

**Medium Term Financial Strategy  
2019/20 Tranche Two Budget  
Proposals Document**

**October 2018**

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## **INTRODUCTION**

This document sets out the second set of budget proposals to be considered by cabinet to ensure Peterborough City Council can set a balanced budget for 2019/20.

Since 2010 the Council has made significant savings, however as demand increases in vital services such as adult social care and children's services and Central Government continues to reduce funding across Local Government, the financial challenges to this Council continue.

The Council is required to take measures, set out in this document, to create a balanced budget which is required by law.

### **National challenges, which place pressure on the Council's budget include:**

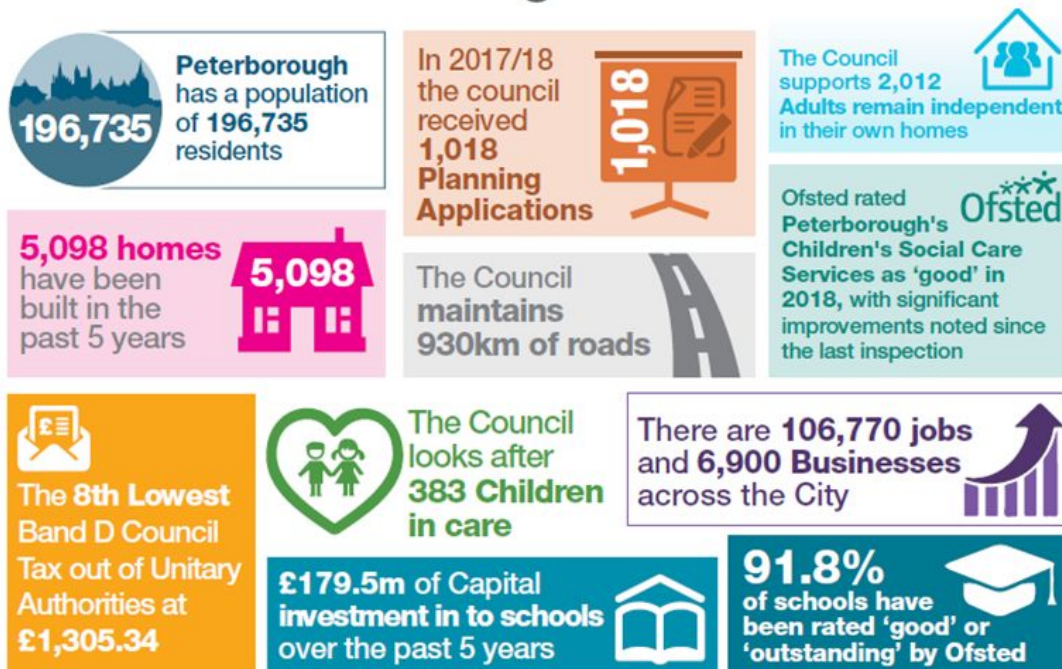
- **Adult Social Care** - An aging population with more adults requiring local authority help in providing care services, including care homes and nursing homes. Rise in needing very specialised care, such as those with dementia. Rise in young people with complex physical and mental health needs becoming adults. Future population growth is expected to be highest among our older population. By 2036 there is expected to be a 166 per cent growth in those 85+.
- **Children's Social Care** - Rise in children needing care placements over the last two years. This mirrors a national trend. Figures do tend to fluctuate, however due to the population increase in Peterborough over the last 10 years it is expected there will be more children requiring care.

### **Despite these pressures, the Council:**

- is ensuring older people in hospital have the support they need to get them home as soon as possible.
- is investing in a unique opportunity to improve the lives of our most vulnerable children and young people through the use of government funding of £2.9 million over two years to employ adult domestic abuse, substance misuse and mental health workers in children's social care teams - promoting family safeguarding.
- has ensured that the ever increasing demand for school places has been met. Since 2013, we have built 10 new schools and carried out over 20 school expansions. Since 2007, we have spent over £300m of capital on creating additional school places.
- has led a new approach to school improvement which recognises the responsibility of our schools to drive their own improvement and ensures the Council is able to support and, in some cases, robustly challenge poor performance.
- has led the successful re-development of Fletton Quays which is modernising the city's skyline further boosting the city's economy, kickstarting a new age of tourism and extending the city centre to the south, creating hundreds of new jobs and housing.
- is leading on the redevelopment opportunities at North Westgate.

- is tackling the issue of homelessness by securing housing locally and planning to do more of this to meet the projected long term need for housing in the City. Also providing services to focus on homelessness prevention.
- through the first year of the Healthy Peterborough service, has helped 2,600 people set personal health goals with over 1,350 achieving their goals. In addition 639 people have been helped to quit smoking.
- has seen success with our prevention and enforcement service, with over 8,500 fixed penalties issued for littering, anti-social behaviour and fly-tipping since June 2017. Through the work of the PES team, our city centre has visibly improved for all to enjoy.
- has delivered a balanced budget in 2018/19 by doing things more efficiently and joining up services with others to reduce spend on management and other non-direct delivery services.
- has secured £9.7 million from the Combined Authority to invest in a University for Peterborough. This is significant for our city and will meet the needs of our young people and businesses. Our plans are to develop a campus on the embankment.

