgate etc road train franchise . Should reduce council debt by £ 50,000 annually	
	Vivacity	NO MORE VIVACITY MONEY PIT. Split up Vivacity estate into three organisations Sports, Museums, Arts/Libraries. re tender each. Vivacity can be got rid of for non performance, immediately end the foray into beauty salons and questionable body sculpture lipo treatments by non medically qualified staff. Very dangerous.	
	General	Bracket Key Theatre and embankment entertainment space as one management package. Invite Tenders to run this. Outsource theatre management and for running embankment events they share rentals. For advice see how the Milton Keynes Outdoor Concert Bowl operates.	
	General	Cut Gillian Beasleys Corporate Department Budget by 50% Too top heavy, as most council function outsourced to SERCO etc.,	
	Renewables	Wind up all off balance sheet sham companies such as BUE SKY	

	Category	Comment	Response
	General	PETERBOROUGH LTD CUT ALL PARKING CHARGES BY HALF and get the CITY to be CAR friendly.	
	General	Ensure GOLD COMMAND is experienced and up to the job in the event of an emergency such as being experienced in flooded Wraysbury	
	Capital Programme	Immediately sell the council owned football stadium and halt all further work. The pitch is physically below the natural water table level and therefore will never be perfect. Club and FA to be invited to build new Stadium opposite Cardea alongside railway. Should reduce Council debt by £8 million.	
	General	Scrap all outdated Environment Capital projects and remove the now 'silly tag' from signposts. Should reduce Council debt by £10 million	
69	Childrens Centres St Georges Hydrotherapy Pool Community Leadership Fund Council Tax  Tourist Information Centre	<p>Hello, I am writing to you in connection with the city council's proposed budget for 2014/15. I have read the Financial Strategy Proposals Document 2014/15, and I am deeply concerned by some of the proposed cuts, in particular the cuts to the children's play centres, and the removal of funding for St George's Hydrotherapy Pool, and the excessive reduction in the community leadership fund. I am also concerned that the city's council tax is too low: each year the tax is NOT increased represents a loss of income far into the future, since the amount by which the tax can be increased is limited by central government each year. Council Peterborough should be increasing its council tax each year until it is about average for the UK, or at least until there is no need to cut vital provision. This year a 2% increase is certainly justified.</p> <p>I think the council should look again at the following:</p> <p>Look for alternative funding for Tourist Information and Travel Choice centres, e.g. Travel Choice should be funded by Stage Coach and other local bus operators. Look for sponsorship for Tourist Information Centre and charge businesses which use it to promote themselves.</p>	<p>Thank you for your extensive responses to the budget consultation.</p> <p>We are in unprecedented times and councils across the country are faced with making very difficult decisions as they face year-on-year cuts to their government funding. Over five years we will have seen a 40 per cent cut in our government grant which equates to £44 million.</p> <p>For 2014/15 pressures on the budget and a £9 million reduction in government funding has left us with a £19 million shortfall.</p> <p>Ultimately, a decision to raise council tax rests with the elected politicians.</p>

	Category	Comment	Response
	Market	A £100K investment in railings for the market seems unnecessary when it may well be moving soon if the latest proposed North Westgate development takes place.	
	Legal Services	The legal team should not be expanded (appendix 5), particularly as this seems to be related to risky business ventures by the council.	
	Natural and historic environment grant	In appendix 6, I am concerned about the proposals to remove natural and historic environment grant. The council must ensure that its proposed alternative source of funding materialises.	
	Opportunity Peterborough	I oppose granting additional one off funding to Opportunity Peterborough. This organisation should be self-funding.	
	Garden Waste collection	I am concerned about the proposals to charge for brown bin collections. I am concerned that any saving here will be offset by increased landfill charges. The council should also look at establishing neighbourhood level community composting schemes where appropriate.	
	Vivacity	The council should look at the amount of funding it gives Vivacity for festivals. Last year there were far too many festivals, and some events were very poorly attended. It is more important that we have a decent library than a festival every weekend during the summer.	
	ICT	I'm also concerned by the amounts of money required to move from an on site server room to using an external provider. It is hard to see how this can possibly be a money saver given the amount of money required this year, and the ongoing £250K pa spend.	
	Capital Programme	<p>While not strictly relevant to this year's budget I also think the proposed extension of the City WiFi scheme next year is an unnecessary expense.</p> <p>I understand that the council is operating in a very difficult financial climate, and that it has a legal obligation to balance its budget. However, I think too many of the proposed cuts affect most severely the most</p>	

	Category	Comment	Response
		disadvantaged members of society. The cabinet need to rethink their proposals and look for other means.	
70	General	<p>I'm confused.</p> <p>Are you consulting about the Budget as originally proposed or the cuts to that budget that are now being proposed?</p> <p>I did write to Councillor Seaton but don't seem to have got a reply</p>	<p>We are asking for your views on the Cabinet's budget proposals on how it intends to balance the council's books for 2014/15. The proposals were published on 24 January 2014 and can be viewed at <a href="http://www.peterborough.gov.uk/budget">www.peterborough.gov.uk/budget</a></p> <p>The proposals are made up of a package of efficiencies, savings and investments on how the council could close a £19 million gap. Over five years we will have lost 40 per cent of our government funding.</p> <p>The consultation is open until 5pm on Tuesday 4 March 2014</p>
71	Garden Waste Collection	<p><b>Possible charge for brown bin collection.</b></p> <p>We would regard this as an unreasonable and counter-productive measure. These bins were imposed on us whether we required them/would use them or not.</p> <p>For many years we have had a composter which we have used for garden trimmings of all sorts together with vegetable peelings etc. Hence we make limited/occasional use of the brown bin which we had changed to a 'half size' bin.</p> <p>If a charge were imposed we would require the council to remove the brown bin.</p> <p>Conversation with a number of neighbours has revealed that they too would be minded to have the brown bins removed as they too do not use them fully. Several were unaware that there was a 'draft proposal' to introduce a charge.</p> <p>Currently we have to store four different coloured bins around our property.</p> <p>We had the black bin some years ago.. Frequently this is only partially filled. We aim to maximise the usage of the green recycling bin.</p> <p>We take glass to the bottle bank as we consider that the glass could easily break and 'contaminate' the contents of the bin.</p> <p><b>Fly Tipping.</b></p>	<p>We appreciate your feedback on the proposed new paid for garden waste collection service. We are faced with having to make some very difficult decisions to close a £19 million gap in our budget. Over five years we will have lost £40 million of our government funding.</p> <p>However, we are committed to ensuring that we continue to provide service for those who need our help and support the most such as the elderly and vulnerable and families in need.</p> <p>Unfortunately it means we cannot continue to do everything we currently do. This includes providing services that we are not legally required to. Garden waste collection is one of them.</p> <p>If the proposed new charge is agreed it will be an opt-in service. You will not have to pay the charge if you do not wish to use the new service.</p> <p>Bins are allocated to individual properties and therefore we will not be collecting them from homes/residents who do not wish to pay for the new service.</p>



	Category	Comment	Response
		<p>The increase in collection charges for large items from £10.00 to £23.50 is undoubtedly a deterrent to people considering use of this service. The consequence is an inevitable increase in fly tipping and a messing up of our roads and streets, wooded areas and countryside. Whilst you may rightly say that this is irresponsible action by residents and tradesmen there must be a resultant increase to council funds for the cost of collecting items that have been 'dumped'. It also has an impact on farmers and other landowners who apparently have to get rid of any items dumped on their property. At one time we had a large skip brought into the street for a couple of days and it was well used.</p> <p>Surely prevention is better than cure and why not withdraw the charges for collecting large items and those levied for taking stuff to the recycling centres. This could apply to public and trades people alike and would save a useful amount of other consequent costs.</p>	<p>More than 100 councils across the country already charge to collect garden waste and research has shown those areas have not seen a significant increase in flytipping or in the amount of waste that goes to landfill after charges were introduced.</p> <p>Flytipping is illegal. The council treats flytipping as a serious offence and will prosecute any person or company caught flytipping. Flytipping carries a fine of up to £50,000 (unlimited if taken through the Crown Court) and offenders could be jailed or have their vehicle seized.</p>
72	Garden Waste Collection	<p>Charging for brown bin collection is absolutely ludicrous and hypocritical. On one hand you say you want to be an environmentally-friendly council (which means recycling more!) and on the other you're now proposing to charge people to help you recycle (which means less will be recycled). People will just put their garden waste in the black bins or dump it down country lanes.</p> <p>Let's be honest – you already make money by selling composted garden waste.</p> <p>Why on earth would I, or anyone else, want to pay you more to help you make money?</p> <p>If you're short of money cut all the cash wasted on ludicrously high salaries and pensions at the town hall. Why should somebody in charge of one small city earn more than the prime minister who's in charge of the whole country?</p> <p>If you're short of money, stop paying ludicrous amounts to all the fat-cat councillors on the gravy train. Charles Swift will tell you – if you're not aware – that when he first became a councillor, there was no money for doing so.</p> <p>And stop wasting money on neighbour plans and committees and all that rubbish.</p> <p>As a council – you're supposed to provide services, not fill the pockets of all your cronies</p>	<p>More than 100 councils across the country already charge to collect garden waste and research has shown those areas have not seen a significant increase in flytipping or in the amount of waste that goes to landfill after charges were introduced.</p> <p>Flytipping is illegal. The council treats flytipping as a serious offence and will prosecute any person or company caught flytipping. Flytipping carries a fine of up to £50,000 (unlimited if taken through the Crown Court) and offenders could be jailed or have their vehicle seized.</p> <p>We have to pay to dispose of residents' garden waste. It does not generate any income. However, the cost is substantially lower than the cost of sending waste to landfill.</p> <p>The organisation that takes the garden waste away already turns it into compost for re-sale. As stated previously this is a cost to the council. It does not generate income.</p> <p>The senior management restructure at the end of last year and subsequent voluntary redundancies led to six senior management posts being deleted..</p> <p>The Council Leader and Cabinet Members do not receive salaries although the roles are often more</p>

	Category	Comment	Response
			<p>than full time. All councillors receive a basic allowance for being a councillor and those that hold other special responsibilities such as Cabinet Members and the chairmen and chairwomen of committees receive an additional allowance to reflect their added responsibilities.</p> <p>A full list of these allowances are available at <a href="http://democracy.peterborough.gov.uk/documents/s16837/Members%20Allowances%202012-13.pdf">http://democracy.peterborough.gov.uk/documents/s16837/Members%20Allowances%202012-13.pdf</a></p> <p>At a meeting of Full Council in December, councillors rejected a recommendation by an independent panel to increase their allowances. It means councillors' allowances have been frozen for the past five years.</p>
73	Garden Waste Collection	<p>I am extremely concerned and disappointed about the proposed charge for garden waste collections.</p> <p>Not only does this run the risk of additional fly tipping, especially for those residents without their own transport, and those may be old/infirm/disabled/on low incomes, but I would suggest that you are planning to financially punish those tax-paying residents who take a pride in their property and gardens by regularly grass cutting, maintaining trees, shrubs etc, in order to support the local authority to become the 'Environment Capital'. There is already evidence of large amounts of grass cuttings, fencing, trees etc disposed of on private land in the PE3 area of the city plus other postcodes.</p> <p>I would also suggest that it will also add the risk of residents disposing of their garden waste in the black and green bins ... since we own our own home and continue to work, I would suggest that we already pay more than enough in our council tax for our street lighting and bin collections</p> <p>Please could you email me to clarify the proposals:</p> <ul style="list-style-type: none"> <li>- I would expect that by your introducing a charge you would provide a weekly collection of green garden waste, not the current 2-weekly as current?</li> <li>- how do you propose to collect the additional payments?</li> <li>- how will the refuse collectors know which residents have paid/not paid?</li> <li>- for anyone not agreeing will you collect the brown bins and take them away permanently?</li> </ul>	<p>We appreciate your feedback on the proposed new paid for garden waste collection service. We are faced with having to make some very difficult decisions to close a £19 million gap in our budget. Over five years we will have lost £40 million of our government funding.</p> <p>However, we are committed to ensuring that we continue to provide services for those who need our help and support the most such as the elderly and vulnerable and families in need.</p> <p>Unfortunately, it means we cannot continue to do everything we currently do. This includes providing services we are not legally required to. Garden waste collection is one of them.</p> <p>If the proposed new charge is agreed it will be an opt-in service. You will not have to pay the charge if you do not wish to use the new service.</p> <p>Bins are allocated to individual properties and therefore we will not be collecting them from homes/residents who do not wish to pay for the new service.</p> <p>More than 100 councils across the country already charge to collect garden waste and research has</p>

	Category	Comment	Response
		<p>- what will you do with the unused bins - recycle them or??!!</p> <p>- may we suggest you could add a 'blanket charge' across the board for all council tax paying residents to cover the green waste bin collection, say £10pa?</p> <p>- Because some other local authorities have introduced this additional charge, does it make it right &amp; proper for Peterborough to automatically follow suit?</p> <p>I look forward to your reply and trust that you will seriously review this proposed charge.</p>	<p>shown those areas have not seen a significant increase in flytipping or in the amount of waste that goes to landfill after charges were introduced. Flytipping is illegal. The council treats flytipping as a serious offence and will prosecute any person or company caught flytipping. Flytipping carries a fine of up to £50,000 (unlimited if taken through the Crown Court) and offenders could be jailed or have their vehicle seized.</p> <p>We would discourage people from using their black bins to dispose of garden waste as this will then go to landfill. If the proposal is agreed and you do not wish to sign up for the new garden waste service we would encourage you to compost garden waste or take it to the Household Recycling Centre in Welland Road, Dogsthorpe.</p> <p>If the new scheme is introduced, brown bin collections would happen fortnightly, apart from December and January when they would be monthly.</p> <p>If the proposal is approved, the charge will be £36 for the year for anyone signing up before 27 May 2014, or £39 for those who sign up after this date. People would be able to pay via the website, over the phone by credit/debit card or in the cash office in Bayard Place, Peterborough.</p> <p>The refuse collectors will have up-to-date information on their vehicles to let them know which residents have paid for the service and they will only collect their bins. In addition, we are also proposing to issue residents signing up for the scheme with a sticker to clearly identify their bin as part of the scheme.</p>



## Survey Results

### Survey Monkey

A total of 36 people have responded so far to the budget survey on [www.peterborough.gov.uk/budget](http://www.peterborough.gov.uk/budget) and comments were made about:

- Proposed withdrawal of funding for St George's Hydrotherapy Pool (15 comments). Most comments were straightforward objections to the proposed withdrawal of funding. One respondent said there was no alternative and another said it would increase costs to the council in the future.
- Introduction of the new charge for the brown bin garden waste service (10 comments). Concerns included people will put green waste into black bins and it will cause an increase in flytipping. One person said they would be happy to pay for a continuous service through the winter
- Re-designation of Children's Centres (5 comments). Comments included that it is short-sighted decision which will increase pressures on social and mental health services in the future.
- One person said the council had offered "a fair budget"

**How else could the council balance its books? There were a number of suggestions which included:**

Increase council tax

Cut the number of councillors

Cut councillor expenses

Charge for the first three miles of free bus passes

Cut street lighting

Use open source documentation not MS Office

Outsource HR/Payroll/administrative functions

Remove funding for Travelchoice Centre in Queensgate bus centre and get bus companies to pay for it

Don't install new railings around city market

Withdraw funding for Opportunity Peterborough

Review move to data centre

Hold Perkins Great Eastern run earlier to attract more entrants and revenue

Double litter fines

Reduce council staff

Combine brown and grey bins

Don't extend city Wi-Fi

Don't upgrade PCs

Withdraw city centre co-ordinator vacancy

Merge services

Cut projects such as the work planned for Bourges Boulevard

Merge children's centres

Reduce councillors' community budgets

Halt spending on the energy park plans

Introduce a salary cap

### **Should council tax be frozen?**

A total of 14 people said council tax should be frozen and 18 said it should not. Some respondents did not answer the question.

### **If the council tax was increased by the Government's current two per cent threshold – what should the council invest the extra £500,000 it would generate.**

Children's Centres

Improving cycle routes

Retaining St George's Hydrotherapy Pool

More homeless accommodation

Making sports facilities more affordable

Upgrade roads

Education

### **Any other suggestions**

Consider a introducing 'dumping corner' for people to put rubbish that can be picked up by other residents for re-use or collected by the council to reduce flytipping.

Encourage the development of self-help groups in relation to health, activities to save on costs long term

Stop using consultants

Peterborough needs better access to Norwich/Leicester/Birmingham

	Are there any comments you'd like to make about any of the proposals?	If you do not agree with any of the proposals tell us what you think we could do instead to balance our books?	Do you agree that council tax should be frozen?	Do you agree that council tax should be frozen? - If no, where would you suggest we invest the extra £500,000 generated by increasing council tax by the government's current two per cent threshold?	Are there any other suggestions you would like to make?
1			No	Increase council tax for all house valued at over £500,000 by 10%	Reduce payments made to councillors
2	I would be quite happy to pay a contribution for the collection of brown bin waste providing the service was a continuous one throughout the year and not suspended during the winter months when there is still a lot of garden waste produced.		No	On the children's centers that are closing. These were originally built because Peterborough is an area of high need. Some monies could be spent on improving and maintaining road surfaces.	
3	Don't shut down hydrotherapy pool	Keep hydrotherapy pool	Yes		
4	The plan to charge for brown bin collection - any charge would mean tax payers will just place garden waste into black bins meaning the unit costs will rise for brown collection if all do not pay, this is just a tax rise by another method	Charge for the first 3 miles of a free bus pass as all other parents have to pay this amount where travel is under 3 miles.	Yes		
5	I regret your decision to shut St George's Hydrotherapy pool.	I think you could look again at the budget for caring for 7 people being transferred from residential to community care. £945,000 (135,000 each) a year seems absolutely extraordinary, even given the amount of personnel they would need and the security they would require. I am sure you have looked at this carefully but reckon you must have made a 'worst-case' ballpark calculation and could find a few thousand from each of these	No	Improving cycle routes and encouraging more cycling. Community health and arts facilities/ organisations.	Re rubbish collection/dumping: I'd like you to consider a German style 'dumping corner' in neighbourhoods wherein people leave their household junk on a certain morning, others can come and take their pick and then the council clears the remainder away the next morning. This would cut down on fly tipping and people needing to call the council to collect their stuff individually and would help others to furnish their homes for free.

	Are there any comments you'd like to make about any of the proposals?	If you do not agree with any of the proposals tell us what you think we could do instead to balance our books?	Do you agree that council tax should be frozen?	Do you agree that council tax should be frozen? - If no, where would you suggest we invest the extra £500,000 generated by increasing council tax by the government's current two per cent threshold?	Are there any other suggestions you would like to make?
		<p>people so that other people don't suffer. I think also that street lighting could be cut back rather than you continuously paying for full lighting throughout every night. Even cutting out one hour a night, or doing a phasing cut-out (say, half of each street) during the night (2am-5am) when there is hardly any traffic would save a lot of money. Thereby St George's Hydrotherapy pool, and perhaps other facilities, could stay open. The people who use it would then continue to benefit from it and save the council money in the future by preventing or delaying care they would need without it.</p>			
6	<p>I do not agree with a charge for the brown bin as I believe that it will lead to people not paying and putting their garden waste in the black bin (thus losing out on correctly regenerating this waste); put in other people's brown bins who are paying for the service or fly tipping it. Also people have different size gardens and obviously some generate more waste than others but yet you intend on charging a 'one size fits all' fee - how is this fair?</p>	<p>Either take the brown bin service away totally and provide a chargeable service for taking away bulk garden waste or making it a flat fee included in the council tax bands. There may be 2 councils charging in this way but the majority of councils are providing brown bin collection and not charging the one off fee.</p>	Yes		<p>Lower shop rentals so that more diverse independent shops as well as retail chains want to come and remain to Peterborough. We have too many empty premises and also big chains such as the Disney Shop (even though I appreciate that Queensgate is a private enterprise the council ought to be ensuring that rents are in line) have left. Whilst you are investing in the look of Cathedral Square (although I do not think the fountains enhance the city's appeal), St John's Square, Cowgate</p>



	Are there any comments you'd like to make about any of the proposals?	If you do not agree with any of the proposals tell us what you think we could do instead to balance our books?	Do you agree that council tax should be frozen?	Do you agree that council tax should be frozen? - If no, where would you suggest we invest the extra £500,000 generated by increasing council tax by the government's current two per cent threshold?	Are there any other suggestions you would like to make?
					etc, Peterborough needs to attract visits who are going to spend in the city not just look at the supposedly pretty surroundings.
7	Childrens centres are a service that should be provided without any doubt. St Georges hydro pool is a vital service which costs the council very little and should be kept open until a viable alternative is in place.	put up the council tax. Stand up for the people of Peterborough instead of blindly following government policy. Nobody wants to hear we are amongst the cheapest places for council tax when you constantly cut services.	No	St Georges, children's centres and education.	
8	to renegotiate the funding of the hydrotherapy pool to include all aspects of the community that use the pool.	Discuss with all agencies that use the pool to pay for the service.	No	Through fair consultation with all main agencies that are due for cuts.	A percentage of the hydrotherapy pool be paid for by the council the rest coming from the CCG's LCG adult social services children social services and to be able to work towards charity status.
9	How would you stop neighbours using your brown bin for their waste if you have paid the annual fee? The Bourges Boulevard revamp should be stopped and reconsidered. It will halt traffic flow and cause unnecessary congestion.	Stop the Bourges Boulevard revamp, it's not necessary at this time and an ill thought out design.	No	Hydro-pool and children's services.	Halt any more spends on the energy park, it's not proven and can't be justified at this time.
10	yes	reduce the number of councillors.cut waste on non essential projects and open the accounts books to the public,thats detailed accounts.the council have lots of	Yes		reduce councillors.remove many of the managers and above not essential to basic front line services.

	Are there any comments you'd like to make about any of the proposals?	If you do not agree with any of the proposals tell us what you think we could do instead to balance our books?	Do you agree that council tax should be frozen?	Do you agree that council tax should be frozen? - If no, where would you suggest we invest the extra £500,000 generated by increasing council tax by the government's current two per cent threshold?	Are there any other suggestions you would like to make?
		cash, but a large percentage is wasted.			
11	I disagree with the proposed closure of St Georges Hydrotherapy pool.	Either take £800 - £1000 from each councillors CLF and give it to budget to fund St Georges Hydrotherapy pool or increase the council tax by 2% and use some of that income to keep the pool open.	No	Use some of the £500k to keep St Georges Hydrotherapy pool open.	Just please stop hurting the most vulnerable people in society that can't fight back or speak for themselves.
12	Yes. It is wrong to close St Geroge's Hydrotherapy pool, and wrong to cut provision for children's play centres. Both these measures will increase costs to the council within a few years. Public Health money could probably legitimately be spent on both of these Here are some suggestions for alternative ways of saving money: Remove funding for the TravelChoice centre in Queensgate bus station, and get Stagecoach and other bus companies that benefit from it to pay for it. Don't install new railing around city market (saving £100K). Cancel investment of £126K in legal services. Don't remove natural and historic environment grants (cost £25K). Don't give Opportunity Peterborough £50K or a £50K undewrite (saving £50K). Review charging for brown bin - might this not lead to unexpected increase in landfill charges? Review move to Data Center. This seems very expensive. Why not delay it for a year or two, until	Increase council tax by 2%, and look at my answer to question 1.	No	Hydrotherapy pool, children's play centres.	Introduce a salary cap of £80000. Make it a contractual requirement for anyone earning over £50K a year who is employed by the council to actually live in the city.

	Are there any comments you'd like to make about any of the proposals?	If you do not agree with any of the proposals tell us what you think we could do instead to balance our books?	Do you agree that council tax should be frozen?	Do you agree that council tax should be frozen? - If no, where would you suggest we invest the extra £500,000 generated by increasing council tax by the government's current two per cent threshold?	Are there any other suggestions you would like to make?
	servers need to be retired? Don't extend city centre wi-fi. Don't upgrade PCs.				
13	I do not agree with the proposed £39 charge for the brown bin collection. If this charge is accepted as a general rule, then those residence not in agreement, should have the choice to return the brown bin back to the council and not have to pay for this proposed collection service.	I believe and have experienced some areas of efficiencies that have not been taken up by Peterborough City Council. Councillors annual expenses should be cut. Those excessive expenses claimed by senior councillor members, could also be reduced. These are just a couple of examples of wastage.	Yes		I personally have had first hand experience of the Adult Occupational therapy system. I need help to lower an existing shower cubicle, but this was refused. Instead, it was proposed that I needed the whole of my room disassembled and changed to accommodate this shower facilities, potentially costing £thousands of pounds, whereas, my proposal that was refused, would only of cost £hundreds. In the end I have been left to struggle. But the department is still funded by the same people that are over spending. What a joke!

