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COUNCIL REPORT

COUNCIL	AGENDA ITEM
23 FEBRUARY 2011	PUBLIC REPORT

BUDGET 2011/12 AND MEDIUM TERM FINANCIAL PLAN (MTFP) TO 2015/16

R E C O M M E N D A T I O N S
FROM : Executive Director - Strategic Resources
That Council is recommended to approve: a. The changes to the budget proposals arising since Cabinet, as outlined in paragraph 2.1 of this report b. The revenue budget for 2011/12 and the medium term financial plan for 2012/13 to 2015/16, set in the context of the sustainable community strategy, as outlined in pages 41 to 66 of this report; c. The capital programme for 2011/12 to 2015/16 and related strategies and indicators, including the proposed change to the Council's approach to calculating the Minimum Revenue Provision (MRP) as outlined in the Treasury Management Strategy; d. The council tax freeze for 2011/12 and indicative increases of 2.5% for 2012/13 to 2015/16;and e. The council tax setting resolution for consideration as set out in Appendix A f. The reserves position, including the carry forward of the declared surplus in 2011/12 and 2012/13 to contribute towards a sustainable financial position in future years The Cambridgeshire Fire Authority meets to set their budget and council tax on 17 February, after these papers are released. The Council tax resolution is based on the proposals to be considered at that meeting. If different proposals are approved, then it will be necessary to submit an addendum to the Council meeting

PURPOSE AND REASON FOR REPORT

1.1 The purpose of this report is to present budget proposals for 2011/12 through to 2015/16.

1.2 Full Council are required to set the council tax for 2011/12 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 the 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	23 February 2011	Date for submission to Government department	Communities and Local Government (CLG) March 2011

BACKGROUND

2.1 Cabinet, at its' meeting on the 7 February 2011, considered a report entitled "Budget 2011/12 and medium term financial plan (MTFP) to 2015/16". The recommendations from Cabinet are attached at Appendix B.

Since the original Cabinet report the following changes have taken place:

i) Some minor changes were presented to February Cabinet with regards to the finance settlement and minor revision to members allowances following publication of the Cabinet papers. For completeness, the changes are annotated in the table below and form part of the budget recommendations by Cabinet at the meeting of 7 February 2011. The addendum to original cabinet papers can be seen in appendix C of this report;

ii) At the February Cabinet meeting, Cabinet recommended to remove the saving for post 16 transport charges, a proposal originally consulted upon as part of the November budget consultation document. The impact of the change has been annotated in the following table;

iii) The capital programme has now been updated to reflect changes recommended to February Cabinet. The revenue implications were included in the report to Cabinet and therefore there is no change to the implications on revenue budget, only presentational changes to the capital tables within the MTFP as follows:

   i. Removal of £108k per annum for purchasing wheelie bins. This is now a revenue cost that will be recovered through charging of wheelie bins to new homes and replacement wheelie bins as described in the February Cabinet report; and
   ii. Inclusion of £175k per annum for Neighbourhood Council investment of which £120k will be met from corporate resources and £55k met through third party income.

Since the decisions made at Cabinet, the following updates have also been made to the recommendations now presented:

iv) The final notifications of parish precepts have been received and require an increase of £34k to the amount shown in the Cabinet report. There is no impact on general fund. A list of parish precepts is included in the resolution;

v) The Police Authority met on 9 February and approved a council tax freeze for 2011/12.

vi) The meeting of the Fire Authority is 17 February, after this report has been published. The Fire Authority Council Tax – a freeze is still anticipated. If there is a change, an addendum will need to be issued at Full Council;

vii) A final local government finance settlement was received on 31 January and updated to Cabinet on 7 February as notification was received following report publishing deadlines. However, a subsequent final settlement was received on 7 February 2011, amending the provisional settlement in 2012/13 by a further improvement of £12k. For completeness the revised funding settlement for has been included in the next table;

viii) The School Finance Regulations for 2011/12 indicate that it is possible to charge schools for the carbon tax that the Council was originally liable for from April 2011. Earlier in the budget setting process, a capacity bid put

forward estimated the cost of carbon reduction commitment from April 2011 including the schools costs. By passing the costs onto the school, allows the council to reduce the capacity bid;

ix) The council has received notification from the Home Office 9 February 2011 for two years funding allocation to support council activity on stronger safer communities and will therefore improve the council's overall budget position;

x) Some further consultation representations have been received, these are included in the consultation feedback section. The meeting of the Youth Council will take place after these papers are released, so details will be circulated to Council separately

The next table outlines the financial impact of these changes:

	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
February Cabinet Papers	**2,526**	**1,433**	**-1,216**	**-11,922**	**-16,012**
Update to Members Allowances	-6	-6	-6	-6	-6
Adjustment to Formula Grant following settlement announcement 31 January 2011	0	-18	-18	-18	-18
Adjustment to NHS funding	-32	-7	-7	-7	-7
Updated budget position - surplus (+) / deficit (-) – Addendum to February Cabinet	**2,488**	**1,402**	**-1,247**	**-11,953**	**-16,043**
Changes agreed at February Cabinet: Removal of post 16 transport charges	-12	-20	-20	-20	-20
February Cabinet – surplus (+) / deficit (-)	**2,476**	**1,382**	**-1,267**	**-11,973**	**-16,063**
Further revision to Formula Grant following an adjustment made by CLG 7 February 2011	0	12	12	12	12
Further improvement of the impact of Carbon Reduction Commitment capacity bid	213	213	284	284	284
Stronger Safer Communities (Home Office)	229	116	0	0	0
Budget Surplus (+) / Deficit (-)	**2,918**	**1,723**	**-971**	**-11,677**	**-15,767**

2.3 Increases to the Council Tax, excluding Parishes, can be summarised as follows:

	Band D 2010/11	Band D 2011/12	Percentage Increase
Peterborough City Council	£1,095.71	£1,095.71	0.0%
Cambridgeshire Police Authority	£169.56	£169.56	0.0%
Cambridgeshire & Peterborough Fire Authority	£57.87	£57.87	0.0%
Total	**£1,323.14**	**£1,323.14**	**0.0%**

Under the Local Government Finance Act 1992 the Secretary of State has power to designate or nominate an authority which in his opinion has calculated a budget requirement and council tax increase for a financial year (2011/12) which is excessive.

The ministerial written statement published on 9th February 2011 provided councils with the criteria to determine whether council tax is excessive. These criteria consider both the level of budget increase and the level of council tax increase. A council would need to have an excessive increase under both criteria to be capped.

These criteria, and the Council's position, are outlined below

Capping Principle	PCC Position		
	£	%	
(a) the amount calculated by the authority as its budget requirement for 2011-12 is more than 92.5% of-	£140,405,244	94.1%	Not met
(i) the authority's alternative notional amount; or	£149,148,000		
AND			
(b) the amount calculated by the authority as its band D council tax for 2011-12 is more than 3.5% greater than the same amount calculated for 2010-11	£1,095.71	0.0%	Met
Council Tax Band D (2010/11)	£1,095.71		

The council has not set an excessive level of council tax although it has not met the criterion a) of the required calculation. In order to meet this criteria, the council would have to have reduced spend by 7.5%. Given that the Government claims that our spending power has reduced by 4.8%, it is difficult to see how the council could meet this requirement. Indeed as the Government also claims that no council has had their spending power reduced by more than 8.8%, it is likely that many councils will not meet this criteria.

The average increase in Parish Precept is 9.3%. Some parishes have increased and some decreased their precepts.

2.4 STATUTORY ADVICE – LOCAL GOVERNMENT ACT 2003

2.4.1 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 setting process. This report is a key part of the MTFP, and a full analysis of possible budget risks as well as the forecasts for levels of reserves are included in the MTFP, but in summary:

- The Council is required to set a balanced budget for 2011/12 and the surplus will therefore be carried forward to meet future years deficits anticipated as part of setting a robust financial strategy. The council's financial strategy will be to use both the 2011/12 and 2012/13 surplus overall budget positions to offset 2013/14 and in part 2014/15 deficits identified as setting the MTFP for 2011/12. The position will be refreshed as part of setting the MTFP for 2012/13;
- The key budget risk over the life of the MTFP is the uncertainty over future funding levels due to national changes to local government financing and the settlement only announcing two years of funding levels with the second year being provisional. The need for early action has been flagged.

2.4.2 My opinion is based on the forecast of reserves and having regard to the commentary set out in the MTFP in respect of robustness of estimates and risk analysis. I conclude that the levels of reserves, balances and contingencies are sufficient for the authority in setting the budget and resultant council tax for 2011/12.

2.5 BUDGET CONSULTATION

2.5.1 The budget consultation concluded 9 February 2011, having been open for three months. A further three representations were made from the public and a meeting held with Parish Councils on 2 February 2011. An addendum has been included at appendix 11b including appropriate responses. A further meeting with the Youth Council is due to be undertaken on 17 February and any further comments will be included as an addendum to Full Council.

3. IMPLICATIONS

3.1 Elected Members

3.1.1 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.

3.1.2 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 that they are in arrears and will not be voting on the decision for that reason.

3.2 Financial implications

3.2.1 The totality of this report considers the Councils budget and financial position for the year. Full details are included in the attached MTFP.

3.3 Human Resource implications

3.3.1 There are no changes since the February Cabinet report. The voluntary redundancy scheme closes for applications on Friday 18 February 2011.

3.4 Equalities implications

3.4.1 Each aspect of the medium term financial plan has been equality impact assessed as appropriate. A high level, over-arching assessment has also been drawn up which indicates the key issues arising from the assessment, consultation and the adjustments made to proposals in response.

4. BACKGROUND DOCUMENTS

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

Grant Settlement (31 January 2011 and as updated at 7 February 2011)
CIPFA – Role of finance Director in Local Government
LAAP Bulletin – Reserves and Balances

Appendix A – Council Tax Resolution

COUNCIL TAX 2011/12

Following consideration of the report to this Council on 23 February 2011 and the setting of the Revenue Budget for 2011/12, the Council is requested to pass the resolution below.

RESOLVED

1. THAT the Revenue Budget in the sum of £140,405,244 (being £280,697,244 less the Dedicated Schools Grant of £140,292,000) now presented be approved.

2. THAT it be noted that at its meeting on 13 December 2010 the Cabinet calculated the following amounts for the year 2010/11 in accordance with regulations made under Section 33(5) of the Local Government Finance Act 1992: -

   (a) 55,971 being the amount calculated by the Council, in accordance with regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992, as its council tax base for the year.

   (b) Part of the Council's Area

Ailsworth	244.17
Bainton	146.08
Barnack	368.23
Borough Fen	38.14
Bretton	3,587.22
Castor	345.94
City (non-parished)	33,915.86
Etton	53.16
Eye	1,517.10
Glinton	610.43
Hampton	3,612.67
Helpston	407.57
Marholm	75.79
Maxey	310.28
Newborough	564.13
Northborough	498.73
Orton Longueville	3,433.26
Orton Waterville	3,499.00
Peakirk	172.73
Southorpe	72.53
Sutton	67.97
Thorney	826.73
Thornhaugh	90.28
Ufford	118.12
Wansford	245.15
Wittering	747.35
SUB TOTAL	55,568.62
The Council tax base total for areas to which no special items relate	402.53
TOTAL	55,971.15

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 2010/11 in accordance with Sections 32 to 36 of the Local Government and Finance Act 1992: -

(a) £443,628,244 being the aggregate of the amounts which the Council estimates for the items set out in Section 32(2)(a) to (e) of the Act. (Gross expenditure including Parish Precepts and Special Expenses)

(b) (£303,223,000) being the aggregate of the amounts which the Council estimates for the items set out in Section 32(3) a) to c) of the Act. (Revenue Income)

(c) £140,405,244 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 32(4) of the act as its budget requirement for the year. (Peterborough City Council Net Budget Requirement including Parish Precepts)

(d) £78,679,693 being the aggregate of the sums which the Council estimates will be payable for the year into its general fund in respect of redistributed non-domestic rates and revenue support grant increased by the amount of the sums which the Council estimates will be transferred in the year from its collection fund to its general fund in accordance with Section 97(3) of the Local Government Finance Act 1988

(e) £1,102.81 being the amount at 3(c) above less the amount at 3(d) above, all divided by the amount at 2(a) above, calculated by the Council, in accordance with Section 33(1) of the Act, as the basic amount of its council tax for the year.

(f) £397,402 being the aggregate amount of all special items referred to in Section 34(1) of the Act. (Parish Precepts)

(g) £1,095.71 being the amount at 3(e) above less the result given by dividing the amount at 3(f) 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 for the year for dwellings in those parts of its area to which no special item relates.

(h) Parts of Council's Area

Parish Of:	Band D
Ailsworth	£1,110.47
Bainton	£1,119.92
Barnack	£1,111.19
Borough Fen	£1,111.55
Bretton	£1,119.92
Castor	£1,119.83
Deeping Gate	£1,095.71
Etton	£1,130.45
Eye	£1,124.15
Glinton	£1,109.93
Hampton	£1,108.67
Helpston	£1,116.86
Marholm	£1,096.43
Maxey	£1,099.67
Newborough	£1,113.53
Northborough	£1,114.61
Orton Longueville	£1,101.56
Orton Waterville	£1,107.14
Peakirk	£1,121.45
Southorpe	£1,102.55
St Martins Without	£1,095.71
Sutton	£1,131.26
Thorney	£1,137.02
Thornhaugh	£1,148.18
Ufford	£1,129.37
Upton	£1,095.71
Wansford	£1,131.98
Wittering	£1,147.46
Wothorpe	£1,095.71

Being the amounts given by adding to the amount at 3(g) 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. (i) Part of the Council's Area

	Valuation Bands							
	A	B	C	D	E	F	G	H
	£ . p	£ . p	£ . p	£ . p	£ . p	£ . p	£ . p	£ . p
Ailsworth	740.31	863.70	987.08	1,110.47	1,357.24	1,604.01	1,850.78	2,220.94
Bainton	746.61	871.05	995.48	1,119.92	1,368.79	1,617.66	1,866.53	2,239.84
Barnack	740.79	864.26	987.72	1,111.19	1,358.12	1,605.05	1,851.98	2,222.38
Borough Fen	741.03	864.54	988.04	1,111.55	1,358.56	1,605.57	1,852.58	2,223.10
Bretton	746.61	871.05	995.48	1,119.92	1,368.79	1,617.66	1,866.53	2,239.84
Castor	746.55	870.98	995.40	1,119.83	1,368.68	1,617.53	1,866.38	2,239.66
Deeping Gate	730.47	852.22	973.96	1,095.71	1,339.20	1,582.69	1,826.18	2,191.42
Etton	753.63	879.24	1,004.84	1,130.45	1,381.66	1,632.87	1,884.08	2,260.90
Eye	749.43	874.34	999.24	1,124.15	1,373.96	1,623.77	1,873.58	2,248.30
Glinton	739.95	863.28	986.60	1,109.93	1,356.58	1,603.23	1,849.88	2,219.86
Hampton	739.11	862.30	985.48	1,108.67	1,355.04	1,601.41	1,847.78	2,217.34
Helpston	744.57	868.67	992.76	1,116.86	1,365.05	1,613.24	1,861.43	2,233.72
Marholm	730.95	852.78	974.60	1,096.43	1,340.08	1,583.73	1,827.38	2,192.86
Maxey	733.11	855.30	977.48	1,099.67	1,344.04	1,588.41	1,832.78	2,199.34
Newborough	742.35	866.08	989.80	1,113.53	1,360.98	1,608.43	1,855.88	2,227.06
Northborough	743.07	866.92	990.76	1,114.61	1,362.30	1,609.99	1,857.68	2,229.22
Orton Longueville	734.37	856.77	979.16	1,101.56	1,346.35	1,591.14	1,835.93	2,203.12
Orton Waterville	738.09	861.11	984.12	1,107.14	1,353.17	1,599.20	1,845.23	2,214.28
Peakirk	747.63	872.24	996.84	1,121.45	1,370.66	1,619.87	1,869.08	2,242.90
Southorpe	735.03	857.54	980.04	1,102.55	1,347.56	1,592.57	1,837.58	2,205.10
St Martins Without	730.47	852.22	973.96	1,095.71	1,339.20	1,582.69	1,826.18	2,191.42
Sutton	754.17	879.87	1,005.56	1,131.26	1,382.65	1,634.04	1,885.43	2,262.52
Thorney	758.01	884.35	1,010.68	1,137.02	1,389.69	1,642.36	1,895.03	2,274.04
Thornhaugh	765.45	893.03	1,020.60	1,148.18	1,403.33	1,658.48	1,913.63	2,296.36
Ufford	752.91	878.40	1,003.88	1,129.37	1,380.34	1,631.31	1,882.28	2,258.74
Upton	730.47	852.22	973.96	1,095.71	1,339.20	1,582.69	1,826.18	2,191.42
Wansford	754.65	880.43	1,006.20	1,131.98	1,383.53	1,635.08	1,886.63	2,263.96
Wittering	764.97	892.47	1,019.96	1,147.46	1,402.45	1,657.44	1,912.43	2,294.92
Wothorpe	730.47	852.22	973.96	1,095.71	1,339.20	1,582.69	1,826.18	2,191.42
Total Non-Parished Areas	730.47	852.22	973.96	1,095.71	1,339.20	1,582.69	1,826.18	2,191.42

being the amounts given by multiplying the amounts at 3(g) and 3(h) 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 2010/11 the Cambridgeshire Police Authority 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 :-

	Valuation Bands							
	A £ . p	B £ . p	C £ . p	D £ . p	E £ . p	F £ . p	G £ . p	H £ . p
Cambridgeshire Police Authority	113.04	131.88	150.72	169.56	207.24	244.92	282.60	339.12
Cambridgeshire & Peterborough Fire Authority	38.58	45.01	51.44	57.87	70.73	83.59	96.45	115.74
TOTAL	151.62	176.89	202.16	227.43	277.97	328.51	379.05	454.86

5. That having calculated the aggregate in each case of the amounts at 3(i) 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 2010/11 for each of the categories of dwellings shown below :-

	Valuation Bands							
	A	B	C	D	E	F	G	H
	£ . p	£ . p	£ . p	£ . p	£ . p	£ . p	£ . p	£ . p
Ailsworth	891.93	1,040.59	1,189.24	1,337.90	1,635.21	1,932.52	2,229.83	2,675.80
Bainton	898.23	1,047.94	1,197.64	1,347.35	1,646.76	1,946.17	2,245.58	2,694.70
Barnack	892.41	1,041.15	1,189.88	1,338.62	1,636.09	1,933.56	2,231.03	2,677.24
Borough Fen	892.65	1,041.43	1,190.20	1,338.98	1,636.53	1,934.08	2,231.63	2,677.96
Bretton	898.23	1,047.94	1,197.64	1,347.35	1,646.76	1,946.17	2,245.58	2,694.70
Castor	898.17	1,047.87	1,197.56	1,347.26	1,646.65	1,946.04	2,245.43	2,694.52
Deeping Gate	882.09	1,029.11	1,176.12	1,323.14	1,617.17	1,911.20	2,205.23	2,646.28
Etton	905.25	1,056.13	1,207.00	1,357.88	1,659.63	1,961.38	2,263.13	2,715.76
Eye	901.05	1,051.23	1,201.40	1,351.58	1,651.93	1,952.28	2,252.63	2,703.16
Glinton	891.57	1,040.17	1,188.76	1,337.36	1,634.55	1,931.74	2,228.93	2,674.72
Hampton	890.73	1,039.19	1,187.64	1,336.10	1,633.01	1,929.92	2,226.83	2,672.20
Helpston	896.19	1,045.56	1,194.92	1,344.29	1,643.02	1,941.75	2,240.48	2,688.58
Marholm	882.57	1,029.67	1,176.76	1,323.86	1,618.05	1,912.24	2,206.43	2,647.72
Maxey	884.73	1,032.19	1,179.64	1,327.10	1,622.01	1,916.92	2,211.83	2,654.20
Newborough	893.97	1,042.97	1,191.96	1,340.96	1,638.95	1,936.94	2,234.93	2,681.92
Northborough	894.69	1,043.81	1,192.92	1,342.04	1,640.27	1,938.50	2,236.73	2,684.08
Orton Longueville	885.99	1,033.66	1,181.32	1,328.99	1,624.32	1,919.65	2,214.98	2,657.98
Orton Waterville	889.71	1,038.00	1,186.28	1,334.57	1,631.14	1,927.71	2,224.28	2,669.14
Peakirk	899.25	1,049.13	1,199.00	1,348.88	1,648.63	1,948.38	2,248.13	2,697.76
Southorpe	886.65	1,034.43	1,182.20	1,329.98	1,625.53	1,921.08	2,216.63	2,659.96
St Martins Without	882.09	1,029.11	1,176.12	1,323.14	1,617.17	1,911.20	2,205.23	2,646.28
Sutton	905.79	1,056.76	1,207.72	1,358.69	1,660.62	1,962.55	2,264.48	2,717.38
Thorney	909.63	1,061.24	1,212.84	1,364.45	1,667.66	1,970.87	2,274.08	2,728.90
Thornhaugh	917.07	1,069.92	1,222.76	1,375.61	1,681.30	1,986.99	2,292.68	2,751.22
Ufford	904.53	1,055.29	1,206.04	1,356.80	1,658.31	1,959.82	2,261.33	2,713.60
Upton	882.09	1,029.11	1,176.12	1,323.14	1,617.17	1,911.20	2,205.23	2,646.28
Wansford	906.27	1,057.32	1,208.36	1,359.41	1,661.50	1,963.59	2,265.68	2,718.82
Wittering	916.59	1,069.36	1,222.12	1,374.89	1,680.42	1,985.95	2,291.48	2,749.78
Wothorpe	882.09	1,029.11	1,176.12	1,323.14	1,617.17	1,911.20	2,205.23	2,646.28
Total Non-Parished Areas	882.09	1,029.11	1,176.12	1,323.14	1,617.17	1,911.20	2,205.23	2,646.28

PARISH PRECEPTS 2011/12

The following precepts have been levied on Peterborough City Council (comparable figures are shown for 2010/11) :-

	2010/11 £	2011/12 £	2011/12 Council Tax @ Band D Equivalent £
Ailsworth	4,004	3,625	14.76
Bainton	3,504	3,538	24.21
Barnack	5,721	5,719	15.48
Borough Fen	589	606	15.84
Bretton	87,145	87,140	24.21
Castor	8,484	8,355	24.12
Deeping Gate	-	-	-
Etton	1,576	1,849	34.74
Eye	43,933	43,222	28.44
Glinton	8,068	8,727	14.22
Hampton	24,788	46,973	12.96
Helpston	8,114	8,653	21.15
Marholm	50	57	0.72
Maxey	850	1,250	3.96
Newborough	18,464	10,055	17.82
Northborough	10,978	9,463	18.90
Orton Longueville	27,499	20,289	5.85
Orton Waterville	12,000	40,000	11.43
Peakirk	5,596	4,450	25.74
Southorpe	350	499	6.84
St Martins Without	-	-	-
Sutton	1,758	2,417	35.55
Thorney	33,647	34,200	41.31
Thornhaugh	4,633	4,738	52.47
Ufford	3,999	3,977	33.66
Upton	-	-	-
Wansford	8,500	8,900	36.27
Wittering	39,294	38,702	51.75
Wothorpe	-	-	-
Total	**363,543**	**397,402**	

Appendix B – Cabinet Recommendations to Council

CABINET	AGENDA ITEM No
7 February 2011	PUBLIC REPORT

Cabinet Member(s) responsible:	Cllr David Seaton – Cabinet Member for Resources	
Contact Officer(s):	John Harrison, Executive Director - Strategic Resources Steven Pilsworth, Head of Strategic Finance	Tel. 452398 Tel. 384564

BUDGET 2011/12 AND MEDIUM TERM FINANCIAL PLAN (MTFP) TO 2015/16

R E C O M M E N D A T I O N S	
FROM : Cllr David Seaton	**Deadline date:** Council Meeting 23 February 2011

Cabinet is recommended to:

1. Have regard to the consultation comments and statutory advice detailed in the report when determining the following budget recommendations:

2. Agree that the following be approved and recommended to Council on 23 February 2011:

a) That the MTFP is set in the context of the sustainable community strategy

b) The Budget monitoring report as the latest probable outturn position for 2010/11, noting the actions taken to deliver a balanced budget.

c) The revenue budget for 2011/12 and indicative figures for 2012/13 to 2015/16).

d) The capital programme for 2011/12 to 2015/16, associated capital strategy, treasury strategy and asset management plan.

e) The medium term financial plan for 2011/12 to 2015/16.

f) The proposed council tax freeze for 2011/12 and indicative increases of 2.5% for 2012/13 to 2015/16.

g) To spend at the level of the Dedicated Schools Grant for 2011/12 to 2015/16.

h) The proposals for reserves and balances.

i) The Annual Accountability Agreement with the Primary Care Trust for 2011/12

3. These recommendations are put forward in advance of the final local government finance settlement being announced and assume that any changes arising from the settlement will be immaterial to the approval of the budget.

1. ORIGIN OF REPORT

1.1 The report is submitted to the Cabinet as a referral from the Cabinet meeting of 20 December 2010.

2. PURPOSE AND REASON FOR REPORT

2.1 The purpose of this report is to present budget proposals for 2011/12 through to 2015/16 in line with the provisional local government finance settlement. The report contains three key sections:

- Cabinet report and summary of changes since the December Cabinet meeting
- The MTFP, including capital strategy, asset management plan and Treasury Strategy.
- Budget consultation responses from stakeholders and resultant actions taken by Cabinet

2.2 The proposals set out in this report are to enable recommendations to be made to the meeting of Full Council on 23 February 2011.

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.*

TIMESCALE

Is this a Major Policy Item/Statutory Plan?	**YES**	If Yes, date for relevant Cabinet Meeting	Feb 2011
Date for relevant Council Meeting	23 February 2011	Date for submission to Government department	Communities and Local Government (CLG) March 2011

3. FUTURE BUDGET PROSPECTS AND BUDGET PROPOSALS 2011/12 TO 2015/16

3.1 Cabinet released draft budget proposals for the coming five years at the end of October, and approved these as the basis for starting consultation with our communities. These proposals were released a month earlier than in previous years. The proposals were based on the approach outlined below and further refreshed following the provisional local government finance settlement.

Priorities and approach

3.2 The budget proposals put forward maintain our commitment to delivering the Sustainable Communities Strategy, including:

- Improving educational attainment and skills for our children and young people. A key part of this vision is bringing established universities to deliver courses to

students in Peterborough in a multi-versity approach. It will enable people to study a wider choice of higher education courses without having to leave the city;
- Safeguarding children and vulnerable adults;
- Growth, regeneration and economic development of the city to bring new investment and jobs;
- Environment Capital agenda including pursuing new income streams from solar energy and wind farm developments;
- Delivering services at a neighbourhood level; and
- Supporting Peterborough's Culture Trust, Vivacity, to continue to deliver arts and culture in the city.

The Cabinet has been working on the budget proposals since June 2010. It has based its work on the following principles, actions and priorities:-

- Continuing to reduce costs and bureaucracy by robustly pursuing its efficiency agenda through the business transformation programme and other council departments;
- Further reducing its dependence on consultancy where it is appropriate to do so and upskilling its own workforce;
- Considering other ways of delivering the best services to our residents that place less of a financial burden on the tax payer including working with voluntary organisations and businesses to secure value for money and improvements in performance;
- Reducing the number of people employed by the organisation and reducing senior management costs;
- Reviewing all the buildings the council owns and uses and ensuring they are being used as efficiently and effectively as possible and any that are no longer needed are disposed of;
- Continuing to secure savings by ensuring services provide the best value for money for our residents; and
- Only making reductions in services where there is still not enough money available to deliver them when other savings have been accounted for.

3.3 This approach was set against the grant reductions outlined in the Spending Review on 20 October 2010, where the Government announced its spending plans for the next four years As a result, councils will receive an overall reduction in Government funding of 28% in real terms over four years.

Updates to the budget and MTFP since December Cabinet

3.4 Since the December Cabinet meeting, the following updates have been made to the budget proposals and MTFP and can be seen in the addendum at the end of this report.

- Updating the capital programme and resultant revenue implications for:
  - Confirming slippage of the capital programme in 2010/11 into future financial years, resulting in a re-profiling of borrowing for the capital programme across the five year MTFP
  - Technical funding changes within the provisional local government finance settlement with regards to the Transport Block moving from supported borrowing to grant across the four years of the spending review
  - Impact on borrowing from moving £2.5m funding of the primary capital programme from grant funding to corporate resources
- Update to the 'Lot 3' City Services savings already within the MTFP to reflect the savings within the overall strategic partnership commencing 4 March 2011. The aim of the strategic partnership is to improve these services, while providing the

best value for taxpayers. Negotiations have resulted in the council being able to save a further £950k a year –rising to £2.4 million savings by 2015/16

- Further revision to the staff terms and conditions saving proposals in respect of staff car park permits, the essential user allowance scheme and mileage reimbursement rates with the overall aim to achieve collective agreement with the unions. Based on latest discussion and negotiation, the savings proposal has been refreshed for best estimate, namely to:
  - Introduce bandings dependent on salary grades alongside a salary sacrifice scheme for staff car park permits;
  - Remove essential user allowance and implement a 'Key User' policy to enable the possibility of issuing free permits to employees meeting the policy;
  - Remove current council essential and casual mileage reimbursement rates to that of mileage reimbursement rates recognised by Her Majesty Revenue and Customs (HMRC)
  - Exclude City Services staff from the savings proposal as these staff will TUPE to the new City Services provider before the implementation of revised terms and conditions for council staff
- Inclusion of a new saving proposal arising from savings of members car parking
- Adjustments to the savings proposals in relation to cultural and leisure services operated by Vivacity
- Amendment to the Children Services saving proposal on school transport to that of reviewing the bus services to all Secondary School provision by reviewing all options and routes. There is no change to the saving proposal figures of £120k per annum
- Adult Social Care included a saving proposal of £2m to reduce the overall cost of adult social care. This saving proposal has now been split into two distinct areas with no overall change to the overall saving proposed as follows:
  - Savings achieved by investment in re-enablement service - £1m per annum
  - Reducing the cost of adult social care packages - £1m per annum
- Inclusion of the Annual Accountability Agreement with Peterborough Primary Care Trust

The net overall impact of the updates above result in an additional £673k of savings rising to £2.1m by 2015/16.

3.5 There remains some areas currently under consultation and review by central government that cannot be quantified at the time of setting the annual budget such as:

- Impact of concessionary fares bus operator grant following latest Department of Transport guidance issued; and
- Consultation on local discretion to set planning fees rather than the fees being set by central government and also potentially allowing local discretion on current non chargeable planning fees. This may result in additional income for the council and as such will need to review the fees and charges increases during 2011/12.

Updates to the budget following Budget Consultation feedback

3.6 As a result of the budget consultation and feedback from respondents so far, Cabinet reviewed and subsequently proposes the following changes to the budget proposals to be presented to Full Council on 23 February 2011.

Area	Original Proposal (December Cabinet)	Revised Proposal (February Cabinet)
Allotments	Charges have been historically kept at very low levels as concessions have been applied. The council is planning to cease these concessions. As a result charges will now be £52 per year for full size allotment, or £1 per week for their use, and £39 per year for smaller plots	Charge £52 per year (January – December) for a standard size allotment or £1 per week for their use, and £39 per year for smaller plots of less than 300 square yards. Each year the charge will increase by the consumer price index (CPI). Implement a concession (subject to verification) of 30% for pensioners or those receiving benefit. The concession will only apply for the first allotment held by the individual.

	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Reduction in saving proposal for allotment charges	7	6	5	4	3

Area	Original Proposal (December Cabinet)	Revised Proposal (February Cabinet)
Wheelie Bins	Introduce charges to replace wheelie bins that have been lost or stolen. Residents will pay £36 each for new bins and £18 each for refurbished bins.	The Council is to implement a charge of £36 per bin for all new properties that request a waste service. Residents who lose their bins will be entitled from 1 April to receive one replacement, second hand bin free of charge Any additional lost bins will be charged at £36 and anyone not wishing to have a previously used bin, i.e. requiring a new bin, will also be charged £36 per bin. The new strategic partnership for City Services will endeavour to ensure that there is always a supply of recycled bins by obtaining them from other sources if necessary.

	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Reduction in saving	17	9	6	-3	-11

proposal (2011/12 to 2013/14 inclusive before savings are realised from 2014/15) for wheelie bin charges					

Area	Original Proposal (December Cabinet)	Revised Proposal (February Cabinet)
Adult Social Care – community care services fee increase	We will increase charges for some community care services for example day care services, respite care services and home care services. In general we will make charges which reflect the true costs of these services. This is an area we know people find difficult but we believe it is fair at a time when we face funding reductions. People on low incomes will continue to pay lower charges or none at all where it is appropriate	Implement charges for all new users of community care services in line with the guidance issued by the Department of Health Fairer Contribution Guidance. Propose to gradually increase existing users charges where applicable over an approach to be phased in over the next three years.

	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Reduction in saving proposal for community care services fee increase	10	5	0	0	0

Area	Original Proposal (December Cabinet)	Revised Proposal (February Cabinet)
Neighbourhood Councils (reduced frequency)	The Neighbourhood councils are crucial in delivering the localism agenda and fit with the Government's 'Big Society' initiative. We have reviewed the number of meetings with the chairs and the current 28 meetings can reduce to 14 (7 meetings twice a year). This will still enable us to manage the capital spend and use these valuable meetings to link the Section 106 monies (from developers to spend on community facilities) to local needs	The number of Neighbourhood Councils meetings will remain unchanged.

	2011/12	2012/13	2013/14	2014/15	2015/16

	£k	£k	£k	£k	£k
Removal of saving proposal to reduce the number of meetings	6	6	6	6	6

Area	Original Proposal (December Cabinet)	Revised Proposal (February Cabinet)
Neighbourhood Councils (Capital Investment) of £120k per annum	The council initially provided £25k for each of the seven neighbourhood councils, a total of £175k per year. It is proposed that this budget is removed. The reduction is anticipated to be replaced by monies coming into neighbourhoods (to be allocated by individual neighbourhood councils) from developers as a result of new buildings in the area. The budgets for 2010/11 will remain, enabling councils to kick-start projects identified in their neighbourhood plans. At this stage there is no specific provision in 2015/16 for this area, so the savings only apply in four years	The council initially provided £25k for each of the seven neighbourhood councils, a total of £175k per year. It is proposed that this budget is reduced, to reflect monies coming into neighbourhoods from developers as a result of new buildings in the area. Some Neighbourhood Councils are likely to receive more money than others based on the likely amounts of future developments in each of their areas, and the Council will top up these contributions to the current level of £25k per Neighbourhood Council. Although the developers monies must be spent on capital projects that are clearly identified in the Integrated Development Programme, which sets out the infrastructure that will be required to support the growth of the city, there will be a mechanism in place to allow Neighbourhood Councils to input into this.

	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Cost of borrowing for capital investment now required to maintain investment for Neighbourhood Councils	4	12	21	31	40

Area	Original Proposal (December Cabinet)	Revised Proposal (February Cabinet)
Member Allowances – car parking	n/a	A proposal made by the Leader is to implement charges for car parking for all members to pay car park ticket costs pro rata to staff at 50% discount given that members mainly use the car parks off peak.

	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
New saving proposal re members car parking	12	12	12	12	12

3.7 Overall, the financial implications arising following the December Cabinet meeting and changes to budget proposals following consultation feedback to date are included within the addendum at the end of this report.

4. 2010/11 BUDGET AND PROBABLE OUTTURN

Overview

4.1 The budget monitoring report for December 2010 is attached at appendix 6 of the MTFP and indicates in summary that the forecast outturn for the year is an almost balanced position, an overspend of £11k, being an improvement of £604k since December Cabinet. This is mainly as a result of positive and prompt actions taken by corporate management team and Cabinet.

4.2 The capital programme is currently forecast to be fully spent on all capital projects underway with any slippage from project delay of deferral through the budget setting process being reallocated to future financial years.

4.3 The budget for the medium term has had to have regard for any key issues arising from the Budgetary Control Report. The following key issues have been factored into the MTFP:

- Where emerging pressures have an on going impact, these have been factored into capacity bids
- Balances used to meet one-off costs will be restored, returning to £6m
- Decisions on the future of the capital programme particularly as a result of the spending review and generation of capital receipts

5 MTFP 2011/12 to 2015/16

FINANCIAL SETTLEMENT FOR 2011/12 AND 2012/13

5.1 The provisional local government finance settlement was announced on 13 December 2010. This was the first settlement from the new Coalition Government, and needed to allocate the high level of grant reductions outlined in the Spending Review.

5.2 The outline of the settlement for Peterborough is as follows:

- Formula grant to reduce by over 10% (£8.9m) for 2011/12 and by another 7.8% (£5.6m) in 2012/13 – nearly £15m in total
- Grant clawback removes £4.8m from Peterborough next year, and another £2.5m the year after that and passes it to other councils to reduce their grant cuts
- Over the next two years, over £1m will be removed from the councils grant to be passed over to academies nationally (over and above any sums taken from schools grant). The Government considers that the establishment of academies reduces the burden on council education departments

- A new formula to allocate funding for concessionary travel. This means we will now receive £700,000 less than predicted.
- The government has changed the formula it uses to allocate Department of Health funding for adult social care. This means the council will receive £900,000 less than predicted.
- Specific grants have also been reduced. A range of grants for childrens services, including sure start and connexions have been placed into a single pot (Early Intervention Grant) and this pot has been cut by 13%.
- A number of Area Based Grants, including education grants provided to the authority for use across the city have been removed. A full schedule of the grants, totalling £1.7m, that have been lost are included in the CFO report
- The total impact of the grant reductions is to increase the pressure to around £5m in each year of the MTFP

Government has stated that there is a 4.8% reduction in 'purchasing power' in Peterborough. This includes council tax from Peterborough residents – which will remain the same as council tax will be frozen (effectively using council tax to make the grant reductions appear smaller than they are). This comparison also excludes the grant reductions from the academies and concessionary travel issues outlined above, and includes the new adult social care grant being passed via the health sector.

5.3 The announcement means that the council will receive £2.6 million less formula grant than it had predicted in its October budget report for 2011/12. The announcement also means that the council will receive £4.3 million less formula grant than was predicted for 2012/13.This is because of changes in the way the Government calculates how funding is allocated, as outlined above, plus that the level of front-ending of the cuts is higher than expected. The loss of specific and area based grants on top of this increase the pressure to around £5m per year. The impact of the loss of specific grants reduces over the MTFP period, as we had assumed reductions in our plans originally.

5.4 Again Peterborough has lost grant through the clawback mechanism. The Government uses a formula to calculate the level of funding each authority should receive based upon the needs of the people living in that area and this calculation shows we should have received about £4.8 million more than we have. Without this clawback, Peterborough's grant reduction would have been 5% for 2011/12, with it this reduction is 10%.

	Before Rebase	**Adjusted Base***	**Provisional Settlement**	
	2010/11 £m	**2010/11 £m**	**2011/12 £m**	**2012/13 £m**
Formula Grant Entitlement	80.8	87.5	83.5	75.0
Less clawback (*)	3.8	0.0	4.8	2.5
Amount to be paid	77	87.5	78.7	72.6
% increase	3.49%		-10.2%	-7.8%

* Government provides an adjusted figure for 2010-11 grant to allow a like-for-like comparison with the 2011/12 settlement.

The Council's forecasts for formula grant for the remainder of the MTFP are in line with the reduction forecast by the LGA in line with the Spending Review (a 24% reduction over 4 years), and then a freeze in 2015/16 (as this is after the last year of the published spending review).

5.5 The Government have announced the settlement for two years, whilst the Spending Review provides government departments with funding for four years. This is because the Communities and Local Government department intend to start a review of local government finance early next year, and will change the approach used in allocating grants to Councils from 2013/14 onwards.

The settlement is provisional at this stage, and will be confirmed early next year. The consultation period runs until 17 January 2011 with the Council submitting a response to that consultation.

The key points raised by Cabinet were:

- Appreciating the government's commitment to tackling the national deficit and difficult challenges arising from the economic climate whilst anticipating the reduction in local government funding levels from 2011/12
- Concern that the council is again impacted by damping arrangements totalling £4.8m being held back from the council's overall funding from government
- Clarity for the former area based grants totalling £1.7m deemed to be 'missing in action'
- Raising concern over the fairness of concessionary fares funding rolled into formula grant for unitary authorities
- Commenting on the challenge the council will have to absorb the academy funding adjustment
- Concern over the business rates estimation and overall management of the business rates pool
- Clarity sought on the operation of the new home bonus incentive payment
- Finally that the settlement does not recognise the true population of Peterborough

BUDGET SUMMARY

5.6 The summary figures underpinning the council tax proposals are:

	2011/12 £k	**2012/13 £k**	**2013/14 £k**	**2014/15 £k**	**2015/16 £k**
Funding					
Dedicated Schools Grant	140,292	140,292	140,292	140,292	140,292
Formula Grant	78,680	72,556	71,936	68,469	68,469
Other Council Grant	18,347	18,007	17,452	17,165	17,165
Benefit Grant	71,766	71,766	71,766	71,766	71,766
Parish Precepts	364	364	364	364	364
Council Tax	61,328	63,490	65,727	68,044	70,443
Total Funding	**370,777**	**366,475**	**367,537**	**366,100**	**368,499**
Total Expenditure	**368,251**	**365,042**	**368,753**	**378,022**	**384,511**
Budget Surplus(+) / Deficit(-)	**2,526**	**1,433**	**-1,216**	**-11,922**	**-16,012**
Cumulative Budget Surplus (+) /Deficit (-)	**2,526**	**3,960**	**2,744**	**-9,177**	**-25,189**

The table above indicates that our plans deliver a surplus in 2011/12 and 2012/13 and offsets the deficit in 2013/14. The cumulative surplus at the end of 2013/14 enables the

council to close the gap forecast in 2014/15 to £9.2m. The surplus that we intend to deliver in the next two years will help support our position in future years as follows:

	£k
Surplus 2011/12	2,526
Surplus 2012/13	1,433
Deficit 2013/14	-1,216
Surplus 2013/14	**2,744**
Less deficit 2014/15	-11,922
Gap to close 2014/15	**-9,177**

This approach means that the Council will deliver a financially sustainable budget for the next three years, and allows the council to review a longer term approach to meet the sizeable deficits from 2014/15 onwards.

Whilst the Council models the position over five years to ensure we are aware of the financial horizon, at this stage we have not developed specific proposals to try and close the gap further in the last two years. There remains considerable uncertainty over the financial position for a number of reasons. Including the following:

- The Spending Review covers four years only (and indeed could be reviewed as part of the annual national budget process)
- The Local Government finance settlement only covers two years. The Government is intending to review the whole system of local government finance and will implement changes in 2013/14
- The new Census information will be fed through into financial settlements. We expected that this will see a more realistic estimate of the growing population of Peterborough used.
- The impact of the new homes incentive will be clearer
- The Council will benefit from its investment in renewable energy, through reduced energy bills and avoiding the carbon tax
- The country is likely to be returning to a healthier economic position

As these issues could well have a positive impact on Council finances, we do not want to consider additional savings at this stage. The Council will continue to refresh it's medium term financial plan each year, including developing proposals to meet this financial position at the appropriate time.

5.7 Capacity Bids

In preparing a Medium Term Financial forecast 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 MTFP.

	2011/12 £k	**2012/13 £k**	**2013/14 £k**	**2014/15 £k**	**2015/16 £k**
Investment in services	3,081	6,093	9,548	12,336	14,505
Costs of Change	2,875	941	941	941	941
	5,956	**7,034**	**10,489**	**13,277**	**15,446**

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. The Council has also provided for the costs of change needed to deliver the level of savings required.

The main changes since December Cabinet are:

- Update to the capital financing costs following a review of the capital programme such as:
    - Confirming slippage of the capital programme in 2010/11 into future financial years, resulting in a re-profiling of borrowing for the capital programme across the five year MTFP
    - Technical funding changes within the provisional local government finance settlement with regards to the Transport Block moving from supported borrowing to grant across the four years of the spending review
    - Impact on borrowing from moving £2.5m funding of the primary capital programme from grant funding to corporate resources
    - Cost of borrowing £120k per annum required to maintain Neighbourhood Council area capital investment at a level of £25k per Neighbourhood Council

5.8 Savings

The Council's approach is still founded on the basis of the council being efficient, effective and accessible. The draft medium term plan is once again based around the philosophy of:

> "*Minimising overheads, reducing bureaucracy and improving value for money to ensure that resources are available to improve front line service outcomes to the community whilst ensuring the impact on council tax levels is as low as possible*"

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 MTFP and can be summarised as follows:

	2011/12	**2012/13**	**2013/14**	**2014/15**	**2015/16**
	£k	**£k**	**£k**	**£k**	**£k**
Efficiencies	7,846	11,482	12,741	10,776	10,617
Joint venture/outsourcing proposals	2,354	5,307	6,110	6,304	6,304
Terms and Conditions	3,967	5,775	7,737	8,793	9,018
New Homes Incentive grant	1,278	1,493	1,681	1,681	1,681
Council Tax Freeze (Grant)	1,533	1,533	1,533	1,533	0
Un ring fencing grants	2,385	3,000	3,615	3,615	3,615
Subtotal	**19,363**	**28,590**	**33,417**	**32,702**	**31,235**
Service Reductions	8,719	10,140	9,967	10,202	10,210
Total	**28,082**	**38,730**	**43,384**	**42,904**	**41,445**

The main changes since December Cabinet are as outlined earlier in this report are:

- Update to the City Services savings already included within the MTFP
- Update to the staff terms and conditions saving proposals
- Adjustments to the culture and leisure saving proposals

The changes to saving proposals as a result of budget consultation feedback to date are::

- A reduction in anticipated allotment fee charges
- An update to the wheelie bin charges
- An update to the fees and charges for community care services within Adult Social Care
- Neighbourhood councils – removal of the saving proposal to reduce frequency of neighbourhood council meetings
- Inclusion of a new saving proposal arising from savings of members car parking

6. CAPITAL PROGRAMME 2011/12 TO 2015/16

6.1 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 in the MTFP attached.

6.2 The Capital Programme is included in the MTFP. In summary, the programme is as below.

	2011/12 £000	2012/13 £000	2013/14 £000	2014/15 £000	2015/16 £000
Total Capital Expenditure	**108,739**	**74,232**	**79,848**	**48,283**	**27,387**
Financed by:					
Grants	41,597	12,005	10,558	15,922	4,313
S106 and Contributions	3,755	1,285	1,285	1,250	0
Capital Receipts	18,277	10,717	3,215	5,346	0
Right To Buy Receipts	757	0	0	0	0
Capital Financing Requirement (Borrowing)	44,353	50,225	64,790	25,765	23,074
Total Capital Financing	**108,739**	**74,232**	**79,848**	**48,283**	**27,387**

6.3 Members should also be aware that the programme is reliant on capital receipts generated through asset disposal. Hence some capital schemes will only be initiated if resources are actually achieved. The whole programme has been re-assessed in the current economic climate and schemes re-profiled based upon expectations of likely levels of capital financing available.

6.4 Capital schemes will not progress until the following requirements have been satisfied:

- External funding secured where supporting a scheme.
- A full business case has been approved through the Councils project gateway process.

6.5 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 included in the MTFP attached. This includes a proposal to change our MRP approach to the annuity approach. The outline of the rationale for this is included in the Chief Finance Officer's report.

7. COUNCIL TAX

7.1 Peterborough currently has one of the lowest council tax levels in the country. Out of 56 unitary councils across the country, Peterborough has the fifth lowest council tax.

7.2 The proposals for Council Tax for 2011/12, and for planning purposes in the MTFP after that are as follows:

	2011/12	2012/13	2013/14	2014/15	2015/16
	£k	£k	£k	£k	£k
Council Tax increase	0.00%	2.50%	2.50%	2.50%	2.50%
Council Tax Band D	£1,096	£1,123	£1,151	£1,180	£1,209
Council Tax Base - Band Ds	55,971	56,531	57,096	57,667	58,244
Council amount raised (£m)	61.3	63.5	65.7	68.0	70.4

The equivalent Band D Council Tax figure for 2010/11 is £1,096 for the Council, not including the precepts from the Fire and Police Authorities and Parishes. This is currently one of the lowest levels in the country.

7.3 The council's MTFP published in September 2010 assumed annual council tax increases of 2.5%. As already set out, the Spending Review announced a new grant that would enable the council not to increase next year's council tax. The Government is, in effect, paying prudent council's extra grant for keeping their council tax rises at 2.5% or below.

The impact is that for:

- 2011/12 – **NO INCREASE IN COUNCIL TAX.**
- 2012/13 – an increase of no more than 2.5% but the council would work with the Government to see if this headline figure could be reduced over the next 12 months.
- 2013/14 to 2015/16 – a maximum increase of 2.5%.

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 if they can contain expenditure.
- Parish Councils – they do not receive any direct funding from the Government so no grant is available for them.

Cambridgeshire Police Authority will be setting their precept on 9 February and Cambridgeshire Fire and Rescue Service will be setting their precept on 17 February.

7.4 The proposals strike a balance between:

- Delivering our priority of a bigger and better Peterborough.
- Supporting vulnerable people and minimising the impact on services.
- Recognising the impact the recession is having on our communities and minimising their tax burden.

8. RESERVES AND BALANCES & ROBUSTNESS OF ESTIMATES

8.1 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 setting process. A full analysis of possible budget risks as well as the forecasts for levels of reserves are included in the MTFP.

8.2 The key budget risk over the life of the MTFP is the uncertainty over future funding levels due to uncertainty of funding levels from 2013/14 onwards. The MTFP provides provision for costs in delivering change, as well as providing for these reserves to be returned to a reasonable level.

9. CONSULTATION FEEDBACK

9.1 The budget consultation was launched on 8 November 2010, a month earlier than usual to allow for a much wider debate with residents, staff, businesses and partners. This has so far included:

- A web-based consultation;
- A special 'Your Peterborough' magazine, summarising proposals and inviting feedback delivered to all households in Peterborough;
- Copies of proposal documents placed in all libraries and receptions at Council buildings;
- A range of meetings with partners and stakeholders, including:
    - Greater Peterborough Partnership
    - Lord Lieutenant
    - Youth Council and Youth MP
    - Churches Together
    - Voluntary Sector through Peterborough Council for Voluntary Service;
- Sustainable growth scrutiny committee
- Joint Meeting of the Scrutiny Committees and Commissions
- Neighbourhood Councils
- Trades Unions
- Staff briefings and feedback
- Discussions with the business community
- Discussion with Parish Councils – this meeting is scheduled for 2 February

9.2 The consultation asked respondents to comment on the following questions:

1. Do you have any better ideas than those outlined in the Budget Challenge document for meeting the funding gap?
2. Has the Cabinet missed any obvious areas for investment of service reduction

9.3 By 21 January the council had received a total of 54 letters, emails and on-line feedback from organisations and individuals. Many of those who sent in feedback made comments or suggestions on several of the budget proposals. In addition, all the comments made at the scrutiny, neighbourhood council, business breakfast and other meetings to date have also been included in the results.

9.4 The table below provides an overview of the areas to which respondents provided comments and suggestions including proposals which respondents were opposed to:

Area	**%**	**Comments**
Allotments	15	Cabinet have recommended an alternative proposal
Neighbourhood Councils and comments about councillors	13	Cabinet have recommended an alternative proposal
Council Finances	10	
Staff terms and conditions	8	Cabinet have recommended an alternative proposal

Area	%	Comments
Adult Social Care	4	Cabinet have recommended an alternative proposal
Roads and Transport	7	
Wheelie Bins	4	Cabinet have recommended an alternative proposal
Your Peterborough	4	
4 or less comments per area	35	

9.5 The consultation will be open until 9 February 2011, allowing interested parties three months to put forward their views. The draft response of the Cabinet of consultation responses received so far can be seen in appendix 11. Cabinet will provide further formal responses to additional consultation responses received between now and the closure of the consultation period. This will include outlining how proposals have reflected this feedback.

10. ANTICIPATED OUTCOMES

10.1 The Sustainable Community Strategy and the Local Area Agreement targets can only be achieved by ensuring that resources are aligned with these priorities. The MTFP delivers this and also ensures that a balanced budget will be set.

11. REASONS FOR RECOMMENDATIONS

11.1 The Council must set a lawful and balanced budget.

11.2 The Council is required to set a Council Tax for 2011/12 within statutory prescribed timescales.

11.3 Before setting the level of Council Tax, the Council must have agreed a balanced budget.

12. ALTERNATIVE OPTIONS CONSIDERED

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

13. IMPLICATIONS

13.1 Elected Members

13.1.1 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.

13.1.2 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.

13.2 Legal Implications

13.2.1 These are considered within the main body of the report.

13.3 Human Resources

13.3.1 The launch of the budget consultation in November identified human resource implications of the budget, with an overall target of headcount reduction of 241. This number could be further reduced if proposed staff terms and conditions were implemented. The table below provides an updated position.

Anticipated Headcount Reductions (2011/12) *Subject to Confirmation*	
Headcount reduction implications of MTFP (excludes redundancies in progress/imminent restructures NOT included in MTFP – for example, business support)	241
Reduction in redundancies linked to T&C savings	- 60
Reduction through Voluntary Redundancy Programme (To date – scheme is still open)	-76
Deletion of vacancies	-24
TOTAL	**81**

13.3.2 The voluntary redundancy scheme for applications is due to close on Friday 18 February 2011.

14. BACKGROUND DOCUMENTS

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

CABINET BUDGET PROPOSALS – ADDENDUM DOCUMENT (FEBRUARY CABINET)

The city council's Cabinet released detailed proposals at its meeting of November 8, a month earlier than usual on how it intends to balance it books. A 59-page document called 'The Medium Term Financial Plan Proposals Document from the Cabinet outlined in detail for each area of the council, the savings, investments and service reductions the Cabinet is proposing the council makes in 2011/12 and the following years. In addition, Cabinet presented an addendum document during December following the announcement of the provisional local government finance settlement. Both documents are included in the MTFP.

For clarity, changes since the December Cabinet meeting are shown separately in this section.

UPDATES SINCE THE DECEMBER CABINET MEETING

Capital Financing Technical Adjustment

A further review has been undertaken on the 2010/11 capital programme and has identified slippage and other adjustments with a net impact of @ £40m into future financial years, resulting in a re-profiling of borrowing for the capital programme across the five year plan MTFP. This change overall does not result in more cost to the council other than to change the financial years in which borrowing would occur.

In addition, the primary capital programme originally assumed £2.5m of capital funding to be funded from grant, however, it has been confirmed that this funding will need to be funded through corporate resources and the council will now need to borrow £2.5m. The extra cost of borrowing has been factored into the five year plan in the table below.

Finally, the capital programme has been updated since the provisional local government settlement for changes in the Transport Block over the spending review of @ £16m now deemed to be grant funding and was previously supported borrowing.

	2011/12	2012/13	2013/14	2014/15	2015/16
	£k	£k	£k	£k	£k
Capital Financing net change to cost of investment – Savings (+) / cost (-)	165	-106	-415	-562	364

City Services 'Lot 3' Strategic Partnership

The council will shortly commence a long term partnership arrangement for the provision of household waste and recycling collection, street cleaning, property design and maintenance, grounds maintenance and a range of other services. The aim of the strategic partnership is to improve these services, while providing the best value for taxpayers.

A prudent estimate of cumulative savings presented to December Cabinet of £900k per annum could be achieved through a partnership arrangement. The net impact of additional savings realised through the award of the contract has now been included in the savings proposals.

	2011/12	2012/13	2013/14	2014/15	2015/16
	£k	£k	£k	£k	£k
Net increase to saving proposal relating to City Services	954	1,407	2,210	2,404	2,404

Terms and Conditions

The preferred approach of the council is to reach a collective local agreement with the unions representing staff within the council. The proposals outlined in the November Cabinet consultation document regarding staff car park permits, essential user allowance and mileage reimbursement rates has been reviewed further and proposals discussed with unions. The most recent meeting held with unions was the Joint Consultative Forum on 19 January. Based on latest discussion and negotiation, the savings proposal has been refreshed for best estimate, namely to:

- Introduce bandings dependent on salary grades alongside a salary sacrifice scheme for staff car park permits;
- Remove essential user allowance and implement a 'Key User' policy to enable the possibility of issuing free permits to employees meeting the policy;
- Remove current council essential and casual mileage reimbursement rates to that of mileage reimbursement rates recognised by Her Majesty Revenue and Customs (HMRC)
- Exclude City Services staff from the savings proposal as these staff will TUPE to the new City Services provider before the implementation of revised terms and conditions for council staff

The financial implications to the original savings proposals require a reduction as follows:

	2011/12	**2012/13**	**2013/14**	**2014/15**	**2015/16**
	£k	**£k**	**£k**	**£k**	**£k**
Staff car park permits	-131	-33	-85	-52	-18
Implementation of free permits for Key Users	-60	-60	-60	0	0
Removal of City Services	-110	-138	-142	-146	-150
Mileage Reimbursement allowances	0	0	0	0	0
Shortfall on Terms and Conditions	**-301**	**-231**	**-287**	**-198**	**-168**

Leisure and Culture

Reduced Library Service costs - The MTFP assumed a target of savings for reducing library service costs earlier in the budget setting process and was subject to discussion and agreement with Vivacity on overall approach. A minor refinement to the savings proposal is required.

	2011/12	**2012/13**	**2013/14**	**2014/15**	**2015/16**
	£k	**£k**	**£k**	**£k**	**£k**
December Cabinet	250	250	250	250	250
February Cabinet	223	223	223	223	223
Shortfall on library proposal	**-27**	**-27**	**-27**	**-27**	**-27**

Revenue savings from Capital investment - The council has made provision in its capital budget for a number of schemes over the life of the MTFP that support culture and leisure. It is

considered that this investment will generate revenue savings e.g. new boilers saving on fuel costs and the carbon tax. The council has set a target for these savings and subsequently refined based on the latest information available.

I	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
December Cabinet	0	179	171	164	159
February Cabinet	-35	-53	-62	-62	-62
Shortfall on leisure and culture saving proposal (2011/12 is a saving)	**35**	**-126**	**-109**	**-102**	**-97**

CHANGES TO BUDGET PROPOSALS FOLLOWING CONSULTATION FEEDBACK

Allotments fee increase

The original budget proposal consulted upon recognised that charges have been historically kept at very low levels as concessions have been applied. The council is planning to cease these concessions. As a result charges will now be £52 per year for full size allotment, or £1 per week for their use, and £39 per year for smaller plots. This saving proposal received a large number of responses to the impact of removing the concession completely.

Therefore after consideration, Cabinet have amended the original proposal to charge £52 per year (January – December) for a standard size allotment or £1 per week for their use, and £39 per year for smaller plots of less than 300 square yards. Each year the charge will increase by the consumer price index (CPI). Implement a concession (subject to verification) of 30% for pensioners or those receiving benefit. The concession will only apply for the first allotment held by the individual.

	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
December Cabinet	30	30	30	30	30
February Cabinet	23	24	25	26	27
Impact of Change (Shortfall on original saving proposal)	**-7**	**-6**	**-5**	**-4**	**-3**

Wheelie bins charge

The original budget proposal consulted upon was to introduce charges to replace wheelie bins that have been lost or stolen. Residents will pay £36 each for new bins and £18 each for refurbished bins. Consultation respondents raised concerns over the implementation of charges.

Therefore after consideration, Cabinet have made a revision to the original proposal to implement a charge of £36 per bin for all new properties that request a waste service. Residents who lose their bins will be entitled from 1 April to receive one replacement, second hand bin free of charge. Any additional lost bins will be charged at £36 and anyone not wishing to have a previously used bin, i.e. requiring a new bin, will also be charged £36 per bin.

The new strategic partnership for City Services will endeavour to ensure that there is always a supply of recycled bins by obtaining them from other sources if necessary.

	2011/12	2012/13	2013/14	2014/15	2015/16
	£k	£k	£k	£k	£k
December Cabinet	35	35	40	40	40
February Cabinet	18	26	34	43	51
Impact of Change (Shortfall on original saving proposal between 2011/12 to 2013/14 before the saving is realised in from 2014/15)	**-17**	**-9**	**-6**	**3**	**11**

Adult Social Care – Community Care Charges

The original proposal consulted upon was to increase charges for some community care services for example day care services, respite care services and home care services. In general we will make charges which reflect the true costs of these services. This is an area we know people find difficult but we believe it is fair at a time when we face funding reductions. People on low incomes will continue to pay lower charges or none at all where it is appropriate. Respondents to the consultation raised concerns over the fairness of this charge.

Cabinet are therefore proposing to implement charges for all new users of community care services in line with the guidance issued by the Department of Health Fairer Contribution Guidance. Cabinet propose to gradually increase existing user's charges where applicable over an approach to be phased in over the next three years.

	2011/12	2012/13	2013/14	2014/15	2015/16
	£k	£k	£k	£k	£k
December Cabinet	80	80	80	80	80
February Cabinet	70	75	80	80	80
Impact of Change (Shortfall on original saving proposal)	**-10**	**-5**	**0**	**0**	**0**

Neighbourhood Council – Reduce frequency of meetings

The original saving proposal recommended a reduction in the frequency of Neighbourhood Council meetings from 28 to 14 per annum. This saving proposal is not considered viable and therefore the frequency of Neighbourhood Council meetings will remain unchanged at 28 per annum.

	2011/12	2012/13	2013/14	2014/15	2015/16
	£k	£k	£k	£k	£k
December Cabinet	6	6	6	6	6
February Cabinet	0	0	0	0	0
Impact of Change (Removal of original saving proposal)	**-6**	**-6**	**-6**	**-6**	**-6**

Neighbourhood Councils – Capital Investment

The original saving proposal was to remove the capital investment of £25k per neighbourhood council – total cost £175k per annum. It was anticipated that capital investment for neighbourhood councils could be generated through developer contributions. Based on latest information available in 2010/11, it is likely that to maintain this level of capital investment for each neighbourhood council, a top up is required to the capital programme of £120k per annum and the cost below reflects the additional cost of borrowing. This investment will remain under review and represents a prudent view from 2012/13 onwards.

	2011/12	2012/13	2013/14	2014/15	2015/16
	£k	£k	£k	£k	£k
December Cabinet	0	0	0	0	0
February Cabinet	-4	-12	-21	-31	-40
Impact of Change (increased cost pressure)	**-4**	**-12**	**-21**	**-31**	**-40**

Members Allowances – car parking

Members' allowances have been subject to an independent review with recommendations to be submitted to Full Council. A proposal made by the Leader is to implement charges for parking for all members to pay car park ticket costs pro rata at a 50% discount given those members mainly use the car parks off peak.

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	2011/12	2012/13	2013/14	2014/15	2015/16
	£k	£k	£k	£k	£k
December Cabinet	0	0	0	0	0
February Cabinet	12	12	12	12	12
New saving proposal – members car parking	**12**	**12**	**12**	**12**	**12**

Appendix C – Addendum to original cabinet papers

CABINET	AGENDA ITEM No 7
7 February 2011	PUBLIC REPORT

BUDGET 2011/12 AND MEDIUM TERM FINANCIAL PLAN (MTFP) TO 2015/16 – ADDENDUM TO ORIGINAL CABINET PAPERS

1. Since the papers for this item were released along with the agenda, the Council has received the final grant settlement for next year. As such this addendum, covering the impact of the settlement along with a few other amendments, will be tabled at the meeting to ensure the recommendations to Council are as complete as possible.

2. The following changes to the budget position are to be included (this updates the overall budget position included in section 5.6 (pages 11 and 12) of the original report):

	2011/12 £k	**2012/13 £k**	**2013/14 £k**	**2014/15 £k**	**2015/16 £k**
February Cabinet	**2,526**	**1,433**	**-1,216**	**-11,922**	**-16,012**
Update to Members Allowances (car parking)	-6	-6	-6	-6	-6
Adjustment to Formula Grant following settlement	0	-18	-18	-18	-18
Adjustment to Adult Social Care funding	-32	-7	-7	-7	-7
Updated budget position surplus (+) / deficit (-)	**2,488**	**1,402**	**-1,247**	**-11,953**	**-16,043**
cumulative position		**3,890**	**2,643**	**-9,310**	**-25,353**

These changes are outlined below

- **Update to Members Allowances (car parking**) – the original budget papers included an estimate that £12k would be raised from this proposal. Further review indicates that actually £6k will be raised. The description for this proposal also incorrectly implied that a blanket discount would be applied. The intention is that the charge will vary pro-rata according to expected use.
- **Adjustment to Formula Grant following settlement** – The final settlement has confirmed that formula grant will be £18k less than previously announced
- **Adjustment to Adult Social Care funding** – Grants for adult social care have now been confirmed to the nearest thousand pounds, and are slightly less than previously announced.

3. As the final settlement has now been received, recommendation 3 in the original budget paper (outlined below) is not required:

'These recommendations are put forward in advance of the final local government finance settlement being announced and assume that any changes arising from the settlement will be immaterial to the approval of the budget'

4. Cabinet fully support plans to establish a war memorial in the city. Fund raising is underway to raise the £30,000 needed for this project. In order to provide certainty so that work can begin on the project, the Council will support this project to ensure that it goes ahead by providing any additional funding up to the £30,000 target. This money will be drawn from reserves when required.