## The **facts** behind the **figures**...



## **THE BUDGET PROCESS**

This year the council is following a rolling budget process throughout the year, which has three tranches:

- Tranche One - June 2018 - Complete
- Tranche Two - October 2018 (set out in this document)
- Tranche Three - February 2019

The rolling budget process allows the council to spread the workload of identifying and implementing savings and efficiencies across the year, driving out savings earlier and keeping a continued concentration on its finances to ensure any shortfalls are quickly identified and addressed.

Each tranche will identify:

1. Savings and efficiencies that have been validated and are ready for approval by councillors
2. Savings and efficiency proposals that are being developed
3. Pressures within the councils budget where investment is required due to increased service demand.

Some budget proposals, which will save the council money in the future, may require investment in the first instance to be realised and implemented. 'Invest to save'.

## **PRIORITIES**

The Cabinet remains firm in its priorities this year against the funding challenges it faces.

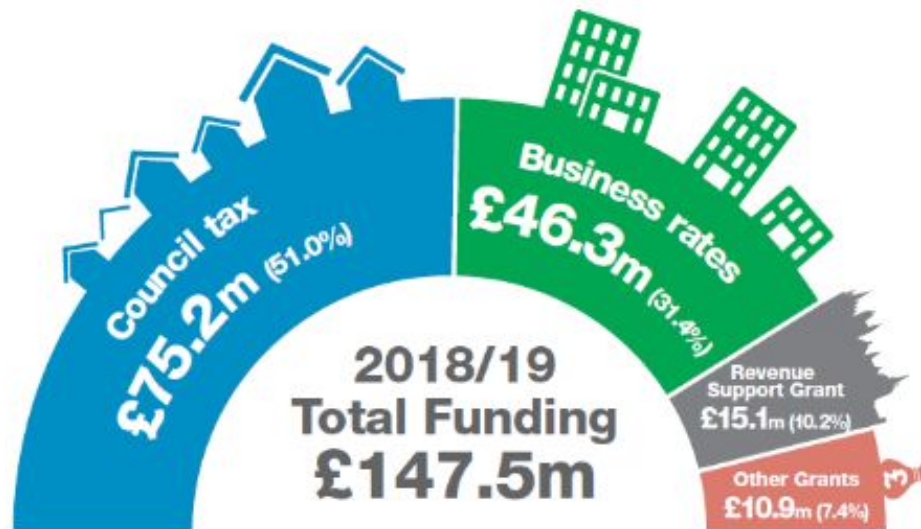
These are:-

- 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.
- Pursuing the Environment Capital agenda to position Peterborough as a leading city in environmental matters, including reducing the city's carbon footprint.
- Supporting Peterborough's culture and leisure offer.
- Keeping our communities safe, cohesive and healthy.
- Achieving the best health and wellbeing for the city.

## FUNDING AND COUNCIL SERVICE EXPENDITURE

### Funding 2018/19

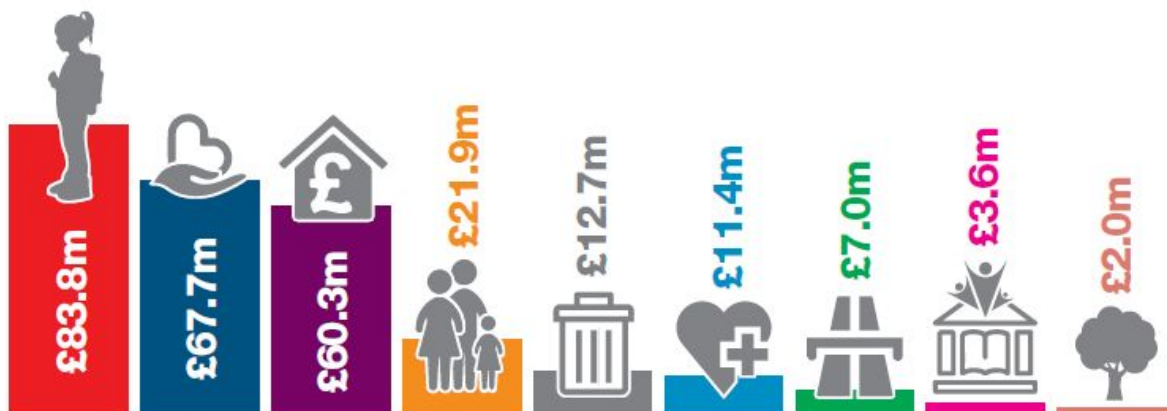
The Council's total funding for 2018/19 is £147m, comprising of Council Tax, Business Rates, its Revenue Support Grant (RSG) and other grants. Over the past seven years Government funding has reduced significantly. The RSG is expected to drop by 80 per cent in the last six years to £10m in 2019/20, meaning it will equate to less than 10 per cent of our overall funding.



### Expenditure 2018/19

The Council's total gross budget in 2018/19 is £418.7m, the following highlights some of the key areas spend. This highlights that over a quarter of the councils gross budget is spent on Schools, Adults and Children in Care.