	Are there any comments you'd like to make about any of the proposals?	If you do not agree with any of the proposals tell us what you think we could do instead to balance our books?	Do you agree that council tax should be frozen?	Do you agree that council tax should be frozen? - If no, where would you suggest we invest the extra £500,000 generated by increasing council tax by the government's current two per cent threshold?	Are there any other suggestions you would like to make?
14	Yes - there are a lot of soundbites paying lip service to re-enablement of people following falls or accidents. Yet the only specific facility which treats such problems - the provision of hydrotherapy - is to be cancelled? There is no alternative source as the new hospital does not have a pool at all.	Categorise expenditure more carefully - identify assets which cross categories to make sure costs shown as saved are not just going to be incurred under another heading. St Georges Hydrotherapy pool shares a building and services with a school. Any maintenance costs will still have to be paid as the school remains open	No	Safeguarding	Encourage the development of self help groups, whether in relation to health, food banks, activities for combatting loneliness in older and special needs people. This will save on other costs longer term
15	The closure of The Hydrotherapy Pool	I would think that a reduction of the councillors community budgets could be used, it seems to me that this money is often wasted on unrealistic projects	No	to upgrade the many roads that have pot holes and of course to save the Hydrotherapy pool	It should be made compulsory for all councillors to hold surgeries in their wards on a regular basis, and should be available at all times to do their job fully
16	Why ask for comments when the undemocratic cabinet are bullied into voting for a pre-determined outcome?	Stop all spending on vanity projects, stop all the shady deals and backhanders, stop using tax payers money to line councillors pockets via conflicts of interest like Lark Energy	No	I would suggest a consultation survey that is not unfairly weighted to only provide answers you want to hear.	Yes.
17			Yes		
18	Do not cut funding for St George's hydrotherapy pool.		No		
19	Get rid of Gillian Beasley	Sack directors	No	Reinstate sacked bus services and Invest in more football pitches including new 3G AstroTurf	Marco stick your fountains up,your [WORD REMOVED]
20			Yes		

	Are there any comments you'd like to make about any of the proposals?	If you do not agree with any of the proposals tell us what you think we could do instead to balance our books?	Do you agree that council tax should be frozen?	Do you agree that council tax should be frozen? - If no, where would you suggest we invest the extra £500,000 generated by increasing council tax by the government's current two per cent threshold?	Are there any other suggestions you would like to make?
21	I disagree with the 'redesignation' of 6 Children's Centres and with the proposal to close St George's Hydrotherapy Pool.	I think the vacancy for a City Centre Co-ordinator could be withdrawn which would save almost the same amount as closing St George's Pool and would show the electorate that our local authority has its priorities right. The Children's Centres should be 'paired up' to save money but still allow services to be provided across the city instead of mostly in a small central area. Family problems are not confined to economically disadvantaged areas and to have no provision in the west of the city is a severe dereliction of the duty of care to the children and families living there	No	in maintaining a city-wide network of Children's Centres offering universal access as well as support for targeted families.	The Council should scrap the use of private consultancies for the coming year. If we can't afford to look after the youngest and most vulnerable members of our community (as evidenced by the proposal to close Children's Centres and St George's Pool), then we certainly can't afford to line the pockets of private consultants by paying their expensive fees. In particular there should be a ban on using any companies in which councillors have a pecuniary interest.
22	1. I am completely opposed to the proposal to close Surestart Children's Centres - this is a very short sighted policy which will store up problems for the future, with the consequence of social and mental health services coming under increased pressure as a result and increased costs in those sectors. 2. The proposal that Vivacity should close the upper floor of the Central Library is disgraceful - the book stock will become even smaller because all the computers will have to be moved downstairs as well as the non fiction and	Increase council tax by 1% or 2% -it is unrealistic to attempt to freeze it if the consequence is a reduction in services. I suspect the freeze decision has been taken for party political reasons. Ban the use of expensive consultants to the Council especially any where there are directors or shareholders who are city councillors, as although it may be allowed by the rules, there has to be absolute probity	No	Keep Surestart Children's Centres open, keep Central Library fully open	

	Are there any comments you'd like to make about any of the proposals?	If you do not agree with any of the proposals tell us what you think we could do instead to balance our books?	Do you agree that council tax should be frozen?	Do you agree that council tax should be frozen? - If no, where would you suggest we invest the extra £500,000 generated by increasing council tax by the government's current two per cent threshold?	Are there any other suggestions you would like to make?
	reference book sections. 3. There is a clear reluctance to make even a modest say 1% increase in council tax which would help to avoid some of the cuts proposed.	and transparency when awarding such contracts			
23	The council needs a proper accommodation strategy rather than the piecemeal effort proposed this should not be a spend more to save option and should be to spend less and save plan. As the Government cabinet office has proposed moving to "open source" documentation i.e. Not using MS Office, why are PCC proposing to buy MS Office 365 Licences? Likewise IT expenditure on "Hardware" should be banned other than for break fix hardware maintenance. Why does the Council want to spend money "now " moving items to a "Data Centre" which should have been done years ago, its a bit late isn't it especially as money is tight...! The Councils HR function should be reduced drastically by outsourcing most of its functions, likewise the entire Payroll system including administration should be "outsourced" with staff being responsible for clocking in/out, making leave requests on a system, with direct line Managers	read my comments and save	Yes		read mu commemts

	Are there any comments you'd like to make about any of the proposals?	If you do not agree with any of the proposals tell us what you think we could do instead to balance our books?	Do you agree that council tax should be frozen?	Do you agree that council tax should be frozen? - If no, where would you suggest we invest the extra £500,000 generated by increasing council tax by the government's current two per cent threshold?	Are there any other suggestions you would like to make?
	being accountable for Monitoring and authorising overtime, sickness absence and leave. A leading High Street Retailer has just done this exercise to a great success and huge staff savings.				
24			No	No	
25	None		No	Education	
26	i WOULD LIKE YOU TO RECONCIDER YOUR DECISION TO NOT FUND ST GEORGES HYDROTHERAPY POOL		Yes		
27	I think to increase the income from the Perkins eastern run, instead of running in October (too cold and raining last times), move it earlier, for example early or mid September. More people will show up The adult care services and elderly care must be kept I think, but why is this not mainly under NHS supervisions, it is a medical matter. The fines against people who litter must be doubled and must be enforced. The police are driving too fast. They have to slow down @ 10 mph.	see previous comments	No	children service. council office building must use tilt-up technology. Not expensive brickwork and masonry. There must at least two 20-storey building, for example for housing or homeless contingency instead of B&B. The sport facilities must be affordable to all not expensive gym that	Peterbrough needs a better access to Norwich in terms of road, better access to Leicester/Birmingham. At a highway/large dual carriage way quality. The council must request for long term plan infrastructure for the town: it is a dead end for business. Train must also be improved: second train station to transport good/waste to the waste treatment etc...Infrastructure is bottleneck

	<b>Are there any comments you'd like to make about any of the proposals?</b>	<b>If you do not agree with any of the proposals tell us what you think we could do instead to balance our books?</b>	<b>Do you agree that council tax should be frozen?</b>	<b>Do you agree that council tax should be frozen? - If no, where would you suggest we invest the extra £500,000 generated by increasing council tax by the government's current two per cent threshold?</b>	<b>Are there any other suggestions you would like to make?</b>
	Observe and sanction the littering/fly-tipping people. It will generate income and reduce cleaning requirement. The council must be tougher on cleanliness Adopters/Adoption. Any help from the Church or the Mosque or other religious bodies. This is one of their original function and must contribute to this for support and carer's training. You need to combine the brown bin and the grey food waste bin for fuel/energy generation. Suppress the small grey bin: it is too small and delays too much the waste collection for the workers. It does look ridiculous. Put the food waste biodegradable bag in the brown bin: suppress the small stupid grey bin. Both garden & food waste can be turned into fuel with the same process.			have the same price as Virgin or private gym club.	
28	Yes. The money proposed for the brown bin collection. People who did not want to pay would put this rubbish into the black or green bin thus contaminating other waste with garden refuse. The council has achieved so much with its recycxling that this is a backward step.	You could amalgamate all the services that go to court under one umbrella eg littering, parking, non-school attendance where the fines could be co-ordinated or if not paid one council officer to deal with all.	Yes		No. Not at this moment.
29	Please save St George's Hydrotherapy Pool the benefits are enormous for those who use it	Cut back on council expenditure	Yes		Please keep the pool it is an invaluable resource
30	I am very worried about St Georges Hydrotherapy Pool closing through lack of funds.	It would devastate a lot of people who rely on this pool for recovery after surgery and exercising safely etc if it closes.			



	<b>Are there any comments you'd like to make about any of the proposals?</b>	<b>If you do not agree with any of the proposals tell us what you think we could do instead to balance our books?</b>	<b>Do you agree that council tax should be frozen?</b>	<b>Do you agree that council tax should be frozen? - If no, where would you suggest we invest the extra £500,000 generated by increasing council tax by the government's current two per cent threshold?</b>	<b>Are there any other suggestions you would like to make?</b>
31	I oppose the funding cut leading to the closure of St George's Community Hydrotherapy Pool.	Stop wasting money on "pretty" projects ie fountains etc then having to target the most disadvantaged in society to save money.	Yes		I have had to live on disability benefits for 3 years now. I am not in debt and manage my budget by cutting out all but the essential. The council have a skewed view of what is essential.
32	I am wondering in these austere times how the council has managed to produce such a budget? Could this be partly to do with the commissioning of the authority?	I feel that the council has offered a fair budget in this climate. Although it would be good to buck the trend and not do follow the political lead but do what is right for the LA and its people locally.	Yes		I have to say that in all its a fair budget - just worry about what will be coming our way in 2015/16?
33	no				
34	Yes, St George's Hydrotherapy Pool				
35	Why is this 'consultation' being completed after the cabinet have already made their decision?				
36	Even after two weeks, our black bin is rarely more than half full. There will be plenty of room for our grass cuttings. So will our redundant brown bin be taken away for recycling, or do we cut it up and put it in the black bin? We were sold on recycling garden waste as it would be composted and cover the costs by selling the resulting product. Similarly "Hungry Harry" is supposed to be self funding. Or was that a lie too? I am happy my back garden is a mini-recycling centre, but I will not pay £40 for the privilege.	sack incompetent staff	Yes		

## Trade Unions - Joint Consultative Forum

### Comments raised during the JCF meeting held on 30<sup>th</sup> January 2014

The Head of Strategic Finance attended and provided a presentation on the Council's budget proposals. Comments and queries raised included:

Comment/Question ?	Response provided at the meeting
The recent child sexual exploitation case, including the cost to the council was discussed	Head of Strategic Finance responded always needed to be able to respond to such issues when they arose, and it was an example of the sort of issue the council needed to consider when balancing risk and reserves
Was the council meeting the statutory obligation regarding the Director of Public Health role ?	The Chief Executive confirmed that the Council was
The proposed savings for Looked after Children were queried, and whether they were achievable	<p>Head of Strategic Finance responded that the proposals had undergone a high level of challenge from CMT and finance.</p> <p>Whilst they were reasonable, there was always a risk that it may not be possible to achieve the savings, or that other children may come into the system requiring care. However it was a saving worth pursuing as often the approach to changing care provision led to better outcomes as well as making savings. The Council would be monitoring this saving proposal very closely</p>
The Office accommodation saving was queried, especially with regard to the impact on staff	Head of Strategic Finance responded that some staff would move more than once (into a decant office and then to town hall). It was recognised this could be disruptive, but by making staff aware this was the case it would hope to be minimised.
Questions were asked on whether the council could seek additional income in the face of grant reductions	<p>Head of Strategic Finance responded that the localised business rate scheme was a major opportunity to increase council income, and was part of the Council's approach to growth.</p> <p>There were however financial risks with this in that the Council would also be liable for the cost of appeals, including the backdated sum.</p>
The potential level of benefit from Council tax was questioned	<p>Head of Strategic Finance responded that if the council increased council tax by 2%, taxpayers would be paying £1.2m per year, but as the Council would lose the freeze grant, the extra benefit to the council would be £0.5m.</p> <p>The costs of running a referendum and rebilling also outweighed the potential benefit, so it was very unlikely any council would proceed on this basis.</p>

## Disability Forum

A discussion on the budget was held as part of the disability forum on 30<sup>th</sup> January. PCC attendees were Cllr David Seaton, Cllr Wayne Fitzgerald, Head of Strategic Finance, Head of Adult Social Care Finance and Head of Commissioning (Learning Disabilities).

Cllr Seaton introduced the budget. Comments and queries raised included:

Comment/Question ?	Response provided at the meeting
Why was the council's level of borrowing so high ?	Cllr Seaton responded that the council borrowed to finance the capital programme. A major element of this was the provision of new school places
Why was the Council proceeding with the renewables projects	Cllr Seaton responded that the council expected to make net income, over all costs, of around £5m a year that would help support services
It was suggested that the Community Leadership Fund should be abolished entirely and the money put towards supporting St Georges hydrotherapy pool	Comments noted
<p>A number of comments were made objecting to the plans to close St Georges hydrotherapy pool, including location, cost and suitability of alternatives.</p> <p>It was recognised that hydrotherapy was a service that should be funded by Health, and attendees asked for details of who they could lobby in this regard.</p>	The Cabinet Members agreed to consider how this could be discussed further with Health.
A number of comments were raised with regard to the parallel consultation on learning disability day services	Comments noted, and confirmed that the more detailed consultation remained open
A query was raised regarding the savings on special school transport.	The Head of Strategic Finance responded that where children needed support and transport it would be provided (the Council was including £160k in the budget for transporting an extra 21 children to Phoenix special school), but it was looking at the other end of the spectrum to see if, with the appropriate support, some children could access mainstream transport

Cllr Seaton offered to return to a future meeting to discuss budget issues.

## A scrutiny style event with the Youth Council

### Comments regarding Youth Scrutiny of the Budget held on 4 February 2014

<b>Comment</b>
Last year, the Peterborough Youth Council organised a 'Youth Scrutiny of the Budget', which proved to be highly valuable and also productive as a direct insight into how the budget was planned. It was therefore incredibly useful to have the opportunity again to discuss this year's budget with Cabinet Members and Executives.
Due to the nature of this year's budget, there were clearly some emotive and controversial topics (such as changes to Adult Social Care and Children's Centres) that raised a lot of questions; there was also positive discussion around future plans for Peterborough. In particular, investment into new schemes in Central Peterborough (that will aid growth and business development) were supported, and there was extensive debate around decisions for improving education and Children's Services around the City.
After much discussion, the general feeling across attending Youth Council members was that the tough decisions were justified and necessary.

## Communities and Cohesion Board

### Communities and Cohesion Board Meeting 6 February 2014 2.30 pm N1, Northminster House

#### Present:

Adrian Chapman – Head of Neighbourhood Services, PCC (Chair)  
Brian Gascoyne – Millfield and New England Regeneration Partnership  
Canon Ian Black – Peterborough Cathedral  
Sister Mary Clare Mason – Faith Communities Network  
Rod Allerton – Side by Side Project  
Nick Knight – Cambridgeshire Constabulary  
Cllr Marion Todd - PCC  
Amanda Rose – PCC  
Allison Sunley – PCC  
Steven Pilsworth - PCC  
Sharon Keogh – Kingsgate Community Church  
Keith Jones – Citizens Advice Bureau  
Julie Coleman – Department for Work and Pensions  
Andrew Cawthorpe – Prince's Trust  
David Copeland – Peterborough Council for Voluntary Services  
Emily Gray – Peterborough and Fenland MIND  
Alan Sadler – Borderline (CCG)  
Louise Williamson – Community Cohesion Officer, PCC  
Jawaid Khan – Community Cohesion Manager, PCC

#### **Budget and Community Cohesion**

Steven Pilsworth delivered a presentation to the Board surrounding the City Council's budget proposals for the next financial year (2014-2015)

Key points included:

- 2014-2015 will be Peterborough's fourth year of austerity measures and the Council's grant from Central Government is £9m less than the previous year.
- Peterborough City Council will have seen an overall reduction of £44m over the five year period

Feedback/response from members:

Issues were raised with regards to the cessation of funding in 2015-2016 for local welfare provision. It is important for this work to be taken into consideration for the budget as the negative impact of the cessation of funding for the most vulnerable in the community could be significant including in terms of public order.

The Board asserted the need to reverse the trend of reactive spend and more focus is needed on preventative work.

The Board agreed the need to mitigate the risks for 2015-2016 by beginning to assess what the cuts mean.

During these difficult times there needs to be a greater reliance on partnership working.

## Joint Commissioning Forum

### Borderline and Peterborough LCG Joint Commissioning Forum Comments raised during the budget consultation event held on 7 February 2014

Draft minutes to be approved at the next meeting on 7 March 2014

The Head of Strategic Finance attended and provided a presentation on the Council's budget proposals

Comment	Response provided at the meeting
Health Visitor had highlighted the impact of the formation of Cardea had on young families with the threat of closing children centre in Stanground to a GP. This GP acknowledged as had seen issues in his surgery where more families were coming in.	Wendi Ogle-Welbourn advised that a Health Visitor had attended a feedback session and had raised those points.
Were PCC making representation regarding population changing and increase funding?	<p>The Head of Strategic Finance responded that the Council has lobbied strongly for the funding it received to properly reflect its growing population. The Leader of the Council had met several local government ministers to make the point.</p> <p>The Council had had some success on getting the latest Census numbers used, but not all the funding had fed through. Also the local government funding system has changed this year, with stronger links to business growth than population growth.</p>
Concern raised on the reduction of services for older people would have an impact on the health care system.	<p>The Head of Strategic Finance responded that the Council spent around £47m per year on adult social care. It was also putting extra money in to reflect the increasing number of elderly people needing support.</p> <p>The savings identified were a very small proportion of the overall spend on adult social care</p>
Children Centres have service links with general practices.	Wendi Ogle-Welbourn advised that childrens centres would still offer services. It was suggested that at a future JCF session this should be discussed further

**Joint Meeting of the Scrutiny Committees and Commissions – Scrutiny of the Budget  
Meeting held on 10 February 2014**

**EXTRACT FROM DRAFT UNAPPROVED MINUTES OF A MEETING OF THE JOINT MEETING OF THE SCRUTINY COMMITTEES AND COMMISSIONS HELD AT THE COUNCIL CHAMBER, TOWN HALL ON 10 FEBRUARY 2014**

Questions and observations were made around the following areas:

Item	Section of the Budget	Questions / Comment	Response
4	Introduction of the Budget and Overall Budget Strategy  <b>(Pages 1 -71)</b>	Members referred to the slide 'Meeting the Financial Challenge' and suggested the following should be considered: <ul style="list-style-type: none"> <li>• Council Tax to be put up by 2% to provide additional income of £500,000.</li> <li>• Increasing efficiency savings e.g. make the management more efficient.</li> <li>• Look at the claims for VAT and reducing some of the costs in buildings.</li> <li>• Additional income could be gained from marketing the buildings that are being used for children's centres. They could be used at weekends and evenings. The income would then help towards the reduction in cuts to Children's Centres.</li> </ul>	A Council Tax increase of 2% brings in £500,000 extra to the Council , but would mean that that residents pay an extra £1.2M . If the Government does not put into the Councils baseline the Grant Freeze Monies going forward then the benefit would be higher in future years.
		Members sought assurance that the Grant Freeze monies would continue.	It had been confirmed that the freeze grant for 2014/15 would continue into 2015/16, but Government could not guarantee that the Grant Freeze Monies would continue into the next Parliament.
		Please explain the funding reductions. Page 7, paragraph 5.4 the table shows funding for 2013/14 of £119M	The table includes Public Health which is an increase that cannot be used for any other purpose than Public Health matters.

Item	Section of the Budget	Questions / Comment	Response
		and the funding for 2014/15 is £112.2M. On page 10 para 5.14 there is a table showing inescapable and essential costs of £10,343k for 2014/15. If this is the budget shortfall why are we making savings of £16.2M	
<p><b>Action</b></p> <p>The Committee noted this section of the budget.</p>			
5	<p>Treasury Management Strategy 2014/2015 – 2023/2024 <b>(Pages 72 -95)</b></p> <p>Capital Strategy 2014 – 2024 <b>(Pages 96 – 123)</b></p> <p>Asset Management Plan 2014 – 2019 <b>(Pages 124 – 151)</b></p>	Appendix 2, page 94 – Summary of capital and treasury prudential indicators. In the section ‘Ratio of financing costs to net revenue budget’ there is an ever increasing percentage of revenue budget going towards financing costs. Is this being kept in hand?	This was due to the Energy from Waste Plant investment and investment in schools.
		Asset Management Strategy. Two of the car parks are being sold which will provide a good capital receipt. We are investing in the city centre and want people to come into the city with their cars and will therefore need car parking facilities. Are there any further plans to sell any of the other car parks?	The car parks are not at saturation point and there is plenty of capacity within the city centre. It is therefore appropriate that the council considers other opportunities for those sites.
		Cost for translation is £50k but it is probably more like £100K.	A policy regarding translation was introduced some years ago which states that the council should only spend money on translation where there is a statutory or legal requirement. An example would be translation of documents for court proceedings.