5. The budget documents outline the challenging financial position in the latter years of the MTFP. The Council has plans to use invest to save budgets to support transformation across the Council. These funds include a capital budget of £500k each year, plus revenue budgets. In both cases it is expected that each pound spent will generate at least one pound in saving in each and every year after the project is completed. There remains a risk that the invest to save budgets may be insufficient to take advantage of all opportunities that may arise in the future. As such it is recommended that the Council is able to operate flexibly to take advantage of such opportunities, including using reserves to support such schemes as necessary, providing that they make savings sufficient to repay these within the current MTFP. A new recommendation is proposed as follows:

   'That Cabinet delegate authority to the Executive Director Strategic Resources, in consultation with the Cabinet Member for Resources, to agree business cases for invest to save projects over the life of the MTFP, providing that the return is such that there is no detriment to the published five year financial plan and that the business case has been developed according to the Council's project management approach and gateway process'

6. It should also be noted that the council tax to be formally set on 23 February 2011 will be subject to the notifications of precepting bodies in respect of their budget requirements, and appropriate resolutions will be prepared for Council.

MEDIUM TERM FINANCIAL PLAN

2011/12 – 2015/16

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.

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 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.

the improvements needed to achieve the vision for the City and meet the needs of the communities. The outcomes are being developed at the moment and will be published alongside the agreed Medium Term Financial Plan in April 2011.

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.

Each of the priority areas will have a number of focused outcomes that will collectively deliver

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

1. 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 MTFP 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 An emergency budget was announced in June 2010 by the Chancellor and the key feature of the announcement was that Government departments should prepare themselves for a 25% real term reduction in grants over the next four years. These departments in-turn provide the majority of funding to local government. Information from Government suggested that departments were told to model the impact of 40% grant reductions to contribute to reducing the deficit. Therefore, it became clear that the public sector, including this council, will face significant reductions in future years. This was followed by the Spending Review, where the Government announced its financial spending plans for the next 4 years on 20 October 2010. As a result, councils will receive an overall reduction in Government funding of 28% in real terms over four years.

1.2.2 To meet this challenge, Cabinet worked on a range of options during 2010 to meet the challenges set out above. This involved detailed meetings to interrogate and discuss every line of expenditure in the council's budget. In addition, they paid particular regard to core expenditure which keeps the "business" going and statutory/discretionary spend. As a result, the Cabinet prepared a range of proposals to be considered at its meeting on the 8 November 2010, over a month earlier than proposals are normally put forward.

1.2.3 At the time that the draft proposals were released, the council was aware that it would not know the total impact of all the Government's announcements until the Local Government Finance Settlement in early December. However, rather than wait for these announcements, Cabinet put together its proposals to meet the budget challenge a month earlier than it usually would. By doing this, the Cabinet wanted to give residents, partner organisations, businesses and other interested parties the chance to read and digest 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. Updated proposals were brought forward to a specially convened session of Cabinet on 20 December, again allowing maximum time for proposals to be in the public domain. Some further changes were included in the budget presented to Cabinet on February

7th, reflecting where Cabinet had responded to consultation feedback, along with the confirmation of savings from the city services outsourcing.

1.2.4 Within the Council, draft business plans are being drawn up to record what each department has agreed with the Chief Executive that it will deliver in the coming year. This ensures that the golden thread is maintained from partnership priorities, through the MTFP into individual departments. This is further maintained through service plans and individual appraisals.

1.2.5 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 MTFP still provides investment in those services that need it.

1.3 FINANCIAL SETTLEMENT FOR 2011/12 AND 2012/13 AND THE FUTURE PUBLIC FINANCE POSITION

1.3.1 The provisional local government finance settlement was announced on 13 December 2010, and confirmed on 7th February 2011. This was the first settlement from the new Coalition Government, and needed to allocate the high level of grant reductions outlined in the Spending Review.

1.3.2 The outline of the settlement for Peterborough is as follows:

- Formula grant to reduce by over 10% (£8.9m) for 2011/12 and by another 7.8% (£5.6m) in 2012-13 – nearly £15m in total
- Grant claw back removes £4.8m from Peterborough next year, and another £2.5m the year after that and passes it to other councils to reduce their grant cuts
- Over the next two years, over £1m will be removed from the councils grant to be passed over to academies nationally (over and above any sums taken from schools grant).
- A new formula to allocate funding for concessionary travel. This means we will now receive £700,000 less than predicted.
- The government has changed the formula it uses to allocate Department of Health funding for adult social care. This means the council will receive £900,000 less than predicted.
- Specific grants have also been reduced. A range of grants for childrens services, including sure start and connexions have been placed into a single pot (Early Intervention Grant) and this pot has been cut by 13%. It also seems that education grants provided to the authority for use across the city have been removed to support the schools position, including the pupil premium. The impact of this is to increase the pressure to around £5m per year

Government is claiming a 4.8% reduction in 'purchasing power' in Peterborough. This includes council tax from Peterborough residents – which will remain the same as council tax will be frozen (effectively using council tax to make the grant reductions appear smaller than they are). This comparison also excludes the grant reductions from the academies and concessionary travel issues outlined above.

1.3.3 The announcement shows that the council will receive £2.6 million less formula grant than it had predicted in its October budget report for 2011/12. The announcement also shows the council will receive £4.3 million less formula grant than was predicted for 2012/13.This is because of changes in the way the Government calculates how funding is allocated, as outlined above, plus that the level of front-ending of the cuts is higher

than expected. The loss of specific and area based grants on top of this increase the pressure to around £5m per year. The impact of the loss of specific grants reduces over the MTFP period, as we had assumed reductions in our plans originally.

1.3.4 The grant itself is calculated according to the Four Block Model. The model uses calculations relating to population and authority type (central allocation), local ability to raise Council Tax (Relative Resource), population characteristics and need (Relative Need). It is however then subject to Ministerial discretion over the maximum grant decrease for authorities. Authorities whose grant decrease is not at this maximum level have their grant reduced to pass to other authorities through a clawback mechanism

1.3.5 Again Peterborough has lost grant through the clawback mechanism. The Government uses a formula to calculate the level of funding each authority should receive based upon the needs of the people living in that area and this calculation shows we should have received about £4.8 million more than we have. Without this clawback, Peterborough's grant reduction would have been 5% for 2011/12, with it this reduction is 10%.

	Before Rebase	**Adjusted Base**	**Provisional Settlement**	
	2010/11 £m	**2010/11 £m**	**2011/12 £m**	**2012/13 £m**
Formula Grant Entitlement	80.8	87.5	83.5	75.0
Less clawback (*)	3.8	0.0	4.8	2.5
Amount to be paid	77	87.5	78.7	72.6
% increase	3.49%		-10.2%	-7.8%

1.3.6 The Government have announced the settlement for two years, whilst the Spending Review provides government departments with funding for four years. This is because CLG intend to start a review of local government finance early next year, and will change the approach used in allocating grants to Councils from 2013/14 onwards.

The LGA settlement summary is included at the end of this document.

1.4 COUNCIL TAX

1.4.1 Peterborough currently has one of the lowest council tax levels in the country. Out of 56 unitary councils across the country, Peterborough has the fifth lowest council tax.

1.4.2 The proposals for Council Tax for 2011/12, and for planning purposes in the MTFP after that are as follows:

	2011/12	**2012/13**	**2013/14**	**2014/15**	**2015/16**
	£k	**£k**	**£k**	**£k**	**£k**
Council Tax increase	0.00%	2.50%	2.50%	2.50%	2.50%
Council Tax Band D	£1,096	£1,123	£1,151	£1,180	£1,209
Council Tax Base - Band Ds	55,971	56,531	57,096	57,667	58,244
Council amount raised (£m)	61.3	63.5	65.7	68.0	70.4

The equivalent Band D Council Tax figure for 2010/11 is £1,096 for the Council, not including the precepts from the Fire and Police Authorities and Parishes. This is currently one of the lowest levels in the country.

1.4.3 The council's previous MTFP published in February 2010 assumed annual council tax increases of 2.5%. As already set out, the Spending Review announced a new grant that would enable the council not to increase next year's council tax. The Government is, in effect, paying prudent council's extra grant for keeping their council tax rises at 2.5% or below.

The impact is that for:

- 2011/12 – **NO INCREASE IN COUNCIL TAX.**
- 2012/13 – an increase of no more than 2.5% but the council would work with the Government to see if this headline figure could be reduced over the next 12 months.
- 2013/14 to 2015/16 – a maximum increase of 2.5%.

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 if they can contain expenditure.
- Parish Councils – they do not receive any direct funding from the Government so no grant is available for them.

Cambridgeshire Police Authority set their precept on 9 February and Cambridgeshire Fire and Rescue Service will be setting their precept on 17 February.

1.4.4 The proposals strikes a balance between:

- Delivering our priority of a bigger and better Peterborough.
- Supporting vulnerable people and minimising the impact on services.
- Recognising the impact the recession is having on our communities and minimising their tax burden.

1.5 BUDGET SUMMARY

1.5.1 The summary figures underpinning the council tax proposals are:

	2011/12 £k	**2012/13 £k**	**2013/14 £k**	**2014/15 £k**	**2015/16 £k**
Dedicated Schools Grant	140,292	140,292	140,292	140,292	140,292
Formula Grant	78,680	72,550	71,930	68,463	68,463
Other Council Grant	19,340	18,959	17,445	17,158	17,158
Benefit Grant	71,766	71,766	71,766	71,766	71,766
Parish Precepts	397	397	397	397	397
Council Tax	61,328	63,490	65,727	68,044	70,443
Total Funding	**371,803**	**367,454**	**367,557**	**366,120**	**368,519**
Total Expenditure	**368,886**	**365,731**	**368,528**	**377,797**	**384,286**
Budget Surplus(+) / Deficit(-)	**2,918**	**1,723**	**-971**	**-11,677**	**-15,767**
Cumulative Budget Surplus (+) /Deficit (-	**2,918**	**4,641**	**3,670**	**-8,006**	**-23,773**

The table above indicates that our plans deliver a surplus in 2011/12 and 2012/13 and offsets the deficit in 2013/14. The cumulative surplus at the end of 2013/14 enables the council to close the gap forecast in 2014/15 to £8.0m. The surplus that we intend to deliver in the next two years will help support our position in future years as follows:

	£k
Surplus 2011/12	2,918
Surplus 2012/13	1,723
Deficit 2013/14	-971
Surplus 2013/14	**3,670**
Less deficit 2014/15	-11,677
Gap to close 2014/15	**-8,006**

This approach means that the Council will deliver a financially sustainable budget for the next three years, and allows the council to review a longer term approach to meet the sizable deficits from 2014/15 onwards.

Whilst the Council models the position over five years to ensure we are aware of the financial horizon, at this stage we have not developed specific proposals to try and close the gap further in the last two years. There remains considerable uncertainty over the financial position for a number of reasons. Including the following:

- The Spending Review covers four years only (and indeed could be reviewed as part of the annual national budget process)
- The Local Government finance settlement only covers two years. The Government is intending to review the whole system of local government finance and will implement changes in 2013/14
- The new Census information will be fed through into financial settlements. We expected that this will see a more realistic estimate of the growing population of Peterborough used.
- The impact of the new homes incentive will be clearer
- The Council will benefit from its investment in renewable energy, through reduced energy bills and avoiding the carbon tax
- The country is likely to be returning to a healthier economic position

As these issues could well have a positive impact on Council finances, we do not want to consider additional savings at this stage. The Council will continue to refresh its medium term financial plan each year, including developing proposals to meet this financial position at the appropriate time.

1.5.2 Capacity Bids

In preparing a Medium Term Financial forecast 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 MTFP.

	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Investment in services	2,868	5,880	9,264	12,052	14,221
Costs of Change	2,875	941	941	941	941
	5,743	**6,821**	**10,205**	**12,993**	**15,162**

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. The Council has also provided for the costs of change needed to deliver the level of savings needed.

1.5.3 Savings

The Council's approach is still founded on the basis of the council being efficient, effective and accessible. The draft medium term plan is once again based around the philosophy of:

> "*Minimising overheads, reducing bureaucracy and improving value for money to ensure that resources are available to improve front line service outcomes to the community whilst ensuring the impact on council tax levels is as low as possible*"

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 MTFP and can be summarised as follows:

	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Efficiencies	7,846	11,482	12,741	10,776	10,617
Joint venture/outsourcing proposals	2,354	5,307	6,110	6,304	6,304
Terms and Conditions	3,961	5,769	7,731	8,787	9,012
New Homes Incentive grant	1,278	1,493	1,681	1,681	1,681
Council Tax Freeze (Grant)	1,533	1,533	1,533	1,533	0
Un ring fencing grants	2,385	3,000	3,615	3,615	3,615
Subtotal	**19,357**	**28,584**	**33,411**	**32,696**	**31,229**
Service Reductions	8,707	10,120	9,947	10,182	10,190
Total	**28,064**	**38,704**	**43,358**	**42,878**	**41,419**

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 Projected movements on reserves for this MTFP are shown in section 5.

1.6.3 In line with the Council's reserves policy, reviews of the Council's reserves and balances have been undertaken, as part of the financial planning exercise and in the completion of

the Statement of Accounts for 2009/10. 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.

1.6.4 The MTFP specifically addresses the following issues with regard to reserves:

- A contribution of £2.2m to the capacity building fund to support transformation projects, the voluntary redundancy programme.

- During the span of the years covered within the MTFP, balances within the general fund will rise above the £6m minimum level temporarily as these balances include predicted budget surplus in the early years which will in turn diminish to contribute towards the deficit forecast in 2014/15.

Given the continued uncertainty over public finances, this approach is essential.

1.6.5 The Director has reviewed the financial risks identified (see Section 1.7 below), and the expected level of reserves at 1 April 2011. On this basis the Director is satisfied with the reserves proposals in the MTFP.

1.7 ROBUSTNESS OF ESTIMATES

1.7.1 In setting a budget for 2011/12, including a medium term financial plan to 2015/16, 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 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.	Progress will be monitored via the monthly budget monitoring process. There will be specific disclosure in the monthly budget monitoring process of the achievement of savings. Specific provision has been made in the budget to support the costs of change needed to provide capacity to deliver these savings
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 discussions with the Actuary, and 1.5% per annum has been included in the MTFP for the last two years of the MTFP. Further detail is included in appendix 1 of this document. It should also be noted that actuaries look forward over several decades – well beyond our planning horizon
Overall Budget	The current grant settlement is for two years only, with a review of local government finance planned	Five year forecast to be based on Spending Review.

Area	Risk	Action to Mitigate Risk
		Ensure council actively engages in review and lobbies accordingly.
Overall Budget	Interest rates decrease further to 0%	The Council is planning to run down cash balances and use them to finance the capital programme instead of borrowing to maximise value for money
Overall Budget	Inflation risk Budget assumes that inflation remains low in the medium term	Monitor inflation position and forecasts, and review impact on budget through budget monitoring process. Active procurement approach to secure improved rates and avoid inflationary increases.
Overall Budget	Interest rates increase in response to inflation pressure	Capital financing estimates developed using latest forecasts of interest rates for MTFP (which allow for a level of increase). Review capital programme and debt portfolio if rates increase beyond forecast levels.
Overall Budget	Demand led service pressures. The Council provides services in a number of areas where the need for support lies outside the Council's direct control, for example in childrens 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.	Reviewed through monitoring of budget and management information on a monthly basis. Specific provision has been included in the budget plans for estimates of increased demand for childrens and adult social care
Overall Budget	Impact of recession	Review through monthly budget monitoring. A prudent view has been taken on the timescales for recovery to impact e.g. in income levels
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. The Council has reduced targets for capital receipts in light of the lack of immediate improvement in the current economic climate
Capital Expenditure	The proposed Capital Programme is reliant on developer contributions being achieved.	As above

1.8 EDUCATION FUNDING

1.8.1 Funding for education 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.

1.8.2 The estimated Dedicated Schools Grant for 2011/12 is £140m. The final figure for 2011/12 will not be known until May/June 2011, when pupil numbers are finalised.

1.9 CAPITAL PROGRAMME 2011/12 TO 2015/16

1.9.1 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.

1.9.2 The Capital Programme is included in the MTFP. In summary, the programme is in the next table.

Capital Expenditure by Service:	**2011/12 £000**	**2012/13 £000**	**2013/14 £000**	**2014/15 £000**	**2015/16 £000**
Adult Social Care	3,965	3,269	252	252	252
Chief Executives	12,115	6,200	5,500	5,958	1,500
Children's Services	52,824	31,783	45,626	14,414	13,034
City Services	685	185	185	185	185
Operations	19,048	10,353	8,972	7,931	7,935
Strategic Resources	15,515	21,624	19,003	19,202	4,548
Leisure Trust	4,654	885	377	408	0
Total Capital Expenditure	**108,806**	**74,299**	**79,915**	**48,350**	**27,454**
Financed by:					
Grants	41,597	12,005	10,558	15,922	4,313
S106 and Contributions	3,810	1,340	1,340	1,305	55
Capital Receipts	18,277	10,717	3,215	5,346	0
Right To Buy Receipts	757	0	0	0	0
Capital Financing Requirement (Borrowing)	44,365	50,237	64,802	25,777	23,086
Total Capital Financing	**108,806**	**74,299**	**79,915**	**48,350**	**27,454**

1.9.3 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). Hence some capital schemes will only be initiated if resources are actually achieved.

1.9.4 Capital schemes will not progress until the following requirements have been satisfied:

- External funding secured where supporting a scheme.
- A full business case has been approved through the Councils project gateway process.

1.9.5 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 Charted Institute of Public Finance and Accountancy's Prudential Code.

1.9.6 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.

1.9.7 The Council intends to use flexibility available in the latest guidance to adopt a new approach to its Minimum Revenue Provision (MRP).

1.10 ASSET MANAGEMENT PLAN

1.10.1 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 excessive liabilities
- A portfolio that is not suited to Council needs

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

- The options appraisal and delivery of nearly £38m of Capital Receipts over the next five years in a depressed market
- Using property to support the Growth Agenda
- Minimising the impact of property assets on the environment

MTFP – LOCAL GOVERNMENT PENSION SCHEME

The pension fund valuation for the three years from 2011/12 to 2013/14 will be announced shortly. Recent Government proposals, along with comments from the actuary mean we need to revisit our MTFP assumptions

MTFS assumptions (November Cabinet)

The current MTFP included the following assumptions for the LGPS, based on advice from the actuary to Pensions Committee in late 2009:

	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
employer contribution rate	17.6%	19.1%	20.6%	22.1%	23.6%	25.1%
increase in rate		1.5%	1.5%	1.5%	1.5%	1.5%
total staff costs (£m)		80	80	80	80	80
annual impact of increase (£m)		1.2	1.2	1.2	1.2	1.2
Total cumulative cost in MTFP (£m)		1.2	2.4	3.6	4.8	6.0

Changes to local government pension scheme

The coalition government have suggested a number of changes to the scheme. Many are not yet confirmed – they have been flagged in the interim report from John Hutton on 7th October. All measures would tend to reduce the pressure on employer contributions:

- Link benefit increases to CPI rather than RPI (confirmed)
- Increased employee contributions (suggested)
- Increased retirement age (suggested)
- Shift from final to average salary scheme (suggested)

Impact on actuarial valuation of Cambs LGPS

Whilst the Actuary cannot take these suggested items into account in the current valuation, it is suggested that it may not be sensible to implement the sort of increases outlined above in light of this and that contribution rates could be left at current levels for those employers with strong covenants for the next three years, until the next valuation. This approach is being adopted by other councils in the fund.

Revised MTFP assumptions

Revising our MTFP assumptions in line with this would deliver savings as follows:

	2011/12	2012/13	2013/14	2014/15	2015/16
revised proposal - rate	17.6%	17.6%	17.6%	19.1%	20.6%
revised proposal - rate increase	0.00%	0.00%	0.00%	1.50%	1.50%
annual impact of increase (£m)	0.0	0.0	0.0	1.0	1.0
Total cumulative cost in MTFP (£m)	0.0	0.0	0.0	1.0	2.0
saving compared to MTFP - annual	1.2	1.2	1.2	0.2	0.2
saving compared to MTFP - cumulative	1.2	2.4	3.6	3.8	4.0

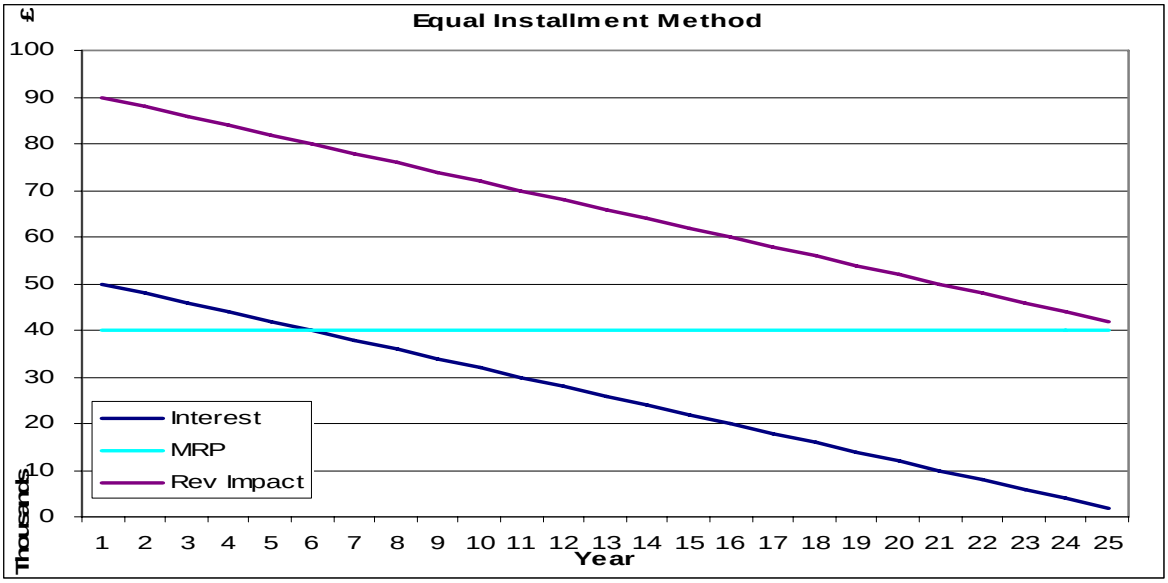
MTFP – MINIMUM REVENUE PROVISION (MRP)

The Council is able to borrow to fund its capital programme. The costs of this borrowing hit the revenue budget as follows:

- Interest on the loan
- Amounts set aside for repayment – known as minimum revenue provision (MRP)

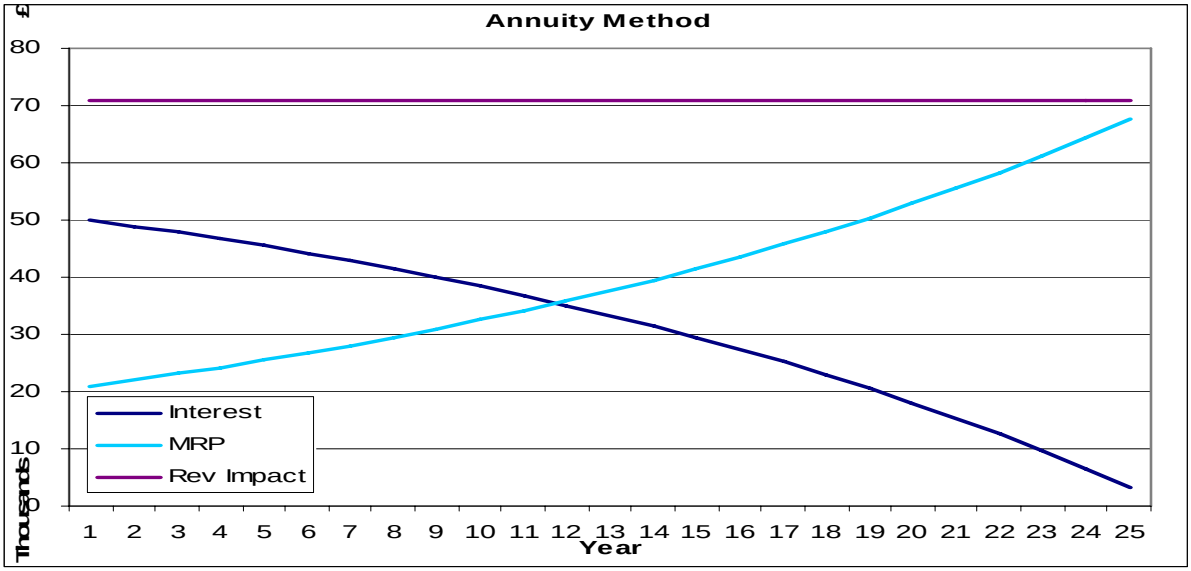
Current MRP approach

How councils should approach this is defined by regulation. Currently councils can set aside an equal sum each year for repayment. This means interest payments are lower later on – but that total revenue payments are higher earlier in the life of the asset:



Alternative MRP approach

The guidance has been updated in recent years to allow alternative approaches. This allows councils to equalise revenue costs over the life of the asset, by paying MRP on an 'annuity' basis – effectively setting aside less in the early years of the asset.



Impact on budget of the alternative MRP approach

Following this alternative approach, by repaying less in early years, does mean that total interest payments over the life of the asset will be higher. As these interest payments will be in later years, the key issue is whether the current value of these costs is higher than the current approach.

If we implemented the alternative approach for the capital spend currently outlined in the MTFP, this would deliver savings outlined below, but additional costs in later years as indicated overleaf in the early years.

Year	£m
2010-11	0.310
2011-12	1.008
2012-13	1.809
2013-14	2.818
2014-15	3.067
2015-16	3.123

In summary the position would be as follows:

	£m
Total capital spend over 6 years	220
Total Net Present value of costs for current MRP method	274
Total Net Present value of costs for alternative MRP method	287

On this basis the alternative method generates savings in the early years, but the later years outweigh this. The Council needs to consider how to offset this issue to gain the resultant benefit. This could be achieved by considering using capital receipts from asset sales

Asset sale issue

The Council could consider using asset sales to repay some debt to offset this issue – hence getting the earlier benefit, but reducing interest payments in later years.

The exact level needed depend on when we took the capital receipts. For example, if we were able to generate £10.4m 8 years from now, that would mean the total costs were equal over the life of the projects. Full options on how to gain the optimum benefit will be considered.

Total profile of revenue impact of alternative method compared to current method (Does not include option of using capital receipt of £10.4m in year 8)

Year	£m
1	-0.310
2	-1.008
3	-1.809
4	-2.818
5	-3.067
6	-3.123
7	-2.704
8	-2.285
9	-1.865
10	-1.448
11	-1.049
12	-0.639
13	-0.231
14	0.175
15	0.578
16	0.978
17	1.375
18	1.769
19	2.160
20	2.547
21	2.928
22	3.301
23	3.668
24	4.027
25	4.387
26	4.527
27	4.366
28	4.053
29	3.490
30	3.321
31	3.183
32	3.271
33	3.332
34	3.348
35	3.433
36	3.271
37	2.804
38	2.169
39	1.257
40	0.838
41	0.500
42	0.487
43	0.466
44	0.431

45	0.421
46	0.416
47	0.427
48	0.439
49	0.450
50	0.461
51	0.434
52	0.356
53	0.255
54	0.116
55	0.051
55	0.000
	57.911

2. Key Figures

	2011/12	2012/13	2013/14	2014/15	2015/16
	£k	£k	£k	£k	£k
Funding					
Dedicated Schools Grant	140,292	140,292	140,292	140,292	140,292
Formula Grant	78,680	72,550	71,930	68,463	68,463
Other Council Grants	19,340	18,959	17,445	17,158	17,158
Benefit Grants	71,766	71,766	71,766	71,766	71,766
Parish Precepts	397	397	397	397	397
Council Tax Base	60,697	61,328	63,490	65,727	68,044
Council Tax Increase	0	1,533	1,587	1,643	1,701
Council Tax Growth	631	629	650	674	698
Collection Fund Surplus	0	0	0	0	0
Total Funding	371,803	367,454	367,557	366,120	368,519
Gross Departmental Control Totals	391,207	397,614	401,681	407,682	410,543
Less: Savings 2011/12					
Service Reduction	-8,707	-10,120	-9,947	-10,182	-10,190
Joint Venture / Outsource Proposals	-2,354	-5,307	-6,110	-6,304	-6,304
Terms and Conditions	-3,961	-5,769	-7,731	-8,787	-9,012
Council Tax Freeze (Grant)	-1,533	-1,533	-1,533	-1,533	0
New Homes Incentive grant	-1,278	-1,493	-1,681	-1,681	-1,681
Un ring fencing grants	-2,385	-3,000	-3,615	-3,615	-3,615
Efficiencies	-7,846	-11,482	-12,741	-10,776	-10,617
Sub Total	-28,064	-38,704	-43,358	-42,878	-41,419
Capacity Bids 2011/12					
Investment in Services	2,868	5,880	9,264	12,052	14,221
Cost of Change	2,875	941	941	941	941
Sub Total	5,743	6,821	10,205	12,993	15,162
Total Expenditure	368,886	365,731	368,528	377,797	384,286
Budget Surplus/Deficit(-)	**2,918**	**1,723**	**-971**	**-11,677**	**-15,767**
Balance carried forward		2,918	4,641	3,670	
Balance to carry forward	-2,918	-4,641	-3,670		
Budget Surplus / Deficit (-)	**0**	**0**	**0**	**-8,006**	**-15,767**

Analysis of Grants

	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k	Comments
Dedicated Schools Grant	**140,292**	**140,292**	**119,390**	**119,390**	**119,390**	Provisional estimate
Formula Grant	**78,680**	**72,550**	**71,930**	**68,463**	**68,463**	Final settlement announced 2011/12 and 2012/13 and all other years assume grant reduction in line with Spending Review. Subject to change in 2013/14

Other Council Grants						
NHS funding	2,068	1,993	1,993	1,993	1,993	Final settlement announced NHS funding as part of council 'spending power'
Early Intervention Grant	9,854	10,035	10,035	10,035	10,035	Per Final settlement
Stronger Safer Communities	229	116	0	0	0	Announced
Learning Disability and Health Reform Grant	678	694	0	0	0	Announced
Lead Local Flood Authorities	119	149	0	0	0	Announced
Housing Benefit and Council Tax Benefit Administration	1,853	1,713	1,610	1,524	1,524	2011/12 allocation is announced
Preventing Homelessness	211	211	0	0	0	Announced
Private Finance Initiative Fund PFI	4,329	4,048	3,807	3,606	3,606	Provisional estimate
Total Other Council Grants	**19,340**	**18,959**	**17,445**	**17,158**	**17,158**	

Final settlement - 2011/12 allocations confirmed, 2012/13 allocations are provisional

2a – Capacity Bids

Capacity Bid - Investment in Services

Department	Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Adult Social Care	Learning Disability - growth in numbers (non-transition).	632	1,325	2,091	2,857	3,622
Adult Social Care	Older People (including older people's mental health services) - growth in numbers.	189	389	601	814	1,026
Adult Social Care	Learning Disability - transition cases from Children's Services	205	486	640	794	948
Adult Social Care	Physical Disability - growth in numbers (includes no residential increases).	99	208	328	449	569
Adult Social Care	Mental Health - growth in referrals and increases in statutory work. All growth has been contained within budgets for last 3/4 years.	50	75	100	125	150
Chief Executive (PDP / Growth)	Supporting growth on key sites (e.g. Fletton Quays, Northminster, City South, Station Quarter)	450	0	0	0	0
Children Services	Adoption and Fostering	209	0	0	0	0
Children Services	Looked after children	250	250	250	250	250
Children Services	Cost of Care - unborn children	360	360	0	0	0
Corporate	Commercial property rental income	0	0	0	0	450
Corporate	Impact of Carbon Reduction Commitment following the announcement within the government Spending Review 2010	95	95	127	127	127
Strategic Resources	Reduction in Primary Care Trust income	0	0	300	300	300
Operations	Traffic light maintenance	20	20	20	20	20

Department	Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Operations	Investment required as a result of the Flood and Water Act (2010)	95	98	101	104	107
Strategic Resources	Cost of rolled forward capital programme (a saving in year 1)	-428	451	685	967	1,944
Strategic Resources	Costs of new capital projects and funding arrangements	304	1,432	2,867	3,736	3,063
Strategic Resources	Costs of 1% borrowing premium introduced by government	203	556	1,019	1,374	1,510
Strategic Resources	Coalition decision - Impact of policy decision to increase Insurance Premium Tax	15	15	15	15	15
Strategic Resources	Grants Team	120	120	120	120	120
		2,868	**5,880**	**9,264**	**12,052**	**14,221**

Capacity Bid - Cost of Change

Department	Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Corporate	Costs of Change	**2,875**	**941**	**941**	**941**	**941**

2b – Savings

Service Reductions

Department	Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Adult Social Care	Savings achieved by investment in re-enablement service	1,000	1,000	1,000	1,000	1,000
Adult Social Care	Reducing the cost of adult social care packages	1,000	1,000	1,000	1,000	1,000
Adult Social Care	Management cost reduction through partnership (NHS Peterborough)	250	250	250	250	250
Adult Social Care	Increase charges within community care services	70	75	80	80	80
Adult Social Care	Review Day Centres through delivery of more personalised services	100	100	100	100	100
Children Services	Commissioning Services	350	350	350	350	350
Children Services	Restructuring of the 8 - 19 service	400	400	400	400	400
Children Services	Review of funding / success for Multi Systemic Therapy programme	0	130	130	130	130
Children Services	Impact of Common Assessment Framework (CAF)	25	50	50	50	50
Children Services	Review and streamline of delivery of Safeguarding function	25	25	25	25	25
Children Services	Review Complaints Services in Social Care	50	50	50	50	50
Children Services	Transforming Children's Services Phase 2 - delivering around Children's Centres / Schools	50	200	200	200	200
Children Services	Safe Walking Routes	34	34	34	34	34
Children Services	Limit post 16 transport to a 30 mile radius from home	3	3	3	3	3

Department	Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Children Services	Review of bus services to secondary schools	120	120	120	120	120
Children Services	Removal of remaining denominational transport	187	187	187	187	187
Children Services	Reduction in costs of external social care placements	0	0	250	250	250
Children Services	Review of play and preventative services	80	300	300	300	300
Children Services	PFI contract review	0	50	50	50	50
Children Services	Training and Development Centre	75	75	0	0	0
Children Services	Use of former Hereward College for Governor Services	96	96	96	96	96
Children Services	Development of 'Services for Schools'	210	250	250	250	250
Children Services	Reduction in Services funded through the area based grant	736	736	736	736	736
Children Services	Review of council children's home provision	200	200	200	200	200
City Services	Reduced Opening Hours of 2 manned public conveniences	10	10	10	10	10
City Services	Wheelie bins fee increase	18	26	34	43	51
City Services	Allotment fee income	23	24	25	26	27
City Services	Recreation income	5	5	5	5	5
Operations	Reduction of in year funding (Cohesion and violent extremism funding)	114	114	114	114	114

Department	Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Operations	Developing and restructuring neighbourhood services	196	196	196	196	196
Operations	Supporting people funding	1,404	1,404	1,404	1,404	1,404
Operations	Changing the way housing services are delivered in the city	603	603	603	603	603
Operations	Revenue saving from not implementing Wi-Fi in city centre	113	113	120	120	120
Operations	Reduction in Community Association Grant	30	30	30	30	30
Operations	Handover of Gladstone Park Community Centre	46	62	69	67	66
Operations	Reduction in Safety Camera Partnership Funding	80	80	80	80	80
Operations	Increased revenue from parking department	161	161	161	161	161
Strategic Resources	Remove budget for food waste collection	423	1,151	775	1,002	1,002
Strategic Resources	Customer Services	50	50	50	50	50
Strategic Resources	Reduce award of discretionary rate relief - figures include aiming for 25%	47	47	47	47	47
Strategic Resources	Reduce speed of processing benefit claims - from 13 to 18 days	100	100	100	100	100
Strategic Resources	Reduce Parish Council payments	0	40	40	40	40
Vivacity PLC	Saving on library costs	223	223	223	223	223
		8,707	**10,120**	**9,947**	**10,182**	**10,190**

Joint Venture / Outsource Proposals

Department	Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Children Services	Review of delivery options for Children's Services	0	2,500	2,500	2,500	2,500
City Services	City Services	1,854	2,307	3,110	3,304	3,304
Strategic Resources	Outsource Manor Drive	500	500	500	500	500
		2,354	**5,307**	**6,110**	**6,304**	**6,304**

Efficiencies

Department	Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Chief Executive (PDP / Growth)	Reduce financial cost of support to Eco-Innovation centre	50	75	100	100	100
Chief Executive (PDP / Growth)	Further savings in cost of Peterborough Delivery Partnership	22	40	100	100	100
Chief Executive (PDP / Growth)	Reduction in revenue costs of Peterborough Delivery Partnership in line with funding constraints in MTFP from 2010/11	200	200	200	200	200
Chief Executive (Support Services)	Reduce funding to meet proposals in Communications	416	416	416	416	416
Chief Executive (Support Services)	Reduction in costs of GPP in line with reduction in Comprehensive Area Assessment work	50	50	50	50	50
Chief Executive (Support Services)	Delete Deputy Chief Executive post and office support	200	200	200	200	200
Chief Executive (Support Services)	Reduce Chief Executive office support	30	30	30	30	30

Department	Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Children Services	Deletion of vacant roles, back office rationalisation	770	820	820	820	820
Children Services	Transport single contract	0	0	250	250	250
Corporate	Energy and carbon tax savings	94	95	136	148	148
Children Services	Clare Lodge	150	150	150	150	150
City Services	Fee income	20	20	25	30	30
Legal and Democratic Services	Reduction in vacant posts in legal services	150	150	150	150	150
Legal and Democratic Services	Reduction in training budget	10	10	10	10	10
Legal and Democratic Services	Regrading to align other posts	25	25	25	25	25
Legal and Democratic Services	Reduction in subscriptions	24	29	30	35	35
Legal and Democratic Services	Democratic Services	100	100	100	100	100
Operations	New approach to Tourism	37	37	37	37	37
Operations	Street lighting energy savings	0	211	211	211	211
Operations	Reduce events costs by 2015	31	67	103	139	175
Operations	Efficiency savings from Voluntary Sector Funding	50	100	100	100	100
Operations	New partnership domestic advocacy service	59	59	59	59	59

Department	Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Operations	Combine the city council and police community safety teams	50	50	50	50	50
Operations	Staggered reduction in funding for the Women's Enterprise Centre over five years	273	300	350	400	424
Operations	Creation of new head of planning, transport and engineering to replace two previous senior manager posts.	80	80	80	80	80
Operations	Reduction in support for Peterborough Environment City Trust (PECT)	40	80	114	114	114
Strategic Resources	Customer Services: Training Officer post	30	30	30	30	30
Strategic Resources	Estimated government allocation to meet costs of change	500	0	0	0	0
Strategic Resources	Resultant revenue budget saving following a review of the current capital programme	1,110	3,884	3,574	1,205	885
Strategic Resources	External Audit Fees	40	60	60	60	60
Strategic Resources	Finance Savings	100	100	100	100	100
Strategic Resources	Savings following capital investment in culture and leisure assets	35	53	62	62	62
Strategic Resources	Proposed change to the Council's treasury strategy and debt management and resultant saving within revenue budgets	1,007	1,809	2,818	3,067	3,123
Strategic Resources	Reduction in business support and departmental overheads	150	150	150	150	150
Strategic Resources	Business Transformation savings	1,918	1,977	2,026	2,073	2,118
Strategic Resources	Client management	25	25	25	25	25
		7,846	**11,482**	**12,741**	**10,776**	**10,617**

Terms and Conditions

Department	Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Corporate	Terms and conditions	1,820	1,674	1,701	1,790	1,820
Corporate	Moratorium on employer contribution to the pension scheme	1,200	2,400	3,600	3,795	3,990
Corporate	Updated estimate for pay award	935	1,689	2,424	3,196	3,196
Chief Executive (Support Services)	Members Allowances - Charging for car parking	6	6	6	6	6
		3,961	**5,769**	**7,731**	**8,787**	**9,012**

New Homes Incentive

Department	Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Corporate	New Home Incentive - coalition government proposal - Indicative figures	1,278	1,493	1,681	1,681	1,681
		1,278	**1,493**	**1,681**	**1,681**	**1,681**

Un ring fencing grants

Department	Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Corporate	Reduce expenditure in areas funded by previously ring fenced grant by up to 30%	2,385	3,000	3,615	3,615	3,615
		2,385	**3,000**	**3,615**	**3,615**	**3,615**

Council tax freeze (grant)

Department	Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Corporate	Assumed central government funding for council tax freeze in 2011/12	1,533	1,533	1,533	1,533	0
		1,533	**1,533**	**1,533**	**1,533**	**0**
		28,064	**38,704**	**43,358**	**42,878**	**41,419**

3. Cabinet Budget Proposals and updates since November

3a – Budget Proposals

Medium-Term Financial Plan Proposals Document from Cabinet

November 2010

Medium-Term Financial Plan Proposals Document from Cabinet November 2010

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Medium-Term Financial Plan Proposals Document from Cabinet November 2010

1. INTRODUCTION

This is a comprehensive document setting out, as far as is possible, the Cabinet's proposals to meet a challenging Spending Review announcement by Government. The council will not know the total impact of all the Government's announcements until the Local Government Finance Settlement in December. However, rather than wait for these announcements, the Cabinet has put together it's proposals to meet the budget challenge a month earlier than it usually would. By doing this, the Cabinet wants to give all our residents, partner organisations, businesses and other interested parties the chance to read and digest 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.

The Cabinet wants to be open, transparent and inclusive and give people a chance to put forward their suggestions and ideas.

2. CONTEXT AND OVERVIEW

In the early days of the new coalition Government, the Prime Minister and the Chancellor of the Exchequer signalled the need to deal robustly with the nation's financial deficit. The first announcement in May 2010 reduced local government funding in this financial year (2010/11) by £1.2bn to contribute to addressing the deficit. For this council it meant a loss of £2.4m of revenue grant and £2.3m of capital grant as shown in the table below. A loss of nearly £5m of capital and revenue has to be addressed by the proposals in this paper as they are in the current financial year.

	Loss of Grant – Revenue (£m)	**Loss of Grant – Capital (£m)**
Area Based Grant	1.8	
Housing Planning and Delivery Grant	0.5	
Local Area Business Growth Incentive	0.1	
Transport		1.2
Children Services		1.1
TOTAL	**2.4**	**2.3**

The next announcement concerned the Building Schools for the Future programme. The council had been promised a contribution of £66m for three schools, Ormiston Bushfield Academy, Stanground College and Orton Longueville School. Whilst the Government has continued the funding for Ormiston Bushfield Academy, it halted the spending for Orton Longueville and Stanground College. It is still not clear what capital funding may be available for these two schools.

An emergency budget was announced in June 2010 by the Chancellor and the key feature of the announcement was that Government departments should prepare themselves for a 25% real term reduction in grants over the next four years. These departments in-turn provide the majority of funding to local government. Information from Government suggested that departments were told to model the impact of 40% grant reductions to contribute to reducing the deficit. Therefore, it became clear that the public sector, including this council, will face significant reductions in future years. Following the Spending Review announcement on 20 October 2010 the council is now clearer as to the financial challenge it needs to address over the next five years which is set out at the end of section 3.

Since 2005, the council has continually improved the way that it manages its finances and has been working hard to continue to identify ways to make all services more efficient and effective and provide greater value for money to our communities. This work has received national recognition from external auditors and the Audit Commission. We have also won awards for the quality of our services including the LGC Finance Award 2010 for our efficiency programme and the Customer Service Excellence Award for our customer services delivered through Peterborough Direct.

Council tax rises over the past four years of 1.4%, 1.4%, 2.5% and 2.5% have been below inflation. Our strategy has maintained future increases at no more than 2.5%.

Our strong financial management places the council in a strong position to deal with the national challenges. Cabinet has been working on a range of options during 2010 to meet the challenges set out above. This has involved detailed meetings to interrogate and discuss every line of expenditure in the council's budget. In addition, they paid particular regard to core expenditure which keeps the "business" going and statutory/discretionary spend. As a result, the Cabinet has prepared a range of proposals to be considered at its meeting on the 8 November 2010, over a month earlier than proposals are normally put forward. This will enable our residents, partner organisations, businesses and other stakeholders to understand the proposals and suggest any better ideas or identify any areas the Cabinet has missed. This is a genuine invitation by the Cabinet for people who live, work and spend time in Peterborough to take part in a constructive debate on how we respond to the scale of reductions we face as well as identifying those areas we should continue to invest in the future.

3. OUR PRIORITIES AND APPROACH

The Cabinet has been working on these proposals since June 2010. It has based its work on the following principles, actions and priorities:-

- Continuing to reduce costs and bureaucracy by robustly pursuing its efficiency agenda through the business transformation programme and other council departments.

- Further reducing its dependence on consultancy where it is appropriate to do so and upskilling its own workforce.

- Considering other ways of delivering the best services to our residents that place less of a financial burden on the tax payer including working with voluntary organisations and businesses to secure value for money and improvements in performance.

- Reducing the number of people employed by the organisation and reducing senior management costs.

- Reviewing all the buildings the council owns and uses and ensuring they are being used as efficiently and effectively as possible and any that are no longer needed are disposed of.

- Continuing to secure savings by ensuring services provide the best value for money for our residents.

- Only making reductions in services where there is still not enough money available to deliver them when other savings have been accounted for.

The proposals put forward in this paper maintain our commitment to:-

- Improving educational attainment and skills for our children and young people. A key part of this vision is bringing established universities to deliver courses to students in Peterborough in a multi-versity approach. It will enable people to study a wider choice of higher education courses without having to leave the city.

- Safeguarding children and vulnerable adults.

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

- Environment Capital agenda including pursuing new income streams from solar energy and wind farm developments.

- Delivering services at a neighbourhood level.

- Supporting Peterborough's Culture Trust, Vivacity, to continue to deliver arts and culture in the city.

Our finance team has carefully analysed the Spending Review announcements and below is a summary of the financial challenges the council has to address and how the proposals meet those challenges.

As previously stated, the Government announced its financial spending plans for the next 4 years on the 20 October 2010. As a result, councils will receive an overall reduction in Government funding of 28.4% over 4 years. It was established that the cuts would be front-ended which means the council would face greater reductions the first year and therefore we expect to see a reduction of over 10% in that first year.

The Government announced increased flexibility on how much we can spend on previously ring-fenced grants of some £14m per annum, as set out in section 4(g) on page 9. The Government also announced a grant to be paid to prudent councils who keep their budget proposals at a level where they do not need to increase tax by more than 2.5% next year. If councils achieve this then residents will have no increase in their council tax. Other announcements in the Spending Review include:-

- A carbon tax to be paid on the council's power consumption costs – estimated cost £500k per annum.
- A surcharge on the cost of borrowing by the council – this extra 1% cost will be £200k next year and the amount will increase to about £1.5m in 5 years time.
- Extra money for Adult Social Care - £2bn available nationally.
- A new council tax benefit scheme in 2 years' time which councils can design for themselves locally – it is anticipated that 10% less money will be available for this.

Education received a "good" settlement relative to other services – although we still await further details on what this will mean for Peterborough.

Whilst capital funding is generally likely to be cut, for example on transport schemes, it would appear there is a good chance that the two Building Schools for the Future schemes for Stanground College and Orton Longueville School may receive funding. However, the level of funding and the timescale on which it may be available remains uncertain.

The Government is committed to rewarding councils that build homes in their area. As a result they have introduced a new grant that will pay councils a sum of money equivalent to the council tax applicable to that size of property on each new home completed. The actual details of the scheme will not be published for consultation until later in November. The

amount forecast for next year is based on the actual new homes completed in the last 12 months. The Spending Review has made £190m available nationally for this next year. In future years the amount payable will be taken from the overall national pot before each council's overall Government funding is calculated. Whilst we believe that the council may gain from the new arrangements it would be unwise to rely on any income from 2012/13 onwards.

All of the figures and estimations we have made on this page, and in the following table, are based upon the most recent available information at the time this document was published. The actual figures for our grant settlement will not be known until the Government announces the Local Government Finance Settlement in December 2011.

Below is a table which details the financial gap the council faces from the reductions in funding announcements made by the Government in the Spending Review. The proposals in section 4 set out efficiency and other savings before any service reductions are proposed. The proposals also set out new investments to be made in services and facilities. The table below is a high-level summary of all of the proposals set out in this document and the council's predicted overall financial position for the next 5 years and therefore it is important that the document is read as a whole, so that the table can be fully understood.

	2011/12	**2012/13**	**2013/14**	**2014/15**	**2015/16**
	£k	**£k**	**£k**	**£k**	**£k**
Budget deficit after grant reductions	**-16,752**	**-26,582**	**-30,311**	**-38,485**	**-38,950**
Efficiencies	6,649	9,579	9,721	7,436	7,171
Costs of change	-2,875	-941	-941	-941	-941
joint venture/outsourcing proposals	1,400	3,900	3,900	3,900	3,900
Terms and Conditions	2,660	3,514	4,349	5,121	5,121
New Homes Incentive grant	1,182	0	0	0	0
Council Tax Freeze (Grant)	1,517	1,517	1,517	1,517	0
Un ring fencing grants	4,209	4,209	4,209	4,209	4,209
Budget position after savings listed above	**-2,010**	**-4,804**	**-7,556**	**-17,243**	**-19,490**
Service Reductions	8,780	10,187	10,005	10,230	10,229
Budget surplus (+) / deficit (-) after all saving proposals	**6,770**	**5,383**	**2,449**	**-7,013**	**-9,261**
Investments in services	-3,423	-6,128	-8,863	-11,495	-14,581
Overall budget position - surplus (+) / Deficit (-)	**3,347**	**-745**	**-6,414**	**-18,508**	**-23,842**

The table above indicates that our plans deliver a surplus in 2011-12, but that we still have deficits to tackle in future years. The surplus that we intend to deliver next year will help support our position in future years as follows:

	£k
Surplus 2011-12	3,347
Deficit 2012-13	-745
Balance to support 2013-14	**2,602**
Deficit 2013-14	-6,414
Less Surplus 2011-12 and 2012-13	2,602
Gap to close 2013-14	**-3,812**

This approach means that the Council will deliver a financially sustainable budget for the next two years, and made significant progress in delivering a balanced budget in 2013-14.

4. THE PROPOSALS

These proposals demonstrate the Cabinet's commitment to the principles, actions and priorities set out in section 2 which are to protect, as far as possible, front-line services and its vision for the city through reduced bureaucracy, reduced cost and improve efficiency to ensure value for money.

(a) Reducing Consultancy Costs

Like many councils across the country, the cost of consultancy has attracted considerable attention. Members of our sustainable growth scrutiny committee are currently reviewing the council's use of consultants. Consultants are generally used where a specific expertise is needed on a project or piece of work for a short period of time and for which it would not be appropriate to employ a member of staff. Consultants are also used as interim managers to plug gaps in critical posts until a recruitment exercise is completed.

Since the business transformation programme was launched in October 2006, we have bought in the expertise of a professional services partnership to provide the council with a resource to manage its efficiency drive. The use of this consultant resource is very carefully managed through an IT system which enables the council to tap into the expertise it needs rapidly and monitor this work to ensure this expertise is being used effectively.

The council has also sought to use the expertise of consultants to pass on their skills to the organisation as a whole. Consultancy roles have reduced significantly over the past two years and internal roles have been created instead. The following projects are now led by employees of the council:-

- The transformation and improvement of our customer services.
- Front to back office integration.
- Central funding unit which looks to attract additional external funding for the council.
- Our project management and business analysts are all council employees after the transfer of expertise from former consultants.
- The council's Manor Drive business support which has helped reduce the council's reliance on employment agencies through running it's own mini employment agency that recruits staff to work across the council in administrative roles as and when they are needed.

The council has very carefully monitored the return on its investment in consultancy services. The overall return on investment on consultancy spend has continued to increase with savings doubling in the last financial year.

Specific examples of savings achieved by reducing consultancy spend are:

- We no longer pay consultants to examine and improve the way we run our day-to-day business and have instead created internal business process improvement posts saving £95,500.
- We no longer have consultants overseeing how we buy in goods and services for the council saving £161,650.
- We have reduced the amount we pay the consultants we do employ – we have generally reduced day rates by between 5% and 10% saving £119,451.

The Cabinet is looking forward to receiving the outcome of the scrutiny review to further improve its use and monitoring of consultants.

(b) **Reducing Senior Management Costs**

Since the Chief Executive's management review 18 months ago and over the period from then until now, we have reduced spending on chief officer, head of service and other management roles, to streamline the organisation. Proposals in this paper will continue that work. Further work will also look at this band of managers generally, and in particular how many people report to a manager or senior manager. The savings identified will reduce costs by over £1.3m. This does not include the partnership arrangements outlined in section (c) below, that will see further reductions in management and cost.

(c) **Joint Partnership/Outsourcing Proposals**

(i) City Services

In January 2008, Councillor Peach, the then Leader of the council, made a decision which effectively asked the Chief Executive to explore opportunities for a private sector partner to manage the services within Peterborough City Services. In October 2009, the Cabinet made a further decision to include within the procurement process for waste management, the procurement of a private sector partner to run Peterborough City Services. The services within this remit are:-

- Refuse and recycling.
- Street cleansing.
- Parks, trees and open spaces.
- Property design and maintenance.
- Passenger/school transport.
- Catering.
- Travellers site management.
- Fleet management.
- Courier service.

The aim for the procurement was to provide an opportunity for Peterborough City Services to grow whilst still offering value for money to the council and to free those services from the constraints of the council. The procurement process is at its final stages and has produced a strong field of bidders which are looking to deliver innovation as well as savings to the council. It is expected to be able to finalise the procurement process in late Autumn of this year and place the contract for the provision of these services in early 2011. Financial projections show that the council can expect to make savings of £1m for this procurement process and these savings have been projected into the Medium-Term Financial Plan.

(ii) Manor Drive

Manor Drive was established by the Executive Director of Strategic Resources to create a commercially-focused organisation to deliver the back office functions including administrative roles within his department. In 2009/10 this project saved the council £2m on the original cost of providing these services. The aim was to create an organisation that provides quality services that could compete with those in the private sector and sell these services to other councils to generate income for the organisation.

We are now considering which other back office functions should be delivered under a similar commercial model including the business support functions for the Operations and Children's Services Departments

Peterborough and the Manor Drive brand is already building a strong reputation nationally and as a result:

- We have received external accreditation through awards such as the Government award for procurement.
- We have been asked to speak at seminars and conferences.
- We have been able to sell our services to other organisations after appearing at major exhibitions and conferences.
- We have generated income for the council by selling the services of interim managers to other councils.
- We have sold our expertise to other councils on how to improve their buying and selling processes and efficiency work.
- We have developed an ICT system with the private sector leading to rebate income from further sales.
- We have helped build the city's reputation by hosting visits from 60 other organisations to explain the 'Peterborough' way.
- The successes of Manor Drive has featured in national publications spreading the word about the innovation going on within this council.

We are committed to continuing and building upon Manor Drive's success. To do this we recognise we now need to look further afield than our current market place and seek a private sector provider to further develop Manor Drive and most importantly reduce council costs and generate further income for the council to pay for vital services.

Peterborough and Manor Drive are ideally placed to attract major interest from the private sector as a result of:

- The commercial nature of our operations.
- Our excellent transport links.
- The strategic nature of our location on the edge of the major English regions.
- The accommodation and natural shared service centre environment.
- Quality ICT infrastructure through our contract with SERCO.
- Skills and products that we have developed that would add value to a private sector supplier.

We have already achieved a great deal and many other councils now visit Peterborough to see how we have re-organised our back office services to reduce the unit cost of processing individual transactions such as council tax payments and benefit claims.

However scale is important in this service area, in general terms the more transactions that are processed the lower the unit value can be achieved and so we are looking for a private sector partner to invest in Peterborough and to make the area a centre for transactional and process management – a service which our geography and wider economic profile suits.

The savings to be made in attracting private sector interest are set out in Appendix 5.

The services in scope of the Manor Drive proposals are as follows:-

- Business support
  (legal, HR admin, children's services, operations and strategic resources)
- Business transformation
- Customer services including Beadles
- Financial systems
- Transactional HR
- Parking back office
- Procurement operations
- Strategic improvement
- Transactional services

(iii) New delivery options for Children's Services

A review is currently underway to look at options for operating Children's Services as an arms-length management organisation, the details of which are set out in Appendix 1.

(d) **Property Rationalisation**

The council owns a number of properties from which it runs its services. The council continually reviews its properties which sometimes leads to property being sold or acquired where the council can gain uplift in property values by owning a property.

As part of the budget-making process, we have evaluated all the building we use and own, to reduce the number of buildings our own staff utilise and council costs. At present, the council is moving many of its services into our main offices at Bayard Place and Manor Drive.

We are also investigating how we can make money from our buildings and make better use of them by letting out space, making green investment in areas such as solar panels, combined heating and power plants and other energy saving measures.

The Medium-Term Financial Plan aims to save £631,000 through this project.

The council also utilises the proceeds from property sales to support its capital investment. This enables the council to reduce its level of borrowing, and the costs associated with this. This year, and over the duration of the Medium-Term Financial Plan, the council is aiming to earn £36m from sales of surplus assets. This will reduce costs by £2.5m by the end of the MTFP period.

(e) **Efficiency Savings**

The council's business transformation team together with service departments have delivered year-on-year annual cashable savings. In summary, savings and investment are set out below:-

2007/08 - The savings achieved in this year were £3.5m against an invest to save budget of £1.6m, giving a return on investment of £2 to every pound spent recurring.

2008/09 - The savings achieved in 2008/09 were £3.68m against an invest to save budget of £3.4m, giving a return on investment of £1 to every pound spent recurring.

2009/10 - The savings achieved in this year were £6.2m against an invest to save budget of £2.4m, giving a return on investment of £2.50 for every pound spent recurring.

2010/11 - The saving targets was £12.4m against an invest to save budget of £2.6m, giving a return on investment of £4.70 to every pound spent recurring.

The projects for the pipeline in the future include:

- Greenshoots – this is a programme of work with other agencies, public, private and not-for-profit organisations to combine common services, deliver efficiency savings and provide more simple, accessible, front-line services. So for example it is hoped that we can unite assessment processes into a single model which will prevent people being seen by two or three different professionals who provide a range of health, social care or other public services.

- The council also continued to deliver its very successful commercial and procurement programme. Supply and negotiation for the future has identified a spend of £26m for the remainder of the financial year which can be addressed through negotiation with potential savings of up to £1.2m. For example, this year has seen a complete review of purchasing services within children services with a saving of 5% having already been delivered.

(f) Fees and Charges

We have outlined some of the larger and more sensitive increases in fees and charges later in this document in the appendices, under the individual service areas.

These include charges for car parking, new charges to replace wheelie bins and the introduction of charges for new bins for new houses, charges for bereavement and registration services, allotment charges, charges for adult social care services and charges for those recreation services that have not transferred to Peterborough's culture and leisure trust, Vivacity, such as bowling and putting greens. Other changes to fees and charges will be outlined in detailed proposals in the December Cabinet papers

(g) Unring-fenced Grants

In the past, Government gave pots of money to councils for spending on services specified by the Government. These pots of money were ring-fenced and could only be spent on the specific purpose for which they were given.

In the Spending Review, the Government announced it's intention to "unring-fence" some of these pots of money, enabling councils to spend them on their local priorities.

For this council, we estimate this approximately affects £14m of our funding in what would have been more than 30 specific pots of money. We believe an example of a grant that may no longer be ring-fenced would be the £65k we receive for citizenship ceremonies. However, we will not know for certain which pots of money are affected until the Government makes its Local Government Finance Settlement in December.

If our estimates of £14m are correct, it is proposed to say 30% of this £14m per year – about £4m. Over the next month we will be working up the proposals for how his unring-fenced money will be spent and how £4m will be saved and this will be reported to the December Cabinet.

(h) Service Implications (Investment/Reductions)

- Children's Services – see Appendix 1
- Operations – see Appendix 2
- Adult Social Care – see Appendix 3
- Chief Executive's – see Appendix 4
- Strategic Resources – see Appendix 5
- Culture Trust – see Appendix 6
- Staff Implications – see Appendix 7
- Capital Programme Overview – see Appendix 8

In each appendix we will outline the proposed investments and savings in each area of the council.

5. IMPLICATIONS FOR COUNCIL TAX

The council's MTFP published in September 2010 assumed annual council tax increases of 2.5%.

As already set out, the Spending Review announced a new grant that would enable the council not to increase next year's council tax. The Government is, in effect, paying prudent council's extra grant for keeping their council tax rises at 2.5% or below.

The impact is that for:

- 2011/12 – **NO INCREASE IN COUNCIL TAX.**
- 2012/13 – an increase of no more than 2.5% but the council would work with the Government to see if this headline figure could be reduced over the next 12 months.
- 2013/14 to 2015/16 – a maximum increase of 2.5%.

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 if they can contain expenditure.
- Parish Councils – they do not receive any direct funding from the Government so no grant is available for them.

To give parish councils the opportunity to re-look at their own charges over the longer-term, the council is protecting their funding for 2011/12. No reduction in parish council funding is proposed. It is hoped that this will encourage them to consider no increase in council tax. If police, fire and parish councils do not decide to increase their charges, overall council tax bills will not increase at all from 2010/11 to 2011/12.

APPENDIX 1 -
SERVICE IMPLICATIONS (INVESTMENTS / REDUCTIONS) – CHILDREN'S SERVICES

Children's Services is responsible for overseeing and providing services for families and children in Peterborough to ensure all our children are given the best possible start in life, access to good education and other support to help them thrive and reach their full potential.

The department is divided into four service areas responsible for education and learning, children's social care, providing heath and community care and managing our schools and other buildings in which these services are based. The senior managers responsible for each of these key areas also have overall responsibility for different geographical areas of the city and the children's services those areas provide.

(i) **Learning and skills and the south of Peterborough**

The learning and skills division is the service that works to improve the standard of education in Peterborough as well as those services provided for families, children and young people outside of school. These include children's centres, pre-schools, the 8 to 19-year-olds service which runs our play centres and youth centres, our 'before and after school' activities and the school governor service. This division also works to ensure all school-age children in Peterborough receive an education.

(ii) **Safeguarding, family and communities and the central and east area of Peterborough**

This division is responsible for protecting Peterborough's most vulnerable children, including those who need protection from significant harm and children in care.

(iii) **Children's community health and the north west and rural areas**

In recent years we have worked hard to bring together those services which ensures the healthcare needs are met for all children in Peterborough. The development of the children's community health service has enabled us to bring together children's services across health, social care and education. The senior manager in charge of this area is jointly accountable to NHS Peterborough, Peterborough Community Services and the city council. The role is responsible for providing a wide range of services from nurses in schools, children's centres, pregnancy clinics and respite care and other services for children with complex health needs and disabilities.

(iv) **Resources, commissioning and performance with overall responsibility for overseeing how children's services are delivered in the different areas**

The resources, commissioning and performance division is responsible for overseeing the management of the schools funding – the largest part of the Children's Services budget. It provides a range of support and advice to schools and the rest of the children's services department including managing their finances, buying services for children not provided by the council, providing training and ensuring those professionals who work with children are properly trained, ensuring Peterborough has enough school places for all school age children both now and in the future, and looking after all of the council-run schools in the city.

The overall cost of the Children's Services Department to the council is £37m.

The proposals below reduce that spend by £3.6m.

SAVINGS - REVENUE

Review of Play Services
Current budget = £669k

We provide play centres for children who are between their 5th and 14th birthdays. There is a varied programme of activities available and we provide access to materials and equipment. They are open to everyone, all year round. There are currently eight centres across the city supporting different communities. We are proposing to review all play services across the city to ensure we are providing play opportunities where they are most needed, for the largest number of children, and represent the best value for money for tax payers.

This review may result in some play centres closing, we may start to charge for some sessions, or it may lead to some of the centres being run by voluntary organisations. It may also result in play services being moved into some of our children's centres that already provide a number of successful services for families.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Review of play and preventative services	80	300	300	300	300

Reviewing the children's services we buy from other organisations
Current budget = £3.3m (less grant income)

Not all of the services for children in the city are directly provided by the city council. The council pays, or commissions, other organisations to deliver some of these services, for city children. Examples include support for disabled children, preventing teenage pregnancy with a focus on young fathers and the emotional wellbeing of children in care.

In this challenging financial climate we need to make sure the services we provide or buy from other organisations make a really positive difference to the lives of children, their parents, families and carers in Peterborough and give city tax payers the best value for money.

As part of this review our commissioning team will also seek new external funding, to continue to grow and improve services.

There are currently two commissioning teams in children's services and we will be amalgamating these teams to enable us to reduce any duplication.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Commissioning Services	350	350	350	350	350

Area Based Grant
Current budget = £5.8m

Previously the council received much of its funding from the Government to provide services for children in specific pots of money that had to be spent on specific services. However, in 2010/11, and increasingly in the future, the Government is giving councils greater flexibility to decide how it spends the money it receives on services for children and families in a larger pot of general money called the Area Based Grant to be spent on educational services.