- **£83.8 million on Schools**  
*This money can only be spent on schools*
- **£11.4 million on Public Health**  
*This money can only be spent on Public Health*
- **£67.7 million on Caring for Adults**
- **£7.0 million on Highways and Road Improvements**
- **£60.3 million on Housing Benefit**  
*This money can only be spent on Housing Benefit*
- **£3.6 million on Recreation, Culture, Leisure and libraries**
- **£21.9 million on Supporting Children and families**
- **£2.0 million on Parks and open spaces**
- **£12.7 million on Waste disposal and Street Cleaning**



## **OVERALL BUDGET POSITION**

The council had succeeded in reducing its budget gap by the end of the last financial year, however there are additional demands and pressures coming this year, as set out on page one of this document.

Tranche Two contains the second round of savings that will help to address these.

By moving to a rolling budget process, we now have more time to plan, implement and realise savings and efficiencies.

	<b>2019/20 £000</b>	<b>2020/21 £000</b>	<b>2021/22 £000</b>
<b>Budget Gap as reported in MTFS 2019/20 Tranche One</b>	<b>10,227</b>	<b>20,038</b>	<b>22,328</b>
<b>Additional Pressures</b>	<b>4,224</b>	<b>3,696</b>	<b>3,668</b>
<b>Revised Budget Gap</b>	<b>14,451</b>	<b>23,734</b>	<b>25,996</b>
<b>Budget Reductions and Additional Income</b>	<b>-11,418</b>	<b>-5,641</b>	<b>-5,308</b>
<b>Present Budget Gap</b>	<b>3,033</b>	<b>18,093</b>	<b>20,688</b>
<b>Incremental Budget Gap</b>	<b>3,033</b>	<b>15,060</b>	<b>2,595</b>



**BUDGET CONSULTATION**

We want to hear the opinions of all residents, partner organisations, businesses and other interested parties as part of the budget setting process.

People will be able to give their opinions by completing an online survey on the city council website - [www.peterborough.gov.uk/budget](http://www.peterborough.gov.uk/budget). Hard copies of the consultation document will also be available from the receptions of the Town Hall, Bayard Place and all city libraries.

The consultation will close on 10 December at 5pm. Cabinet will consider comments on Monday, 3 December 2018 and Full Council will debate the Tranche Two proposals on Wednesday, 12 December 2018.

The consultation will ask the following questions:

1. Do you have any comments to make about the Tranche Two budget proposals?

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2. Having read the tranche two proposals document, how much do you now feel you understand about why the council must make total savings of almost £14.5million in 2019/20 and almost £26million by 2021/22? Tick the answer you agree with.

- A great deal
- A fair amount
- Not very much
- Nothing at all

3. If you have any specific ideas about how the council can save money or generate additional income to protect services, please state these here:

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**So that we can check this survey is representative of Peterborough overall, please complete the following questions.**

Are you?

- Male
- Female

Please tick which of the following best describes who you are:

- Resident
- Business person
- Member of council staff
- City councillor
- Work, but don't live in Peterborough
- Member of community or voluntary organisation
- Regular visitor
- Other (please state).....

Which of these age groups do you fall into?

- Under 16
- 16 to 24 years
- 25 to 34 years
- 35 to 44 years
- 45 to 54 years
- 55 to 64 years
- 65 to 74 years
- 75 years or over
- Prefer not to say

What is your ethnic group?

- A White**  
English/ Welsh/ Scottish/ Northern Irish/ British  
Gypsy or Irish Traveller  
Any other white background
- B Mixed/ multiple ethnic groups**  
White and Black Caribbean  
White and Black African  
White and Asian  
Any other mixed/ multiple ethnic background
- C Asian/ Asian British**  
Indian  
Pakistani  
Bangladeshi  
Chinese  
Any other Asian background, write in

- D    Black/ African/ Caribbean/ Black British**  
African  
Caribbean  
Any other Black/ African/ Caribbean background

- E    Other ethnic group**  
Any other ethnic group

**Do you consider yourself to have a disability?**

Yes.....  
No .....

**Thank you for taking the time to complete this survey**

Please hand this completed questionnaire into either the reception desks of the Town Hall or Bayard Place. Alternatively they can be returned by post to: Communications Team, Peterborough City Council, Town Hall, Bridge Street, Peterborough, PE1 1HG.

## GOVERNANCE BUDGET PROPOSALS

### Department overview:

- **Legal and Democratic services** - This team provides legal services to all council departments as well as Rutland County Council, Fenland District Council, East Cambridgeshire District Council and Corby Council. It supports Full Council, Cabinet and all committee meetings, civic services to the Mayor, support services to councillors as well as a range of other related services. It also manages elections and the electoral register. It is also responsible for data protection.
- **Human Resources and organisation development** - The Human Resources team aims to make the council the employer of choice and improve the council's performance through its people. It works with managers in recruiting, developing, managing and engaging employees to produce a skilled, committed, flexible and diverse workforce. HR provides services to the council which include employee relations, policy and reward, occupational health, workforce development and training and development.
- **Performance and Information** - This team provides a central performance management and business intelligence function, oversees information governance and coordinates information requests. It provides the Caldicott Guardian role and the Senior Information Risk Officer. The team also provides systems support for the social care case records systems.

There are no budget pressures reported within this area.