Item	Section of the Budget	Questions / Comment	Response
		In Cambridge the authority has a project called 'Making Assets Count' which maps out and analyses usage of all their assets. Is this something that is done by PCC and if so where can the information be found?	The budget book includes the Asset Management Plan which details the council's approach to managing assets with partners in a similar way to the Cambridgeshire project.
		Could the commitment of a Healthy City be added to the council's priorities?	This was a worthwhile suggestion and Cabinet would consider this.
		How flexible are the budget pressures. Can the risk be moved up or down to relieve pressures elsewhere?	One of the responsibilities of the Chief Financial Officer was to advise the council on the robustness of the budget estimate which included management of risk. Pages 32 to 36 of the budget book details the risks and how these are managed.
		As the budget processes are getting better and efficiencies are being produced and the budget is reducing. Could we reduce our reserves from £6M to a more appropriate level of £4 or £5M?	The Chief Financial Officers role is to recommend to Members whether the £6M is an adequate amount for the reserves. At the start of the year there are always pressures which may eat into the £6M. When looking at a £17M budget deficit for 2015/16 if the balances are not right then the money would have to be replaced the following year. The Chief Financial Officer cautioned against moving away from the £6M.
		Councillor Murphy remarked that Looked after Children needed to be looked at as there appeared to be tens of thousands of pounds spent on visits by social workers to Bulgaria.	The Cabinet Member for Children's Services requested that Cllr Murphy provide evidence that Social Workers were being sent to Bulgaria or withdraw his remarks. No Social Workers had been sent to Bulgaria. The Executive Director for Children's services confirmed that no Social Workers had been sent to Bulgaria. It may have been that placements had been identified to place children in their country of origin which would cut down on the money being spent on Looked After Children.
		Page 20, paragraph 1.2.5 the budget projections are not taking into account the retained business rates. However at paragraph 1.2.3 it indicates increased funding as a result of that. If this were reanalysed would this produce different figures.	There is a degree of offsetting there between increases in business rate income and future reductions in grants from Central Government.
<b>Recommendations:</b>			

Item	Section of the Budget	Questions / Comment	Response
<p>1. Councillor Lamb seconded by Councillor Lee recommended that Cabinet include as part of the Councils Priorities on page 4 of the Budget Book the Commitment to a Healthy City.</p> <p>The recommendation was put to the vote and approved. ( 18 in favour, none against, none abstained)</p> <p>2. The Committee recommend that Cllr Seaton investigates whether Business Rates retention would impact on the revenue budget and whether more accurate forecasts would assist in revenue allocation and budget setting.</p> <p><b>Action</b></p> <p>The Executive Director of Children’s Services to provide the Committee with a full briefing note regarding the comment about Social Workers that may have been sent to Bulgaria and placements for children in their country of origin.</p>			
6.	Adult Social Care <b>Appendix 1</b> and related Capital Programme <b>(Pages 16 – 25)</b>	Supplementary report, Appendix 1, page 5. ASC – Quality Information and Performance show savings of £50K regarding joint initiatives with Children’s Services. What is this and why is it listed under Adult Social Care.	There has been a reorganisation of the Councils Senior Management Team and commissioning of children’s services and adults now come under one area. This efficiency saving is about bringing responsibilities of the workforce development functions together across adults and children’s services.
		Supplementary report, Appendix 1, page 5. What does the proposed cut of £80K in services for Mental Health cover? Is it the funding to the Cambridgeshire and Peterborough Foundation Trust (CPFT)?	There is a Section 75 arrangement with the CPFT the Mental Health Trust for the provision of Adult Social Care Services. Work had been done on the personalisation agenda with them and this is where the £80K saving has come from.
		There is mention of aiming for a more modern service. Can you give an example of what service is being offered now that is not modern?	Adult Social Care transformation is about the transition from providing very traditional day services, residential services and home care services in a very traditional way to a better service with the aim to enable everyone to live as independently as possible. Part of this is giving people skills to obtain employment. In doing this the dependency on statutory services is often reduced.
		Will the Gloucester Centre be closed?	The Gloucester Centre is not run by the Council. It is operated by the CPFT and the Council provide funding to 35 of the 40 users who also use the Gloucester Centre. The Council are

Item	Section of the Budget	Questions / Comment	Response
			also providing the same funding directly to the Gloucester Centre which cannot continue. The CPFT gave notice to the Council to discontinue the service.
<p><b>Action</b></p> <p>The Committee noted this section of the budget.</p>			
7.	Chief Executive's <b>Appendix 2</b> and related Capital Programme  <b>(Pages 26 – 27)</b>	No questions were submitted.	
<p><b>Action</b></p> <p>The Committee noted this section of the budget.</p>			
8.	Children's Services <b>Appendix 3</b> and related Capital Programme <b>(Pages 28 – 32)</b>	No questions were submitted.	
<p><b>Action</b></p> <p>The Committee noted this section of the budget.</p>			
9.	Communities <b>Appendix 4</b> and related Capital Programme  <b>(Pages 33 – 37)</b>	Angela Brennan a Member for the Public who was in attendance asked the following questions:  With regards to children's centres, what is this figure made up of? Could I have a break down? Has the budget now encompassed the extra	The £931K in the supplementary report on page 8 is there because the savings will not be made by 1 April. The full year effect would be £1,181K and does include the £100K to support parent groups etc.

Item	Section of the Budget	Questions / Comment	Response
		100K coming from the EIG grant to setup new children's groups or the Bus Fares that the council are now promising everybody who is getting to the new proposed hubs?	
		What is the figure for the transport costs and is this included in the £100K.	If people need to go to a hub or an outreach centre and are not in a position to fund their transport but they needed to go to a centre for some particular therapy then we would look to help them with their costs. We did not say that we would fund all the transport.
		Members were concerned that the councils priority of 'Safeguarding Vulnerable Children and Adults was being compromised by closing the children's centres.	<p>Members were referred to Appendix 3 of the budget book – Children's Services. There was a commitment to the social workers in the city to maintain the safeguarding work that they do and the service to help the most vulnerable children in need.</p> <p>Every Council in the country has had to look at the expenses associated with Children's Centres. The Government are putting £10M of ring fenced money into Peterborough this year to fund 15 hours of free child care to all three and four year olds in the city and to children aged two years who meet the criteria.</p>
		The Werrington Children's Centre was opened less than four years ago and now it is being closed. Where was the forward plan for this?	Members were referred to the Settlement for 2014/15 and 2015/16 to remind Members of the reduction in funding. 2014/15 - £9M less than previous year. 2015/16 - £12.5M less than previous year.
		Supplementary report, Appendix 1, page 8 – 'Communities'. Could an explanation be given for the £1,019K pressures against the CHS – Strategy, Commissioning and Prevention section?	Most of the £1,019K relates the upward trend in numbers of Looked After Children which is a national trend. There are also some elements of related transport cost.
		A member of the public Bobby Day who works at a Children's Centre was in attendance and asked the following questions.	

Item	Section of the Budget	Questions / Comment	Response
		<p>In the Cabinet report on Children's Centres presented at the Cabinet meeting on 3 February there was a document, Appendix 5, Calculation of savings required for each Children's Centre. The Westwood and Ravensthorpe Children's Centre was £233,370. Please can you provide a breakdown of costs and does it include the running costs of being at Ravensthorpe School. Westwood and Ravensthorpe Children's Centre was initially over two sites. The Children's Centre had not been in Ravensthorpe school for some time.</p>	<p>It did include Ravensthorpe at the time it went out to tender but not now. The Director for Communities did not have the detailed information at the meeting and offered to meet with the member of public to provide a comprehensive response outside of the meeting.</p>
		<p>A member of the public Chris York was in attendance and asked the following questions.</p> <p>David Cameron has said that he was increasing funding to Children's Centres. Why therefore are the council cutting Children's Centres budgets?</p>	<p>The report presented to Cabinet on 3 February included a letter from Elizabeth Truss MP from the Department of Education which clearly states that Children's Centres funding was included in the Early Intervention grant. This is possibly what David Cameron was referring to.</p>
		<p>More work needs to be done to look at the specific budgets to see if savings can be achieved through identifying efficiencies and additional income to reduce the level of cuts.</p>	<p>Councillor Murphy had been invited to meet with the Director of Communities and the Cabinet Member for Children's Services to discuss ideas for the identification of further efficiencies.</p>
		<p>Children's Centres. Have the lease closures and terminated contracts already been included in the budget?</p>	<p>Yes these had been included.</p>
		<p>Officers should provide assistance in supporting Members in discussing alternatives ways of saving money and identifying efficiencies. A working</p>	<p>The Chair advised Members that there was not enough time to establish a working party and allow suitable deliberation before the budget had to be approved. It was therefore suggested that other Members of the Scrutiny Committee may</p>

Item	Section of the Budget	Questions / Comment	Response
		party could be established to look further at this.	<p>also wish to meet with the Director of Communities to discuss alternatives to saving money.</p> <p>The Director of Communities extended the invitation to all Members of the Scrutiny Committee to attend the meeting to be held with Councillor Murphy at 4.30pm on Tuesday 11 February at Bayard Place.</p>
		<p>David Whiles from Healthwatch asked the following question.</p> <p>The reduction in budget of £45K to pay for the running of St Georges Hydrotherapy Pool will mean that it will close on 31 March 2014. The 1700 service users will have no alternative provision. The Health and Wellbeing Board in September endorsed the role of hydrotherapy for the physical and mental wellbeing of the people of Peterborough. What alternative provision will be put in place for the 1700 users?</p>	<p>The Cabinet Member for Environment Capital and Neighbourhoods advised that he had been working with local groups at the hydrotherapy pool. The groups were looking at raising sufficient funds to keep it open three months beyond the due closure dates. If the funds can be raised then it will provide some time to look at ways of keeping it open over the next two years. The question arises as to whether the NHS should provide the funding.</p> <p>The St Georges centre requires some maintenance work and funding would not be available. The school in which the centre is housed is due to close in two years' time. Discussions are being held with PJ Care to see if they have hydrotherapy provision.</p>
		<p>David Whiles from Healthwatch asked the following question.</p> <p>The NHS and the Council both have some degree of responsibility for hydrotherapy. Please can the council use their best officers to persuade the NHS to fund the commissioning of this service in the city?</p>	<p>It is the intention to pursue NHS funding.</p> <p>The Leader of the Council commented that by working unilaterally a new sports centre had been provided in Hampton. There was a possibility of two more sports centres being provided in the city with swimming pool facilities. This might provide an opportunity to explore the possibility of having a hydrotherapy pool at one of the new facilities. If the Council, the NHS and users of the hydrotherapy pool worked together to provide funding it might be possible to keep the hydrotherapy pool open until other possibilities were explored.</p>

Item	Section of the Budget	Questions / Comment	Response
		<p>Could a breakdown be provided of the maintenance and running costs of the hydrotherapy pool?</p> <p>Could a full assessment of the condition of the building also be completed?</p>	<p>The Head of Corporate Property and Children's Resources informed Members that a report has been prepared to answer these questions. He also advised that the building was safe and a full conditions report has been completed.</p>
		<p>Councillor Fox recommended that funding be found to keep the hydrotherapy pool running until an alternative could be found.</p>	<p>The Leader of the Council requested that the NHS should be included within the recommendation.</p> <p>The Cabinet Member for Adult Social Care informed the Committee that it was the responsibility of the Cambridgeshire and Peterborough Clinical Commissioning Group to provide the hydrotherapy service and he was having discussions with them concerning this.</p>
		<p>Angela Brennan a member of the public asked if any charities had been contacted about the closure of the hydrotherapy pool to see if they could assist with costs. This would then put less strain on the budget.</p>	<p>The Chair requested that charities be included in any recommendation made.</p>
		<p>Members requested that the Community Leadership Fund (CLF) contributions be unblocked so that they could be used to help towards funding to help the hydrotherapy pool stay open longer.</p>	<p>Members were advised that the CLF had not been blocked but had been held until the decision had been made on whether the hydrotherapy pool would close or not. Subject to the agreement that the hydrotherapy pool stays open the CLF money will go towards the funding.</p>
		<p>Supplementary report, Appendix 1, page 8 – 'Communities'. Section OPS – Neighbourhoods. The homelessness Bed and Breakfast Costs - £150K. This appears to be increasing and yet the housing budget is being reduced by £50K. The housing budget should be increased to reduce the demand for homelessness bed and breakfast</p>	<p>The £150K that has been put forward is in response to the impact of welfare reform and the changes that are taking place. The assessment of need indicates that there are likely to be more people who are temporarily homeless. The £50K is for the increase in the charge to Registered Social Landlords for the choice based lettings. The assessment report can be provided to the Committee.</p>

Item	Section of the Budget	Questions / Comment	Response
		accommodation. Can Cabinet review the use of bed and breakfast accommodation?	
<p><b>Recommendations</b></p> <p>1. Councillor Murphy seconded by Councillor Forbes recommended to Cabinet that on going and additional work is done to identify efficiencies and income generation to mitigate the current level of service reductions in Children’s Centres.</p> <p>The recommendation was put to the vote and approved. (11 in favour, 5 against, 2 abstained)</p> <p>2. Councillor JR Fox seconded by Councillor Lee recommended to Cabinet that they seek to maintain St George’s Hydrotherapy Centre running until alternative sources of funding are identified. This to be done by working with services users, the NHS, and the voluntary sector to keep the pool open for two years until a solution or an alternative is found.</p> <p>The recommendation was put to the vote and was unanimously approved.</p> <p><b>Action</b></p> <p>The Director of Communities to provide the Committee with the Assessment of Needs report produced to inform the reason for increasing the funding of Homelessness Bed and Breakfast costs.</p> <p>The Head of Corporate Property and Children’s Resources to provide the Committee with a copy of the report detailing the running costs of the hydrotherapy pool and a breakdown of repairs with costings for both the pool and building.</p>			
10.	Governance <b>Appendix 5</b> And related Capital Programme  <b>(Page 38 - 40)</b>	Page 39, Reducing the Community Leadership Fund - saving of £183K. Please can you explain how this figure has been arrived at?	The Chair provided an explanation. Last year the default rate of £10K per ward was kept even though the budget was reduced for one year to £7K. This year it is proposed that it is reduced permanently to £1K. This is how the figure is arrived at.
		In reducing the CLF to £1K per councillor what assessment has been done to ascertain the impact on deprived areas or is this an arbitrary approach to save money.	It was an arbitrary approach to save money.



Item	Section of the Budget	Questions / Comment	Response
		<p>How can an arbitrary approach like this be taken when it could potentially discriminate against councillors with large wards for example rural wards which cover fourteen or more villages.</p> <p>A request was made that the Director of Governance provide an explanation in writing.</p>	<p>CLF funding does not have an ongoing revenue implication. By definition the spend year on year should not be supporting services and therefore no implications. There is no equality impact assessment on CLF.</p> <p>The Director of Governance confirmed that it was an annual discretionary spend with no ongoing impact.</p>
		<p>Councillor Lee seconded by Councillor Fower recommended that the CLF funding be raised to £10K per ward.</p> <p>The recommendation was put to the vote and NOT approved. (5 in favour, 6 against, 7 abstained)</p>	<p>The Cabinet Member for Resources reminded the Committee that when making recommendations to increase the budget that consideration needed to be given to where money could be saved elsewhere.</p>
		<p>Supplementary report, Appendix 1, page 9 – ‘Governance’. CEX – Legal. What are the £50K changes to the Electoral System for?</p>	<p>Page 40 of the budget book details why £50K is having to be spent on changes to the Electoral System. The Electoral Registration and Administration Act requires every resident in the city to fill in their own individual electoral registration form. As a consequence there will be increased postal and canvassing costs to ensure forms are sent to every resident rather than every household. It will also pay for additional canvassers to chase non-returned forms.</p>
		<p>Could Cabinet have a look at the Communications Department and to see if further savings can be made?</p>	<p>Cabinet Member for Community Cohesion, Safety and Public Health invited Councillor Murphy to meet with the Communications team to help him to understand the rationale behind the budget figure.</p>
		<p>Councillor Harper seconded by Councillor Peach recommend that Cabinet reduce the CLF fund to zero and put it back into the budget to use on vital services.</p>	

Item	Section of the Budget	Questions / Comment	Response
		The recommendation was put to the vote and NOT approved. (6 in favour, 7 against, 5 abstained)	
<p><b>Recommendation</b></p> <p>Councillor Saltmarsh seconded by Councillor Harrington recommend that Cabinet (only) reduce the Community Leadership Fund to £5000 per ward.</p> <p>The recommendation was put to the vote and approved. (9 in favour, 5 against, 4 not voting)</p> <p><b>Action</b></p> <p>The Director of Governance to provide in writing an explanation as to why the CLF funding does not have an ongoing revenue implication.</p>			
11.	Growth and Regeneration <b>Appendix 6</b> and Related Capital Programme (Pages 41 – 44)	No questions were submitted.	
<p><b>Action</b></p> <p>The Committee noted this section of the budget.</p>			
12.	Resources including Strategic Commissioning and Partnerships <b>Appendix 7</b> and related Capital Programme (Pages 45 – 61)	Will the Arts Festival be continued going forward.	There will be an Arts Festival. The council took the decision that under the current circumstances it would not be best use of council funds to put on an Arts Festival however following discussions with Vivacity they have found some additional funding from elsewhere and there will be an Arts Festival in some form.
		Could you provide details of the book fund? What are we loosing from the book fund?	The book fund is reducing by £70K and Vivacity believe they can still offer a comprehensive service as close to the current service as possible.
		Angela Brennan a member of the public referred to the page 53 of the budget book – ‘Resources’ - Football ground income loss of £303K. Why	The income loss is due to rent abatement as some parts of the ground cannot be used at the moment.

Item	Section of the Budget	Questions / Comment	Response
		after buying the Football ground at an extortionate over inflated price is the Council now recording massive income losses?	
		<p>If people do not opt to pay for the collection of brown bin waste are people more likely to use the black bins for garden waste therefore increasing the amount going to landfill. This would mean increased charges for the council.</p> <p>Would it be better to cut the collection frequency of the brown bin by fifty percent rather than charge?</p>	<p>There were 103 authorities that had already implemented a charge for collection of garden waste. These authorities had noted that an additional 3% of garden waste was going into black bins and there was no reason to believe Peterborough would be any higher than that. The amount that would add to gate fees for landfill tax was included within the savings stated. It would need 35% take up to achieve the savings. Other authorities had shown that this was achievable.</p>
		How will you implement the brown bins? Will there be a chip facility on the bins.	There will be an in cab computer system on the vehicles which will advise the crew which properties are participating or not in the scheme.
		What happens to areas where people have to put their bins at a designated collection point? How will the crew know which bin belongs to which household and if they have or have not paid.	As part of payment people will receive a tamper proof sticker on the bin. If someone tries to remove the sticker it will disintegrate therefore no one can remove a sticker from someone else's bin and apply it to their own. The in cab information will also advise the crew of which people have paid for the service.
		Has there been an impact equality assessment completed on this policy as it would seem that regardless of income everyone will pay the same.	It is an optional service and if someone cannot afford the service then they do not have to take up the service. The charge of £39 per years in the lower quartile of charges compared to other authorities.
		What happens if the sticker is tampered with and disintegrates and it is not the owners fault.	The sticker will remain on the bin and it cannot be removed in any kind of useable piece. A replacement sticker will be provided.
		For those people who decide that they do not want their brown bins emptied what will happen to the bin.	The bin is part of the property and will therefore need to remain at the property for the use of any future owners or tenants of the property who may wish to take up the service.
		Angela Brennan a member of public asked the following questions.	

Item	Section of the Budget	Questions / Comment	Response
		<p>What would happen if the brown bin charges went ahead and people decided to sweep the leaves from their property onto the street? How much more money will then be spent cleaning up the streets. How much money will go into policing the new charges?</p>	<p>If leaves are in the street they will be collected by the street cleansing regime which is already in place. Any additional work like this has been taken into consideration within the cost savings.</p>
		<p>Bobby Day a member of public asked the following questions.</p> <p>Has the new charge included the cost of having to collect dumped rubbish like fly tipping?</p>	<p>Yes this has been included.</p>
		<p>Chris York a member of public asked the following question.</p> <p>As our food waste goes to Northampton has the council had an increase in gate fees and if so is this the reason that our brown bins are now going to be charged for.</p>	<p>No.</p>
<p><b>Action</b></p> <p>The Committee noted this section of the budget.</p>			
13.	<p>Staff Implications <b>Appendix 8</b>  (Page 62)</p>	<p>No questions were submitted.</p>	
<p><b>Action</b></p> <p>The Committee noted this section of the report.</p>			

Item	Section of the Budget	Questions / Comment	Response
14	<b>General Comments, any overall recommendations and Conclusion</b>		
	Councillor Murphy questioned the freeze on council tax and felt that this might jeopardise services even further in the long term.		Members were advised that if Council Tax is raised above 2% then a referendum will need to be held.
	Councillor Murphy requested that Cabinet should consider the implications of not increasing the Council Tax by 2% over future years.		Members were referred to page 14 of the budget book, paragraphs 7.8, 7.9 and 7.10 for further clarification on Council Tax.
	Page 122 of the budget book. Capital Receipts Summary from 2014 to 2018. When is the land at Riseholme, Orton Goldhay scheduled for disposal and also Thorney Tank Yard?  Councillor Arculus commented that unused assets should be disposed of as quickly as possible.		Both of these assets are currently being reviewed and there are no timescales currently in place for disposal.

## RECOMMENDATIONS

The Committee recommends that:

1. Cabinet include as part of the Councils Priorities on page 4 of the Budget Book the Commitment to a Healthy City.
2. Cllr Seaton investigates whether Business Rates retention would impact on the revenue budget and whether more accurate forecasts would assist in revenue allocation and budget setting.
3. To Cabinet that on going and additional work is done to identify efficiencies and income generation to mitigate the current level of service reductions in Children's Centres.
4. To Cabinet that they seek to maintain St George's Hydrotherapy Centre running until alternative sources of funding are identified. This to be done by working with services users, the NHS, and the voluntary sector to keep the pool open for two years until a solution or an alternative is found.
5. Cabinet (only) reduce the Community Leadership Fund to £5000 per ward.

## ACTIONS AGREED

The Committee requested that:

1. The Executive Director of Children's Services to provide the Committee with a full briefing note regarding the comment about Social Workers that may have been sent to Bulgaria and placements for children in their country of origin.
2. The Director of Communities to provide the Committee with the Assessment of Needs report produced to inform the reason for increasing the funding of Homelessness Bed and Breakfast costs.

## Greater Peterborough Partnership

### Comments raised during the budget consultation event held on 11 February 2014

Comment
GPP saw the council's budget challenges as a challenge for the city as a whole and not just for the council and so were supportive of the strategic direction outlined in the MTFs and wanted to know how the partners could assist in helping the council meet their financial challenges.
The GPP asked for the background on why there is a proposal to freeze the council tax. Whilst this was explained GPP asked the council to reflect on this bearing in mind the future financial challenges the council faces.
GPP asked about the renewable projects and the contribution they make to the budget and they asked for a further briefing on this from Blue Sky.
GPP raised a question about the financial situation of other councils and the potential for further joint working.
One member of GPP supported the proposals for savings on grass cutting as a way to promote biodiversity.



**MINUTES OF A MEETING OF THE PARISH COUNCIL LIAISON MEETING HELD AT THE TOWN HALL ON 11 FEBRUARY 2014**

**Members Present:** Councillor Nigel North, Chairman  
Councillor Joe Dobson, Helpston Parish Council  
Councillor Paul Froggitt, Orton Waterville Parish Council  
Councillor Dennis Batty, Glinton Parish Council  
Sandra Hudspeth, Deeping Gate Parish Council  
Councillor Jane Hill, Deeping Gate Parish Council  
Councillor Philip Thompson  
Councillor Jason Merrill, Bretton Parish Council  
Tony Hovell, Thorney, Newborough and Borough Fen  
Councillor Andy Godsell, Eye Parish Council  
Councillor John Bartlett, Thorney Parish Council  
Councillor Ian Allin, Orton Longueville Parish Council  
Councillor Olive Leonard, Hampton Parish Council  
Kate Day, Hampton Parish Council  
Councillor David Roxburgh, Barnack Parish Council  
Geoffrey R Smith, Werrington Neighbourhood Council  
Sarah Rodger, Castor Parish Council  
Councillor David Seaton, PCC  
Councillor John Holdich, PCC

**Officers Present:** Kim Sawyer, Director of Governance, PCC  
Steven Pilsworth, Head of Strategic Finance, PCC  
Cate Harding, Communities, PCC  
Dania Castagliuolo, Governance Officer, PCC

**1. Apologies for Absence**

Apologies for absence were received from Ian Dewar, Patricia Stuart-Mogg, Councillor Henry Clark, David Hedges and Martin Greaves.

**2. Minutes of the Meeting Held on 18 December 2013**

The minutes of the meeting held on 18 December 2013 were approved as a true and accurate record.

**3. Medium-Term Financial Strategy Proposals from Cabinet**

Councillor Seaton, Cabinet Member for Resources and Steven Pilsworth, Head of Strategic Finance delivered a presentation on the Medium-Term Financial Strategy. The following key points were highlighted:

Peterborough City Council remained committed to:

- Growth, regeneration and economic development of the city to bring new investment and jobs.
- Improved educational attainment and skills for children and young people including investing in the multi-university approach.
- Safeguarding children and vulnerable adults.

- Environment Capital agenda including pursuing new income streams from solar energy and wind farm developments.
- Supporting the Culture and Leisure Trust to continue to deliver Peterborough's culture, arts and sport in the city.
- Keeping communities safe and cohesive.

#### Settlement 2014/15 and 2015/16:

- 2014/15 – The grant from Central Government would be £9m less than the previous year, this was roughly £1m worse than expected when budget planning started.
- 2015/16 – The grant from Central Government would be £12.5m less than the previous year, this was roughly £11.5m worse than expected when budget planning started.
- This was an overall reduction of 40% (£44m) across five years.

#### Pressures:

- Looked after children (£1m).
- Government changes to provision for adults with learning disabilities in residential care (£945k).
- Homelessness B&B costs (£150k).
- Special School Transport (£164k)
- Government changes to funding of long term Social Care (£319k from 2015/16)
- Welfare reform – responding to loss of Disability Living Allowance in adult social care (£108k)

#### Capital Investment on Key Projects:

- Extra care provision.
- Disabled Facilities Grant.
- Repairs Assistance.
- Roads, including junction 17 of A1m to junction 2 of Fletton Parkway and Bourges Boulevard.
- Continuation of public realm, including Long Causeway.
- Affordable Housing - £12.8m over two years.
- Schools - £45m over two years for new places.
- Renewables – income built into future years budgets.