The 2010/11 grant was reduced in year by 25% which meant that Children's Services had a quarter less of the money to spend than it had originally budgeted for. We are therefore anticipating the need to continue to make 25% savings over the next five years to reflect the expected ongoing reduction in funding available to the council.

This grant pays for services including:-

- Supporting parents and carers applying for children's school places.
- Supporting children in care through education in the city.
- Before and after school activities.
- Vocational courses such as construction and engineering.
- Helping schools to develop travel plans to encourage more of their staff and parents and pupils to walk, cycle, or use public transport to get to school to reduce congestion on our roads and make our city greener for all our residents.
- The careers advice service.
- Support for schools to improve their pupils' reading and writing skills.
- Schemes to help reduce teenage pregnancies in the city and substance misuse.
- The Children's Fund (which provides preventative services for children, young people and families such as family mediation and services to prevent young people mis-using drugs and alcohol).
- A programme to recruit and keep more social workers to work with some of the city's most vulnerable children and families.

We will be reviewing all of these areas to reduce any costly processes, red tape, and expensive bureaucracy to reduce the impact of this reduction in funding on services however inevitably it will result in the reduction in services in some areas.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Reduction in Services funded through the area based grant	736	736	736	736	736

Restructuring the 8 to 19 year-olds service
Current budget = £3.6m (less grant income)

The 8 to 19 year-olds service is responsible for ensuring that all our children and young people successfully move from primary to secondary schools and seeks to encourage more of our young people to go onto university, further training or find jobs.

To enable us to tailor these services to the specific needs of the communities in different areas of the city, this service is divided into three geographical areas serving the south of the city, the central and east area and the north west and rural areas.

Each of these teams:

- Provide activities for young people after school and during the holidays.
- Work with the most vulnerable young people in schools and youth centres to encourage them to continue to participate in education and training and youth activities.
- Work with those young people who may be at risk of entering the downward spiral into a life of crime.

Although these are not services the council is legally required to provide by the Government we recognise the important role they play in building our communities and ensuring our children and young people are encouraged to reach their full potential, do not commit crimes and anti-social behaviour and use their time in a positive way.

Budget pressures mean we do not believe we can continue to provide the same level of funding in this area in future years, however we are proposing to continue to target these activities to the most vulnerable 8 to 19-year-olds living in the city.

To achieve this we are proposing to continue to employ the same numbers of personal advisors, youth workers and key workers who work directly with these young people while reducing the number of managers and back office services that are common across all three areas.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Restructuring of the 8 – 19 service	400	400	400	400	400

Review of in-house children's homes
Current Budget = £2.3m

The council currently runs three residential children's homes including two of which that provide respite care for children with disabilities. Analysis has shown that Peterborough tax payers are paying more for these services than in other local authority areas.

We are therefore proposing to review the services provided by these homes and look at alternative ways we could provide support, care and homes for these children while at the same time reducing the burden on the public purse.

Providing residential respite care is the most expensive form of respite and we believe that there are equally good and less expensive alternatives.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Review of council children's home provision	200	200	200	200	200

Review of support to reduce children coming into care and offending (Multi-Systemic Therapy)
Current budget = £352k. 2011/12 last year grant contribution £150k

In 2007, Peterborough was selected as one of 10 pilot areas to trial a scheme to reduce the number of children being taken into care or getting involved in crime by offering their families intensive support from trained professionals.

The Multi Systemic Therapy (MST) project employs a team of psychologists, social workers and family therapists to work directly with those families who have young people with complex clinical, social and educational problems, and who may have previously been violent, used drugs or had been excluded from school.

It aims to help those young people who may be at risk of developing early personality disorders, chronic offending and anti-social behaviour and could be taken into care, to remain with their families in the community.

The MST programme was funded by the Department of Health for four years and the council currently provides £130,000 towards the overall £352,000 cost of the project. We are now reviewing how successful this pilot has been on turning around the lives of these families and any resulting savings that will have been made to society by having to take less of these young people into care or through the youth offending system. If the benefits cannot be identified, the pilot will end and the £130,000 funding from children's services will be a saving. Department of Health analysis on MST worldwide has shown that £5 is saved for every £1 invested.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Review of funding / success for Multi Systemic Therapy programme	0	130	130	130	130

Reduction in cost of external placements
Current budget = £4.2m

The council is currently improving its adoption and fostering services to enable us to recruit more of our own foster carers rather than having to pay for external placements that can cost the council three times as much. We are also striving to reduce the number of children within the council's care overall by working more closely with at risk families to prevent their children being taken into care in the first place.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Reduction in costs of external social care placements	0	0	250	250	250

Impact of the Common Assessment Framework (CAF)
Current budget = £123k

Previously children with additional needs would have been assessed by a number of different experts to build up a picture of the support they needed. However the introduction of the Common Assessment Framework (CAF) has meant that now families will only see one professional who will carry out one detailed assessment making the process much better for those families involved and making savings for all agencies who provide children's services.

The increase of the use of CAF in Peterborough has enabled us to cut out many of the costly processes and duplication across services and target our funding to providing the hands-on front-line services that are making a difference to children's lives in individual neighbourhoods.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Impact of Common Assessment Framework (CAF)	25	50	50	50	50

Review complaints services in social care
Current budget = £74k

As we strive to provide the most efficient and effective services across the council we have now changed the way we deal with complaints about children's social care services. The complaints team within children's social care is being amalgamated with the council's corporate complaints team. We will buy in the expertise to deal with more complex complaints as and when required.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Review Complaints Services in Social Care	50	50	50	50	50

Private Finance Initiative (PFI) Contract Review
Current budget = £8.5m

In September 2005, IIC Bouygues Education was appointed to design, build and manage the buildings and facilities for three Peterborough schools for the next 30 years (Voyager School, Jack Hunt and Ken Stimpson.) The council and the schools pay an annual contribution to the company over the life of the contract. The contract is due for review in 2012/13 and we propose to look at ways of changing the way these services are run to reduce the cost to the council including a full review of energy costs.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
PFI contract review	0	50	50	50	50

Transforming Children's Services Phase 2

The council is committed to ensuring that a wide range of children's services are available within the neighbourhood in which you live to give all young people the best chances in life. By bringing together a range of professionals, from healthcare workers to youth workers, to work together in one area, it enables us to provide better services for you at less cost. Working out in the communities also enables us to respond to issues at the earliest stage in the most appropriate way. We believe that by working closer with our children's centres and schools we can improve services and make considerably more savings while continuing to make it easier for you to access the services you need, when you need them.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Transforming Children's Services Phase 2 - delivering through Children's Centres / Schools	50	200	200	200	200

Transport
Current budget = £1.5m

The provision of free transport for children is outlined in the Children's Services Transport policy. We are currently reviewing this policy to ensure all of these services are providing the best value for money for tax payers while ensuring all our children have a safe journey to school.
Measures include:

- Reviewing the bus services to Arthur Mellows Village College. We currently spend £575k providing these services - more than for any other school in Peterborough. We are therefore reviewing all routes and considering introducing a staggered start and end to the school day to enable us to make cost savings by using the same bus and driver to make two journeys instead of two buses with two drivers. This would enable us to save taxpayers' money.

- Safe Walking routes – where a route is currently considered to be unsafe, free transport has been provided. It is proposed to review all of the routes where we know we have improved highway safety and where appropriate, withdraw the free transport currently provided.

- Denominational transport – Peterborough is one of the only council's in the country to still provide free transport to allow children to access faith schools. We no longer offer this discretionary free service to pupils who started at faith schools in September 2010. This proposal seeks to remove free transport from those existing children who still receive it. However those parents on low incomes will still qualify for support under other provision within the transport policy.

- Post 16 charges – We are one of the only council's who still provides free transport to children over 16 in education on medical grounds or with statements of special educational needs costing the taxpayer £20,000. All other families are charged £300 for this service. We are proposing to introduce this charge for all families which brings us in line with other neighbouring councils. We also intend to charge per child rather than per family. However, families receiving benefits who currently get free transport will only pay half of this charge ensuring we continue to support those on the lowest incomes.

- Limit post 16 transport to a 30 mile radius from home - Currently we provide free transport to the nearest educational establishment when particular courses are not offered within five miles of a family's home. This has meant we have previously paid for young people to attend courses in London. We are proposing to place a limit on the travelling distance to 30 miles from home, as the crow flies, for post-16 students. This would mean that we would still transport young people to Peterborough Regional College, New College Stamford, College of West Anglia Wisbech and Huntingdon Regional College.

- Change to primary transport provision - In line with legislation, it is proposed to change the policy so the qualifying safe "home to school" walking distance is raised from two to three miles, for those in Years 5 and 6 (age 9 to 11) who are not on specific low incomes or on an unsafe route to school. For those on low incomes, Government guidance states the distance should stay at two miles until the end of Year 6. There are no immediate savings but it would limit further requests for transport from this age group.

- We will offer cycles instead of bus passes to those eligible students who can access school by a safe cycling route - A cycle, safety helmet and road safety training would cost about £200. Compared to a public bus pass, this would save £200 per child, per year and up to £500 per child, per year on a specific school bus route. Savings are unknown until the scheme is up and running.

Full consultation on these changes will be held with those children affected by the change.

Issue	**2011/12 £k**	**2012/13 £k**	**2013/14 £k**	**2014/15 £k**	**2015/16 £k**
Review of Bus Services to Arthur Mellows Village College	120	120	120	120	120
Safe Walking Routes	34	34	34	34	34
Removal of remaining denominational transport	187	187	187	187	187
Post 16 transport charges	12	20	20	20	20
Limit post 16 transport to a 30 mile radius from home	3	3	3	3	3
Removal of discretion on primary transport	0	0	0	0	0
Offering Cycles instead of bus passes	0	0	0	0	0

Review delivery options for Children's Services

A feasibility study is under way to review options for operating Children's Services as an arms-length management organisation. Several models of delivery exist including social enterprise, trust arrangements or partnership with an external organisation. Savings will come through a reduced cost base due to flexible employment terms and procurement. Such a transfer will ensure a sustainable and full children service delivery model will be protected. All services will be reviewed but are expected to transfer into the new organisation. A commissioning/review team will remain as part of the council to manage the relationship with the new organisation.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Review delivery options for Children's Services.	0	2,500	2,500	2,500	2,500

Deletion of Vacant Roles, back office rationalisation and voluntary redundancy exercise

A number of vacant posts have remained unfilled in Children's Services whilst national funding has remained uncertain. Posts have also been held vacant in our back office services. These posts have been reviewed against how critical they are to support key services and whether they impact upon the level of services the public receives. From this list, £320,000 of posts, many of which are either back office roles or have not been filled in the past 12 months, will be deleted from the structure. In addition, we are reviewing all management posts in Children's Services which adds to the overall saving. We will also seek volunteers for redundancy to reduce our headcount and costs.

	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Deletion of Vacant Roles, back office rationalisation	770	820	820	820	820

Transport Single Contract
Current budget = £1.5m

Currently we have contracts with many different companies to provide transport for those accessing children's services including home-to-school transport. We believe we can save taxpayers' money and put together an attractive proposition to travel providers by putting all these services out to tender as part of one joined-up contract. We estimate this could save more than £250,000 per year.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Transport single contract	0	0	250	250	250

Additional Income

As the council continues to face budget pressures in coming years it is more important than ever that we find ways to generate income in order to protect services. We have identified four key areas in which we believe we could achieve this:

- Clare Lodge is the leading national provider of secure placements for young women in the UK. By setting up an arms-length organisation to run this home on behalf of the council, we could make cost savings, and re-invest the money we made into providing better services.

- Training and Development centre – A significant amount of staff time, and public money is currently spent on rooms across the city for meetings and training. We are therefore hoping to make substantial savings by using the former Hereward Community College as a training and development centre until the school re-opens in 2012. We propose to hold all children's services' meetings at these premises and make them available to other council departments too.

- Governor Services - The governor development service provides advice, support and training opportunities to Peterborough school governors, clerks and headteachers. The service helps them effectively fulfil their legal responsibilities and supports improvements in the quality of education and the standards of achievement in our schools. Currently this service costs the council £96,000. We are proposing to fully recover these costs by selling these services to schools and offering services to other councils.

- A number of services which we previously received specific pots of Government money to fund for schools have continued as free services even though the grants have stopped. These services, for example, literacy and numeracy support, costs the tax payer about £100,000. We are one of the only councils in the country that has continued to offer these services for free. Therefore we are going to review these services and where appropriate charge schools to access them. If schools do not wish to buy these activities, services will be reduced accordingly. This will enable us to extend existing popular services such as curriculum support around literacy and numeracy and review opportunities for new support services to be sold to schools both within and outside Peterborough.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Clare Lodge	150	150	150	150	150
Training and Development Centre	75	75	0	0	0
Use of former Hereward Community College for Governor Services	96	96	96	96	96
Development of 'Services for Schools'	210	250	250	250	250

Review of Peterborough Safeguarding Board Function
Current budget = £208k

The role of Peterborough Safeguarding Children Board (SCB) is to coordinate local work to safeguard and promote the welfare of children and to ensure the various agencies that protect children including our own children services, Cambridgeshire and Peterborough Foundation Trust, the Strategic Health Authority and NHS Peterborough; the police and Probation Service, work together effectively.

The city council currently provides half of the board's funding. We are already working much closer with Cambridgeshire Safeguarding Children Board following the appointment of a joint chair in the summer. We are now looking at ways to reduce further duplication and share services between the two boards to save money for all the agencies that fund it, including the city council.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Review and streamline of delivery of Safeguarding function	25	25	25	25	25

INVESTMENTS - CAPITAL

Building Schools for the Future (BSF)

On the 5 July 2010, the Government's Building Schools For The Future programme was stopped and the new coalition Government started a full review of capital spending on schools. As a result, the schemes to re-build Ormiston Bushfield Academy, Stanground College and Orton Longueville Schools (OLS) were shelved.

The city council worked hard to ensure the city did not lose out and on the 6 August 2010, following an early review of capital schemes, the Government announced the re-building of the Ormiston Bushfield Academy will go ahead and work will start on site in December 2010. At the current time, the schemes for Stanground and Orton Longueville remain shelved. The funding for the planned £27m investment in school computers and special schools was also removed.

The council had committed £34m to support the redevelopment of the two schools but this will only be possible with the additional funding of £39m from the Government.

We recognise that the two schools need updating. Both were built in the 1960s, are in poor condition and do not have the high-tech facilities available in the rest of our modern secondary schools. Stanground College closed for three days in 2009 after its drainage systems failed.

There has been no significant investment in either site for several years because they were expected to be re-built as part of this Government programme. Investing in either existing schools now would not represent good value for money for taxpayers.

We are currently in discussion with ministers over what type of funding may be available in the future. From early discussions, the key factors the Government will base spending decisions upon are:-

- Condition of buildings.
- Pressure on school places in the authority.
- The willingness of local authorities to contribute to the projects.

Peterborough is likely to score highly on these measures. A full case is currently being developed ready to present to the Government once the consultation on funding is concluded and a new scheme starts.

As the timetable for delivering these projects is changing, we have also slipped the budget for the council's contribution in line with the revised timescales.

Additional School Places

Much of the money the council receives to fund education in the city is based upon the number of pupils registered at individual schools. In January 2003, 15% or about 2,612 of the primary school places and 12.75% or 2,212 of secondary school places were left unused in the city.

This was above the level deemed acceptable by the Government, which could have led to reductions in the amount of education funding we received. That is why we launched a review of secondary schools in 2003 to reduce the number of surplus places and closed Honeyhill School and used classrooms in other primary schools for children's centres, nurseries and pre-schools to reduce the number of unused primary school places.

The impact of migration and the city's growth ambitions have meant that since 2003 this trend has reversed and now demand for secondary school places has slowly risen and continues to rise. The demand for primary school places has also continued to rise since 2007.

We predict that by 2019 there will be 12% more pupils in our secondary schools than in 2009 without taking into account the city's expected growth in population or the effects of increased numbers of young people staying on at school after GCSEs.

We also predict that by 2012 there will be no surplus primary school places for children starting school. The Government requires the council to have a minimum of 5% of surplus school places to deal with in-year movements and support parental choice.

This funding will enable a further 4,200 pupils to start at city primary schools creating 600 additional classes and a further 2,600 students to start at city secondary schools creating 520 additional classes by 2017.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Additional School Places	3,686	3,048	3,047	2,047	9,000

PFI Condition Fund

As part of our long term strategy to ensure all of our secondary schools in Peterborough were providing first class facilities for pupils in the city we built one new school (The Voyager) and refurbished and extended two other schools (Ken Stimpson and Jack Hunt) in the first phase of our secondary schools review. The company which carried out this now manages the upkeep of these new buildings and the city council is responsible for maintaining the older parts of the building that were retained at the two extended schools.

However, if the council invests in these buildings to bring them up to the same standard as the new parts of the building by 2013 then the developers will take over the responsibility for the upkeep and development of all three entire school sites for the next 25 years. Investment now would therefore enable the council to make substantial savings in the future.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
PFI Condition Fund	1,000	0	0	0	0

INVESTMENTS - REVENUE

Adoption and Fostering Service
Current budget = £4.2m

Following this year's Government Ofsted inspection, specific weaknesses were identified in adoption and fostering services. Short term investment is required to develop these services. This will enable the council to increase the number of staff working in these teams to recruit families to foster or adopt to provide stables homes for children in care. If the council does not recruit enough of its own foster carers then it has to place children with families outside of the city which is far more costly.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Adoption and Fostering	209	0	0	0	0

Looked After Children
Current budget = £7.2m (including fostering)

We had previously predicted that the numbers of children in care would fall in the future, however following Government guidance and a change in the way children are assessed before they are taken into care, this number has remained static at around 300. The needs of the children in this group are often complex requiring expensive specialist support. This investment reflects the increasing needs of this group of children.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Looked after children	250	250	250	250	250

Unborn Children
Current budget = £155k

Our social care teams not only assess children deemed to be at risk but also those who have not even been born yet. Our social care teams have identified up to 20 families who may need additional support from our social care teams and up to eight additional babies that may need to be placed with foster carers or be adopted after they have been born. The investment will help to pay for short-term placements for these children and enable us to carry out further work with this group of expectant parents to prevent the need for the children to be taken into care.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Cost of Care – unborn children	360	360	0	0	0

APPENDIX 2 –
SERVICE IMPLICATIONS (INVESTMENT/REDUCTIONS) - OPERATIONS

The operations directorate oversees most of the council's front-line services from building and maintaining the city's roads to running major events such as the annual Great Eastern Run. Services include:-

(i) **Transport and engineering service**

From repairing and maintaining existing roads to building new ones and overseeing bus services, this department is responsible for planning the future of transport in Peterborough and its surrounding villages.

(ii) **Planning services**

Whether you are an individual wanting to build an extension on your home or a multi-million pound developer, our surveyors, planners and other technical teams will work with you to turn your plans into reality.

(iii) **Neighbourhood services**

Brings together all of those services who are working down your street to improve the whole of our community. From the neighbourhood managers who deal with resolving issues such as anti-social behaviour to our licensing enforcement staff who make sure businesses are operating within the law.

(iv) **City operations**

Looks after your city centre from CCTV cameras and car parks to running events such as the annual half marathon, music events including last summer's JLS concert, the annual Christmas lights switch on and a wide variety of street markets. They also ensure that the city is ready and able to deal with a major emergency and support city-wide business and tourism.

The overall revenue cost of the operations directorate is £21m.
The proposals below reduces that spend by £4.019m by 2015/16.

SAVINGS - REVENUE

Amalgamation of Transport and Engineering and Planning Services
Current budget = £208k

Peterborough aims to build a minimum of 25,500 new homes and create 20,000 new jobs within the next 20 years. It is vital that our future transport systems meet the needs of our city's growth to ensure a bigger Peterborough is a place where we can walk, cycle, use public transport and is as congestion-free as possible. By bringing together the transport and engineering and planning teams we will ensure that Peterborough grows in the right way to benefit us all. By bringing together our planners, transport engineers and other staff in these areas to be managed by one senior manager the council will save £80k.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Creation of new head of planning, transport and engineering to replace two previous senior manager posts	80	80	80	80	80

Changing the way we deliver services down your street and cracking down on neighbourhood issues

The neighbourhood services teams work out in the community to get to the heart of the issues facing that area. We are proposing to build upon this successful work by creating a new neighbourhood and environmental service that will work with residents to tackle problems within communities and prevent them from reoccurring. We are currently consulting with staff and unions but this could combine a new regulation and enforcement service with our neighbourhood management and preventative teams to work with individual neighbourhoods to tackle anti-social behaviour, parking, and environmental issues, take strong enforcement action against persistent offenders, and help communities to plan and prepare effectively for the future. We will also focus more heavily on enforcement to ensure that businesses, landlords and residents, and other organisations are complying with required laws and standards and are not having a detrimental effect on the lives of those who live, work and visit our city.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Developing and restructuring neighbourhood services	196	196	196	196	196

A new approach to housing services
Current budget = £653k

We are also looking at delivering our housing services differently. The choice-based lettings service currently run by the council's neighbourhoods team is a discretionary service and costs the council £603,000 to run each year. We are working with the registered social landlords in the city such as Cross Key Homes, Axiom and Minster to look at how these services can be delivered without putting such a financial burden on the council.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Changing the way housing services are delivered in the city	603	603	603	603	603

Combining services that improve community safety
Current budget = £508k

Currently the city council and the police both have their own community safety teams that work under the umbrella of the Safer Peterborough partnership to make Peterborough a safer place to live, work and visit. By combining the two teams we can save £100,000 tax payers' money.
Tackling domestic abuse remains a priority for the partnership and there are very good support services provided in this area by voluntary organisations. It is therefore proposed to work with the police and organisations such as Victim Support, Rape Crisis and Women's Aid to provide a different support service for those affected by domestic abuse saving £59,000 a year.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Combine the city council and police community safety teams	50	50	50	50	50
New partnership domestic advocacy service	59	59	59	59	59

Supporting Women's Enterprise Centre to become self-sufficient in five years
Current budget = £424k

Only a year after it opened Peterborough Women's Enterprise Centre is already receiving national and European recognition for its work to support women in the city to develop their business ventures. As its success grows it is anticipated that it will generate further income and need to rely far less on public funds. It is therefore proposed to reduce its funding over the next five years saving the council from £273,000 in 2011/12 up to £424,000 in 2015/16.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Staggered reduction in funding for the Women's Enterprise Centre over five years	273	300	350	400	424

Reducing our impact on the environment
Current budget - Street light and traffic signal maintenance = £1.7m

Peterborough is already in the national and international spotlight for our innovative forward-thinking approach to tackling environment issues and has a growing reputation as home of environment capital. Next year we are proposing to make a major investment in our 24,000 strong network of street lights and our traffic light systems to enable us to make annual savings of £211,000 while also reducing our impact on the environment as set out below.

We are proposing to invest in energy saving LED bulbs for our street lighting and use the latest technology to dim lights in locations and at times where it is appropriate. A new state-of-the-art system would allow us to instantly see why lights are out and to respond much more effectively to faults. This investment is included in the capital section under the heading "street lights and traffic signals" on page 33.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Street lighting energy savings	0	211	211	211	211

Changing the way services are provided for vulnerable people in the city - Supporting people funding
Current budget = £4.3m

The council used to receive a pot of money worth £5.021m specifically for supporting vulnerable people to remain at home. This money has been used to pay for support and advice provided to residents by organisations such as the NHS, social landlords and the voluntary sector.

The council no longer receives a specific pot of money to pay for these services and any funding used to pay for them is now part of the overall grant the council receives from the Government. Therefore, along with many other services, the council needs to decide how to spend the reduced funding it receives.

We will be consulting with those organisations who currently provide these services for residents to change the way this support is provided. We will work closely together to remove as much bureaucracy, red tape and costly processes as possible and enable residents to still benefit from similar services that are not as costly to the public purse. We will base our final decisions on the needs of the community. This will mean changes and reductions to some services but at this stage it is too early to say exactly which these will be. It is also important that we avoid increasing financial pressure on adult social care.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Supporting people funding	1,404	1,404	1,404	1,404	1,404

Parking
Current income budget: £3.4M

We are proposing to make significant improvements to our car parks to give better disabled access, introduce pay-on-exit machines to enable enforcement officers to monitor parking on our streets.

We will be changing the way we charge you to park in the city. Rather than the current system of charging the same rate across all of our car parks, we will seek to competitively price each of our car parks. This will make sure we fill our car parks and make best use of the space available across the city. This will mean some prices will go up and some will go down and the council will be aiming to compete with private operators in the city.

To improve safety outside of our schools and close to pedestrian crossings we are proposing to introduce state-of-the-art technology to crackdown on inconsiderate motorists.

We will install CCTV cameras into our council vehicles so as they patrol the city they will capture, through automatic number plate recognition, parking on hazard markings on the approach to pedestrian crossings and outside schools. This will generate automatic fines in the same way as speed cameras. This will seek to address a considerable number of complaints we receive from members of the public.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Increased revenue from parking department	161	161	161	161	161

Wi-Fi in City Centre
Current budget = £105k revenue, £269k capital for 10/11

Due to the difficult budget decisions the council has to make, we are proposing to put this project on hold. This will save £269k on this year's capital budget, £105k on this year's revenue budget (part year) and £113k each year after that.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Revenue saving from not implementing.	113	113	120	120	120

Community association grants
Current budget = £65k Gladstone Park £67k

The council currently provides small sums of money to a large number of community and resident association regardless of their individual circumstances. Most community associations receive £1,250. The total budget for this grant is £65,000. We intend to devise a system to enable each association, if it wishes to do so, to bid for a sum of money to support its work in bringing together communities to become more actively involved in their neighbourhoods.

While we are proposing to reduce the overall pot of money by £30,000, each group will be expected to become actively involved with the neighbourhood councils which will have access to additional funding through the development pot.

We have been working with the community in the Gladstone area for some time with the aim of transferring the Gladstone Park Community Centre to community control from April 2011 which would in turn save the council £46,000 in the first year rising to £66,000 by 2015/16.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Reduction in Community Association Grant	30	30	30	30	30
Handover of Gladstone Park Community Centre	46	62	69	67	66

Road safety
Current budget = £210k

We currently invest £210,000 into Cambridgeshire Safety Camera Partnership which is responsible for managing all of the speed cameras across Cambridgeshire. As a result of the overall reduction in the funding the council receives from the Government we are proposing to reduce our contribution to this partnership.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Reduction in Safety Camera Partnership Funding	80	80	80	80	80

PECT
Current budget = £114k

Peterborough Environment City Trust (PECT) was set up in 1993 to support the city's work to reduce our impact on the environment. As the organisation has grown both as a business and a charity, the council has seen the need to change the way it supports its activities. Therefore rather than providing direct funding to the organisation we are proposing to purchase services from the organisation as and when required and work jointly on any bids for additional money. As a charity organisation PECT may be able to bid for funding that a council, as a public service could not, but the council could support this bid. In order to support this change we plan to reduce the funding to PECT over the next two financial years.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Reduction in support for PECT	40	80	114	114	114

Cohesion and preventing violent extremism funding
Current budget = £431k

There has been a grant reduction of £114,000 in this area and we are planning to reduce spend accordingly.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Reduction of in year funding	114	114	114	114	114

New approach to tourism
Current budget = £303k

Since the successful opening of our new destination centre last year, we have been working to modernise our entire approach to tourism. We are proposing to expand the services offered by the centre to include a conference booking facility and building upon our international links with cities such as Bourges, Viersen and Alcala de Henares.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
New approach to Tourism	37	37	37	37	37

Events
Current budget = £198k

The city currently has a varied programme of events throughout the year to cater for residents of all ages. Major events also bring thousands of people to our city who also spend money here and improve the economy of our city centre. We currently provide large scale events such as the Great Eastern Run at no cost to the tax payer. This is not possible in all areas, however, by increasing sponsorship and charging businesses over the next five years to run events in our city, we expect to increase our programme of events and reduce our overall costs to £23,000.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Reduce events costs by 2015	31	67	103	139	175

Voluntary sector funding
Current budget = £550,000

Voluntary sector organisations play a key role in supporting communities in Peterborough and surrounding areas. We recognise the vital contribution they make but with budget pressures, like all areas of the council we need to ensure the funding we provide is having the largest impact on improving the lives of our residents. We have a commitment to help and support the voluntary sector to become more efficient and we have a project to start to look at supporting them to make efficiencies in their operations. Within the existing budget for 2011/12 there is a savings target of £100k, and further savings identified are limited to £50,000 in 2011/12 to allow these changes to be phased in without affecting the level of grant for the provision of frontline services.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Efficiency savings from Voluntary Sector Funding	50	100	100	100	100

SAVINGS - CAPITAL

Repairs assistance funding

The council has previously spent about £1.9m a year on repairs assistance grants to pay for improvements to private housing that are in need of urgent work because they are unsafe or unhealthy for their occupants. The grants are means-tested and fund a range of works including improvements to kitchens and bathrooms, damp proofing and drainage repairs.

We will continue to deliver a repairs assistance programme, but are proposing to reduce this sum of money by 40% whilst still ensuring that it is targeted at those most in need or who are most vulnerable in our city.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Repair assistance funding	680	680	680	680	680

Disabled facilities funding

We currently provide about £1.9m a year to help adapt the homes of vulnerable people to enable them to continue to live independently. The funding is means-tested and can pay for equipment such as stair lifts, back hoists or improving heating systems.

This is vital work that the council considers a priority and therefore we are not proposing to make any cuts in the next two years.

However, as the council continues to face greater budget pressures in later years we will have to consider cutting this funding by 25% after that.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Disabled facility funding	0	0	350	350	350

Stafford Hall
Current budget: £1m in 2012/13

Stafford Hall was built in the 1970s for the community in Hampton Court, Westwood. It provides rooms for local residents groups, and is a vibrant, well-used facility at the heart of the community.

It was intended to rebuild this facility, however we are working with Cross Keys Homes to bring forward a comprehensive development of the shopping area to include reprovision of community facilities. In the meantime we will spend £50,000 to refurbish Stafford Hall until that development comes forward.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Refurbish rather than re-build Stafford Hall	0	950	0	0	0

Neighbourhood Council Capital spend
Current budget = £175k

The council initially provided £25k for each of the seven neighbourhood councils, a total of £175k per year. It is proposed that this budget is removed. The reduction is anticipated to be replaced by monies coming into neighbourhoods (to be allocated by individual neighbourhood councils) from developers as a result of new buildings in the area. The budgets for 2010/11 will remain, enabling councils to kick-start projects identified in their neighbourhood plans. At this stage there is no specific provision in 2015/16 for this area, so the savings only apply in four years.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Reduction of Neighbourhood Council Capital investment	175	175	175	175	0

INVESTMENT - CAPITAL

John Mansfield Centre
Current budget = £90k revenue, £1.5m Capital project including contributions

Since the John Mansfield Centre opened in Eastfield in the summer of 2007 we have been successfully working with City College Peterborough (formerly Peterborough College of Adult Education) to deliver apprenticeships, education and training to 16 to 18-year-olds in the city who may have left school without qualifications. This excellent centre also provides a valued community facility for people in the area. The council is committed to continuing to invest in this centre.

Focus Community Centre

The Focus Community Centre has been at the heart of the Dogsthorpe community for many years. The council recognises the important contribution it makes to residents living in this area and is therefore committed to ensuring that money received from developers for community facilities in this area is invested in refurbishing this centre. The council is currently investigating the refurbishment requirements and also the ability to utilise Section 106 monies (the funding from developers to pay for community facilities).

Lincoln Road parking

To improve parking in the Lincoln Road/Alma Road area we are proposing to install new parking bays and safety measures to prevent double parking.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Investment into safety measures at Lincoln Road	30	0	0	0	0

City centre conservation

For the past year we have been improving the vibrancy of the city centre by demolishing the Corn Exchange, installing water fountains and creating the new St John's Square. We are now proposing to further improve this area by investing in our historic buildings and shopfronts in Cowgate. The newly created St John's Square will be improved as a result of the city council joining with English Heritage in a 'Partnership in Conservation Areas Scheme'. We will be investing £100k over three years into a match-funded scheme with English Heritage and supplemented by contributions from property owners in the area. The total investment is estimated to be in the order of £350k. The work will include the reinstatement of traditional shopfronts and sash windows, brick cleaning, re-pointing and re-painting facades. This work will assist in the regeneration of the area by supporting the current public realm works and the rehabilitation and reuse of vacant and under-used upper floors.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Investment into improving the visual impact of Cowgate and St John's Square	35	35	30	0	0

Thorpe Wood footbridge

The current footbridge had to be closed for health and safety reasons and this additional funding will allow us to make the required improvements to re-open it.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Investment to allow the footbridge to reopen	30	0	0	0	0

Bright street traffic lights

These are among the oldest traffic lights in the city and need to be replaced. This investment will enable us to link these lights to our existing network of lights that are electronically managed and will help to further improve traffic flow in the city.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Investment to enable an old set of traffic lights to be replaced before they fail	0	200	0	0	0

Green transport funding

As part of our commitment to being the home of environment capital we are increasingly looking for innovative ways to make it easier for those who live and work in the city to leave their cars at home and cycle, or share transport.

We are proposing to invest £265,000 over three years in cycling facilities, parking bays specifically allocated to people who share cars, and energy-efficient employee pool cars.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Investment to encourage use of green transport	45	120	100	0	0

Boongate roundabout

Minor works to improve traffic flow on this already busy roundabout by widening the exit route into the city centre.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
To improve traffic flow at Boongate roundabout	0	700	0	0	0

Real-time energy data

To help the council reduce its energy costs we intend to fit high-tech energy monitors which will help our staff see exactly how much energy different equipment uses, and the difference made by turning off lights and computer screens on a day-to-day basis on our bills.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Investment into energy monitors	15	0	0	0	0

CCTV cameras

We are proposing to replace old cameras that are coming to the end of their lives, with new and more modern technology.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Investment in unserviceable CCTV cameras	0	40	0	0	0

Street Lights and Traffic Signals

Next year we are proposing to make a major investment in our 24,000 strong network of street lights and our traffic light systems. We are proposing to invest in energy-saving LED bulbs for our street lighting and use the latest technology to dim lights in locations and at times where it is appropriate. A new state-of-the-art system would allow us to instantly see why lights are out and to respond much more effectively to faults. We are also investing in our traffic lights to keep traffic moving in Peterborough. The revenue implications are set out on page 25.

This investment will help generate the savings outlined in the earlier section.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Investment in Street Lights and Traffic Signals to reduce consumption of energy	2,955	0	0	0	0

Parking infrastructure
(CCTV enforcement cameras on vehicles/charging for blue badge holders)

We are proposing to make significant improvements to our car parks to give better disabled access, introduce pay-on-exit machines to enable enforcement officers to monitor parking on our streets.

To improve safety we are proposing to invest in state-of-the-art technology to crackdown on inconsiderate motorists by installing CCTV cameras into our council vehicles so as they patrol the city they will capture, through automatic number plate recognition, parking on hazard markings on the approach to pedestrian crossings and outside schools. This will generate automatic fines in the same way as speed cameras. It will also address a considerable number of complaints we receive from members of the public.

We will be increasing and improving the number of disabled badge parking spaces within our car parks.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Additional Investment in Parking infrastructure	280	0	0	0	0

Support for Highways schemes

The main local transport plan funding for highways schemes is already included in the capital programme. It is intended to top this up each year to make sure that the size of the pot does not diminish over time.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Support for Highways schemes	96	100	104	108	112

INVESTMENT - REVENUE

Traffic lights maintenance

We are proposing to invest £20,000 in maintaining our traffic lights to keep the city as congestion-free as possible.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Traffic light maintenance	20	20	20	20	20

Impact of Floods and Water Act (2010)

Under the Floods and Water Act (2010) we are responsible for mapping out the areas that are at risk of flooding across the city. We will then work with the Environment Agency, Anglian Water and our drainage boards to reduce these risks. This investment of £95,000 in 2011/12 rising to £107,000 in 2015/16 will increase the maintenance work on our drainage systems.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Investment required as a result of the Floods and Water Act (2010)	95	98	101	104	107

APPENDIX 3 -
SERVICE IMPLICATIONS (INVESTMENT/REDUCTIONS) – ADULT SOCIAL CARE

Adult Social Care Services include:

(i) Community Care Assessments, Support Planning and Reviews

We assess care needs and support people to complete self-assessments. We calculate how much money is available to meet people's needs using a "Resource Allocation System" and help people develop a plan to meet their needs. We carry out regular reviews of people's needs. We also assess the needs of carers and support them with services which give them a break from caring.

(ii) Safeguarding

We work to prevent the abuse of vulnerable adults and we investigate when there are concerns that someone has been abused or harmed. We then work with them to protect them from further abuse.

(iii) Learning Disability Services

We work with people with learning disabilities to support them to live independently whenever possible. We provide some day care services which aim to give people opportunities for social activities, training and support them to use services in the community. We also help people obtain employment and support them in their working life.

(iv) Services for Older People

We provide services to help older people remain independent. We buy in many of these services from voluntary organisations such as Age Concern Peterborough. We provide some day care services and also some residential homes.

(v) Mental Health Services

We help people with mental health problems to live independently whenever possible and we also provide support around employment. We also have approved mental health practitioners who are social workers who work with people with very serious mental illness and who can, if absolutely necessary, support people who need to be admitted to hospital or who need other very intensive mental health services.

(vi) Services for people with physical disabilities and sensory needs

We provide services to help people remain independent and get on with their lives. Some services are provided by voluntary organisations. We also provide some day care. We have a specialist team that supports people with sight and hearing disabilities.

(vii) Other specialist services

We provide other specialist services including the hospital social work service and a team which supports people who are living with HIV.

The overall cost of the Adult Social Care department to the council is £40.5m.

The savings proposals below reduces that spend by £2.4m.

Adult social care services are delivered through a partnership with NHS Peterborough. We have a legal duty to meet the needs of those who are eligible for these services. However, there is considerable flexibility in how needs may be met.

We have reviewed the budget using the following key principles:

- **Early intervention and prevention** – in order to reduce cost pressures, we will do all we can to prevent people needing our services in the first place. We will continue to invest in services that enable people to continue living independently in their own homes.

- **Re-ablement** – these are very intensive services which last for around six weeks and help people get 'back on their feet' after a fall or illness. There is very good evidence that these services work and about half of people will not need ongoing services after receiving them. We will invest in this area and aim to have services for all those people who would benefit from them.

- **Personalised services** – if people do need ongoing social care services, for example some people with learning disabilities who may require life-time care, we will ensure that we allocate funding in a fair and clear way by allocating them individual budgets. People will then have 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.

SAVINGS - REVENUE

Reducing the cost of adult social care

We are already investing in re-ablement services which we expect will achieve significant savings. People will receive re-ablement services before any assessment of their ongoing needs is concluded. We will also look carefully at how resources are allocated and ensure that the "Resource Allocation System" (the system which calculates how much money is available to meet an individual's needs) properly takes account of needs, the costs of services and the overall resources that are available.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Reduce cost of Adult Social Care	2,000	2,000	2,000	2,000	2,000

Management Cost Reductions through Partnership

NHS Peterborough is in the process of making changes to community services which will in future be delivered by independent NHS trusts. The council still needs to consider the detailed proposals but would expect to achieve savings if and when services are transferred to Cambridge Community Services as currently proposed. All NHS organisations have to reduce management costs by about 45% and it is anticipated there could be further savings for the council once this process is complete.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Management cost reduction	250	250	250	250	250

Review Day Centres

We will deliver more personalised services out in the community and within people's homes. Services based in buildings which the council and NHS Peterborough run themselves can be very expensive and are increasingly not the sorts of services which people choose. We will review day care services for both older people and people with learning disabilities and look to only continue those services that are making a real difference to improving those people's lives. Because some people do choose day care, we expect some services to remain in place.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Review Day Centres through delivery of more personalised services	100	100	100	100	100

ADDITIONAL INCOME

Community Care Services

We will increase charges for some community care services for example day care services, respite care services and home care services. In general we will make charges which reflect the true costs of these services. This is an area we know people find difficult but we believe it is fair at a time when we face funding reductions. People on low incomes will continue to pay lower charges or none at all where it is appropriate.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Increase charges within community care services	80	80	80	80	80

INVESTMENT - REVENUE

Growing numbers of people and more complex needs

Each year there are growing numbers of people who need to use social care services. This is especially so for people aged 65 and over and for those people with learning disabilities. As people are living longer the number of our residents with complex disabilities and long-term conditions continues to grow. We have projected the likely increases in the numbers of people who will need our services and have developed the adult social care budget on this basis. Financial pressures from these rising numbers of people and more complex needs are significant. Projections of social care need remain difficult to forecast, especially over the longer time periods that the Council undertakes its financial modelling. As such we have used recent trends, and then provided for 50% of this sum in the budget proposals. The remaining 50% is flagged as a risk, and will be reviewed each year when the budget is refreshed. This for all items except transitional cases, where full provision is made.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Learning Disability - growth in numbers (non-transition)	632	1,325	2,091	2,857	3,622
Older People (including older people's mental health services) - growth in numbers.	189	389	601	814	1,026
Learning Disability - transition cases from Children's Services	205	486	640	794	948
Physical Disability - growth in numbers (includes no residential increases).	99	208	328	449	569
Mental Health - growth in referrals and increases in statutory work. All growth has been contained within budgets for last 3/4 years.	50	75	100	125	150
	1,175	**2,482**	**3,760**	**5,038**	**6,315**

INVESTMENT - CAPITAL

The following additional capital investment is proposed (sums are already included in the current capital programme for 2011/12, so no additional sums are proposed in that year):

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Aids & Adaptions	0	51	51	51	51
Minor Works	0	36	36	36	36

APPENDIX 4 –
SERVICE IMPLICATIONS (INVESTMENT/REDUCTIONS) - CHIEF EXECUTIVE'S

The Chief Executive's Department consists of the following:-

(i) **Growth Delivery Team**

This team supports the council's agenda to grow the city by 20,000 jobs and 25,500 houses by the year 2026. The team supports key projects, such as the Carbon Challenge site, Fletton Quays (also knows as South Bank) and the development on the Station Quarter through the Peterborough Delivery Partnership.

(ii) **Human Resources**

This team provides human resource services to all departments, such as support on recruitment, advice on disciplinary matters, redundancy and professional development.

(iii) **Legal and Democratic Services**

This team provides legal services to all council departments, democratic services to support Council, Cabinet and committee meetings, civic services to the Mayor and support services to councillors.

(iv) **Communications Team**

The communications team supports all council departments in providing internal and external communications advice. Their role includes promoting the council through the media including television, radio, magazines, internet sites, staff communications for up to 2,000 people, producing communications strategies for major initiatives, producing press releases, delivering marketing campaigns, the production of Your Peterborough and the management of the council's website.

The overall cost of the Chief Executive's Department to the council is £9m.
The proposals below reduces that spend by £1.3m by 2013/14 (net £0.7m in 2011/12).

SAVINGS - REVENUE

Delete Deputy Chief Executive post

The post of Deputy Chief Executive has been held vacant subject to review, with the workload shared among the Chief Executive and Executive Director of Resources. The Chief Executive has proposed that these arrangements now continue and this post be deleted.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Delete Deputy Chief Executive post and office support	200	200	200	200	200

Reduce Chief Executive's office support
Current budget = £159k

The council continually reviews the cost and performance of its support function and has already delivered cost savings in the current budget. Further efficiencies enable additional savings to be made in this area,

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Reduce Chief Executive's office support	30	30	30	30	30

Reduction in costs of supporting the Greater Peterborough Partnership
Current budget = £230k

The Greater Peterborough Partnership (GPP) is the organisation that oversees how the city is run and the contribution all public services, voluntary organisations and businesses make to improving life in Peterborough. It brings together the city council, police, health, fire and other organisations in the city to work on a set of priorities to improve Peterborough for all those who choose to live, work and visit here. These priorities are outlined in the Sustainable Community Strategy and focus on the environment, growing the city, reducing crime and improving the health of the population of Peterborough.

The previous Government required the GPP to pull together information to assess how the city was performing against a set of national targets and locally-set targets which enable Peterborough to achieve the priorities set out in the Sustainable Community Strategy. These targets are outlined in the Local Area Agreement (LAA) and the assessment on how the city was performing against these targets was called the Comprehensive Area Assessment (CAA) and was carried out by the Audit Commission.

Whilst this strategy is still required to be produced the Government has abolished the Comprehensive Area Assessment which was conducted by the Audit Commission (also abolished). As a result of this, there will be a reduction in the level of work undertaken by GPP which is reflected below.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Reduction in costs of GPP in line with reduction in CAA work	50	50	50	50	50

Communications
Current budget = £999k

The council needs a strong and focused communications function to ensure our residents, staff, businesses, partner organisations, understand the direction we are taking and where to access council services.
These proposals are designed to continue that but in a streamlined form. Proposals include:-

- A new Director of Communications, which will be shared between the Peterborough and Stamford Hospitals NHS Foundation Trust and the council, which will have a resultant saving from the council's budget.

- Marketing budget will be reviewed and marketing will be continued with a reduced number.

- The council will seek opportunities to collaborate with partner organisations across Peterborough to market city-wide initiatives.

- The council will seek private sector sponsorship and increasing sponsorship and advertising income.

- The council will work with its partner, Peterborough and Stamford Hospitals NHS Foundation Trust to amalgamate its resources into a focused team to handle staff communications, media inquiries, press releases and media campaigns around a newly formed communications strategy.

- The council will reduce its sponsorship budget by half and use that budget to sponsor business related events.

- The council will join forces with local newspaper publishers to promote city-wide events, enabling the council to reduce the frequency or stop the production of Your Peterborough and use other opportunities such as its website and other publications to promote its services to its citizens. It will be important when implementing any change to ensure that everyone has access to information which they need about council services.

- The new Communication's Director, when in post, will be responsible for shaping the proposals above and consulting on them.

Issue	**2011/12 £k**	**2012/13 £k**	**2013/14 £k**	**2014/15 £k**	**2015/16 £k**
Reduce funding to meet the above proposals	416	416	416	416	416

Reduce financial cost of support to Eco-Innovation Centre
Current budget = £100k

Working with the Eco-Innovation Centre (EIC) we have been able to identify ways in which savings can be made that will allow the centre to become self supporting by 2013/14. This will allow the EIC to fully explore the options available to them and to expand on the delivery of service in this key market sector.

Issue	**2011/12 £k**	**2012/13 £k**	**2013/14 £k**	**2014/15 £k**	**2015/16 £k**
Reduce financial cost of support to Eco-Innovation centre	50	75	100	100	100

Savings in cost of Peterborough Delivery Partnership (PDP)
Current budget = £1.3m

The Peterborough Development Partnership was set up by the council to deliver schemes and projects in the city associated with the growth agenda.

Whilst the PDP is essential to support the growth agenda of the city, it, like all areas of council business needs to contribute to our overall savings. Given the progress that the Growth agenda has made there is confidence that a proportion of the costs can be met within the individual projects taken forward thereby reducing pressure on the core budget and allowing us to achieve savings.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Reduction in revenue costs in line with funding constraints in MTFP from 2010/11	200	200	200	200	200
Further savings in cost of Peterborough Delivery Partnership	22	40	100	100	100
Total	222	240	300	300	300

Reduction in salary costs in Legal and Democratic Services
Current staff budget for Legal Services = £1.4m

Over the past few months there has been a deliberate reduction in posts in Legal Services, and where posts have become vacant they have not been filled. In September 2010 one of the two Heads of Legal accepted voluntary redundancy, and the service is being restructured under the one remaining Head of Service. Some of the posts currently vacant will need to be filled once we understand the shape of the council following budget cuts, and the legal services that we will need to provide. A saving of £150,000 is our target reduction against current budget. This will mean a reduced legal service, but one that is targeted to the remaining needs of the council.

We can make further savings by re-grading some posts which are similar but currently graded differently to colleagues.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Reduction in vacant posts in legal services	**150**	**150**	**150**	**150**	**150**
Re-grading to align other posts	**25**	**25**	**25**	**25**	**25**
Democratic Services	**100**	**100**	**100**	**100**	**100**
Total	**275**	**275**	**275**	**275**	**275**

Reduction in training budget for Legal and Democratic Services
Current training budget for Legal and Democratic Services = £65k

A number of staff, particularly in Legal Services, are required by their professional body to achieve 16 hours training per year to retain their professional qualifications. Traditionally such training has been acquired from external training courses. We have changed our approach so that as much as possible is provided in-house; for example, if one person attends an externally accredited course, they then provide an in house session which gives colleagues required credits. We are also working with colleagues in other authorities to share training, which we are able to do our Legal Services is an accredited training provider.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Reduction in training budget	10	10	10	10	10

Neighbourhood Councils
Current budget: £17k

The Neighbourhood councils are crucial in delivering the localism agenda and fit with the Government's 'Big Society' initiative.

We have reviewed the number of meetings with the chairs and the current 28 meetings can reduce to 14 (7 meetings twice a year). This will still enable us to manage the capital spend and use these valuable meetings to link the Section 106 monies (from developers to spend on community facilities) to local needs.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Neighbourhood Councils reduced frequency	6	6	6	6	6

Reduction in subscriptions
Current budget: £111k

Legal and Democratic Services makes payments for various subscriptions that the council makes, to organisations such as the Local Government Association. These are for the benefit of the whole council, not just Legal and Democratic Services, and are considered to be beneficial. Following the demise of EERA, these payments have reduced by £15,000 and the budget can be reduced accordingly.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Reduction in subscriptions	15	15	15	15	15

SAVINGS – CAPITAL

Affordable housing

The council originally intended to spend £7.9m in 2011/12 on affordable housing. Current commitments mean we will not need to spend that much, so the remainder is being moved to the next 2 years for use when required. As a result of this, the budgets originally set on those years will not be required.

	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Slip Affordable Housing Budget to future years (negative figure shows money coming out – positive figure is money being put back in later years)	-3,918	2,000	1,918	0	0
Remove current budget 2012/13 and 2013/14	0	-546	-567	0	0

INVESTMENT - REVENUE

Supporting growth on key sites

This budget growth is essential to support 'pump priming' work necessary to start growth. Key projects within the city centre need an element of investment to take forward their development. This work will involve identifying the risks thereby giving potential investors the confidence to invest within the city. Spending this money now will bring significant investment which will far outweigh the cost.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Supporting growth on key sites (e.g. Fletton Quays, Northminster, City South, Station Quarter)	450	0	0	0	0

INVESTMENT – CAPITAL

The capital investments outlined in the table below, principally to support growth, are planned.

The STEM centre is a project to develop an educational centre to support learning in science, technology, engineering and maths. It was planned to include this development within a redevelopment of the Moyes End stand at the football ground, enabling us to deliver our regeneration aspirations in that area, as well as delivering this new educational establishment.

The majority of funding for this scheme is coming from a Government grant, which has already been cut in year. Also currently the overall scheme relies on income in the future from letting the facility to meet the full cost. This £2m investment is proposed to bridge these initial gaps in funding to enable the centre to go ahead. However, more work still needs to be undertaken on the design and finances of this project. Every effort will be made to use as little of the £2m as possible until the future of this centre has been secured, and it will not be released until the project business case has been fully assessed to ensure value for money.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Public Realm Phases 2 and 3	500	500	500	500	500
Riverside - Risk Reduction Project	200	0	0	0	0
Capital Costs of Disposals	0	1,200	500	500	500
Stem Centre - Further funding required due to grant cuts	2,000	0	0	0	0

APPENDIX 5 –
SERVICE IMPLICATIONS (INVESTMENT/REDUCTIONS) – STRATEGIC RESOURCES

Strategic Resources consists of the following:-

- Payroll
- Processing invoices
- Collection of tax and debt
- Management of discretionary rate relief scheme
- Internal Audit
- Financial Management
- Asset Management
- Cemeteries and Crematorium
- Performance Management and Improvement
- Management of the waste project including City Services Partnership
- Peterborough Direct
- Registrars
- Business Support
- ICT
- Business Transformation
- Procurement
- Programme and Project Management

The cost of Strategic Resources to the council is £22.8m
The proposals below reduce that spending by £2.9m

SAVINGS - REVENUE

Further efficiencies and cost reduction
Overall budget = £22.8m

The Department's proposals are focused around generating further efficiencies and lowering the cost of the overheads to the organisation. The proposals are set out below and are summarised as follows:-

- Continuing to invest in business transformation to deliver further efficiency savings for the organisation
- Seeking to outsource the council's back office functions through Manor Drive (see paragraph 3 above)
- Reductions in back office costs in customer services, finance and external audit fees (as a result of the abolition of the Audit Commission).

	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Customer Services: Training Officer post	30	30	30	30	30
External Audit Fees	0	20	20	20	20
Finance Savings	100	100	100	100	100
Outsource Manor Drive	500	500	500	500	500
Reduction in business support and departmental overheads	150	150	150	150	150
Business Transformation savings	1,900	1,900	1,900	1,900	1,900

Total	**2,680**	**2,700**	**2,700**	**2,700**	**2,700**

Reducing speed of processing benefit claims
Current budget = £950k

It is proposed to increase the amount of time we take to process benefit claims from 13 to 18 days. By reducing the number of payment processing staff by 4 a saving of approx £100k can be made but this will have an adverse impact on the speed of processing both new benefit claims and revisions to benefits due to changing circumstances.

For those in real need, the express claims process for assessing new claims within 2 working days would still be in place for claimants that produce all necessary documents at the time of submitting a claim but ensuring the turn-around time for express claims would have an impact on other claims and delay determination and payment of these by an average of one week.

Assessment of changes to benefit entitlement would also be affected by the reduction in staffing and would reduce the average speed of processing changes from 11 days to 14 days.

Issue	**2011/12 £k**	**2012/13 £k**	**2013/14 £k**	**2014/15 £k**	**2015/16 £k**
Reduce speed of processing benefit claims - from 13 to 18 days	100	100	100	100	100

Call Centre Reduction
Current budget = £676k

A £50k reduction in resources at the **call centre** leading to an increase in abandoned calls of between 100 to 200 per day and longer in answering calls.

Issue	**2011/12 £k**	**2012/13 £k**	**2013/14 £k**	**2014/15 £k**	**2015/16 £k**
Customer Services	50	50	50	50	50

Reduce budget for award of discretionary rate relief by approx 25% (£47k)
Current budget = £188k

The majority of organisations receiving rate relief are registered charities and therefore receive 80% mandatory relief from business rates which is wholly funded by the Government.

In addition there is a policy of considering applications for discretionary rate relief up to the remaining amount of their rates liability. Any monies approved are paid for by the council at ¾ of the money granted and the remaining ¼ paid for by the Government.

Discretionary rate relief applications are reviewed every 3 years with the next review being due on 1 April 2011. This gives the council the opportunity to revise the current policy for granting relief which will see current recipients of relief receiving reduced relief on their business rate bill from 2011/12.

We will review our policy with the aim of reducing the amount of money paid for by the council by 25%.

Issue	**2011/12 £k**	**2012/13 £k**	**2013/14 £k**	**2014/15 £k**	**2015/16 £k**
Reduce award of discretionary rate relief -	47	47	47	47	47

figures include aiming for 25%					

Parish council payments reduced by £40k per annum (20%)
Current budget = £200k

The council currently pays a grant to each parish council. This is paid on the basis of a fixed sum per head of population in that Parish. This payment currently happens automatically, regardless of whether the budget plans for the parish indicate that it is needed, and is increased by inflation each year. This approach effectively sees money being shifted from non-parished areas to those that have parishes.

The proposal would see these grants reduced, roughly in line with the expected reduction in grants that the council itself is facing. It would be down to each parish council to consider in their own budget planning how this impacts them.

This proposal does not affect payment of sums for service provided by parish councils on behalf of the city council, or the payment of council tax sums that the city council collects as the billing authority.

The council recognises the short period of time between now and when parish councils have to set their budgets for the 2011/12 financial year. To allow parish councils sufficient time to plan for the introduction of this, the proposal will not be implemented until 2012/13 financial year.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Reduce Parish Council payments (20% reduction)	0	40	40	40	40

Food Waste Collection

It is proposed to remove these monies from the council's budget and work with the successful tenderer for City Services under LOT3 to deliver this outcome.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Delete budget for food waste collection	423	1,151	775	1,002	1,002

Bereavement service fee increases

It is proposed to increase the cremation fee and interment fee by 15%. The current environmental surcharge that is added to the cremation fee will increase by 10% from £50 to £55 and the cost of memorials and other fees will increase by between 3% and 5%. It is proposed that 2.5% of the cremation and interment fee will be retained to fund essential maintenance to cemeteries and closed churchyards.

The increased cremation fee will also offset the projected loss of business following the opening of a new private crematorium this year in the nearby town of March. Other crematoria have yet to announce 2011 increases but it is very likely Peterborough's fees will remain outside of the top 25%. The new fees will apply from 1 January 2011 as last year.

As the income received will be re-invested into the service to offset pressures, no figure for total income received is included.

Registration service fee increases

The following fee increases are proposed for the services provided from the Register Office:-

- Ceremonies conducted at approved premises – 9.9%
- Private citizenship ceremonies – 4.8%
- Nationality checking service – 9.9%
- Baby naming and renewal of vows – 8.2%
- Express certificate request service – 12%
- Statutory fees (to be confirmed by the Home Office)

The new fees will apply from 1 April 2011 as last year.

Wheelie bins fee increases

The council is proposing to introduce charges to replace wheelie bins that have been lost or stolen and for new bins for any new homes. Residents will play £36 each for new bins and £18 each for refurbished bins.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Wheelie bins fee increases	35	35	35	35	35

Allotment fee increases

Charges for allotments have been historically kept at very low levels as concessions have been applied. The Council is planning to cease these concessions. As a result charges will now be £52 per year for full size allotment, or £1 per week for their use, and £39 per year for smaller plots.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Allotment fee increases	30	30	30	30	30

Recreation fees

The Council intends to raise a modest sum through increasing fees for recreation activities - eg bowling greens, putting greens etc

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Recreation fee increases	30	30	30	30	30

Support for the costs of change

In the Spending Review, the Government announced that it would provide support for councils to meet the costs of change. This effectively allows Councils to spread the cost of these changes over a number of years. We currently estimate that we may be able to spread £500k of cost in this

manner. The costs incurred in future years are included in the capital programme figures in appendix 8.

	2011/12	2012/13	2013/14	2014/15	2015/16
	£k	£k	£k	£k	£k
Estimated government allocation to meet costs of change	500	0	0	0	0

SAVINGS – CAPITAL

The following savings are proposed in the capital programme.

Expenditure on the waste programme will be moved in line with revised timescales on that projects. The costs of the anaerobic digester will be removed in line with plans for the food waste collection outlined earlier.

	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Works on council buildings	345	345	345	345	345
Reprofiling of waste programme (negative figure shows money coming out – positive figure is money being put back in later years)	-4,222	-3,413	1,858	3,028	1,500
Removal of anaerobic digester	6,000	0	0	0	0

INVESTMENTS – REVENUE

Grants Team

The council has established a grants team to seek and bid for additional external funding. Initially it was intended to charge the cost of the team to the grants received. However the conditions attached to many of the grants mean this is not possible. In light of the success of the team in attracting funding, and given that this is more crucial than ever, it is proposed to directly fund the team to enable it to continue.

	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Grants Team	120	120	120	120	120

Costs of delivering change

The scale of change required in the Council must be properly resourced to ensure that it is delivered effectively and achieves the savings required. These costs include the upfront investment needed to deliver these savings, such as invest to save project costs, redundancy costs and associated pension.

	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Costs of change	2.875	941	941	941	941

INVESTMENTS – CAPITAL

Renewable energy projects

The Council needs to invest in projects to generate renewable energy, such as solar power from photovoltaic cells. As well as reducing the Councils Carbon footprint, this will reduce energy costs and costs of the carbon tax. It is intended to use £500k in 2010-11, and another £500k in 2011-12. The full revenue costs of this £1m total are included in the budget proposals.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Renewable energy projects	500				

The capital investments outlined in the table below are principally investments to make savings or efficiencies.

	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Capitalisation of Schools Capital Reserve	500	500	500	0	0
Customer Services Transformation	40	0	0	0	0
Business Transformation Invest to Save	0	500	500	500	500
ICT investment	250	250	250	250	250
Properties Works – properties used in delivering adult social care	500	500	0	0	0

APPENDIX 6 –
SERVICE IMPLICATIONS (INVESTMENT/REDUCTIONS) – CULTURE TRUST

The council has a contract with Vivacity, which commenced in May 2010 to provide its Leisure, Sports and Cultural Services. The proposals below have to be discussed with the Trust under the contractual arrangements and this will be done during the course of the consultation period on the budget.

The cost of this contract to the council is £3.5m.
The proposal below reduce this cost by £300k in 2011/12 and by £634k by 2015/16

SAVINGS - REVENUE
Use of more volunteers

The Trust wishes to recruit volunteers to help deliver some of its services. This will have a resulting saving of £137k per year. It is proposed to allow the trust to retain this money to create a reserve as required by the Charity Commission.

Reduction in Library Services
Current budget = £1.9 million

The library service remains a significant area of the council's discretionary spend, and must be considered as part of the budget proposals. The council does recognise the value of this service to communities but recognises the need to review all library provision across the city. The savings identified can be achieved through the following measures:-

- Library opening hours – The opening hours of Central Library will remain the same. District libraries such as Bretton, Dogsthorpe, Orton and Werrington will see a reduction in their hours to 29 hours per week.
- All of our smaller libraries will be open for 21 hours per week. This will mean some libraries will see a reduction in opening hours as a result and one library will see an increase in its opening hours.
- Review the provision of mobile libraries in line with current usage, ensuring that communities that use the service still receive it.
- Reviewing the library services provided in Orton and the location they could be provided in the future.

Again it will be considered whether the use of volunteers could expand services beyond levels outlined above.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Saving on library costs	**250**	**250**	**250**	**250**	**250**

Revenue savings from Capital investment

The council has made provision in its capital budget for a number of schemes over the life of the MTFP that support culture and leisure. It is considered that this investment will generate revenue savings e.g. new boilers saving on fuel costs and the carbon tax. The council has set a target for these savings. There is no target for 2011/12 as there needs to be the lead time for the investment to happen.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Savings from culture and leisure following Capital investment	0	179	171	164	159

Reduction in client management

We are reducing the resources the council puts into managing the contract with Peterborough's culture and leisure trust, Vivacity.

	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Client Management	25	25	25	25	25

SAVINGS – CAPITAL

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Review of Key Theatre Build/Refurbishment - 25% reduction	+125	+125	0	0	0

INVESTMENT - REVENUE

Flag Fen

The council maintains its committed to investing in Flag Fen (£100k per annum for 3 years). Flag Fen is of international importance and this initial investment will guarantee its future by integrating this site into Vivacity's museum functions.

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Flag Fen	100	100	100	0	0

INVESTMENT - CAPITAL

Issue	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
Libraries (Invest to Save)	200	0	0	0	0

APPENDIX 7 –
SERVICE IMPLICATIONS (INVESTMENT/REDUCTIONS) – STAFF IMPLICATIONS

The proposals below represent changes to policies and terms and conditions for staff. The proposals do not include, at this stage, any reduction in redundancy provisions, reduction in overtime/shift allowance or moving out of the national negotiation framework. It also summarises the impact on staff numbers and vacancies.

1. Policy Changes

(a) Sick Pay

We believe our ability to influence the level of sick pay paid out is most effectively achieved through focussing on reducing absence levels through more effective attendance management practices rather than reducing benefit levels. It is therefore proposed that we introduce an Attendance Improvement Programme which will include a review of our policies/procedures to ensure that absence issues are handled professionally, consistently and sensitively.

Reducing absence levels from 5% (average 11 days) per year to 4% (average 9 days) would provide a saving of £350,000 per year.

(b) Childcare

The proposal is to remove the additional benefit currently provided to some staff. It is proposed to continue with the more recently introduced salary sacrifice childcare voucher scheme which is cost neutral to the council, but we are proposing to withdraw the enhanced benefit.

This would save £44,000 per year and would affect 42 employees.

2. Terms and Conditions

(a) Removal of Essential Car User Allowance and introduction of one standard mileage rate to 40p per mile for all car users

The proposal is to remove the essential car user allowance from existing staff and standardise the mileage rate for all staff to 40p per mile (the current HMRC advisory rate for business mileage) irrespective of whether the user is currently classed as “essential” or “casual”.

This would save £600,000 per year. Currently 430 people receive the essential car user allowance and a similar number will be adversely affected by the change in the mileage rate.

(b) Charging all staff for Car Parking

The proposal is to introduce an annual car parking fee of £500 per annum, for all users. Currently the cheapest day rate for parking is £3.50, roughly equating to an annual charge of £770, hence the level has been set below this. Charges in the car parks available to staff would be higher than this, so the rate would represent a discount compared to the rate for a season ticket for a member of the public.

Part of the arrangements could include options for staff to share a pass to encourage car sharing, and arrangements for part-time staff to adopt a scratch card.