The following financial savings have been identified to be consulted on. The Equality Impact Assessments (EIA) are available online with the Medium Term Financial Strategy 2019/20-2021/22 Tranche Two report:

Proposal Title	2019/20 £000	2020/21 £000	2021/22 £000	EIA ref	Proposal narrative
<b>Savings and Additional Income</b>					
HR- Supplies and Services and Salary cost saving	-22	-22	-22	Not Required	The HR team is proposing to make efficiency savings throughout 2019/20. This would comprise of salary saving caused by a reduction in the number of hours that some staff work (£9k) and a reduction in the amount of supplies and services procured by the department (£13k).
Christmas Shut down	-40	-40	-40	Not Required	By extending the choice of either unpaid leave or annual leave (on 27, 28, and 31 December) to more employees, the take up of unpaid leave may increase. Although it is difficult to predict exact figures, in our opinion a £40,000 saving may be a reasonable expectation.

## GROWTH AND REGENERATION BUDGET PROPOSALS

### Department overview:

Peterborough is one of the fastest growing cities in the country. The Growth and Regeneration directorate is in charge of driving that growth and overseeing major regeneration projects in the city. Growth and regeneration leads to additional income for the council through the New Homes Bonus and business rates.

The Growth and Regeneration directorate consists of the following:

- **Peterborough Highway Services** - including gritting, lighting and road maintenance;
- **Planning services** - ensuring new development fits with the city's growth plans;
- **Opportunity Peterborough** - promoting the city to attract business and investment;
- **Housing joint venture company** - partnership with Cross Keys, including affordable and temporary housing;
- **Growth joint venture company** – Peterborough Investment Partnership;
- **Property Services** - managing the council's property stock;
- **Amey contract** - including refuse collection, street cleaning, parks and open spaces;
- **Westcombe Engineering**- manufacturing business owned by the council;
- **City Services** - including CCTV, car parks, events and the City Market;
- **Communications** - including marketing, design/print and communications;
- **Regulatory Services** - including trading standards, licensing and health and safety;
- **Tourism** - promoting the city to visitors;
- **Resilience** - ensuring the council can fulfil its duties if an emergency occurred.

There are no budget pressures reported within this area.

The following financial savings have been identified to be consulted on. The Equality Impact Assessments (EIA) are available online with the Medium Term Financial Strategy 2019/20-2021/22 Tranche Two report:

Proposal Title	2019/20 £000	2020/21 £000	2021/22 £000	EIA ref	Proposal narrative
<b>Savings and Additional Income</b>					
Subsidised Transport	-150	-150	-150	EIA-G&R-2	It is proposed to reduce the council's subsidisation of local bus routes by £150,000, from a current spend of £715,000. Subsidisation is paid by the council to fund commercially unviable bus routes. The least used routes require the largest subsidy and this is where the savings are planned. Under used services operating on Sunday evenings and Bank Holiday Mondays may be withdrawn or operated with a reduced timetable if these proposals are approved.
Bridge Maintenance	-250	0	-300	EIA-G&R-7	A reduction in the bridge maintenance budget is proposed, as a result of the proposed highway improvement scheme at Junction 18 A47/A15 (Rhubarb Bridge), which would be funded through capital instead. Based on the anticipated scheme modifications to include

					remedial strengthening work to the bridges, there would be no further requirement for significant maintenance for at least five years.
Peterborough Highways Services (PHS)- Staffing	-160	-160	-160	EIA-G&R-3	Peterborough Highway Services has a total staffing budget of £1.6m, reduced from £2.5m in 2012/13. £100K of this is funded from capital schemes and the remaining £1.5m cover staffing roles which generate income for the authority such as highways development, third party access, bus station departure fees and street naming. A review has been undertaken of where vacant roles can be deleted without adversely impacting on income. These reductions could total £160k dependant on shared service agreements with Cambridgeshire. It's important to note that this could reduce any future shared service savings. If agreed, the reduction would be achieved through re-prioritisation of work loads.
Gully Maintenance	-50	-50	-50	EIA-G&R-4	This proposal will reduce the frequency of gully maintenance to once every four years, instead of every other year. Residential roads will not be cleansed at all. Reactive maintenance will still take place, for example if the gully is posing a risk to property or highway safety.
Patching Maintenance (corresponding capital change)	-300	-300	-300	EIA-G&R-5	An alteration in the highways patching regime is proposed, which would mean no routine maintenance works to roads or footways, beyond measures required to keep the network safe. This would lead to significant revenue savings. Instead a capital programme of highway enhancement would take place, in which whole areas of road and footways are treated. This would mean that smaller patches of deterioration would be left until a full road scheme is required in the area. This is more cost-effective as patching is a short-term fix, rather than a long term solution.
Street Lighting Maintenance	-365	-365	-365	EIA-G&R-1	A reduction in the spend on the council's street lighting maintenance budget is proposed. The council LED street light replacement programme is due to finish in 2019, which means street lights in the city will be newer and likely to last for longer, requiring less day to day maintenance. If agreed, the proposal would mean that any maintenance work that is required would be reactive with work

					prioritised on a needs basis.
Housing & Strategic Planning- Increased income target	-50	-50	-50	Not Required	This proposal is to generate a budget saving by increasing the income the team generates from providing Housing and Strategic Planning advice to outside organisations.
Environment Capital- Remove vacant post	-31	-31	-31	Not Required	This proposal removes the budget for supporting the discretionary Environment Capital priority. Environmental Health work such as on Air Quality would continue.
Relocate visitor information centre to Town Hall	-42	-42	-42	Not Required	Additional rental income could be made by the city council if it relocated the Visitor Information Centre to a section of either the north or south wing of the Town Hall. This would allow it to rent out the existing unit.