#### Scale of financial Challenge:

- Summary position for 2014/15 –
  - Grant reduction of £9m
  - Financial Pressures of £10m
  - Overall budget gap of nearly £19m
- Gap increases in 2015/16:
  - Grant reduction of £12.5m
  - Financial pressures of £4m
  - Budget gap increases by £16.5m

#### Efficiencies:

- Adult Social Care transformation and personalisation (£637k).
- Reduced costs of looked after children (£245k increasing to £1.2m).
- Public Health – Savings on drug treatment and benefits from joining services to use the grant more efficiently (£1.1m).
- Office accommodation and property (£673k).
- Serco partnership and business support (£775k).
- ICT projects and support (£620k).
- Vivacity (£330k).

#### Service reductions:



- Communities
  - Children's Centres (1.18m in a full year)
  - St Georges Hydrotherapy pool (£45k)
- Adult Social Care
  - Further savings from previously agreed policy changes 9£200k)
  - Review 'support cost estimate' (personal budgets) – (£125k)
  - Review respite policy (£150k)
  - Review older people day services 9£150k)
  - Service user transport (£175k)
  - Day opportunities for adults under 65 with learning disabilities 9£400k)
- Education
  - Special school transport (600k)
- Governance
  - Community Leadership Fund – reduce to £1k per Councillor (£183k)
- Resources
  - Sports club caretaker, grass cutting, shrub and flower bedding, play area inspection, Waste and Electronic Equipment Re-use (WEEE) facility (262k)
  - Introduce charge for garden waste collection (£804k)
  - Remove remaining discretionary funding from Parish Councils from 2015/16 (£100k)

#### Proposals for Parish Councils for 2015/16

- Remove remaining discretionary grant, including council tax support grant.
- Continue funding for Burial Grounds and recreation grounds.

#### Council Tax

- Peterborough had one of the lowest council tax levels in the country.
- The previously approved budget assumed 2% per annum increase (i.e. at the current referendum limit threshold).
- Proposals put forward were that council tax was frozen for 2014/15 and 2015/16.
- If council tax was increase then the freeze grant would be lost and the potential impact would be:
  - 2% increase costs taxpayers roughly £1.2m
  - Grant loss of around £0.7m
  - Net benefit of around £0.5m

#### Reserves, balances and risk:

- £6m working balance would be maintained.
- Capacity building reserve would be low
- A tight financial control would be even more important
- Key risks:
  - Business rate retention – impact if Government growth targets were not hit
  - Savings plans
  - Council tax benefit

#### The following questions and comments were raised and discussed:

- Vivacity had been able to make a number of savings. Since they had been separate from the Council they had been better able to obtain external funding.
- The new gym in Hampton was costly and too expensive for families to use it as a pay as you go gym.
- The expectation of the gym in Hampton for next year was to generate £37k income based on more people signing up to use the facility.

- The membership of the gym had increased to 2250 members. The leader of the Council was looking to take this model and use it on other facilities within the city.
- Would Parish Councils be offered the opportunity of filling gaps by maintaining their areas and paying the difference? Amey were keen to have discussions with Parish Councils regarding this.
- Concerns were raised regarding St Georges Hydrotherapy pool. PJ Care was not suitable for all disability needs whereas the Hydrotherapy pool was.
- Work was being carried out to try and raise £11k to keep the Hydrotherapy pool open for a further three months. A considerable amount had already been raised.
- The Hydrotherapy pool was not one of the Council's core functions therefore discussions would need to take place with the NHS.
- The garden waste collection would cost households £36.00 per year if registered before the end of May 2014 and £39.00 per year after.
- The Council would generate an income of £800k from the garden waste collection.
- Brown bins belonged to properties therefore they would not be removed if households opted out of the scheme. There would be a sticker on the bins of those who had paid for the collection. The collection would change to a 12 month service.
- The compost site at Dogsthorpe would remain in service.
- Two households could share a brown bin collection if desired.
- The garden waste service was a discretionary service that the Council offered therefore was not part of a core service.
- Concerns were raised regarding day services as there was only one day centre in Peterborough which was a mixed disability centre.
- Parish Councils would only have received the additional grant for Council Tax last year as this was discretionary. There were a number of Councils who were moving in the direction of removing the grant from Parish Councils.
- The latest forecast for the energy parks was presented to the Scrutiny Commission for Rural Communities on 16 December 2013. Recommendations were made at this meeting which Cabinet were now considering. It was expected that in five years the energy parks would make an income of £5m per year. An update would be presented to Cabinet on 24 February.

The Chairman thanked Councillor Seaton and Steven Pilsworth for attending the meeting.

Councillor Paul Froggitt, Orton Waterville Parish Council addressed the group and invited other Parish Councils to talk to him regarding encouraging people to become Parish Councillors.

## **ACTIONS**

- Councillor Seaton to liaise with Councillor Fitzgerald regarding the day centre for disabled people.
- Steven Pilsworth to circulate a summary to the Parish Council Liaison regarding reductions to Parish Councils.

## **Date of Next Meeting**

26 March 2014

CHAIRMAN  
6:30 – 7.40pm

## Voluntary Sector through Peterborough Council for Voluntary Service

### Comments raised during the budget consultation event held for the voluntary sector on 12 February 2014

Comment	Response
<p>The looked after children saving proposal starts at £245k and increases to £1.2m – could this be explained</p>	<p>Referred to relevant page in consultation document outlining that this is a stepped saving that will be fully realised from 2017/18 in line with the saving proposal narrative</p>
<p>You mentioned Children Centres saving proposal within the presentation. Has there been any work undertaken to understand any correlation between those persons / families that use the service and the numbers of looked after children?</p>	<p>The officer involved and Cllr Scott will certainly have considered issues associated with social care including any feedback from the recent Children Centre consultation. This comment will be referred to the relevant officer for any further comment.</p>
<p>'Delivering things differently' was referred to on several occasions. However there is no budget specified for doing that within the consultation document. How will the voluntary sector be involved in those discussions and identifying how the investment in 'doing things differently' could best be made?</p> <p>For example, where there are cuts in older people day services and respite care, Tackling Poverty, support for vulnerable groups etc.</p>	<p>There is a role for the voluntary sector and would be co-ordinated via Adrian Chapman. The proposals put forward for 2014/15 would be consulted upon where necessary but also the savings put forward would have also been considered for any investment requirement.</p> <p>For older people day services a review would be undertaken and dependent on the outcome of the review, next steps would be considered including consultation and involvement with interested parties. This is the process the council has followed for other areas.</p> <p>The council is continuing on delivering transformation and made reference to the budget consultation document transformation section that outlines that the voluntary sector would be involved.</p> <p>Transformation wherever possible would be done on an invest to save budget and any investment required for future savings in 2015/16 would need to be factored into the budget and saving proposals put forward.</p>
<p>Children Centres – Closure of Werrington and expectation that users would go to Paston. There is no appropriate public transport link making accessibility difficult. There is potential interest from the voluntary sector at maybe</p>	<p>This is a specific issue that will be forward onto the relevant officers with regards to Children Centres and Community centre assets.</p>

Comment	Response
<p>running one in Werrington from a suitable premises or existing community centre. How could the voluntary sector be involved in discussing this proposal?</p>	
<p>Homeless Bed and Breakfast – confirmation of pressure and whether there is a preventative piece of work being undertaken to bring down costs. The voluntary sector can help</p>	<p>The £150k referred to in the budget is the additional cost that the council currently has on its existing budget for homelessness. This comment will be passed to relevant officer to confirm preventative work and how the voluntary sector could be involved</p>
<p>RSL's i.e (Crosskeys) and Council Officers provide housing support to vulnerable people / families, however, it maybe these people / families may not want to discuss difficult issues regarding debt etc with council officers but may be prepared to share information and have assistance from the voluntary sector -which may also be at less cost. The new Community Wellbeing Partnership made up of 17 voluntary organisations from across the VCS could work with PCC to identify ways of achieving this and other outcomes required. The Partnership would work with the wider sector including the smaller groups across the City who can deliver at a very local level targeting areas and themes. Could the new VCS partnership put forward an invest to save bid (as identified in the consultation paper) around citywide VCS supporting vulnerable groups and families and reducing longer term costs?</p>	<p>This comment will be referred to relevant officer to ensure the council is aware of this suggestion and how it could be taken forward appropriately</p>
<p>Equalities is referenced on page 134, paragraph 2.3.11 – What / Who is the One Community Project?</p>	<p>This reference is included in the Asset Management Plan. This will be referred to an appropriate answer for investigation.</p>

Comment	Response
<p>Funding for the voluntary sector in 2014/15 – When will we be informed and will there be any engagement with the sector? Would it be possible to include the VCS in discussions around what is required to be delivered and obtain proposals from the VCS on how this might be achieved? Could this be done through the Community Wellbeing Partnership?</p> <p>What about 2015/16?</p>	<p>The grant used to fund the voluntary sector has reduced slightly from 2013/14 to 2014/15 and work is in progress by the council to determine how this grant will be allocated. The focus for VCS funding in 2014/15 will continue to be on tackling poverty and the impacts of welfare reform, but with an additional focus on skills and employability.</p> <p>The council is committed to ensuring that the service undertaken in 2014/15 continues into 2015/16 following the loss of the Local Welfare Provision Grant and is currently preparing options for inclusion in a business case for future service delivery.</p>
<p>Could the Council ensure that PCVS are able to circulate information relating to the voluntary sector as they are not always included in council consultations as stakeholders but may provide a service that impacts all ages / residents so is interested in a process that would ensure that the voluntary sector are aware of all budget consultations.</p>	<p>Noted. There is a page on the council website that shows all current and past consultations.</p> <p>The PCVS or similar delivery vehicle could facilitate informing voluntary organisations if a process can be agreed by the council. This comment will be fed back to the council's corporate management team for consideration.</p>

## Twitter Feed via the Peterborough Telegraph

### 1. Why not stop the Energy Park?

If we do, we will eventually have to make many millions of pounds of further cuts to important services. I do not want that and I believe a majority of residents would agree.

We will have seen a 40 per cent reduction in our funding from government over five years amounting to £44 million. We have made significant changes to the organisation over recent years but with such a huge budget challenge it means we can no longer just make efficiencies. We need to do things differently if we are to continue to be able to fund services for our residents in the future and ensure the city's future prosperity.

The budget consultation document highlights the potential income that would be generated from our renewable energy projects and the predicted profit from all schemes. It also outlines the impact on future budget deficits should they not go ahead.

There are many benefits to these schemes. The energy generated could be sold to provide an important source of income to fund future services at a time when government funding is scarce and councils are facing year-on-year cuts. Generating our own energy would also help us safeguard our budgets against future rising and uncertain energy costs.

The projected income from these projects has already been factored in to our budget position for future years. If they did not go ahead this would have a dramatic impact on our funding gap.

Full details of progress and latest financial forecasts were reported to the Scrutiny Commission for Rural Communities on 16 December 2013. More details can be found at the link below:

<http://democracy.peterborough.gov.uk/ieListDocuments.aspx?CId=405&MId=3273&Ver=4>

### 2. Who will collect the brown bin?

If the proposed charge is introduced, brown bins would still be emptied by Amey (formerly Enterprise Peterborough). We are not proposing to take brown bins away from households that don't sign up for the service. Wheelie bins are provided for the use of the property, rather than to individual residents.

If a resident moves house, it is important that the wheelie bins, including the brown bin for garden waste, remain at the property.

We would therefore ask residents to retain their brown bins, even if they decide that they do not wish to use the paid-for service after 27 May 2014.

In addition, this gives residents the option to change their minds, should they wish to sign up for the service later in the year without having to pay for a new bin.

If the new paid-for service is introduced we will write to all residents to explain more about the new service.

**3. Why would anyone pay for the brown bin when they can put it in the black bin?**

Black bins are provided essentially for waste that cannot be recycled or reused – waste that has to go to landfill, which is expensive to dispose of. We would discourage residents from putting garden waste in their black bin. Instead, residents should take their garden waste to the household recycling centre or make arrangements to compost at home, which the council is supporting by providing the opportunity to purchase a subsidised home composter.

**4. How can you boast that council tax hasn't gone up when we are basically being charged twice for bin collection?**

Freezing council tax is a real, cash benefit for everyone – and council tax doesn't just pay for emptying bins. Council tax has been frozen in Peterborough for four out of five years and we have one of the lowest rates of council tax in the country.

Residents would not be charged twice for their bin collections. The collection of garden waste is, and always has been, a discretionary service. The council is proposing that in the future only those households that use the service will pay for it.

We would rather not charge for this service but unfortunately a 40 per cent cut in our government funding means we cannot continue providing everything we currently do. In 2014/15 alone we face a £19 million gap in our budget that we have to close and covering the cost of this discretionary service would save £800,000 per year that can help protect more important front-line services such as caring for the elderly and vulnerable and looking after children in need.

**5. Where do you think the garden rubbish will go when the brown bins are withdrawn? Won't it either be flytipped or put in black bins which will cost the council more in clearing up flytipping or in landfill tax?**

More than 100 councils already charge to collect their residents' garden waste and our research with those councils shows that those areas have not seen a significant increase in either flytipping or the amount of waste going to landfill. Indeed flytipping is a criminal offence carrying fines of up to £50,000 or even a prison sentence.

If the charge is introduced and residents do not wish to use the new service then they will still be able to take their garden waste to the Household Recycling Centre in Welland Road, Dogsthorpe. We would also encourage the use of home composters if they have the space to do so.

We remain committed to encouraging recycling which is why the council has submitted plans to build an improved Household Recycling Centre in Fengate next to the site of the soon-to-be-built Energy from Waste plant which will enable people to recycle a wider variety of materials.

Of course, we accept this would be a new arrangement in Peterborough and, as such, if the charge is introduced, we will monitor the situation closely.

**6. Why are you proposing to close the hydrotherapy pool?**

We appreciate that users of the pool will not want it to close and value the service. It is unusual for a council to be running this type of facility and we are faced with making some very difficult decisions as we try to close a £19 million gap in our budget. Over five years we will have lost 40 per cent of our government grant.

We have tried to make it self-funding for some time, but so far this has proved unsuccessful. However, a group of councillors and officers is currently looking for other options and are seeking temporary funding to keep it open until all those possible options have been explored.

The other problem is the age of certain items like the boilers and the general state of the building. Extensive repairs, that could run into hundreds of thousands of pounds, would be needed to give the pool any long-term future.

**7. Why are budgets not published on-line giving a full breakdown of what items each budget holder is planning to spend on?**

The Council is a large and complex organisation with a budget of £630m each year so to publish the level of detail suggested would be a huge and costly task that would list many thousands of individual items. I cannot think of any organisation in the world that does this.

However I do believe in transparency so our budget consultation document and full Medium Term Financial Strategy contains a significant amount of financial information, including an overview of the budget, as well as departmental budgets. We have supplemented this by publishing a breakdown of our budget by service, and the impact that our proposed changes have on each budget. This can be found at the link below:

<http://democracy.peterborough.gov.uk/ieListDocuments.aspx?CId=485&MId=3276>

We also each month publish details of everything we spend over a value of £500. In addition we publish all salaries over £50k and all consultant costs. We do appreciate that the budget can appear complex and always welcome comments as to how we could improve the way we present the financial information.

**8. What is the total budget cost of employing full time union representatives on the council payroll, and their associated costs (assuming this is still happening)**

The Trade Union and Labour Relations Act 1992 gives trade unions and their members the legal right to take time off with full pay to undertake trade union activities. All organisations that recognise trade unions will bear similar costs. The council has decided to discharge its responsibilities under this act in the most efficient and effective way by seconding two full-time employees into full-time trade union roles rather than having a larger number of trade union representatives. These two officers deal with issues on an individual level attending disciplinary hearings and grievances as well as getting involved in collective consultations.

We believe this is far less disruptive to services because it means union representatives are not taking ad-hoc time off from their full-time roles to carry out trade union duties, reducing the need to bring in temporary staff or pay overtime. It also means that our trade union representatives are becoming more experienced in their roles enabling employment matters to be resolved at an early stage. The cost of employing two full time employees to act as permanent trade union representatives costs the council no more than if a number of trade union representatives performed the role on an ad-hoc basis.

The total cost of this is £77,000 a year.



**9. Could the council be more energy efficient to save costs? I have heard councillors complain about heaters being on and windows open in the summer, and I often see lights on when I walk past the town hall at night, when there are no meetings on?**

We are committed to reducing our energy usage and as such are working with the global energy company Honeywell to review all of our buildings and to find investment that will reduce the amount of energy we use in the long term.

Some of our buildings are already fitted with automatic lights that are only on when people are in the room and any computers that may have been left on are automatically shut down each evening to save energy costs.

**10. I would like to know how the council plan to police the Brown Bin charge to ensure that we do not get fly tipping and ensure residents who have not paid the charge are not using other people's bin**

More than 100 other councils have already introduced charges for garden waste collections and their experiences have shown that they have not seen a noticeable increase in fly-tipping or waste going to landfill.

Amey, which collects waste on behalf of the council, has technology in its collection vehicles that will enable them to identify those properties that have paid for the service and those that have not. In addition, we are looking at whether bin stickers would help ensure the fair operation of the scheme.

If you decide not to pay for the new service, then your brown bin will not be emptied. Should a charge be introduced, we will be recommending that residents that do choose to pay for collections remain vigilant for other people attempting to use their bins in this way. We would, however, be open to residents sharing brown bins, as long as they have been paid for and are left outside the correct property to be emptied.

**11. Why are detailed costings for projects that seem massively overpriced not released? Eg bridge st, long causeway etc**

I am not sure why the person asking the question believes any of our projects are massively overpriced. Indeed, I think for what has been achieved we have received good value and the results speak for themselves. Since starting our regeneration of the city centre, we now have one of the lowest shop vacancy rates in the country (nine per cent compared to a national average of 14 per cent). We always seek to ensure we get the best possible price for any work we do through our tendering process and we compare costs with similar schemes where appropriate to ensure we are achieving value for money. Details of tendering and overall costs are released as part of the decision making process but often more detailed costings are commercially sensitive. Costs on all projects are closely monitored and contingencies on projects are kept to a minimum.

You may be interested to know that since we took responsibility for new schools (following the end of the Building Schools for the Future programme run by central government) we have brought costs down significantly.

**12. The budget is tight again, so why is there never any personal sacrifice by the top earning staff?**

Other than no pay increases over the past five years, the senior management restructure at the end of last year and subsequent voluntary redundancies led to six senior managers' posts being deleted.

At Employment Committee on 4 February, the cross-party group of councillors agreed to set a new pay scale for directors and senior managers following an independent review of senior officer salaries across other local authorities and the not-for-profit sector. The new pay-scale that has been set is mid-range which we feel will enable us to attract the right people to lead the organisation.

**13. Children's centres' closures should be a last resort. Can we sell the Posh ground as it's a non-essential?**

We receive rental income from the football club for the ground. If we sold the ground we would lose the rental income, so there would be no financial benefit to the council of doing so.

The council's ownership of the ground has also brought a number of benefits to the city. It has helped secure the future of football in the city, with the significant economic benefit this brings. It has helped support the development of the Vista site, with over 200 low carbon homes on a site that otherwise would struggle to have progressed. Finally we are proceeding with the vision of delivering a community stadium for the city, with the development of the Moy's End stand currently underway. This development will include a new skills centre which will deliver courses, training and support to businesses. We have used a government grant to help contribute towards the costs of this redevelopment.

I appreciate there has been concern about the childrens centres but we think the new approach will still deliver good services and more efficiently.

**14. Why can't we get a larger GREEN bin as we get more recycle than Land fill!**

Large families, with more than five people permanently living at the property, can request a second green bin. The wheelie bins provided need to be compatible with the trucks that collect them. That said, we believe that the current size is well-suited for the needs of the vast majority of households.

**15. How much are Directors and Council Leaders on - can they take a paycut?**

Directors' and senior managers' salaries are published on our website and are updated on a regular basis.

[http://www.peterborough.gov.uk/council\\_and\\_democracy/salaries\\_and\\_expenses.aspx](http://www.peterborough.gov.uk/council_and_democracy/salaries_and_expenses.aspx)

The senior management restructure at the end of last year and subsequent voluntary redundancies led to six senior management posts being deleted.

The Council Leader and Cabinet Members do not receive salaries although the roles are often more than full time. All councillors receive a basic allowance for being a councillor and those that hold other special responsibilities such as Cabinet Members

and the chairmen and chairwomen of committees receive an additional allowance to reflect their added responsibilities.

A full list of these allowances are available at

<http://democracy.peterborough.gov.uk/documents/s16837/Members%20Allowances%202012-13.pdf>

At a meeting of Council in December, councillors rejected a recommendation by an independent panel to increase their allowances. It means councillors' allowances have been frozen for the past five years.

**16. The chief executive is paid a huge amount of money - could we not offer that job to someone else who would be willing to do it for a lot less?**

I do not see a large queue of people wanting to take on such major roles, that are under constant public and media scrutiny, for "a lot less". And anyone taking on such a role must have the knowledge and skills required.

However as part of the senior management restructure, completed at the end of last year, an independent review was carried out of directors' salaries – including the Chief Executive.

Our directors' and Chief Executive's current salaries were benchmarked against other local authorities and not-for-profit organisations and the Chief Executive's current salary is mid-range for the market.

As Chief Executive, Gillian Beasley is the principal policy adviser to all 57 councillors and is the statutory head of paid service, responsible for the overall performance of the council ensuring proper financial management of the council's entire £630 million budget (revenue budget of £380 million and additional capital budget of £250million in 2013/14), that there is proper risk management of all of the council's activities and that there is proper governance and decision making for all the council's decisions.

She is also responsible for around 7,500 people the council employs throughout the organisation and in Peterborough schools and colleges.

She is required to devote her whole time to the council, and this routinely involves her working evenings and weekends as well as the standard Monday to Friday business week. She is also on-call at all other times, particularly as she leads the city's emergency planning 'Gold Command' in the event of a major emergency. No additional payments are made for these extended hours and she has not had a pay rise since April 2008.

Since she became Chief Executive in 2002 the council has won numerous awards as a leading local authority for driving efficiency and innovation and Gillian has advised the government on migration issues.

## Budget Consultation

**Medium-Term Financial Strategy  
Proposals Document from Cabinet  
January 2014  
(UPDATED 24 February Cabinet)**

**STRICTLY EMBARGOED UNTIL  
5pm on 24 January 2014**



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## **1. INTRODUCTION**

This is a comprehensive document setting out, as far as possible, the Cabinet's proposals to continue to meet the challenges of the government's Spending Review first outlined in October 2010, and subsequent government announcements which reduced council funding.

The old realities of public service are changing rapidly. Councils are moving into the fourth year of reductions in government funding with little prospect of recovery in the public finances.

We have, for many years, been delivering year-on-year significant efficiency savings and are regarded now as the most efficient sector of public service in Britain.

However, efficiency and service transformation are not going to be enough to meet the financial challenges ahead and for next year the Cabinet has had to make difficult choices. The Medium Term Financial Strategy also shows significant financial gaps in our budget over the next nine years.

The council's annual net budget in 2013/14 is £155 million (this excludes school budgets and monies we receive from government to distribute for benefits).

In 2014/15 we will see a £9 million reduction in the funding we receive from government and £10 million of pressures on our finances as a result of an increasing demand for services and legal changes. This means we have faced an enormous challenge finding £19 million of savings and efficiencies to balance our books, while continuing to invest in the city to ensure Peterborough is a great place to live, work, visit and stay.

**This document does not seek to outline all of the services we provide or how our total budget is spent. Rather it outlines the financial challenges we face and how we intend to respond to these challenges to deliver a balanced budget for the coming financial year (2014/15). A chart below outlines our total budget for 2013/14 of £155m and how much is spent in each department for you. All items included in this document are changes to that total net budget of £155 million.**

We have also included the investments we are intending to make in the coming year to ensure we have enough school places for all the children that need them, the schemes to rejuvenate and encourage investment into this city so it continues to prosper and grow and our financial projections for future years.

We aim to be open and transparent about our proposed spending plans and publish them at this time to give residents, partner organisations, businesses and other interested parties the chance to give their comments.