We may wish to explore the option of introducing salary sacrifice to effectively “cushion” the financial impact for staff by benefitting from available tax relief.

This would generate an income of £750,000 per year and would affect 1600 people.

(c) Vacancy and Redundancy

Anticipated Headcount Reductions (2011/12) ***Subject to Confirmation***	
Headcount reduction implications of MTFP (excludes redundancies in progress/imminent restructures NOT included in MTFP – for example, business support)	**241**
Reduction in redundancies linked to T&C savings	**- 60**
Reduction through Voluntary Redundancy Programme	**TBC**
Deletion of vacancies	**TBC**
TOTAL	**181**

(d) Pay Awards

The pay arrangements for the majority of council staff are subject to terms and conditions that are agreed at a national level. This includes any pay awards. In previous Medium Term Financial Plans, the council has made provision for the estimated pay awards in future years. Each year this is revisited and the estimate updated to reflect our best intelligence as to what that pay award might be. We have again undertaken this exercise, and in light of recent announcements on a public sector pay freeze, we can reduce this provision by the following amounts:

	2011/12 £k	**2012/13 £k**	**2013/14 £k**	**2014/15 £k**	**2015/16 £k**
Updated estimate for pay award	**935**	**1,689**	**2,424**	**3,196**	**3,196**

(e) Voluntary Redundancy Programme

In order to minimise the impact of compulsory redundancies it is intended to launch a voluntary redundancy programme following consultation with the trade unions. This is likely to be announced mid-November.

APPENDIX 8 –
SERVICE IMPLICATIONS (INVESTMENT/REDUCTIONS) – CAPITAL PROGRAMME OVERVIEW

The council's 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 focused around maximising external income from section 106 agreements (the agreement the council has 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.

The latter will include the ability to raise income from:

- new homes incentives schemes
- tax incremental funding
- examine with the business community the potential to use a supplementary business rate

The capital programme has been reviewed to ensure that schemes are more accurately profiled in the years that spend will take place; in addition some schemes have been reduced by between 25 and 40%. Some schemes have been removed.

We have also reviewed where investment is needed to deliver our priorities, especially in regard to delivering growth and meeting the educational needs of our children. These changes are included in the relevant Directorate appendix.

The Spending Review announced that the Government will place a 1% premium on local authority borrowing, increasing costs to the Council.

The costs of the updated capital programme are summarised below:

Issue	**2011/12 £k**	**2012/13 £k**	**2013/14 £k**	**2014/15 £k**	**2015/16 £k**
Costs of rolling forward current capital programme (a saving in year 1)	-332	136	159	277	1,123
Costs of new capital projects and funding arrangements	358	1,590	2,919	3,796	4,171
Costs of 1% borrowing premium introduced by Government	203	556	1,019	1,374	1,510

The majority of these costs in the early years are offset by savings from re-phasing schemes and some saving. These are summarised below:

Issue	**2011/12 £k**	**2012/13 £k**	**2013/14 £k**	**2014/15 £k**	**2015/16 £k**
Resultant revenue budget saving from these proposals	1,110	3,884	3,547	1,205	885

3b – Budget Addendum presented to December Cabinet

CABINET BUDGET PROPOSALS – ADDENDUM DOCUMENT

The city council's Cabinet released detailed proposals at its meeting of November 8th, a month earlier than usual on how it intends to balance it books. A 59-page document called 'The Medium Term Financial Plan Proposals Document from the Cabinet' outlined in detail for each area of the council, the savings, investments and service reductions the Cabinet is proposing the council makes in 2011/12 and the following years. This document is included in the previous section.

For clarity, changes since that Cabinet meeting are shown separately in this section.

ADDITIONAL SAVINGS AND REDUCED PRESSURES - REVENUE

Miscellaneous updates

There have been a few additional savings arising from the latest taxbase, a reduction in LGA subscription fees (over and above the subscription savings already proposed) and the expected ending of the Manor Drive bus arrangement in line with proposals for this service.

	2011/12	2012/13	2013/14	2014/15	2015/16
	£k	£k	£k	£k	£k
Minor updates (tax base, LGA subs etc)	166	74	78	84	78

Business Transformation

A target of £1.9m is already included in the budget proposals, reflecting an appropriate return on investment in invest to save projects. As it is also intended to use capital investment to support transformation, the target has been updated accordingly to reflect the revenue cost of this capital investment

	2011/12	2012/13	2013/14	2014/15	2015/16
	£k	£k	£k	£k	£k
Capital savings (business transformation)	18	77	126	173	218

Audit Fees

An initial estimate of savings arising from the abolition of the Audit Commission and the Comprehensive Area Assessment were included in the original budget proposals. More specific proposals on future fees were released in December, and we can increase the saving expected as a result.

	2011/12	2012/13	2013/14	2014/15	2015/16
	£k	£k	£k	£k	£k
Audit Fees - extra saving	40	40	40	40	40

Energy and carbon tax savings

The council has plans to reduce its energy use and carbon emissions through the carbon management action plan. The Council has made initial estimates of the likely savings from current proposals. The savings shown here reflect the initial set of projects that have specific timescales for implementation, and it is expected that further savings will be generated as more projects are developed.

The Council is utilising the interest free loan facility offered by SALIX (part of the Carbon Trust), and the savings are initially reduced to reflect repayments. It is anticipated that

	2011/12	2012/13	2013/14	2014/15	2015/16
	£k	£k	£k	£k	£k
energy and carbon tax savings	94	95	136	148	148

New homes incentive

The Government is committed to rewarding councils that build homes in their area. As a result they have introduced a new grant that will pay councils a sum of money equivalent to the council tax applicable to that size of property on each new home completed. When the original budget proposals were published, the consultation on this scheme had not been published, and hence it was considered unwise to rely on any income from 2012/13 onwards.

The consultation document, and the local government finance settlement have confirmed that funding is in place for future years, so the Council can now incorporate this estimate into later years

	2011/12	2012/13	2013/14	2014/15	2015/16
	£k	£k	£k	£k	£k
New homes incentive		1,493	1,681	1,681	1,681

Pension contributions

The current MTFP included a high level of provision for the Local Government Pension Scheme, based on advice from the actuary to Cambridgeshire Pensions Committee in late 2009.

The coalition government have suggested a number of changes to the scheme. Many are not yet confirmed, rather they have been flagged in the interim report from John Hutton released on 7th October. All measures would tend to reduce the pressure on employer contributions:

- Link benefit increases to CPI rather than RPI (confirmed)
- Increased employee contributions (suggested)
- Increased retirement age (suggested)
- Shift from final to average salary scheme (suggested)

Whilst the Actuary cannot take these suggested items into account in the current valuation, it is suggested that it may not be sensible to implement the sort of increases outlined above in light of this and that contribution rates could be left at current levels for those employers with strong covenants for the next three years, until the next valuation (local government pension funds are assessed every three years). This approach is being adopted by other councils in the fund.

The Council continues to make provision for the last two years of the MTFP (the first two years of the next valuation period). Further detail is included in the CFO report of the MTFP

	2011/12	2012/13	2013/14	2014/15	2015/16
	£k	£k	£k	£k	£k
Pension contributions	1,200	2,400	3,600	3,795	3,990

Minimum Revenue Provision (MRP) - move to annuity approach

The Council is able to borrow to fund its capital programme. The costs of this borrowing hit the revenue budget as follows:

- Interest on the loan
- Amounts set aside for repayment – known as minimum revenue provision (MRP)

How councils should approach this is defined by regulation. Currently councils can set aside an equal sum each year for repayment. This means interest payments are lower later on – but that total revenue payments are higher earlier in the life of the asset.

The guidance has been updated to allow Councils to follow alternative approaches. This allows councils to equalise revenue costs over the life of the asset, by paying MRP on an 'annuity' basis – effectively setting aside less in the early years of the asset. This approach would need to be included in the Treasury Management Strategy and approved accordingly as part of the overall MTFP. Further detail is included in the CFO report of the MTFP

	2011/12	2012/13	2013/14	2014/15	2015/16
	£k	£k	£k	£k	£k
MRP - move to annuity approach	1,007	1,809	2,818	3,067	3,123

Updated carbon tax estimate

The original estimate of the carbon tax was that it would cost £500k per year. A revised estimate, taking into account our carbon emissions and a rate of £12 per tonne provides a revised estimate of £308k, rising to £411k when the rate increases to £16 per tonne in 2013-14.

	2011/12	2012/13	2013/14	2014/15	2015/16
	£k	£k	£k	£k	£k
Updated carbon tax estimate	192	192	89	89	89

Voluntary redundancy estimate

The Voluntary redundancy proposals will help deliver the savings outlined in the MTFP. The latest estimates indicate that some additional savings will arise from this process.

	2011/12	2012/13	2013/14	2014/15	2015/16
	£k	£k	£k	£k	£k
Voluntary redundancy estimate	500	200	200	200	200

REDUCED SAVINGS AND ADDITIONAL PRESSURES - REVENUE

Capital costs (property rationalisation)

To achieve our property rationalisation targets, capital investment of £430k is needed to support these projects. The costs outlined are the borrowing costs of this investment.

	2011/12	2012/13	2013/14	2014/15	2015/16
	£k	£k	£k	£k	£k
Capital costs (property rationalisation)	11	39	38	37	37

PCT Income

The Council receives income from the PCT in a number of areas, for example rental of office space at Town Hall. In light of the proposals for the future of PCT's outlined in the Health White paper, it is sensible to include an initial sum for the possible impact of loss of such income.

	2011/12	2012/13	2013/14	2014/15	2015/16
	£k	£k	£k	£k	£k
PCT Income			300	300	300

Staff Car parking permits – VAT impact

The original proposals outlined plans to introduce an annual car parking fee of £500 per annum, for all users. As part of the work to develop these proposals further, the Council has been advised that it must charge VAT on such permits. Rather than pass the VAT charge onto staff, the Council has reduced the income it expects to receive from the plans.

	2011/12	2012/13	2013/14	2014/15	2015/16
	£k	£k	£k	£k	£k
VAT on staff car park permit charging	125	141	158	158	158

Update to grants with ring-fencing removed

In the past, Government gave pots of money to councils for spending on services specified by the Government. These pots of money were ring-fenced and could only be spent on the specific purpose for which they were given. In the Spending Review, the Government announced it's intention to "unring-fence" some of these pots of money, enabling councils to spend them on their local priorities.

For this council, we estimated this approximately affects £14m, and initially proposed to save 30% of this £14m per year – about £4m. Given that some grants have been removed in the settlement entirely, and others have been subsumed into single grants such as the Early Intervention Grant, we have updated this estimate and reduced the amount we expect to save. The precise impact will require the council to review its expected outcomes in these areas.

Grant	Grant Total £k	Proposed savings £k	Comments
Demonstrating How to Deliver Stroke Care for Adults in the Community	87	26	Deliverable given extra flexibility in use of grant from removal of ring-fencing
Learning Disabilities - Closure of Campuses	906	465	Deliverable given extra flexibility in use of grant from removal of ring-fencing
Social Care Reform Grant (Revenue)	756	239	Deliverable given extra flexibility in use of grant from removal of ring-fencing
Surestart - Main Revenue Block	7,273	1,249	Mainly from removing posts and absorbing work in-house. Some savings in Portage and Practitioner qualifications. Other sums from voluntary redundancy and vacant post deletion.
Children and Young People Grant	764	39	Important to service delivery - only minimal savings possible
Diploma Formula Grant	344	103	Direct delegation to schools - assume saving is passported
Effective Practice	194	58	YOS service roughly 50% grant funded. Potential savings requires agreement from partners.
ISSP - Intensive Supervision & Surveillance Programme	296	89	Potential savings requires agreement from partners.
KYPE Access to Employment & Learning Project	23	7	Potential savings requires agreement from partners.
Local Delivery Support Grant	218	0	Impact of a reduction would be that we couldn't support the infrastructure to support new Diploma delivery lines. No saving proposed
National College	17	5	Future of NCSL under review.
Prevention Grant	133	40	reliant on contract terms and conditions
Prevention of Violent Extremism	25	0	Vital to service delivery - no saving possible
Resettlement and Aftercare Provision	172	52	To assist young people leaving prison. Savings dependent on level of service demand
Substance Misuse Worker (Youth)	37	11	the contract covering this in process of being re-let.
Welfare Foods	113	0	No benefit of grant reduction as money received is based on actual spend.
	11,359	**2,383**	

3c – Budget Addendum presented to February Cabinet

CABINET BUDGET PROPOSALS – ADDENDUM DOCUMENT (FEBRUARY CABINET)

The city council's Cabinet released detailed proposals at its meeting of November 8, a month earlier than usual on how it intends to balance it books. A 59-page document called 'The Medium Term Financial Plan Proposals Document from the Cabinet outlined in detail for each area of the council, the savings, investments and service reductions the Cabinet is proposing the council makes in 2011/12 and the following years. In addition, Cabinet presented an addendum document during December following the announcement of the provisional local government finance settlement. Both documents are included in the MTFP.

For clarity, changes since the December Cabinet meeting are shown separately in this section.

UPDATES SINCE THE DECEMBER CABINET MEETING

Capital Financing Technical Adjustment

A further review has been undertaken on the 2010/11 capital programme and has identified slippage and other adjustments with a net impact of @ £40m into future financial years, resulting in a re-profiling of borrowing for the capital programme across the five year plan MTFP. This change overall does not result in more cost to the council other than to change the financial years in which borrowing would occur.

In addition, the primary capital programme originally assumed £2.5m of capital funding to be funded from grant, however, it has been confirmed that this funding will need to be funded through corporate resources and the council will now need to borrow £2.5m. The extra cost of borrowing has been factored into the five year plan in the table below.

Finally, the capital programme has been updated since the provisional local government settlement for changes in the Transport Block over the spending review of @ £16m now deemed to be grant funding and was previously supported borrowing.

	2011/12	2012/13	2013/14	2014/15	2015/16
	£k	£k	£k	£k	£k
Capital Financing net change to cost of investment – Savings (+) / cost (-)	165	-106	-415	-562	364

City Services 'Lot 3' Strategic Partnership

The council will shortly commence a long term partnership arrangement for the provision of household waste and recycling collection, street cleaning, property design and maintenance, grounds maintenance and a range of other services. The aim of the strategic partnership is to improve these services, while providing the best value for taxpayers.

A prudent estimate of cumulative savings presented to December Cabinet of £900k per annum could be achieved through a partnership arrangement. The net impact of additional savings realised through the award of the contract has now been included in the savings proposals.

	2011/12	2012/13	2013/14	2014/15	2015/16
	£k	£k	£k	£k	£k
Net increase to saving proposal relating to City Services	954	1,407	2,210	2,404	2,404

Terms and Conditions

The preferred approach of the council is to reach a collective local agreement with the unions representing staff within the council. The proposals outlined in the November Cabinet consultation document regarding staff car park permits, essential user allowance and mileage reimbursement rates has been reviewed further and proposals discussed with unions. The most recent meeting held with unions was the Joint Consultative Forum on 19 January. Based on latest discussion and negotiation, the savings proposal has been refreshed for best estimate, namely to:

- Introduce bandings dependent on salary grades alongside a salary sacrifice scheme for staff car park permits;
- Remove essential user allowance and implement a 'Key User' policy to enable the possibility of issuing free permits to employees meeting the policy;
- Remove current council essential and casual mileage reimbursement rates to that of mileage reimbursement rates recognised by Her Majesty Revenue and Customs (HMRC)
- Exclude City Services staff from the savings proposal as these staff will TUPE to the new City Services provider before the implementation of revised terms and conditions for council staff

The financial implications to the original savings proposals require a reduction as follows:

	2011/12	**2012/13**	**2013/14**	**2014/15**	**2015/16**
	£k	**£k**	**£k**	**£k**	**£k**
Staff car park permits	-131	-33	-85	-52	-18
Implementation of free permits for Key Users	-60	-60	-60	0	0
Removal of City Services	-110	-138	-142	-146	-150
Mileage Reimbursement allowances	0	0	0	0	0
Shortfall on Terms and Conditions	**-301**	**-231**	**-287**	**-198**	**-168**

Leisure and Culture

Reduced Library Service costs - The MTFP assumed a target of savings for reducing library service costs earlier in the budget setting process and was subject to discussion and agreement with Vivacity on overall approach. A minor refinement to the savings proposal is required.

	2011/12	**2012/13**	**2013/14**	**2014/15**	**2015/16**
	£k	**£k**	**£k**	**£k**	**£k**
December Cabinet	250	250	250	250	250
February Cabinet	223	223	223	223	223
Shortfall on library proposal	**-27**	**-27**	**-27**	**-27**	**-27**

Revenue savings from Capital investment - The council has made provision in its capital budget for a number of schemes over the life of the MTFP that support culture and leisure. It is

considered that this investment will generate revenue savings e.g. new boilers saving on fuel costs and the carbon tax. The council has set a target for these savings and subsequently refined based on the latest information available.

I	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
December Cabinet	0	179	171	164	159
February Cabinet	-35	-53	-62	-62	-62
Shortfall on leisure and culture saving proposal (2011/12 is a saving)	**35**	**-126**	**-109**	**-102**	**-97**

CHANGES TO BUDGET PROPOSALS FOLLOWING CONSULTATION FEEDBACK

Allotments fee increase

The original budget proposal consulted upon recognised that charges have been historically kept at very low levels as concessions have been applied. The council is planning to cease these concessions. As a result charges will now be £52 per year for full size allotment, or £1 per week for their use, and £39 per year for smaller plots. This saving proposal received a large number of responses to the impact of removing the concession completely.

Therefore after consideration, Cabinet have amended the original proposal to charge £52 per year (January – December) for a standard size allotment or £1 per week for their use, and £39 per year for smaller plots of less than 300 square yards. Each year the charge will increase by the consumer price index (CPI). Implement a concession (subject to verification) of 30% for pensioners or those receiving benefit. The concession will only apply for the first allotment held by the individual.

	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k	2015/16 £k
December Cabinet	30	30	30	30	30
February Cabinet	23	24	25	26	27
Impact of Change (Shortfall on original saving proposal)	**-7**	**-6**	**-5**	**-4**	**-3**

Wheelie bins charge

The original budget proposal consulted upon was to introduce charges to replace wheelie bins that have been lost or stolen. Residents will pay £36 each for new bins and £18 each for refurbished bins. Consultation respondents raised concerns over the implementation of charges.

Therefore after consideration, Cabinet have made a revision to the original proposal to implement a charge of £36 per bin for all new properties that request a waste service. Residents who lose their bins will be entitled from 1 April to receive one replacement, second hand bin free

of charge. Any additional lost bins will be charged at £36 and anyone not wishing to have a previously used bin, i.e. requiring a new bin, will also be charged £36 per bin.
The new strategic partnership for City Services will endeavour to ensure that there is always a supply of recycled bins by obtaining them from other sources if necessary.

	2011/12	2012/13	2013/14	2014/15	2015/16
	£k	£k	£k	£k	£k
December Cabinet	35	35	40	40	40
February Cabinet	18	26	34	43	51
Impact of Change (Shortfall on original saving proposal between 2011/12 to 2013/14 before the saving is realised in from 2014/15)	**-17**	**-9**	**-6**	**3**	**11**

Adult Social Care – Community Care Charges

The original proposal consulted upon was to increase charges for some community care services for example day care services, respite care services and home care services. In general we will make charges which reflect the true costs of these services. This is an area we know people find difficult but we believe it is fair at a time when we face funding reductions. People on low incomes will continue to pay lower charges or none at all where it is appropriate. Respondents to the consultation raised concerns over the fairness of this charge.

Cabinet are therefore proposing to implement charges for all new users of community care services in line with the guidance issued by the Department of Health Fairer Contribution Guidance. Cabinet propose to gradually increase existing user's charges where applicable over an approach to be phased in over the next three years.

	2011/12	2012/13	2013/14	2014/15	2015/16
	£k	£k	£k	£k	£k
December Cabinet	80	80	80	80	80
February Cabinet	70	75	80	80	80
Impact of Change (Shortfall on original saving proposal)	**-10**	**-5**	**0**	**0**	**0**

Neighbourhood Council – Reduce frequency of meetings

The original saving proposal recommended a reduction in the frequency of Neighbourhood Council meetings from 28 to 14 per annum. This saving proposal is not considered viable and therefore the frequency of Neighbourhood Council meetings will remain unchanged at 28 per annum.

	2011/12	2012/13	2013/14	2014/15	2015/16
	£k	£k	£k	£k	£k
December Cabinet	6	6	6	6	6
February Cabinet	0	0	0	0	0
Impact of Change (Removal of original saving proposal)	**-6**	**-6**	**-6**	**-6**	**-6**

Neighbourhood Councils – Capital Investment

The original saving proposal was to remove the capital investment of £25k per neighbourhood council – total cost £175k per annum. It was anticipated that capital investment for neighbourhood councils could be generated through developer contributions. Based on latest information available in 2010/11, it is likely that to maintain this level of capital investment for each neighbourhood council, a top up is required to the capital programme of £120k per annum and the cost below reflects the additional cost of borrowing. This investment will remain under review and represents a prudent view from 2012/13 onwards.

	2011/12	2012/13	2013/14	2014/15	2015/16
	£k	£k	£k	£k	£k
December Cabinet	0	0	0	0	0
February Cabinet	-4	-12	-21	-31	-40
Impact of Change (increased cost pressure)	**-4**	**-12**	**-21**	**-31**	**-40**

Members Allowances – car parking

Members' allowances have been subject to an independent review with recommendations to be submitted to Full Council. A proposal made by the Leader is to implement charges for parking for all members to pay car park ticket costs pro rata at a 50% discount given those members mainly use the car parks off peak.

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	2011/12	2012/13	2013/14	2014/15	2015/16
	£k	£k	£k	£k	£k
December Cabinet	0	0	0	0	0
February Cabinet	12	12	12	12	12
New saving proposal – members car parking	**12**	**12**	**12**	**12**	**12**

4. Fees and Charges Schedule

Directorate	Service Area	Charge	Average % increase in fees & Charges	Council Lead/Statutory	Comments
Operations	Planning Fee	Planning fees and charges		Statutory	This charge is subject to change during 2011/12 pending the outcome of the government consultation on local discretion to set planning fees
Operations	Licensing	Gambling Act Licensing	2.0%	Statutory	
Operations	Licensing	Hackney Carriage Licensing	3.1%	Council Lead	
Operations	Licensing	Animal Welfare Licensing	4.3%	Council Lead	
Operations	Business Regulations	Other Environmental Health Licensing	4.2%	Council Lead	
Operations	Business Regulations	Trading Standards	4.8%	LACORS (Local Authority Coordination of Regulated Services	
Operations	Licensing	Street Trading Consents (Non Pedestrian Area)	2.7%	Council Lead	
Operations	City Centre Services	Street Trading Consents (Pedestrian Area)	2.2%	Council Lead	
Operations	City Centre Services	Banners across Bridge St	2.0%	Council Lead	
Operations	Community Protection	Dog Services	4.1%	Council Lead/Statutory	
Operations	Community Protection	Environmental Protection Act	0.0%	Statutory	Fees are set by DEFRA who are currently consulting on the fees, this is due to end 22nd Dec 2010
Operations	Community Protection	Water Analysis	0.4%	Statutory	

Directorate	Service Area	Charge	Average % increase in fees & Charges	Council Lead/Statutory	Comments
Operations	Community Protection	Environmental Enforcement	0.0%	Statutory	
Operations	Parking Services	Off Street Parking	10.0%	Council Lead/Statutory	
Operations	Parking Services	Off Street Parking Season tickets	12.6%	Council Lead	
Operations	Parking Services	On Street Parking	0.0%	Council Lead/Statutory	
Operations	Parking Services	Residential Parking	0.0%	Council Lead	
Operations	Parking Services	Queensgate Bus Station	0.0%	Council Lead	
Operations	Street Works	Licenses and permits	4.7%	Council Lead	
Operations	Trans and Development	Highways Development	0.0%	Council Lead	
Operations	Gladstone Park	Hall & Youth wing charges	To be confirmed	Council Lead	
Operations	Gladstone Park	Meeting Room charges	To be confirmed	Council Lead	
Operations	Gladstone Park	Weddings & other charges	To be confirmed	Council Lead	
Operations	Gladstone Park	Sports charges	To be confirmed	Council Lead	
City Services	Recreation	Football	7.7%	Council Lead	
City Services	Recreation	Mini Football	7.7%	Council Lead	
City Services	Recreation	Allotments	0.0%	Council Lead	The increased income is the result of a change in the allotment fee income
City Services	Recreation	Putting	5.6%	Council Lead	
City Services	Recreation	Equipment Hire	5.4%	Council Lead	
City Services	Recreation	Bowls	6.9%	Council Lead	
City Services	Recreation	Tennis	7.4%	Council Lead	

Directorate	Service Area	Charge	Average % increase in fees & Charges	Council Lead/Statutory	Comments
City Services	Recreation	Outdoor playing pitch	4.9%	Council Lead	
City Services	Waste Management	Bulky collection/Wheelie bin replacement	14.3%	Council Lead	New charge introduced for wheelie bin replacement
City Services	Waste Management	Asbestos Collection	5.0%	Council Lead	
City Services	Waste Management	Compost bins	4.7%	Council Lead	
City Services	Waste management	Flytipping	5.0%	Council Lead	
City Services	Vehicles	Abandoned Vehicles/MOT	4.0%	Statutory	
Chief Executive	Mayoralty/Civic	Civic Room Lettings	5.1%	Council Lead	
Chief Executive	Land charges	Search fees	To be Confirmed	Council Lead/Statutory	Awaiting confirmation of EIR legislation
Children's Services	Children & Families	Hire charges	1.5%	Council Lead	
Children's Services	Learning & Skills	Placement costs recovery	To be Confirmed	Statutory	Nationally agreed rates haven't been decided
Children's Services	Learning & Skills	Parental contribution to Bus Passes issued	2.7%	Council Lead	
Children's Services	Learning & Skills	LEAP Programme	To be Confirmed	Council Lead	AWPU will set this in February 2011
Strategic Resources	Bereavement Services	Crematorium fees	15.0%	Council Lead	
Strategic Resources	Bereavement Services	Remembrance books and cards	3.0%	Council Lead	
Strategic Resources	Bereavement Services	Plaques, vases and memorial trees	3.0%	Council Lead	
Strategic Resources	Bereavement Services	Memorial gardens	3.0%	Council Lead	
Strategic Resources	Bereavement Services	Cemetery monuments	4.0%	Council Lead	

Directorate	Service Area	Charge	Average % increase in fees & Charges	Council Lead/Statutory	Comments
Strategic Resources	Bereavement Services	Cemetery fees	15.0%	Council Lead	
Strategic Resources	Registration Services	Private Citizenship Ceremonies	4.8%	Council Lead	
Strategic Resources	Registration Services	Approved Premises/Registration Office	9.9%	Council Lead	
Strategic Resources	Registration Services	Nationality Checking	9.9%	Council Lead	
Strategic Resources	Registration Services	Baby Naming/Renewal of Vows	8.2%	Council Lead	
Strategic Resources	Registration Services	Registration Services – Statutory fees	0.0%	Statutory	Awaiting confirmation of any increases from Home Office
Strategic Resources	Strategic Property	Property Rents	Varies - see comment	Council Lead	Increases in rent are dictated by the terms of the leases
Adult Social Care	ASC	Homecare - hourly rate	0.0%	Council Lead	Proposal to increase the charge where 2 carers are required from £13.16 to £26.32 for those service users who can afford to pay.
Adult Social Care	ASC	Extra Care Schemes	0.0%	Council Lead	
Adult Social Care	ASC	Day services	Up to £35	Council Lead	The proposal is to remove subsidy and charge up to the full cost of daycare to service users who can afford to pay, over a phased period.
Adult Social Care	ASC	Direct payment rates	N/A	Council Lead	Personal budget amounts that are taken as a direct payment are now calculated by a resource allocation system.
Adult Social Care	ASC	Respite - over capital threshold	Up to £420	Council Lead	The proposal is to remove subsidy and charge the full cost of respite to service users who

Directorate	Service Area	Charge	Average % increase in fees & Charges	Council Lead/Statutory	Comments
					can afford to pay, over a phased period.
Adult Social Care	ASC	In House Residential Homes	Increased by the same % as the PCC uplift to NHSP	Council Lead	
Adult Social Care	ASC	Meals on wheels	0.0%	Council Lead	

5. Reserves Position

	2011/12	2012/13	2013/14	2014/15	2015/16
	Estimated Balance at 31.03.12 £000	Estimated Balance at 31.03.13 £000	Estimated Balance at 31.03.14 £000	Estimated Balance at 31.03.15 £000	Estimated Balance at 31.03.16 £000
Commercial Property Portfolio Reserves	**1,933**	**1,122**	**436**	**0**	**0**
Parish Council Burial Ground Reserve	36	36	36	36	36
Insurance Reserve	2,208	2,108	2,008	1,908	1,808
Capacity Building Reserve	6,136	2,676	3,176	3,176	3,176
Schools Capital Expenditure Reserve	561	561	561	561	561
Corporate Reserves Total	**8,941**	**5,381**	**5,781**	**5,681**	**5,581**
General Fund Working Balance	8,527	10,250	9,670	6,000	6,000
Total Reserves	**19,401**	**16,753**	**15,887**	**11,681**	**11,581**

6. Budget Monitoring

CABINET	APPENDIX 6
7 February 2011	PUBLIC REPORT

Cabinet Member(s) responsible:	Cllr David Seaton – Cabinet Member for Resources	
Contact Officer(s):	John Harrison, Executive Director of Strategic Resources Steven Pilsworth, Head of Strategic Finance	Tel. 452398 Tel. 384564

BUDGET MONITORING REPORT PERIOD 9 2010/11 – PROBABLE OUTTURN

R E C O M M E N D A T I O N S	
FROM : Executive Director of Strategic Resources	Deadline date : Council Meeting 23 February 2011

1. That the current forecast outturn position (based on expenditure at the end of December 2010) on the Council's revenue and capital budget is adopted as the latest forecast outturn position for 2010/11 and incorporated into the process of setting the Medium Term Financial Plan.

2. Note that the Corporate Management Team (CMT), individually and collectively continue to take any necessary corrective action during the financial year to ensure proactive management of the budget position aiming to reduce the pressures.

3. That the current performance on treasury management activities, payment of creditors in services and collection performance for debtors, local taxation and benefit overpayments be noted.

1. ORIGIN OF REPORT

1.1. This report is submitted to the Cabinet as part of the regular budget monitoring arrangements.

2. PURPOSE OF REPORT

2.1. The purpose of this report is to inform Cabinet of the financial performance for revenue and capital at 31 December 2010.

2.2. This report also contains performance information on treasury management activities, the payment of creditors in services and collection performance for debtors, local taxation and benefit overpayments.

3. TIMESCALE

Is this a Major Policy Item/Statutory Plan?	NO	If Yes, date for relevant Cabinet Meeting	

4. REVENUE MONITORING 2010/11 AS AT END OF DECEMBER 2010

4.1 Overview

4.2 The council has had grant reductions in the current year of nearly £5m (£2.4m revenue grant and £2.3m capital). Further pressures have also emerged within demand led budgets such as social care and looked after children. The council has been proactive in managing the impact of the grant reductions and other pressures. In summary the following actions to date have been taken:

i. Delivery of departmental savings plans;
ii. Bringing forward savings proposals from future years;
iii. Use of balances to smooth impact;
iv. Review of reserves; and
v. Review of the capital programme;

4.3 The loss of £2.4m of revenue grant during the financial year, along with additional budgetary pressures, has had a significant impact on the council's financial position. The published forecast outturn at November Cabinet indicated that the council had managed to absorb these pressures, as well as around £700k of the grant loss. This left a possible overspend of £1.7m. Proactive actions since then have continued to reduce the pressure. In December the probable outturn reported to cabinet was an overspend of £615k. The latest forecast year end position has since been reduced to £11k overspend and continues to be as a result of a variety of local and corporate actions.

4.4 The Council is anticipating a balanced position at year end.

4.5 The following table provides a summary view of the revenue forecast projections for 2010/11 based on latest information available from departments. A departmental breakdown can be seen in appendix A. It is further assumed that risks currently reported locally within departments will be fully met should they materialise.

Department	Previous Reported Variance £(k)	Actions £k	Probable Outturn £k
Chief Executive	-219	-186	-405
Children's Services	0	-40	-40
City Services	358	-196	162
Operations	-366	-66	-432
Strategic Resources	-629	-238	-867
Adult Social Care	0	0	0
Corporate Pressures/Solutions	-962	122	-840
Impact of £1.165bn Government Cuts	2,433	0	2,433
GENERAL FUND TOTAL (Overspend)	**615**	**-604**	**11**

4.6 The following table shows how the outturn position has moved from £615k to £11k overspend.

Key Movements:	**£000**	**£000**
Probable Outturn (December Cabinet)		**615**
Service Action Plans to Reduce Pressure	-507	
Other Solutions to Reduce Pressure	-127	
Other Pressures and Management Actions	30	
Net Movement		-604
Revised Outturn (as at 31 December 2010)		**11**

4.6.1 Chief Executive Department – The underspend has increased from £219k to £405k. Some of this is attributable to savings from service restructuring, curtailing expenditure and a higher proportion of savings being identified by the new Director of Communications across the relevant service area.

4.6.2 Children's Services – The favourable position is being reported due to a combination of implementing the action plan and vacancy savings.

4.6.3 City Services – A review of essential maintenance works was carried out which identified £300k savings. This has been offset by a reduction in income generation.

4.6.4 Operations Department – An increase in the cost of winter maintenance (cost of salt and number of road grit runs) has been absorbed by savings arising mainly from a reduction in employee costs and the release of an amount reserved for grant repayment which is no longer required. Close monitoring of spend across the services has further contributed to a reduction in general spend.

4.6.5 Strategic Resources – A pressure is being forecast in respect of the Property Services portfolio offset in part by robust actions such as interest receipts from investments, achievement of targeted savings, a reduction in administration fees and further reduction in supplies and services expenditure.

4.6.6 Corporate – The Council is committed to its carbon reduction programme which will reduce spend on energy as well as carbon emission levy as identified in the Medium Term Financial Plan. In order to attract external funding for energy saving projects a match funding element has been earmarked as a commitment to the scheme.

5.0 Capital Programme

5.1 At the beginning of the financial year, the capital programme was £133.1m, the result of the agreed capital programme for 2010/11 of £106.3m and slippage from the previous financial year of £26.8m.

5.2 The capital programme has been subject to extensive review following the announcements made in the emergency budget on reduced grant funding to finance the capital programme and uncertainty for funding the programme in future years.

5.3 Since the December Cabinet meeting the capital programme for 2010/11 has been subject to further slippage and the capital programme has been re-profiled in future financial years. This has mainly been as a result of deferral of capital projects or decisions made in the context of setting a robust capital programme. In addition, some projects are no longer required.

Therefore, in total, the capital programme has been reduced by £57.8m since the beginning of the financial year. The capital programme in future years is now as follows:

	2010/11 £m	2011/12 £m	2012/13 £m	2013/14 £m	2014/15 £m	2015/16 £m	TOTAL £m
December 2010 MTFP Capital Programme	114,961	74,207	66,954	75,481	42,975	27,387	287,004
Adjustments to Budgets (Slippage/Additions/Deletions)	-39,653	34,532	7,278	4,367	5,308	0	126,793
February 2011 MTFP Capital Programme	**75,308**	**108,739**	**74,232**	**79,848**	**48,283**	**27,387**	**413,797**

5.4 The significant projects which have been removed or re-profiled (slipped) into future financial years are:

- Affordable housing including the Cross Keys / Stanground South Scheme £6.9m
- School projects £7m
- Waste 2020 £6.7m
- Carbon Challenge £2m
- John Mansfield £1m
- South Bank Bridges £6.2m

5.4 The next table provides an overview for the financial year 2010/11. Information relating to school capital spend to date has yet to be consolidated however, based on the current information available, all projects are expected to spend to budget during the remainder of the financial year.

Department	Revised Budget December 2010 £000	Spend to Date £000	Forecast Outturn £000
Adult Social Care	404	54	404
Chief Executive	11,785	506	11,785
Children Services	25,620	14,113	25,620
City Services	2,774	629	2,774
Operations	22,480	11,998	22,480
Strategic Resources	12,903	8,474	12,903
Contingency	-658	0	-658
TOTAL	**75,308**	**35,774**	**75,308**

5.6 The funding of the 2010/11 capital programme assumed £13.3m of capital receipts to fund the capital programme. Progress against this target has been rigorously reviewed and has resulted in a reduction of capital receipts to a revised receipt of £4.6m expected by the end of the 2010/11 financial year. This is mainly the result of two large receipts relating to the disposal of the John Mansfield's sites, remote and main, being delayed until 2011/12. Other disposal risks for 2010/11 include operational, political and planning issues which unlikely to be resolved within the financial year.

5.7 The impact of slippage, requiring less borrowing, has been offset by the reduced capital receipt and has been factored into the probable outturn for revenue in the capital financing budgets.

6 PERFORMANCE MONITORING

6.1 Overview

6.2 The following table summarises the current status of various performance targets. Individual targets are shown with a RAG status and Direction of Travel based upon the performance against the targets set for 2010/11 and compared with the previous month. Further detail can be seen in Appendix B.

	Current Month	
Performance Data	**RAG Status**	**Direction of Travel**
Treasury Management	G	⇨
Prompt Payment of Invoices	G	⇧
Outstanding Sundry Debt	R	⇩
Housing Benefit Overpayments	G	⇧
Council Tax Collection	G	⇨
Business Rates Collection	G	⇨

6.3 Impact and Actions

6.3.1 Each of the performance targets have specific actions to address the current performance and can be seen in Appendix B of this report.

7 CONSULTATION

7.1 Detailed reports have been discussed in Departmental Management Teams.

8 ANTICIPATED OUTCOMES

8.1 To note the latest probable financial outturn position for the Council.

8.2 To note the performance figures for the Council.

8.3 To note the actions being taken to address the issues highlighted in this report.

9 REASONS FOR RECOMMENDATIONS

9.1 This is a monitoring report to inform Members of the Council's financial position compared to its approved budget for the year. It is recommended that Directors continue to work with Portfolio Holders, service managers and budget holders to bring forecasts within Departmental cash limits with appropriate corrective action.

10 ALTERNATIVE OPTIONS CONSIDERED

10.1 None required at this stage.

11 IMPLICATIONS

11.1 This report does not have any implications effecting legal, human rights act or human resource issues.

12 BACKGROUND DOCUMENTS

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985).
Detailed monthly budgetary control reports prepared in Departments.

Appendix A

Previous Detailed Variance £(k)		Budget £k	Current Forecast Outturn £k	Variance £k
	CHIEF EXECUTIVE'S DEPARTMENT			
0	Chief Executive's Office	435	435	0
-393	Legal & Democratic Services	4,131	3,657	-474
0	Chief Executive Dept & Business Support	1,066	1,066	0
107	Delivery	2,163	2,265	102
-28	Communications	999	872	-127
0	Strategic Improvement	480	480	0
-25	Human Resources	1,352	1,323	-29
120	Westcombe Engineering	3	126	123
-219	**CHIEF EXECUTIVE DEPARTMENT TOTAL**	**10,629**	**10,224**	**-405**
	DIRECTOR OF CHILDREN'S SERVICES			
-340	Resources, Commissioning and Performance	4,489	4,502	13
-261	Learning & Skills	9,960	9,437	-523
127	Children's Community Health	2,104	2,254	150
474	Safeguarding Family & Communities	19,192	19,512	320
0	**CHILDREN'S SERVICE TOTAL**	**35,745**	**35,705**	**-40**
	DIRECTOR OF CITY SERVICES			
45	Building & Technical	-235	-86	149
50	Street Scene & Facilities	476	226	-250
-450	Property, Design and Maintenance	-609	-1,059	-450
185	Other Trading Activities and Business Support	1,250	1,435	185
528	Maintenance General Fund	12,977	13,505	528
358	**CITY SERVICES TOTAL**	**13,859**	**14,021**	**162**
	DIRECTOR OF OPERATIONS SERVICES			
38	Business Support	399	434	35
396	Commercial Operations	2,343	2,674	331
0	Cultural Services	5,170	5,170	0
-101	Directors Office	485	366	-119
0	Environment Capital	128	105	-23
-707	Planning, Transport & Engineering	8,651	8,155	-496
8	Neighbourhoods	9,864	9,704	-160
-366	**OPERATIONS SERVICES TOTAL**	**27,040**	**26,608**	**-432**
	DIRECTOR OF STRATEGIC RESOURCES			
0	Director's Office	338	338	0
-13	Business Support	2,029	2,020	-9
-845	Corporate Services	20,417	19,501	-916
14	Internal Audit	347	347	0
0	Transactional Services	141	141	0
-32	Insurance	99	67	-32
0	HR Payroll	293	283	-10
0	Revenue and Benefits	-101	-91	10
186	Customer Services	686	706	20
0	Strategic Property	-647	-502	145
278	ICT	2,072	2,350	278
-20	Procurement	559	524	-35
-258	Business Transformation	2,855	2,476	-379
61	Waste Management	-19	42	61
-629	**STRATEGIC RESOURCES TOTAL**	**29,069**	**28,202**	**-867**
	CORPORATE ITEMS			
2433	Impact of £1.165bn Government Cuts	0	2,433	2,433
-962	Corporate Pressures/Solutions		-840	-840
1,471	**CORPORATE ITEMS TOTAL**	**0**	**1,593**	**1,593**
0	**ADULT SOCIAL CARE TOTAL**	**40,521**	**40,521**	**0**
615	**GENERAL FUND TOTAL**	**156,863**	**156,874**	**11**
0	**DEDICATED SCHOOL GRANT TOTAL**	**117,291**	**117,291**	**0**

Treasury Management Strategy Statement

Appendix B

Annual Investment Strategy

The Treasury Management Strategy Statement (TMSS) and Prudential Code for 2010/11 were approved by Council on 24 February 2010. The Council's Annual Investment Strategy, which is incorporated in the TMSS, outlines the Council's investment priorities as follows:

- Security of Capital
- Liquidity

The Council will also aim to achieve the optimum return (yield) on investments commensurate with the proper levels of security and liquidity. In the current economic climate it is considered appropriate to keep investments short term, and only invest with Barclay's (the Council's current banking provider), the Debt Management Office and Local Authorities.

As at 31 December 2010 the Council's external investments totalled £37.0m and have yielded interest at an average rate of 0.41% in the financial year to date. The total investment figure excludes the Icelandic investments. The average investment balance has risen from £27m in April 2010 to £42m in October 2010. The balance at December 2010 is £36m (Table 1). The performance of the investments is just below the target benchmark 7 day rate of 0.43% (Table 2).

Borrowing

It is a statutory duty for the Council to determine and keep under review the "Affordable Borrowing Limits". Council's approved Prudential Indicators (affordability limits) are outlined in the approved TMSS.

The Council's external debt as at 31 December is £134.5m which is at an average fixed rate of 4.56% (Table 3). The actual total external debt is measured against the Council's Authorised Limit for borrowing of £250m, which must not be exceeded and the Operational Boundary (maximum working capital borrowing indicator) of £195m. Prudential Indicators have not been breached during the financial year to date.

Table 1: Average Interest Rate

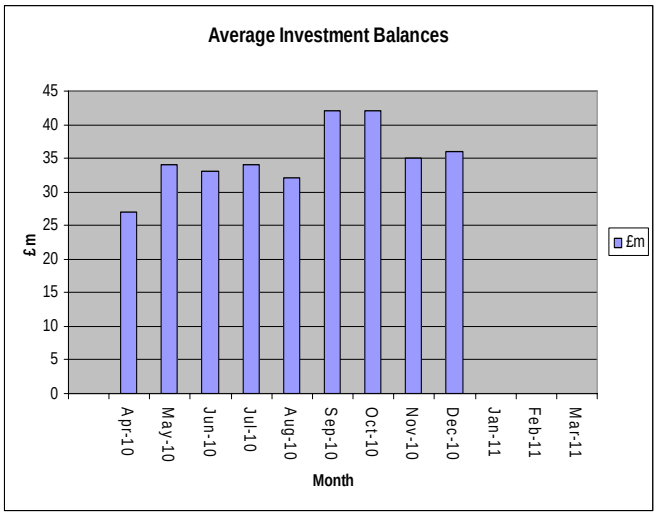


Table 2: PCC Average Investment Balance

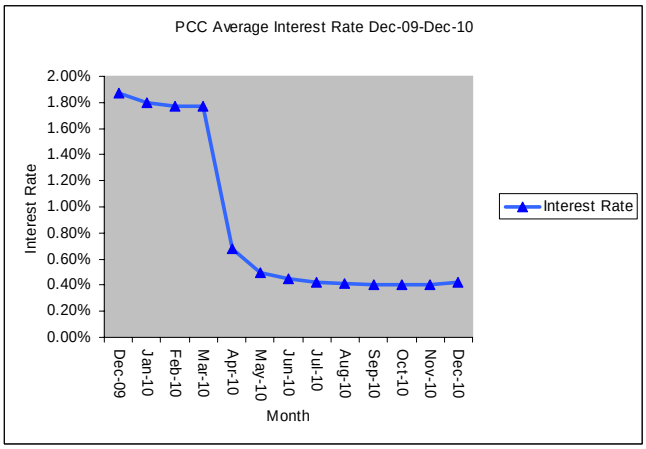
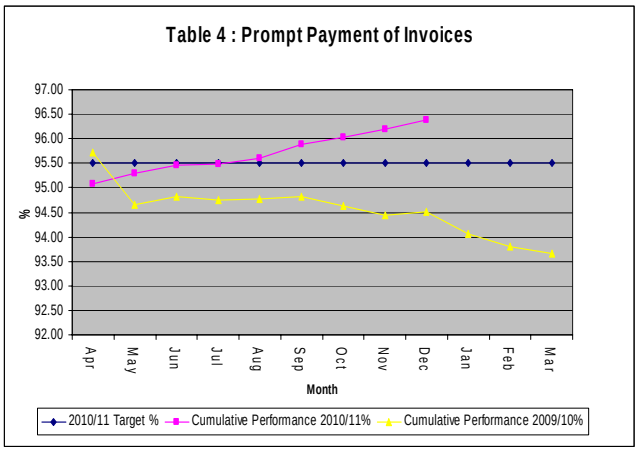


Table 3: Debt Portfolio

Debt Portfolio		
	Principal	**Interest per annum**
	£m	**£m**
PWLB	117,006	5,341
Market Loans	17,500	793
TOTAL	**134,506**	**6,134**

Prompt Payment (Invoices paid within 30 Days)

The cumulative performance at 31 December 2010 for the prompt payment of invoices is 97.80% against a target of 96.37%. The current performance is shown in comparison to the cumulative performance for 2009/10 in table 4.



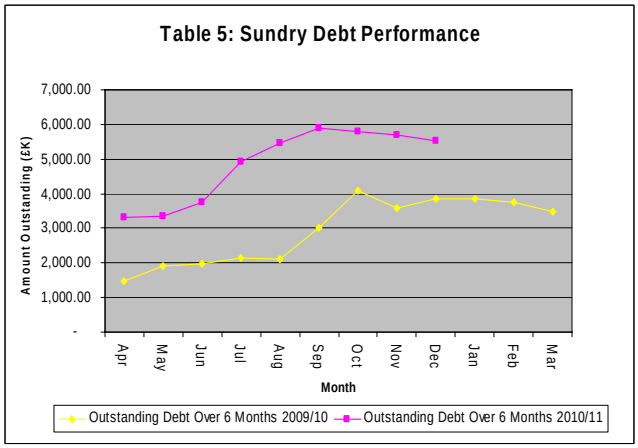
Sundry Debt Performance

The current outstanding sundry debt in excess of 6 months is shown in table 5.

- The amount of debt written off for 2010/11 to date is nil.

An exercise is currently being undertaken to identify debts for write off and schedules prepared for authorisation which will be complete by the end of February 2011. Following this exercise write offs will be prepared and submitted on a monthly basis for authorisation.

Significant reductions have been made with debt between 31-90 days old in comparison to last month, showing minimal roll over of debt. The level of debt continues to be high due to outstanding aged items that remain in dispute. However, the movement of debt from current to 365 days has seen limited roll over due to positive income team action and collection.

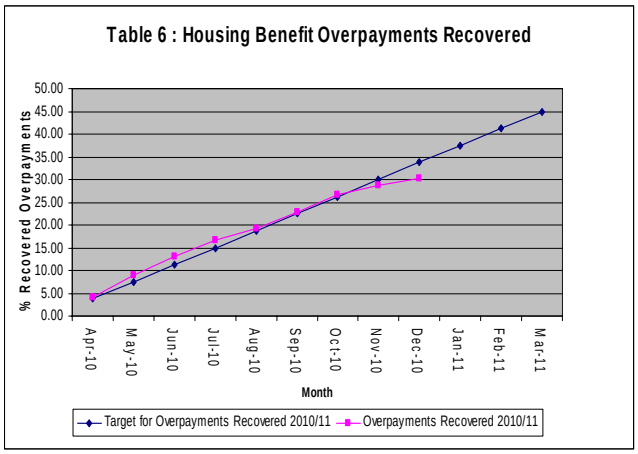


Housing Benefit Overpayments

Table 6 shows the total amount of housing benefit overpayments recovered against the cumulative target rate set for 2010/11.

Housing benefit overpayment collection for the end of December was 30.34% against the target of 33.75%. This shows a further deterioration in performance from that recorded at the end of November. However this collection rate is 1.48% above that achieved for the same period in the last financial year. More proactive recovery work is underway and the first batch of cases under the new debt recovery contract will be forwarded to the bailiff/debt collectors in early January.

The overall process for collection of overpayments is being streamlined to remove duplication and unnecessary steps. In addition, the operating system is being reviewed to ensure that full use is made of the functionality to manage debt.

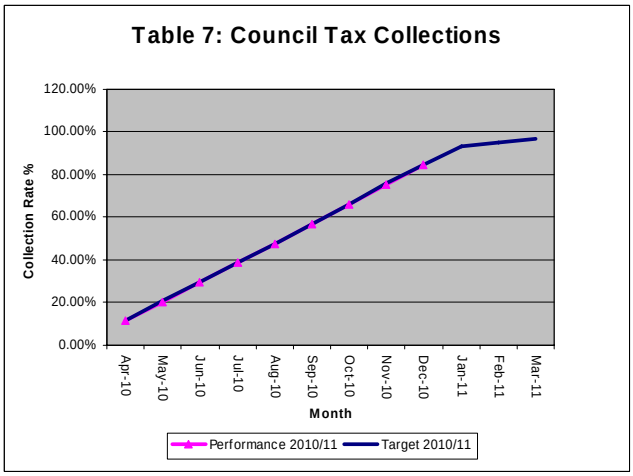


Council Tax and Business Rates Collection

The following tables 7 and 8 show the performance for collection of Council Tax and Business Rates for the period to date.

Council Tax

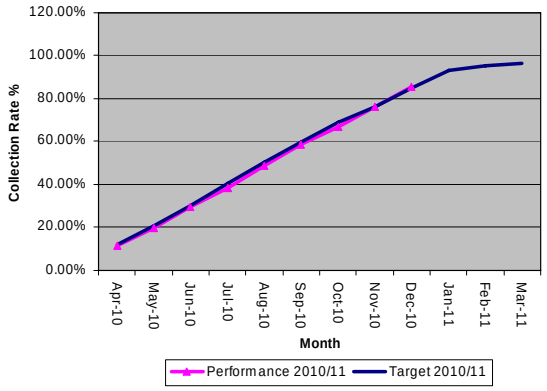
Council Tax collection at the 31 December 2010 was 84.49% which is 0.01% above target although this figure is 0.16% below the collection rate achieved for the same period in the last financial year. The outstanding liability at the end of December was £9.6m of which £2.5m is in active recovery. Of the £2.5m in recovery £1.1m is with external bailiffs for collection and payment arrangements cover £823k.



Business Rates

The collection rate for non domestic rates as of 31 December 2010 was 85.63% which is 0.7% above target and 0.1% above the collection achieved for the same period in the last financial year. The total outstanding liability at the end of December was £8.4m of which £1.6m is in active recovery following the granting of a liability order. A further £2.8m debt is currently at the reminder/final notice stage and £604k debt is with the bailiffs for collection.

Table 8: Business Rate Collections



Capital Strategy

2011 – 2016

Contents

Prepared by:

Strategic Resources Department
Peterborough City Council
Manor Drive
Peterborough. PE4 7AJ

Contact Officer: Steven Pilsworth (Tel: 01733 384564)

1 Introduction and Strategy Principles

1.1 This Capital Strategy explains how Peterborough City Council will manage its capital resources to deliver its capital programme.

1.2 Over the period of the Medium Term Financial Plan (MTFP), the Council needs capital investment to deliver on 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:

1.3 **Principle 1 - Managing the impact of investment decisions on revenue budgets**

- Ensuring capital investment decisions do not place excessive pressure on Council Tax or the Medium Term Financial Plan, and they are also within the Council's Prudential Indicators (see section 9).
- Promoting capital investment which enables invest to save outcomes

1.4 **Principle 2 – Optimise the availability of capital funding where that funding supports the priorities for Peterborough**

- Disposal of surplus assets and reinvestment
- Effective working relationships with potential funders
- Listening to and supporting effective partnering arrangements
- Having clear policies for the consumption of any reserves

1.5 **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

1.6 **Principle 4 – Performance manage the capital programme**

- Integrating the capital programme into the performance management framework
- Ensuring the capital schemes use appropriate project management tools
- Ensuring responsibility for the delivery of the capital programme is clearly defined
- Making sure assets yield maximum return, through effective ongoing asset management, consistent with levels of investment, (see Asset Management Plan, section 8).

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 section 9)
- Asset management plans are reviewed to identify surplus assets which can move through a disposal process to generate new capital resources; (see Section 8);
- Capital spending plans are affordable and integrated with the Medium Term Financial Plan (MTFP);
- 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 Peterborough City Council'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 Medium Term Financial Plan.

3.2 Like the Medium Term Financial Plan it is driven by the Sustainable Community Strategy, which is the plan for the future of the city and the surrounding villages and rural areas, covering the period 2008 - 2021. That document sets out the values and priorities that have informed the production of this Capital Strategy. It takes account of both local improvement priorities and national priorities that are established through effective consultation with residents and partners.

3.3 The delivery of the Council's contribution to the Sustainable Community Strategy is underpinned by an Integrated Business and Financial Planning process (supported by departmental annual business plans) to inform resource allocation, with changes to allocations determined in accordance with policies and priorities. Progress on achieving these objectives is closely monitored in accordance with the performance framework.

3.4 The Capital Strategy aligns with the Sustainable Community Strategy priorities of:

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

3.5 These priorities are underpinned by the need to provide accessible services effectively. These priorities are monitored and reported on a monthly basis to the Corporate Strategic Improvement Board (CSIB). The purpose of CSIB is to ensure that the direction set by the Corporate Management Team is effectively translated into activities that will deliver, and that critical delivery areas perform effectively throughout the year.

3.6 The capital programme has been set within the context of the flow of announcements from the new government regarding its intention to deal robustly with the nation's financial deficit. Reporting of the capital programme will continue to be on a five year basis, in order to provide an extended outlook and allow better planning of the Council's Capital Strategy over the short to medium term.

3.7 The decrease in government grants and an increased surcharge of 1% on the cost of borrowing from the Public Works Loan Board (PWLB) have been incorporated within the assumptions used for the funding of the programme, ensuring that the Council can continue to deliver and meet its objectives.

4 Key Areas of Capital Investment

4.1 The Council's Capital Programme for 2011/12 to 2015/16 totals £338.5m and is summarised in Annex One. Individual schemes are itemised in Annex Three.

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

4.3 Adult Social Care

4.3.1 An Older People's Accommodation and Housing Related Support Strategy has been jointly produced by the Council and the Primary Care Trust (PCT). It builds upon an extensive consultation with local people and partner organisations about a shared vision for the future of accommodation and housing related support provision for older people in the City. The strategy aims to support older people in their own homes whenever possible and in extra care housing which provides flexible care and support to meet higher needs. This strategy is now being reviewed in light of policy and legislative changes along with changes in the makeup and the aspirations of the local community.

4.3.2 Capital investment is required as part of this strategy and extra care housing has in the main been funded with external capital. Partnerships with registered social landlords, Section 106 contributions and Department of Health extra care capital funding are all anticipated to be ongoing sources of the capital investment required.

4.3.3 The housing with support needs of vulnerable people in Peterborough is identified as an issue in the draft Housing Strategy. In particular, the Learning Disabilities Efficiency Programme and the Mental Health Acute Bed Rationalisation project both require the provision of supported housing within Peterborough. 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.

4.3.4 Two residential homes for older people will require replacement in the medium term and external funding has been identified for these re-builds.

4.3.5 Investment in aids and adaptations and in technology which monitors domiciliary service providers (electronic call monitoring) is essential in delivering cost effective services which support people to remain living at home. Investment in mental health services aims to decrease social exclusion, encourage healthy lifestyles and support mental health recovery.

4.3.6 Information Technology requirements continue to change year on year with developments needed to support new business processes such as self-directed support and a greater level of performance management of safeguarding vulnerable adults. The client IT system currently in place (RAISE) is being replaced and will no longer be supported by its provider beyond the short-term.

4.3.7 As part of the Integrated Growth Study, the PCT has highlighted the need for additional Adult Social Care infrastructure in support of a mixed model of provision i.e. two additional care homes and nine additional Extra Care facilities. This Strategy has been developed under the guidance of the Older People's Working Party, administered by the Council.

4.4 Delivery of Growth Schemes

4.4.1 Through its Core Strategy and associated documents, 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 Core Strategy, Integrated Development Programme (IDP) and Planning Obligations Scheme together identify and programme funding for the underpinning infrastructure for growth.

4.4.2 It is intended that, over the next 15-20 years, the city centre will become more vibrant, dynamic and diverse, offering a high quality built environment, employment, learning and leisure opportunities by encouraging new investment into the city. Sensitive areas such as historic buildings and sites of archaeological interest will be protected; parklands, open spaces and areas of natural beauty will be enhanced as part of sustainable development.

4.4.3 This work has started in earnest with the near-completion of the first phase of a revitalised public realm in Cathedral Square and the nearby St John's Square. This has given a much-needed face lift to a key part of the city centre, helping Peterborough to better compete regionally.

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 IDP. The third Peterborough Local Transport Plan (LTP3) is currently being developed and this will set out the long term transport strategy for the area to 2026 and a more detailed programme of works to 2016. LTP3 will be considered by full Council in early 2011 with a view to implementation in April 2011.

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. In December 2009, the Council's Cabinet approved revised arrangements for growth that will ensure the city continues to be well-equipped to progress the growth agenda. In broad terms, this results in Opportunity Peterborough focussing more intently on its core economic development strength, with major schemes being developed by a revised and strengthened Council growth function.

4.4.6 Over the last year, this new growth function has begun the challenging task of making the city's growth ambition a reality. The Council's innovative approach of working with the capital markets to secure growth funding has been validated as traditional funding sources remain scarce and as government funding is markedly cut. Whereas other cities have contracted their growth ambitions, Peterborough's continue to be strong and innovative.

4.4.7 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 work planned on the Council-owned Stadium to improve not only its suitability as a football stadium, but as a community hub with the East Stand development, is an example of this working in practice. It is one that will continue to be used to drive growth forward over the coming years.

4.5 **Children's Services**

4.5.1 Peterborough's Children's Single Delivery Plan 2011 will set out how the Council and its partners through the Greater Peterborough Partnership and Peterborough Children's Trust will work together to achieve better outcomes for Peterborough's children and young people. The document is based upon a rigorous assessment of need and extensive consultation, and will inform future built environment priorities and further develop the Department's Corporate Asset Management Plan and School related Asset Management plans.

4.5.2 The main purpose of the Children's Services department is to deliver a good service to all children and young people, such that everything the department undertakes is based on achieving the five outcomes encompassed in the 'Every Child Matters' agenda for all children and young people in the Peterborough area. The department aims to achieve this by putting the child at the centre of its work, in order to wrap services around the child to meet their particular needs. The Children's Services Department works alongside its partners in the Children's Trust, to ensure that the holistic needs of children and young people can be met. The department is also responsible for adult education.

4.5.3 Children's Services approach is underpinned by the Children's Single Delivery Plan. The Department is currently reviewing its Corporate Asset Management Planning process and has a robust system of school related Asset Management Plans. Children's Services has a drive to begin delivery of services from locality centres. This will ultimately change and inform the Department's Asset Strategy.

4.5.4 The Department will re-introduce the School Organisation Plan in 2011 (once a statutory document). This strategic document will include information on demography and will inform the needs for school places into the future.

4.5.5 The Secondary School Review (SSR) established The Voyager School and Thomas Deacon Academy and refurbished Ken Stimpson, Jack Hunt, St John Fisher and the King's School. Work is continuing at Arthur Mellows Village College, funded through successful bidding for Government grants.

4.5.6 Phase 2 of the review had been intended to focus on Ormiston Bushfield Academy, Stanground College and Orton Longueville School. The planned academy will be funded through the Building Schools for the Future programme but the other two schools lost funding when the programme was ended. There has been no significant investment in either site for several years because they were expected to be re-built as part of this Government programme. Investing in either existing schools now would not represent good value for money for taxpayers. Discussions are currently ongoing with ministers over what type of funding may be available in the future.

4.5.7 Unanticipated continuing demand for secondary school places has necessitated the development of a project to re-open a school on the Reeves Way site (closed under the original SSR).

4.5.8 The Government's plans for investment in the Primary School Estate were announced in November 2008 (The Primary Capital Programme). This was a 15 year programme which anticipated that 50% of the Council's primary school estate would benefit from projects ranging from total rebuild to minor refurbishment. £3.0m was received in 2009-10, with £5.4m allocated for 2010-11. Rising numbers of primary age children are leading to shortfalls in places and the focus of the Primary Capital Strategy had to change to ensure sufficient places. Future allocations under this programme are now uncertain.

4.5.9 The Council has benefited from a grant of £5.3m towards increasing primary school places (Basic Need Safety Valve funding). Combined with the initial funding from the Capital Programme, this will contribute to provision of places in permanent buildings that meet other targets of suitability for 21st century learning, innovative design and sustainability.

4.5.10 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 there are serious concerns about the continuing need for places and there being sufficient funding to provide them.

4.5.11 Children's Services continue to be committed to incorporating sustainable solutions into all of its building projects, working towards the Government's target of zero carbon schools by 2016. Joint working is being established with the Council's Climate Change team, with an initial target of installing Smart Meters in all schools.

4.5.12 An increased pressure on primary school places and the need to provide sixth form facilities at the secondary school ahead of the requirements of the Section106 agreement has required the Council to consider investing in a school building programme in the Hampton area. Additions to Hampton Hargate Primary School (outside of the S106) are in progress; this project includes a Children's Centre facility. There is a need for an additional Primary School (again over and above the S106 agreement), but land availability is an issue. Demographic pressure continues to raise concerns for all infrastructure needs in Hampton.

4.5.13 Elsewhere in the city a considerable number of projects are underway on Primary schools in order to increase places.

4.5.14 Significant moderations continue to Clare Lodge (the secure residential accommodation) and a further application has been made to the Department of Education (DfE) to provide additional separation areas and develop a 14-19 curriculum offering.

4.6 **Transport**

4.6.1 The transport capital programme as reflected in the IDP and emerging LTP3 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

4.6.2 This capital programme to March 2011 was broadly set out in Peterborough's Second Local Transport Plan (LTP2) spanning 2006 to 2011. This will be refreshed in LTP3 which will contain a long term transport strategy to 2026 and a more detailed plan to 2016. It is important that investment in transport infrastructure is maximised if current levels of accessibility are to be maintained as growth takes place.

4.6.3 LTP3 will set 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. The IDP sets out the programme of works required to deliver the growth agenda.

4.6.4 The Council was designated as one of only three national 'Sustainable Travel Demonstration Towns' (supported by a £3.2m 5-year revenue allocation from Central Government which ended in March 2009) and the LTP2 helped showcase and support this work. The initiative has now been mainstreamed in the Council's revenue budgets. The project continues to be supported by transport capital investment in sustainable travel improvements.

4.6.5 The Service was awarded Beacon Status for Accessibility in 2008 and was also awarded Transport Authority of the Year, as well as runner-up in the category for Infrastructure on the back of these projects and investment.

4.6.6 The Council's five year capital programme for Operations (including transport) currently includes £42.6m of planned expenditure to address the highest priorities. A combination of LTP funding and corporate capital funding supports the transport capital programme. In 2009/10 and again in 2010/11 the Council was awarded funding for primary route network structures work. The Council has successfully bid for Growth Area Funding (GAF) 1, 2, and 3 and a number of key transport infrastructure improvements have been delivered through this funding including two parkway widening schemes and public realm improvements in Cathedral Square. Work commenced in 2010 on A1139/A15 Junction 8 improvement using GAF3 funding. Every effort to maximise the draw from other funding sources such as the proposed Growth Fund will be made.