## PEOPLE AND COMMUNITIES BUDGET PROPOSALS

### Department overview:

The People and Communities directorate is responsible for ensuring the needs of our residents are met, particularly those that are most vulnerable. The department works with adults, children, families and communities, including schools, health services and the police.

- **Adult Safeguarding** -The Adult and Safeguarding Directorate leads on the operational delivery of work to improve outcomes for all adults and their carers which includes work related to Learning Disability and Autism, Physical Disability, Sensory Impairment, Mental Health and Older People.
- **Commissioning** -The Commissioning Directorate leads on the bringing together of information on the needs of our residents; now and in the future, making sure that the services we deliver as a council or we get other people to deliver will meet the needs of our residents at a cost we can afford. Much of the work is done with partners such as health and the private, independent and voluntary sectors; jointly commissioning where it makes sense to do so.
- **Communities and Safety** - The Communities and Safety Directorate lead on delivering services that help people feel safe in their communities, improve community relationships and working with communities to support and help each other. Much of the Communities and Safety work is delivered in partnership with the police, fire service, health and the voluntary sector.
- **Children and Safeguarding** - The Children and Safeguarding Directorate leads on keeping children safe and providing services to support vulnerable children and families. Where children are unable to live at home they provide alternative homes for them.
- **Education** - The Education Directorate leads on ensuring all children, including those with special educational needs and disabilities, are able to access early years settings and school places. Where children have additional needs ensuring they have specialist support. The directorate supports early years settings and schools to provide high quality services that enable children to do the best they can.

The following Budget pressure has placed additional financial demand on the council since its last budget update in July:

Proposal Title	2019/20 £000	2020/21 £000	2021/22 £000	EIA ref	Proposal narrative
<b>Pressures</b>					
Children's Social Care Pressure	3,200	2,700	2,700	Not Required	A rise in the numbers of children needing care placements from 335 to 380 in two years has led to an additional financial pressure for children's services. This is a national trend. Due to the population increase in Peterborough over the last 10 years, it is expected there will be more children requiring care.



The following financial savings have been identified to be consulted on. The Equality Impact Assessments (EIA) are available online with the Medium Term Financial Strategy 2019/20-2021/22 Tranche Two report:

Proposal Title	2019/20 £000	2020/21 £000	2021/22 £000	EIA ref	Proposal narrative
<b>Savings and Additional Income</b>					
Development of Care Suites across Peterborough	-100	-200	-200	EIA-P&C-3	Residents across the city with a need for high level assisted living are currently offered places in residential and nursing home places. The demand for this level of care is now so high, it is proposed the city council could save on its overall adult social care budget by developing assisted living care suites across Peterborough instead. Care suites would give residents a home for life, with 24 hour continuous care. This type of accommodation would also give residents the privacy and support they need to remain independent and ease social isolation. It would allow couples to remain living together for longer.
Hospital - virtual panel	-100	-100	-100	EIA-P&C-11	The introduction of a Virtual Panel would reduce the instances of residents being placed into institutional settings or expensive care arrangements without first going through Quality and Assurance Panel first. The Hospital Discharge Team is currently meeting the demands of Peterborough Hospital by discharging people quickly into the community. As the panel only meets once a week, on some occasions they have to bypass the panel meeting to get this done. This can have a financial impact on the city council, as the most suitable care is not always selected each time. By introducing a virtual panel, more discharges will be overseen, ensuring the right care is selected at the point of discharge, benefiting both the patient and the council's budget.
Self Funders	-100	-150	-150	EIA-P&C-22	Self funders are people that have sufficient savings to pay for their own care, and as such, are able to choose more expensive accommodation if they wish. Fees for these homes can exceed £1,000 a week. However, some self-funders have only been in their desired care accommodation for a short period of time (a matter of months or sometimes just weeks) when their savings fall below the threshold and payments have to be picked up by the council. As the number of elderly people

					<p>in our city rise, this is putting increasing pressure on the council's adult social care budget.</p> <p>The proposal is that in these cases it could be appropriate for the council to move that person to cheaper, alternative accommodation.</p>
Best use of resources within a personal budget to meet needs	-100	-100	-100	EIA-P&C-7	Where elderly people choose to remain at home and need a high level of care we will look to support with this with personal budgets.
Direct Payments-Off Framework Provider Review	-35	-35	-35	EIA-P&C-9	<p>The city council proposes a review of the hourly rate paid to external providers of home care. This will involve a full audit into why recent rates have been higher than expected. It could lead to a drop in the amount paid by the city council and self funders.</p> <p>This proposal would also increase capacity for home care as we approach extra pressures during the winter months, allowing the city council to prioritise care to those most in need of it.</p>
Supported Living-Review Provider Rate	-50	-50	-50	EIA-P&C-35	<p>A review into the hourly rate paid to external providers of care at Supported Living Schemes in Peterborough is proposed.</p> <p>This would involve a full audit into why recent rates have been higher than expected and any mitigating reasons for this. The care given to residents would remain unaffected. Subject to the review being complete and the implications of savings understood, it could lead to a drop in the amount paid by the city council, ensuring best value delivered through the contract.</p>
Block purchasing - Nursing Beds	-150	-150	-150	EIA-P&C-1	<p>Demand for nursing beds in the city has reached such a level it is now estimated the council could save money by 'block' purchasing beds, rather than at the point of need. Charges would not exceed current provider contractual rates, unless additional levels of care are needed by the patient. Ideally block booking would be undertaken with the Clinical Commissioning Group.</p> <p>Block purchasing also has the added benefit in that beds would be available quicker and married couples more likely to stay together.</p>