## **2. CONTEXT AND OVERVIEW**

When the government's Spending Review was revealed in October 2010, it meant unprecedented cuts in public sector spending, including the money given to councils to run services. As a result, councils were told they would receive an overall reduction in funding of 28 per cent (or equivalent to 24 per cent in cash terms) over four years. Subsequent government announcements have removed further funding over this period.

Government announcements made during 2013 will also reduce council funding in 2015/16. Between 2010/11 and 2015/16, local government spending will have almost halved.

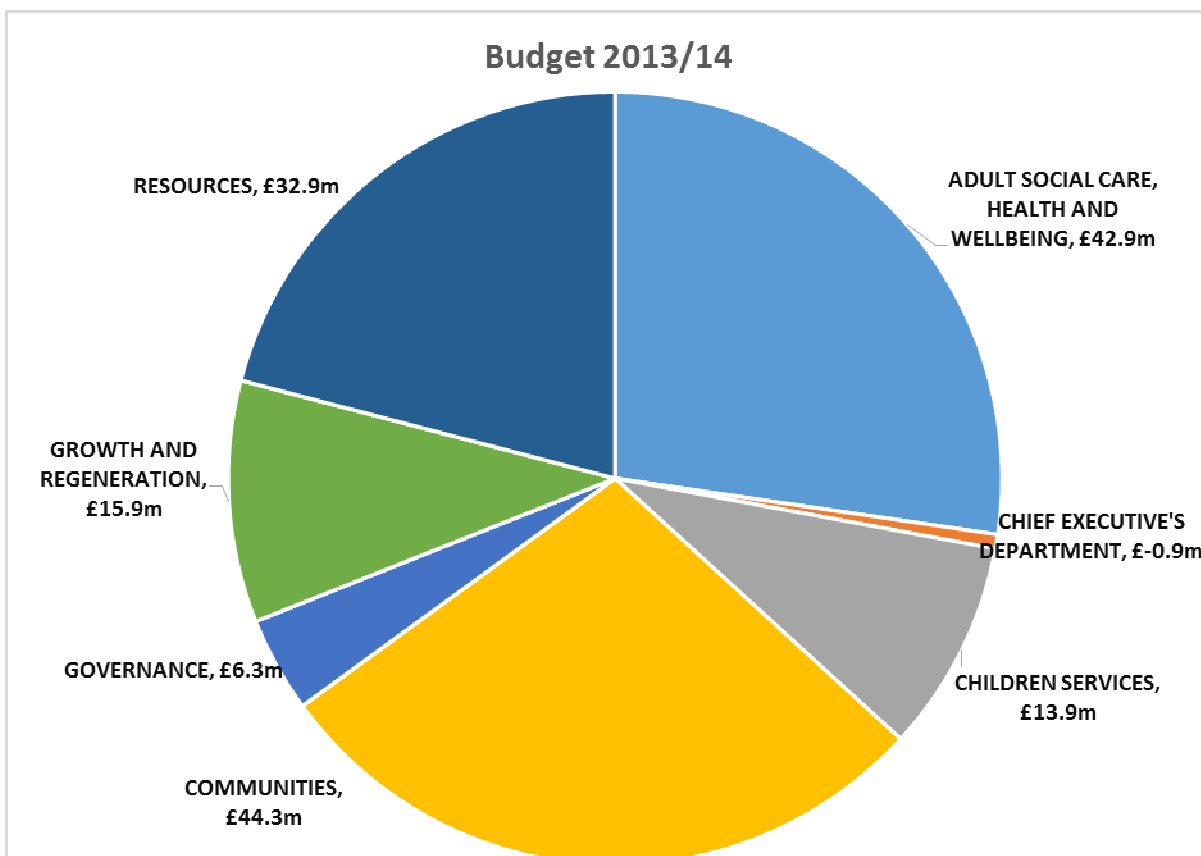
To be specific: a) £22.2m grant reduction to date, 2) a further £9m in grant reduction in 2014/15 and 3) £12.5m in 2015/16. The overall grant reduction over five years is £44m or almost 40 per cent.



This consultation document is based on the latest announcements by central government. The final settlement is due in February. Where details have not been received appropriate assumptions have been made.

During 2013/14, the council moved towards becoming a commissioning organisation. This means reviewing everything we do, to see whether there are better ways of doing things, to ensure the services and support arrangements we are responsible for reflect the needs of our residents and are improving their quality of life and enabling them to reach their full potential. Our organisational structure has changed to support the functions of a commissioning council. In these difficult financial times we need to make sure everything we do improves peoples' lives and is carried out in the most efficient, effective, equitable and sustainable way.

The current department net spend on services is as follows:



### **3. PRIORITIES**

The Cabinet remains firm in its priorities this year against the funding challenges it faces. It is worth reiterating those priorities against those challenges and they are as follows:

- Growth, regeneration and economic development of the city to bring new investment and jobs. Supporting people into work and off benefits is vital to the city's economy and to the wellbeing of the people concerned;
- Improving educational attainment and skills for all children and young people, allowing them to seize the opportunities offered by new jobs and our university provision, thereby keeping their talent and skills in the city;
- Safeguarding vulnerable children and adults;
- The Environment Capital agenda including pursuing new income streams from solar energy and wind farm developments;
- Supporting Peterborough's Culture and Leisure Trust, Vivacity, to continue to deliver arts and culture;
- Keeping our communities safe and cohesive.

### **4. COST INCREASES AND PRESSURES**

At the same time as unprecedented reductions in funding, we are also experiencing significant financial pressures. We have a range of statutory services, and with demand for these services increasing, we have a legal duty to meet these extra demands.

This paper, therefore, also outlines the financial pressures we are facing and need to fund. Some of the most significant are also outlined below. The consultation also outlines other statutory and unavoidable costs.

#### **4.1 Provision of services - Demand and cost pressures**

Peterborough's population growth continues to be significantly above the average for England, inevitably placing demand on statutory services such as social care, school places, infrastructure and roads and waste collection. The increase in demand for services and cost increases can be seen through:

- An increasing elderly population, with people living longer and other adults developing more complex needs;
- The need to provide increasing concessionary fares for eligible residents in Peterborough;
- Increased numbers of children in care including those with increasingly complex needs resulting in higher cost placements;
- Existing residents experiencing financial hardship and increasing numbers of people accessing welfare benefits is placing demand on welfare budgets, for example providing temporary accommodation for the homeless;
- Providing refuse collection services for all housing and new developments.

With decreasing government funding and increasing cost pressures we cannot continue providing services in the same way we always have. By reorganising the council to a commissioning organisation, we will assess the needs of the local population and ensure the services that are provided meets those need and tackle local issues as efficiently and effectively as possible ensuring value for money for the taxpayer.

## **4.2 Unavoidable costs**

We are not immune to legislative changes by government that have a national impact on businesses and the public sector and as such we will experience costs that are unavoidable. These costs include changes to Adult Social Care services for people with learning disabilities and challenging behaviour following concerns about care provided at Winterbourne View Hospital in the south of England and changes to national insurance employer contributions. We need to budget for these costs.

## **5. INVESTMENT**

Whilst there are considerable pressures in the budget, nevertheless there is still a strong commitment by the Cabinet to invest in existing assets and infrastructure such as roads and schools and in the future of the city and its residents. This investment will require us to borrow money to ensure the schemes set out below can go ahead.

### **5.1 Investing in the growth of the city**

We recognise the importance of investing in the city to promote growth, regeneration and economic development which will in turn enable us to maximise future funding opportunities based on business property growth and new housing developments. We will therefore be maintaining our investment in the budget for these key areas. We will continue to invest in specific growth projects to support delivery of funding opportunities.

### **5.2 Capital investment**

We remain fully committed to the growth, regeneration and economic development of the city to bring new investment and jobs. We want to build upon the progress we have made in the past year bringing new companies into the city by continuing to rejuvenate our city centre to attract new businesses and ensure that Peterborough is the destination of choice, not only for our own residents but for visitors and investors in the future.

Significant investment was built into the capital programme last year and these projects will continue, with a number approaching completion during the coming year:

- Extra care provision for the elderly
- Roads, including additional lanes between junctions 17 of the A1(M) and junction 2 of Fletton Parkway
- Continuation of improvements to the city centre, including improvements to Long Causeway and Bourges Boulevard
- £42m in city schools to provide more primary and secondary school places
- Waste strategy – Energy from Waste to reduce the amount of waste going to landfill and cost efficiencies
- The development of the Moy's End stand at London Road, including the new Skills Centre
- Invest to Save – developing schemes that will either save us money or generate income
- Renewables – to generate energy and income to support services for our residents

With the constraints on resources available to the council, some new investment has been included to support efficiencies put forward within the saving proposals contained within this consultation. This approach will reduce the need to make unnecessary service reductions by ensuring we maximise opportunities to deliver efficiencies within services.

## 6. OVERALL FINANCIAL POSITION

The costs, pressures and investments, combined with the reduction in grant, create a budget gap that has to be tackled. This gap is outlined below:

	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Original MTFS budget gap	-7,269	-11,185	-13,831	-18,647	-20,626
Further grant reduction*	-972	-11,503	-11,783	-11,783	-11,783
Pressures	-10,343	-12,410	-12,671	-9,556	-9,878
<b>Revised budget gap</b>	<b>-18,584</b>	<b>-35,098</b>	<b>-38,285</b>	<b>-39,986</b>	<b>-42,287</b>

\* The further grant reduction refers to the extra grant reduction the council is expecting over and above the assumptions that were already included in the original MTFS budget gap. The total grant reduction in 2014/15 is £9m and nearly £12.5m in 2015/16.

The council originally had a budget gap of £7.3m for next year. This included the grant reduction that had already been announced. During the year further grant reductions have been announced (with significant further reductions now planned for 2015/16). We are also experiencing financial pressures such as an increased demand for children's social care services and legal changes for adult social care services.

The combined impact of these means we faced a budget gap next year of nearly £19m. The next section outlines how we will tackle this financial gap to deliver a balanced and sustainable budget.

## 7. PROPOSALS TO CLOSE THE FINANCIAL GAP IN THE BUDGET

The majority of this consultation document outlines the Cabinet's proposals for how we will tackle these financial gaps to deliver a balanced budget. These proposals demonstrate the Cabinet's commitment to the priorities set out in Section 3 which are to protect, as far as possible, the services you care about the most and our vision for the city through reducing bureaucracy and costs, and improving efficiency to ensure value for money.

Our approach now is focused on the following:

- Reducing the demand residents have for our services and enabling them to live independent and healthy lives;
- Providing services that prevent residents needing critical and more expensive services and where there is a need to provide specialist services, ensuring that those services properly meet residents' needs or allow the residents to choose the care they want to purchase;
- Building a strong and healthy economy which provides jobs for our residents, helps to reduce dependency on welfare benefits, and enabling the council to benefit financially from business rates and New Homes Bonus and reinvesting this to support the needs of our residents;
- Focusing on educational attainment in schools and developing university provision to give our young people and residents the skills to take up the new job opportunities;
- Income generating in new ways through, for example, our renewables project, to make the council less dependent on taxing its residents and on government funding and giving us the independence to support our residents and their needs.

These key themes are explored further in the sections on the next page.

## 7.1 Transformation

We have been delivering savings since 2006 through a successful transformation programme and by 2012/13 we have generated cumulative savings of £51.5m per annum and identified further new savings and efficiencies of £12.5m in 2013/14.

We have already implemented many of the savings included in the government-produced '50 ways to save in local government' document.

Efficiency and service transformation however, is not going to be enough to meet the financial challenges ahead. The Medium Term Financial Strategy shows significant financial gaps in our budget over the next ten years. Working in partnership with others we will focus on:

- **Helping our residents to help themselves to stay healthy and independent for longer.** We will focus on early intervention and preventative measures by ensuring that when people contact us their enquiries are dealt with as efficiently as possible, and as often as possible at that first point of contact. We will be investing in technology to ensure that when people contact us we can access all of their information at once so we have a clear picture of who they are and their needs.
- **Transforming services to help residents stay healthy and independent for as long as possible, reducing the demand for more specialist services.** Some examples include the adult transformation programme which is a move away from the one-size-fits-all approach to care and instead helping people to become active members of their community and give them the life skills to be able to improve their own life chances and future potential. We will also look for opportunities to generate income by selling our services to other organisations whilst operating within current legislation.
- **Growth and regeneration** – Actively pursue investment to deliver growth within the city, for example the Riverside Opportunity Area or South Bank development.
- **Making the best use of public funds** by optimising the NHS monies and Public Health grant available to us through working collaboratively with NHS services.
- **Exploring opportunities to work with the private sector, voluntary sector and other public services.**

## 7.2 Income generation

As grants reduce significantly, we are developing ways to generate income from other sources. This focuses on two major areas:

### 7.2.1 Economic Growth

As well as the benefits for individuals and communities in the city, from better skills, new employment opportunities, new housing and improved roads and schools, the council also benefits. We are able to retain 42p in every £1 of business rates generated from new business premises, as well as the New Homes Bonus (a grant from government for new houses). We have built initial forecasts into this budget, but will continue to review as we drive growth forward.

### 7.2.2 Energy efficiency and generation

We are developing a number of projects that will utilise existing council assets (mainly land) to generate energy and income for the council. The Energy from Waste plant is currently under construction, and as well as being used to dispose of waste, will generate power that can be sold to reduce the cost of waste disposal. These savings are incorporated into this Medium Term Financial Strategy (MTFS).

We are also developing sites for establishing wind and solar generating capability. The net income from these projects, once build and maintenance costs are incorporated, will provide significant income in future years.

The budget position reported in future years already includes this income, and if the projects do not proceed, then the budget gaps we face will widen, as can be seen below:

	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
<b>MTFS deficit (as per section 10 below)</b>		<b>-17,848</b>	<b>-22,486</b>	<b>-23,843</b>	<b>-26,507</b>
Net income from wind/solar		-217	954	4,426	4,983
<b>Revised budget gap if schemes do not proceed</b>		<b>-17,631</b>	<b>-23,440</b>	<b>-28,269</b>	<b>-31,490</b>

### 7.3 Property and asset rationalisation

We occupy a large number of buildings throughout the city. We continually review all the buildings we own to ensure they are being used as efficiently and effectively as possible, and any that are no longer needed are disposed of.

This process will continue and we have identified £24m of potential disposals over the next five years.

We continue our drive to reduce costs by ensuring we are making the best use of all the buildings we own and use. Part of this proposal is about bringing more services into our main buildings and maximising the income we receive from our commercial property estate. For example we are currently moving staff out of rented accommodation such as Stuart House.

### 7.4 Department proposals

Each appendix outlines the proposals in detail for each department, but in summary these are:

#### **Adult Social Care and Health and Wellbeing**

We will continue to provide a range of social care services, including assessing people's needs and managing their care, safeguarding those adults who could be at risk of abuse, and re-ablement support to help people get over a fall or an illness and reduce their need for long term care. The department continues to work with the NHS, providing integrated services to improve the health and wellbeing of individuals across Peterborough, which will be further developed in 2014/15 through the introduction of the Better Care Fund. The savings put forward include:

- Continuing with a major transformation programme to help people maintain their independence for as long as possible.
- Focusing on investment in preventative services, re-ablement and information and advice to reduce the reliance on statutory care. Reviewing traditional services to encourage more personalised approaches and choice.

#### **Children's Services**

We provide school places and ensure children in Peterborough have access to a high quality education. We also provide early help and safeguarding services to the most vulnerable children and their families in the city. The proposals put forward recognise the changes in the way the government funds education services and focuses on the provision of early intervention and prevention services to reduce the number of children in care in Peterborough. We also focus on the recruitment of more foster carers in the city to reduce the number of children placed out of Peterborough in expensive independent fostering and residential placements.

## **Communities**

Previously commissioning took place in four different council departments, Adult Social Care, Operations; (Neighbourhood Services) Children's Services and Public Health. In bringing commissioning activity together, we aim to achieve financial savings for the council and improve the lives of our residents.

The Communities department also brings together a range of community services and targeted support focused on community safety and cohesion, healthy living, housing and 0 to 19 services. Plans are in place for us to improve the way we work with other organisations which will result in efficiency savings and more seamless services for residents.

## **Growth and Regeneration**

We provide planning, transport and engineering in Peterborough and support the existing infrastructure and future requirements to be delivered through growth. The saving proposals put forward look to provide services more efficiently and effectively.

## **Governance**

This department supports all the other council services to ensure that all the legal, governance and democratic practices that we must follow are in place. We also provide the human resources, performance management and communication support for the council. The savings proposals put forward look to provide services more efficiently and effectively.

## **Chief Executive's**

The Commercial Operations team is working to build a stronger local economy by attracting visitors to our city who recognise Peterborough as the region's leading tourist destination.

The team supports city centre retailers and oversees everything to do with the city centre from CCTV cameras and car parks to events such as the Perkins Great Eastern Run, the Italian Festival, and the annual Christmas lights switch on. The department also oversees the City Market and a wide variety of street markets. Saving proposals suggest ways to operate these services more efficiently.

## **Resources**

The department continues to generate efficiencies across support services and budgets held corporately, including savings initiatives that impact across the council such as administration arrangements. Partnership contract arrangements have been reviewed for further efficiencies. The department is also pushing forward our energy efficiency and regeneration initiatives.

## **8. COUNCIL RESERVES**

We regularly review the level of reserves we hold. There is much debate nationally regarding the general level of reserves held by councils. Reserves are set aside for either a specific purpose, such as supporting costs of change, or as a contingency to meet unforeseen events.

A full statement, including a risk-based review of the level of reserves, and the Chief Finance Officer's view on the adequacy of reserves, is included in the budget document.

Estimated levels of reserves for the next two years are outlined below. This includes sums that we hold on behalf of others and sums that we are independently advised to hold e.g. insurance reserve.

	<b>Estimated balance at 31.04.14 £k</b>	<b>Estimated balance at 31.04.15 £k</b>
<b>Earmarked reserves</b>		
<b>Departmental reserve</b> – The majority of this reserve relates to City College Peterborough who operate on academic year funding and retain a reserve for potential claw back from awarding bodies	632	508
<b>Schools capital expenditure reserve</b> - Monies held on behalf of schools for capital spend	381	381
<b>Insurance and other minor reserves</b> – These reserves are held for a specific purpose and cannot therefore be used for budget setting purposes	3,350	3,259
<b>TOTAL earmarked reserves for specific purposes</b>	<b>4,363</b>	<b>4,148</b>
<b>General fund</b> – Set aside to meet unforeseen issues and risks	6,000	6,000
<b>Capacity building reserve</b> – This enables us to implement saving proposals	2,746	1,483

Overall we consider that this is the appropriate level of reserves to hold.

## **9. IMPLICATIONS FOR COUNCIL TAX**

Council tax bills are made up of council charges and charges from other public bodies to fund their services. The remainder of the bill paid by Peterborough residents funds police, fire and parish councils, with each authority setting their own council tax charge.

**We continue to have one of the lowest council tax levels in the country.** Out of 56 unitary authorities across the country, **Peterborough has the sixth lowest council tax** (some £100 per year lower than the average, and £302 lower than the highest).

Cabinet understands the current financial pressures that residents face and remains committed to keeping council tax low. We have frozen council tax levels for two out of the previous three years. For the average council tax payer, this means that annual bills are around lower than they otherwise would have been.

The government has offered a council tax freeze grant for all councils that choose to freeze council tax in 2014/15. In considering this offer, the Cabinet has carefully considered the medium term sustainability of future budgets and the scale of the budget gap over the next few years against the council tax freeze offer.

The government also sets limits on the maximum increase in council tax. Last year, if any council proposed an increase higher than two per cent, they were required to put the matter to local taxpayers through a referendum. Given that the costs of running such a referendum are likely to outweigh the benefit, no councils did so. The government has not yet set the limits for the coming financial year, but the Minister has suggested they could be lower.



Having carefully considered the level of investment and savings proposals put forward in this budget consultation document and the financial challenge ahead, the **Cabinet is proposing the following:**

- to freeze council tax in 2014/15
- to freeze council tax in 2015/16

The current band D charge would remain at £1,128.03 in 2014/15 and 2015/16. **This means we will have frozen council tax in four out of five years.**

If we were to consider increasing council tax by two per cent next year, then taxpayers would be paying an extra £1.2m across Peterborough. However, we would lose the freeze grant, and as such this increase would only generate an additional £500,000 of income.

The Cabinet believes this proposal strikes the right balance between investing in our city, delivering efficiencies and keeping council tax as low as we can. We look forward to receiving the views of our residents on our proposals for council tax as part of the consultation. The final council tax charge will be agreed by Full Council on 5 March 2014.

## **10. OVERALL BUDGET POSITION**

The introductory sections have so far outlined:

- The impact of grant reductions on our finances
- The pressures we are facing
- The overall financial gap that these two issues create
- The savings proposals to close the gap
- The level of reserves held by the council
- The implications for council tax
- All of these issues combine to form our overall budget position. The impact of our savings proposals, compared to the gap outlined in section six above, are outlined below:

	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
<b>Revised budget gap</b>	-18,584	-35,098	-38,285	-39,986	-42,287
Council tax and other funding	2,295	965	-639	-886	-1,195
Efficiency	12,779	12,134	11,714	11,732	11,105
Service reductions	2,712	3,063	3,063	3,063	3,063
Additional income	515	515	515	515	515
Terms and conditions	283	573	1,146	1,719	2,292
<b>MTFS position</b>	<b>0</b>	<b>-17,848</b>	<b>-22,486</b>	<b>-23,843</b>	<b>-26,507</b>

Whilst we have been able to balance the 2014/15 budget with the savings proposals within this budget consultation, and absorb the further grant reduction based on the provisional funding announcement for the council, there remains a significant gap in 2015/16.

## **11. FUTURE PROSPECTS**

As outlined earlier, we are now expecting further grant reductions of £11.5m in 2015/16, over and above those we originally planned for. As a result, there is a significant budget gap to close in 2015/16.

This gap is outlined in the table above, and already stands at nearly £18m. This is equal to the total level of savings outlined in this document, meaning that we will need to repeat this exercise in the coming year to find further savings.

We will look at all opportunities and options to reduce this gap over the next year, but it remains likely that further difficult choices will need to be made. We will also look to help support the budget and generate further savings through joint working with health to access the NHS integration monies (around £7.4m allocated for Peterborough) to support change in our services. Even with these measures, there will be pressures remaining that we need to tackle.

## **12. YOUR VIEWS COUNT**

These proposals were published on Friday 24 January 2014 in preparation for the Cabinet meeting on 3 February 2014. At this meeting the Cabinet is set to consider these proposals to go out to formal consultation.

The Cabinet values the opinions of all residents, partner organisations, businesses and other interested parties as part of the budget setting process, not least to ensure that the council's priorities, accompanying strategies and policy documents are robust and right for Peterborough.

The budget consultation process is integral to ensuring that available resources support council priorities and have regard to the impact on residents and businesses across Peterborough. The Cabinet intends to carry out a consultation process which is as extensive and for a similar period as in previous years.

Over the next six weeks this document will go to the council's scrutiny committees, will be discussed with staff, business leaders, the voluntary sector, partner organisations, trade unions, local MPs, parish councils, the youth council and other interested parties.

We want to know what you think.

To get involved send us your responses to the following questions:

- 1. Do you have any comments to make about any of the proposals?**
- 2. If you do not agree with any of the proposals, tell us what you think we could do instead to balance our books?**
- 3. Do you agree that council tax should be frozen? If not, where would you suggest we invest the extra £500,000 generated by increasing council tax by the government's current two per cent threshold?**
- 4. Are there any other suggestions you would like to make?**

You can make your suggestions by emailing: [budget@peterborough.gov.uk](mailto:budget@peterborough.gov.uk)

By post: Financial Services Manager, Peterborough City Council, Town Hall, Bridge Street, Peterborough, PE1 1HG

Or via the website at: [www.peterborough.gov.uk](http://www.peterborough.gov.uk)

The formal consultation will end at 5pm on Tuesday 4 March 2014. Throughout the consultation process the Cabinet will be updated with comments made by residents.

For the latest updates on the budget process visit [www.peterborough.gov.uk](http://www.peterborough.gov.uk) and follow the budget 2014 link.