4.6.7 The Council has also progressed the development of a Highway Asset Management Plan (HAMP), and is now developing this into a Transport Asset Management Plan (TAMP) in accordance with Department for Transport requirements. This "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.

4.6.8 The Council has experienced a reduction in transport capital allocations through a reduction in Government LTP allocations in 2010/11 and through corporate reallocations away from transport capital allocations.

4.6.9 A major invest to save project to deliver street lighting energy savings is currently under development for potential delivery in 2011/12.

4.6.10 The Council is working with Lincolnshire County Council to deliver the £81m A1073 Spalding to Eye major improvement scheme. The County Council is leading on this project which was opened in Summer 2010. Unfortunately geotechnical issues with the key embankment have resulted in delays in opening the southern section of the scheme. The scheme is to be funded from the East Midlands and East of England regional funding

allocations and a capital contribution from Lincolnshire County Council's corporate funds. In 2011, the Council will commence work on traffic calming schemes on parallel routes to deter traffic from migrating upon opening of the new A1073 route. These schemes will be part funded from the Council's LTP allocation.

4.7 Neighbourhoods

4.7.1 The Council transferred its stock of 9,750 houses to Cross Keys Homes (CKH) in October 2004 under a large scale voluntary transfer (LSVT) following a tenant vote. At that time, a backlog of maintenance (estimated at £108m) was identified for the renewal of elements of the dwellings over the next 10 years, resources that the Council would not be able to attract. CKH have completed a programme of work to bring houses up to the Decent Homes Standard, ahead of the 2010 government target.

4.7.2 During the first 10 years of the contract, under the Preserved Right to Buy (Council tenants transferred to CKH retain the right-to-buy), the Council will receive part of the sale proceeds on an agreed basis. Whilst these receipts form part of the Council's overall corporate resources, the Council is committed to pump-prime opportunities for future affordable housing schemes, in partnership with registered social landlords.

4.7.3 Other new affordable housing provision will be addressed through Section 106 planning agreements. The Council aims to ensure that 30% of all new housing (on eligible sites) is delivered as affordable homes. The affordable housing target varies each year according to funding allocations. For 2011/12, there is a provisional target of 330 units, but this will be kept under review.

4.7.4 The Council has an overall target in its emerging Core Strategy to deliver at least 25,500 additional dwellings between 2009 and 2026, although it is anticipated that this could rise to 40,000 through accelerated growth.

4.7.5 The Council is working with the Homes and Communities Agency (HCA) to secure financial support for the regeneration of Brownfield sites for housing and other development.

4.7.6 Council resources are also targeted at Repair Assistance grants to address category 1 hazards under the Housing Act 2004 especially around fuel poverty and energy efficiency. The Council has a statutory duty to provide mandatory Disabled Facilities Grants (DFG) to ensure residents of the City can remain living independently at home. The provision of disabled facility grants is also a key action of the Older People's Accommodation and Housing Related Support Strategy.

4.8 Culture and Leisure

4.8.1 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 demographic 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 new Cultural Trust – Vivacity.

4.8.2 Cultural Services within the city face significant challenges which relate to growth and the re-development of existing facilities to meet changing customer expectations.

4.8.3 Customers are demanding ever increasing quality of service and much of the city's built cultural infrastructure falls short of customer aspiration. Agreed development includes:

- The development of the Museum
- Redevelopment of the Orton Centre, including the possible remodelling of sports and library facilities.

- Development of sports facilities to refresh and upgrade existing provision.

4.8.4 Consideration is being given to the longer term need for theatre provision in the City. As a minimum, this will require the further redevelopment of the Key Theatre.

4.9 Strategic Property

4.9.1 The Council keeps its property portfolio under constant review, ensuring assets are kept only for specific reasons. The scale of this review is now being extended to explore synergies between other public-sector estates within Peterborough, such as the current PCTs. Co-location and other rationalisation is expected to improve overall efficiency of all partners' estates.

4.9.2 The Council is also looking carefully at how a consolidation of its main city centre offices might take place into the new public sector campus being brought forward at the Station Quarter. This consolidation will enjoy economies of scale and efficiencies of design not possible in the current spread of buildings.

4.9.3 The Council's assets on the South Bank will be vital for developing this key growth site, especially in the current financial climate. The Council is carefully considering how to leverage these assets to balance its needs for a financial return against the wider benefits of facilitating growth. With the acquisition of the football stadium – and the current redevelopment of the East Stand nearing detailed design stage – the Council's ability to take a long-term, holistic view of the site is a major advantage.

4.9.4 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.

5 Managing the Capital Programme

5.1 The Council operates a project management approach which is governed by two main corporate project boards. These are the Savings Board, which monitors the performance and delivery of the Business Transformation Programme, and the Project Governance Board, which oversees business cases and monitors the performance of major Council projects, outside of the Business Transformation Programme.

5.2 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.

5.3 The Strategic Improvement Team, within the Strategic Resources Department, works on the improvement in delivery of public services, working closely with directors, heads of service and teams to help identify and deliver improvements in their business areas. Specific examples include the implementation of business planning to ensure alignment with strategic priorities, integrating performance and risk management communicated through a scorecard model, and a management competency framework based programme of development for employees.

5.4 The Strategic Improvement Team is responsible for facilitating the implementation of the Council's strategies and objectives through robust project and programme management. A centre of excellence for project management is the information centre for projects and programmes, and provides training, mentoring and guidance on project management throughout the Council. This centre is also responsible for embedding a "project management culture" throughout the Council.

5.5 The Growth Steering Board is accountable for the delivery of the growth programme and oversees progress across all of its component sub-programmes of projects. The scope of the growth programme covers projects designed to deliver and support the delivery of the growth targets for additional housing, jobs and population for Peterborough as set out in the strategic plans of the Council and its partners.

6 Sources of Capital Funding

6.1 The Capital Programme is funded from:-

Sources of Capital Funding	2011/12 £000	2012/13 £000	2013/14 £000	2014/15 £000	2015/16 £000
Grants	41,597	12,005	10,558	15,922	4,313
S106 and Contributions	3,810	1,340	1,340	1,305	55
Capital Receipts	18,277	10,717	3,215	5,346	0
Right To Buy Receipts	757	0	0	0	0
Capital Financing Requirement (Borrowing)	44,365	50,237	64,802	25,777	23,086
Total Capital Financing	**108,806**	**74,299**	**79,915**	**48,350**	**27,454**

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, with this assessment contained in the Prudential Code and Treasury Management Strategy (section 9).

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 October 2010, this is 56% (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.

6.1.3 The Council can secure capital investment in education, housing, transport and other services through planning obligation agreements often referred to as S106 agreements as they are a legal agreement made under Section 106 of the Town & Country Planning Act 1990 (as amended by Section 12(1) of the Planning and Compensation Act 1991). The current Planning Obligations Implementation Scheme (POIS) was adopted by the Council on 8 February 2010. The reasons for planning obligations are that most developments create a demand on the city's social and physical infrastructure and they are often strategic in nature, that is, the impacts are off-site. Examples include development of the city centre and strategic transportation improvements. For more details please refer to the link detailed in Annex Two.

6.1.4 The Council's S106 Strategy was developed during 2009/10 to provide greater certainty for developers as well as providing parity with other authorities' arrangements. The key features of the new scheme, amongst others, include:

- a costed social and physical infrastructure programme (Integrated Development Programme) to which new development need to make a contribution which is regularly reviewed
- the principle that all significant developments make a contribution to infrastructure because of the resulting impact on social and physical infrastructure such as schools and public transport unless it can be shown that the contribution would prevent the development from going ahead
- standard contribution figures for a range of different developments

- regular review of the strategy to ensure that it responds to market conditions and Council priorities.

6.1.5 The new international financial accounting standards (IFRS) have had a major affect on the accounting arrangements of the Council's capital programme. This includes the financing of the capital programme and the calculation of the minimum revenue provision (MRP).

6.2 Alternative Financing Arrangements

6.2.1 The Council has actively investigated public / private partnerships 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 or contracts will be procured to cover these work areas to commence in April 2012.
- Partnership with Lincolnshire County Council for the A1073 Eye to Spalding road improvement scheme
- 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.
- A 5-year highway term maintenance contract with scope to become a 10-year partnering contract
- For future delivery of the programme, investigations into Special Purpose Vehicles (SPV), which is a private, company that as been set up with a specific and sole objective of carrying out a given project.

6.3 Capital Receipts

6.3.1 The Council has a programme of property disposals to support the funding of the Capital Programme. This is being carried out as part of the Asset Challenge, in conjunction with the Corporate Property Strategy.

6.3.2 Receipts taken into account are as follows, with further details shown in Annex 4:

From Property disposals	**2011/12 £000**	**2012/13 £000**	**2013/14 £000**	**2014/15 £000**	**2015/16 £000**
Capital Receipts - Schools	7,200	2,000	2,450	500	-
Capital Receipts – General	11,077	8,717	765	4,846	-
Capital Receipts - Cross Keys	757	-	-	-	-
Total used in Capital Programme	**19,034**	**10,717**	**3,215**	**5,346**	**-**

7 Procurement Strategy

7.1 Procurement has an important part to play in the delivery of the Council's Sustainable Community Strategy 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 will 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 A Business Transformation Team was established in the autumn of 2006 to support the Council in finding more efficient ways of working and procuring goods and services, primarily in order to release resources for further investment in front line services. The team's work focuses on both revenue and capital spend. The Commercial and Procurement Unit formed in April 2007, has developed a Procurement Strategy (2007-2011) to underpin the aims and objectives of the Business Transformation Programme. Since April 2010 the unit has introduced a Category Management approach to the way it undertakes procurement as part of that strategy. The Procurement Strategy will be reviewed in March 2011 and a revised four year document will be available by June 2011.

7.3 The development of Departmental Asset Management Plans will include greater emphasis on whole life considerations when assessing the need for construction projects, better use of existing property (refurbishment in lieu of building new facilities/maximise use of space) and energy efficiency (running costs including maintenance). The Commercial and Procurement Unit undertook a review of Capital Projects within the City Services directorate during November 2009, with a view to making savings through consolidation of projects that are of a similar nature. Since then the Operations directorate has introduced this as an additional step within their processes including for large scale road and bridge infrastructure projects. All projects are required to be procured in accordance with the Council's Contract Regulations and current UK and EU Procurement Legislation.

7.4 The Council has successfully achieved better value for money through the use of term contracts, which are predominantly used by the health sector and schools, however the Commercial and Procurement Unit are reviewing these during 2010 to look for further opportunities of savings through aggregation of additional capital and revenue spend into larger frameworks. The use of publicly available frameworks such as the nationally available Buying Solutions Frameworks and regional frameworks procured by the Midlands Highways Alliance (MHA) have been utilised for a variety of high profile schemes including consultancy support for the Waste 2020 programme and large scale highway construction projects.

7.5 Framework agreements will be considered as an alternative to the use of term contracts. Framework contracts are being used in a number of public sector organisations, e.g. NHS Estates, Norfolk Property Services and Salford City Council to deliver a strategic approach through:-

- replacing tendering with longer term alliances which deliver services on a continuing cost effective basis
- linked partner initiatives and partners to add to existing resources (e.g. joint venture contracts).
- The Council is currently using framework agreements for legal services for the Medium Term Financial Strategy and associated economic development projects, professional services, such as consultancy and technical support to the Waste 2020 Programme, term maintenance for the response based maintenance of its schools and Council offices and highways and engineering projects, including some associated with the Peterborough Development Partnership such as the Science Technology Engineering and Mathematics (STEM) Centre. A range of procurement options are considered as part of the Council's overall strategy in this area

7.6 The procurement approach is underpinned by the whole-life costing methodology; that decisions are based on the full life costs through the life-cycle of the procurement process.

7.7 Following the recent review of the capital programme management, it is planned to continue work on standardising contractual terms and the tender process, introducing consideration of e-auctions where appropriate, as well as looking into e-solutions for contract management, supplier management, sourcing and the use of preferred suppliers.

8 Conclusion

8.1 The Capital Strategy comments on the challenges facing Peterborough City Council in meeting the strategic objectives and growth agenda, as laid out in the Community Strategy, within the context of reduced government funding.

8.2 The Council is implementing 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.

Financial Information

Summary Capital Programme

Capital Expenditure by Service:	2011/12 £000	2012/13 £000	2013/14 £000	2014/15 £000	2015/16 £000
Adult Social Care	3,965	3,269	252	252	252
Chief Executives	12,115	6,200	5,500	5,958	1,500
Children's Services	52,824	31,783	45,626	14,414	13,034
City Services	685	185	185	185	185
Operations	19,048	10,353	8,972	7,931	7,935
Strategic Resources	15,515	21,624	19,003	19,202	4,548
Leisure Trust	4,654	885	377	408	0
Total Capital Expenditure	**108,806**	**74,299**	**79,915**	**48,350**	**27,454**
Financed by:					
Grants	41,597	12,005	10,558	15,922	4,313
S106 and Contributions	3,810	1,340	1,340	1,305	55
Capital Receipts	18,277	10,717	3,215	5,346	0
Right To Buy Receipts	757	0	0	0	0
Capital Financing Requirement (Borrowing)	44,365	50,237	64,802	25,777	23,086
Total Capital Financing	**108,806**	**74,299**	**79,915**	**48,350**	**27,454**

Fixed Asset Values	Gross book value £m	Depreciation £m	Net book value at 31st March 2010 £m
Land and buildings	301.22	(7.81)	293.41
Vehicles, plant & equipment	22.53	(6.62)	15.91
Infrastructure assets	111.02	(6.54)	104.48
Community assets	5.35	-	5.35
Investment Properties	56.00	(0.20)	55.8
Surplus Assets	8.28	(0.03)	8.25
Assets Under Construction	17.77	-	17.77
Total	**522.17**	**(21.20)**	**500.97**

(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 – Link

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

Capital Programme Budget and Funding Summary 2011/12 to 2015/16

	2011/12	2012/13	2013/14	2014/15	2015/16		2011/12			2012/13			2013/14			2014/15			2015/16			2010/16
Project	**Budget £000**	**Budget £000**	**Budget £000**	**Budget £000**	**Budget £000**		**Corporate Resources £000**	**Third Party Income £000**		**Corporate Resources £000**	**Third Party Income £000**		**Corporate Resources £000**	**Third Party Income £000**		**Corporate Resources £000**	**Third Party Income £000**		**Corporate Resources £000**	**Third Party Income £000**		**Total Budget 2010 - 2015**
ADULT SOCIAL CARE																						
Improving Information Management	54	0	0	0	0		0	54		0	0		0	0		0	0		0	0		54
Aids & Adaptations	250	216	216	216	216		165	85		216	0		216	0		216	0		216	0		1,114
Minor Works Programme	60	36	36	36	36		60	0		36	0		36	0		36	0		36	0		204
Social Exclusion Unit (Mental Health)	203	0	0	0	0		0	203		0	0		0	0		0	0		0	0		203
RAISE - ASC Database	398	17	0	0	0		398	0		17	0		0	0		0	0		0	0		415
Replacement of Two Residential Homes	3,000	3,000	0	0	0		3,000	0		3,000	0		0	0		0	0		0	0		6,000
Total Adult Social Care	**3,965**	**3,269**	**252**	**252**	**252**		**3,623**	**342**		**3,269**	**0**		**252**	**0**		**252**	**0**		**252**	**0**		**7,990**
OPERATIONS																						
Disabled Facility Grants	1,400	1,400	1,050	1,050	1,050		471	929		471	929		371	679		371	679		371	679		5,950
Repair Assistance	1,020	1,020	1,020	1,020	1,020		1,020	0		1,020	0		1,020	0		1,020	0		1,020	0		5,100
Hampton Joint Service Centre	4,000	0	0	0	0		2,000	2,000		0	0		0	0		0	0		0	0		4,000
Stafford Hall	0	50	0	0	0		0	0		50	0		0	0		0	0		0	0		50
John Mansfield College	1,114	0	0	0	0		784	330		0	0		0	0		0	0		0	0		1,114
St Peter's Arcade	600	0	0	0	0		600	0		0	0		0	0		0	0		0	0		600
Water Taxi Infrastructure	600	0	0	0	0		0	600		0	0		0	0		0	0		0	0		600
Peterborough City Centre Conservation	50	70	90	0	0		0	50		0	70		0	90		0	0		0	0		210
Green Transport Funding	45	120	100	0	0		45	0		120	0		100	0		0	0		0	0		265
Padholme Road Drainage (Flood Defence)	284	0	0	0	0		0	284		0	0		0	0		0	0		0	0		284
Roads & Bridges (including Highways)	5,026	3,665	3,665	3,369	3,665		955	4,071		636	3,029		725	2,940		419	2,950		3,665	0		19,390
Local & Integrated Transport Programme	2,554	1,813	1,813	2,109	1,813		1,133	1,421		313	1,500		313	1,500		0	2,109		1,813	0		10,102
Support for Highways Schemes	96	100	104	108	112		96	0		100	0		104	0		108	0		112	0		520
Lincoln Road Traffic Island near Alma Road	30	0	0	0	0		30	0		0	0		0	0		0	0		0	0		30
Thorpe Wood Footbridge	30	0	0	0	0		30	0		0	0		0	0		0	0		0	0		30
Other Infrastructure Projects	170	0	0	0	0		170	0		0	0		0	0		0	0		0	0		170
Street Lighting Adaptations	1,000	700	675	0	0		1,000	0		700	0		675	0		0	0		0	0		2,375
Bright Street Traffic Signal Improvement	0	200	0	0	0		0	0		200	0		0	0		0	0		0	0		200
Traffic signals - Upgrade Of Bulbs and Fitments	200	200	180	0	0		200	0		200	0		180	0		0	0		0	0		580
Junction 5 Boongate Capacity and Safety Improvement	0	700	0	0	0		0	0		700	0		0	0		0	0		0	0		700
Enforcement Approved Device (Camera)	20	0	0	0	0		20	0		0	0		0	0		0	0		0	0		20
Replacement of unserviceable CCTV cameras	0	40	0	0	0		0	0		40	0		0	0		0	0		0	0		40
Real Time Energy Data For Five Sites	15	0	0	0	0		15	0		0	0		0	0		0	0		0	0		15
CCTV Enforcement of Parking/Waiting (on-street only)	100	0	0	0	0		100	0		0	0		0	0		0	0		0	0		100
Parking Meter Replacement Programme	159	0	0	0	0		159	0		0	0		0	0		0	0		0	0		159
Off Street Car Parks - Structural Works & Resurfacing	180	100	100	100	100		180	0		100	0		100	0		100	0		100	0		580
Introduce Charging For Blue Badge Holders Within Car Parks	30	0	0	0	0		30	0		0	0		0	0		0	0		0	0		30
Neighbourhood Councils	175	175	175	175	175		120	55		120	55		120	55		120	55		120	55		875
Break Wirrina Car Park Lease	150	0	0	0	0		150	0		0	0		0	0		0	0		0	0		150
Total Operations	**19,048**	**10,353**	**8,972**	**7,931**	**7,935**		**9,308**	**9,740**		**4,770**	**5,583**		**3,708**	**5,264**		**2,138**	**5,793**		**7,201**	**734**		**54,172**

Project	2011/12 Budget £000	2012/13 Budget £000	2013/14 Budget £000	2014/15 Budget £000	2015/16 Budget £000	2011/12 Corporate Resources £000	2011/12 Third Party Income £000	2012/13 Corporate Resources £000	2012/13 Third Party Income £000	2013/14 Corporate Resources £000	2013/14 Third Party Income £000	2014/15 Corporate Resources £000	2014/15 Third Party Income £000	2015/16 Corporate Resources £000	2015/16 Third Party Income £000	2010/16 Total Budget 2010 - 2015
CHILDREN'S SERVICES																
Schools																
Schools Direct Spend	544	3,634	3,634	3,634	3,634	0	544	0	3,634	0	3,634	0	3,634	0	3,634	15,080
Capital Maintenance On Schools	690	400	400	400	400	690	0	400	0	400	0	400	0	400	0	2,290
Secondary Schools Phase 2	1,983	5,754	30,092	1,880	0	1,983	0	5,754	0	30,092	0	(2,920)	4,800	0	0	39,709
Primary Capital Programme	13,480	10,581	8,047	5,047	9,000	7,264	6,216	9,581	1,000	7,047	1,000	4,047	1,000	9,000	0	46,155
Unspent Devolved Formula Capital	235	0	0	0	0	0	235	0	0	0	0	0	0	0	0	235
14 -19 AMVC Skills Centre	740	0	0	0	0	0	740	0	0	0	0	0	0	0	0	740
Bushfield Academy	16,259	2,961	0	0	0	0	16,259	1,833	1,128	0	0	0	0	0	0	19,220
Heltwate Extension	280	0	0	0	0	280	0	0	0	0	0	0	0	0	0	280
Schools Access Initiative	192	0	0	0	0	192	0	0	0	0	0	0	0	0	0	192
Hereward Provision	450	0	0	0	0	450	0	0	0	0	0	0	0	0	0	450
Modernisation	2,809	2,000	2,000	2,000	0	277	2,532	0	2,000	0	2,000	0	2,000	0	0	8,809
New School Places / Basic Need	10,220	1,353	1,353	1,353	0	8,866	1,354	1,353	0	1,353	0	1,353	0	0	0	14,279
Basic Need Safety Valve	3,754	0	0	0	0	230	3,524	0	0	0	0	0	0	0	0	3,754
PFI Condition Works	1,000	0	0	0	0	1,000	0	0	0	0	0	0	0	0	0	1,000
Hereward Provision	0	5,000	0	0	0	0	0	5,000	0	0	0	0	0	0	0	5,000
Capitalisation of School Spend	100	100	100	100	0	100	0	100	0	100	0	100	0	0	0	400
Subtotal Schools	**52,736**	**31,783**	**45,626**	**14,414**	**13,034**	**21,332**	**31,404**	**24,021**	**7,762**	**38,992**	**6,634**	**2,980**	**11,434**	**9,400**	**3,634**	**157,593**
Non Schools																
Youth Capital Fund	35	0	0	0	0	0	35	0	0	0	0	0	0	0	0	35
Extended Schools	53	0	0	0	0	0	53	0	0	0	0	0	0	0	0	53
Subtotal Non Schools	**88**	**0**	**0**	**0**	**0**	**0**	**88**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**88**
Total Children's Services	**52,824**	**31,783**	**45,626**	**14,414**	**13,034**	**21,332**	**31,492**	**24,021**	**7,762**	**38,992**	**6,634**	**2,980**	**11,434**	**9,400**	**3,634**	**157,681**
CITY SERVICES																
Householders Recycling Centre	221	0	0	0	0	114	107	0	0	0	0	0	0	0	0	221
Play Areas Improvement Programme	464	185	185	185	185	194	270	185	0	185	0	185	0	185	0	1,204
Total City Services	**685**	**185**	**185**	**185**	**185**	**308**	**377**	**185**	**0**	**185**	**0**	**185**	**0**	**185**	**0**	**1,425**
CHIEF EXECUTIVES																
Affordable Housing	4,000	4,000	4,000	4,458	500	4,000	0	4,000	0	4,000	0	4,458	0	500	0	16,958
LAA Grant Payment to Partners	365	0	0	0	0	0	365	0	0	0	0	0	0	0	0	365
Peterborough Delivery Partnership Projects	3,520	500	500	500	0	3,520	0	500	0	500	0	500	0	0	0	5,020
STEM Centre	2,000	0	0	0	0	2,000	0	0	0	0	0	0	0	0	0	2,000
CC Public Realm Works Phase 2	500	500	500	500	500	500	0	500	0	500	0	500	0	500	0	2,500
Capital Costs of Disposals	1,730	1,200	500	500	500	1,730	0	1,200	0	500	0	500	0	500	0	4,430
Total Chief Executives	**12,115**	**6,200**	**5,500**	**5,958**	**1,500**	**11,750**	**365**	**6,200**	**0**	**5,500**	**0**	**5,958**	**0**	**1,500**	**0**	**31,273**
STRATEGIC RESOURCES																
Disabled Access	280	150	150	150	150	280	0	150	0	150	0	150	0	150	0	880
Strategic Property Portfolio - AMP	650	250	250	250	250	650	0	250	0	250	0	250	0	250	0	1,650
Accommodation Strategy	710	150	150	150	150	710	0	150	0	150	0	150	0	150	0	1,310
Investment Portfolio - Voids & Rents Project	350	0	0	0	0	350	.	0	0	0	0	0	0	0	0	350
Asbestos Removal	75	75	75	75	75	75	0	75	0	75	0	75	0	75	0	375
Structural Maintenance Of Council Buildings	405	405	405	405	405	405	0	405	0	405	0	405	0	405	0	2,025

	2011/12	2012/13	2013/14	2014/15	2015/16		2011/12		2012/13		2013/14		2014/15		2015/16		2010/16
Project	**Budget £000**	**Budget £000**	**Budget £000**	**Budget £000**	**Budget £000**		**Corporate Resources £000**	**Third Party Income £000**	**Corporate Resources £000**	**Third Party Income £000**	**Corporate Resources £000**	**Third Party Income £000**	**Corporate Resources £000**	**Third Party Income £000**	**Corporate Resources £000**	**Third Party Income £000**	**Total Budget 2010 - 2015**
Cemetery Provision	464	349	340	0	0		375	89	349	0	340	0	0	0	0	0	1,153
Fletton Cemetery (Mausoleum Development)	25	0	0	0	0		25	0	0	0	0	0	0	0	0	0	25
Business Transformation Invest to Save	799	500	500	500	500		799	0	500	0	500	0	500	0	500	0	2,799
Customer Services Transformation	150	0	0	0	0		150	0	0	0	0	0	0	0	0	0	150
Constraints Project	45	0	0	0	0		45	0	0	0	0	0	0	0	0	0	45
Dragons Den	30	0	0	0	0		30	0	0	0	0	0	0	0	0	0	30
ICT Managed Service	1,011	597	575	444	250		1,011	0	597	0	575	0	444	0	250	0	2,877
Tribal eRecruitment Management System	20	0	0	0	0		20	0	0	0	0	0	0	0	0	0	20
Town Hall Works	21	0	0	0	0		21	0	0	0	0	0	0	0	0	0	21
Werrington Car Park	200	0	0	0	0		23	177	0	0	0	0	0	0	0	0	200
Legislative Works	1,240	200	0	0	0		1,240	0	200	0	0	0	0	0	0	0	1,440
Waste Management Strategy	5,105	18,648	16,758	17,928	2,768		5,105	0	18,648	0	16,758	0	17,928	0	2,768	0	61,207
Further Partnership with PCAE	(100)	(100)	(100)	(100)	0		(100)	0	(100)	0	(100)	0	(100)	0	0	0	(400)
Deliver Academy	(350)	(350)	(350)	(350)	0		(350)	0	(350)	0	(350)	0	(350)	0	0	0	(1,400)
City Services Facilities Management	(100)	(100)	(100)	(100)	0		(100)	0	(100)	0	(100)	0	(100)	0	0	0	(400)
Agile Working	(150)	(150)	(150)	(150)	0		(150)	0	(150)	0	(150)	0	(150)	0	0	0	(600)
Disaster Recovery Facilities	25	0	0	0	0		25	0	0	0	0	0	0	0	0	0	25
Riverside - Risk Reduction Project	200	0	0	0	0		200	0	0	0	0	0	0	0	0	0	200
PCT Properties Works	500	500	0	0	0		500	0	500	0	0	0	0	0	0	0	1,000
Capitalisation of Schools Reserve	500	500	500	0	0		500	0	500	0	500	0	0	0	0	0	1,500
Demolition Buildings South Bank	410	0	0	0	0		410	0	0	0	0	0	0	0	0	0	410
Renewable Energy Projects	500	0	0	0	0		500	0	0	0	0	0	0	0	0	0	500
HCA Grant Payment Developer	2,000	0	0	0	0		0	2,000	0	0	0	0	0	0	0	0	2,000
Support for Costs of Change	500	0	0	0	0		500	0	0	0	0	0	0	0	0	0	500
Sub Total Strategic Resources	**15,515**	**21,624**	**19,003**	**19,202**	**4,548**		**13,249**	**2,266**	**21,624**	**0**	**19,003**	**0**	**19,202**	**0**	**4,548**	**0**	**79,892**
Leisure Trust Scheme																	
Leisure Trust - Property	449	460	377	408	0		449	0	460	0	377	0	408	0	0	0	1,694
Review of Key Theatre	864	375	0	0	0		864	0	375	0	0	0	0	0	0	0	1,239
Libraries Public Access PCs	50	0	0	0	0		50	0	0	0	0	0	0	0	0	0	50
Leisure Trust (Invest to Save)	200	0	0	0	0		200	0	0	0	0	0	0	0	0	0	200
Werrington Sports & Recreation Centre	20	0	0	0	0		20	0	0	0	0	0	0	0	0	0	20
Museum Redevelopment	2,596	0	0	0	0		1,771	825	0	0	0	0	0	0	0	0	2,596
Embankment Athletics Track Pavilion Extension	400	0	0	0	0		400	0	0	0	0	0	0	0	0	0	400
Regional Swimming Pool	75	50	0	0	0		75	0	50	0	0	0	0	0	0	0	125
Sub Total Leisure Trust	**4,654**	**885**	**377**	**408**	**0**		**3,829**	**825**	**885**	**0**	**377**	**0**	**408**	**0**	**0**	**0**	**6,324**
Total Strategic Resources	**20,169**	**22,509**	**19,380**	**19,610**	**4,548**		**17,078**	**3,091**	**22,509**	**0**	**19,380**	**0**	**19,610**	**0**	**4,548**	**0**	**86,216**
TOTAL CAPITAL PROGRAMME	**108,806**	**74,299**	**79,915**	**48,350**	**27,454**		**63,399**	**45,407**	**60,954**	**13,345**	**68,017**	**11,898**	**31,123**	**17,227**	**23,086**	**4,368**	**338,824**

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Capital Receipts Summary from 2010 - 2016

Asset	Budget 2010/11 £000	Budget 2011/12 £000	Budget 2012/13 £000	Budget 2013/14 £000	Budget 2014/15 £000	Budget 2015/16 £000
Household Waste Disposal Site Thorney	*					
Old Scarlett Public House	*					
Paston Farmhouse	*					
29 Eyebury Road	*					
PPDC	*					
The Grange Surplus lands	*	*	*	*		
Plot at Gunthorpe Primary School	*					
Land @ First Drove, Fengate	*					
Hill Farm Barn (Farm Estate)	*					
Cranford Drive Boiler House	*					
Land at John Clare Primary School	*					
1 Toll Cottage	*					
Land adjacent to Matley School	*					
Lady Lodge Arts Centre	*					
Kings Lodgings (not valued yet)	*					
John Clare Pub	*					
Nursery Oakdale Avenue (not valued yet)	*					
Eldern Retail/Pub (not valued yet)	*					
Eye Green Industries (not valued yet)	*					
Alwalton Hill CRA Land	*				*	*
Maxwell Road (not valued yet)	*					
North Street Stanground	*					
Orchard Street	*					
Land at Itter Park -residential		*				
St John Street		*				
Hereward (reduced site excl. retained school land) land off Park Lane		*				
Single Plot @ Pilsgate		*				
Coneygree Lodge		*				
John Mansfield (Remote site)		*				
John Mansfield Main Site		*				
Alfric Square		*				
Cherry Orton Farm		*				
Land at the Dell, Woodston		*				
Herlington Offices		*				
Land at Tenterhill - Thistle Drove		*				
Caxton Court / Comegree Road		*				
Garage Site - Orton Avenue		*				
The Lindens		*				
Gunthorpe Family		*				
City Clinic		*				
Arthur Mellows caretakers house		*				
Substations		*				
Thorney Tank Yard, Thorney		*				
Pyramid Centre, North Bretton		*				
Honey Hill		*				
Westwood Centre Car Park (part)		*				
Welland Allotment Land at Nab Lane		*				
CRA Winfall		*	*	*	*	*

Capital Receipts Summary from 2010 - 2016

Asset	Budget 2010/11 £000	Budget 2011/12 £000	Budget 2012/13 £000	Budget 2013/14 £000	Budget 2014/15 £000	Budget 2015/16 £000
Dickens Car Park		*				
Goswick - Orton Brimbles		*				
Bretton Woods (Residential)		*				
Targeted Future Receipts		*				
Bretton Court (empty office space 30,000 sqft)		*				
London Road Allotments			*			
Bifield - Orton Goldhay			*			
Wellington Street Car Park			*			
Bishops Road Car Park			*			
Woodston Primary School			*			
Monarch Avenue (Fletton Allotments)			*			
Middleton Primary School (surplus land)			*			
Craig Street Car Park			*			
Ravensthorpe Primary School (land at)			*			
Welland Primary School (frontage)			*			
Duke of Bedford Primary School (Surplus land)			*			
Fleet			*			
Paston CRA land			*			
Highlees Primary School			*			
West Town School			*			
Covenants			*			
Vawser Lodge			*			
Targeted Future Receipts			*			
Horsefair Car Park				*		
Wirrina Car Park				*		
St Johns CofE Primary School - Land adjacent				*		
Braybrook Primary School (surplus land)				*		
Northminster House, Ground Lease				*		
Barnack Primary School				*		
Southfield Infant School				*		
Orton Bowling Green					*	
Northminster Car Park					*	
Royce Road					*	
Commerce Road, Orton Southgate					*	
Eye Primary School					*	
Woodlands Castor					*	
New England Complex, Lincoln Road					*	
Farm Estates					*	
Targeted Future Receipts					*	*

Asset Management Plan

2011 – 2016

Executive Summary

Asset Management Plan

1.0 Background

1.1 Peterborough City Council is a major property owner with an asset base of over 2000 properties and a net book value exceeding £365m. These assets are used to deliver the Council's wide ranging objectives.

1.2 However, as a Council we face a number of major challenges with regard to the property portfolio. These include:

- A property portfolio that is ageing with excessive liabilities for repairs and maintenance liability
- A property portfolio that is not best suited to Council needs for service delivery
- An ad-hoc approach to management of the portfolio i.e. currently service departments manage the property they use and there can be inconsistency in the way this is done.

1.3 In addition we need to get the most out of our portfolio. This will include:

- The delivery of in excess of £40m of Capital Receipts in a falling market over the next five years to support the Council's Capital Budget
- Using Property in different ways to support the Growth Agenda

1.4 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 21st Century.

2.0 The Format of the Asset Management Plan

2.1 The AMP consists of four parts:

- Part 1 – Sets out the strategy for managing the portfolio and what the Council will do to meet the challenges faced. It sets targets and benchmarks against which performance is measured. It also aligns with the guidance provided by the RICS and ODPM.
- Part 2 – Sets out the processes and procedures to be followed in the management of the Property Portfolio
- Part 3 – Sets out future property needs for individual services.
- Part 4 – Glossary of Terms

2.2 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.

3.0 The Future Management of Property

3.1 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.
- Establishes processes and procedures for the management of the property portfolio in accordance with Government initiative for Total Place, referred to as "Green Shoots" in PCC. Green Shoots seeks to co-locate Public sector organisations in shared accommodation.

- Sets challenging targets for the generation of savings from the Property Portfolio, in particular using properties to create income generating energy schemes, and to improve the efficiency in use of energy in existing properties i.e. wasted energy.
- Using property to support environmental improvements e.g. creation of woodland and multifaith/non-faith cemetery.
- Sets challenging targets for the realisation of Capital Receipts from the Property Portfolio.

3.2 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 in accordance with the Accommodation Strategy contained within the AMP.
- 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.
- Offering surplus property to Partner Organisations. If there is no further use then the property will be offered for disposal.
- Maximise the use of properties that are held 'In Trust' for the use of the Community.
- Requirements being delivered from Council premises. The number of leased in properties will be reduced where practicable when existing lease arrangements reach their conclusion.
- 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. Accommodation will be provided in accordance with the Accommodation Strategy.
- 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.
- Focussing expenditure on those assets that have a long term future. Services will consult with the CPO when works are required to the property they use. The CPO/Service relationship is set out in the User Occupancy Arrangements contained within the AMP

Introduction

The Asset Management Plan in Context

The AMP 2011 continues to build on the work undertaken by the Council, its Partners and with contribution from the community in developing a Sustainable Community Strategy. A strategy with the vision and outcomes, to effectively match the ambition of our community.

The AMP 2011 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.

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

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 lives.
- **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

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 our successes with the Police, the Primary Care Trust, and many other key partners to make this ambition a reality for the City and its community.

Asset Management can be described as 'making the best use of assets in terms of service benefits and financial return' (DLTR Best Practice Guide 2000). It has a long term dimension and is concerned with Council-Wide management issues. In particular, it is associated with the following principles:

- An integrated approach between service areas and the corporate centre
- separate responsibility for strategic asset management
- explicit authority-wide objectives for holding property and other assets
- changes to the portfolio consistent with corporate objectives
- a performance management system
- sufficient data to analyse the performance of the portfolio and to make strategic decisions
- Allowing the Council to deliver in accordance with short, medium and long term priorities.

The 2011 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
- Compliments the Council's Capital Strategy.
- Develops and updates Peterborough City Council's (PCC) earlier AMPs.

What is an Asset

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

The use of Assets

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.

The relationship of the AMP to other key corporate documents is set out in Part 1. These linkages support and complement the Council's overarching corporate values which underpin all that is completed in Peterborough:

Chapter 1 - Organisational Arrangements for Asset Management

1.1. CPO – Roles and Responsibilities

1.1.1. The Executive Director - Strategic Resources is the Council's Corporate Property Officer (CPO). As a member of the corporate management team, the CPO has the responsibility and authority to implement the necessary actions to facilitate effective asset management.

1.1.2. Strategic Resources incorporates a wide range of services that are concerned with core operation of the Council. These include: Strategic Finance including Internal Audit, Shared Transactional Services, Business Transformation including Strategic Property, and Business Support including HR Payroll.

1.1.3. The CPO's role is currently supported by Strategic Property (incorporating Estates, Facilities Management & Commissioning) and the Growth Team who liaise with the Peterborough Delivery Partnership. Prior to 2010 a Corporate Asset Management Group (CAMG) together with Strategic Property was established to support the role of CPO. However, recent changes in the way the council will "do business", either as a result of budgetary pressures imposed by Government reduction in grant awards, and initiatives to encourage Public Sector organisations to works together to facilitate shared and/or pooled accommodation, joined up and shared services, partnership working to promote inward investment and growth in the City, and the environmental challenges has necessitated a review of the CAMG.

1.1.4. It is proposed that a Property Board is created with professionally qualified senior property representatives of all public sector partners to reflect new ways of working and fully support the concept of PCC as an enabling authority. The Property Board will replace the CAMG. A draft proposal including Terms of Reference has been submitted to the Greater Peterborough Partnership for their consideration and comments under the banner of "Green Shoots". It is proposed that the Property Board would be chaired by a non-property professional who can provide an unbiased and impartial overview of matters being considered by the board. The board will consider applications for office moves, additional accommodation requirements, new build proposals, acquisitions and property disposals. Any application to the board will require a business case setting out the need and justification, identification of budget sources, together with a calculation of Total Life costs and any environmental impact

1.1.5. 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 3.18:

- The CPO was formerly the Chair of the Corporate Asset Management Group. If the proposed Property Board is established the CPO will either chair the Board or delegate authority to an appointed person to act on behalf of the CPO.
- Consults with Heads of Service, partners, elected members, stakeholders and users concerning the management of the Property Portfolio
- Maintains up to date electronic and paper copy records about ownership (tenure), condition, sufficiency and suitability of the Council's property portfolio, and investment required. Electronic data systems are updated and maintained to inform property performance indicators for use in benchmarking against other Council's through CIPFA Property Network.
- Regularly reports to the Corporate Management Team (CMT) and the Cabinet on the performance of the Council's property portfolio.
- Leasing and Letting property on behalf of all services of the Council.
- Acquisition and disposal of property
- Work in respect of covenants

1.2. **Reporting Framework – Cabinet & Corporate Management Team (CMT)**

1.2.1. 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 meets monthly, approves the annual capital and revenue budgets and agrees matters of policy.

1.2.2. The Leader of the Council chairs a Cabinet of 9 Members. Each Cabinet Member has lead responsibility for a portfolio area. Areas of responsibility are as follows:

- Leader of the Council
- Deputy Leader and Cabinet Member for Culture, Recreation & Strategic Commissioning
- Cabinet Member for Business Engagement
- Cabinet Member for Housing, neighbourhoods and Planning
- Cabinet Member for Education, Skills and university
- Cabinet Member for Health & Adult Social care
- Cabinet Member for Children's Services
- Cabinet Member for Resources
- Cabinet Member for Environmental Capital
- Cabinet Member for Community Cohesion & Safety and Women's Enterprise

1.2.3. 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. The exception is the Cabinet Member for Children's Services who currently has delegated responsibility for Asset Management in Schools.

1.2.4. 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 2011-2016 (Appendix 7) 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. The Cabinet Members for both Resources & Children's Services have a key role in challenging the use of assets, investment and disposal decisions in an on-going basis.

1.2.5. 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. For example, the audit scrutiny panel recently reviewed the Energy Billing processes and recommendations of an internal audit report which are being addressed through the Strategic Property Team in conjunction with the Carbon Reduction Commitment Working Group.

1.2.6. 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, Service Director's and specific senior management representatives. The CMT meets every other week and up to 2010 received reports from the Corporate Asset Management Group following the monthly meeting. The proposed Property Board will submit reports as required to CMT. In the meantime, the CPO, who is a member of CMT is fully briefed on property matters to enable them to report as required. CMT considers issues affecting the Council's Asset Management Plan. This includes an annual report on performance against property

Key Performance Indicators (KPIs), the growth agenda and operational property matters affecting service delivery etc.

1.3. Property Board (PB) – Terms of reference (TOR)

1.3.1 The Property Board will support the role of the CPO, and it is proposed that this will be representative of all public sector partner organisations. It will constitute the senior Strategic Group dealing with property related matters from a holistic perspective reporting up to a Partnership Board. It will not be exclusive as it will have direct links with other Groups such as the PCC Asset Disposal Group, PCC Capital Programme Group, Peterborough Development Partnership, and other relevant groups in partner organisations of which it is representative. Within the council it will replace and have greater responsibilities than the Corporate Asset Management Group and the Corporate Accommodation Review groups, neither of which have met during he last year.

1.3.2 Membership of the Property Board will be determined as part of the "Green Shoots" project.

1.3.3 Attendance at meetings – it is proposed that project officers will be invited to present their requests for accommodation to the Board. They will be required to identify budget availability, need and to demonstrate that all options have been considered and that the request has addressed the requirements of the Corporate Asset management Plan and Strategic Priorities.

1.3.4 Terms of reference for this Group are proposed as follows:

- To ensure that plans for the acquisition and/or disposal of property is approved by the CPO.
- To monitor and review progress with asset disposals.
- To ensure that any works affecting property either owned or leased by the council/partners is carried out in accordance with the Corporate Asset management Plan and Property Strategy, and that the CPO has given agreement.
- To review, prioritise, and agree the programme of works and expenditure of annual corporate capital asset management budget based on property performance indicators and property data.
- To review, prioritise and agree the programme of works and expenditure of annual corporate capital access (DDA) budget based on access surveys and recommendations
- To review, prioritise and agree the programme of works and expenditure of the annual corporate asbestos budget based on the councils asbestos register.
- To review, prioritise and agree the programme of works and expenditure of the capital accommodation budget based on fire risk assessments, office moves, energy performance certificates etc.
- To review, prioritise and agree the programme of works and expenditure of capital budget for works to Leisure and Culture properties occupied by Vivacity
- To review, prioritise and agree the programme of works and expenditure of the capital maintenance budget
- To ensure that the use of accommodation complies with the corporate asset management plan.
- To ensure that accommodation requirements are prioritised in accordance with Strategic Priorities, and only projects that are in line with these are progressed.
- To review annual and planned maintenance schedules
- To review annual service contracts and recommendations arising from these
- To review future planned work programme
- To agree a prioritisation process and management of accommodations moves and/or alteration and refurbishment works. Ensuring that budgets are agreed and are adequate for the purposes required.

- To review property assets being vacated by services, to ensure that the service is complying with requirements of Corporate Asset Management Plan and Property Strategy to procure works in making (dilapidations) to the satisfaction of the CPO.
- Any local agreements implemented without approval of the Property Board will be stopped, pending presentation to and approval by the board.

1.4. **Links to Strategies and Plans**

1.4.1 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. In the absence of the CAMG, Strategic Property is the main area of consultation on property matters and the various plans and strategies required for successful asset management.

1.4.2 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.

1.4.3 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.

1.4.4 Through the Corporate AMP, the Education AMP, 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.

1.4.5 Strategic Housing – The council is in the process of implementing a new approach to its strategic housing responsibilities that ensures a holistic response is provided to meet the needs of our residents and communities. The demand for social housing continues to be high and there is insufficient supply to meet that demand. This may be further impacted by changes to the social welfare system.

1.4.6 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 are reforming our response to social housing demand through a review of our allocations policies and operational practices. The Council is also supporting some of our most vulnerable residents to continue to live in their own homes through programmes such as Supporting People and the Care & Repair Service.

1.4.7 Peterborough's Children's Single Delivery Plan 2011 will set out how the Council and its partners through the Greater Peterborough Partnership and Peterborough Children's Trust will work together to achieve better outcomes for Peterborough's children and young people. The document is based upon a rigorous assessment of need and extensive consultation, and will inform future built environment priorities and further develop the Department's Corporate Asset Management Plan and School related Asset Management plans.

1.4.8 The main purpose of the Children's Services department is to deliver a good service to all children and young people, such that everything the department undertakes is based on achieving the five outcomes encompassed in the 'Every Child Matters' agenda for all children and young people in the Peterborough area. The department aims to achieve this by putting the child at the centre of its work, in order to wrap services around the child to meet their particular needs. The Children's Services Department works alongside its partners in the Children's Trust to ensure that the holistic needs of children and young people can be met. The department is also responsible for adult education.

1.4.9 Children's Services approach is underpinned by the Children's Single Delivery Plan. The Department is currently reviewing its Corporate Asset Management Planning process and

has a robust system of school related Asset Management Plans. Children's Services has a drive to begin delivery of services from locality centres. This will ultimately change and inform the Department's Asset Strategy.

1.4.10 The Department will re-introduce the School Organisation Plan in 2011 (once a statutory document). This strategic document will include information on demography and will inform the needs for school places into the future.

1.4.11 The Secondary School Review (SSR) established The Voyager School and Thomas Deacon Academy and refurbished Ken Stimpson, Jack Hunt, St John Fisher and the King's School. Work is continuing at Arthur Mellows Village College, funded through successful bidding for Government grants.

1.4.12 Phase 2 of the review had been intended to focus on Ormiston Bushfield Academy, Stanground College and Orton Longueville School. The planned academy will be funded through the Building Schools for the Future programme but the other two schools lost funding when the programme was ended. There has been no significant investment in either site for several years because they were expected to be re-built as part of this Government programme. Investing in either existing schools now would not represent good value for money for taxpayers. Discussions are currently ongoing with ministers over what type of funding may be available in the future.

1.4.13 Unanticipated continuing demand for secondary school places has necessitated the development of a project to re-open a school on the Reeves Way site (closed under the original SSR).

1.4.14 The Government's plans for investment in the Primary School Estate were announced in November 2008 (The Primary Capital Programme). This was a 15 year programme which anticipated that 50% of the Council's primary school estate would benefit from projects ranging from total rebuild to minor refurbishment. £3.0m was received in 2009-10, with £5.4m allocated for 2010-11. Rising numbers of primary age children are leading to shortfalls in places and the focus of the Primary Capital Strategy had to change to ensure sufficient places. Future allocations under this programme are now uncertain.

1.4.15 The Council has benefited from a grant of £5.3m towards increasing primary school places (Basic Need Safety Valve funding). Combined with the initial funding from the Capital Programme, this will contribute to provision of places in permanent buildings that meet other targets of suitability for 21st century learning, innovative design and sustainability.

1.4.16 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 there are serious concerns about the continuing need for places and there being sufficient funding to provide them.

1.4.17 Children's Services continue to be committed to incorporating sustainable solutions into all of its building projects, working towards the Government's target of zero carbon schools by 2016. Joint working is being established with the Council's Climate Change team, with an initial target of installing Smart Meters in all schools.

1.4.18 An increased pressure on primary school places and the need to provide sixth form facilities at the secondary school ahead of the requirements of the Section106 agreement has required the Council to consider investing in a school building programme in the Hampton area. Additions to Hampton Hargate Primary School (outside of the S106) are in progress; this project includes a Children's Centre facility. There is a need for an additional Primary School (again over and above the S106 agreement), but land availability is an issue. Demographic pressure continues to raise concerns for all infrastructure needs in Hampton.

1.4.19 Elsewhere in the city a considerable number of projects are underway on Primary schools in order to increase places.

1.4.20 Significant moderations continue to Clare Lodge (the secure residential accommodation) and a further application has been made to the Department of Education (DfE) to provide additional separation areas and develop a 14-19 curriculum offering.

1.4.21 The Local Development Framework sets out how the Council see 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. This is led by the Peterborough Development Partnership with support from the Growth team and Opportunity 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.

1.4.22 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.

1.4.14 The Council has demonstrated it 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. Over the next 12 months the Council will be developing 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.

1.4.15 The use of capital resources to support adult social care reports to the Commission for Social Care Inspection through the Delivery and Improvement Statement on an annual basis. This information forms part of the evidence used by CSCI in its annual review of Social Services Performance and Star Ratings. New “Quality Care Commission Standards” audits have been introduced which require assets used to provide care services to meet certain condition and other best practice health standards criteria. .

1.4.16 PCC have 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 nee to be considered when looking at the future development of the Property Portfolio.

1.4.17 The CAMP also relates to the Service Business Plans that are developed by each Service setting out the way in which they will deliver to customers over the short, medium and long term and their property and financial needs to meet these aims. However it is recognised that services will need to be flexible to meet the future demands. Given this Part 3 and Part 4 of the report are flexible and will be updated on a regular basis as changes are reported to the Corporate Asset Management Group.

1.4.18 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 these in a remote location where a number of key service personnel can operate from. 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.

1.4.19 In addition Peterborough aims to be an example of how the Council can work 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. Initiatives currently being explored include bio-digester, photovoltaic,

wind turbines, automated meter readings, power save devices, daylight controlled lights, new heating appliances, replacement windows etc. Capital budget has been identified to support the implementation of viable schemes. 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.

1.5. **Asset Management and obtaining value for money from the Property Portfolio**

1.5.1 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.

1.5.2 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. In previous years, Best Value Reviews have been undertaken as a way of examining the efficiency of services (amongst other criteria), specifically looking at whether the right service is produced with the correct resources. This applies to the property implications of service delivery and delivering the Council's policy priorities. More recently the Government placed emphasis on the Comprehensive Performance Assessment (CPA) to increase the "voice of the community" in determining how effective the council is. Latterly this was replaced by the "harder CPA" followed by the Comprehensive Area Assessment (CAA), reviewing use of resources, partnership working and direction of travel. Whilst the CAA has since been abolished by the coalition government, the good practice these assessments judged will continue to apply. The Council's Performance Plan reinforces the policy priority of managing resources effectively to deliver quality services. The relevant service principle states that: "The Council is committed to providing the best service possible for 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.

1.5.3 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. Property is also measured against 8 Key National Property Performance Indicators and benchmarked against other Local Authority property portfolios through the CIPFA Property Network. PCC is currently refreshing it's property data and therefore does not have current figures for benchmarking. Although disposal or demolition of underperforming assets has had a positive impact on the estimated cost of maintenance backlog and Accessibility issues.

1.5.4 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. Recent demolitions include the former Lady Lodge Arts Centre, and the Wirrina, both of which have suffered considerable vandalism. Theft of copper pipes and cables has added to the detriment and degradation of some of the Council's vacant properties, London Road being the most recent example.

1.5.5 The economic downturn has had a significant impact on the value of the council's property portfolio which is being stretched to enable provision of services, contributing to incomes, and providing capital receipts contributions for the growth agenda. Maximising value with

competing priorities is critical and a balance has to be struck between selling a property at a reduced price in the current market, or retaining and incurring associated on-going cost of ownership until property prices improve. London Road is a typical example, whereby the council has had difficulty in securing new tenants, the copper was recently stolen from part of the building and tenants have ended their leases because of economic trading pressures. To avoid on-going costs and also to enable progress for the Southbank development, the Property is targeted for demolition in the future.

1.6. **The use of IT to support property**

1.6.1 Organisations cluster around the information they hold in order to do their business: traditionally this information is paper based and held in filing cabinets, to ensure easy access and to enable sharing of this information workers gathered around the filling cabinets.

1.6.2 Use of ICT – whilst not re-promising the paperless office – enables the organisation to access that information from any where, any place, any time and reduces the "cluster effect".

1.6.3 Investment 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 (e.g. social workers based in schools). The first steps will be in the provision of a secure and robust ICT facilities to enable home working, as technologies become more stable and greater bandwidth available then truly mobile working can be facilitated. The further deployment of agile working will enable greater flexibility for 'nomadic working' - i.e. those workers who move from site to site, and can work from any number of office locations. This will increase the demands placed on information and building security

1.6.4 The Council has appointed SERCO as a partner to provide and manage ICT Services. SERCO are commencing an implementation programme to introduce "thin client". Currently there are throughout the council a variety of different types of computers, of varying ages, capacity and functionality, and with differing programmes loaded onto their hard drives. This creates a unique desk user situation, as a desk, even if it is temporarily vacant, is not capable of being used by another officer with a different ICT profile. Thin client aims to remedy this 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 insitu and only the person moves.. It will also enhance the capabilities and accessibility of the ICT services if working remotely, such a from home.

1.6.5 The Council has embarked on an ICT Improvement program to upgrade and maintain all central ICT systems and servers. Standards and Policies for ICT are now being implemented.

1.6.6 In addition and to support the ICT programme, the volume of paper document storage is being addressed. This will enable floor space to be maximised for people not storage, and will reduce risk of data loss. The rationalisation of the hard filing systems into an Electronic Document Record Management System (EDRMS) has commenced with payroll records. These remain accessible via an electronic database and have freed up significant floor area in one corporate office building. Children's Services are also implementing EDRMS.

1.6.7 Strategic Property have procured a new asset management database. This is in implementation phase and will enable greater sharing of data across the council, interfaces with other systems such as the Oracle financial database, and external users such as elected members and schools will, in the future be able to access relevant data through an internet portal. The functionality and programmes available mean that all property data can be held or linked into one place and has given PCC an opportunity to refresh all data held.

1.6.8 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.

1.7. **Customer Service Centres – Peterborough Direct**

1.7.1 In working towards the joined up delivery of the Council's policy priorities the strategic deployment of assets within the context of the Asset Management Planning processes is crucial. Integration of services within a single location improves service delivery, while optimising the use of Council buildings.

1.7.2 Peterborough Direct is a business service concept that aims to improve the level of public access to a variety of council services and potentially other organisations that work in partnership with the Council. This will be achieved by broadening the types of access channels and increasing the complexity of enquiry that each access channel can cope with.

1.7.3 The focal point of Peterborough Direct is the customer service centre which opened at Bayard Place in January 2007. A range of specific services are provided to customers from the centre together with general advice, information and sign posting on a multitude of other council and non-council services.. The centre also has a call centre and a number of 'self-service' kiosks where customers are assisted to access information about services the council and other relevant organisations provide.

1.7.4 Service improvements have continued to be made since the customer service centre opened both in terms of customer access and efficiency. In November 2009 the customer service transformation programme together with the councils back office efficiency project won the Local Government Chronicle Finance Award for Efficiency and in March 2010 following independent validation the customer service centre successfully retained the Customer Service Excellence (CSE) accreditation. The CSE is a central government standard which has replaced the Charter Mark Award that highlights through a rigorous assessment process that a service is delivering excellent customer service.

1.7.5 During 2010 further services have migrated to the customer service centre and an on line booking system has been successfully introduced for the registration service. Further work has also been undertaken to better understand customer demand and encourage access though more convenient and cost effective channels. These successes have been particularly evident in the number of customers who have moved from traditional face to face service delivery to call centre and from the call centre to self service.

1.7.6 2011 will build on this work and see further services delivered through Peterborough Direct including work with partners to ensure our customers not only have greater clarity in how to access a wider range of public services but will recognise that overall efficiency savings to the public purse are being made as a direct result of these changes.

1.8. **Partnership Working**

1.8.1 Peterborough also takes the opportunity whenever practicable to work in partnership to deliver joint outcomes.

1.8.2 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 is being carried out under the Green Shoots banner to share and collate property data and PCC are recording this electronically on behalf of partners using Graphical Information System to overlay properties and identify any overlaps/synergies. A longer term project includes potential plans to develop a civic hub on the Station Quarter.

1.8.3 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 utilising local authority and quasi government premises as enablers for new developments and businesses.

1.8.4 Green Shoots also considers end to end processes involved in service provision e.g. a young person who might offend at an early age throughout their lifetime could, if they continue on this trajectory involve a number of services (police, probation, education authority, social care, etc) and represent a significant cost to the community. Through an early joined up approach, it may be possible to bring intelligence together to capture the problem early and to discourage future re-offending allowing funds to be targeted where needed in other areas.

1.8.5 PCC continues to work in Partnership with Health Services in Peterborough. Proposed changes to the structure of Healthcare provision will result in PCC taking back the responsibility for the provision of Public Health and Learning Disability Services. However, strong links will be maintained with Strategic Health in delivery of joined up services.

1.8.6 Shared projects include:

- **Healthy Living Centre – Huntly Grove**
  Site now established and providing services to patients with long term conditions such as diabetes services. Site is also providing a venue for local community groups to utilise out of hours so as to improve community cohesion.

- **Rivergate Centre – Oasis Centre, City Care centre, Adult Mental Health Services (Cavell Centre), New Hospital – Peterborough**
  These facilities are now operational.

- **Alma Road Primary Care Centre – Equitable Access Centre**
  NHS Peterborough Board opened this site in May 09 and provides walk in access to General Practitioner services 7 days a week between 7am and 10pm. Development plans are being advanced for a permanent new build.

- **Primary Care Centres**
  Primary care centres will be considered on the basis of service need and affordability.

- **Orton Centre - Primary Care Centre**
  NHS Peterborough in conjunction with the GP Practices are looking at options for a new build replacement for Orton Bushfield Health Centre within the Orton Centre subject to public consultation.

- **Palliative Care Centre**
  Procurement being led by Sue Ryder to replace Thorpe Hall with a new build facility at a site yet to be determined.

- **Adult Social Care**
  Putting People first – act local act personal DH (2010) clearly sets out the need for health and social care to jointly provide services to individuals promoting independence and enablement. Suitable tenured, independent accommodation for people with low, medium and high health and social care needs, is limited across Peterborough. The accommodation Strategy (2007) is being refreshed and will be available for comment in 2011. How day services is provided will be reviewed in early 2011 which is likely to involve the redevelopment of current city council stock to provide provision fit for purpose. City Council and NHS Peterborough are working jointly on a service review of the Council owned care homes. Of concern is the significant backlog maintenance work and costs associated with these homes requiring capital investment from the City Council. The Asset Management Plans have shown the work that is required which if not undertaken will present an increasing risk to the City Council in terms of property management and potentially to NHS Peterborough in terms of continued commissioning of services to residents at these sites. NHS Peterborough and the City Council are establishing formal Lease agreements in line with the Partnership Agreement. The City Council and NHS Peterborough have successfully decommissioned Vawser Lodge following the successful transfer of services to the City

Care Centre in May 09. The City Council is now looking at future options for this site as part of the regeneration of the Hospital Quarter area.

1.9 The Growth Agenda – Opportunity Peterborough & Peterborough Development Partnership

1.9.1 PCC aims to promote substantial growth in the region and have ambitious targets to meet by the year 2020. However, to reflect changes in the market where the Council now have to drive forward growth, various roles have changed. Opportunity Peterborough (OP) will now focus on the marketing of the City with the Council focusing on the delivery of the physical growth.

1.9.2 With this in mind a new team has been established within PCC. The Growth & Regeneration Team will take this forward through a number of routes, but in summary projects will fall into three distinct areas:

- PCC acts as an enabler to bring together the various parties to encourage growth to move forward
- PCC are the major landowner and will set up a delivery mechanism
- PCC are the minor land owner and may seek to enter into an agreement with another land owner to bring development forward.

1.9.3 The aim of the Growth and Regeneration team is to implement the growth of the city. Key sites for delivery are as follows:

- Queensgate and North Westgate
- South Bank (including Carbon Challenge)
- Retail Quarter
- Station Quarter
- Northminster
- Peterborough District Hospital
- East Embankment
- Embankment

1.9.4 Works commenced in the City with the demolition of the former Norwich Union Building and re-development of the squares with paving and fountains; the council purchased the Peterborough United Football Club property freehold with a longer term purpose of enabling the development of the Southbank. The downturn in the national economy has impacted the rate at which the growth agenda is implemented. The Council is fully committed to working with our partners in Opportunity Peterborough, Peterborough Development Partnership, other public sector and private partners to support, encourage and promote the growth agenda..

1.9.5 The Council recognise the contribution PCC property assets will make to the growth of Peterborough either for use as development sites or through sale and use of the capital receipt. To date the sites have identified below have the potential to be included within future developments.

Assets held to Support the Growth Agenda

Site	Current Use	Comments
Wirrina	Car Park	Use to be identified.
Matalan and B&Q	Retail	Part of the South Bank development
Dickens Street Car Park	Car Park	Gateway to the City
Bridge House	Offices	High value development site
Embankment	Recreation	Use to be identified
Eastern Embankment	Grazing	Restoration works likely to give the site a negative value.
7-23 London Road	Entertainment	Part of the South Bank Development

Assets held to Support the Growth Agenda

Site	Current Use	Comments
	and Retail	
Wellington Street	Car Park	Use to be identified
Market	Retail	Future use to be identified. Market will need to be relocated.
Cripple Sidings - Former Public House	Vacant Plot	Residential. Planned to be part of Carbon Challenge

1.9.6 It should be stressed that these future uses are indicative only. In reality the market will dictate the use of these sites and the therefore the capital receipt. However, the Council should recognise the financial contribution it is making to the growth agenda which demonstrates the Council's ambition and commitment.

1.9.7 In addition the Council is also looking to use our covenant to secure development within the City. In particular the Council is looking to consolidate activities to deliver economies of scale but also to use its "buying" power to encourage and promote development within the city.

Chapter 2 – Consultation

2.1 Consultation

2.1.1 Consultation is an important part of the Council 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. Corporately, the Council has a full time employee, whose role is to manage consultation with the Council's stakeholders. A range of methods is employed to get feedback. These include focus groups, challenge workshops, questionnaires, surveys and the internet. Overall the Council follows principle of 'Ask, Listen, and Act'.

2.1.2 Consultation is ongoing and is a part of the way in which Peterborough City Council undertakes its business. The outcome of the consultation exercises will continue to inform the Council's approach to managing its property and its capital programme.

2.2 Neighbourhood Management in Peterborough

2.2.1 Co-ordination of services and agencies across geographical areas is an essential pre-requisite to ensuring local services meet local needs and expectations and are accountable to local people.

2.2.2 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.

2.2.3 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.

2.2.4 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.

2.2.5 Peterborough City Council has placed the principles of a neighbourhood approach at the heart of its continuous improvement agenda and it acts as a delivery mechanism to help achieve the majority of its objectives. The neighbourhoods approach will also form a fundamental and underpinning element to the new Single delivery Plan being developed by the Greater Peterborough Partnership.

2.2.6 The Council is developing a series of community plans which will be continually updated. The plans aim 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.

2.2.7 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.'

2.2.8 Community Plans are developed with communities and are owned and overseen by Neighbourhood Councils. Neighbourhood Councils make up a local decision making structure that forms part of the Council's overall decision making process. Still relatively new, they are increasingly becoming the recognised vehicle for identifying local priorities and for making decisions that deliver positive results for their communities.

2.2.9 Neighbourhood Managers provide senior officer support to neighbourhood Councils, and ensure that the decisions made are taken forward operationally.

Chapter 3 - Data Management

3.1 Identification of Assets

3.1.1 A statement of the Authority's built and land assets are held electronically in a property management system (The Technology Forge (Tf) procured 2010). 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.

3.1.2 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.

3.1.3 The implementation programme for the Tf database is being used as an opportunity to refresh and update data for the whole of PCC property portfolio. Ten year financial plans have, in past years shown a considerable need for capital investment e.g recent Condition Surveys of the Elderly Persons Care Homes and Day Centres etc have identified maintenance backlog and building elements beyond their useful life totalling £2.5m. This sum includes both works that are essential and non-essential, but desirable e.g redecoration). The PCT Estates Manager is working with PCC to identify necessary works to comply with Quality Care Standards and other funding sources.

3.1.4 School AMPs are undertaken on a rolling programme basis. Suitability, sufficiency and condition surveys form part of the AMP. The introduction of the Tf database has meant that all properties (schools and corporate buildings) will have new surveys undertaken over the next 12 months. The condition surveys will 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.

3.1.5 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, fire fighting installations etc.