National Living Wage	0	-300	-300	Not Required	It is believed that the current revenue the council had allocated for the impact of the National Living Wage is too high and can be reduced, leading to a saving. This intelligence comes from reviewing the latest information and legislation coming from central government.
Charging for post reablement support	-10	-10	-10	EIA-P&C-17	The Reablement Service is a short-term support service (around six weeks), designed to help maintain independence at home or increase independence following a period of ill health and/or planned or unplanned hospital admission. In rare circumstances clients have remained on this service for prolonged periods of time, in some cases for up to six months. The proposal is to introduce a charge for reablement services subject to specific criteria. Currently the Reablement Service is a free service for up to six weeks. The proposal is that users who require an ongoing package of care post reablement, will be financially assessed to see if they are required to contribute towards their ongoing costs. This contribution will be a charge in line with the current market rate.
Monitoring of Homecare Contracts (Framework Provider review)	-250	-250	-250	EIA-P&C-27	As part of its procedures, the council conducts regular reviews of external providers to ensure they are charging the correct rates and delivering on what they have promised. The council is proposing to embark on an additional Home Care (Domiciliary Care) review to audit the care commissioned versus the actual care delivered on a provider by provider basis. This is to ensure that Peterborough City Council and self funders/contributors only pay for the care delivered. Any care duration that is less than commissioned duration will be adjusted to ensure they match, leading to potential savings.
Reduction in funding a CCG / PCC post	-25	-25	-25	Not Required	The council currently provides part-funding for a shared role between itself and the Clinical Commissioning Group (CCG). This proposal seeks permission to remove this funding and vacant post.

Sensory Equipment- budget reduction	-30	-30	-30	EIA-P&C-30	Assistive Technology (AT) is equipment used by people living with long term conditions or disabilities which provides them with a better quality of life, builds independence and lessons for their need for care and support. The majority of AT equipment provided by the council is funded through a contract with a national supplier - NRS Healthcare. The council has a separate AT budget which is used to top-up common items bought on the NRS contract and to procure more specialist equipment. The proposal is to reduce the council's AT budget by £30,000 and to instead purchase all common items through the NRS contract.
Deliver improved performance by the Adult Social Care Team	-200	-200	-200	EIA-P&C-15	Review of team processes and work flow to enable a more efficient response to reviews and new requests for support via Early Adult Help.
Virtual School	-25	-25	-25	EIA-P&C-16	A virtual school is in place in Peterborough to offer education to children in care. It works to improve standards of education for children and young people in care whether they are placed in, or out of the city. This proposal is to develop and consider options for a potential restructure of the school, as the cost of delivering it is higher than our benchmark authorities, indicating that savings could be made while delivering a good service. The restructure would look at maximising external grants received through central government, reviewing the functions of secondary and post-16 roles and the possibility of sharing posts with Cambridgeshire County Council.
Schools Attendance- Fines Income	-10	-10	-10	EIA-P&C-2	Unauthorised absences from school, particularly during school holidays, have risen this year. The council is proposing to add additional capacity to support schools in enforcing fines and maintaining regular school attendance by pupils throughout the year. The income from fines comes direct to the city council's school attendance service, unless there is a subsequent court case.
Term time only working	-5	-5	-5	EIA-P&C-23	It is felt that some council staff in the People and Communities directorate might be willing to move to term time only contracts resulting in a lower salary. This could release savings in staff costs where their work aligns with the Education calendar.

Schools Infrastructure Team	-21	-21	-21	EIA-P&C-21	This post has been vacant for some time. While half the funding of the post has been used to buy support from Cambridgeshire County Council, there remains the opportunity to remove the other funding half permanently. If this did happen, output is not expected to decrease, as the team is becoming increasingly efficient by sharing its workload with the county council.
Home to School Transport-Catchment Areas	-29	-50	-50	EIA-P&C-4	The city council is proposing to reduce its home to school transport costs by reviewing the catchment areas of primary and secondary schools. By ensuring shorter routes and that more pupils could walk and cycle to school, the overall transport costs would reduce.
Anti Social Behaviour Team	-36	-36	-36	EIA-P&C-20	The Anti Social Behaviour (ASB) team works with the council's partners to offer support to victims of ASB crime and issues relating to ASB including rough sleeping, street drinking and begging. The grant for this is being removed, so we will remove the dedicated resourcing. Provision for ASB will still be met by absorbing this into wider Prevention and Enforcement Service (PES). The PES service is also proposed to be reviewed and remodelled as part of these budget proposals, allowing for all officers to be multi-skilled. This has the potential to result in a dip in performance in this area, any effects would be closely monitored with a review occurring six months after implementation.
Housing Needs	-223	-32	-32	Not Required	The council has made significant gains by increasing the number of temporary accommodation units to meet homelessness demands. These includes bringing empty homes back into usage through offering incentives to private landlords and purchasing empty homes and building new homes through Medesham Homes. Alongside this, the council has redesigned its housing needs team to place a further emphasis on preventative work to help stop households from becoming homeless in the first place. It is proposed to escalate the pace of the above to further reduce the need for costly B&B-type accommodation, and improved outcomes for residents.