## **APPENDIX 1**

### **ADULT SOCIAL CARE HEALTH AND WELLBEING - SERVICE IMPLICATIONS (INVESTMENT/REDUCTIONS) –**

In December, we merged our Adult Social Care and Public Health departments into the new Adult Social Care and Health and Wellbeing department.

This new department oversees all those services in the city responsible for helping people stay healthy and independent for as long as possible.

The adult social care services within the department are responsible for providing council-run services and buying in and overseeing social care services from a range of other organisations for the people of Peterborough.

Those services include assessing people's needs and managing their care, safeguarding those adults who could be at risk of abuse, and providing intensive support to help people get over a fall or an illness and reduce their need for long-term care which is known as re-ablement.

Private, independent and voluntary organisations also support people to maintain their independence and stay living in their own homes through a range of residential, home-based and community support services.

We also buy in mental health services for the people of Peterborough from Cambridgeshire and Peterborough NHS Foundation Trust (CPFT).

Adult social care services include:

#### **Community care assessments, support planning and reviews**

We are the first point of contact for anyone needing adult social care services. We assess care needs and support people to complete self-assessments. The overall aim is to support people to be as independent as possible for as long as possible. We carry out regular reviews of people's needs to ensure their plan continues to meet their needs. We also assess the needs of carers and support them with services which give them a break from caring and supports them to continue providing care.

#### **Safeguarding**

We work to protect vulnerable adults who may be at risk of abuse and we investigate when there are concerns that someone is at risk of being, or has been, abused or harmed. We work with them to safeguard them from further abuse.

#### **Learning disability support**

We work with people with learning disabilities to help them to access the support they need to live as independently as possible. We give people training and support which allows them to get more involved in their communities. We also help people obtain employment and support them during their working life.

#### **Services for older people**

We provide support to help older people remain independent. We buy-in support and services from other organisations like home care agencies or care homes. We provide some day care services and a re-ablement service to support people getting over a fall or an illness, to help them to regain their previous level of independence.

## **Mental health services**

Through a partnership with the Cambridgeshire and Peterborough NHS Foundation Trust we help people with mental health problems to live independently whenever possible and support people into employment. We have approved mental health practitioners who are social workers who work with people with very serious mental illness and who can, if absolutely necessary, arrange compulsory admission into hospital under the provisions of the Mental Health Act. We also support people who need other very intensive mental health services.

## **Services for people with physical disabilities and sensory needs**

We provide support to help people with physical or sensory disabilities to remain independent and get on with their lives. These services can be provided by other organisations like home care agencies, care homes or voluntary organisations. We also have a specialist team that can provide rehabilitation and support for people with sight and hearing disabilities.

## **Other specialist services**

We provide other specialist services including the hospital social work service that supports people to return home after a hospital stay.

## **Public Health**

The Health and Social Care Act 2012 transferred public health responsibilities to all councils from 1 April 2013. We now receive a specific sum of money from the government that can only be spent on activities that improve public health. We received a grant of £8.4m for 2013/14 and will receive £9.3m for 2014/15. We will have to account to the Department of Health on how the grant is being spent. This new grant will focus on the following objectives:

- To help people live healthy lifestyles and make healthy choices
- To reduce health inequalities between different social groups in the city and amongst hard to reach groups
- To carry out health protection functions delegated from the Secretary of State
- To ensure that healthcare advice is available to all residents

Examples of these objectives will include providing health checks, sexual health services, drug and alcohol services, school nursing, tackling child and adult obesity and carrying out vaccination programmes. Some of our other services already support these objectives, and it is therefore appropriate to use some of the Public Health grant to fund these.

## **National and Local Context**

As people live longer, all councils across the country are facing increasing demand for adult social care services as many of their elderly residents develop more complex needs. This is placing significant pressure on adult social care services nationally. Peterborough is no exception to this.

Peterborough is growing and so is the proportion of older residents. According to the Office for National Statistics (2011 Census), Peterborough's estimated population was 184,500 and will increase to an estimated 192,400 by 2021. This represents an 11 per cent growth in population between 2010 and 2021. The number of people aged 85 and over is set to increase by 52 per cent during this period. In 2014 there are approximately 27,000 older people living in Peterborough, 3,600 of whom are aged 85 and over.

There are approximately 2,900 people with a learning difficulty in Peterborough. Almost 40 per cent are thought to have an autistic spectrum disorder and a third of these (28 per cent) have moderate to severe learning difficulties. All of these people need varying levels of support.

There are almost 11,300 people aged under 65 with a moderate or serious disability living in the city. Of these 8,800 have a moderate disability and 2,500 have a serious physical disability. About 5,150 people are thought to have a disability that means they require some sort of help with personal care.

During the coming year about 28,500 people aged 18 to 64 and 5,000 people aged 65 and over are expected to suffer from some kind of mental health disorder. This will include 1,900 older people who live with dementia. Many of these people may need to access our mental health support services.

Supporting people with dementia is a growing pressure on adult social care budgets in the UK.

We need to redesign and transform our social care services over the coming year in order to ensure we can continue to meet the demographic need within the funding available.

### **Changes in Adult Social Care**

It is clear that with the increasing demands on adult social care services, coupled with the continued reduction in government funding, that councils need to look again at how they support people to help them stay healthy for as long as possible and maintain their independence, while supporting them to stay living in their own homes, avoiding the need for them to move into residential or nursing homes.

We are therefore in the middle of a major transformation programme to invest more in re-ablement services to help people who have a fall or an illness to regain control of their lives as soon as possible and reduce their need for long-term care.

We are also increasing our investment in preventative services, information and advice to help reduce the number of people who need to access social care services in the first place.

For those people who do need ongoing social care services, for example some people with learning disabilities who may require life-time care, we will ensure that we provide funding in a fair and clear way by allocating them personal budgets to give them choice and control over the services they receive – a personalised approach. Because people who continue to live in their own homes tend to do better, we will only fund residential care when absolutely necessary.

### **Summary position**

**The current budget for Adult Social Care, Health and Wellbeing is £42.9m.** There have been pressures on the budget in the current year, arising primarily from increased demand for services.

**The proposals presented on the next page would save £2.9m in 2014/15.**

**The proposals as presented include additional investment needed to reduce the impact of welfare reform, the Winterbourne review, contracts review and growing numbers of people requiring services, which total £1.4m in 2014/15.**

## **SAVINGS - REVENUE**

### **Transformation and personalisation programme**

This proposal is about changing the focus of adult social care services to ensure we can continue to meet the needs of local residents in the face of increasing demand and an ageing population. There are three strands to this programme:

- Firstly, there is an emphasis on preventing people needing social care services in the first place. We aim to do this by ensuring they have access to accurate information about support available to help themselves and their loved ones live independently for as long as possible. This includes improving our customer services support to ensure people know about

community support including befriending services, information sources or places to get advice.

- Secondly, we will put more resources into re-ablement services for those people who do become ill or have a fall to enable them to regain their previous level of independence as quickly as possible and to reduce their need for longer-term care.
- Thirdly, it is about supporting those people who do need long-term care to maintain their independence and help them stay living in their own homes for as long as they can by tailoring support to meet their individual needs, rather than providing residential care or other one-size-fits-all services.

<b>Issue</b>	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
Transformation and personalisation	637	637	637	637	637

### **Transforming day opportunities for adults under 65**

A review of day services for adults under 65 is currently ongoing and, at the time of publication, a consultation has been launched on future options for the service, which promote greater independence and choice as part of the Adult Social Care Transformation programme.

<b>Issue</b>	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
Transforming day opportunities for adults under 65	400	400	400	400	400

### **Older people's day services**

This proposal is to carry out a review of day services for adults over the age of 65 as part of the transformation of Adult Social Care services. The purpose of the review will be to put together proposals to modernise these services so that older people are given the opportunity to stay active and continue to live independently for as long as possible and avoid becoming isolated. This may mean a move away from traditional day centres.

<b>Issue</b>	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
Older people's day services	150	150	150	150	150

### **Physical disability and sensory impairment services**

A preliminary review of these services has shown opportunities to make savings whilst also better targeting services and equipment to meet individual needs. Following a review of services by other councils it has become clear that we pay more for some of these services than other authorities and therefore the first part of this saving would be made through contract negotiations.

The second part of the saving would be achieved by making sure the equipment that is given out is targeted to meet their specific individual needs rather than a generic package of equipment given to everyone. Together these two projects should save £150,000.

<b>Issue</b>	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
Physical disability and sensory impairment services	150	150	150	150	150

### **Personal assistants**

Personal assistants are carers employed directly by people who use Adult Social Care services. It means that rather than the council providing a care package through an agency and people having limited choice about the person or people who look after them, this would give people the opportunity to recruit their own carer. This personal assistant could be more flexible to meet the needs of the individual, rather than that person having a care package where they are visited for a set time each day, at the same time of day, regardless of that person's requirements.

This proposal is another move away from a one-size-fits-all approach to care in order to give people more freedom and choice. It means that if a person decided they needed support to go shopping they could decide to have less support one day so they could have more support on another to enable them to make the trip. This proposal is in line with the council's move to a more personalised approach to services under the transformation of Adult Social Care.

<b>Issue</b>	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
Personal assistants	75	75	75	75	75

### **Creating one central training and development team**

There are currently three teams working within the council in HR, children's services and adult social care that are responsible for recruitment, training and development. Therefore, there is potential to make savings by combining these teams. In particular there is a large amount of overlap between the children's and adult social care functions which may benefit from shared management. We also want to better target the training and workforce support we give to care providers in the city and make sure we do what we can to attract external funding to pay for training and development for social care staff. Savings are also being proposed by setting up a joint transition planning team to make it easier for young people who need ongoing social care support to move from children's to adult services.

<b>Issue</b>	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
Centralising teams	100	100	100	100	100

### **Continuing Health Care**

In the 2012/13 budget, a review was agreed to ensure that all those people entitled to fully-funded NHS care were receiving it. That work has continued through 2013/14 and additional cases are being reviewed which are expected to identify further people who should be funded through the NHS Continuing Health Care programme. The anticipated saving from 2014/15 is £75,000 a year.

<b>Issue</b>	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
Continuing health care	75	75	75	75	75



## Transport

There are currently lots of different transport arrangements for people accessing Adult Social Care services including buses to take people to day services and taxi contracts etc. This proposal aims to review all transport provision to ensure appropriate transport is provided when necessary, but also to encourage people to have greater independence. This could mean in future that those who are able to do so will be given travel training to make more use of public transport. It would also review those people who receive a mobility allowance to ensure they are using this allowance to meet their travel costs.

<b>Issue</b>	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
Transport	175	175	175	175	175

## Respite care

Currently respite is provided in several different ways through Adult Social Care e.g. the Shared Lives scheme where adults can go to foster families for respite care to give their own carers a break or temporary stays in residential homes. This proposal is to carry out a review of all respite care to ensure a consistent approach is taken which will promote fairness for those people receiving respite care and ensure the respite provided gives effective support. A new Respite Care Policy will take account of the impact of the transformation of Adult Social Care and the emerging expectations of the Care Bill.

<b>Issue</b>	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
Respite care	150	150	150	150	150

## Assistive technology

Assistive technology is the use of devices that enable people to live independently and carry out everyday duties for themselves that may not otherwise be possible because of disability or mobility issues. From touch screen or input switches through to direct eye control, the systems allow total control of everyday functions such as opening a door, closing a window, turning on a stereo, lamp or TV or answering the phone.

It also enables alerts and alarm systems to be installed in people's homes which are particularly useful for people with dementia. They alert the Lifeline call centre if a person tried to open their front door in the middle of the night or pressure pads that alert the call centre if they get out of bed.

In certain situations assistive technology provides a useful and cost effective solution to more traditional means of support. In Peterborough, the use of assistive technology is currently underdeveloped. This proposal is to expand the service as one of the prevention services to enable people to live in their own homes for longer and reduce the need for residential care.

<b>Issue</b>	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
Assistive technology	80	80	80	80	80

## Direct payments and personal budgets

This proposal is to review how direct payments and personal budgets are used in Peterborough in line with the transformation of social care services. The aim is to encourage more people to live independently and to give them the choice to use their personal budgets to access the services that best meet their individual needs. By encouraging a move away from more traditional one-size-fits-all services this should save £100,000 a year.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Direct payments and personal budgets	100	100	100	100	100

## Mental health employment services

Mental health employment services have been provided under a service originally commissioned by NHS Peterborough. This proposal is to carry out a review of this service and put together proposals which offer a more modern service that enables people with mental health issues to gain skills to help them to find jobs and live independently. Any changes will link with the broader changes taking place within employment services in Adult Social Care as part of the transformation of the department.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Mental health employment services	80	80	80	80	80

## Support cost efficiencies (non-staffing)

Adult Social Care pays for services from other parts of the council and also buys in services externally. These services will be reviewed to ensure they provide value for money and so savings can be identified.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Support cost efficiencies	50	50	50	50	50

## Eligibility

We made changes to our eligibility criteria for Adult Social Care services from April 2013. We now provide services to meet substantial and critical needs only, which is in line with what is being proposed nationally through the Care Bill. This change brought savings in 2013/14 and the full year impact of the change will allow additional savings in 2014/15 of £100,000.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Eligibility	100	100	100	100	100

## Panel reviews

All newly-commissioned care packages in excess of £250 per week, and significant changes to care packages, go through a panel process to ensure they meet the needs of the individual and are properly funded and consistent. This process has been reviewed and can be streamlined leading to savings of about £100,000 in 2014/15.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Panel reviews	100	100	100	100	100

## Re-ablement

Re-ablement services offer intensive support to meet an individual's specific needs for up to six weeks to enable people who have suffered an illness or injury to return to independent living. There is good evidence that these services are effective and reduce the need for ongoing statutory support, helping the council to make savings. We made significant changes to our re-ablement services during 2013/14, to the benefit of individuals, and will further develop the service to deliver additional savings in 2014/15.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Re-ablement	200	200	200	200	200

## Support cost estimate

All individuals receiving services should have a personal budget which identifies the amount of funding they have for support or services. The 'Support Cost Estimate' is a process which is used by Adult Social Care to identify the likely amount of the personal budget. The system has been in place for over a year and needs to be reviewed to ensure that it is equitable and fair for all individuals. This review should enable us to save £125,000.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Support cost estimate	125	125	125	125	125

## Support planning

Support planning is the final part of the process of determining an individual's care package, once the personal budget has been agreed. It is important that social workers and managers are mindful of the quality and cost of services and support, when packages are being put in place and that best value is achieved. We will also review and streamline processes around support planning, to reduce bureaucracy. An increased emphasis on effective support planning and additional training and awareness where required, should ensure better outcomes for individuals and some cost savings.

<b>Issue</b>	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
Support planning	160	160	160	160	160

## **INVESTMENT – REVENUE**

### **Welfare reform**

The impact of welfare reform changes, introduced in April 2013, has meant that an additional investment is needed to make up for lost income from changes to the Disability Living Allowance. About 200 people, who previously received low rate Disability Living Allowance, are no longer receiving it. We need to amend the levels we charge those people so as not to cause unnecessary hardship. This will result in a loss of income of about £108,000 per year

<b>Issue</b>	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
Welfare reform	108	108	108	108	108

### **Winterbourne review**

Following the national concerns over care provided at Winterbourne the government has announced that by June 2014, all people with learning disabilities with challenging behaviour will be transferred from residential or secure units to community based settings. However no announcements have yet been made about how this transition will be funded. This presents a cost pressure for the council. There are potentially about seven people who would be affected by these changes which would cost about £945,000 a year.

<b>Issue</b>	<b>2014/15 £k</b>	<b>2015/1 6 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
Winterbourne review	945	945	945	945	945

### **Contracts and procurement**

In 2013, in conjunction with the council's strategic partner Serco, Adult Social Care has identified a range of savings which could be achieved through better contracts and procurement. The framework agreement for home care was one of these areas and has been recently re-procured and will achieve significant savings in 2014/15. A reassessment of the overall position on other contracts has highlighted that, although significant savings are still achievable, the potential is less than previously projected for 2014/15. The additional investment is an adjustment to bring the expected saving more in line with revised expectations.

<b>Issue</b>	<b>2014/15 £k</b>	<b>2015/1 6 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
Contracts and procurement	396	396	396	396	396

### Social care funding changes

In February 2013 the government announced changes to the funding for long term social care which means that the threshold limits for mean tested support will change. This is likely to increase the number of people we are expected to support, which would have formerly been self funders, by up to 33 per cent. Changes are being phased in from 2015. There will be other changes arising from the Care Bill which needs to be assessed.

<b>Issue</b>	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
Social care funding changes	0	319	322	391	391

### Carers' responsibilities

From 2015 onwards there will be new responsibilities to support carers, which is likely to lead to additional cost pressures.

<b>Issue</b>	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
Carers' responsibilities	0	146	260	374	374

**APPENDIX 2 –**  
**CHIEF EXECUTIVE’S - SERVICE IMPLICATIONS (INVESTMENT/REDUCTIONS)**

The only team within the Chief Executive’s department is commercial operations. This team is responsible for working with local businesses and other organisations to build a stronger local economy by attracting visitors to Peterborough and helping to build the city’s reputation as a leading tourist destination.

The team supports city centre retailers and oversees everything to do with the city centre from CCTV cameras and car parks to events such as the Perkins Great Eastern Run, the Italian Festival, and the annual Christmas lights switch on. The department also oversees the City Market and a wide variety of street markets.

The current budget for the Chief Executive’s department is £-0.9m (reflecting the net income from car parking). The proposals presented below would save £0.1m in 2014/15. The proposals as presented include additional investment needed which totals £0.1m in 2014/15.

**SAVINGS – REVENUE**

**Commercial Operations**

A saving of £56,000 can be achieved through changes to contracts for market cleansing/refuse collection, and through reduced CCTV transmission costs by re-negotiating line rental costs.

<b>Issue</b>	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
Markets – reduce cleansing expenditure through contract negotiation	40	40	40	40	40
CCTV – reduce expenditure on line rental through contract negotiation	16	16	16	16	16

**Parking enforcement**

In 2013/14 there have been more people working on parking enforcement, ensuring that motorists coming into the city are parking legally and safely to help keep our roads congestion free. This proposal is to not put any council funding into paying for this service in future and that all revenue generated is used to provide the parking enforcement service.

<b>Issue</b>	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
Self-funding parking enforcement service	30	30	30	30	30

## Perkins Great Eastern Run

The success of this year's Perkins Great Eastern Run – which had a record-breaking number of entrants - has led to a proposal to increase the income target for this event.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Increase Perkins Great Eastern Run income	50	50	50	50	50

## INVESTMENT - REVENUE

### Tourist Information and Travelchoice centres

This proposal is to continue to support these two centres that provide information on Peterborough and its attractions and travel options until further income is generated to make them cost neutral, as agreed in last year's budget.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Tourist Information and Travelchoice centres	115	115	115	115	115

## INVESTMENT - CAPITAL

### Market

The following investments in the City Market are proposed to improve the market and reduce costs and generate income through the installation of solar panels on the roof.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Market stall alterations	50				
Furniture	15				
Market railings	100				
Solar panels on the roof of the market	25				

## **APPENDIX 3 –**

### **CHILDREN'S SERVICES - SERVICE IMPLICATIONS (INVESTMENTS / REDUCTIONS)**

Children's Services is responsible for overseeing and providing services for families and children in Peterborough. Our vision is 'Helping Children to be their Best' through:

- Providing children and families with early support
- Helping families with problems and keeping children safe
- Giving the best opportunities to children and young people in care
- Working with schools and others to make sure that children succeed
- Supporting our staff to be outstanding

Children's Services is split into two areas:

#### **Education**

This division is responsible for ensuring schools in Peterborough provide the best possible education for children and young people. This includes providing a range of support for pupils with special educational needs and ensuring schools are providing the best educational opportunities for children and young people to help them reach their potential.

#### **Safeguarding - Families and Communities**

This division is responsible for protecting Peterborough's most vulnerable children and families, including those who need protection from significant harm, young offenders and children in care. It also recruits and supports foster carers and adoptive parents.

#### **Changes to Children's Services department**

Following a re-organisation of the council in November, the school place planning team, finance and programme management teams are now part of the Resources department. The responsibility for buying in services from other organisations for children and families in Peterborough has moved to the Communities department.

The overall cost of the Children's Services department has reduced significantly over the past five years as we have worked to improve efficiency and focus our efforts on those children and families with the greatest need.

The current budget for the Children's Services department is £13.9million. The proposals presented below would save £1.4million in 2014/15.

## **SAVINGS – REVENUE**

### **Social care improvement**

Peterborough has a fast growing and changing population. The 2011 Census showed that almost a quarter of residents (24 per cent) were under the age of 18. In light of the growing demand for social care services, we have reviewed the structures and processes of this service to ensure it can continue to meet demand in future months and years. Over the past two years investment has been given to the service as a result of increased demand and rising levels of need. Savings have been identified but this is an area that is volatile and will continue to have to respond to demand.

### **Reducing management costs**

In order to protect social work roles, this proposal is about merging teams who carry out similar duties to reduce management costs. We are proposing to merge a number of social care functions



which will provide a range of savings. Where possible, savings will be made from deleting vacant posts across the service area.

We have also reviewed the capacity within our fostering team to meet our targets around placements and with the recent improvements in management and processes within the team we are proposing to delete an unfilled social work vacancy. It is also proposed to bring together the fostering and adoption teams under a single manager.

A further saving has been identified through moving teams together into existing council-owned buildings and reducing our externally-rented office space.

Together these proposals would save £586,000. A further review of the management of children’s social care would then be carried out in 2015/16 as part of proposals to save a further £81,000.

**Social care efficiency programme**

A social care efficiency programme is underway to ensure that social workers can spend the maximum amount of time working with families in need. Among the changes being proposed are data entry and other administrative tasks being undertaken by back office staff therefore freeing-up social workers. We are also proposing to align social care services with existing locality-based services to reduce duplication and plan to ensure organisations such as health teams and schools and social workers are working closely together. There are also plans to introduce a single assessment framework for children’s social care teams. This project is expected to save £92,000 in 2014/15 and £200k in 2015/16.

<b>Issue</b>	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
Social care improvement – management costs / efficiency	678	867	867	867	867

**Redesigning the education service**

Since the start of 2013/14, the government has changed the way it funds education support services. Now councils receive one amount of funding for each pupil attending local-authority maintained schools (£128.17) and a lower amount for each pupil attending academy schools (£15). This is because the council is legally responsible for ensuring all children in Peterborough receive an education.

The funding for academy pupils is there to support costs where the council retains legal responsibility for functions such as school attendance, tracking children missing education, ensuring there are enough school places for all children and monitoring religious education.

We are expecting schools with around 2,500 pupils to convert to academy status in the 2014/15 financial year and this will mean a reduction in funding of £285,000.

In June, the government also announced the Education Services Grant was being cut by 20 per cent in 2015/16. Therefore, the council needs to look again at the education services it provides to ensure it meets its legal responsibilities but also continues to invest in measures that help to improve educational attainment.

We have been working with headteachers to develop a school-to-school support system where headteachers use the skills from their schools to improve results in other schools. We are also

currently reviewing educational support services to see how they can be provided differently in the future in line with the move towards academy schools and changes in government funding. We are expecting this re-organisation of services to save in the region of £260,000 per year.

This could mean in the future some services may not be provided by the council but could be run by another outside organisation. In addition, all our core services have been reviewed in light of schools transferring to academy status alongside reductions in per pupil funding from the Education Services Grant.

Savings will be made across school improvement, attendance and the education support service through reviewing line management, better use of management information and greater targeting of services at those schools who need the most support.

<b>Issue</b>	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
Reviewing education support services	524	524	524	524	524

### **Youth Offending Service**

Councils are required to operate youth offending teams working with other organisations including the police, probation and health services to prevent offending among young people aged 10 to 17. Following a review of the service, increased early intervention with support from other organisations and reduced numbers of offenders, we anticipate savings of £50,000.

<b>Issue</b>	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
Youth Offending Service	50	50	50	50	50

### **Review of support services**

Children's Services has a number of support functions both within the department and in the wider council. In light of reduced budgets, these areas have been reviewed and the following changes are proposed:

- Re-organising the project office – The work of this team will be focused on priority projects for the council allowing a £34,000 saving to be made.
- Legal support – There have been significant changes in the Public Law Outline (PLO) which have led to reduced delays and better co-ordination between all parties involved in care and supervision cases. It is also anticipated there will be reduction in care proceedings as a result of our approach to early intervention. It is hoped this will save around £50,000.

