

**MINUTES OF THE CABINET MEETING
HELD AT 10:00AM, ON
MONDAY, 3 DECEMBER 2018
BOURGES/VIERSEN ROOM, TOWN HALL, PETERBOROUGH**

Cabinet Members Present: Councillor Holdich (Chair), Councillor Ayres, Councillor Cereste, Councillor Fitzgerald, Councillor Hiller, Councillor Lamb, Councillor Smith and Councillor Seaton.

Cabinet Advisors Present: Councillor Allen and Councillor Fuller.

51. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Walsh

52. DECLARATIONS OF INTEREST

No declarations of interest were received.

53. MINUTES OF THE CABINET MEETINGS HELD ON 19 NOVEMBER 2018

The minutes of the meeting held on 19 November 2018 were agreed as a true and accurate record.

54. PETITIONS PRESENTED TO CABINET

There were no petitions presented to Cabinet.

STRATEGIC DECISIONS

55. MEDIUM TERM FINANCIAL STRATEGY 2019/20 TO 2021/22 - TRANCHE TWO

The Cabinet received a report in relation to Tranche Two of the Medium Term Financial Strategy (MTFS) 2019/20 to 2021/22.

The purpose of this report was to report to Cabinet as part of the Council's formal budget process. This required Cabinet to initiate and propose service proposals and updated assumptions to set a balanced and sustainable budget for the financial years 2019/20 to 2021/22.

The Cabinet Member for Resources introduced the report and advised that the proposals have first been shared in October and had been consulted upon. The documents presented to Cabinet set out the approach for a sustainable budget. It was advised that £14.5 million worth of savings was required following pressures in Children's Services and ICT changes. Careful financial management was in the long term best interests of the Council, including the protecting of vulnerable people and the prioritisation of spending in education, street cleaning, improved infrastructure and growth. The MTFS had been consulted on by Connect, local disability forums, trade unions, the Youth Council, parish Councils and the Council's Joint Scrutiny Committee.

32 responses had been received through the public survey, raising key question around bus routes, road maintenance and impact on jobs. Nothing brought forward from the consultation resulted in a change to the recommendations.

The Cabinet Member further advised that the Government's Fair Funding Review would be closely followed and that future budget proposals would consider the Council's core offer, rationalisation and improvement commission and procurement, and integration with partners. An additional proposals was put forward to clarify that no proposals would be implemented until consultation with end users had been completed. If any issues arose from such consultation than the proposal would be brought back to Cabinet to consider as part of the MTFS Tranche Three.

Cabinet debated the report and in summary, key points raised and responses to questions included:

- There was little information in relation to the Local Government settlement, however, it had been confirmed that Cambridgeshire County Council and the districts would be taking part in a business rates pilot.
- Comment was made that the lack of advanced notice of Government grants made proper budgeting very difficult.
- The key matters raised through online consultation responses included a good understanding of why the Council needed to make savings and that more funding was required in the long term. Suggestions were made around a volunteer system being introduced at the Job Centre, cutting senior staff salaries, embracing the tourism and hospitality industries and changes to car parking administration.
- The Council was seeking to mitigate the pressures it faced by becoming more commercial in its approach. This commercialisation should be carried on in a more strategic and considered way, working joint with Cambridgeshire County Council for the benefit of both.
- Proposals for a Commercialisation Strategy had been considered in draft with senior officers and would need to be discussed further with cross party Members to be report to Cabinet formally in due course. Indicative savings could be up to £5 million, however, this was yet to be translated into specific projects.
- It was advised that a bid had been submitted to the Cambridgeshire and Peterborough Combined Authority for £1 million to enhance tourism. This would help to improve overnight stays in Peterborough, which while where increase, would benefit from an increase.
- It was commented that the Hilton Hotel to be built at Fletton Quays would assist in promoting Peterborough internationally.

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

1. The Tranche Two service proposals, outlined in Appendix E.
2. The updated budget assumptions, to be incorporated within the Medium Term Financial Strategy (MTFS) 2019/20- 2021/22. These are outlined in section 5.4 of the report.
3. The revised capital programme approach outlined in section 5.7 and referencing Appendix D.

4. The Medium Term Financial Strategy 2019/20-2021/22-Tranche Two, as set out in the body of the report and the following appendices:
 - Appendix A – 2019/20-2021/22 MTFFS Detailed Budget Position-Tranche Two
 - Appendix B – Local Government Finance Event Timeline
 - Appendix C – Performance Data
 - Appendix D – Capital Programme 2018/19- 2021/22
 - Appendix E – Budget Consultation Document, including Budget Proposals
 - Appendix F – Equality Impact Assessments
 - Appendix G– Budget Consultation Feedback

Cabinet **RESOLVED** to:

5. Note the future strategic direction for the Council outlined in section 5.6 of the report.
6. Note the forecast reserves position outlined in section 5.8 of the report.
7. Note the feedback received on the budget proposals, received via the consultation detailed in Appendix G.
8. Approve the proposed methodology for reviewing the Bus Subsidy in order to achieve savings of £150,000 as put forward in the Council's Tranche Two savings proposals.
9. Note that no changes would be implemented until consultation with end users had been completed. Progress on implementation would be reviewed at Cabinet on 3 February 2019. If consultation responses indicated that a different approach was required, this would be brought back to Cabinet and Council as part of the Council's Tranche Three proposals.

REASONS FOR THE DECISION

The Council must set a lawful and balanced budget. The approach outlined in this report worked towards this requirement.

ALTERNATIVE OPTIONS CONSIDERED

No alternative option had been considered as the Cabinet was responsible under the constitution for initiating budget proposals and the Council was statutorily obliged to set a lawful and balanced budget by 11 March annually.

Chairman
10:00am – 10.18pm
3 December 2018

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