3.1.6 Although surveys are being undertaken currently, they can quickly become out-of-date once property requirements change regularly, alteration works being carried out or condition or asbestos recommendations being addressed. The AMP relies on feedback from property users, maintenance surveyors, and service clients, CPG 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.

3.1.7 Due to financial restraints, limited funds are available for investment in the property to address the backlog of maintenance. With clawback restrictions on the amount of capital receipts available from sales of surplus property (contribution to English Partnership/CNT), and the decreasing number of property assets with significant development potential and therefore value, Partnership/Private Finance Initiatives (PFI) arrangements are one way in which the problems might be addressed. More importantly is the need for the Council to undertake a rigorous review of the current property holdings used for service delivery. Integrating services spread across a geographical area into one purpose built unit or disposing of those properties that have high maintenance costs are other possible options. The AMP will inform the overall property strategy.

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 are funded specifically by DCSF (Modernisation and Formula Capital) enabling capital to be targeted at the greatest needs. Using this funding, a rolling programme of works for condition categories D1, C1 & C2 has been implemented for the schools, with the order of works established through a priority matrix introduced into the asset management process to eliminate subjectivity (subject to emergency condition works). A similar funding mechanism from DCLG would assist authorities in a similar position to ourselves with limited available resource to address backlog of condition in corporate property portfolio

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 is being maximised in line with Audit Commission Hot Property e.g. Human Resources, Finance and Housing have been relocated into space created from the rationalisation of existing services in one of the principal operational buildings. The central library has also been adapted to include other services and the Peterborough Direct Service Centre has been relocated to Bayard Place.

- Costs – the 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^2 emissions data has been collected (PPI 4B-D). It has been agreed with the Children's Services Department that schools will be benchmarked against each other grouped by type, size etc. e.g. Secondary Schools. The Corporate Properties will be benchmarked against National data provided by DEFRA and will be evaluated by types. Consideration will also be given to geographical location, since this might indicate a trend. When comprehensive information is available it will be used to inform the authority of property assets that have high levels of consumption or emissions.

  Since the Authority does not have complete drawn data base from which to gather floor areas and has not been provided with copies of energy invoices (where the authority does not manage the account on behalf of the service provider), limited information is available at this date.
- Investment portfolio – The authority has industrial, retail and agricultural investment property, which are currently being 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 e.g. Bretton Centre and Orton. The IRR has provided a tool to measure actual costs of holding and managing a property against the rental income. The covered market is known to be under-performing and will be part of the review of the City Centre referred to in the Capital Strategy. Other but dated shopping centres are identified as suitable for disposal through the AMP process.

3.2 GIS in Peterborough

3.2.1 Peterborough City Council is currently implementing 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."

3.2.2 It is also recognised that 85% of local government information can be referenced to land and property addresses. (source IDeA). Therefore, in order to deliver joined up services and joined up information, GIS technology is seen as fundamental.

3.2.3 At present, there are approximately 100 desktop GIS users throughout the council. The GIS programme will assess the quality of the data captured by these posts along with spatial information taken from outside the authority and assist 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

3.3 Asset Summary

3.3.1 At present the amount of data held by the Council in support of the Property Portfolio is limited. Current property holdings are estimated to amount to approximately 1522 asset records. The data is being refreshed and therefore records will be replaced to reflect the latest property information. This will address concerns regarding the validity and usefulness of previously incomplete information. This 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.

3.3.2 Given the above, the data identified in the table below is limited and will change as additional information becomes available.

Details of categories	Summary of categories	No.	GIA (sq m)
Office, Depot/Store/Public Convenience	Admin/Depot/Other	44	54,903
Arts Venue/Pools	Leisure	4	11,154
Library	Libraries	7	6,235
Schools/Colleges/Childrens Centre/Pupil Referral Unit/Special Schools/Caretaker Houses	Education	82	233,253
Residential Homes/Day Care Centres	Social care	19	14,590
Sports Centres/Youth Centres/Community Use/Community Related Asset/Pavilion/Play Centre/Recreation Grounds	Community assets	82	32,820
Cemetery/Industrial/Retail/Not defined/Open Space inc buildings/Garage Site/Travellers Site	General	133	40,738

Chapter 4 - Performance Management Monitoring and Information

4.1 Responsibility for performance management

4.1.1 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.

4.1.2 The Council's asset database system is used to collect, maintain and analyse performance information across all portfolio areas.

4.1.3 The CPO receives reports from Strategic Property on the performance of the portfolio and is empowered to make recommendations to CMT and ultimately Cabinet.

4.2 Comparing Performance

4.2.1 The Department of Communities and Local Government has indicated that it no longer requires Council to submit information on property performance indicators, which was a requirement in previous years. COPROP have developed a suite of performance indicators with Local Authorities and the RICS. The performance indicators are summarised below and PCC is able to upload data via CIPFA Property Network to enable benchmarking against other Local Authorities. CIPFA property Network summarises the data annually and reports back to the group. Since PCC are refreshing data, a new set of metrics will be produced for the Performance Indicators in conjunction with our partners and submitted to CIPFA Property.

4.3 Performance Indicators

4.3.1 The COPROP suite of indicators are as follows:

Indicator	Description
PMI 1	**Condition and required maintenance**
PMI1A	% Gross internal Floor space in condition categories A – D
PMI1B	Required Maintenance by cost expressed:
B i)	As total cost in priority levels 1 -3
B ii)	As a % in priority levels 1 -3
B iii)	Overall cost per square metre GIA
PMI 1C	Annual percentage change to total required maintenance figure over previous year
PMI1D i)	Total spend on maintenance in previous financial year
1D ii)	Total spend on maintenance per square metre GIA
1D iii)	Percentage split of total spend on maintenance between planned and reactive
PMI 2	**Environmental Property issues (National Indicator)**
PMI 2A	Energy costs/consumption (gas, electricity, oil, solid fuel) to be reported by property category in £ spend per m^2
2B	Water costs/consumption to be reported by property category in £ spend per m^2 and by volume m^3 per m^2 GIA
2C	CO^2 emissions to be reported by property category in tonnes of carbon dioxide per m^2 GIA
PMI 3	**Suitability Surveys**
PMI3 A	% of portfolio by GIA sq m for which a suitability survey has been undertaken over the last 5 years
PMI3 B	Number of properties for which a suitability survey has been undertaken over the last 5 years

Indicator	Description
PMI 4	**Building accessibility surveys**
PMI 4A	% of portfolio by GIA sqm for which an access audit has been undertaken by a competent person
4B	Number of properties for which an access audit has been undertaken by a competent person
4C	% of Properties by GIA sqm for which there is an accessibility Plan in place
4D	Number of properties for which there is an accessibility in place
PMI 5	**Sufficiency (Capacity and utilisation) Office Portfolio**
PMI 5 A1	a) Operational office property as a percentage of the total portfolio and b) Office space per head of population All calculations of space based on GIA
5A2	Office space as a percentage of total floor space in operational office buildings using NOS to NIA
5A3	a) The number of office or operational building shared with other public agencies b) The percentage of office operational building shared with public agencies
5B1	Average office floor space per number of staff in office based teams (NIA per FTE)
B2	Average floor space per workstations (Not FTE) use NIA
B3	Annual property cost per workstation (Not FTE)
PMI6	**Spend**
PMI6A	Gross property costs of the operational estate as a % of the Gross Revenue Budget
6B	Gross Property costs per m^2 GIA by CIPFA categories/Types
PMI7	**Time and cost Predictability**
PMI 7 A	Time predictability: Design The percentage of projects where the actual time between Commit to Design and Commit to Construct is within or not more than 5% above, the time predicted at Commit to Design
7B	Time predictability Post Contract: The percentage of projects where the actual time between Commit to Construct and Available for Use is within or not more than 5% above the time predicted at Commit to Construct
7C	Cost predictability Design: The percentage of projects where the actual cost at Commit to Construct is within +/- 5% of the cost predicted at Commit to Design
7D	Cost predictability Post Contract :The percentage of projects where the actual cost at Available for Use is within +/- 5% of the cost predicted at Commit to Construct

COPROP are currently in consultation regarding a proposed PMI No. 8 “Tenanted Non-residential portfolio”. Principally this NPMI aims to challenge the costs and benefits of continued ownership of tenanted properties.

4.4 Continuous Improvement

4.4.1 The Council is committed to providing the best possible services to local people and will continue to see 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 Strategic Property 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.

4.4.2 Use of resources through the Comprehensive Area Assessment 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 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.

4.4.3 The Council has adopted a range of local indicators. The Council not only uses these to compare performance year on year but to assess performance against other similar authorities and the private sector. These practices are then fed back into the asset management process and contribute to improving the Council's performance.

4.4.4 Performance against indicators is reported to the Council's CMT and the Cabinet on a quarterly and annual basis. The Council has a well established policy and service planning cycle that involves regular monitoring of performance. Progress is monitored quarterly and reported to CMT and then six monthly to Members. Where performance is below expectations actions are identified to ensure targets can be achieved.

4.4.5 In addition performance of key indictors is measured on a monthly basis at Senior level within Strategic Resources where corrective actions are identified if necessary.

4.4.6 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

Chapter 5 - Programme and Plan Development and Implementation

5.1 Service Delivery and Property – identifying project need

5.1.1 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

5.1.2 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.

5.1.3 The forum for making recommendations to Members on property issues is currently through the CPO and in the future will be through the Property Board. 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.

5.2 Resourcing Capital Projects

5.2.1 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.

5.2.2 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 Review and subsequent austerity measures. These include:

- Public Private Partnership
- Building Schools for the Future (BSF) Project
- Making Better Use of Local Authority Assets

5.2.3 The Council recognised that it has neither the capacity, and in some instances, the expertise to deliver the ambitious Growth Agenda contained in the capital programme. The relatively short programme makes it impracticable to recruit additional staff given the time that it will take for them to achieve the necessary level of competence. Consultants with the requisite skills are therefore being used to deliver this programme.

5.2.4 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 District Valuer's market valuation unless there is an overriding need which is supported by a Business Case.

5.2.5 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 District Valuer's valuation which is procured through Strategic Property.

5.2.6 The Council has been successful in securing funding from all the aforementioned sources in the past. However, to meet the ambitions of the Council an ambitious programme of disposals was implemented as part of the Councils 2007-10 Medium Term Financial Strategy (MTFS). This has been reviewed annually and the Medium Term Financial Budget 2011-12 includes an updated list of properties under consideration. The focus includes a review of any surplus land and property assets of the Council. Those assets that have high liabilities, are underused, and occupy valuable sites and/or are no longer required for service delivery will be disposed.

5.2.7 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. The influence of the current challenging economic climate can been seen when comparing the 2010-15 MTFS and the 2011-16 MTFS capital receipts targets, shown in the following table.

Targeted Capital Receipts	10/11 £000	11/12 £000	12/13 £000	13/14 £000	14/15 £000	15/16 £000
MTFS 2010-15						
Schools Sites	8,150	-	3,000	-	-	-
Programmed General Fund Sites	5,232	7,192	11,042	10,000	5,000	-
Total Anticipated Receipts (MTFS 2008-11)	**13,382**	**7,192**	**14,042**	**10,000**	**5,000**	**-**

MTFS 2011-16						
Schools Sites	830	7,200	2,000	2,450	500	-
Programmed General Fund Sites	3,744	11,834	8,717	765	4,846	-
Sites already sold or contracted	-	-	-	-	-	-
Target Capital Receipts Total	**4,574**	**19,034**	**10,717**	**3,215**	**5,346**	**-**

5.3 **Children's Services Requirements**

5.3.1 Peterborough's Children's Single Delivery Plan 2011 will set out how the Council and its partners through the Greater Peterborough Partnership and Peterborough Children's Trust will work together to achieve better outcomes for Peterborough's children and young people. The Department is currently reviewing its Corporate Asset Management Planning process but has a robust system of school related Asset Management Plans. Children's Services is currently working towards 'Delivery through Localities'; this may ultimately lead to locating services within certain localities and some attendant property requirements.

5.3.2 The Department also plans to re-introduce the School Organisation Plan once a statutory document. This strategic document will include information on demography and will inform the planning of schools places (including the need for additional schools) into the future.

5.3.3 Previously 99% of Children's Services capital expenditure has been Government grant funded. With pressures on Government funding it should be borne in mind that current funding streams may not be sufficient to meet the pressing demands of an increase in demand for school places from the current population and to meet the needs of future growth plans.

5.3.4 The Local Authority has completed Phase 1 of a major modernisation of Peterborough's secondary schools through the city's Secondary School Review Project covering all secondary schools in the city in two main phases. This commenced with the opening of the new Hampton College in September 2005. In September 2007 the Thomas Deacon Academy and the Voyager School opened as successor schools to 5 closing secondary schools. The Voyager School is covered by a PFI contract as are the extensions and refurbishments to Jack Hunt School and Ken Stimpson Community School.

5.3.5 In parallel with these major projects, The Kings School, St John Fisher Catholic High School and Arthur Mellows Village College are all nearing completion of major refurbishments, including additional facilities, funded through successful bidding for Government grants.

5.3.6 Bushfield Community College has entered the Governments Academy programme and opened as Ormiston Bushfield Academy in September 2009. Plans for a new school building due to open in 2011 are in the design stage.

5.3.7 Phase 2 of the Review, covering Stanground College and Orton Longueville School has now been accepted into the Governments BSF programme. Plans for a replacement school and a major refurbishment programme are in the early stages of negotiation with the Government.

5.3.8 As part of the School Place Planning process, it has been identified that due to changes in our demographic predictions; there may be a short fall of Secondary School places. As part of the School Organisation Plan several alternatives are being investigated to meet this pressure. This may have implications for existing Council assets.

5.3.9 The Government's plans for investment in the Primary School Estate were announced in November 2008. This is a 15 year programme which anticipates that 50% of the Council's primary school estate will benefit from projects ranging from total rebuild to minor refurbishment. The Primary Strategy Document approved by the Government will inform the decisions made on which schools benefit from the initial £8m available for 2009 - 2011. However the pressing demands of additional school places over the next few years has already meant a major review of this programme and aspirations of addressing suitability and condition needs of the Primary school estate will now be focused on having to provide additional school places.

5.3.10 Continuing investment in the primary school estate through a comprehensive programme of mechanical and electrical improvements and fabric upgrades hopefully will still be able to be fulfilled.

5.3.11 Children's services are committed to incorporating sustainable solutions into all of its building projects, working towards the Government's target of zero carbon schools by 2016. Government funding towards some specific zero carbon elements for the new Welland Primary School has been awarded and technical designs are currently being worked up. This should produce some qualitative data that will be shared with schools around the country

5.3.12 An increased pressure on primary school places and the need to provide 6th form facilities at the secondary school has required the Council to invest in a school building programme in the Hampton area in addition to the planned growth from the Section 106 agreement.

5.3.13 The Government funding secured for a major refurbishment programme at Clare Lodge continues as a phased project.

5.4 Option Appraisal and Project Prioritisation

5.4.1 The capital resources calculation for the next five financial year's 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 Councils 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
- Meet mandatory and or statutory requirements

5.4.2 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.

5.4.3 Capital project proposals and an agreed capital programme are developed from action plans evolving through the Policy and Service Planning Cycle. Comprehensive Area Assessments use of resources may also influence project proposals since option appraisals take account of property issues.

5.4.4 As part of this process capital proposals are invited from Service providers and options are identified and appraised. The Council's various Project Boards confirm the requirement and proceed to the next stage with regular reports back. This does not preclude the requirement to obtain the necessary approvals as set out in Contract Regulations. It ensures that projects are tested before they get to this stage.

5.4.5 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.

5.4.6 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, requiring 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.

5.5 Links to the Capital Programme

5.5.1 The Head of Strategic Finance is responsible for co-ordinating the Council's capital programme. The preparation of that programme starts in the early autumn of each year when the likely level of capital resources including capital receipts from the sale of surplus property and development sites is identified. The extent of funding required is determined by bids submitted by Directorates. These are then prioritised against an agreed matrix which identifies those which should be given priority. This will reflect the Medium Term Financial Strategy and determines the levels of capital spend

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

- Capital Receipts
- Capital grants and third party contributions
- Supported and unsupported borrowing

5.5.3 These resources are aggregated to give the total amount available to fund the capital programme in the next year. After taking into account the level of slippage and commitments the level of resources available for new starts is determined.

5.5.4 Using the best information available the likely level of capital receipts is also projected for the next two years. As the review process continues to develop confidence in the projected disposals for the next few years is becoming greater and as such the estimated resources become more realistic. An estimate of the likely level of other capital resources is also made for the following two years.

5.6 Financial Planning for the future

5.6.1 The revised capital programme for 2011/12 has been set at £75.3m. This includes £405k for 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.

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

5.6.3 The Council will also look to maximise the use of external resources to deliver Council objectives. Funding opportunities that have an impact on the property portfolio are considered at the Corporate Asset Management Group. 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.

Chapter 6 - Towards the Future

6.1 Getting More From Less

6.1.1 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 Strategic Maintenance (AMP Budget) 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.

6.1.2 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 £50M that will have to be addressed.

6.1.3 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.

6.1.4 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.

6.1.5 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.

6.1.6 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.

6.1.7 Consolidation of property into core assets will bring about savings in revenue expenditure. Set out below are the anticipated savings in revenue.

Cumulative Savings	Annual Saving Targets (£k)				
	FY07/08 £000	FY08/09 £000	FY09/10 £000	FY10/11 £000	FY11/12 £000
FY07/08	96				
FY08/09		540	540	540	540
FY09/10			504	504	504
FY10/11				630	630
FY11/12					631
Cumulative Totals	**96**	**540**	**1,044**	**1,674**	**2,305**

6.2 **The Next Steps**

6.2.1 The next three years there are many changes that will face PCC 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.

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

- Market Testing of areas of Strategic Property. It is proposed that in the first instance this will concern itself with the Investment Properties.
- Savings outlined by inclusion within the budget strategy
- Externalisation of the Operational Property Section to a private sector partner
- Implications of the Green Shoots project and combining property resources across government sector organisations

6.2.3 Work will continue to rationalise the property portfolio. Agile and flexible working will be introduced commencing with a pilot project commencing at Manor Drive, and sweating assets through maximising occupation. The aim is that up to 30% of staff who are able to operate without a permanent office location /desk space, will work both from home or various offices as needs arise. Together this will involve a different way of working with the Council moving away from where an outcome is delivered to focusing on where it is required.

Chapter 7 - The Strategic Approach to Property

7.1 The Current Position

7.1.1 Whilst there have been prestigious new developments such as the Voyager School, property acquisitions such as Peterscourt, and other developments such as PFI for schools, the underlying trend is of an ageing property stock.

7.1.2 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. The total maintenance liability projected over a ten year period exceeds £28m based on 08/09 figures. The planned refresh of the property data over 2011-12 will provide an updated position and take into account properties either demolished or sold during the last two financial years.

7.2 The Way Ahead

7.2.1 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.

7.2.2 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.

7.2.3 In April 2007 Cabinet agreed the Corporate Property Strategy. This sets out how the Council will ensure that property is effectively and efficiently managed. In essence it establishes the following:

- The Council will aim re-use properties which are declared surplus unless they have reached the end of their life in terms of council service provision. Any future use will be subject to the completion of a Business Case that is supported by an Option Study, Investment Appraisal.
- Any building works including demolition, refurbishment, new-build, or alteration will be subject to the completion of a business case that will include an option study, investment appraisal and whole life costs and will be submitted for approval to the CPO.
- Services will advise Strategic Property of a ‘Need’ in terms of Property. When property is declared surplus Strategic Property will seek to align this opportunity with a requirement.
- Surplus property will be offered to Groups, Services and Partner Organisations. If there is no future use identified within 4 weeks then the property will be declared surplus and Cabinet will be advised of the recommendation for disposal. Only in exceptional circumstances will a property be removed from the disposals list and only then with the agreement of the CPO and Cabinet Member responsible for property.
- Where the Council holds properties ‘In Trust’ for the use of the Community then the Council will seek to make maximum use of these facilities or support Trustees to maximise benefits from the property.
- The Council will seek to minimise the use of Leasehold Properties. The Council will only enter into these types of arrangements for the short-term

and when such a move is supported by a Business case that includes an investment appraisal and Option Study. Only Strategic Property working for the CPO will enter into negotiations and agree terms for a Lease or Licence.

- The Council will aim to co-locate operational activities to maximise use and benefit from economies of scale.
- The Council will aim to dispose of those operational property assets that have the greatest outstanding liabilities and/or no longer meet service needs. These liabilities will include DDA, Backlog of maintenance, Energy Efficiency, Asbestos etc.
- The Council will look to reduce the Backlog of maintenance by:
    - Identifying core assets and targeting expenditure in these areas.
    - Using the Backlog of Maintenance as a key indictor when considering the business case for the disposal or retention of assets.
    - Increasing expenditure

  In addition the position regarding Backlog of Maintenance will be reported to Cabinet annually when the data has been refreshed.
- The Council will work with partners to maximise the joint use property and benefit from economies of scale through Green Shoots and development of a Civic Hub in the future.
- The Council will transfer ownership of property to partners where the objectives of that partner accord with the objectives of the Council e.g. Growth projects.
- The Council will ensure that **all** assets built by or on behalf of the Council accord with good practice, demonstrate value for money (through Total Life Costs considerations) and are economically and environmentally sustainable.
- The Council will focus expenditure onto those assets that have a long term future.
- Accommodation will be provided in accordance with the Accommodation Strategy contained within part 2 of this report.

7.2.4 This combined approach will ensure that there is a reduction of the maintenance liability. However it should also be noted that as long as the council holds a property portfolio there will be a maintenance liability. This will need to be planned for to ensure that there is a structured and cohesive approach to the management of the portfolio.

7.2.5 A five year action plan was approved by Cabinet in June 2007 setting out proposals to focus expenditure on those assets that have a long term future. Changing priorities and budgetary targets will determine the extent to which this plan remains current. It will assist the council in ensuring that a coordinated approach is adopted to the management and reduction of the backlog of maintenance by the efficient and effective management of the property assets, as set out in the Asset Management Plan.

7.3 **The Disposal Option**

7.3.1 The process for dealing with surplus assets is set out in Part 2 of this Plan. However there are factors that will be considered in coming to a disposal solution.

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

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

7.3.3 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.

7.3.4 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.

7.3.5 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.

7.3.6 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.

7.4 **Outcomes**

7.4.1 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

7.5 Surplus Property - Declaration and Procedures

7.5.1 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.

7.5.2. 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.

7.5.3 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.

7.5.4 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.

7.5.5. 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 the Head of Strategic agrees to take the asset with the outstanding safety issues.
- It is wind and watertight
- Operating Costs 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

7.5.6 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.

7.5.7. 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.

7.5.8. 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.

7.5.9 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 their partner organisations) 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 supporter 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.

7.5.10. 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 endeavour 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.

7.5.11. Where two or more services are interested in the property and joint occupation is not possible or agreeable, the CPO will initiate negotiations between the services concerned to resolve the conflicting claims for occupation. The Corporate Asset Management Group (CAMG) will initially consider any unresolved conflicting claims. In cases of continuing dispute, these would be referred to CMT for consideration.

7.5.12 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.

7.6 CMDN - Surplus Declaration and Future of the Property

7.6.1. Where a service has a potential use the property (either alone or as 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).

7.6.2. 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:

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

7.6.3. 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 CAMG. 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.

7.6.4. 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.

Asset Management Plan Glossary of Terms

Acronym	**Meaning**
AMP	Asset Management Plan
CAMG	Corporate Asset Management Group
CAMP	Corporate Asset Management Plan
CMDN	Cabinet Member Decision Notice
CMT	Corporate Management Team
COPROP	The Association of Chief Corporate Property Officers in Local Government
CAA	Comprehensive Area Assessment
CIPFA	Chartered Institute of Public Finance
CPO	Corporate Property Officer
CSCI	Commission for Social Care Inspection
DCLG	Department of Communities and Local Government
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
NOF	New Opportunities Fund
OP	Opportunity Peterborough
PB	Property Board
PCC	Peterborough City Council
PCT	Primary Care Trust
RICS	The Royal Institution of Chartered Surveyors
VFM	Value for Money

9. Treasury Strategy, Prudential Code and Minimum Revenue Provision Strategy

The Prudential Code

&

Treasury Management Strategy

2011 – 2016

Including the Minimum Revenue Provision Policy 2011/12

1. Background

1.1. Treasury management is defined 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;
- the pursuit of optimum performance consistent with those risks.

1.2. The Local Government Act 2003 (the Act) and supporting regulations requires the Council to 'have regard to' the Prudential Code and to set Prudential Indicators for the next three years to ensure that the Council's capital investment plans are affordable, prudent and sustainable. The Council has set indicators for the next five financial years as part of the Medium Term Financial Plan (MTFP), see Annex 1.

1.3. The Act also requires the Council to set out its Treasury Strategy for borrowing and to prepare an Investment Strategy. This sets out the Council's policies for managing its investments and for giving priority to the security and liquidity of those investments.

1.4. The Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management was revised in November 2009 and adopted by the Council on 24 February 2010

1.5. The Department of Communities and Local Government (DCLG) has issued revised investment guidance which came into effect from the 1 April 2010. There were no major changes required over and above the changes already required by the revised CIPFA Treasury Management Code of Practice November 2009.

1.6. CIPFA recommends that the Council adopts the following clauses:

a) The Council will create and maintain a Treasury Management Policy Statement which sets out the policies and objectives of the Council's treasury management activities, see following section 3 .

b) The Council will create and maintain Treasury Management Practices which set out the manner in which the Council will seek to achieve those policies and objectives

c) The Full Council will receive an annual Treasury Management Strategy Statement (section 2) - including the Investment Strategy (section 10) and Minimum Revenue Provision Policy (MRP) (section 12) - for the year ahead.

d) The Audit Committee will receive a mid-year review report and an Annual Report covering activities during the previous year

e) The Council delegates the responsibility for the implementation and regular monitoring of its treasury management policies and practices to the Audit Committee, and for the execution and administration of treasury management decisions to the Executive Director - Strategic Resources.

2. Treasury Management Strategy

2.1. The proposed 2011/12 strategy for the treasury management function is based upon the Capital & Treasury Team views on interest rates, supplemented with leading market forecasts provided by the Council's treasury adviser, Sector Treasury Services.

2.2. This strategy covers:

- Treasury management policy statement
- The current treasury position
- Prudential and treasury indicators (see Annex 1)
- Prospects for interest rates
- The borrowing strategy including the policy on borrowing in advance of need
- Debt rescheduling
- The investment policy and strategy
- Scheme of delegation
- The MRP Policy

2.3. It is a statutory duty under Section 3 of the Act and supporting regulations, for the Council to determine and keep under review how much it can afford to borrow. The amount so determined is termed the "Authorised Borrowing Limit". In England and Wales the Authorised Limit represents the legislative limit specified in the Act.

2.4. The Council must have regard to the Prudential Code when setting the Authorised Limit, which essentially requires it to ensure that total capital investment remains within sustainable limits and that the impact upon its future council tax is 'acceptable'.

2.5. Whilst termed an "Authorised Borrowing Limit", the capital options to be considered for inclusion incorporate financing by both external borrowing and other forms of liability, such as credit arrangements e.g. finance leases. The 'Authorised Limit' is to be set, on a rolling basis, for the forthcoming financial year and four successive financial years. Details of the 'Authorised Limit' can be found in Annex 1 of this report.

3. Treasury Management Policy Statement

3.1. Treasury Management is the detailed day-to-day management of the Council's cash flows, banking, investments and borrowing.

3.2. This function operates under the power delegated to the Executive Director - Strategic Resources and the daily treasury management activity is carried out by the Capital and Treasury Team in Corporate Services.

3.3. The Council's primary treasury management objectives are:

a) to invest available cash balances with a number of dependable institutions 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 Current Treasury Position

4.1 The Council's treasury portfolio position at 21/01/11 is shown below:

Type of Borrowing / Investment	Source	Principal £000	Average Rate %	Average Interest £000
Fixed Rate Funding	PWLB	117,006	4.57	5,341
	Market	17,500	4.53	793
Total Gross Debt		**134,506**	**4.56**	**6,134**
Total Investments		**39,972**	**0.42**	**168**
Net Debt Balance		**94,534**		

(PWLB - Public Loans Board, (Market - Loans from the Financial Markets)

N.B. Interest due from the Icelandic Bank subsidiaries is not included in the interest income figure.

4.2 The Council currently has a spread of borrowing ranging from 1 - 50 years but positioned mainly at the longer end of the maturity range. All this debt is at fixed interest rates.

5 Prudential and Treasury Indicators for 2011/12 - 2015/16

5.1 Prudential and Treasury Indicators and definitions set out Annex 1 are relevant for the purposes of setting an integrated Treasury Management Strategy.

5.2 The Council adopted the CIPFA Code of Treasury Management in 2002 and the revised code was reflected in the 2010-11 Prudential Code and Treasury Management Strategy. The Code represents best practice in the regulation and management of borrowings and investments and related activities. Treasury Management Practices (TMP's) have been established with advice from Sector Treasury Services and have been applied to the Council's treasury management.

6 Prospects for Interest Rates

6.1 The Council has appointed Sector Treasury Services as treasury advisor to the Council and part of their service is to assist the Council to formulate a view on interest rates to assist with borrowing and investment decisions.

6.2 Sector Bank Rate forecast for financial year ends (March)

- 2010/2011 0.50%
- 2011/2012 1.00%
- 2012/2013 2.25%
- 2013/2014 3.25%

There is downside risk to these forecasts if economic growth is weaker than expected. There is also a risk that the Monetary Policy Committee (MPC) could decide to start raising Bank Rate in quarter 3 of 2011 if it feels it need to defend its credibility in containing inflation and the inflation expectations of the public.

6.3 The Sector forecast as at 06.01.11 for the PWLB new borrowing rate is as follows:

	Mar-11	Jun-11	Sep-11	Dec-11	Mar-12	Mar-13	Mar-14
Bank rate	0.50%	0.50%	0.50%	0.75%	1.00%	2.25%	3.25%
5yr PWLB rate	3.30%	3.30%	3.40%	3.50%	3.60%	4.30%	5.00%
10yr PWLB rate	4.40%	4.40%	4.40%	4.50%	4.70%	5.10%	5.40%
25yr PWLB rate	5.20%	5.20%	5.20%	5.30%	5.30%	5.50%	5.70%
50yr PWLB rate	5.20%	5.20%	5.20%	5.30%	5.30%	5.50%	5.70%

6.4 On 20 October 2010, the Treasury gave instruction to raise all PWLB rates by 1% (100 bps) for all maturity periods (through increasing the margin over gilt yields). Prior to this, the margin was generally about 15 bps (basis points) for most maturity periods except the very long ones where the margin was about 25 bps. This has made PWLB borrowing more expensive and uncompetitive compared to other financial market loans e.g. Lenders Option Borrowing Option (LOBO) borrowing.

6.5 The best value in borrowing rates are:

a) PWLB rates under 10 years.

b) PWLB rates are progressively cheaper from 10 years to 1 year.

c) PWLB annuity and equal instalment of principal (EIP) rates from 4 to 10 years are significantly cheaper than the equivalent maturity rates.

d) PWLB variable rates for periods up to 10 years with interest payable every 1, 3 or 6 months, are the cheapest PWLB rates available. (A variable rate loan, after one year from the start date, can be converted into a fixed rate loan on any day for any period longer than the remaining period to maturity of the original loan).

6.6 PWLB variable rate loans offer the minimum differential from investment rates and so minimize the cost of carry until such time as the borrowing is actually used to finance capital expenditure. However, as the Bank Rate rises the cost of variable rate loans will also rise.

6.7 Long term market loans (LOBOs) are currently cheaper than long term PWLB rates. They can also be arranged with forward delivery so as to avoid the cost of carry. However, banks are currently considering raising their rates as PWLB loans are now much less competitive.

6.8 The high margin over gilt yields has been instituted from 20 October 2010 at the same time as the Government's comprehensive spending review five year austerity programme was announced. It is therefore possible that there could be another Government decision to remove this high margin and to revert to the previous low level of margins. There is therefore merit in considering the risks around locking in long term borrowing which include the current high level of margins in view of the potential for this high margin to be rescinded at some future date.

7 Borrowing Strategy

7.1 The proposed strategy is:

a) To continue running down cash balances and foregoing interest earned at historically low rates. However, in view of the overall forecast for long term borrowing rates to increase over the next few years, consideration will also be given to weighing the short term advantage of internal borrowing against potential long term costs.

b) To consider the rescheduling (early redemption and replacement) of loans to maximise interest rate savings and possible redemption discounts.

c) To exploit funding opportunities at fixed rate interest levels that are below forecasted variable interest rate borrowings in the medium term.

d) To borrow at variable rates of interest as variable rate borrowing is expected to be cheaper than fixed long term borrowing and will therefore be attractive throughout the financial year.

e) To consider borrowing fixed rate market loans and to maintain an appropriate balance between PWLB and market debt in the debt portfolio.

7.2 It remains the Council's intention to repay external loans (or avoid new borrowings) when it is in the best financial interest to do so. It is sensible to maintain appropriate levels of fixed and variable rate loans to provide budget certainty and to exploit lower interest costs when they become available.

7.3 The Council's net borrowing (its borrowings less its investments) has increased in recent years as cash balances are used. It is expected to increase further in the future as capital expenditure investment is made in the City financed by supported (assisted by Government grant) and unsupported (met directly from Council Tax) borrowing. However, it should be noted in the recent CSR it was announced that after 31st March 2011 no supported borrowing will be available for local authorities.

7.4 The Council is planning to maintain its borrowing in line with the Capital Financing Requirement (CFR) over the period of the MTFS.

7.5 The Council will not borrow more than, or in advance of, its need purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be considered carefully to ensure value for money is demonstrated and that the Council can ensure security of such funds.

7.6 In determining whether borrowing will be undertaken in advance of need the Council will:

- Ensure there is a clear link between the capital programme and the maturity profile of the existing debt portfolio which supports the need to take funding in advance of need.
- Ensure the ongoing revenue liabilities created, and the implications for the future plans and budgets have been considered.
- Evaluate the economic and market factors that might influence the manner and timing of the any decision to borrow.
- Consider the merits and demerits of alternative forms of funding.
- Consider the alternative interest rate bases available, the most appropriate periods to fund and repayment profiles to use.

8 Debt Rescheduling

8.1 The introduction by the PWLB in 2007 of a spread between the rates applied to new borrowing and repayment of debt has meant that PWLB debt restructuring is now much less attractive than it was before. However, significant interest savings may still be achievable through using LOBO loans and other market loans in rescheduling exercises.

8.2 As short term borrowing rates will be cheaper than longer term rates, there are likely to be opportunities to generate savings by switching from long term debt to short term debt. However, these savings will need to be considered in the light of their short term nature and the likely cost of refinancing those short term loans, once they mature, compared to the current rates of longer term debt in the existing debt portfolio.

8.3 Consideration will also be given to the potential to make savings by running down investment balances to repay debt prematurely as short term rates on investments are likely to be lower than rates paid on current debt.

8.4 In order to maximise the benefit of rescheduling debt, the Executive Director-Strategic Resources has delegated powers, and any decisions will be in line with the Prudential Indicators. All rescheduling will be reported to the Audit Committee at the earliest opportunity in accordance with the progress report on Treasury Management performance indicators.

9 Investment Policy

9.1 The Council will have regard to the DCLG's Guidance on Local Government Investments ("the Guidance") and the 2009 revised CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes ("the CIPFA TM Code"). The Council's investment priorities are the security of capital and the liquidity of its investments. The Council will aim to achieve the optimum return on its investments commensurate with proper levels of security and liquidity.

9.2 The borrowing of monies purely to invest and make a return is unlawful and this Council will not engage in such activity. However, at any time the Council may obtain a loan or other financing at what are considered advantageous opportunities in anticipation of need, 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.

9.3 Investment instruments identified for use in the financial year are listed in Annex 2 under the 'Specified' and 'Non-Specified' Investments categories. Counterparty limits will be as set through the Council's Treasury Management Practices.

9.4 The Council uses the creditworthiness service provided by Sector Treasury Services. This service uses ratings from all three rating agencies - Fitch, Moodys and Standard and Poors as well as credit watches and outlooks from credit rating agencies and Credit Default Swap (CDS) spreads to give early warnings of likely changes in ratings.

9.5 This approach produces a series of coloured bands which indicate the relative creditworthiness of counterparties. These colours are used by the Council to determine the duration for investments. The Council will use counterparties within the following durational bands:

Sector Banding	Description
Blue	1 year (only applies to nationalised/semi-nationalised UK Banks)
Orange	1 year
Red	6 months
Green	3 months
No colour	Not to be used

9.6 All credit ratings will be monitored weekly. The Council is alerted to changes in ratings of all three credit agencies by Sector Treasury Services.

- If a downgrade results in the counterparty/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 movements in CDS's against the iTraxx benchmark and other market data on a weekly basis. Extreme market movements may result in the downgrade of an institution or removal from the Councils lending list.

9.7 Sole reliance will not be placed on the use of Sector's service. The Council will also use market data, market information and credit ratings and information of the government supported banks.

10 Investment Strategy

10.1 The Council invests cash flow surpluses throughout the year to generate investment income. When making these investments there is a requirement to ensure that the investment is both secure and liquid to assist the Council's cash flow.

10.2 The Council will avoid locking into longer term deals while investment rates are down at historically low levels, unless attractive rates are available with counterparties of particularly high creditworthiness, which make longer term deals worthwhile and within the risk parameters set by the Council.

10.3 Based on current forecasts, it is anticipated that the Council will use surplus cash balances to support capital expenditure before considering taking out further borrowing.

10.4 The Executive Director-Strategic 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-Strategic 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.

10.5 Legislation and guidance requires authorities to differentiate its investments between "specified" and "non-specified" types (see Annex 2 for the various categories of both and the upper limits for investments). Briefly these are categorised:

"Specified" Investments -

- 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 or investment scheme to qualify as a 'Specified Investment' it must have a minimum rating of:

Agency	**Short Term Rating (All highest credit quality)**	**Long Term Rating (High credit quality)**
Fitch	F1	A
Moody's	P1	A
Standard & Poor's	AAA	A

"Non-specified"-

- With the same institutions classified as "specified" investments but have maturity dates in excess of 1 year, or
- Are offered by organisations that are not credit rated or the credit rating does not meet the criteria set out above.
- Shares, loans, mortgages etc, which have to be financed from capital or revenue resources.

10.6 The Council's current lending list is restricted to:

UK Government & UK Government agencies

Debt Management Agency Deposit Facility (part of HM Treasury)

UK Local Authorities

And the following banks and building societies that are supported by the UK Government.

Barclays Bank Plc & its subsidiaries
HSBC Bank Plc & its subsidiaries
Lloyds TSB Bank Plc & its subsidiaries
Nationwide BS
Royal Bank of Scotland Plc & its subsidiaries

10.7 It is important to note that the UK Government has not given a blanket guarantee on all deposits with these institutions but has underlined its determination to ensure the security of the UK banking system by supporting these banks and building societies with a support package.

Other institutions that are eligible under the UK bail-out package and have issued debt which is guaranteed by the Government are:

Bank of Scotland
Clydesdale
Coventry Building Society
Investec Bank
Rothschild Continuation Finance Plc
Standard Life Bank
Tesco Personal Finance plc
West Bromwich Building Society
Yorkshire Building Society

10.8 These institutions may be added to the Council's lending list during the financial year if they meet the Council's minimum credit ratings and are on Sector's Treasury Services credit list.

10.9 The lending list is approved by the Executive Director-Strategic Resources and amendments to the list have to be assessed and approved.

10.10 At the end of the financial year a report on the Council's investment activity, as part of its Annual Treasury Report, is taken to Audit Committee.

11 Treasury management scheme of delegation

11.1 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-Strategic 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-Strategic Resources) / Head of Corporate Services / 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 for approval, reviewing the same regularly, and monitoring compliance.
- Submitting regular treasury management policy 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 providers.

12 Minimum Revenue Provision (MRP) Policy

What is a Minimum Revenue Provision?

12.1 Capital expenditure is generally expenditure on assets which have a life expectancy of more than one year e.g. buildings, vehicles, machinery etc. It would be impractical to charge the entirety of such expenditure to revenue in the year in which it was incurred. Therefore 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), which was previously determined under Regulation, and will in future be determined under Guidance.

Statutory Duty

12.2 Statutory Instrument 2008 no. 414 s4 lays down that:

- "A local authority shall determine for the current financial year an amount of minimum revenue provision that it considers to be prudent."
- The above is a substitution for the previous requirement to comply with regulation 28 in S.I. 2003 no. 3146 (as amended).
- There is no requirement to charge MRP where the Capital Financing Requirement is nil or negative at the end of the preceding financial year.

Government Guidance

12.3 Along with the above duty, the Government issued new guidance which came into force on 31st March 2008 which requires that a Statement on the Council's policy for its annual MRP should be submitted to the full Council for approval before the start of the financial year to which the provision will relate.

12.4 This guidance has since been revised in March 2010 where revisions have been made to the commentary on the Annuity Method to include guidance published by CIPFA. Also revisions have been made to Finance Leases and Private Finance Initiative (PFI) where the move to International Financial Reporting Standards (IFRS) may involve some arrangements under the PFI coming onto the Council's balance sheet, with potential MRP implications.

12.5 The Council is legally obliged to "have regard" to the guidance, which is intended to enable a more flexible approach to assessing the amount of annual provision than was required under the previous statutory requirements. The guidance offers four main options under which MRP could be made, with an overriding recommendation that the Council should make prudent provision to redeem its debt liability over a period which is reasonably commensurate with that over which the capital expenditure is estimated to provide benefits. The requirement to 'have regard' to the guidance therefore means that: -

1. Although four main options are recommended in the guidance, there is no intention to be prescriptive by making these the only methods of charge under which a local authority may consider its MRP to be prudent.
2. It is the responsibility of each authority to decide upon the most appropriate method of making a prudent provision, after having had regard to the guidance.

Option 1: Regulatory Method

Under the previous MRP regulations, MRP was set at a uniform rate of 4% of the adjusted CFR (i.e. adjusted for "Adjustment A") on a reducing balance method (which in effect meant that MRP charges would stretch into infinity). This historic approach must continue for all capital expenditure incurred in years before the start of this new approach. It may also be used for new capital expenditure up to the amount which is deemed to be supported through the SCE annual allocation.

Option 2: Capital Financing Requirement Method

This is a variation on option 1 which is based upon a charge of 4% of the aggregate CFR without any adjustment for Adjustment A, or certain other factors which were brought into account under the previous statutory MRP calculation. The CFR is the measure of an authority's outstanding debt liability as depicted by their balance sheet.

Option 3: Asset Life Method.

12.6 This method may be applied to most new capital expenditure, including where desired that which may alternatively continue to be treated under options 1 or 2.

12.7 Under this option, it is intended that MRP should be spread over the estimated useful life of either an asset created, or other purpose of the expenditure. There are two useful advantages of this option: -

- Longer life assets e.g. freehold land can be charged over a longer period than would arise under options 1 and 2.
- No MRP charges need to be made until the financial year after that in which an item of capital expenditure is fully incurred and, in the case of a new asset, comes into service use (this is often referred to as being an 'MRP holiday'). This is not available under options 1 and 2.

12.8 There are two methods of calculating charges under option 3:

a) equal instalment method – equal annual instalments,

b) annuity method – annual payments gradually increase during the life of the asset.

Option 4: Depreciation Method

12.9 Under this option, MRP charges are to be linked to the useful life of each type of asset using the standard accounting rules for depreciation (but with some exceptions) i.e. this is a more complex approach than option 3.

12.10 The same conditions apply regarding the date of completion of the new expenditure as apply under option 3.

Date of implementation

12.11 The previous statutory MRP requirements cease to have effect after the 2006/07 financial year. However, the same basis of 4% charge may continue to be used without limit until the 2009/10 financial year, relative to expenditure incurred up to 31/3/2008.

12.12 In general it is recommended that authorities should adopt the recommendations contained within the guidance. However, in certain cases the guidance may recommend a useful life period/MRP for expenditure which it may not be considered appropriate to adopt. It is suggested that full details of MRP options/principles adopted should be set out and approved as part of the annual MRP Policy Statement.

Minimum Revenue Provision Policy Statement 2011/12

12.13 The Council implemented the new Minimum Revenue Provision (MRP) guidance in 2007/08 and assessed MRP for 2007/08 in accordance with the main recommendations contained within the guidance issued by the Secretary of State under section 21(1A) of the Local Government Act 2003.

12.14 The following table summarises how MRP will be calculated for 2011/12:

Capital Expenditure Incurred	**MRP Methodology**
historic debt liability and expenditure funded by supported borrowing	continue to be charged at the rate of 4%, in accordance with option 1 of the guidance
Expenditure funded by unsupported borrowing reflected within the debt liability after the 31st March 2008 and up to 31st March 2009	subject to MRP under option 3a), the equal instalment method
Expenditure funded by unsupported borrowing reflected within the debt liability after the 31st March 2010	subject to MRP under option 3b), the annuity method. The rate used will be based on the prevailing PWLB rate for a loan with a term equivalent to the estimated life of the project

12.15 Estimated life periods will be determined under delegated powers. To the extent that expenditure is not on the creation of an asset and is of a type that is subject to estimated life periods that are referred to in the guidance, these periods will generally be adopted by the Council. However, the Council reserves the right to determine useful life periods and prudent MRP in exceptional circumstances where the recommendations of the guidance would not be appropriate.

12.16 As some types of capital expenditure incurred by the Council are not capable of being related to an individual asset, asset lives will be assessed on a basis which most reasonably reflects the anticipated period of benefit that arises from the expenditure. Also, whatever type of expenditure is involved, it will be grouped together in a manner which reflects the nature of the main component of expenditure and will only be divided up in cases where there are two or more major components with substantially different useful economic lives.

12.17 This policy will be reviewed during the year and any proposed changes reported accordingly.

12.18 The new international financial reporting standards (IFRS) will be incorporated into the Council's MRP policy and it is anticipated that there will be a net nil impact through the use of the option 3 annuity method. An example of this use will be for operating leases which will, under IFRS, be re-classified to finance leases which then come under capital financing regulations.

ANNEX 1

Prudential Indicators

Definitions of Prudential Indicators (shown in bold below)

Local Authority has adopted the CIPFA code of Treasury Management in the Public Services

- The Code was adopted by the Council in 2002 and the revised Code was adopted in February 2010.
- The Code represents best practice in the regulation and management of borrowing and investments and related activities.
- The Council has set out the specified prudential indicators for capital expenditure, external debt and treasury management in accordance with the Prudential Code.

Actual / Estimates of capital expenditure

- The Council has made reasonable estimates of the total of capital expenditure that it plans to incur during the forthcoming financial year and the following four financial years.
- The figures have been based on the Capital Programme for that period.

Actual / Estimates of capital financing requirements (CFR) and net borrowing

- The Council has made reasonable estimates of the total CFR at the end of the forthcoming financial year and the following four years.
- The estimate of the CFR at the end of each year will relate to all capital expenditure. The CFR will reflect the Council's underlying need to borrow.
- It is intended to use capital receipts to finance a proportion of the capital programme and to limit the growth of the CFR.

Actual / Estimate ratio of financing costs to net revenue stream

- The Council has estimated the proportion of the revenue budget, which is taken up in financing capital expenditure i.e. the net interest cost and to make provision to repay debt.

Actual / Estimate of the incremental impact of capital investment decisions on the Council Tax

- The Council has forecasted the total budgetary requirements arising from the proposed changes to the capital programme and calculated the addition or reduction to Council Tax that would result.

Actual / Estimate of External debt - Authorised limit for external debt

- The Council has set for the forthcoming financial year and the following four years an authorised limit for its total external debt, excluding investments, separately identifying borrowing from other long term liabilities.

- The authorised limit sets a ceiling on external debt which is the maximum amount the Council may borrow at any point during the financial year. It has to be set at a level the Council considers is "prudent".
- The proposed indicator takes account of the CFR estimated at the start of each year, plus the expected net borrowing requirement for the year. It also incorporates a margin of around £10m in total to allow for exceptional short term movements in the Council's cash flow and changes to the timing of capital payments and fluctuations in the realisation of capital receipts.
- The authorised limit cannot be breached during the financial year however the Council can revise the limit during the course of the year if it needs to borrow more money than the set limit.

Operational boundary for external debt

- The Council has set for the forthcoming financial year and the following four years an operational boundary for its total external debt, excluding investments, separately identifying borrowing from other long term liabilities.
- The operational boundary is linked directly to the Council's plans for capital expenditure and is the Council's prudent estimate of the total amount of borrowing required for the financial year.
- The code recognised the boundary may be exceeded temporarily due to variations in cash flow. A sustained trend above the boundary would lead to further investigation and action as appropriate.
- Both the operational boundary and authorised limit are consistent with plans for capital expenditure and financing and with its Treasury Management Policy Statement and Practices.

Upper limit for variable interest rate exposure

- The Council has placed an upper limit on the total amount of net borrowing which is at variable rates subject to interest rate movements.
- The Council intends to keep variable rate borrowing below 25% of the total gross borrowing.

Upper limit for fixed interest rate exposure

- The Council has placed an upper limit on the total amount of net borrowing which is at fixed rates secured against future interest rate movements.
- The limits reflect a position where the great majority of borrowing is at fixed rates which provides budget certainty.
- The proposed limits represent 100% of the total authorised borrowing limit.

Upper limit for total principal sums invested for over 364 days

- The Council has limited its investments that may be deposited over 1 year at £25m for 2010-11 and later years.

Maturity structure of fixed rate borrowing during 2010-11

- The Council has set upper and lower limits for the maturity of the Council's borrowings.
- The limits reflect the relatively beneficial long term rates that are expected to be available over the next few years.

ANNEX 1

Prudential Indicator	*Previous Year*	*Current Year*	MTFS				
	2009/10	***2010/11***	**2011/12**	**2012/13**	**2013/14**	**2014/15**	**2015/16**
	Actual	***Estimate***	**Estimate**	**Estimate**	**Estimate**	**Estimate**	**Estimate**
Capital expenditure	*£61.8m*	*£75.3m*	£108.8m	£74.3m	£79.9m	£48.4m	£27.5m
Capital financing requirement and net borrowing	*£210.4m*	*£230.2m*	£266.4m	£308.0m	£363.3m	£378.7m	£390.8m
Ratio of financing costs to net revenue stream	*4.3%*	*4.0%*	4.6%	5.5%	6.5%	7.2%	7.4%
Incremental impact of capital investment decisions on Council Tax	*(£8.06)*	*(£10.65)*	£1.09	£9.79	£14.59	(£0.31)	£0.25
External debt							
Authorised limit for external debt -							
Borrowing	*£134.5m*	*£279.5m*	£336.3m	£353.2m	£366.7m	£376.7m	£386.7m
Other long term liabilities	*£43.8m*	*£44.6m*	£42.5m	£40.8m	£39.2m	£37.6m	£36.2m
TOTAL	***£178.3m***	***£324.1m***	**£378.8m**	**£393.9m**	**£405.9m**	**£414.3m**	**£422.9m**
Operational boundary for external debt -							
Borrowing	*£134.5m*	*£198.8m*	£236.5m	£279.5 m	£336.3m	£353.2m	£366.7m
Other long term liabilities	*£43.8m*	*£44.6m*	£42.5m	£40.8m	£39.2m	£37.6m	£36.2m
TOTAL	***£178.3m***	***£243.4m***	**£279.0m**	**£320.2m**	**£375.5m**	**£390.8m**	**£402.9m**
Upper limit for variable interest rate exposure*	*£0m*	*£47.2m*	£56.6m	£67.4m	£81.6m	£85.8m	£89.2m
Upper limit for fixed interest rate exposure*	*£135.5m*	*£282.7m*	£338.9m	£355.5m	£368.9m	£378.8m	£388.8m
Upper limit for total principal sums invested for over 364 days	*£0m*	*£25m*	£25m	£25m	£25m	£25m	£25m

* These indicators do not include PFI figures

Maturity structure of fixed rate borrowing	**upper limit**	**lower limit**
under 12 months	40%	0%
12 months and within 24 months	40%	0%
24 months and within 5 years	80%	0%
5 years and within 10 years	80%	0%
10 years and above	100%	10%

ANNEX 2

Specified and Non-Specified Investments

Specified Investment - All such investments will be sterling denominated, with maturities up to maximum of 1 year, meeting the minimum 'high' rating criteria where applicable.

APPROVED "SPECIFIED" INVESTMENTS				
Investment Type	**Repayable within 12 months**	**Minimum Credit Criteria**	**Collective Limit £m**	**Individual Limit £m**
Term deposits with UK Government & local authorities	Maturities of up to 1 year	Sovereign risk / high security although not credit rated	100	75
Term deposits & Certificates of Deposit with regulated banks & UK building societies	Maturities of up to 1 year	Minimum ratings - F1(Fitch - short term) A (long term)	100	15
Deposit accounts with regulated banks & UK building societies	Repayable on call, without notice.	Minimum ratings - F1 (Fitch short term) A (long term)	100	15
Money Market Funds	Repayable on call, without notice.	Minimum rating – AAA (Fitch, S&P A-1etc)	60	15
Forward term deposits with regulated banks & UK building societies	Date from negotiated deal plus period of deposit up to 1 year	Minimum short term rating - F1 (Fitch)	45	15
UK Government & Local Authority Stock Issues	Maturities of up to 1 year	Sovereign risk / high security although not credit rated	100	75
Debt Management Agency Deposit Facility	Currently only accepts deposits up to 6 months duration.	UK Government backed	100	75
Commercial Paper (short term obligations issued by banks, corporations & other issuers).	Up to 9 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 - AA- (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)	Maturities of up to 1 year	UK Government backed (Held by custodian)	10	10
Treasury Bills	Maturities of up to 1 year Issued through a bidding process at a discount to face value	UK Government backed (Held by custodian)	20	20
Bonds issued by a financial institution guaranteed by UK Government	Maturities of up to 1 year	UK Government backed (Held by custodian)	15	15
Bonds issued by multilateral development banks	Maturities of up to 1 year	Minimum rating – AAA (Fitch, S&P A-1etc)	15	15

ANNEX 2

Non-Specified Investment - All such investments will be sterling denominated, with maturities in excess of 1 year or are offered by organisations that are not credit rated or the credit rating does not meet the Council's minimum 'high rating' criteria.

APPROVED "NON - SPECIFIED" INVESTMENTS				
Investment Type	**Repayable/Maturity Period**	**Minimum Credit Criteria**	**Collective Limit £m**	**Individual Limit £m**
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 regulated banks & UK building societies	Maturities of 1 - 5 years Certificates of Deposit are tradable	Minimum ratings - F1 (Fitch - short term) A (long term)	10	10
Callable deposits with regulated banks & UK building societies	Maturities of 1 - 5 years Borrower only has right to repay before maturity.	Minimum ratings – F1 (Fitch - short term) A (long term)	10	10
Forward term deposits with regulated banks & UK building societies	Date from negotiated deal plus period of deposit 1 –3 years	Minimum ratings - F1 (Fitch - short term) A (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	20	20
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)	10	10
Term deposits with regulated banks & UK building societies guaranteed by credit rated parent	Maturities of up to 1 year	Minimum parent ratings-F1 (Fitch - short term) A (long term)	50	10
Term deposits with UK building societies without formal credit ratings	Maturities of up to 1 year	Financial position assessed by Executive Director-Strategic Resources	50	10
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)	10	10
Bonds issued by multilateral development banks	Maturities of 1 - 10 years but tradable	Minimum rating - AAA (Fitch, S&P A-1etc)	10	10
Floating Rate Notes (fixed term but interest rate varies quarterly)	Maturities of 1 - 5 years but tradable	Financial position assessed by Executive Director- Strategic Resources. Requires capital or revenue financing as share or loan capital.	10	10
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	10	10

10. Adult Social Care Annual Accountability Agreement

ADULT SOCIAL CARE PRINCIPLES & OUTCOMES
FOR INCLUSION IN ANNUAL ACCOUNTABILITY AGREEMENTS 2011/12

Partnership arrangements for adult social care in Peterborough are changing from 2011/12 with some services returning to the City Council and some run by new providers. Annual Accountability Agreements are being developed as part of new partnership agreements with NHS Peterborough (NHSP), Cambridgeshire Community Services (CCS) and the Cambridgeshire & Peterborough Foundation Trust (CPFT).

Adult social care is the delivery of the City Council's statutory requirements in relation to vulnerable people and those in need of community care services. The primary purpose of the service is to ensure that those who meet the eligibility criteria for adult social care, have their needs met. The key priorities for adult social care are set out within "Putting People First", a national concordat and the new vision for adult social care "Capable Communities & Active Citizens" drawn up by the coalition government. The service is focused on supporting people to achieve good outcomes in terms of their safety, dignity, quality of life, independence, health and wellbeing, economic wellbeing, choice and control and participation in their communities.

A new outcome framework for adult social care is under development and we expect that services will be assessed on the following key dimensions which we will use locally in contracts and partnership agreements:

- Promoting personalisation and enhancing quality of life for people with care support needs
- Preventing deterioration, delaying dependency and supporting recovery
- Ensuring a positive experience of care and support
- Protecting from avoidable harm and caring in a safe environment

Adult Social Care Services will be commissioned by NHSP and PCC in the case of learning disabilities and include the following:

(i) Community Care Assessments, Support Planning and Reviews (CCS, CPFT, PCC)
We assess care needs and support people to complete self-assessments. We calculate how much money is available to meet people's needs using a "Resource Allocation System" and help people develop a plan to meet their needs. We carry out regular reviews of people's needs. We also assess the needs of carers and support them with services which give them a break from caring. There is a duty to assess people and a duty to meet the needs of those who are assessed as eligible (our eligibility level is set at high moderate). Charges can be made if people are assessed as being able to pay (in accordance with the Charging Policy). Sometimes, adult social care

will need to act to meet needs when people are unable to access any other public services.

(ii) Safeguarding (CCS, CPFT, PCC)
We work to prevent the abuse of vulnerable adults and we investigate when there are concerns that someone has been abused or harmed. We then work with them to protect them from further abuse.

(iii) Learning Disability Services (PCC)
We work with people with learning disabilities to support them to live independently whenever possible. We provide some day care services which aim to give people opportunities for social activities, training and support them to use services in the community. We also help people obtain employment and support them in their working life.

(iv) Services for Older People (CCS, CPFT)
We provide services to help older people remain independent. We buy in many of these services from voluntary organisations such as Age Concern Peterborough. We provide some day care services and also some residential homes.

(v) Mental Health Services (CPFT, CCS)
We help people with mental health problems to live independently whenever possible and we also provide support around employment. We also have approved mental health practitioners who are social workers who work with people with very serious mental illness and who can, if absolutely necessary, support people who need to be admitted to hospital or who need other very intensive mental health services.

(vi) Services for people with physical disabilities and sensory needs (CCS)
We provide services to help people remain independent and get on with their lives. Some services are provided by voluntary organisations. We also provide some day care. We have a specialist team that supports people with sight and hearing disabilities.

(vii) Other specialist services (CCS)
We provide other specialist services including the hospital social work service and a team which supports people who are living with HIV

Key drivers and policy directives which will inform all organisations commissioning and delivering adult social care are:

- “Putting People First” – the national direction of travel for the transformation of adult social care – delivering personalised care provision to enable people to remain independent
- “Capable Communities & Active Citizens” – the new vision for adult social care published by the coalition government – builds on “Putting People First”

- Peterborough Sustainable Community Strategy (SCS) and Single Delivery Plan – “Creating Opportunities and Tackling Inequalities”
- Demographic context – increasing numbers of older and disabled people and increasingly complex needs
- Consultation on national outcomes framework for adult social care and the cancellation of the current performance assessment process by CQC with uncertainty in terms of future arrangements
- Health & Social Care Bill 2010 – abolition of PCTs, development of GP commissioning etc.
- Financial drivers – efficiency through transformation including demand transformation, prevention and investment in re-ablement
- Growth in telecare interventions which can form part of cost effective care services

All organisations involved in delivering and commissioning adult social care need to contribute to achieving savings as follows:

Reducing the cost of adult social care (NHSP, CCS, CPFT, PCC)
We are already investing in re-ablement services which we expect will achieve significant savings (around £1m pa). People will receive re-ablement services before any assessment of their ongoing needs is concluded. We will also look carefully at how resources are allocated and ensure that the “Resource Allocation System” (the system which calculates how much money is available to meet an individual’s needs) properly takes account of needs, the costs of services and the overall resources that are available (aim to achieve a reduction of a further £1m pa).

Management Cost Reductions through Partnership (NHSP, CCS, PCC)
NHS Peterborough is in the process of making changes to community services which will in future be delivered by independent NHS trusts. The council expects to achieve savings when services are transferred to Cambridge Community Services. All NHS organisations have to reduce management costs by about 45% and it is anticipated there could be further savings for the council once this process is complete. We are aiming to achieve at least 250k per annum saving through this route.

Review Day Centres (NHSP, CCS, PCC, CPFT)
We will deliver more personalised services out in the community and within people’s homes. Services based in buildings which the council and the NHS run themselves can be very expensive and are increasingly not the sorts of services which people choose. We will review day care services for both older people and people with learning disabilities and look to only continue those services that are making a real difference to improving those people’s lives. Because some people do choose day care, we expect some services to remain in place. We are aiming to achieve at least 100k per annum saving through this route.

Additional Income - Community Care Services (CCS, CPFT, PCC)
We will increase charges for some community care services for example day care services, respite care services and home care services. In general we will make charges which reflect the true costs of these services. People on low incomes will continue to pay lower charges or none at all where it is appropriate. We are aiming to achieve at least 70k per annum additional income through this route.

There is good evidence that good quality and cost effective adult social care services are delivered through the following framework and all organisations are expected to base their services and plans around this:

• **Early intervention and prevention** – in order to reduce cost pressures, we will do all we can to prevent people needing our services in the first place. We will continue to invest in services that enable people to continue living independently in their own homes.

• **Re-ablement** – these are very intensive services which last for around six weeks and help people get 'back on their feet' after a fall or illness. There is very good evidence that these services work and about half of people will not need ongoing services after receiving them. We will invest in this area and aim to have services for all those people who would benefit from them.

• **Personalised services** – if people do need ongoing social care services, for example some people with learning disabilities who may require life-time care, we will ensure that we allocate funding in a fair and clear way by allocating them individual budgets. People will then have 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.

More detailed priorities and programmes of work include

- People in hospital – we aim to ensure that people do not stay in hospital any longer than they need to.
- Helping people get back on their feet again after an illness or fall – we aim to prevent hospital admissions whenever possible. If people have been unwell or had a fall, we are developing new re-ablement services which provide intensive support for around six weeks to help them get back on their feet and go back to living independently.
- Supporting people with learning disabilities to improve their health and well-being – we are continuing to work with the NHS, particularly primary care, to ensure people with learning disabilities have good access to health services and improved health outcomes
- "Living My Life" – our programme to implement the "Putting People first" milestones locally
- Support to carers –The Carers' Partnership Board continues to be active and provides a forum for carers to contribute to new developments and feedback on services.
- Increasing employment for disabled people
- Increasing the number of extra care housing places in the city

- Safeguarding vulnerable adults – the Peterborough Adult Safeguarding Board continues to oversee the improvement plan for this area. Good progress has been made and there is a substantial amount of further work to do. An independent chair for the Board has been recruited and a new safeguarding adults' team is also being set up within CCS which will support safeguarding activity across all agencies in Peterborough.
- Assessment and care management – we are continuing to maintain good standards in relation to assessment and review timescales.
- Equalities – we are working to ensure that the new legislation is implemented locally.

11. Budget Consultation

11a - Budget Consultation February Cabinet

Category	Source	Issue	Response
Adult Social Care	Email	How can you reduce Adult Social Care by £2m when population is ageing rapidly? Introduce tariffs for self inflicted illness i.e. drug, smoking and alcohol related.	The proposed budget takes into account the ageing population and takes account of the costs of demographic pressures. We still need to achieve savings and there is good evidence that using effective services such as re-ablement can save money on adult social care budgets. Legislation requires us to meet the needs of anyone who is eligible for adult social care regardless of how a disability or illness came about.

Category	Source	Issue	Response
Adult Social Care	Email	Under 'Adult Social Care' the cabinet is proposing to increase charges for those who can afford to pay so that the charges are in line with the true cost of services. Since you are already outsourcing homecare from private providers and sticking on a hefty 45% to 50% surcharge on top for 'administration' how can you justify increasing the charges? As far as I can see, you add nothing of value to the process. On top of this, the inference from the private providers is that social services are discouraging them from dealing directly with private individuals.	Home care services are provided both in-house and by the private and voluntary sector. Peterborough's "Independent Living Support Service" framework means that individuals who need care and support can access a choice of good quality services at value for money rates. Charges for people who can afford to pay are set at the actual cost of the service, no administration charge is made. NHS Peterborough manages the contract framework and service providers to ensure quality standards are met. Many individuals will choose to deal directly with social care providers. NHS Peterborough ensures that people's right to a community care assessment is met and that if eligible, they are provided with a Personal Budget which can be taken as cash or as a virtual budget with support to arrange services. Those not eligible for publicly funded social care are provided with sign-posting information and advice. Under Personal Budgets (which over 30% of service users now have) there is a greater emphasis on individuals making their own arrangements for care.
Adult Social Care	Neighbourhood Council South Area	Adult social care Page 88 - day care centres review – has this taken place and what was the result? Will it be publicised?	Preparatory work for this review is underway and a report on the principles was presented to the Health Scrutiny Commission on 17 January 2011. A further report will be presented in March 2011.