<b>Issue</b>	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
Reviewing support services to Children's Services	84	84	84	84	84

## Adoption placements

Peterborough is currently successfully recruiting a large number of prospective adopters. Families are often matched with local children but, in a small number of cases, adopters and children are matched via interagency arrangements with other local authorities depending on individual circumstances. This is part of a national commitment to avoid delay for children needing adoption. The interagency fee for this arrangement is payable to the adopters' agency to cover the costs of recruitment and assessment. It is expected that £25,000 will be generated annually through this process as a result of our successful marketing campaign.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Adoption placements	25	25	25	25	25

## Creating one central training and development team

There are currently three teams working within the council in human resources, Children's Services and Adult Social Care that are responsible for recruitment, training and development. In Children's Services it is the workforce development team. There is potential to make savings by combining these teams. In particular there is a large amount of overlap between the children's and adult social care functions which may benefit from shared management. We also want to better target the training and workforce support we give to care providers in the city and make sure we do what we can to attract external funding to pay for training and development for social care staff.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
New central training and development team and joint transitioning team	23	23	23	23	23

## INVESTMENT – CAPITAL

### Transforming social care

In order to deliver savings of £200,000 by 2015/16 through improved social care efficiency, investment is needed to further improve the case management system which holds all children's social care records electronically. We also want to introduce technology for social workers to be able to work remotely. Projects will be delivered alongside our transformation partner Serco.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Transforming social care	50	0	0	0	0

## Schools funding 2014/15

The funding for schools and elements of the education service is received in a specific pot of money from the government called the Dedicated Schools Grant (DSG). This is allocated annually based upon the number of pupils in the city in October the previous year. We are responsible for proposing the use of this funding to support schools in agreement with the statutory body known as the Schools Forum. This forum consists of headteachers, early years' providers, church representatives and council officers.

In June, the Department for Education (DfE) published "School Funding Reform: Findings from the review of 2013 to 2014 financial year arrangements and changes for the 2014 to 2015 financial year".

The reforms make a further move towards setting a national funding formula expected at the start of the new parliament. However in the short term there are some key changes which will affect individual schools in the city –

- A minimum level of funding is being introduced for each pupil called basic entitlement – Peterborough already funds above this level.
- The DfE has expanded its definition of pupils considered to be underachieving on entry to secondary schools (prior attainment). Previously it was those pupils who had not achieved Level 4 in their Key Stage 2 (SATs) in English **and** maths. From 2014/15, funding will be targeted at those pupils in secondary schools that haven't achieved Level 4 at KS2 in either English **or** maths. This will redistribute funding between schools in the city and target more funding at those who are considered to be underachieving.
- Nationally a factor has been added to the funding formula to fund those schools which are considered to be rural, based on the distance each child has to travel to school. No schools in Peterborough currently qualify for this factor.
- There is now an ability to set lump sums for primary and secondary at different levels.

The Schools Forum has considered these changes and agreed a number of updates to the local funding formula from 2013/14.

On the 18 December, the DfE outlined the funding for schools as follows –

- The underlying schools budget is retained at the same cash level per pupil as in 2013/14. However, there are around 1,000 more pupils in Peterborough this year and therefore the funding from the Dedicated Schools Grant has increased by £4.3million.
- Schools continue to receive protection in the case of falling budgets with a minimum funding guarantee set at a maximum reduction of 1.5 per cent. This protects schools that lose significant funding from one year to the next.
- Peterborough has received an additional £1.8m to pay for 15-hours free childcare places for eligible two-year-olds. This is based upon the number of parents in the city who are expected to meet the criteria for claiming this entitlement. The city will receive £4.2million for this in addition to the £9.5m it receives for three and four-year-old free places.

The overall Dedicated Schools Grant is expected to be £165million, an increase of nearly £7million from last year. However, secondary schools in Peterborough have seen significant reductions in their overall levels of funding as a result of other funding streams being reduced. The key area of reduction is around sixth form funding with a number of schools experiencing significant reductions in funding year-on-year.

## **APPENDIX 4 – COMMUNITIES - SERVICE IMPLICATIONS (INVESTMENTS / REDUCTIONS)**

Following the re-organisation of the council all our commissioning activity, community services and targeted services are now managed by one department.

Commissioning is the process by which councils decide how to spend their money to get the best possible results for individuals and communities, based on local needs. It is about assessing the needs of residents of all ages and deciding how best to use the limited resources available to meet those needs and tackle local issues and problems to support local people to reach their full potential and lead happy and healthy lives.

Our approach to commissioning for our residents has changed. Previously commissioning took place in four different departments - Adult Social Care, Neighbourhood Services within the former Operations department, Children's Services and Public Health.

The reorganisation of the council in November 2013 brought together all these functions under the Communities department with the aim of:

- Allowing the council to provide services which reflect how people really live;
- Making savings through greater buying power by bringing together all functions into one department instead of four;
- Improving access to services for residents of all ages;
- Providing a common assessment framework for assessing need to reduce the number of assessments residents will need to have;
- Reduction in duplication of tasks.

In order to ensure the benefits set out above are achieved the new department will focus upon:

- Achieving better value for money
- Tackling increasing demand for services (growing numbers of children and older people, inward migration, health inequalities, and the impact of welfare reform)
- Ensuring services are safe and meeting needs
- Ensuring the right services are offered to the right people, by the right people, in the right place, at the right time and at the right cost.

The department is split into two areas:

### **Communities and targeted services**

We are responsible for a range of support for communities including housing, community development and cohesion, the Live Healthy team, the 0 to 19 services, short break services for children with disabilities and the work of the SaferPeterborough partnership. The focus of the team is to ensure appropriate housing for all residents in Peterborough, support communities to help each other and identify difficulties early and provide services that ensure problems do not escalate.

### **Commissioning**

We are responsible for identifying the needs and aspirations of residents and then commissioning services to best meet those needs at the best possible price, ensuring there are sufficient quality and safe providers in the city and that services purchased represent value for money. We also commission services to keep children and adults safe. Services purchased include those for children on the edge of and in care, independent school placements and services for vulnerable adults, services for people with substance and alcohol misuse issues, sexual health services, school nursing and domestic violence services. All services purchased are focused on helping people to help themselves and learn new skills to help them live healthy independent lives for as long as possible and giving proper individual care to those with long-term complex needs.

The current budget for the Communities department is £44.3million. The proposals presented below would save £2.7million in 2014/15. The proposals as presented include additional investment needed which totals £1.2million in 2014/15.

## SAVINGS – REVENUE

### Children’s centres

A consultation was launched at the beginning of December into changing the way children’s centres operate in Peterborough. The consultation ended on 8 January and an amended proposal will go to Cabinet on Monday 3 February 2014. The proposals will be debated at Full Council on 29 January 2014. These proposals will then go to Full Council for approval as part of the budget-setting process. The revised proposals which are published today, include creating four children’s centre hubs, three outreach centres and re-using the remaining eight buildings for other children’s services such as childcare. They now also include £100,000 of proposals to provide support to parents living in areas which will no longer have access to a children’s centre. These proposals will save £1.18 million.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Changes to children’s centres	931	1,181	1,181	1,181	1,181

### Recruiting more foster carers and reducing the numbers of children in care

This proposal is about our work to reduce the numbers of children in care by doing more to prevent children needing to be taken into care in the first place. This would be through investing in prevention and early intervention work such as the Connecting Families programme that works with families to resolve issues before they spiral out of control.

The second aspect of this proposal is about focusing on recruiting more foster carers in the city to provide homes for children who cannot be with their own birth families for whatever reason and therefore reducing the reliance on more expensive agency foster care or residential care.

By recruiting our own foster carers it would mean we are better able to provide more all-round support for those children as well as saving the authority money as children would be placed wherever possible within the local authority area. As the Communities department is responsible for providing and buying in those services for children in care this saving is being proposed in this department.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Looked after children costs	245	713	913	1,255	1,255

## Public Health

The Health and Social Care Act 2012 transferred public health responsibilities to all councils from 1 April 2013. We now receive a specific sum of money from the government to be spent on activities that improve public health. We already provide services that improve public health such as supporting people into affordable, safe, warm housing, drug and alcohol services and health improvement activities. Therefore, some of this increased grant can be used to fund these existing services and the additional demand for these services. We are also able to bring together the commissioning functions within public health with the rest of the Communities department which will achieve efficiencies.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Increase in public health government grant and re-organising services to make efficiencies	1,090	1,090	1,090	1,090	1,090

## Strategic housing

The council manages the city's housing waiting list on behalf of registered social landlords through what is called the Choice-based Lettings Service. We have not increased our charges for running this service for a considerable number of years, despite the costs of running the service increasing. We are therefore proposing to make this saving by increasing our charges.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Increase charges to registered social landlords for choice-based lettings	50	50	50	50	50

## Housing enforcement

We will develop a stronger focus on tackling criminal private sector landlords whose tenants are often living in unsafe conditions or who are not provided with the appropriate legal protections that tenants should have. As part of this approach, we have trained some of our staff to be able to provide Energy Performance Certificates (EPC) which are a legal requirement for landlords who rent out their private accommodation. This is a fee-earning service. Additionally, we are able to enforce against landlords who fail to maintain an up-to-date EPC including issuing fixed penalty notices.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Issue Energy Performance Certificates and enforce, via fixed penalty notices, against premises failing to display an EPC	200	200	200	200	200

## St George's Hydrotherapy Pool

There is currently no specific budget to pay for the hydrotherapy pool which has been funded for a number of years through department underspends. There has been a drive to make the facility self-funding, however, this has proved unsuccessful to date. In 2013/14 the council subsidised the pool by £45,000. Unless a source of funding can be found, we are no longer in a position to support the facility and the pool will close. As a result of the age and condition of the facility it requires substantial investment for it to have any future.

**The 24 February Cabinet meeting discussed the saving proposal on St George's hydrotherapy pool following feedback received through the budget consultation. The Council will continue to keep the facility open beyond April, while working with others to consider options for the future. The Cabinet meeting agreed the following recommendation:**

**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**

**No change is required to the numbers below based on the recommendation expectation of funding support coming from the NHS.**

<b>Issue</b>	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
St George's Hydrotherapy Pool	45	45	45	45	45

## Supplies and services

Supplies and services budgets provide the things that are needed to help make a department work, including stationery, travel costs and ICT equipment. We will achieve a saving against this budget by ensuring that only business critical items are purchased and by making the best use of technology to avoid travel and use of stationery.

<b>Issue</b>	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
Supplies and services	50	50	50	50	50



## Careers advice guidance

Schools are now responsible for providing careers education and guidance to all pupils. With more outreach work and targeted support being delivered through the Not in Employment, Education and Training (NEET) team, and particularly through initiatives such as the Work Club, the work of the careers information advisers is being achieved through other teams. The Youth Access Point was mainly used as a computer room for accessing information regarding jobs and vacancies rather than accessing advice. City College has developed a youth access point to enable young people to have access to information technology to job search, therefore the youth access point has been closed.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Careers advice and guidance	132	132	132	132	132

## INVESTMENT - REVENUE

### Children's social care

In 2013/14, the budget was set to fund 331 children in care based upon the predicted numbers for 1 April 2013. The number of children in care has increased slowly from December to 366. This investment is needed to pay for the additional costs associated with looking after these children in our care. As the Communities department is responsible for providing and buying in those services for children in care this investment is being proposed in this department.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Support for looked after children	919	919	919	919	919

### Homeless bed and breakfast costs

Some households will continue to be affected by financial austerity and we want to do all we can to help families to manage the impacts of welfare reform and poverty. We, and other organisations, already prevent homelessness in a range of ways including helping people who may have been the victims of domestic abuse find temporary accommodation, helping people struggling to pay their bills to find more affordable accommodation, or supporting them into training or employment to be able to pay for their accommodation. We also support people leaving care to find places to live. However, we predict the number of people needing our support to prevent homelessness will increase over the next few years. This investment is needed to meet these additional costs.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Increased costs to prevent homelessness	150	150	150	150	150

## Looked after children transport

We have a duty to provide transport for children in care for certain circumstances including attending medical appointments or supervised contact with birth families etc. Over the past 12 months, our transport requirements for children in care have continued to rise in line with the increase in the number of children in our care. This investment is to pay for additional costs but will reduce from 2015/16 as the work to reduce the number of children taken into care is expected to start to take effect and the number of looked after children reduces. As the Communities department is responsible for providing and buying in those services for children in care this investment is being proposed in this department.

<b>Issue</b>	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
Looked after children transport	100	100	90	80	70

**APPENDIX 5 –  
GOVERNANCE - SERVICE IMPLICATIONS (INVESTMENT/REDUCTIONS)**

The Governance department consists of:

**Legal services**

This team provides legal services to all council departments and to Rutland Council.

**Governance**

This team supports Full Council, Cabinet and committee meetings, civic services to the Mayor and support services to councillors as well as a range of other related services. They also manage elections and the electoral register.

**Regulatory services**

This team provides regulatory and licensing services such as trading standards, environmental health, health and safety, and enforcement teams who deal with issues such as noise nuisance and air quality.

**Communications**

The communications team supports all council departments by advising them how best to explain their services to residents. It promotes the council through the media including television, radio, magazines and internet sites, produces staff communications for up to 2,000 people, writes communications strategies for major initiatives, produces press releases, marketing campaigns and manages the council's website and social media.

**Performance management**

This team provides a central performance management function.

**Human resources**

This team provides human resource services to all departments such as support on recruitment, advice on disciplinary matters, redundancy and professional development.

The current budget for the Governance department is £6.3m. The proposals presented below would save £0.5m in 2014/15. The proposals as presented include additional investment needed which totals £0.5m in 2014/15.

**SAVINGS - REVENUE**

**Legal and governance services**

Following the re-organisation of the council in November, and the creation of the new Governance department, this proposal is to further re-organise the legal and governance services which were previously managed separately by two senior managers.

<b>Issue</b>	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
Re-organisation of legal and governance services	203	203	203	203	203

## Reducing the Community Leadership Fund

The Community Leadership Fund (CLF) was set up to give councillors the opportunity to provide funding to local projects in their wards. Each year £10,000 has been allocated to each of the 24 wards. In line with reductions in our government funding in 2013/14 the CLF was reduced by 30 per cent with each ward receiving £7,000. This proposal is to reduce funding to £1,000 per councillor from 2014/15.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Reduce Community Leadership Fund	183	183	183	183	183

## Licensing

This proposal is to re-organise the licensing team and look for potential ways of generating further income for the council to save £70,000.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Re-organisation of the licensing team	70	70	70	70	70

## Reduce cost of Human resources

Following the re-organisation of the council, this proposal is to re-organise the HR team in response to this and reduce the number of HR business partners who support departments saving £57,000.

The second part of this proposal is a joint initiative with Children's Services and Adult Social Care to bring together the council's workforce development and training and development teams into one corporate team which is anticipated to save £24,000 in the Governance department.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
HR re-organisation	57	57	57	57	57
Creation of a corporate team for workforce development and training	24	24	24	24	24

## INVESTMENT - REVENUE

### Legal services

As the council works towards bringing more investment into the city, and exploring innovative ways of generating income to pay for vital services, there is a need to expand the council's legal team to support this work. This investment would pay for two full time contract lawyers and a legal officer.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Expanding the legal team to meet demand	126	126	126	126	126

### Governance services

The Coroners and Justice Act 2009 requires the council to employ a medical examiner. This investment would pay for this service and the necessary support staff.

The second investment in this area is required because of changes to the electoral system under the Electoral Registration and Administration Act which will require every resident in the city to fill in their own individual electoral registration form. As a consequence we will have increased postal and canvassing costs to ensure forms are sent to every resident rather than every household. It will also pay for additional canvassers to chase non-returned forms. The aim of the changes is to minimise the risks of electoral fraud.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Coroner reforms	250	250	250	250	250
Changes to electoral system	50	50	50	50	50

### Regulatory services

We had been exploring the possibility of introducing a Late Night Levy in the city, however, following a review it has been decided the enforcement costs would be too high and so this proposal is to remove that income target.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Late Night Levy income – removal of budget	25	25	25	25	25

**APPENDIX 6 –**  
**GROWTH AND REGENERATION - SERVICE IMPLICATIONS**  
**(INVESTMENT/REDUCTIONS)**

The Growth and Regeneration department consists of the following:

**Planning, transport and engineering services**

This service includes surveyors, planners and other technical teams who work with residents and businesses to ensure any development in Peterborough fits in with the city's growth plans. It includes a team that is responsible for planning the future of transport in Peterborough and its surrounding villages, including managing the contracts to maintain existing roads and build new ones. It is responsible for emergency planning to ensure the city has contingency plans in place for any major emergency.

The service also works with schools and local communities to help make our city greener and is responsible for our Environment Capital agenda, to reduce Peterborough's carbon footprint, improve recycling rates and encourage less car travel.

**Growth delivery and Opportunity Peterborough**

The growth delivery team and the council's wholly-owned company Opportunity Peterborough support our agenda to grow the city by 20,000 jobs and 25,500 houses by 2026, by attracting and supporting inward investment, supporting the delivery of key projects such as the Carbon Challenge site and Fletton Quays (also known as South Bank / Riverside Opportunity Area), and helping to improve the skills of our community.

The current budget for the Growth and Regeneration department is £15.9m. The proposals presented below would save £0.3m in 2014/15. The proposals as presented include additional investment needed which totals £0.5m in 2014/15.

**SAVINGS - REVENUE**

**Natural and historic environment**

Previously we provided grants to organisations and groups to improve their natural environment such as creating wildlife gardens and ponds, and to repair historic buildings. This proposal is to remove this grant funding and instead use income from new developments to pay for such schemes.

<b>Issue</b>	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
Remove historic and natural environment grant and reduce biodiversity strategy budget	25	25	25	25	25

## Local Plan

We are close to completing our suite of strategic documents known as the Local Plan, which is the council's plan for future growth and development of the city, including the Core Strategy and Site Allocations Document. This proposal is to reduce expenditure on this area including the use of consultants and printing costs until these documents are due to be reviewed again.

<b>Issue</b>	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
Reduction in expenditure on Local Plan	61	61	61	61	61

## Climate change

We have successfully attracted European and national grant funding and sponsorship to pay for some of our climate change work and the environment capital conference and workshops. We are therefore proposing to reduce the amount of council funding in this area.

<b>Issue</b>	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
Climate change and environment capital conference	16	16	16	16	16

## Planning, transport and engineering

Following the re-organisation of our senior management team and the creation of the new Growth and Regeneration department, the former planning, transport and engineering service will be restructured to further support growth delivery and enable more income to be generated through selling services to other councils and organisations.

<b>Issue</b>	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
Re-organisation of planning, transport and engineering service	101	101	101	101	101

## Housing strategy

An income of £20,000 can be achieved through selling housing strategy services to a neighbouring council, therefore helping to offset our costs in this area.

<b>Issue</b>	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
Increase in income to housing strategy	20	20	20	20	20

## Trees and woodlands

This proposal is to move from a five-year cycle to a seven-year inspection cycle of the city's trees and woodlands.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Trees and woodlands	100	100	100	100	100

## INVESTMENT - REVENUE

### Street lighting energy costs

Because of rising energy prices and a growing network which is supporting new developments, the cost of street lighting has increased. This investment of £340,000 is needed for future years to offset these cost rises.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Street lighting energy costs	340	340	340	340	340

### Resilience function

The capability of the city to respond to an emergency event has in recent years been funded from a reserve which has now been exhausted. An ongoing budget is required to maintain this vital service.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Resilience function	66	66	66	66	66

### Concessionary fares

The council is legally-required to fund concessionary fares for qualifying bus passengers. A continuing rise in the elderly population means that more passengers qualify for this support.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Concessionary fares	0	200	400	600	800



## Opportunity Peterborough

Opportunity Peterborough (OP) currently receives a grant from the council of £380,000, plus other support. In last year's Medium Term Financial Strategy (MTFS) it was agreed to gradually reduce this over time, starting with a £100,000 reduction in 2014/15, with OP becoming fully self-funding by 2016/17.

We have had further discussions with OP regarding the impact this would have in 2014/15 on its ability to support our key priority of growing the city. As such we are proposing support in two areas:

- One-off funding of £50,000 in 2014/15 – This will enable OP to drive forward initiatives to generate income, helping to deliver the additional savings in 2015/16 and 2016/17, and achieve the aim of becoming self-financing. This is shown in the table below.
- We will also underwrite the remaining £50,000 of the savings target. This will only be called upon if OP cannot generate the income to meet the level of saving (if needed it is proposed this is funded from reserves).

The business plan for OP will be brought to Cabinet in the summer for approval as usual.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Opportunity Peterborough	50	0	0	0	0

## INVESTMENT - CAPITAL

The following schemes are proposed for inclusion in the capital programme.

### Central Avenue parking scheme

This investment would pay for improvements in the area outside of the parade of shops in Central Avenue that is directly opposite Dogsthorpe Primary School. The proposal is to change the layout of the area to make parking safer.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Central Avenue parking scheme	220	0	0	0	0

### Footpaths

Previously the maintenance of footpaths across the city was paid for from our revenue budget. This proposal is to make it part of our capital expenditure.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Footpaths	60	60	60	60	60

## **APPENDIX 7**

### **RESOURCES - SERVICE IMPLICATIONS (INVESTMENTS / REDUCTIONS)**

The Resources department consists of the following:

#### **Strategic finance**

- Finance
- Internal audit

#### **Strategic commissioning / transformation**

- Serco Strategic Partnership (business support, shared transactional services, business transformation, procurement, customer services, finance systems, strategic property) and ICT partnership
- Waste management and waste disposal including the Energy From Waste plant
- Amey Strategic Partnership (formerly Enterprise Peterborough) which includes refuse collection, street cleaning, parks, trees and open spaces, traveller site management, building cleaning, and passenger services
- Vivacity (culture, recreation and libraries)
- Registration and bereavement services
- Westcombe Engineering
- City Fibre – broadband partnership

#### **Corporate property and children's resources**

- School place planning including admissions, schools building programmes and transport.
- Financial management for Children's Services and schools (including the Schools Forum)
- Programme and project management for Children's Services
- Corporate property including asset disposals
- City College Peterborough

#### **Energy and the Energy Services Company (ESCO)**

- Renewable energy and energy efficiency schemes
- The council's wholly-owned Energy Services Company (ESCO) - Blue Sky Peterborough

The current budget for the Resources department is £32.9million. This includes the capital financing budget and certain corporate budgets, including the contingency for a potential pay award. Changes in these areas are included in appendices 8 and 9. The proposals presented in appendices 7, 8 and 9 would save £8.4million in 2014/15. The proposals as presented include additional investment needed which totals £6.6million in 2014/15.

## SAVINGS - REVENUE

### Finance

A further review of the funding for the finance function will be undertaken. This will include a review of all currently vacant posts, and investigating whether any benefits can be sought from the new council structure. The £72,000 saving is on top of a £50,000 saving already committed to for next year, taking the overall saving up to £122,000. A reduction in the fees for external audit is also being achieved. This is in response to changes to the external audit arrangements following the abolition of the Audit Commission.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Further savings in finance team	72	72	72	72	72
External audit costs	30	30	30	30	30

### Parish councils

In recent years we have made some reductions to the discretionary funding we provide to parish councils. We are proposing to remove the remaining discretionary funding, and also to remove the council tax support grant in full. The funding provided to those parish councils that provide burial grounds and recreation grounds will continue as before.

In line with the practice established in previous years, it is proposed that a full year's notice will be provided for this, and the measure will not be implemented until 2015/16.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Reduce funding for parish councils	0	40	40	40	40
Council tax support grant	0	61	61	61	61

### Strategic commissioning and transformation

Strategic Client Services manages our partnerships with Serco, Amey and Vivacity. We propose to continue to reduce costs by looking for further efficiencies across our internal team.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Re-organise the client services team in line with changes to the council's structure	100	100	100	100	100

## Serco Strategic Partnership

The Serco Strategic Partnership manages many of our back office functions including our business support staff, the council tax and benefits teams known as Shared Transactional Services, customer services and finance systems. These two proposals are to make efficiencies on the existing contract and also reduce the amount of business and administrative support the council receives.