Targeted Youth Support Service-increased activity	-25	-25	-25	EIA-P&C-36	<p>The council delivers the National Citizen Service (NCS) for young people through a contract with the main local provider. The NCS programme is shown to have a positive effect on the personal development of young people, as well as wider benefits to society in generation - including a reduction in social isolation - through the actions of those taking part.</p> <p>The proposal is to encourage more young people to take part in the programme, by advertising in local schools, thereby generating a small additional income.</p>
Community Capacity-Community Asset Transfer (CAT) Programme	-52	-52	-52	EIA-P&C-24	<p>The council is part way through a community asset transfer programme in relation to 33 community centres, three youth centre and numerous other community facilities across the city.</p> <p>The programme works with the community and voluntary sector to empower them and ensure they have the skills needed to manage these buildings and continue services which are appropriate to their residents.</p> <p>This proposals seeks to accelerate the pace of the programme and to complete it by 31 March 2019, removing any running costs from the council's budget.</p>
Community Capacity-Gladstone Park Transfer	-37	-37	-37	EIA-P&C-10	<p>The transfer of Gladstone Park Community Centre to the Thomas Deacon Academy on a long term lease is proposed.</p> <p>It is the only centre of its kind that is still under ownership by the council. The transfer would mean the academy, on the same site as the centre, takes on board the running costs leading to a revenue saving for the council.</p> <p>It would continue to be used by both the school and the community in the way it is now. This would be formalised through a community use agreement attached to the lease.</p>
St George's Hydrotherapy Pool-Vivacity Transfer	-58	-58	-58	EIA-P&C-34	<p>The management of St George's Hydrotherapy Pool was transferred to Vivacity several months ago. Early indications show this is running effectively.</p> <p>It is now proposed to fully transfer the pool into Vivacity's ownership, following consultation with Vivacity, therefore removing all costs to the council.</p>
PES / Community Safety Operating Model	-350	-350	-350	EIA-P&C-6	<p>The tranche one budget proposals set out plans to remodel the Prevention and Enforcement Service with renewed emphasis on community delivery and enforcement. Tranche two concentrates on commercial activity to increase income and also to bring forward commercial models for environmental enforcement.</p>

Review P & C Senior Management capacity	-100	-100	-100	EIA-P&C-37	This proposal is to review the senior management capacity within the People and Communities department, in order to ensure it is operating as efficiently as possible across Peterborough and Cambridgeshire, while maintaining service delivery.
Adult Social Care Demand	-179	-507	495	Not Required	Adult social care continues to put significant pressures on the council's budget. Nationally adult social care is facing unprecedented financial pressures resulting from reducing budgets, rising costs of care, increasingly complex needs and an ageing population. This was captured in Tranche One proposals, however, local data relating to population increases and rising demand released since the last proposals went public suggest we were overly cautious when ring-fencing this money. Therefore, the pressure has been adjusted and a proportion of this money has been released for the next two years.
PCAS- contract negotiation	-30	-30	-30	Not Required	This proposal looks to reconfigure service delivery into new premises, therefore reducing running costs and creating greater efficiencies.
Older People Day Services	(30)	(30)	(30)	EIA-P&C-13	Review of day service transport and accommodation provision to make a potential saving from the budget.

## **PUBLIC HEALTH BUDGET PROPOSALS**

### **Department overview:**

Public health services work to improve the health and wellbeing of local residents. They are funded through a ring-fenced grant from central government. Public health services include:

- Local health visiting and school nursing services
- Services to treat people with drug and alcohol misuse and addiction issues
- Sexual health and contraception services
- Services to support people to give up smoking, lose weight and achieve health goals

Public health staff work closely with the local NHS and with Public Health England.

There are no budget pressures reported within this area.

The following financial savings have been identified to be consulted on. The Equality Impact Assessments (EIA) are available online with the Medium Term Financial Strategy 2019/20-2021/22 Tranche Two report:

<b>Proposal Title</b>	<b>2019/20 £000</b>	<b>2020/21 £000</b>	<b>2021/22 £000</b>	<b>EIA ref</b>	<b>Proposal narrative</b>
<b>Savings and Additional Income</b>					
Integrated Offender Management Administration	-30	-30	-30	EIA-PH-4	This post provides administrative support to the wider partnership Integrated Offender Management Scheme. Its removal would mean the workload currently done could be absorbed by partner agencies and aligned with what is provided across the rest of the county.
Road Safety Projects-integrated across PCC and CCC	-20	-20	-20	EIA-PH-1	The road safety teams in Peterborough City Council and Cambridgeshire County Council are to be merged over 2018/19. This has provided the opportunity to make savings from 2019/20 onwards, due to efficiencies from joint working across the two local authorities. The savings to be taken are not envisaged to impact on delivery of the road safety function.
Public Health Staffing	-74	-74	-74	EIA-PH-2	The council's Public Health function is now shared with Cambridgeshire County Council. Proposed savings would be made by removing three vacant posts (Mental Health Promotion Officer, Senior Public Health Analyst and Drug and Alcohol Misuse Health Improvement Specialist) which are all Cambridgeshire County Council employed. As the service is shared, Peterborough would benefit from some of these savings.