Category	Source	Issue	Response
Adult Social Care	Neighbourhood Council South Area	Adult social care What will the increase in day care centre charges achieve? What if income doesn't come in?	The city council has to review its charging policy in line with new guidance. The proposed changes are based on a principle of no one, particular service being subsidised. Currently the situation is not equitable as someone who chooses to access day care is not charged the full cost of the service whereas someone who access home care is. As now, those who cannot afford to pay will be protected. The estimate for additional income raised already takes account of the fact that not everyone will be assessed as needing to pay a charge.
Adult Social Care	Joint Meeting of the Scrutiny Committees and Commissions	The proposed increases in fees and charges for adult social care was still showing as to be confirmed, how could scrutiny effectively scrutinise the proposals if all the details were not available?	The city council has to review its charging policy in line with new guidance. The proposed changes are based on a principle of no one, particular service being subsidised as set out in the consultation document. Currently the situation is not equitable as someone who chooses to access day care is not charged the full cost of the service whereas someone who accesses home care is. As now, those who cannot afford to pay will be protected. The estimate for additional income raised already takes account of the fact that not everyone will be assessed as needing to pay a charge. A more detailed document was provided to the Health Scrutiny Commission on 17 January 2011

Category	Source	Issue	Response
Adult Social Care	Joint Meeting of the Scrutiny Committees and Commissions	Growing numbers of people and more complex needs. Why were some of the increases in funding for areas such as learning disabilities and older people so big year-on-year?	The figures have been modelled on experiences of each of the service groups. These were groups (older people, learning disability etc) that were growing quickly and we have to plan for increases in numbers and in changing needs. The increases were because more people would become eligible for adult social care and some of the more complex needs were costly to meet. This is because more babies now survive with more complex disabilities and therefore more disabled young people come through into adult care services. In addition life expectancy is increasing. The figures put forward are 50% of our estimates and so carry some risk.
Adult Social Care	Neighbourhood Council Central and East Area	Has the review of day care centres for the elderly as mentioned on page 88 of the budget document been undertaken, and what was the result?	Preparatory work for this review is underway and a report on the principles was presented to the Health Scrutiny Commission on 17 January 2011. A further report will be presented in March 2011.

Category	Source	Issue	Response
Adult social care	Churches Together meeting	The basic social services rate for residents in residential care homes is £387 per week, and this has not increased for 3 years, and as the majority of the cost in such homes are salary rated, is now significantly out of date, and has led to privately paying residents subsidising costs of funded residents. In the same period a number of homes have seen a reduction in the number of placements from Social Services in their homes, despite good ratings for the quality of care. Do equivalent homes run by the Council cost more than £387 per person per week? If so, by placing all potential residents in the private sector, either additional savings could be made or the rate provided could be increased to a sensible level.	We set maximum rates for residential services in accordance with national protocols. In setting such rates we take account of the market for these services, cost pressures and the overall budgets that we have to work within. There is an expectation that all providers contribute to efficiency savings. Like many other local authorities we have not increased rates in recent years. We will be looking carefully at the current situation before determining future rates. Less people are choosing residential care and most of the growth in care packages is in care at home. Additionally many more people are choosing extra care housing rather than residential care. People can of course choose any residential home within our rates if they are opting for residential services. In-house homes do tend to have higher unit costs than many homes in the private and voluntary sector and the city council has a current strategy to reduce the amount of in-house residential care that is run.

Category	Source	Issue	Response
Adult social care	Churches Together meeting	Page 36: Reducing the cost of adult social care - we wonder how budget cuts will affect the care of the elderly. In particular, we note that £2m annual savings are expected in this area. There is little narrative on this section, so, at a time when the average age is increasing, we wonder how the vulnerable will be protected?	The proposed budget takes into account the ageing population and takes account of the costs of demographic pressures. We still need to achieve savings and there is good evidence that using effective services such as re-ablement can save money on adult social care budgets. Protecting vulnerable people continues to be the priority for adult social care services.

Category	Source	Issue	Response
Allotments	Email	I think the council should focus on the following priorities: I think your proposed rent increase for allotments are unfair and totally unjustified, and then to add insult to take away the concessions for pensioners, unemployed, disabled and active card users is just totally disgusting. I think you need to reconsider.	We have listened to all the comments made and have decided to amend our original proposals. The charge for a standard size allotment will be remain unchanged at £52 per calendar year for the period from 1 January to 31 December. This figure will be annually inflated using an appropriate indexation as defined by the executive director of strategic resources. However, allotments smaller than the standard size of 300 square yards will be charged at the lower price of £39 per year. A discount of 30 per cent will be applied to anyone who is able to demonstrate that they are in receipt of any form of benefit or a state pension. This discount will only apply to the first allotment held by an individual. If an individual holds more than one allotment they will pay the full charge for any other allotment according to the size of that allotment(s).

Category	Source	Issue	Response
Allotments	Email (Sent in by a councillor who had attended a community meeting)	You quote that the National Society for Allotment and Leisure Gardeners has confirmed that our charges are significantly below what they see nationally, yet on their brief that they are circulating they quote £25 as the average rent, so were does the £52 come from?	The reference to £25 from the National Society of Allotment and Leisure Gardeners refers to an average rent of £25 per year in a document dated 2008. The document goes on to say that this is a derisory amount in the 21st Century. The document also confirms that at the basic rate that local authorities are not obliged to provide fencing, water or pathways on the site, but merely to provide bare earth. Karen Kenny, who covers this area for the NSALG, has confirmed to us that she believes £52 is a fair and reasonable rent for an allotment.
Allotments	Email	Are allotments subject to the Crown?	As a general principle, the Allotment Act does not apply to land owned or occupied by the Crown.
Allotments	Email	What is the truth that all allotment land sold should go back into allotments?	The proceeds of sale of any allotments land (or any monies received by the authority on an exchange of land) must be applied when discharging the debts and liabilities of the Allotments Authority in respect of land acquired by them for allotments or in acquiring, adapting and improving other land for allotments

Category	Source	Issue	Response
Allotments	Email	What is the city council actually spending on allotments each year to upgrade them?	This will vary from year to year but for example new fencing has been provided in conjunction with ward councillors for Orton Goldhay allotment site and new raised plots have been delivered on other sites. We are currently considering whether or not the Werrington allotment can be extended by putting in new fencing to create a further 60 plots on that site. The cost of the fencing is significantly more than the income for one year and of course additional work has to be undertaken to prepare the area, set out paths etc. We are looking at when we could go about this work.
Allotments	Email	What is the total income from allotment holders each year?	From October 09 to October 2010 income was £27,161.

Category	Source	Issue	Response
Allotments	Email	Do disabled allotment holders with raised plots, (small as they are) have to pay the same rates or is there going to be a concession for them?	They will pay the £39 charge for a reduced size plot. We have also amended our original proposals in light of comments made in the consultation. The charge for a standard size allotment will be remain unchanged at £52 per calendar year for the period from 1 January to 31 December. This figure will be annually inflated using an appropriate indexation as defined by the executive director of strategic resources. However, allotments smaller than the standard size of 300 square yards will be charged at the lower price of £39 per year. A discount of 30 per cent will be applied to anyone who is able to demonstrate that they are in receipt of any form of benefit or a state pension. This discount will only apply to the first allotment held by an individual. If an individual holds more than one allotment they will pay the full charge for any other allotment according to the size of that allotment(s).

Category	Source	Issue	Response
Allotments	Email	I wish to object in the strongest possible terms about the proposed removal of concessionary fees for allotment rental. Many people on low incomes rely on their allotment for providing not only vegetables through the year, but also for exercise and the improvement of their mental well being. Some allotment holders have more than one allotment and have held these, in good order, for a number of years. I hold three allotments at Bifield. I took them on at a time when allotments were on this site were difficult to let, in fact only about 25% of the site was in use. I've brought these plots into good order from a wilderness over the past five years or so. Now I'm told my rental for these plots will increase by around 200%. I'm sure that should these proposals go through the council will be left with large numbers of allotments vacant. The whole concept of allotment gardening is affordability for those on low incomes. I'm positive you will get many, many objections to these proposals and I	We have listened to all the comments made and have decided to amend our original proposals. The charge for a standard size allotment will be remain unchanged at £52 per calendar year for the period from 1 January to 31 December. This figure will be annually inflated using an appropriate indexation as defined by the executive director of strategic resources. However, allotments smaller than the standard size of 300 square yards will be charged at the lower price of £39 per year. A discount of 30 per cent will be applied to anyone who is able to demonstrate that they are in receipt of any form of benefit or a state pension. This discount will only apply to the first allotment held by an individual. If an individual holds more than one allotment they will pay the full charge for any other allotment according to the size of that allotment(s).

Category	Source	Issue	Response
		will be advising others who may be interested to join with me in asking AgeUK and other organisations to campaign actively on our behalf and, if necessary, to month a formal challenge to the removal of concessions	

Category	Source	Issue	Response
Allotments	Email	I have just learnt of the proposals by the city council to increase allotment charges to £52/£39 for large/small plots. This will make the city council's charges amongst the highest in the country. Moreover, why are small plots not going to be charged at half the rate of large plots? In addition, I understand that payment concessions for allotments will be removed. As an allotment tenant, I personally have not been informed of these proposals, which have been wrapped up and obscured in the detail of the city council Cabinet's deliberations. I have asked Stewart Jackson for his views on these proposals but his inadequate reply to me dated 18 November 2010 does not address any of these issues. I only have a pension for an income and this has not increased for 2 years. I find the city council proposals totally unacceptable in both the scale of increases and the removal of concessions. Both these issues (the increase in allotment fees and the removal of concessions) should	We have listened to all the comments made and have decided to amend our original proposals. The charge for a standard size allotment will be remain unchanged at £52 per calendar year for the period from 1 January to 31 December. This figure will be annually inflated using an appropriate indexation as defined by the executive director of strategic resources. However, allotments smaller than the standard size of 300 square yards will be charged at the lower price of £39 per year. A discount of 30 per cent will be applied to anyone who is able to demonstrate that they are in receipt of any form of benefit or a state pension. This discount will only apply to the first allotment held by an individual. If an individual holds more than one allotment they will pay the full charge for any other allotment according to the size of that allotment(s).

Category	Source	Issue	Response
		be returned to the status quo ante.	

Category	Source	Issue	Response
Allotments	Email	As an allotment plot holder, I wish to object to the proposed changes for new charges being introduced in January 2011. As I am a pensioner this will mean an approximate increase of 200% which is a lot of money to find.	We have listened to all the comments made and have decided to amend our original proposals. The charge for a standard size allotment will be remain unchanged at £52 per calendar year for the period from 1 January to 31 December. This figure will be annually inflated using an appropriate indexation as defined by the executive director of strategic resources. However, allotments smaller than the standard size of 300 square yards will be charged at the lower price of £39 per year. A discount of 30 per cent will be applied to anyone who is able to demonstrate that they are in receipt of any form of benefit or a state pension. This discount will only apply to the first allotment held by an individual. If an individual holds more than one allotment they will pay the full charge for any other allotment according to the size of that allotment(s).

Category	Source	Issue	Response
Allotments	Email	I understand that it is likely that the senior citizen's fee for an allotment is to be increased to £52 in 2011. This will be an increase for the less "well off" of approximately 200% on the present charge. If this goes ahead I request that we could spread the payments by direct debit by paying quarterly or six monthly.	We have listened to all the comments made and have decided to amend our original proposals. The charge for a standard size allotment will be remain unchanged at £52 per calendar year for the period from 1 January to 31 December. This figure will be annually inflated using an appropriate indexation as defined by the executive director of strategic resources. However, allotments smaller than the standard size of 300 square yards will be charged at the lower price of £39 per year. A discount of 30 per cent will be applied to anyone who is able to demonstrate that they are in receipt of any form of benefit or a state pension. This discount will only apply to the first allotment held by an individual. If an individual holds more than one allotment they will pay the full charge for any other allotment according to the size of that allotment(s).
Allotments	Email	I have been following developments about the council's plans for changes to the way the allotments are managed and wish to register my objection to the proposal to lease out the running of the allotments to a private	We have listened to all the comments made and have decided to amend our original proposals. The charge for a standard size allotment will be remain unchanged at £52 per calendar year for the period from 1 January to 31 December. This figure will be annually inflated using an appropriate indexation as defined by the executive director of strategic resources.

Category	Source	Issue	Response
		company. I rent plot 9b on the Werrington site and I also object to paying more for my half size plot than 50% of the cost of a full one (I had to take what was available) I believe the council has discounted its services too much over the years and so you have dug yourselves a bit of a hole by trying to increase charges back to what most people consider a normal level. If money is so tight why are the council wasting money by proposing new sites when they are saying that they can't manage the ones they have already! how about looking after and improving the sites you have already have been at Werrington for 5 months and the grass has only just been cut in the car park, which could do with some hardcore on it as it is very muddy! No good for disabled access then. As a building contractor I would be interested in tendering for the upkeep of the site or another suggestion would be to form committees on each site to run them. on a final note I enjoy my time on my allotment but my	However, allotments smaller than the standard size of 300 square yards will be charged at the lower price of £39 per year. A discount of 30 per cent will be applied to anyone who is able to demonstrate that they are in receipt of any form of benefit or a state pension. This discount will only apply to the first allotment held by an individual. If an individual holds more than one allotment they will pay the full charge for any other allotment according to the size of that allotment(s).

Category	Source	Issue	Response
		plot is being shaded by some large self set trees next to the old substation, as the council still has control ,can these trees be felled or will you give me permission to do it myself?	
Allotments	Email	When I was first allocated allotment on wharf road I was only allowed a half plot and then later allowed another half plot the new proposed charges will mean I will be paying £78 for two plots instead of £52 for one full plot. I feel this is very unfair - plots 11a 35a	We would like to meet with you to discuss the best way forward to resolve this issue.

Category	Source	Issue	Response
Allotments	Email	I have just been told that the city council is going to remove the concessionary charges from allotment charges. I feel that with the increases in the cost of living - heating charges will also impact on the general costs of food production, pensioners, disabled and those on low income will need all the assistance they can obtain, and growing their own food will be a big part of their budgets and the increase in charges will wipe out any financial benefits they get from the allotment.	We have listened to all the comments made and have decided to amend our original proposals. The charge for a standard size allotment will be remain unchanged at £52 per calendar year for the period from 1 January to 31 December. This figure will be annually inflated using an appropriate indexation as defined by the executive director of strategic resources. However, allotments smaller than the standard size of 300 square yards will be charged at the lower price of £39 per year. A discount of 30 per cent will be applied to anyone who is able to demonstrate that they are in receipt of any form of benefit or a state pension. This discount will only apply to the first allotment held by an individual. If an individual holds more than one allotment they will pay the full charge for any other allotment according to the size of that allotment(s).

Category	Source	Issue	Response
Allotments	Email	Allotment gardens give us healthy exercise and food that is without unwanted additives. We are shocked and stunned that you have the temerity to withdraw the active card reduction at the same time you increase plot rental by such a high percentage. Austerity measures are the order of the day to help us struggle out oaf recession. A riot would be initiated if council salaries were reduced by a staggering 200%, yet the poorest people in the city are expected to find that sum just to keep healthy. Most of the allotment holders are old age pensioners. If you need to raise revenue you should consider looking at some of the inflated salaries paid to some council staff. The top earners would experience no difficulty in adjusting their life style if their pay was reduced by 5 or 10 percent. Bifield allotments received a new fence but the security has been breached frequently. Crops have been stolen, property damaged, tools taken away mindless acts of vandalism removed all hydrant	

Category	Source	Issue	Response
		taps. Someone knows the perpetrators of these crimes and information must be passed to the police and the courts must issue punishment to fit the crime. The criminal should be ordered to compensate for our losses. My pension will not stretch to cover proposed rental increases yet I want to continue growing my own fruit and vegetables. Since the recession it is the pensioners/savers that have lost out all round. We now have to use our capital for any little luxury as the interest rates for savers went to 0.05% whilst the mortgage rates tumbled. Most salaries went up. We are on a fixed income and facing increases in every commodity etc: gas, electricity, council tax, food etc. this extra 200% allotment increase is just TOO MUCH	We have listened to all the comments made and have decided to amend our original proposals. The charge for a standard size allotment will be remain unchanged at £52 per calendar year for the period from 1 January to 31 December. This figure will be annually inflated using an appropriate indexation as defined by the executive director of strategic resources. However, allotments smaller than the standard size of 300 square yards will be charged at the lower price of £39 per year. A discount of 30 per cent will be applied to anyone who is able to demonstrate that they are in receipt of any form of benefit or a state pension. This discount will only apply to the first allotment held by an individual. If an individual holds more than one allotment they will pay the full charge for any other allotment according to the size of that allotment(s).

Category	Source	Issue	Response
Allotments	Email	We have been informed by letter that the council has proposed to increase the charges for us pensioners. One of the reasons why we appreciate the use of the allotment plot, is that it gives us over 60s a reason to improve in our lifestyles i.e. physical exercise and a more healthy living. We are very petrified to learn of the increase. This has come at a time when we pensioners still have limited resources after losing our jobs some 5 and 20 years ago. The allotment helps us tremendously and we appreciate what the council has done to provide us the opportunity to rent our plot. In spite of the hard work we continue to put into it, we can say that when we do get a good crop it has been a reward, However, we cannot force the council to retract, but with our low income, we would appreciate if they could reconsider their proposal and to continue to let us pensioners have a concessional rate. Otherwise, many of us who look forward to cultivating the land to benefit us, will have to resign. I	We have listened to all the comments made and have decided to amend our original proposals. The charge for a standard size allotment will be remain unchanged at £52 per calendar year for the period from 1 January to 31 December. This figure will be annually inflated using an appropriate indexation as defined by the executive director of strategic resources. However, allotments smaller than the standard size of 300 square yards will be charged at the lower price of £39 per year. A discount of 30 per cent will be applied to anyone who is able to demonstrate that they are in receipt of any form of benefit or a state pension. This discount will only apply to the first allotment held by an individual. If an individual holds more than one allotment they will pay the full charge for any other allotment according to the size of that allotment(s).

Category	Source	Issue	Response
		am also disappointed with the fact that I was told to buy an Active card which I am told will now become void. This to me was a waste of my resources. I hope that you will look into the matter and pass on our dismay to the authorities.	

Category	Source	Issue	Response
Allotments	Email	I was very disappointed to hear that the allotment rent for senior citizens is likely to be increased next year by about 300% this does not seem fair to me. Many senior citizens rely on allotments both for food and exercise to keep fit. Surely the council should be encouraging senior citizens to keep their allotments, instead of making it difficult to pay this huge rent increase. Healthier senior citizens will result in less strain on community care in the long term!!!	We have listened to all the comments made and have decided to amend our original proposals. A discount of 30 per cent will be applied to anyone who is able to demonstrate that they are in receipt of any form of benefit or a state pension. This discount will only apply to the first allotment held by an individual. If an individual holds more than one allotment they will pay the full charge for any other allotment according to the size of that allotment(s).

Category	Source	Issue	Response
Allotments	Email	My husband obtained an allotment plot last summer at The Grange, Netherton. At that time he was advised to purchase an active card at a cost of £8. We have now been informed (not officially) that the concessions are to be abolished for pensioners and the total cost of an allotment plot may be in the region of £52 per annum. We are pensioners and intended to grow our own vegetables and fruit to supplement our pension. If the rumours are correct we are going to be substantially out of pocket and the savings we had anticipated for this year will not now be possible. There must be many pensioners in our position. What do you think the council should do to put things right: The cost of living does go up every year unfortunately. Pensioners like us have to put everything into what we can afford and what is important like heating and food together with essential bills. We do not therefore feel that pensioners should pay the full costs and should only pay an increase in the cost of the allotment	We have listened to all the comments made and have decided to amend our original proposals. A discount of 30 per cent will be applied to anyone who is able to demonstrate that they are in receipt of any form of benefit or a state pension. This discount will only apply to the first allotment held by an individual. If an individual holds more than one allotment they will pay the full charge for any other allotment according to the size of that allotment(s).

Category	Source	Issue	Response
		in keeping with inflation.	

Category	Source	Issue	Response
Allotments	Email	Having heard that the council intend to privatise the allotments I must say I'm totally against any change in the way the allotments are managed or charged. I have had an allotment for many years and know that without the concessions in place, privatisation will force many allotment owners including myself to quit due to greed and price rises.	We have listened to all the comments made and have decided to amend our original proposals. The charge for a standard size allotment will be remain unchanged at £52 per calendar year for the period from 1 January to 31 December. This figure will be annually inflated using an appropriate indexation as defined by the executive director of strategic resources. However, allotments smaller than the standard size of 300 square yards will be charged at the lower price of £39 per year. A discount of 30 per cent will be applied to anyone who is able to demonstrate that they are in receipt of any form of benefit or a state pension. This discount will only apply to the first allotment held by an individual. If an individual holds more than one allotment they will pay the full charge for any other allotment according to the size of that allotment(s).

Category	Source	Issue	Response
Allotments	Email	I wish to object in the strongest possible terms about the proposed removal of concessionary fees for allotment rental. Many people on low incomes rely on their allotment for providing not only vegetables through the year, but also for exercise and the improvement of their mental well being. Some allotment holders have more than one allotment and have held these, in good order, for a number of years. I hold three allotments at Bifield. I took them on at a time when allotments were on this site were difficult to let, in fact only about 25% of the site was in use. I've brought these plots into good order from a wilderness over the past five years or so. Now I'm told my rental for these plots will increase by around 200%. I'm sure that should these proposals go through the council will be left with large numbers of allotments vacant. The whole concept of allotment gardening is affordability for those on low incomes. I'm positive you will get many, many objections to these proposals and I	We have listened to all the comments made and have decided to amend our original proposals. The charge for a standard size allotment will be remain unchanged at £52 per calendar year for the period from 1 January to 31 December. This figure will be annually inflated using an appropriate indexation as defined by the executive director of strategic resources. However, allotments smaller than the standard size of 300 square yards will be charged at the lower price of £39 per year. A discount of 30 per cent will be applied to anyone who is able to demonstrate that they are in receipt of any form of benefit or a state pension. This discount will only apply to the first allotment held by an individual. If an individual holds more than one allotment they will pay the full charge for any other allotment according to the size of that allotment(s).

Category	Source	Issue	Response
		will be advising others who may be interested to join with me in asking AgeUK and other organisations to campaign actively on our behalf and, if necessary, to month a formal challenge to the removal of concessions.	
Allotments	Email	I am shocked at the high increase we are being asked to pay in rent for our allotment. Mine has gone from £17 to £52 for a year. I am a pensioner and this outrageous of the extra amount I have to find if I want to carry on gardening; a very	We have listened to all the comments made and have decided to amend our original proposals. The charge for a standard size allotment will be remain unchanged at £52 per calendar year for the period from 1 January to 31 December. This figure will be annually inflated using an appropriate indexation as defined by the executive director of strategic resources.

Category	Source	Issue	Response
		great hobby I have had since a very early age, childhood in fact. It is even more important now I am retired as it gives me plenty of exercise, fresh air and the chance to meet and chat with friends with the same interest also above all some fresh vegetables and fruit essential for a healthy diet. I was expecting a rise of about £5 for the year because of the present financial cutbacks the government has to make, but this is an increase of 200%. Yet again I feel the elderly and the not so well off are the ones to pay. The more well off and more fortunate, have the finances to buy a large house and gardens. People like myself can only afford a small property and a postage stamp size garden therefore to be able to rent a plot of ground to grow essential vegetables and fruit is great bonus. I feel we move backwards in society these days - we are constantly told to keep active, eat healthy, make friends as we get older and retire - then we get 'trodden and stamped on back into	However, allotments smaller than the standard size of 300 square yards will be charged at the lower price of £39 per year. A discount of 30 per cent will be applied to anyone who is able to demonstrate that they are in receipt of any form of benefit or a state pension. This discount will only apply to the first allotment held by an individual. If an individual holds more than one allotment they will pay the full charge for any other allotment according to the size of that allotment(s).

Category	Source	Issue	Response
		the ground' and left indoors to vegetate sat in front of 'a box' watching repeated programmes. In fact the more I write the more angry I get because I cannot see how you can justify such a large increase in allotment fees. I sincerely hope you can reassess the amount and make it more realistic for us to pay and continue with our interest.	

Category	Source	Issue	Response
Allotments	Email	I am writing in respect of the changes that the present Peterborough City Council intends to make as regards the city's allotments. I would like to know why the council is intending to do away with the Active card. The affect this will have on a vulnerable section of society is extremely unfair. The allotments that they tend provide them and their families with food. These people are on tight budgets, and because the Active card helps to keep the costs down it means that they can afford to have an allotment. Though the city council have said it is only a pound a week. It is a pound a week which will have to be found from an already stretched budget. I speak from personal experience. My husband had a heart attack two years ago and is now left in ill health. Because of this we have lost everything. Our home... the lot, and now both of us in middle age have had to go and live with my elderly parents. They have given us a roof over our head in exchange for me caring for them.	We have listened to all the comments made and have decided to amend our original proposals. The charge for a standard size allotment will be remain unchanged at £52 per calendar year for the period from 1 January to 31 December. This figure will be annually inflated using an appropriate indexation as defined by the executive director of strategic resources. However, allotments smaller than the standard size of 300 square yards will be charged at the lower price of £39 per year. A discount of 30 per cent will be applied to anyone who is able to demonstrate that they are in receipt of any form of benefit or a state pension. This discount will only apply to the first allotment held by an individual. If an individual holds more than one allotment they will pay the full charge for any other allotment according to the size of that allotment(s).

Category	Source	Issue	Response
		Just recently published in the Your Peterborough is the yearly allowances paid to Peterborough councillors, and it leaves a sour taste in the mouth when you read some of the amounts they claim. I doubt very much that they have to worry about paying any of their bills. Further to this outrage I gather that they are planning to change the rules and regulations in respect of the tenancy agreement. Surely it would be a courtesy of the city council to invite the allotment holders to a meeting and outline their plans and give the allotment holders a chance to put over their views. One subject that seems to be contentious is the bonfires. Why does the council want to ban them? They haven't given an explanation about this. I would like to know what it is. The number of bonfires that our carried out on sites are not going to destroy the ozone layer. The waste burning incinerator in Fengate that they have backed will do that. (if this has subsequently been overturned then hooray and please ignore) It	

Category	Source	Issue	Response
		has apparently been suggested that the allotment waste be taken home and disposed of in the brown bins, but you can only put "garden waste" in that not vegetable matter. Obviously you will get people who are just going to dump it any where. This does happen already on some sites, and I do not condone it. We do our best to compost as much as we can. In conclusion I would like to have an answer to my question concerning the Active card. Further to this I think the council should have a meeting with the City allotment holders to discuss the changes they want to make.	

Category	Source	Issue	Response
Allotments	Email	As the Orton Malborne representative this is my final opinion on the subject. The size of plots on site varies from 170sq.m. to 350sq.m.and so disregarding size when pricing is totally illogical. The current proposed penalizes those who cannot afford or manage a full plot, While a full plot (disregarding previous concessions) is priced the same, part plots are subject to at least a 50% increase. Many of these tenants will feel more keenly the loss of concessions. The only fair solution is to measure the plots and set a price per sq.m. To meet your total requirements, this can be done easily and disagreements dealt with on appeal. With the removal of concessions and a recorded area for each plot the billing process should be easier and less expensive.	We have listened to all the comments made and have decided to amend our original proposals. The charge for a standard size allotment will be remain unchanged at £52 per calendar year for the period from 1 January to 31 December. This figure will be annually inflated using an appropriate indexation as defined by the executive director of strategic resources. However, allotments smaller than the standard size of 300 square yards will be charged at the lower price of £39 per year. A discount of 30 per cent will be applied to anyone who is able to demonstrate that they are in receipt of any form of benefit or a state pension. This discount will only apply to the first allotment held by an individual. If an individual holds more than one allotment they will pay the full charge for any other allotment according to the size of that allotment(s).

Category	Source	Issue	Response
Allotments	Email	What constitutes a 'plot'? This was generally accepted as 300sq.yds however plots at Orton Malborne vary considerably. Some are small enough to equal the area of a half-plot but will attract a rent of £52.00. If a tenant has two half-plots will he/she be charged for each individually or as one full plot? Does the demise of the Activity card mean no concessions at all e.g. for old age, infirmity or unemployment? Tenants on the new site consider the half-plot rent unfair as the average area of their plots is 133sq.yds only	We have listened to all the comments made and have decided to amend our original proposals. The charge for a standard size allotment will be remain unchanged at £52 per calendar year for the period from 1 January to 31 December. This figure will be annually inflated using an appropriate indexation as defined by the executive director of strategic resources. However, allotments smaller than the standard size of 300 square yards will be charged at the lower price of £39 per year. A discount of 30 per cent will be applied to anyone who is able to demonstrate that they are in receipt of any form of benefit or a state pension. This discount will only apply to the first allotment held by an individual. If an individual holds more than one allotment they will pay the full charge for any other allotment according to the size of that allotment(s).

Category	Source	Issue	Response
Allotments	Email	WESTWOOD GRANGE ALLOTMENT SOCIETY- RENT RISES I refer to the meeting held on the 17 November at the Caliente Club, Paston, where you informed members that the "activity" cards for elderly and disabled members were being withdrawn and as a result the rents on the plots were to be raised by over 250% and even more for the disabled (600%) as their plots are only 1/8th of a half plot. These huge rises may be fine for cabinet and councillors but to the vulnerable disabled who have their own difficulties in life this would mean a serious tightening of the belt that is already strangling the hernia and in our opinion is totally unacceptable. We therefore respectfully request that the members of the Culture, Leisure and Strategic commission would seriously reconsider revising the rents for the disabled. We at Westwood Grange were delighted to have the disabled plots installed and would now be disappointed if the members voted with their feet	We have listened to all the comments made and have decided to amend our original proposals. The charge for a standard size allotment will be remain unchanged at £52 per calendar year for the period from 1 January to 31 December. This figure will be annually inflated using an appropriate indexation as defined by the executive director of strategic resources. However, allotments smaller than the standard size of 300 square yards will be charged at the lower price of £39 per year. A discount of 30 per cent will be applied to anyone who is able to demonstrate that they are in receipt of any form of benefit or a state pension. This discount will only apply to the first allotment held by an individual. If an individual holds more than one allotment they will pay the full charge for any other allotment according to the size of that allotment(s).

Category	Source	Issue	Response
		and abandoned them because of the proposed increase of rents. They are in the vulnerable minority and cannot sustain such a rise especially if they only have a restricted income as their only means of support. Therefore mark would you kindly pass these remarks on to the relevant committee.	

Category	Source	Issue	Response
Allotments	Email	Dear Sir or Madam I understand that the fees for allotments are to increase to £52 a year, even for pensioners. I have recently taken on an allotment and was told to buy an active card in order to obtain a reduction in the fee. This I did a couple of weeks ago. So, I assume I will still have to pay the £52. If that is the case, can I give back the active card and have a credit? Also, as I am on a limited income, can I spread the payments for the allotment?	We have listened to all the comments made and have decided to amend our original proposals. The charge for a standard size allotment will be remain unchanged at £52 per calendar year for the period from 1 January to 31 December. This figure will be annually inflated using an appropriate indexation as defined by the executive director of strategic resources. However, allotments smaller than the standard size of 300 square yards will be charged at the lower price of £39 per year. A discount of 30 per cent will be applied to anyone who is able to demonstrate that they are in receipt of any form of benefit or a state pension. This discount will only apply to the first allotment held by an individual. If an individual holds more than one allotment they will pay the full charge for any other allotment according to the size of that allotment(s).

Category	Source	Issue	Response
Allotments	Email	As a former city councillor and current Allotment Representative for Fane Road Allotments for the city council I am APPALLED by the news that all concessions on allotment fees are to be scrapped. £52 per year may not seem much to people earning a salary, but for older pensioners totally reliant on the state pension it is a small fortune, especially when it has to be found in one lump sum. I am one of those pensioners, so I speak from experience. I don't think it would be fair to allocate this increase on current plot holders. In today's economic climate, people are having to make savings in their personal spending, and one way to do this is to cultivate an allotment, grow their own food, and live a healthier lifestyle. In many cases it can be the only social interaction they can afford. There are many elderly Italians who have allotments, who work hard and grow wonderful vegetables, we have a couple on our site who are in their mid eighties and are amazingly hard workers. It would	We have listened to all the comments made and have decided to amend our original proposals. The charge for a standard size allotment will be remain unchanged at £52 per calendar year for the period from 1 January to 31 December. This figure will be annually inflated using an appropriate indexation as defined by the executive director of strategic resources. However, allotments smaller than the standard size of 300 square yards will be charged at the lower price of £39 per year. A discount of 30 per cent will be applied to anyone who is able to demonstrate that they are in receipt of any form of benefit or a state pension. This discount will only apply to the first allotment held by an individual. If an individual holds more than one allotment they will pay the full charge for any other allotment according to the size of that allotment(s).

Category	Source	Issue	Response
		be a crime to change their fee from £17 to £52 in one fell swoop. This is a case of cutting off your nose to save your face. You would lose plot holders, revenues would drop, and people would be disenchanted. DON'T FORGET, ALLOTMENT HOLDERS ARE VOTERS.	

Category	Source	Issue	Response
Allotments	Email	I think your proposed rent increase for allotments are unfair and totally unjustified, and then to add insult to take away the concessions for pensioners, unemployed, disabled and active card users is just totally disgusting. I think you need to reconsider Yes, reduce the wages of your highest overpaid staff. (Gillian Beasley) Also remove Marco Cereste before he wastes any more of other people's money on things like water fountains. It might also be an idea to stop paying large amounts of money to over paid consultants	We have listened to all the comments made and have decided to amend our original proposals. The charge for a standard size allotment will be remain unchanged at £52 per calendar year for the period from 1 January to 31 December. This figure will be annually inflated using an appropriate indexation as defined by the executive director of strategic resources. However, allotments smaller than the standard size of 300 square yards will be charged at the lower price of £39 per year. A discount of 30 per cent will be applied to anyone who is able to demonstrate that they are in receipt of any form of benefit or a state pension. This discount will only apply to the first allotment held by an individual. If an individual holds more than one allotment they will pay the full charge for any other allotment according to the size of that allotment(s). On the issue you raise about staff pay, the Deputy Leader made a statement that the cabinet will not be asking senior managers to take a pay cut as many are going to be asked to take on additional responsibilities for no more money as a result of the reduction in senior management posts proposed by the cabinet.

Category	Source	Issue	Response
Allotments	Scrutiny at the Meeting of the Sustainable Growth Scrutiny Committee	Would this really be a saving due to the admin time spent in collecting the fees? The Cabinet should look to introduce a one off fee to cut out the administration. Councillor Peach suggested that the Cabinet remove the charge altogether to encourage allotment use.	We have listened to all the comments made and have decided to amend our original proposals. The charge for a standard size allotment will be remain unchanged at £52 per calendar year for the period from 1 January to 31 December. This figure will be annually inflated using an appropriate indexation as defined by the executive director of strategic resources. However, allotments smaller than the standard size of 300 square yards will be charged at the lower price of £39 per year. A discount of 30 per cent will be applied to anyone who is able to demonstrate that they are in receipt of any form of benefit or a state pension. This discount will only apply to the first allotment held by an individual. If an individual holds more than one allotment they will pay the full charge for any other allotment according to the size of that allotment(s).

Category	Source	Issue	Response
Allotments	Joint Meeting of the Scrutiny Committees and Commissions	Allotment Charges. What was the justification for the allotment fee increase?	We had consulted with service users about the charges. It was a very good service and worked out at £1 a week. However we have listened to all the comments made and have decided to amend our original proposals. The charge for a standard size allotment will be remain unchanged at £52 per calendar year for the period from 1 January to 31 December. This figure will be annually inflated using an appropriate indexation as defined by the executive director of strategic resources. However, allotments smaller than the standard size of 300 square yards will be charged at the lower price of £39 per year. A discount of 30 per cent will be applied to anyone who is able to demonstrate that they are in receipt of any form of benefit or a state pension. This discount will only apply to the first allotment held by an individual. If an individual holds more than one allotment they will pay the full charge for any other allotment according to the size of that allotment(s). On the issue you raise about staff pay, the Deputy Leader made a statement that the cabinet will not be asking senior managers to take a pay cut as many are going to be asked to take on additional responsibilities for no more money as a result of the reduction in senior management posts proposed by the cabinet.

Category	Source	Issue	Response
Allotments / Translation	Email	When allotment agreements are signed, do we have a system for those non-speaking English residents?	If we need to have a document translated into a community language then we would ideally seek to have this done by an employee of the authority that speaks that language
Business	Business	Is city council supporting local business through how it spends its money?	The council's preference is to spend money locally where it can – although it would be illegal for us to have that as an explicit policy. The issue is whether we can add any weight to any procurement exercise for the benefits it would bring. Any procurement would need to go through the appropriate tender process and demonstrate best value
Business / Culture and Tourism	Email	Look at cities locally for more trade and business such as Nottingham, Cambridge, Leicester rather than twinned euro cities	Peterborough is a member of the association of town centre management (ATCM) this membership naturally twins us with all the towns and cities within the East Anglia region. We meet regularly to discuss best practice and swap contacts such as Continental markets, funding streams, businesses that are looking to expand or relocate.
Capital Programme	Joint Meeting of the Scrutiny Committees and Commissions	Right to Buy. Why was there no figures projected for Right to Buy from 2012/13 onwards?	Figures had not been projected because the share agreement with Cross Keys Homes would have ended.

Category	Source	Issue	Response
Chief Executive	Joint Meeting of the Scrutiny Committees and Commissions	It was now being proposed that the post of Deputy Chief Executive would be deleted; however a number of years ago we were told that the post was vital. What has now changed?	During the previous Senior Management Review there had been a move from an Assistant Chief Executive to a Deputy Chief Executive to improve the officer structure of the Council and to provide support to the Chief Executive. Ben Ticehurst undertook the Deputy role and delivered a number of pieces of work around HR and the growth agenda. At the end of his post a view was taken that we would not recruit for six months to see if the work could be absorbed by other officers. Since then the work has been taken on by the Chief Executive and Executive Director of Strategic Resources.
Children Services	Joint Meeting of the Scrutiny Committees and Commissions	The budget proposals made reference to deleting vacant roles and rationalising the back office, what roles would be deleted?	We had had a radical look at how we provided corporate functions within the department. During the recent voluntary redundancy programme those back office staff who had submitted an application had been recommended to go. We were starting to look at the department as a business, including what levels of staffing were needed. The review of back office roles had also enabled improvements in some service areas for example social work teams now had dedicated admin support. Other departments within the Council had already transformed their back office functions.

Category	Source	Issue	Response
Children's services	Churches Together meeting	Page 12 Reviewing Children's services we buy in from other organisations – we would always encourage a review of whether value is being received, but the statement here appears to go against messages elsewhere in the document about outsourcing services. The general question therefore arises about if services are being outsourced to particular voluntary or charitable organisations, how long-term will those arrangements be?	It is now unlikely that the whole of children's services will be outsourced as proposed in the document. We currently contract with many organisations as part of our ongoing review value for money. This will be done against a reducing resource base.
Children's social care	Churches Together meeting	Page 14 Review of in-house children's homes – we wonder what is meant by "equally good and less expensive alternatives" for respite care, as we would assume that, if they were "equally good" they would already be in place.	There is in place a link scheme which provides respite care for children with disabilities and their families. We are intending to expand this and to introduce contract carers as well.

Category	Source	Issue	Response
Children's social care	Churches Together meeting	Page 14 Review of support to reduce children coming into care and offending (MST) - if we are not achieving the £5:£1 benefits locally, then firstly we would question why not? Only if it is agreed that Peterborough's issues differ from those worldwide, would it appear sensible to cut this funding, as presumably there would be a knock on effect onto other budgets, including the point noted above. (We also note that the pilot project ends in 2011 anyway and so unsure whether the intention was to continue the project).	The contribution made by Peterborough to this project is approximately a third of the total funding. The remainder comes from government. The government part of the costs ceases in 2012. If the project was to continue this additional money would have to be found from within the childrens services budget. we continue to review the effectiveness of the pilot and are in discussion with the DfE about possible future funding.
Children's Social Care	Email	Has the Cabinet missed any obvious areas for investment or service reduction? Service reduction in social workers	The number of social workers employed within children's services reflects the case load requirement for children which require services. The volume of work including entries and exit from care is monitored on a monthly basis and the number of social workers is flexed accordingly. We intend to continue to monitoring the establishment level and with a safe service we hope savings can be made in future years.

Category	Source	Issue	Response
Children's Social Care	Email	I think the council should focus on the following priorities: Working with children to get them ready for their adult life. This is not only with formal education but their leisure time as well	As a department we provide services to meet all of the every child matters outcomes. These prepare young people for transition to adulthood and adult life. This happens in our schools as well.
City centre conservation	Churches Together meeting	We welcome the work that has been done around St John's and ask that the area be well maintained (as the City Council has agreed to do) and that some concerted effort be made by the Council in cooperation with the Church to deal with the menace of pigeons who are already disfiguring and making hazardous some of the new surfaces, particularly immediately west of St John's.	City Centre Management are actively working with the cleansing department to uphold the newly regenerated area.
City Services	Hard copy	Cut down on grass cutting and tree surgery. Stop spraying weedkiller around trees and lamp posts etc. Cancel call Connect service.	The council has an excellent reputation for its grounds maintenance work having achieved Anglia in Bloom gold status in 2010 as well as being commended for its environmental quality work.

Category	Source	Issue	Response
Community Safety	Churches Together meeting	Page 24 Combining services that improve community safety – we wonder what is meant by "a different support service for those affected by domestic abuse" What is the reality behind this? (There appears to be an inconsistency between the £100,000 savings referred to in the text and the £50,000 in the table).	We are talking to Cambridgeshire Constabulary and other local authorities throughout Cambridgeshire to explore the development of a joint, multi-agency domestic abuse support service. This model would draw in additional expertise from, for example, adult and children's social care. The £100k savings figure in the text refers to the saving to the taxpayer by combining some Police and Council community safety staff into one location – a £50k saving for the city council and the same for the police.
Council Finances	Scrutiny at the Meeting of the Sustainable Growth Scrutiny Committee	The work put in to develop the Strategy was recognised and it was acknowledged that some bold and difficult decisions have had to be made. Did the cabinet member believe that enough savings would be delivered and did he believe the strategy was sound? Members were aware that a community budget system would be introduced in 2013. What would the implications be for the council?	This was a balanced budget. The Government would only be giving us details of the grant settlement for two years and we did not know what would happen in years four and five. We had not yet looked in detail at the impact of community budgets.
Council Finances	Scrutiny at the Meeting of the Sustainable Growth Scrutiny Committee	The proposals showed a lot of debt for an authority of our size.	Our level of borrowing was not high compared to others. When it came to funding the capital programme there were only two options – either sell off assets or borrow. The other option would be to stop items on the programme.

Category	Source	Issue	Response
Council Finances	Scrutiny at the Meeting of the Sustainable Growth Scrutiny Committee	When would publication of spending over £500 start?	Spending would be published from January 2011.
Council Finances	Neighbourhood Council South Area	Education proposals - difficult to understand how it will impact on residents. E.g. re education, shows same figures for five years but is this realistic? Salaries go up, costs go up, population goes up etc. Even a short percentage reduction over five years is a massive change and not much scope for savings in schools.	Cllr Seaton said there are savings schools can make e.g. joint purchasing and procurement. John Harrison said funding for education easier than rest of budget as not really affected by 28% cut to council budget. Looking at a slight increase, maybe 1% a year. Up to schools locally on how the money is shared out and how to make improvements but it is very difficult
Council Finances	Neighbourhood Council South Area	Grants team – good job done	Your comments have been noted
Council Finances	Neighbourhood Council South Area	No information provided on Grants team, Events budget and carbon reduction commitment (CRC) to give a proper appraisal of the services	There is information on the implications for these areas in the original budget proposals document

Category	Source	Issue	Response
Council Finances	Joint Meeting of the Scrutiny Committees and Commissions	Sustainability of the budget. Was the proposed budget still sustainable in light of the Government's final announcement and had enough cuts been made?	We believe the budget was still sustainable but some of the figures from Government had been interestingly presented. We would like to be able to save more but we were getting to the point where we would need to cut services further. The challenge for scrutiny was to examine whether the proposed £27m of savings next year were right.
Council Finances	Joint Meeting of the Scrutiny Committees and Commissions	Priorities. Who decided on what the council's six priorities would be?	The priorities were set following discussion at Cabinet and they were largely already contained in the Sustainable Community Strategy.
Council Finances	Joint Meeting of the Scrutiny Committees and Commissions	2010/11 Budget and Probable Outturn. What was the expected overspend of £358K in the City Services budget down to?	This overspend has now been reduced by £196k to £162k and work is ongoing to reduce it to zero.
Council Finances	Joint Meeting of the Scrutiny Committees and Commissions	Level of council tax. Who were the four unitary councils who had lower levels of council tax than Peterborough?	The other councils were, based on Band D properties: Bracknell - £2 less, York - £5 less, Isles of Scilly - £55 less, Windsor and Maidenhead - £100 less

Category	Source	Issue	Response
Council Finances	Joint Meeting of the Scrutiny Committees and Commissions	Did the proposed budget take into account the expected outcomes from this year's Census?	This year we would be looking to deliver our best figures for Census returns. 2013/14 would be the first year when the Census returns would have an affect so nothing had yet been fed into the process. We believed that we had a greater population than was officially stated and each extra person identified at the Census would mean £600 more to the city. We, along with other councils, had mounted a campaign to the Department for Communities and Local Government (DCLG) to recognise our situation. We had met with Bob Neill MP who had agreed that if we could come up with a solution the new government would look favourably at us.
Council Finances	Joint Meeting of the Scrutiny Committees and Commissions	The funding for the Capital Programme was showing that up to £64m would need to be borrowed, what impact would increased interest rates have?	The borrowing would be through the Public Works Loan Board which was a Government agency whose rates were sharper than other institutions. We looked at economic forecasts to ensure best value and our borrowing rates were well established. We did not borrow as much as we used to and would look to pay off debt rather than borrow.
Council Finances	Joint Meeting of the Scrutiny Committees and Commissions	The Minimum Revenue Provision looked as if it was making a saving or is it just the way it was being presented?	This was about using asset sales to repay some debt. The exact level needed would depend on when we took the capital receipts. For example, if we were able to generate £10.4m of capital receipts 8 years from now, that would mean the total costs were equal over the life of the projects.

Category	Source	Issue	Response
Council Finances	Joint Meeting of the Scrutiny Committees and Commissions	Minimum Revenue Provision. Would the cost of borrowing be higher?	The cost of borrowing would not be higher as a lump sum would have been paid off and it would be cheaper in the earlier years. The costs would be more if we delayed paying the lump sum.
Council Finances	Scrutiny at the Meeting of the Sustainable Growth Scrutiny Committee	Should the council be looking to concentrate spending only on statutory services?	This could be done but it would mean the end of services such as the Museum and libraries. A good proportion of our discretionary spend was now with Vivacity
Council Finances	Scrutiny at the Meeting of the Sustainable Growth Scrutiny Committee	What was the split between statutory and discretionary spend?	An analysis of spend had been undertaken and could be sent to interested members.

Category	Source	Issue	Response
Council Finances	Email	The only comment I wish to make is that the document could be much improved presentational by the following inclusions: a simple income and expenditure account as seen in companies act type reporting. I find it almost impossible to understand where your total income comes from and what it gets spent on. Comparative actual/forecast figures for the current year should also be shown so that readers can get a sense of year on year change A year end balance sheet showing assets held and borrowing liabilities highlighted again with comparisons. Headcounts and total cost for each department again with comparisons to prior years. Whilst I realise the Council is not analogous to a company I would urge some simple reporting up front to make the information clearer. Otherwise I welcome the consultation process and the timing for what must be a very difficult set of decisions for officials and	Thank you for your feedback. We aimed to make this year's budget proposals as easy to understand as possible for all our residents. We will consider further improvements for next year

Category	Source	Issue	Response
		ultimately Councillors	
Council Finances	Hard copy	Make all takeaway shops pay extra council tax to pay for cleaning up their waste to include McDonalds where waste is scattered by motorists.	Businesses pay business rates rather than council tax and this money goes directly to the Government. The amount of rates to be paid is based on the valuation office assessment – we can not change this figure

Category	Source	Issue	Response
Council Finances	Scrutiny at the Meeting of the Sustainable Growth Scrutiny Committee	The Council's auditor, in a report on the 2008/09 accounts, said that he did not like the way Opportunity Peterborough was funded as we would have no rights to any share of its assets if it was wound up.	
Council Finances	Neighbourhood Council Central and East Area	If the national/local financial position changes for the positive is there any indication that the council budget decisions could be reversed?	No
Council Finances	Neighbourhood Council Central and East Area	Why isn't the council considering an increase in the council tax to raise more money?	The Council could increase council tax rates however the Council would then be ineligible for any additional grant from central government.
Councillors	Email	Ask all councillors to scrap their allowances	Allowances for Councillors are considered by an independent panel, which takes into account all circumstances, including allowances paid elsewhere in the country. The panel then makes recommendations to full council, which is obliged to take those recommendations into account. The latest review by the panel will be presented to full council on 23 February 2011.

Category	Source	Issue	Response
Councillors	Email	Ask all councillors to revoke their £8k 'Allowance' plus the £2k to £6k committee membership allowance and the cabinet payment of £16k pa for the foreseeable future. Shouldn't they be leading by example? Revoke all Parish Councils - these are an additional burden to the taxpayers who have one. Reduce the size and payment to Greater Peterborough Partnership.	Allowances for councillors are considered by an independent panel, which takes into account all circumstances, including allowances paid elsewhere in the country. The panel then makes recommendations to full council, which is obliged to take those recommendations into account. The latest review by the panel will be presented to full council on 23 February 2011. The budget proposals put forward by the cabinet already include proposals to reduce the level of funding to GPP following the abolition of the Comprehensive Area Assessment. In respect of parish councils, Peterborough City Council does have the power to commence a community governance review with a view to abolishing a parish council, but this would be inappropriate, as parishes have an important part to play in delivering the government's decentralisation and localism agenda.

Category	Source	Issue	Response
Councillors	Email	Service reduction - Cancel all stupid ideas such as Marco's water transport system. Insist that anyone standing as a city councillor has the qualifications to be useful to the community and therefore reduce reliance on consultancies.	The budget proposals already include a commitment to reducing consultancy costs. The water taxis are just part of the council's vision for making Peterborough a more attractive vibrant city in the future and to encourage people to use other forms of transport than the car. The viability study will enable us to cost the provision of such a service and obtain funding from future developers. Councillors are elected by the public to represent the public but receive training to enable them to carry out their duties.
Councillors	Neighbourhood Council South Area	With increased outsourcing etc, are 57 Councillors still needed to carry out all the work?	Councillor Seaton told the meeting there are still many people to represent in Peterborough. He said councillors are not all directly managing and running services provided. He said maybe we could reduce the number of councillors but many do lots of work for residents
Councillors	Joint Meeting of the Scrutiny Committees and Commissions	Car parking charges should also be referred to the Independent Members Allowances Panel for them to consider in relation to councillors parking.	The Independent Panel report referred to all remuneration for councillors. There would be a full debate about their recommendations at full council on 23 February 2011.
Councillors	Neighbourhood Council Central and East Area	With increased outsourcing of council services, are 57 councillors still needed to carry out the work?	There are still many people to represent, and not all Councillors are directly involved with managing and running the services provided. It would be possible to reduce the number of Councillors, however many Councillors do a lot of work for residents

Category	Source	Issue	Response
Councillors	Email	To save £20,000, why not ask the Chairman of Neighbourhood councils to do the job free of any wages. I would find it an honour and privilege to be allowed to be Chairman of any committee and would not expect pay as we get enough to cover expenses as it is.	Allowances for councillors are considered by an independent panel, which takes into account all circumstances, including allowances paid elsewhere in the country. The panel then makes recommendations to full council, which is obliged to take those recommendations into account. The latest review by the panel will be presented to full council on 23 February 2011.
Councillors	Email	Introduce parking charge for Councillors too - however, they will probably just vote themselves a higher allowance to cover this cost. Why aren't local councillors using local public transport? Is there any incentive for this? They should be setting an example	Allowances for Councillors are considered by an independent panel, which takes into account all circumstances, including allowances paid elsewhere in the country. The panel then makes recommendations to full council, which is obliged to take those recommendations into account. The latest review by the panel will be presented to full council on 23 February 2011.

Category	Source	Issue	Response
Councillors	Email	Reduce Special Responsibility Allowance for Scrutiny Chairmen to half of the current rate; save £21,497.85 a year so £107,489.25 over the 5 year budget. There are only 6 meetings a year, they do not take decision and only make recommendations. Each is given £1,194 per meeting. Even if that included 10 hours of work (inc. 2 hours for the meeting), that is over £100 per hour! They have little other work outside the actual meeting as support officers do it all. Also, the rest of the committee, who receive nothing, contribute to the debates and recommendations too, not just the chairman who's role seems to be simply to control the meeting for £1000 a time	Allowances for Councillors are considered by an independent panel, which takes into account all circumstances, including allowances paid elsewhere in the country. The panel then makes recommendations to full council, which is obliged to take those recommendations into account. The latest review by the panel will be presented to full council on 23 February 2011.

Category	Source	Issue	Response
Councillors	Email	Reduce Cabinet allowances/positions - (i) get rid of Cabinet Adviser post as it is only providing 'advice' for one topic and that Cabinet Member should be capable of doing this work on her own especially if she receives an extra £14k to do it. (ii) Get rid of Business Engagement post. Is this not OP job? Is not the Leader now controlling growth and Economic Development? Give this to Cabinet Member for resources. (iii) Get rid of Community Cohesion, Safety and Women's Enterprise. Share this among the other (make them work for their money as some do little compared to others) and scrap the women's' enterprise altogether - how sexually discriminating and patronising. The above will save £35,829.75 per year which is £179148.75 over the 5 year budget.	Allowances for Councillors are considered by an independent panel, which takes into account all circumstances, including allowances paid elsewhere in the country. The panel then makes recommendations to Council, which is obliged to take those recommendations into account. The latest review by the panel will be presented to Council in February 2011.

Category	Source	Issue	Response
Councillors	Email	A 20% reduction in councillor's allowances. They are not at the moment leading by example	Allowances for Councillors are considered by an independent panel, which takes into account all circumstances, including allowances paid elsewhere in the country. The panel then makes recommendations to Council, which is obliged to take those recommendations into account. The latest review by the panel will be presented to Council in February 2011.
Culture and Leisure Services	Joint Meeting of the Scrutiny Committees and Commissions	How significant was the proposed reduction of hours at some of the libraries?	We will provide a response in writing. However some of the libraries would see an increase in their opening hours.
Culture and Leisure Services	Joint Meeting of the Scrutiny Committees and Commissions	What was Vivacity's view to increasing sports charges?	It was not expected that charges would be significantly raised as they had to compete with a wider market place. There was now a very different charging structure being introduced for example around gym memberships. When the charges were available we would make them available.
Culture and Tourism	Email	I question the value of much of the council's work in promoting tourism. There is no doubt that tourism makes a significant contribution to the city's economy - but it is far from clear that the council's tourism promotion activity makes any significant difference to the number of tourists or the amount of time or money they spend here. There is a need to	Tourism is the UK's fifth largest industry. Peterborough's tourism service supports many local businesses by actively promoting and attracting visitors and businesses to choose Peterborough as a destination of choice. The tourism service is continually increasing its income streams with the aim of becoming cost neutral. The staff also work at the bus station information/ticket sales bureau.

Category	Source	Issue	Response
		provide a certain amount of basic information about attractions, hotels, etc, but the 'promotional' elements of the council's activities should be subjected to a careful cost/benefit analysis.	
Culture and Tourism	Email	The role of 'culture' in attracting and retaining business and personal investment should not be overlooked. Cutting contributions to Vivacity so soon after setting it up seems short sighted and counter productive.	The council is committed to supporting culture in the city, and establishing Vivacity, the culture and leisure trust demonstrates that commitment. In the current financial climate, the council cannot consider that any services are exempt from the financial reality. The proposed cut to the grant to Vivacity is lower than the reduction in grant that the council is facing overall, so in that respect these services are being relatively protected.
Customer Services	Joint Meeting of the Scrutiny Committees and Commissions	Call Centre. With an expected increase in the number of abandoned calls, how long would callers have to wait to be dealt with?	We were looking at ways to mitigate the delays and were also looking at the training of staff. We had already introduced ring direct.
Democratic Services	Joint Meeting of the Scrutiny Committees and Commissions	What were the plans to replace the former Principal Democratic Services Officer?	It was proposed not to replace this post. A restructure was about to take place and it would be proposed that Democratic Services would merge with the Compliance and Ethical Standards Team, however this was subject to consultation.

Category	Source	Issue	Response
Democratic Services	Joint Meeting of the Scrutiny Committees and Commissions	What assurances were there that the support to scrutiny will not be cut as the level of support was already low?	The proposed restructure of Democratic Services would provide the same level of support to scrutiny.
Democratic Services	Joint Meeting of the Scrutiny Committees and Commissions	Excellent support had been given by Democratic Services at neighbourhood councils.	Your comments have been noted
Democratic Services	Joint Meeting of the Scrutiny Committees and Commissions	During the last elections some agents felt that they knew the Electoral Commission's guidance better than the staff working in electoral services. It was important to ensure that this area was staffed by people that knew the legislation.	We were very aware that at the last elections a new team was in place. An intensive training programme had been put in place and we were looking to 'grow our own' as it was an area where it was very difficult to recruit to. We had every confidence in the ability of the team and we had also received a good assessment from the Electoral Commission.

Category	Source	Issue	Response
Education	Email	Cabinet may have to consider the urgent and very real probability of a £500,000 reduction in local school sports partnership money as the scheme looks likely to be pulled nationally. This scheme gives young people a chance to experience sports of many kinds and provides excellent value and meets a whole host of priorities of engaging young people, improving academic achievement and saving on child obesity and emotional wellbeing. It is the type of investment that pays dividends with saving further down the road. There is also a need to consider investing in counsellors for secondary schools to help young people negotiate this period of time with more ease. Again this investment in Scotland has proved to save money in the longer term.	We have lobbied government on retaining the sports grant. We await the outcome.

Category	Source	Issue	Response
Education	Joint Meeting of the Scrutiny Committees and Commissions	What would the impact of the growing number of academies be on the authority?	Currently Peterborough had four academies, including one primary. There was also a potential of two more during the coming year. The proposed reduction by the Government of £1m over the next two years did not make sense as they had not yet said what services academies would not want from the Authority. We would still have the responsibility for school improvement.
Education	Hard copy	Encourage Government to include child care in curriculum to minimise requirement for social services intervention	We will consider this issue in the wider context of our ongoing discussions with government advisers.
Education	Email from Peterborough Regional College	We have noted an opportunity to streamlining services and providing a financial saving through the amalgamation of further education funding in the City. This streamlining and potential savings to the City Council budget could be achieved through the amalgamation of the PCC Adult Education Service (City College Peterborough) within Peterborough Regional College.	This is a long term proposal which we will consider as part of our review of service delivery for 14 to 19 and adult learning and skills.
Efficiency programme	Scrutiny at the Meeting of the Sustainable Growth Scrutiny Committee	What projects would the business transformation team be working on?	There was not a definitive list and this was a cost neutral part of the budget as money would not be spent unless at clear benefit was identified.

Category	Source	Issue	Response
Food Waste	Joint Meeting of the Scrutiny Committees and Commissions	Food waste collection had been agreed as part of the Waste 2020 strategy, what guarantees were there that it would ever happen and what would the impact be on our recycling targets?	We believe that this was an area where we could do it cheaper and more efficiently.
Green Projects	Business	You mentioned work around photovoltaics and windmills to generate energy. Is the city council being generally supportive of this, or putting money in?	People should be able to take advantage of the feed in tariffs to support this financially, and we can point out how to go about this. Beyond that city council will help to deliver where possible
Green Projects	Neighbourhood Council South Area	Carbon Reduction Commitment – want to see what city is doing about it	Peterborough City Council is fully committed to meeting its legal requirements under the Carbon Reduction Commitment. As such, the Council has committed to reducing carbon emissions from its operations by 35% of 2008/09 levels by 2014 as part of its Carbon Management Action Plan. Please go to http://www.peterborough.gov.uk/environment/climate_change/what_is_the_council_doing.aspx for more information.
Green Projects	Neighbourhood Council Central and East Area	Will the council be pursuing green energy funding opportunities, for example installing solar panels with a view to selling surplus energy back into the national grid for extra income?	the Council is looking at all opportunities, including installing solar panels on the top of city centre council buildings, and looking at land for wind farms

Category	Source	Issue	Response
Growth	Email	Get rid of the Growth Delivery Team, Peterborough Delivery Partnership and/or Opportunity Peterborough completely. Aren't they doing (or not doing as far as OP goes) the same things?	The growth team and Peterborough Delivery Partnership is responsible for delivering major growth and regeneration for the city, such as Fletton Quays, Station Quarter, Football Club redevelopment and Peterborough District hospital site. As schemes progress and joint venture structures are set up, the cost of this partnership will be progressing subsumed into the joint venture vehicles. To end this service will mean these schemes are not progressed. The role of Opportunity Peterborough will be reviewed in light of the proposals for the Local Enterprise Partnership.

Category	Source	Issue	Response
Growth	Email	Stop wasting money trying to kick start the North Westgate and Station Quarter proposed developments and realise that no private investors will ever invest in these projects, since being next to and part of socially deprived areas i.e. Central Ward, West Town, they are too risky. Look into the future by looking at Millfield now. Instead build low cost housing with possibly a mosque as a centrepiece in the Station Quarter and a multi-story car parking complex with excellent road access in North Westgate. Then concentrate finances and effort on the Embankment development.	As a council we look to take forward development in all areas of the city. In some areas such as the Embankment we are able to lead on the development as the majority of the land is in public ownership. North Westgate and the Station Quarter will be fundamentally driven by the private sector and as a result are dependent upon the schemes being financially viable. As a council our role is very much as enablers in this area and the actual investment by the council has been small. The comment about Millfield and other areas is noted and as a council we are now looking at the infrastructure that the city needs to support growth. To date this has been reflected by such documents as the Integrated Growth Study. We are also developing the City Centre Action Plan that will set out the strategy for the development of the city. These plans set pout where we are and where we want to go to as city and allow us to focus on those areas which will bring maximum benefit in an reasonable timescale to the people of Peterborough
Growth	Scrutiny at the Meeting of the Sustainable Growth Scrutiny Committee	How had the New Homes Incentive figure been arrived at?	The figure was based around an average Band D Council Tax property. Full details were still to be provided but it would be based on actual properties built. We had been conservative as we had only allowed for Year 1 – the fund in future years was likely to be finite.

Category	Source	Issue	Response
Growth	Scrutiny at the Meeting of the Sustainable Growth Scrutiny Committee	How did the approval of the Local Economic Partnership affect the budget? Would this mean a reduction in the funding for Opportunity Peterborough?	The announcement of the LEP had only recently been made and the partners still had to consider what it meant and agree a delivery model. There would be no direct government funding but LEPs would be able to bid into funds. OP had already said that some of their work could move into the LEP. OP now only received a third of its original funding as it was now only an economic development vehicle. It was an effective unit at the moment and we needed it now more than ever. No concerns had been raised with officers or the Audit Committee.
Growth	Business	The new homes bonus is potentially beneficial to Peterborough. Is the council being proactive in its approach to planning and land use to support this?	There has been a huge amount of work in planning to get it where we want it to be. We are prepared to work with developers and housing associations over land use, but there are two issues we must always take into account: The need to abide by European procurement requirements Our duty of care to secure best value for use of the Council's land
Growth	Joint Meeting of the Scrutiny Committees and Commissions	Would we be able to achieve the growth needed to enable us to receive our share of the New Homes Incentive funding as some of the developments in Site Allocations document may not come to fruition in the future?	We had not been optimistic in what we would be expecting from the New Homes initiative. For 2011/12 the amount we would receive was fixed and had been based on what had been built by October 2010. It needed to be made clear that if we did not grow as a City we would lose funding to those areas which did grow.

Category	Source	Issue	Response
Growth	Email from Peterborough Regional College	STEM CENTRE - We are pleased to be very involved in this project and are working in partnership with the development of the STEM Centre. It would be useful to have clarification of the £2million in the Council budget.	It is a provision that the council has made to cover the financial risk associated with the development of the STEM centre
John Mansfield Centre	Email from Peterborough Regional College	We would question if this significant capital expenditure is being placed at the best venue (John Mansfield Centre) and would perhaps provide better value for money if the comments about streamlining services and the amalgamation of the PCC Adult Education Service (City College Peterborough) within Peterborough Regional College where activated.	City College Peterborough has been delivering learning at the John Mansfield Centre for some time now, and has successfully engaged with a number of young people that might not ordinarily have accessed learning. Much of the educational activity is vocational and therefore very practical. Although located in Dogsthorpe, the John Mansfield Centre will be a citywide venue.