<b>Issue</b>	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
Reductions in Serco Strategic Partnership costs and business support	775	775	775	775	775

## Property

We continue our drive to reduce costs by ensuring we are making the best use of all the buildings we own and use. Part of this proposal is about bringing more services into our main buildings and maximising the income we receive from our commercial property estate.

A further proposal is being developed to review the management of our property estate to drive growth and secure additional savings. This will include looking at better management and utilisation of both the buildings from which our services are run and the community buildings we own such as community centres, libraries and schools.

<b>Issue</b>	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
Reduce costs of office accommodation	453	580	580	580	580
Develop new ways to generate income and make savings from all council-owned buildings	220	220	220	220	220

## ICT

There are two main sets of proposals to make savings in ICT. When we outsourced our main ICT function, a number of systems remained in-house and continue to be managed by council staff. The first proposal is to review all of these arrangements with a view to bringing all ICT applications and projects under the main contract. The second part of this proposal is about reducing the amount we spend on ICT equipment and ICT support for staff in line with our “thin client strategy”. The aim is for less people to have laptops and desktop computers and more people to have mini desktop boxes that link to a main server which can be updated remotely.

The second proposal is about reducing our broadband costs and encouraging other organisations to use our broadband network as part of the CityFibre project.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Reviewing all ICT projects and reducing ICT support costs	461	461	461	461	461
Reduced costs through new broadband provision	141	271	517	513	513

## Registration and bereavement services

Peterborough has an ageing population with 27,000 older people living in Peterborough, 3,600 of whom are aged 85 and over. We also have the second highest birth rate in England according to national statistics. Therefore, the registration and bereavement service is anticipating additional income in the coming years which would mean the council would need to pay less for the service. The saving for 2014/15 is anticipated to be about £100,000. We are also proposing an increase to some of the fees in line with other providers.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Increased income – bereavement service	46	46	46	46	46
Increased income – registration service	54	54	54	54	54

## Waste management and Amey contract

Every area of council business has been reviewed to make savings to help us to balance our books in 2014/15 and beyond, including those organisations that run services on our behalf.

The following proposals are part of a package of measures that would achieve a £1.1million saving in the Amey contract. The first proposal is about making efficiencies on the existing contract of £149,000.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Efficiencies on Amey contract	149	149	149	149	149

The proposals outlined below are about potential changes to existing services:

### Garden waste collection (brown bin waste)

We currently provide a free garden waste collection service. As we are not legally-required to provide this service, in keeping with a growing number of councils such as Southampton and Harlow, it is proposed to introduce a charge for this service of £39 per year for an almost year-round fortnightly brown bin collection. The scheme being proposed is estimated to save £804,000 in 2014/15.

It is proposed to start charging residents for this service from 27 May 2014. It is proposed that people who sign up for the new service before the end of May will receive a £3 discount.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Introduce charge for garden waste collection service	804	804	804	804	804

### Sports clubs

We currently provide a free caretaker service for sports clubs. This is not a statutory requirement and therefore this proposal is to stop providing this service.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Sports clubs' caretaker service	45	45	45	45	45

### Play areas

We are also proposing to inspect play areas once a week instead of twice a week. This proposal would save £15,000.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Play area inspections	15	15	15	15	15

### Maintaining green areas of the city

We currently pay for grass to be cut when it grows to a certain length. Moving to a fixed three-weekly cycle would save £78,000. However, to enable this to happen, we need to make a one-off capital investment of £245,000 to purchase the new equipment needed.

In addition, we are proposing to reduce the need to regularly replant borders and flower beds by replacing them with shrubs. In line with the council's biodiversity strategy, to encourage wildlife, we are also proposing to allow grass to grow longer and plant wildflowers in certain areas of the city. All of these measures together will save £58,000.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Grass cutting service	78	78	78	78	78
Changing planting and creating wildlife havens	58	58	58	58	58

### Removing council subsidy for the WEEE facility

We currently pay Amey (formerly Enterprise Peterborough) to run the Waste Electrical and Electronic Equipment (WEEE) Re-use facility in Fengate, Peterborough. The service recycles used or damaged electrical items which are made available to residents at reduced cost. Amey is investigating new ways of running the service without council funding. There are already other charitable organisations in the city running a similar service including the British Heart Foundation.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
WEEE Facility	66	66	66	66	66

### Charging for bins at new properties

Currently we pay about £40,000 providing new bins for new properties. This proposal is to recover these costs from the property developers.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Charging developers for new bins	40	40	40	40	40

## Reduced landfill costs

Landfill costs have reduced, partly through the success of the food waste collections which have reduced the amount of black bin waste, and also through the diversion of some black bin waste to make fuel. There will be no savings from 2016/17 because the Energy from Waste plant will be operational. All the savings associated with using this new facility and not sending waste to landfill have already been built into the previous Medium Term Financial Strategy.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Reduced landfill costs	100	100	0	0	0

## Vivacity

In discussion with Vivacity a package of proposals have been put together to save £335,000 in 2014/15. It includes:

- Making capital investments of £133,000 in the assets that Vivacity runs on our behalf such as replacing the Key Theatre signage and increasing the capacity of the Regional Pool gym to enable Vivacity to make efficiency savings of the same amount.
- Reducing the amount of council funding for the city's Arts Festival and looking for other external sources of funding and sponsorship to pay for the programme of events.
- Making better use of the Central Library building by moving the open library resource onto the ground floor and re-using the first floor to save £50,000.
- Increasing the income received from the new Hampton Premier gym and swimming pool by £37,000 in 2014/15.
- Making two savings to the library service's book fund - a one off reduction of £20,000 in 2014/15 and an ongoing saving of £50,000 from 2014/15.
- Given the future financial challenges faced by the council, we are proposing additional savings of £260,000 in 2015/16 the details of which will be identified over the coming year.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Capital investment to generate efficiency savings	133	53	53	53	53
Peterborough Arts Festival	45	45	45	45	45
Move Central Library onto one floor	50	50	50	50	50
Increased income from the new Hampton Premier facility	37	79	79	79	79
Reducing the book fund	70	48	48	48	48
Further savings to be identified		260	260	260	260



### Home to school transport – special schools

In line with our move to encourage more residents to be able to live more independently and reduce their reliance on council services, it is proposed to change our approach to providing transport for young people with Special Educational Needs (SEN).

For those young people who are assessed as being appropriate, instead of providing direct transport for them (such as taxis), they would be given travel training to enable them to travel on a bus. We would then provide them with Mega Rider bus tickets. This would also teach them vital life skills that would help them be more independent in the future when leaving school. Before any scheme was introduced there would be appropriate consultation with parents and schools in the autumn term. However, we are investing more for children with severe physical disabilities.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Special school transport	60	60	60	60	60

### Risk management contingency

Last year we set aside a risk management contingency to cover significant risks that may arise in the future. We have reviewed the risks, the level of reserves and the need to balance the budget and are proposing to remove the risk management contingency this year.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Risk management contingency	207	207	207	207	207

### Council tax freeze grant

When we froze council tax in 2011/12, we were awarded grant from Government for doing so. This grant was initially for four years. Government has confirmed that grant is now base lined into council funding, and we can include the benefit in future years.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
2011/12 council tax freeze grant	0	1,533	1,533	1,533	1,533

### Schools capitalisation

Schools use their own funding to support small individual capital projects. The council can choose to fund this spend from the capital programme and therefore schools transfer their revenue funding over to the council to provide a one-off benefit. We believe that schools will capitalise an additional £250,000 of spend in 2014/15.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Schools capitalisation	250	0	0	0	0

## Inflation

Each year the council commences the budget process in September and makes assumptions on the level of inflation that is required across the council. A detailed review of expenditure against inflation assumptions has identified a reduced need for inflation in 2014/15, most of which can be permanently removed from the council's baseline budget.

<b>Issue</b>	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
Inflation	606	366	366	366	366

### Increase in energy initiatives savings target

In the last MTFS we included a savings target for energy initiatives. This includes savings from our energy performance works and from selling services to other councils. This target will be increased. The increase is at a level sufficient to fund the costs of the extra £1million capital investment outlined in the capital section, so that the impact of this is cost neutral.

<b>Issue</b>	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
Increase in energy initiatives target	12	44	64	64	64

## INVESTMENT – REVENUE

### Carbon Reduction Commitment (CRC)

The CRC Energy Efficiency Scheme is a compulsory government scheme aimed at improving energy efficiency and cutting carbon dioxide (CO<sub>2</sub>) emissions in large public and private sector organisations. These organisations are responsible for around ten per cent of the UK's greenhouse gas emissions.

We have to buy allowances for the carbon reduction commitment scheme from the government and the cost of these has risen. However, this investment does not reflect the full extent of the cost increases as some of it is offset by our improved energy efficiency.

<b>Issue</b>	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
Carbon Reduction Commitment	140	140	140	140	140

## Reduction in anticipated savings

In last year's MTFS we set a target for business transformation savings. This has now been revised to reflect the level of savings coming forward, and the specific savings proposals are included throughout this document. Also, a cost pressure has been identified in relation to the operational costs at some of the facilities operated by Vivacity that are not covered by the service fee.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Business transformation	2,528	2,396	2,806	2,485	2,801
Vivacity	47	47	47	47	47

## Football ground

Work has now started on the community stadium on the site of the former Moy's End stand at Peterborough United's London Road ground. The former stand has been demolished and in its place will be a new-all-seater stand and skills centre. While the building works are on-going we agreed a rent abatement for Peterborough United to compensate for their loss of income during this time. These savings were agreed as part of decisions taken by Full Council and Cabinet last summer.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Football ground income adjustment	303	134	134	134	134

## ICT

We are proposing to move our ICT from a server room in the Town Hall to a data centre out of the city that is hosted by an external provider. To enable this to happen, the council needs to make one-off capital and revenue investments.

In the long-term this would save the council money because the alternative would be to make major capital investments in future years to renew the servers as they reach the end of their life. The net revenue cost of moving to the external provider would be £250,000 a year. There would also be a one-off capital investment needed of £1.3 million outlined in the 'Investment – Capital' section.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Move to external provider	250	250	250	250	250

## Employers' NI policy change

The Chancellor's budget in March 2013 announced further changes to the employers' National Insurance contracted out pension scheme from 2016/17. The investment below is the estimated additional cost of these changes to the council.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Increase to employers' NI contribution	0	0	1,026	1,026	1,026

## Special school transport

We provide transport for children and young people who meet clearly defined criteria under our home to school transport policy. Over the past 12 months, demand for transport for children and young people with special educational needs has increased in line with a rise in population and increasing complexity of needs. We have an additional 21 children attending The Phoenix School with severe physical disabilities. This investment would fund their transport.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Special school transport	164	164	164	164	164

## Energy generation and efficiency

We are developing a number of projects that will utilise existing council assets (mainly land) to generate energy and income for the council. The Energy from Waste plant is currently under construction, and as well as being used to dispose of waste, will generate power that can be sold to reduce the cost of waste disposal. These savings are incorporated into this Medium Term Financial Strategy (MTFS).

### Wind and solar farms

This scheme will make a significant contribution towards our Environment Capital aspirations as well as generating renewable energy which will help us to safeguard our budgets against future rising and uncertain energy costs. Additionally, the energy generated can be sold to bring in a significant new source of revenue that will help to close our funding gap and help protect future services.

The budget position reported in future years already includes this income, and if the projects do not go ahead, then the budget gaps we face will widen, as can be seen below:

	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
<b>MTFS position</b>	<b>0</b>	<b>-17,848</b>	<b>-22,486</b>	<b>-23,843</b>	<b>-26,507</b>
net income from wind/solar		-217	954	4,426	4,983
<b>revised budget gap is schemes do not proceed</b>		<b>-17,631</b>	<b>-23,440</b>	<b>-28,269</b>	<b>-31,490</b>

Full details of progress, and latest financial forecasts were reported to Scrutiny Commission for Rural Communities on 16 December 2013. More details can be found at the link below:

<http://democracy.peterborough.gov.uk/ieListDocuments.aspx?CId=405&MId=3273&Ver=4>

This Medium Term Financial Strategy (MTFS) builds in the updates to these financial forecasts. There are pressures in early years, before the income recovers to the expected levels as follows:

<b>Issue</b>	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
Energy parks	384	4,193	2,930	-359	-575

If the projects do not go ahead as anticipated, we face a significant shortfall in income (compared to the numbers outlined in the table above). The financial forecasts in the scrutiny report included a range of options.

The numbers presented below, and now included in the MTFS, are based on a mid-range scenario. This includes the delay in the project from additional archaeological works, but not any delay from the potential call-in of the planning application. The level of net income that these would generate is outlined below:

#### **Solar only option**

This assumes that there is no wind generation on site, and solar is maximised. Total net income when fully operational is around £1.2million per year.

	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
America Farm	-185	0	18	36	66
Morris Fen	-151	260	150	210	315
Newborough Farms	-61	-440	559	673	872
<b>Total Solar Only Option</b>	<b>-398</b>	<b>-180</b>	<b>727</b>	<b>919</b>	<b>1,254</b>

#### **Solar (if combined with wind) option**

This reduces solar coverage to create the space needed for wind turbines. Total net income when fully operational is around £900,000 per year.

	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
America Farm	-185	0	18	36	66
Morris Fen	-155	283	181	244	353
Newborough Farms	-61	-426	250	335	485
<b>Total solar (if combined with wind) option</b>	<b>-401</b>	<b>-142</b>	<b>449</b>	<b>615</b>	<b>905</b>

## Wind Only Option

For wind turbines alone, total net income when fully operational is around £4.1million per year.

	2014/15	2015/16	2016/17	2017/18	2018/19
	£k	£k	£k	£k	£k
Morris Fen	-13	-25	168	1,271	1,359
Newborough Farms	-26	-49	337	2,541	2,719
<b>Total wind only option</b>	<b>-39</b>	<b>-74</b>	<b>505</b>	<b>3,812</b>	<b>4,078</b>

## Combined option

The combined option provides the maximum return for the council – around £5million per year when fully operational.

	2014/15	2015/16	2016/17	2017/18	2018/19
	£k	£k	£k	£k	£k
Combined option	-441	-217	954	4,426	4,983

All of the options above include the cost of business rates for the council. It is expected that we will be able to retain these business rates, and this would further increase the income by around £600,000 per year.

## Energy inflation

Given recent announcements regarding energy price increases, we have revisited the inflation provision for energy. The increases are based on the DECC forecasts for energy prices for service organisations. We would expect to mitigate against some of the increase through procurement via the government framework.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Energy inflation indices updated to DECC forecast	70	149	51	27	59

## INVESTMENT – CAPITAL

### ICT

A significant level of saving is currently built into the Medium Term Financial Strategy in respect of changes proposed to the management of our ICT function and the core contract with Serco.

We are proposing to make some additional capital investments in 2014/15 to support these savings and to strengthen the resilience of our data storage as set out in the table below.

A one-off capital investment is required to replace our Town Hall-based servers to a data centre out of the city that is hosted by an external provider. This will improve the efficiency of our systems, provide a level of disaster recovery that we currently do not have, reduce the costs of expensive weekend maintenance and maximise the level of flexibility that our staff have to work across the city. This will generate revenue savings in future years.

There is also a revenue investment needed to achieve this move to the external provider as outlined in the previous section 'Investments – Revenue'. The net revenue cost of moving to the external provider would be £250,000 a year.

<b>Issue</b>	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
Moving to an externally hosted solution provider	1,350	-250	-250	-250	-250

We are also proposing to invest in 2014/15 in:

- enhanced data sharing to improve our ability to work with other public sector organisations
- enhanced remote working for staff
- automating the update and roll-out of applications across the council

<b>Issue</b>	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
Enhanced data sharing	100				
Enhanced remote working	20				
Automation of applications	150				

In future years, we are proposing to invest in:

- extending coverage of the current free public wi-fi service in the city centre
- upgrading existing computers to support enhanced thin client “as a service”
- replacing or upgrading our existing electronic document management system
- introducing a ‘bring your own device strategy’ so that staff can use their own phones and tablets to access council services securely
- hardware replacement / upgrade
- Office 365 implementation – moving to an internet-hosted Office suite or similar

<b>Issue</b>	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
City centre wi-fi extension		150			
PC upgrade		750			
Electronic document management		100			
Bring your own device		200			
Monitor refresh			180		
Office 365 implementation			150		

## Investment in waste management and Amey contract

To enable the savings in the revenue budget to be made we need to make two one-off capital investments in equipment. A £245,000 investment is needed to buy new mowers capable of cutting longer grass in line with proposals to move to a three-weekly grass-cutting cycle. A £36,000 investment is also proposed to buy the two lease vehicles required to carry out the new green waste (brown bin) collection service which is more cost-effective than buying new equipment or entering into a new lease.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Grass cutting equipment	245				
Green waste collection	36				

## Energy initiatives

We intend to include a capital budget to allow initial works on energy initiatives to be undertaken. The cost of this will be offset by an increase in the savings target from these areas.

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Energy initiatives	500	500			

## School Place Planning

We are responsible for ensuring there are sufficient school places to meet people's needs. We are also responsible for providing transport where children have to access schools which are some distance from their home, often as a result of a shortage of school places.

We have some clear objectives in terms of school place planning:

- Offering local places for local children, with the aim to meet parental preference for catchment schools.
- Offering a range of different schools for all parts of the city including community schools, foundation schools, trust schools, faith schools and academies.
- Offering high quality places for children to learn that encourage high levels of achievement.
- Avoiding significant changes to catchment areas.
- Limiting the use of mobile classrooms to areas where demand is temporary.

A school organisation plan was published in the Spring which outlined our approach to support the increased demand and the impact of this growth on schools. The plan identified the requirements on school places in the next five years including the impact of new housing developments.



## Schools capital programme

The five year capital programme for new school places is as follows:

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
New school places capital programme	25,858	19,000	13,100	7,100	2,800

In 2013/14, the DfE recognised that pressures in Peterborough on school places were increasing and as a result our capital funding for basic needs (pupil number changes) increased significantly. This brought in an additional £6.1million in 2013/14 and a further £6.3million in 2014/15.

The revenue savings are shown in the table below:

Issue	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Borrowing savings resulting from increased grant funding	-125	-472	-697	-694	-694

We are currently working on a five-year capital programme for schools. It is difficult to plan further ahead than this owing to the variability of pupil numbers and the inability to predict numbers for children before they are born. Demography forecasts are updated every year. Beyond this, there are a number of new schools planned within new developments around the city. As developers receive planning permission, the capital programme will be updated to reflect the new schools intended to be built partially through developer contributions.

The current demographic challenge is shown in the table below -

	Primary pupil numbers (Expected / Actual)	Secondary pupil number (Expected / Actual)	Total pupil numbers	% Change
2012/13	17491	13816	31307	
2013/14	18548	14012	32560	+4%
2014/15	19454	14435	33889	+4%
2015/16	20175	14839	35014	+3%
2016/17	20768	15340	36108	+3%
Overall Change				+15%

We predict that the increase from 2014/15 to 2016/17 would mean a further 2,219 pupils would need places at Peterborough schools. This equates to the equivalent of five average size primary schools or two average size secondary schools.

The schemes currently proposed for 2014/15 onwards are shown below. The list is under constant review as the school place planning situation changes in the city. Full costings are not yet known as school building specification continues to change and the value of projects is commercially sensitive.

<b>Scheme</b>	<b>Description</b>	<b>Expected Year of Opening</b>	<b>Additional places created</b>
Thomas Deacon Academy	Thomas Deacon Academy will extend its age range to take 360 KS2 (junior) pupils	September 2014	360
Gladstone Park School	Redevelopment of Gladstone community centre to incorporate primary school provision	September 2014	420
West Town Primary	Move existing school to new site and increase capacity	September 2015	315
Woodston Primary	Increase by one to two forms of entry (FE)	September 2014	210
Ravensthorpe Primary	Expansion by one to two FE using existing space in school	September 2015	210
Orton Wistow Primary	Increase capacity by 0.5 FE to support housing development at East of England Showground	September 2014	105
Orton St John's Primary	Increase school up to two FE using the DfE 'Priority schools building programme' and funded through a government operated capital scheme	September 2015	148
Hampton Secondary School provision	Joint development of secondary school with Cambridgeshire County Council to support growing needs in the south west of Peterborough.	September 2017	1,050
Additional Stanground Primary capacity	Current forecasts suggest a further one FE is required in Stanground as an expansion to an existing school	September 2017	210
Hampton Leys Primary	First of two new two FE primary schools to support new developments east of A15	September 2016	420
Paston Reserve Primary School	A new two FE primary school to support new development	September 2017	420
St Michael's, Stanground	Phase 2 extension from one FE to two FE in response to growth at the Cardea development	September 2017	210
Great Haddon primary schools	Three primary schools are planned under Section 106 agreement	September 2018	1,260
Great Haddon Secondary	A seven FE secondary school is planned for the new township only	September 2018	1,050
Additional PE1 provision	Further primary school places to be identified to meet demand	September 2016	420

NB. A one form of entry for primary schools (FE) is 30 pupils annually spread across the school i.e. 30 pupils for seven years = 210 places. A one FE only secondary means an additional 30 intake across the 11 to 16 age range i.e. 30 pupils across five years = 150 places.

## **APPENDIX 8 - STAFF IMPLICATIONS** **SERVICE IMPLICATIONS (INVESTMENT/REDUCTIONS)**

### **SAVINGS - REVENUE**

The majority of council staff are on national terms and conditions. We are required to adhere to these, and this includes the allocation of any pay awards. Our current Medium Term Financial Strategy had budgeted for a pay increase for staff of 1.5 per cent from 2014/15, with further increases in later years. As outlined above, this is simply our best forecast as to the potential position, we do not determine this.

In light of comments from the Chancellor with regards to public sector pay being kept at one per cent, we have revised our forecasts down. Whilst the Chancellor does not control local government pay, benchmarks set elsewhere in the public sector will influence decisions. This proposal reflects this revised forecast.

<b>Issue</b>	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
Pay Award from 2014/15 onwards held at 1% provides saving	283	573	1,146	1,719	2,292

### **INVESTMENT – REVENUE**

We had not budgeted for a pay increase for staff for 2013/14. However, once national negotiations were concluded, a one per cent pay increase was awarded. As outlined above we are required to implement this award. This investment is needed to pay for that increase in future years.

<b>Issue</b>	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
Pay award	495	495	495	495	495

### **Vacancy and redundancy**

During the next financial year, we are proposing to restructure a number of teams and departments which may result in a number of posts being affected. We anticipate that this will affect, in the region of, 53.5 full time equivalents posts, including all levels of council staff.

Our approach to minimising any compulsory redundancies will be the same as in other years, including deleting vacant posts, redeployment of affected staff, and seeking voluntary redundancies where we are able to do so.

## **APPENDIX 9 –**

### **CAPITAL PROGRAMME OVERVIEW** **SERVICE IMPLICATIONS (INVESTMENT/REDUCTIONS)**

Our capital investment strategy has been reviewed as a result of lower expectations of external funding from government and related agencies. In addition there are reduced revenue monies available to fund costs of new borrowing.

As a result the funding of the capital programme has been focussed around maximising external income from section 106 agreements (the agreement we have with developers to fund community facilities), reviewing asset disposal opportunities (including those arising from the property rationalisation) and seeking new forms of private sector funding for regeneration projects.

We have also reviewed where investment is needed to achieve our priorities, especially in regard to delivering growth and meeting the educational needs of our children. We also ensure that we use capital investment effectively to drive forward efficiency savings and income generation, supporting our budget in future years. These changes are included in each of the relevant directorate appendices.

The costs of the updated capital programme are summarised below:

<b>Issue</b>	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>2018/19 £k</b>
Capacity bids – impact of capital programme bids	2,322	187	66	212	212

The capital programme has been reviewed to ensure that schemes are more accurately profiled in the years that spend will take place, and that forecast costs remain accurate. This provides some savings in initial years as costs are deferred in line with the project timescales.

These savings are summarised below:

<b>Issue</b>	<b>2013/14 £k</b>	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>
Capital financing adjustments – to reflect changes in the capital programme and reductions in the cost of borrowing	2,799	-35	-821	-1,141	-1,768