Mitigation of the iCASH Pressure	-66	-66	-66	EIA-PH-3	<p>Demand for integrated sexual health and contraceptive services (iCASH), based at the Cambridgeshire Community Services NHS Trust (CCS) clinic in Priestgate has increased rapidly in the past four years.</p> <p>There are now around 26,000 visits per year (6,000 visits over the contracted amount of 20,000). While the skill mix of staff has been adjusted to minimise costs, the increased attendances result in a significant increase in lab testing costs. A pressure of £194,000 to cover the increased costs of demand on iCASH services has been included in the 2019/20 MTFS.</p> <p>Due to the reductions in the public health grant and the general financial pressures on the Council, public health officers have been working with iCASH to review savings to mitigate this pressure. A number of options have been explored, including web based testing for patients with no symptoms. However, the only option that is likely to deliver significant savings in Peterborough are restrictions on clinic opening hours.</p> <p>A reduction of six clinics per week (nine per cent of total clinic capacity) would be expected to reduce annual i-CASH attendances from 26,000 to 24,000, making a saving of £65,700. The clinic reductions would be split across sexual health testing and treatment for infections, and contraception. The reductions would be combined with a policy that low risk patients attending to request oral contraception only, would be given a one-off six months supply and then referred back to their GP, rather than being able to attend iCASH contraception clinics for repeat prescriptions.</p>
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## **RESOURCES BUDGET PROPOSALS**

### **Department overview:**

- **Financial Services** - Including financial planning and corporate accounting, finance and management, internal audit, fraud and insurance, Serco ICT partnership and digital, including City Fibre partnership.

In addition it provides the Serco Strategic Partnership, which covers business support, shared transactional services, business transformation, procurement, customer services, finance systems and strategic property.

- **Commercial group** - Covering the financial aspects of the Council's commercial ventures.
- **Cemeteries, cremation and registrars** - Including bereavement services and registration service

The following Budget pressures has placed additional financial demand on the council since its last budget update in July:

<b>Proposal Title</b>	<b>2019/20 £000</b>	<b>2020/21 £000</b>	<b>2021/22 £000</b>	<b>EIA ref</b>	<b>Proposal narrative</b>
<b>Pressures</b>					
ICT (Change of Strategy direction)	1,024	996	968	Not Required	This proposal is to reset the IT budget to recognise that savings and income previously intended to be delivered will not be realised as originally planned. The Council has updated its Strategic IT direction, including as part of this Strategy using IT to facilitate closer working with Cambridgeshire County Council.

The following financial savings have been identified to be consulted on. The Equality Impact Assessments (EIA) are available online with the Medium Term Financial Strategy 2019/20-2021/22 Tranche Two report:

<b>Proposal Title</b>	<b>2019/20 £000</b>	<b>2020/21 £000</b>	<b>2021/22 £000</b>	<b>EIA ref</b>	<b>Proposal narrative</b>
<b>Savings and Additional Income</b>					
Inflation- removal of general inflation	-368	-733	-1,102	Not Required	The council's medium term financial strategy takes into account Consumer Price Inflation increases on supplies and services budgets. This amount is usually held centrally, and bid for if required by departments. It is proposed to restrict budgets, so these increases are not included, which will mean any price pressures will need to be kerbed by reducing purchase volumes, potentially leading to pressures in services.

Capital Receipts	-6.5m			Not Required	An update of the Council's capital receipts programme could bring an additional one off benefit of £6.5m compared with the targets currently set.
Increased Council Tax Collection	-490	-490	-490	Not Required	Further improvements to Council Tax collection rates in the city would be expected to bring Peterborough's collections rates in line with other councils. This could lead to an additional £490K per year, leading to a revenue saving.
Resources- Inflation Removal	-50	-50	-50	Not Required	A reduction in the budget for contract expenditure is proposed. This would be achieved through a review looking at the impact of inflation across the council and by negotiating contracts with suppliers

## **STAFFING IMPLICATIONS**

In order to improve outcomes and manage demand on services, Tranche Two of the budget will continue to drive efficiencies and build on successful joint working with Cambridgeshire County Council to date. There is an ongoing programme of transformation which will consider sharing, integration and the alignment of services, where this makes sense.

There are 8 proposals which will incur staffing implications. Within these proposals are a number of initiatives to develop efficiencies of services. At this point in time the full detail of the staffing implications are yet to be determined. Whilst staff will be impacted in these areas, the number of redundancies are anticipated to be low and where possible, minimised through the deletion of vacant posts.

The council's approach to minimising any compulsory redundancies will be the same as in previous years. The council continues to consider ways in which to protect jobs and our policies support this. In accordance with the council's redundancy policy, redeployment opportunities will be sought in the first instance, which could also include opportunities which may exist in Cambridgeshire County Council.