Category	Source	Issue	Response
Libraries	Email	Library opening hours: The proposed opening hours allocated to each library seem to have been plucked out of the air. Without increasing the total amount of opening hours that the council is proposing, the hours could be distributed in a much more meaningful way, based on actual usage of the libraries, and the cost of running those sites. For example; Thorney library is seeing a slight INCREASE in its opening hours. Yet Thorney library is the most expensive library in the city to run based on the cost per visitor and at certain times can have a use rate as low as two or three people an hour. This is not an effective use of money! The council should give the total amount of hours that they can afford to fund to Vivacity and then leave it to Vivacity to decide exactly how those hours should be distributed, with the caveat that no libraries be closed. Is one of the reasons for having a cultural trust not that they know how to run the cultural services better and more efficiently	The council works closely with Vivacity culture and leisure trust and sought its advice on the best way of delivering savings in the area of libraries

Category	Source	Issue	Response
		than someone sitting in a council office somewhere?	
Neighbourhood Councils	Scrutiny at the Meeting of the Sustainable Growth Scrutiny Committee	A saving of £44,000 had originally been put forward for neighbourhood councils but now all of the funding was being removed.	The capital funding would be replaced by S106 monies that would become the responsibility of the Neighbourhood Councils.
Neighbourhood Councils	Neighbourhood Council South Area	Neighbourhood council S106 money, if going into neighbourhood councils, will it go to the local neighbourhood council or be dispersed from a central pot?	Cllr Seaton said we are looking to give some to local area and some to rest of city – 65% to city wide strategic, 35% to Neighbourhood Council pool

Category	Source	Issue	Response
Neighbourhood Councils	Neighbourhood Council South Area	Re 65-35%, some areas will have lots of development, others not much development but will still have money when they haven't made sacrifice of open space etc	J Harrison, can circulate a simple guide on what the 65% pot will/has to pay for
Neighbourhood Councils	Neighbourhood Council South Area	Neighbourhood council If large development and therefore large sums of money involved, would this still apply?	Yes.
Neighbourhood Councils	Neighbourhood Council South Area	Need to look at all areas money could come from to fund neighbourhood council	Your comments have been noted and there is currently a review of neighbourhood councils underway
Neighbourhood Councils	Neighbourhood Council South Area	Will there be different weighting to monies from different types of developments?	Cllr Seaton said the planning obligation monies differ depending on the type of development; can provide this info and how it is different. Must not overlook places that won't have development but still need funds to develop existing area
Neighbourhood Councils	Neighbourhood Council South Area	Concern that some areas don't want development but will still benefit from monies coming from other areas	
Neighbourhood Councils	Neighbourhood Council Central and East Area	If S106 money is going to Neighbourhood Councils, will it go to the local neighbourhood council or will it be dispersed from a central pot?	We will be looking to give some funds to the local area and some to the rest of the city, for example 65% for city wide strategic projects and 35% to the neighbourhood council pool. This would still apply for large developments involving large S106 contributions

Category	Source	Issue	Response
Neighbourhood Councils	Email	Scrap Neighbourhood Councils completely; lots of money for little outcomes	The Neighbourhood councils are crucial in delivering the localism agenda and fit with the Government's 'Big Society' initiative and the recently announced Localism Bill.
Neighbourhood councils	Churches Together meeting	How can communities have input into how Section 106 monies are spent for the benefit of the communities?	It is proposed that as much section 106 money as possible is delegated to neighbourhood councils so that it can be invested on projects, schemes and improvements that directly benefit the areas most affected by growth.
Neighbourhood Councils	Email	Stop giving neighbourhood councils money to waste on such futile projects as the annual St Botolph Green Festival, no matter how the money has been received i.e. from developers	The budget proposals include plans to remove the capital budgets previously allocated to neighbourhood councils. They will still continue to have access to the money provided from developers, as the agreement with those developers requires it to be spent in this area.
Outsourcing	Neighbourhood Council Central and East Area	Is the council certain that outsourcing certain services will give the best outcome?	It is about getting the right contract and managing it well. We believe that we have the right company to work with and have been impressed so far. The finance deal for the Council is good or we wouldn't enter into the contract. The Council expects better service standards than we currently have

Category	Source	Issue	Response
PECT	Email	2. As a former director and trustee at Peterborough Environment City Trust (PECT) I am concerned about the grant reduction to this organisation. Whilst accepting that it must bear its 'fair share' of reductions, care should be taken (I suggest) not to impair its ability to bring grants and other investment into the city. This cost/benefit analysis should consider not just direct investment which PECT attracts but also its role in promoting the city which indirectly contributes to attracting inward investment.	We are working closely in partnership with PECT to ensure its sustainability and its ability to continue the excellent work it does in relation to drawing in external funding. We believe that the organisation is capable of managing this reduction and as board members we will continue to support as partners.
PECT	Churches Together meeting	We assume that PECT has a major impact on Peterborough's 'environment city' aspirations. Does this reduction endanger those aspirations? For PECT and other organisations, how can PCC support funding bids of local charities?	We have been working closely with PECT throughout this period to ensure that the reduction in funding does not impact on either our Environment aspirations or their business. We will achieve this through continued work programmes and further support from PECT utilising there areas of expertise. The city council is working well with all the voluntary sector organisations to enable them to seek additional funding or to work in different and more efficient ways.

Category	Source	Issue	Response
Planning	Email	Where there are council owned tree belts or other landscaped areas adjacent to or behind private residential properties have you considered the idea of offering to sell a narrow strip of this land to the immediately adjoining property owner, at a reasonable price? Not only would it provide revenue income, and reduce city council's public liability risk, but it would also help to reduce future tree and public space ongoing maintenance costs. Obviously this land could be sold with covenants to prevent development, restrict removal of existing trees, stipulate minimum management requirements, and upon transfer city council could offer practical advice on tree management & tree preservation orders. Many residents like myself (8 Elliot Avenue) would be pleased to participate in this, and would welcome the idea or owning, using, managing and enjoying a small woodland strip at the rear of my property.	The council has previously sold pieces of land at the front of properties as part of Right to Buy applications. This has led to small areas of land having to be maintained between elements of property that are privately owned. When property has subsequently changed hands new owners do not always maintain the land and this leads to confusion amongst residents where pieces of maintained land are mixed with non-maintained areas. The council may consider offers to acquire whole strips of land but the sale of small individual spaces is liable to cause future problems.

Category	Source	Issue	Response
Print and design	Email	The council could stop having so many professional posters printed. Give everyone a MS Publisher template and 20 minutes of training if they need it and stop paying Danwood a ridiculous amount of money for producing posters that could easily be done in house	To maintain a professional and consistent approach to our publications, and communications in general, it is essential that we do not allow all employees to produce their own materials. Brands like Tesco or Sainsbury's would never allow different stores to have their own look and approach to marketing and we must be just as professional. The Danwood contract has helped us achieve consistency and savings but is currently being reviewed as it is due to end it's primary term on 31 March 2011.
Public Conveniences	Scrutiny at the Meeting of the Sustainable Growth Scrutiny Committee	Cabinet should look again at this proposal as they were services that the public valued and were of good quality. The proposed saving of £10,000 was minimal.	The savings would be made during periods of low usage but the comments would be passed on.
Registration Services	Joint Meeting of the Scrutiny Committees and Commissions	Bereavement Charges. What was the justification for the increase in fees?	A great deal of work was being done with the service. It was also a large user of energy. Compared to other authorities we were in the middle of charges but provided one of the best services in the country
Registration Services	Joint Meeting of the Scrutiny Committees and Commissions	Private Citizenship Ceremonies. Why was the percentage rise for private citizenships ceremonies low compared to the other services provided by the Register Office?	All of the proposed increases had been challenged and we would provide an answer in writing.

Category	Source	Issue	Response
Roads and Transport	Email	1. Does the council have scope to increase the level of fines for speeding detected by safety cameras and/or in other ways to increase the 'income' (e.g., by adopting a 'zero tolerance' approach rather than as at present, I understand, not taking action against drivers who are travelling only slightly faster than the limit) rather than cutting the expenditure?	The income generated from speeding fines goes directly to the Treasury and so any increase in fines would not influence local funding. Cambridgeshire Constabulary is able to run driver safety courses as opposed to fines when speeding is under a certain limit and this income will support the use of safety cameras and road safety across the area.
Roads and Transport	Email	5. Plans to encourage more people to use 'green' transport are to be welcomed. More resources could surely be found for this if the review of car parking charges were more 'aggressive' in extracting money from car drivers?	There is a balance to be achieved with regard to parking. Peterborough City Council is not the only provider in the city and has no control over local competition. If we increase our charges to generate more income from car drivers they could use alternative non-city council car parks. The draft Local Transport Plan 3 however, recognises this and talks about permanent park and ride solutions to support this.
Roads and Transport	Email	I wish to challenge your cabinet report in respect of funding to the Cambridgeshire and Peterborough Road Safety Partnership. From papers recorded in the partnership publication scheme the funding provided to the partnership do not only pay for safety cameras but other initiatives run by that	The latest version of the budget document has amended wording to reflect this.

Category	Source	Issue	Response
		partnership. Your description of the cut as for cameras only is misleading and may provoke the wrong reaction from the public at large.	
Roads and Transport	Letter from Stagecoach	I am particularly pleased to note the authority's support for the following initiatives: Investment in street lights and traffic signals: I trust these will be of the appropriate standard to link into the council's plans for an 'intelligent transport system' whereby the traffic signals link up to the buses fitted with real time tracking which will enable priority to be given to buses only when required.	The street light and traffic signals funding identified in the budget have been proposed with the Council's environmental capital aspirations in mind to deliver energy savings. However, the intelligent transport system project currently being delivered through the LTP programme will allow tracked buses to be identified and priority given to vehicles behind timetable. The council will work with bus operators to identify locations where such an approach could potentially address punctuality issues. New traffic signals infrastructure will be designed to be fully compatible with the Peterborough intelligent transport system.
Roads and Transport	Email	2) Also on the issue of saving money I would to draw the council's attention to the time and expense of motorists queuing on the A1 every morning to exit onto the A47 towards Peterborough; invariably there are thousands of cars every morning blocking the southbound carriageway because the whole	The roads you mention are major routes and come under the control of the Department of Transport, not the local council

Category	Source	Issue	Response
		junction, in particularly the slip-roads (both south-bound and north-bound to and from the A47/A1) are woefully inadequate and quite literally a death trap)	

Category	Source	Issue	Response
Roads and Transport	Email	Having recently spent a long time responding to the council's consultation on the Local Transport Plan I was surprised to come across the article in Your Peterborough, which implies that expenditure on transport is already finalised for the next few years. I notice for instance plans to spend £700,000 on widening an exit route on Boongate roundabout to improve flow of traffic and plans to save £80,000, by reducing contributions to the Cambridgeshire Safety Partnership. Neither of these seems to fit with the proposals consulted on in the Local Transport Plan consultation and it is hard to see where they emerged from. For instance why spend £700,000 on improving flow of traffic if the aim is to reduce motorised traffic? Over recent years a lot of money has been spent on transport infrastructure and much of this we would consider to be wasted. Indeed when the Council decided to develop a long term transport plan one of the reasons was that	The need to improve the access arrangements through transport infrastructure to the East Embankment was highlighted in LTP2. The East Embankment is one of the key areas the Council is looking to develop as part of its Core Strategy. The first stage of any wider improvement to access the Embankment area relates to addressing the existing queuing problem on the Boongate Junction 5 slip road. Queuing here causes tails backs on to the Perkins Parkway and represents a serious road safety issue. This queuing issue requires resolution regardless of any wider work to access the Embankment and represents a scheme that helps make best use of the existing transport infrastructure. Like any responsible organisation the Council strategically allocates funds to undertake work that is essential to meet their priorities and plans ahead to have those funds in place at the time the work is required. The improvement scheme is a priority and is programmed for 2012/13 and is therefore allocated in the draft medium term financial strategy for consideration. The LTP consultation leaflet clearly states that in the next five years we will concentrate on finding funding streams for the projects listed. The schemes listed cover investment for a variety of transport types. The leaflet is a consultation document and we will carefully consider the all the views that have been sent to us before submitting the final plan to the Council for consideration. The reduction in the road safety contribution to the Cambridgeshire Safety Partnership has been proposed because of the reduction in the funds received from Central Government. The reduction in the overall funding the Council receives means that some difficult decisions have had to be made. Officers are working together

Category	Source	Issue	Response
		there was real concern that infrastructure changes were being implemented as opportunities arose rather than in any strategic way. It will not be possible for Peterborough to build road infrastructure to accommodate a growing population, if that population continues to rely on the private car to anything like the extent that the existing population does. There will never be enough money for this, nor is there likely to be cheap fuel, so any sensible financial and infrastructure planning needs to be based around very different models, especially if the quality of life and the local environment are to be protected. Sustrans has set out its vision for transport in the attached document and we believe that transport investment needs to be redirected so that it is focused on achieving long term aims and the aims must be clearly understood by all. In the past the council has set out ambitions to change to more sustainable modes of travel, but this has never been adopted in a	to try and ensure that the reduction in funding has as little impact on the overall objectives of the Cambridgeshire Safety Partnership. The Council has a successful history of supporting sustainable modes of transport. The decision to develop the brand Travelchoice was a deliberate decision that the best way to encourage people to use sustainable modes of transport was to promote and market the options available to residents when they are planning their journeys. It is through a combination of investing in sustainable modes and smarter choices to help reduce the demand for motorised travel, coupled with infrastructure improvements to make best use of the existing transport network, that the city's growth agenda will be supported. The Local Transport Plan 2 invested heavily in sustainable modes of transport including cycling. We are currently looking for funding opportunities to be able to increase the amount of finance available to bring forward schemes that will encourage the use of sustainable modes and streams

Category	Source	Issue	Response
		comprehensive way. If it is there could be enormous benefits for the city and great financial savings. For instance re-allocating road space to walking, cycling and public transport will be much cheaper and easier to deliver than brand new expensive infrastructure. There are great savings to be made in reprioritising transport investment. This will help to create a vibrant, healthy and attractive Peterborough.	

Category	Source	Issue	Response
Roads and Transport	Email	Please can I have a Quality Street? As a constituent I am writing because I know you are currently deciding local transport budgets and making decisions that will affect where I live. I understand that with budget cuts and reduced government spending, the pressure is now on to deliver value for money in local services. I would like to see you focus your transport budgets on making my street into a space for people as well as cars, by redesigning it to reduce the speed and volume of traffic. Doing this will make it easier for all of us to choose to travel by foot and bike from our front door, whether to work, the shops, to the bus stop or train station. The more of us who do this the less we will all need to spend on the consequences of congestion, CO2 emissions and physical inactivity, and the safer and more pleasant our communities will be. Making our streets safe, attractive and social spaces will enable us all to have a better quality of life. With your help these 'quality streets' will be places	The council is aware of the recently launched Sustrans Quality Street campaign and specifically their desire to introduce 20 MPH speed limits into most urban areas across the country. We are in discussions involving Sustrans and these points are being considered as part of that dialogue. The Sustrans website generates an automatic letter, which details a number of generic issues that their organisation would like to see addressed and highlights the benefits of doing this. This correspondence appears to be one of these automatically generated letters. The council's transport planning team at is currently in the process of consulting on its proposals for the Third Peterborough Local Transport Plan, which will run from 2011 to 2016.

Category	Source	Issue	Response
		for people to meet and children to play outdoors, with less speeding, noise and pollution - quality streets for quality lives. As a first step please tackle the one thing that stops me walking, cycling and feeling safe on my local streets, and has been recognised by the British Crime Survey as the most commonly mentioned problem behaviour - speeding traffic. Please make 20 mph the default speed limit across areas where people live, work and play - including my street. This is the first step to enabling us all to make smarter travel choices. Please pass this letter on to the Executive Member for Transport and other lead officers.	

Category	Source	Issue	Response
Roads and Transport	Letter from Stagecoach	I would respectfully ask that you take into consideration my comments on the following proposals, before taking these forward. Increased Income from parking charges:- I acknowledge the council is seeking a more commercial approach to the management of its car parks. However, I urgent you to consider prevailing bus fares as part of the process when revising charges. The need to maximise income from assets is appreciated, but if this isn't viewed strategically in conjunction with all forms of sustainable transport together with pollution, CO2, noise, etc, you run the risk of increasing income at the expense of a negative impact on bus passenger journeys. As a result walking, cycling and environmental targets may require increased investment to reverse this trend. There would be a real risk that the authority would find itself financially supporting bus services that become commercially unviable as a result of the parking	Any parking pricing that Commercial Operations would be reviewing would continue to support the goals and policy aspirations of the Local Transport Plan, which in its latest draft states the following goals: To encourage sustainable modes and reduce long term parking in the city centre. To reassign land for development. Improve the quality of the city centre experience. Maximise parking revenue. The policy intends to: Reduce parking spaces in the core area. Reassign long term space to outlying locations. Adapt parking allocation, pricing and standards to support sustainable agenda and Environment Capital aspiration

Category	Source	Issue	Response
		charges policy.	
Roads and Transport	Joint Meeting of the Scrutiny Committees and Commissions	Increased Income from parking charges:- I acknowledge the council is seeking a more commercial approach to the management of its car parks. However, I urgent you to consider prevailing bus fares as part of the process when revising charges. The need to maximise income from assets is appreciated, but if this isn't viewed strategically in	Nothing had happened to the scheme except the Government had now removed responsibility for administration of the scheme from second tier councils. Due to changes in the formula we would now be getting reduced funding however with one of the options we could have lost over £1m.

Category	Source	Issue	Response
		conjunction with all forms of sustainable transport together with pollution, CO2, noise, etc, you run the risk of increasing income at the expense of a negative impact on bus passenger journeys. As a result walking, cycling and environmental targets may require increased investment to reverse this trend. There would be a real risk that the authority would find itself financially supporting bus services that become commercially unviable as a result of the parking charges policy.	
Roads and Transport	Hard copy	Use Traffic wardens for a dual job, booking offenders who drop litter and GUM, cigarette ends etc. I propose a £100 fine when convicted to go to council funds.	We are in the process of broadening the roles of all our enforcement staff
roads and Transport	Hard copy	Reducing street lighting after 11pm on the ring road.	We are currently preparing a strategy for significant long term energy cost and carbon savings that will involve changes to the street light network including turning off or dimming lights together with the use of energy saving bulbs. This will be progressed in partnership with local communities and in a way that will not prejudice highway or community safety.

Category	Source	Issue	Response
Roads and Transport	Letter from Stagecoach	We acknowledge the national awards the council has received, but disappointed to note that none of the many transport awards are detailed in the document – UK Bus Awards Transport Authority of the Year is a prestigious award, rightly recognising the achievements of the council in this field and envied by many neighbouring authorities. For our company to be name UK Bus Operator of the Year, again recognising what has been done to develop transport in the city, shows how our partnership success has been recognised above other regions in the UK.	Thank you for your feedback and we take on board your comments. We tried to include as many of our awards as we could but there was not the space in the Your Peterborough budget special to include them all. However we are very proud of our joint success in transport which we publicised at the time the awards were won.
Roads and Transport	Letter from Stagecoach	I am particularly pleased to note the authority's support for the following initiatives: Top up Local Transport Plan funding: I trust this will continue to include investment in sustainable transport measures as well as physical highway improvements.	Thank you for your support on these budget proposals. Local Transport Plan funding will continue to be used to support investment in sustainable transport measures where practical and appropriate. Sustainable transport forms a key part of the council's transport policy, and is planned to be a significant component of future integrated transport programmes, which are being set out in the emerging Local Transport Plan 3.

Category	Source	Issue	Response
Roads and Transport	Letter from Stagecoach	I am particularly pleased to note the authority's support for the following initiatives: New approach to tourism: I trust any subsequent reinvestment of funding will include the Travelchoice Centre located in the bus station.	We are restructuring tourism with the aim of delivering a more integrated and cost effective service
School Transport	Email	The main thing I have concerned about is this section: - Post 16 charges – We are one of the only council's who still provides free transport to children over 16 in education on medical grounds or with statements of special educational needs costing the taxpayer £20,000. All other families are charged £300 for this service. We are proposing to introduce this charge for all families, which brings us in line with other neighbouring councils. We also intend to charge per child rather than per family. However, families receiving benefits that currently get free transport will only pay half of this charge ensuring we continue to support those on the lowest incomes. The H.M. Treasury spending review is clear about	There will be further discussion at Cabinet about these proposals

Category	Source	Issue	Response
		vulnerable people on benefits. Everyone making a fair contribution. 1.70 The Government will continue to support the most vulnerable while ensuring all sections of society who are able to do so contribute to deficit reduction. To do this and ensure that the choices made are fair, the Government has for the first time undertaken and published a distributional analysis of the impacts of the entire fiscal consolidation. While the estimates have limitations and continue to be refined, they show that those in most need will continue to receive the most support from the state in absolute terms and, relative to the amount they consume, those on the highest incomes will experience the greatest reduction in the services they receive. The estimates also show that after combining the impact of tax, benefits and public service spending changes, the highest quintile of earners will make the greatest contribution towards reducing the deficit as a	

Category	Source	Issue	Response
		percentage of their income and benefits in kind. My concern is that we, I believe are only talking about around 60 families and if this support is stopped it may well encourage some parents to give up their jobs to stay home to look after their disabled siblings, or the children will just not attend school, which is classed as respite care as well.	

Category	Source	Issue	Response
School Transport	Email	Dear Peterborough City Council - 1) I would like to propose a thorough review of costs associated with then council's home-to-school policy where in some cases private taxis are being used to ferry children to and from city centre schools. Surely there are more cost effective ways for children to get to school - perhaps parents might take more responsibility for ensuring their children arrive at school; the provision of buses might be a solution however has the council considered promoting the use of bicycles and/or walking to school which might also go some way to addressing of the issues of children getting more exercise?	Taxis are used as an option of last resort unless proven to be more cost effective than other types of transport. They are used more widely in special schools where pupils travel to the 4 school in the city from various locations which due to their disability / educational issues it either means they cannot access bus services or require an escort to ensure they safely arrive at schools. We continue to review all taxi routes and these are renewed on a more regular basis than more traditional bus passes or private hire buses to ensure best value. In relation to our policy for accessing free transport, in the medium term financial plan there are a number of savings around transport – all of which will bring our transport policy in line with our minimum statutory requirements. We now only provide transport for children who live over two miles away up to the age of 7 and 3 miles for children aged 8 to 16. We continue to offer parents who are eligible for transport the opportunity to reclaim mileage costs for transporting their own children and we are working on a scheme to offer children bikes / training / safety equipment to replace bus passes. This will save money and also promote exercise / independence.
School Transport	Scrutiny at the Meeting of the Sustainable Growth Scrutiny Committee	What were the services to schools?	This was about how we traded services to schools, for example, workforce training and governor services. We would be looking to trade more aggressively by selling services to schools including other authorities.

Category	Source	Issue	Response
School Transport	Churches Together meeting	Page 17 first paragraph: Post 16 charges – the proposals appear to penalise the parents of a vulnerable group in the community, who deserve all the help they can get. Supporting the most vulnerable families by allowing them to only pay half, still leaves a large sum for them to pay. What will happen if they literally cannot afford it? And with the school leaving age scheduled to rise to 17 in 2013 and 18 in 2015 it will unfairly affect those who currently do not have to stay on beyond 16.	These points will be considered as part of the review of all transport arrangements.
School Transport	Email from Peterborough Regional College	Limit post 16 transport to a 30 mile radius from home - We consider this a very reasonable response and provides learners with choice of delivery in meeting their individual needs.	Your comments have been noted
School Transport	Shailesh Vara MP	Comment on School Transport for Children with Disabilities and Special Educational Needs "I have reservations about the proposals to axe free school transport for children over 16 with disabilities or holding special educational needs statements. Whilst I fully appreciate the financial pressures facing the	*There will be further discussion at Cabinet about the School Transport proposals*

Category	Source	Issue	Response
		Council, we need to ensure that the most vulnerable in our society continue to have access to the support they need. This proposal, and its impact on service users and their families, needs to be looked at again."	

Category	Source	Issue	Response
Staff terms and conditions	Email	The essential user's allowance is agreed between employers and unions. It cannot be fair to just withdraw it across the board. There are quite a lot of employees who are genuine essential users and the detailed survey that the council carried out two or three years ago should have identified those employees who are truly essential users. Anyone else who does not need the allowance to carry out their daily duties should have it withdrawn (to include all grades and levels of management). A much lower casual mileage rate could still be allowed for those who must use a car to attend occasional meetings etc. This would be a much fairer decision to make, if as we are lead to believe, That FAIRNESS is the new watchword, and savings might even be greater if my suggestion is adopted.	We have listened to staff feedback and have been working with the trade unions and have revised the staff terms and conditions saving proposals in respect of staff car park permits, the essential user allowance scheme and mileage reimbursement rates with the overall aim to achieve collective agreement with the unions. Based on latest discussion and negotiation, the savings proposal has been refreshed for best estimate, namely to: Introduce bandings dependent on salary grades alongside a salary sacrifice scheme for staff car park permits; Remove essential user allowance and implement a ‘Key User’ policy to enable the possibility of issuing free permits to employees meeting the policy; Remove current council essential and casual mileage reimbursement rates to that of mileage reimbursement rates recognised by Her Majesty Revenue and Customs (HMRC) Exclude City Services staff from the savings proposal as these staff will TUPE to the new City Services provider before the implementation of revised terms and conditions for council staff

Category	Source	Issue	Response
Staff terms and conditions	Email	Charge for staff car parking - massively unfair to apply a £500 charge to all staff; tax by the back door and a pay freeze too! Council is looking to take money from staff, many of whom have to drive in to work as public transport is not adequate for their needs. Higher earners should pay a higher rate and lower earners a lower rate with £500 a cap and £200 a minimum. This will hit lower earners massively hard as £500 a year from a lower salary is a big chunk of money. Will this enable everyone to park everywhere or will there still be segregation between Car Haven and Bishop's Road etc? If everyone pays the same, everyone should have the same access rights (this should include Councillors and the chief exec too). Why not just cover the cost of the admin for the passes and times it by 2? Maybe £50 for the year, £75 for Car Haven.	We have listened to staff feedback and have been working with the trade unions and have revised the staff terms and conditions saving proposals in respect of staff car park permits, the essential user allowance scheme and mileage reimbursement rates with the overall aim to achieve collective agreement with the unions. Based on latest discussion and negotiation, the savings proposal has been refreshed for best estimate, namely to: Introduce bandings dependent on salary grades alongside a salary sacrifice scheme for staff car park permits; Remove essential user allowance and implement a ‘Key User’ policy to enable the possibility of issuing free permits to employees meeting the policy; Remove current council essential and casual mileage reimbursement rates to that of mileage reimbursement rates recognised by Her Majesty Revenue and Customs (HMRC) Exclude City Services staff from the savings proposal as these staff will TUPE to the new City Services provider before the implementation of revised terms and conditions for council staff

Category	Source	Issue	Response
Staff terms and conditions	Email	Training for Officers - how can this be reduced if you are looking to recruit in-house expertise instead of external consultants. The staff training budget needs to be increased for relevant strategic needs. NO MENTION MADE ABOUT WHAT COUNCILLORS WILL HAVE TO SAVE!!	The reduction planned is a fairly small sum of £10k, and should not have an adverse impact on staff development. Many professionally-qualified employees have to fulfil a number of CPD (continuing professional development) hours each year. For most, this is 16 hours. There are a number of ways this can be obtained, including research, and provision of training for others. Traditionally, hours were obtained by attending relatively expensive, externally provided courses, usually in London, which means incurring travel costs in addition. The Legal Services department are accredited by the Solicitors Regulation Authority to provide CPD training. In the last year, a practice has been adopted where only one member of a team will normally be permitted to attend an external course. That member of staff then produces a training course for colleagues (And in some cases, colleagues from external authorities locally). This helps consolidate the learning from the course, and provides additional learning and CPD points free of charge (except for lost time) to the member of staff providing the training, and to colleagues. The arrangement with other authorities means that we can host their staff to provide training free of charge and also reduce costs yet gain CPD points. As a result of this arrangement, costs have naturally reduced. No necessary external training to increase in-house expertise has been, or will be, denied.

Category	Source	Issue	Response
Staff terms and conditions	Email	All staff above the standard grading structure to take a pay cut e.g. Directors, Heads of Service etc.	The Deputy Leader made a statement that, the cabinet will not be asking senior managers to take a pay cut as many are going to be asked to take on additional responsibilities for no more money as a result of the reduction in senior management posts proposed by the cabinet.
Staff terms and conditions	Email	Reduce the wages of your highest overpaid staff. It might also be an idea to stop paying large amounts of money to over paid consultants	The Deputy Leader made a statement that, the cabinet will not be asking senior managers to take a pay cut as many are going to be asked to take on additional responsibilities for no more money as a result of the reduction in senior management posts proposed by the cabinet. The budget proposals outline where we have already reduced the spend on consultants, and where we plan to continue this reduction in the future.
Staff terms and conditions	Email	As an essential car user I am naturally concerned about the fact that the car allowance is to be scrapped. This monthly amount pays for my car finance and if this is scrapped and I am asked to pay £500 a year parking I will have to hand back my car and use public transport. I also pay a higher rate of insurance as required in my employment contract the difference being covered by the car allowance each month. I live three miles from the city centre and can use public	We have listened to staff feedback and have been working with the trade unions and have revised the staff terms and conditions saving proposals in respect of staff car park permits, the essential user allowance scheme and mileage reimbursement rates with the overall aim to achieve collective agreement with the unions. Based on latest discussion and negotiation, the savings proposal has been refreshed for best estimate, namely to: Introduce bandings dependent on salary grades alongside a salary sacrifice scheme for staff car park permits; Remove essential user allowance and implement a ‘Key User’ policy to enable the possibility of issuing free permits to employees meeting the policy; Remove current council essential and casual mileage

Category	Source	Issue	Response
		transport to and from work a lot cheaper than the above. My worry is how I will then do my job as I go out and about every day completing initial assessments. These have to be done within 7 days and Bretton on public transport will take at least two hours…….Has consideration been given to this? I can understand it for non-essential users – will pool cars be available and how will this work with out employment contracts which state that we have to have access to a car. I live alone and have no spare money so am in fact taking approximately £150 a month cut in salary and will be £150 in the red each month so the only solution will be to get rid of my car. Please this is form info only and not for publication as I am sure a lot of employees will be in the same position	reimbursement rates to that of mileage reimbursement rates recognised by Her Majesty Revenue and Customs (HMRC) Exclude City Services staff from the savings proposal as these staff will TUPE to the new City Services provider before the implementation of revised terms and conditions for council staff

Category	Source	Issue	Response
Staff terms and conditions	Email	Avoid redundancies but reduce hours voluntarily especially with higher paid staff. Save on salary and redundancy payments. For example introduce a voluntary 30 hour working week	A consultation process on the proposed changes to terms and conditions is currently underway with trade unions and employees. All comments made in this area will be fed into that consultation, aiming to find an acceptable way forward
Staff Terms and Conditions	Scrutiny at the Meeting of the Sustainable Growth Scrutiny Committee	There was a need to remove the essential car user allowance as in some cases it was being used as a perk. Not all members of staff who received the allowance needed to use their vehicles.	We have listened to staff feedback and have been working with the trade unions and have revised the staff terms and conditions saving proposals in respect of staff car park permits, the essential user allowance scheme and mileage reimbursement rates with the overall aim to achieve collective agreement with the unions. Based on latest discussion and negotiation, the savings proposal has been refreshed for best estimate, namely to: Introduce bandings dependent on salary grades alongside a salary sacrifice scheme for staff car park permits; Remove essential user allowance and implement a 'Key User' policy to enable the possibility of issuing free permits to employees meeting the policy; Remove current council essential and casual mileage reimbursement rates to that of mileage reimbursement rates recognised by Her Majesty Revenue and Customs (HMRC) Exclude City Services staff from the savings proposal as these staff will TUPE to the new City Services provider before the implementation of revised terms and conditions for council staff

Category	Source	Issue	Response
Staff Terms and Conditions	Scrutiny at the Meeting of the Sustainable Growth Scrutiny Committee	Standard Mileage Rate. Noted the proposed 40p per mile rate for all users. Cabinet should be encouraged to consider an additional 5p per mile for car sharing.	We have listened to staff feedback and have been working with the trade unions and have revised the staff terms and conditions saving proposals in respect of staff car park permits, the essential user allowance scheme and mileage reimbursement rates with the overall aim to achieve collective agreement with the unions. Based on latest discussion and negotiation, the savings proposal has been refreshed for best estimate, namely to: Introduce bandings dependent on salary grades alongside a salary sacrifice scheme for staff car park permits; Remove essential user allowance and implement a 'Key User' policy to enable the possibility of issuing free permits to employees meeting the policy; Remove current council essential and casual mileage reimbursement rates to that of mileage reimbursement rates recognised by Her Majesty Revenue and Customs (HMRC) Exclude City Services staff from the savings proposal as these staff will TUPE to the new City Services provider before the implementation of revised terms and conditions for council staff
Staff Terms and Conditions	Scrutiny at the Meeting of the Sustainable Growth Scrutiny Committee	Sick Pay. Were the proposed savings of £350,000 bankable?	They were largely bankable as it should lead to a reduction in providing cover. However it was acknowledged that in areas such as children's services these services still needed to be provided.

Category	Source	Issue	Response
Staff Terms and Conditions	Scrutiny at the Meeting of the Sustainable Growth Scrutiny Committee	Recruitment. The Council should look again at maintaining a freeze on all non-essential recruitment as some jobs were still being advertised.	Agree that only essential recruitment should be happening. If any members believed a job which was being advertised was not essential then please let the cabinet member or chief executive know.
Staff Terms and Conditions	Scrutiny at the Meeting of the Sustainable Growth Scrutiny Committee	Staff Working Hours. Staff should be given the opportunity to reduce their working hours. Working four days rather than five may be an incentive to some staff.	Staff could already request to reduce their working hours and Directors were authorised to approve any such requests. Any reduction in hours would only be voluntary and it was not clear how many staff would volunteer. We were already talking to the unions and we would publicise to staff that they were able to reduce their hours. If we were to reduce pay we would need to come out of national bargaining which we did not plan to do. We are currently in discussions with the unions whose national position was no pay cuts.
Staff Terms and Conditions	Joint Meeting of the Scrutiny Committees and Commissions	What did the reduction in redundancies linked to terms and conditions savings mean?	This related to proposed changes to staff terms and conditions around removal of the essential car user allowance and introducing parking charges. If all were agreed this would reduce the number of compulsory redundancies which would need to be made.

Category	Source	Issue	Response
Staff Terms and Conditions	Joint Meeting of the Scrutiny Committees and Commissions	When would charges for staff car parking be implemented?	We have listened to staff feedback and have been working with the trade unions and have revised the staff terms and conditions saving proposals in respect of staff car park permits, the essential user allowance scheme and mileage reimbursement rates with the overall aim to achieve collective agreement with the unions. Based on latest discussion and negotiation, the savings proposal has been refreshed for best estimate, namely to: Introduce bandings dependent on salary grades alongside a salary sacrifice scheme for staff car park permits; Remove essential user allowance and implement a 'Key User' policy to enable the possibility of issuing free permits to employees meeting the policy; Remove current council essential and casual mileage reimbursement rates to that of mileage reimbursement rates recognised by Her Majesty Revenue and Customs (HMRC) Exclude City Services staff from the savings proposal as these staff will TUPE to the new City Services provider before the implementation of revised terms and conditions for council staff
Staff Terms and Conditions	Joint Meeting of the Scrutiny Committees and Commissions	Pension contributions. Were these savings due to future lower contributions?	It was due to contribution rates being left at current levels until the next valuation of the Scheme.

Category	Source	Issue	Response
Staff terms and conditions	Hard copy	10 per cent reduction for chief executive plus 'anybody paid £100,000 or more' managers	The Deputy Leader made a statement that, the cabinet will not be asking senior managers to take a pay cut as many are going to be asked to take on additional responsibilities for no more money as a result of the reduction in senior management posts proposed by the cabinet. The budget proposals outline where we have already reduced the spend on consultants, and where we plan to continue this reduction in the future.
Staff Terms and Conditions / Councillors	Scrutiny at the Meeting of the Sustainable Growth Scrutiny Committee	If we are all in this together senior managers and councillors should be asked to take a pay cut.	The Deputy Leader made a statement that, the cabinet will not be asking senior managers to take a pay cut as many are going to be asked to take on additional responsibilities for no more money as a result of the reduction in senior management posts proposed by the cabinet. The budget proposals outline where we have already reduced the spend on consultants, and where we plan to continue this reduction in the future. Allowances for Councillors are considered by an independent panel, which takes into account all circumstances, including allowances paid elsewhere in the country. The panel then makes recommendations to full council, which is obliged to take those recommendations into account. The latest review by the panel will be presented to full council on 23 February 2011.

Category	Source	Issue	Response
Staff Terms and Conditions / Councillors	Scrutiny at the Meeting of the Sustainable Growth Scrutiny Committee	Believe a reduction in pay and hours should be looked at as other councils and public services were already looking at it.	The Deputy Leader made a statement that, the cabinet will not be asking senior managers to take a pay cut as many are going to be asked to take on additional responsibilities for no more money as a result of the reduction in senior management posts proposed by the cabinet. The budget proposals outline where we have already reduced the spend on consultants, and where we plan to continue this reduction in the future. Allowances for Councillors are considered by an independent panel, which takes into account all circumstances, including allowances paid elsewhere in the country. The panel then makes recommendations to full council, which is obliged to take those recommendations into account. The latest review by the panel will be presented to full council on 23 February 2011.
Staff Terms and Conditions Councillors	Churches Together meeting	We welcome the fact that the Council has been able to cope with cutbacks of c.28% with suggested staff cutbacks of less than 10% and hope that such savings can be made without any compulsory redundancies.	Your comments have been noted. We are working hard to reduce the impact of compulsory redundancies

Category	Source	Issue	Response
Staff Terms and Conditions Councillors	Churches Together meeting	Has the effect of cutting funding to other organisations been assessed in terms of the number of redundancies that may result?	We have worked with organisations where possible to mitigate the impact as much as possible and provide suitable advance notice enabling them to redeploy staff or look at different ways of working. We have not however done a trawl across all areas to identify headcount loss if any.
Staff Terms and Conditions Councillors	Churches Together meeting	Clearly, reductions in staffing levels are key, but the effects are not spelled out except in one case (processing some applications). However well managed, there will be a lot of extra pressure on people, especially the top executive staff. The Dunkirk spirit can only last for a short time, but this is really for the long haul. Making redundancies, however few, is a traumatic time for those wondering, those losing their jobs and those administering the package. We assume that every consideration will be given to assist those directly affected but it is an institutional crisis. We would, therefore, be keen to know what independent pastoral care is available within the structures to support at every level, perhaps in	Thank you for your offer and we will make our staff aware

Category	Source	Issue	Response
		the form of chaplaincy.(Affected staff can contact the city centre pastor at Westgate Church)	
Street Scene	Scrutiny at the Meeting of the Sustainable Growth Scrutiny Committee	Some of the street furniture and clutter on the streets should be removed as it cost money to maintain.	The comment will be passed on to the Cabinet Member for Housing, Neighbourhoods and Planning.
Translation	Email	I refer to the article in a recent edition of 'Your Peterborough' in which you ask for suggestions for plugging the Council's funding gap. My suggestion relates to the expenditure arising from the use of interpreters. Whilst I do not know the precise cost to the Council for	We keep our expenditure to the minimum required to meet our statutory and service obligations to our service users. Total spend was in region of £171k last year, less than 0.1% of the council's budget. A formal translation and interpretation policy has been developed and was approved by Cabinet on 13 December. The issue of expenditure in this area will be considered in depth by the Creating Opportunities and Tackling Inequalities Committee at its meeting on 21 March

Category	Source	Issue	Response
		the service of interpreters, I would be surprised, and pleasantly so, if it were not many thousands of pounds. It is my contention that it is the responsibility of those who to choose to come to this country, presumably voluntarily, to ensure that they are able to communicate effectively in the language of this country. Before coming to the UK, they would know that the language of this country is English. Should there be situations where someone requires the services of an interpreter, then they should pay an economical rate for such services. It strikes me that it is irresponsible stewardship of public funds for these services to be free. Furthermore, if these services are free, they can only be at the expense of other more important needs. In conclusion, if the interpreting services are provided free, this is a cost that ought to be eliminated	2011.

Category	Source	Issue	Response
Translation	Email	Stop the translation services and spend the money on play service and other children's services	We keep our expenditure to the minimum required to meet our statutory and service obligations to our service users. Total spend was in region of £171k last year, less than 0.1% of the council's budget. A formal translation and interpretation policy has been developed and will be considered by cabinet on 13 December. The council does not spend unnecessarily in this area.
Translation	Email	Translation costs need to be looked at	We keep our expenditure to the minimum required to meet our statutory and service obligations to our service users. Total spend was in region of £171k last year, less than 0.1% of the council's budget. A formal translation and interpretation policy has been developed and will be considered by cabinet on 13 December. The council does not spend unnecessarily in this area.
Unring fencing of grants	Joint Meeting of the Scrutiny Committees and Commissions	Removal of Ring Fencing. What would the impact be on the Council of the removal of ring fencing of grants? Some of the grants appeared to be missing, what was the reason?	Removal of ring fencing would give the Council flexibility to make its own choices on where funding was allocated and this was welcomed at a local level. The phrase being used nationally was 'missing in action'.
Unring fencing of grants	Joint Meeting of the Scrutiny Committees and Commissions	Some councils have ringfenced funding for Connexions and Sure Start. Had Peterborough considered doing that?	We were not ring fencing any grants and a decision had been made to passport cuts in Children's Centre onto the services. Zero based budgeting was now happening on all grants and the Council was looking very carefully at future service delivery.

Category	Source	Issue	Response
Voluntary Sector and Charities	Email	Cuts to support for the voluntary sector cannot be sensible. If the voluntary sector is to take over more of the tasks previously done by local and central government (both to reduce costs and to implement the 'big society') it will need the resources to do so.	We are working closely with the voluntary sector to ensure that the cuts, which are minimal, are easily managed and will be actively seeking to work with them on further investment to increase capacity by working more efficiently and effectively alongside them.
Voluntary Sector and Charities	Email	Cutting discretionary rate relief for charities seems to be a retrograde step. Instead, could the council not negotiate with the charities to see how they could assist it to meet its targets in exchange for keeping their rate relief? For example, battery or waste electronic equipment recycling points in charity shops would help the council meet targets that might be expensive to meet in other ways.	Charities are able to claim 80 per cent rate relief, and this is paid by the Government. They will continue to be able to do so. The council's discretionary rate relief budget is used in some cases to consider paying some part of the remaining 20 per cent. This budget can also be used to provide relief to other companies. Even with this reduction, many charities will continue to receive a significant discount in their business rates.

Category	Source	Issue	Response
Voluntary Sector and Charities	Email	The budget looks fairly well balanced between investment needed to stimulate the local economy and the need to cut costs due to reduced budgets. I would attempt to seek greater input from the private sector in terms of community investments and reducing the role of the GPP will probably not help here. The funding to support voluntary sector infrastructure as the bodies involved in PIC can support many other charities and voluntary groups and equip them with the skills to create good, innovative public services that are cheaper to run.	We are working closely with our voluntary sector partners to explore the potential for better joint working, including the potential for delivering services differently. A range of workshops have already been held with the sector and will continue to run over the next few weeks to explore this further.
Voluntary Sector and charities	Churches Together meeting	Community grants - will this, or any other cut, affect the annual rent that PCC pays to St John's for the exclusive hire of the St John's Church Hall in Mayor's Walk, which the Council then provides to the West Town Community Association for many community users? Were the Council not to continue to pay this rent, we doubt if the Community Association would be able to meet the cost, and the	We are working with Community Action Peterborough to put in place a new system for awarding grants to community associations, which will be based more on the wider role they play in their community. It is proposed that every community association receives a small minimum grant, which can then be topped up with an additional payment through an application process.

Category	Source	Issue	Response
		church, which relies upon this as a revenue stream for its work, might well not be in a position to retain the building for community use.	
Voluntary Sector and charities	Churches Together meeting	One of the big issues for charitable and voluntary groups is the amount of time writing policies and procedures. Would the city council be able to release their standard documents for use / adaption by the voluntary sector?	We will work with Peterborough Council for Voluntary Service (PCVS) to develop model policies and procedures that can then be shared across the voluntary sector.
Wheelie Bins	Scrutiny at the Meeting of the Sustainable Growth Scrutiny Committee	Wheelie Bins fee increase. Would this really be a saving?	We have listened to the comments made about wheelie bin fees and have made the following changes to the original proposals. The council will charge £36 per bin for all new properties that request a waste service. Residents who lose their bins will be entitled to receive one replacement, second-hand bin free of charge from 1 April 2011. Any additional lost bins will be charged at £36. Anyone not wishing to have a previously used bin, i.e. requiring a new bin, will also be charged £36. City services and Enterprise will endeavour to ensure that there is always a supply of recycled bins by obtaining them

Category	Source	Issue	Response
			from other sources if necessary.
Wheelie Bins	Joint Meeting of the Scrutiny Committees and Commissions	Wheelie Bins Fee Increase. The increase in fees would only raise a small amount of money. The Administration tried to bring in the charges a couple of years ago so why was it being brought back now?	We have listened to the comments made about wheelie bin fees and have made the following changes to the original proposals. The council will charge £36 per bin for all new properties that request a waste service. Residents who lose their bins will be entitled to receive one replacement, second-hand bin free of charge from 1 April 2011. Any additional lost bins will be charged at £36. Anyone not wishing to have a previously used bin, i.e. requiring a new bin, will also be charged £36. City services and Enterprise will endeavour to ensure that there is always a supply of recycled bins by obtaining them from other sources if necessary.

Category	Source	Issue	Response
Wheelie Bins	Joint Meeting of the Scrutiny Committees and Commissions	Wheelie Bins Fee Increase. If people were required to pay for a replacement bin they would simply put their green waste into their black bins which would then have an impact on landfill.	We have listened to the comments made about wheelie bin fees and have made the following changes to the original proposals. The council will charge £36 per bin for all new properties that request a waste service. Residents who lose their bins will be entitled to receive one replacement, second-hand bin free of charge from 1 April 2011. Any additional lost bins will be charged at £36. Anyone not wishing to have a previously used bin, i.e. requiring a new bin, will also be charged £36. City services and Enterprise will endeavour to ensure that there is always a supply of recycled bins by obtaining them from other sources if necessary.
Wheelie Bins	Joint Meeting of the Scrutiny Committees and Commissions	How many refurbished bins were in stock?	There was currently a large stockpile at the depot as people were currently resistant to using refurbished bins.

Category	Source	Issue	Response
Wheelie Bins	Joint Meeting of the Scrutiny Committees and Commissions	Would people have to pay for a replacement bin if for example it was lost in the cart?	We have listened to the comments made about wheelie bin fees and have made the following changes to the original proposals. The council will charge £36 per bin for all new properties that request a waste service. Residents who lose their bins will be entitled to receive one replacement, second-hand bin free of charge from 1 April 2011. Any additional lost bins will be charged at £36. Anyone not wishing to have a previously used bin, i.e. requiring a new bin, will also be charged £36. City services and Enterprise will endeavour to ensure that there is always a supply of recycled bins by obtaining them from other sources if necessary.
Wheelie Bins	Joint Meeting of the Scrutiny Committees and Commissions	Would people have to pay for the first replacement or only if it was replaced a second time?	We have listened to the comments made about wheelie bin fees and have made the following changes to the original proposals. The council will charge £36 per bin for all new properties that request a waste service. Residents who lose their bins will be entitled to receive one replacement, second-hand bin free of charge from 1 April 2011. Any additional lost bins will be charged at £36. Anyone not wishing to have a previously used bin, i.e. requiring a new bin, will also be charged £36. City services and Enterprise will endeavour to ensure that there is always a supply of recycled bins by obtaining them from other sources if necessary.

Category	Source	Issue	Response
Wheelie Bins	Joint Meeting of the Scrutiny Committees and Commissions	Will the same charge apply for smaller bins as well as the larger bins?	There would be no difference in charges to ensure that the scheme was as simple as possible.
Wheelie Bins	Joint Meeting of the Scrutiny Committees and Commissions	Would all new houses be required to pay for three bins?	All new properties will be required to pay for their bins.
Women's Enterprise Centre	Email	Get rid of Women's Enterprise Centre altogether and encourage cafe or retail use. Use an existing spare council office to provide this service from especially as it's only 9 to 5 hours. Save £424k instantly and therefore £2,120,000 over 5 years (or a bit less if still provided service from council office)	The majority of the costs of the Women's Enterprise Centre have been funded by EEDA in the current financial year. With the abolition of EEDA, the council would have been required to meet these costs in future. However the budget proposals include plans to generate income from the centre, reducing the need for the council to contribute. By 2015/16 the last year of the current Medium Term Financial Plan, the council intends to have withdrawn all funding to the centre.
Women's Enterprise Centre	Scrutiny at the Meeting of the Sustainable Growth Scrutiny Committee	It was noted that there would be a staggered reduction in the funding for the Women's Enterprise Centre, should there be a more aggressive reduction in funding?	This would be passed on to the Cabinet Member for Community Cohesion, Safety and Women's Enterprise. It was felt that this was the quickest way the savings could be delivered

Category	Source	Issue	Response
Women's Enterprise Centre	Business	The proposals include plans for the women's enterprise centre and the eco-innovation centre to be self-financing. Will you see them fail if this does not happen?	They will not fail, as they are fundamental to our future, and as such we may have to review support in the future. However by looking at new patterns of delivery, we are confident we can achieve this e.g. Women's Enterprise Centre extending its role to support men as well
Your Peterborough	Email	I refer to your request for ideas towards where savings could be made in Council budgets. 'Your Peterborough' strikes me as a publication that has extremely little value and barely read, if at all, by Peterborough's residents - at considerable cost no doubt to council tax payers. I would be grateful if you could let me know what the full annual costs are of producing this paper including staff costs, distribution etc.	It currently costs around £150,000 to design, print and distribute six editions of Your Peterborough to about 80,000 homes in the city. The magazine is written internally to inform residents about the council's vision for Peterborough and the services it provides. The new director of communications is currently reviewing all aspects of Your Peterborough, with a view to greatly reducing the costs and is looking at ways to make it as self-financing as possible.
Your Peterborough	Email	No, but I am very upset to read that the excellent "Your Peterborough" magazine may stop. Please, please try and keep it up, it's so good.	This was a difficult judgment call to make. The delivery of Your Peterborough cost a great deal of money and it was difficult to continue with it when cuts had to be made. We are looking at different ways of providing information to the community.
Your Peterborough	Joint Meeting of the Scrutiny Committees and Commissions	What were the proposals for Your Peterborough?	It was proposed to remove the dedicated funding for Your Peterborough. The new Director of Communications is currently reviewing the magazine and how we can continue to communicate with the public at a greatly reduced or cost neutral basis

Category	Source	Issue	Response
Your Peterborough	Joint Meeting of the Scrutiny Committees and Commissions	We needed to maintain Your Peterborough in some form as a way for the community to access information.	This was a difficult judgment call to make. The delivery of Your Peterborough cost a great deal of money and it was difficult to continue with it when cuts had to be made. We would look at different ways of providing information to the community.
Your Peterborough	Joint Meeting of the Scrutiny Committees and Commissions	Your Peterborough was essential as not everyone would want to read an online version. Future options could include selling additional advertising and having pick-up points at various points in the city.	It was clear that Your Peterborough had caused a lot of discussion and in view of this meeting we would be happy for a report to be produced on how information could be delivered in the future and would ask the Director of Communications to undertake a quick review.
Your Peterborough	Joint Meeting of the Scrutiny Committees and Commissions	Could ward councillors help to deliver Your Peterborough when they delivered their ward newsletters?	Regulations were in place around publicity but the offer was appreciated.
Your Peterborough	Joint Meeting of the Scrutiny Committees and Commissions	When Your Peterborough was initially introduced it was agreed that it would be used to advertise some of our public notices, therefore saving costs. Could the magazine be used to publicise the information we were required to publish as well as possibly using an agency to sell advertising space?	Income has been generated for the past three years to offset the costs of the production by selling adverts to businesses and space to partner organisations. These were areas that would be picked up during the review.
Your Peterborough	Hard copy	Print Your Peterborough on newspaper and reduce its size.	We are exploring all those options are part of the review

Category	Source	Issue	Response
Staff	Neighbourhood Council North and West Area	Are any senior jobs to be lost	Deputy Chief Exec has gone
Staff	Neighbourhood Council North and West Area	Senior officers take the most money so if looking to remove lower jobs, should senior positions be looked at too	The Deputy Leader made a statement that, the cabinet will not be asking senior managers to take a pay cut as many are going to be asked to take on additional responsibilities for no more money as a result of the reduction in senior management posts proposed by the cabinet.
Growth	Neighbourhood Council North and West Area	Why give money to occupy Woolworths building if we don't own it	Cllr Seaton told the meeting it creates jobs (around 200), will bring more visitors to that end of Bridge Street, maybe around an extra 25,000 shoppers to Peterborough a week. Investment will more than be paid for
Outsourcing	Neighbourhood Council North and West Area	Outsourcing services not always best	Cllr Seaton told the meeting if the contract is right and managed correctly it produces good savings. One example is Serco for IT and improved service, hopefully Enterprise will be the same
City services	Neighbourhood Council North and West Area	Outsource pensions too for Enterprise staff	Cllr Seaton told the meeting they are still in the same pension scheme but the outsource company will pay their contributions, not the council
Growth	Neighbourhood Council North and West Area	Reverse premium incentive is only incentive, no other money back from Woolworths	no
Council finances	Neighbourhood Council North and West Area	Werrington Centre, shop units being removed for Tesco, still not done. Lost business rates from empty shops	John Harrison told the meeting the council collects business rates on behalf of the Government, the council doesn't keep the money so there is no loss to the council

Category	Source	Issue	Response
Growth	Neighbourhood Council North and West Area	£8m on buying the football ground, what about South Bank development? Is this the end of it? Same situation for North Westgate	Cllr Seaton said a developer is coming in to build homes on the South Bank, the football ground is being developed too with an education centre included. Rental income for the loan on £8m comes from the football club. More expensive to build a new ground somewhere else
	Neighbourhood Council North and West Area	Need better communications on these issues so people know	Cllr Seaton said the council now has a new director of communications who is jointly employed with the hospitals trust and he is reviewing all communications
	Neighbourhood Council North and West Area	Lots of city council management of local services. Council needs to provide leadership for the local community to take up the tasks because too much management leads to people backing off	Comments noted
	Neighbourhood Council North and West Area	What services to be cut or reduced	Cllr Seaton referred to the budget document
	Neighbourhood Council North and West Area	If population increasing, how can services be cut	Cllr Seaton said grants still based on previous census. He said the new census should result in better grant settlement
	Neighbourhood Council North and West Area	Limon café chip shop offer rejected when could have got rents from that	Cllr Seaton said with city centre development, really good retailers are expected. Lots of things being put in place and more being planned

Category	Source	Issue	Response
	Neighbourhood Council North and West Area	Lots of low budget shops in high street, need to go to Queensgate for good shopping. Businesses see cheap labour and therefore do not pay wages for people to buy enough products from good shops	Cllr Holdich said this city has good footfall and lots of shoppers, fewer empty units than other towns. Lots of high skilled, well paid jobs included even in distribution centres. More diverse workforce and population now so more businesses coming in e.g. Nandos, bigger stores in Queensgate
	Neighbourhood Council North and West Area	Peterborough is not just shops. Also lots of other things to be proud of such as swimming pools etc	Comments noted
	Neighbourhood Council North and West Area	Why is Vivacity giving main budget saving as library openings and not sport etc?	John Harrison said the council holds some control over Vivacity budget and libraries were identified as least disruptive option to save money
	Neighbourhood Council North and West Area	If libraries cut opening hours, is that affecting most vulnerable more	Vivacity is managing the reduction in service to 29 hours per week
	Neighbourhood Council North and West Area	Cutting libraries disproportionately to other Vivacity services. Libraries taking 12-13% cut but not same elsewhere	Vivacity is managing the reduction in service to 29 hours per week
	Neighbourhood Council North and West Area	If cutting Saturday hours, employed people have less time to access the service and also access to educational resources for children	Vivacity is managing the reduction in service to 29 hours per week
	Neighbourhood Council North and West Area	Need to keep local libraries instead of just good opening times of Central	Vivacity is going to be consulting with the public with options for how the new hours could be managed

Category	Source	Issue	Response
	Neighbourhood Council North and West Area	Consultants' fees to be cut?	This is already part of the consultation
	Neighbourhood Council North and West Area	Consultants Why need so many in the first place	Cllr Seaton said we do not always have expertise in the council. Each project appointment has a business case for delivery of an outcome and is assessed at end of project. Cllr Seaton added that usually we only need a particular skill set for a short space of time for a set piece of work.
	Neighbourhood Council North and West Area	Need to fill empty shops before starting on Westgate project	Cllr Seaton said the council is talking to lots of companies all the time to fill empty shop units.
	Neighbourhood Council North and West Area	Who pays for new housing	John Harrison said some from government (receive council tax incentive), some private developers (receive S106).
	Neighbourhood Council North and West Area		
	Neighbourhood Council North and West Area	Energy from waste facility?	John Harrison said we are still considering this as landfill sites will soon be full
	Neighbourhood Council North and West Area	Recovered Icelandic money?	John Harrison said not all of the money had been recovered yet. We had invested £3m in 2 banks and maybe up to £2.5m could come back

Category	Source	Issue	Response
	Neighbourhood Council North and West Area	Good news, reported a pot hole, 3 days later was fixed; very impressive so good work is done by the council (but never reported).	Thank you for your comments

11b - Budget Consultation Responses – Comments received following February Cabinet

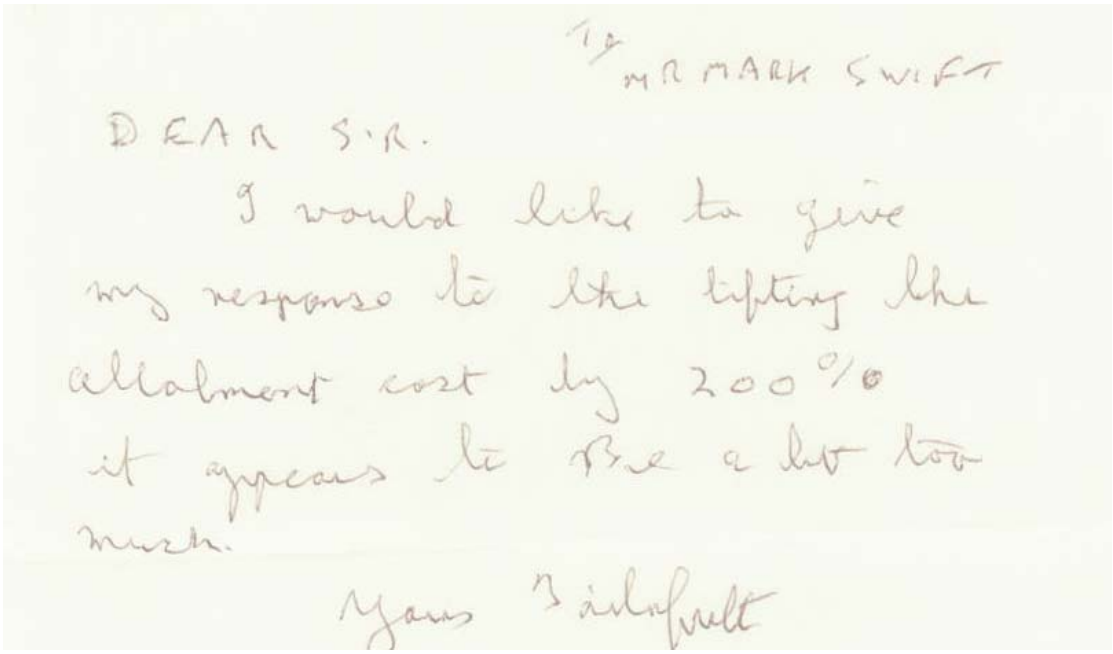
Category	Source	Issue	Response
Libraries	Email	I am writing to express my concern at the proposals to reduce the opening hours of Peterborough's libraries. I have been a member of Werrington Library for many years, and as I was growing up it helped to ignite my love of reading, which continues to this day. Peterborough's libraries are an extremely valuable resource for people of all ages. The opportunity to develop a love of reading without the worry of financial constraints is something that should be protected, not limited. I appreciate that we live in a difficult economic climate, but I strongly believe that there must be alternatives to reducing our library services. Undermining libraries now will only make it easier to cut funding to libraries still further in the future, and I believe that this should be avoided at all costs. The true value of the library service is difficult to quantify, and libraries will be difficult to restore once their place	The Council has transferred the provision of leisure and cultural services, including libraries, to Vivacity, the charitable trust we established for this purpose. This transfer is a key part of our on-going commitment to these services, and helps us minimise the impact of the financial challenges on these services. Vivacity have responded to our need to make savings by developing proposals that have the least effect on service provision. The library service remains a significant area of the council's discretionary spend, and must be considered as part of the budget proposals. The council does recognise the value of this service to communities but recognises the need to review all library provision across the city Again it will be considered whether the use of volunteers could expand services beyond levels outlined in the proposals. These changes will save around £233,000. This compares to the overall sum paid to Vivacity for leisure and cultural services of around £3.5m. This equates to less 7% of the budget, a lower level of savings than for many other council departments. This reflects our commitment to these services, and contrasts with many other Councils that are making much higher savings in libraries. As result these councils are having to close libraries, something we are very pleased will not be the case in Peterborough from these proposals.

Category	Source	Issue	Response
		in people's lives has been eroded by these cuts. I therefore strongly urge you to re-think plans to reduce library opening hours, and to keep any reductions that are unavoidable to an absolute minimum	
Staff terms and conditions	Email	Firstly the lack of transparency makes it difficult to properly comment. There's no information or breakdown of figures. Making this public (as it should be) would naturally control spending as outrageous spending would be picked up and highlighted. The top priority is the pensions; we had a pensions crisis even during the boom. Any transfer of staff to private companies will not be financially worth it if they take the pensions with them. The only reason to lose control to a private company is pensions. Again, the council doesn't publicise its pensions crisis. As unlikely as the unions are to agree pensions changes; it must be made clear that the choice is that, or job losses. The new pensions should be defined-contribution and not	Local government staff are subject to terms and conditions, including pensions, that are set nationally. The Council is unable to make changes to the pension scheme, only central government can do this. The Government is currently considering proposals that may see the introduction of changes to pension entitlement, as well as additional contributions from employees. This is expected to reduce cost pressure, and in agreement with the actuary, the budget proposals do not include additional costs for pensions for the next three years (the position regarding pension costs is independently reviewed every three years).

Category	Source	Issue	Response
		average salary schemes. The Royal Mail moved to average salary and it's still in crisis. We don't want the taxpayer propping up the funds. The taxpaper could contribute 1% of salary to encourage uptake. A cap of only paying the pension up to the first 35,000 would stop the outrageous pensions of the council high earners. A Voluntary Redundancy Programme could be a false economy if you just lose the best people who know they can get a job elsewhere. There are still departments that could do more towards going paper-free and saving money. Over-heating and over-lighting of buildings needs looking at. Brown bin frequency – reduce the frequency of collection. People can't possible have a full bin every fortnight. Rewarding councils that build = not wanted. No actual advantage with cost of new households. This is just reducing quality of life for existing residents with no benefits. Get more volunteers involved in the gardening.	

Category	Source	Issue	Response
	Email	Dog control orders would help reduce dog mess and damage which may actually create a net cut	
	Email	Cutting councillors' allowances Reducing the number of councillors	Allowances for councillors are considered by an independent panel, which takes into account all circumstances, including allowances paid elsewhere in the country. The panel then makes recommendations to full council, which is obliged to take those recommendations into account. The latest review by the panel will be presented to full council on 23 February 2011. There are still many people to represent, and not all Councillors are directly involved with managing and running the services provided. It would be possible to reduce the number of Councillors, however many Councillors do a lot of work for residents
	Email	Cutting the salary of the CEO and those of senior staff by 20%	The Deputy Leader made a statement that, the cabinet will not be asking senior managers to take a pay cut as many are going to be asked to take on additional responsibilities for no more money as a result of the reduction in senior management posts proposed by the cabinet. The budget proposals outline where we have already reduced the spend on consultants, and where we plan to continue this reduction in the future
	Email	Reducing staff hours rather than making people redundant	Staff could already request to reduce their working hours and Directors were authorised to approve any such requests. Any reduction in hours would only be voluntary and it was not clear how many staff would volunteer. We were already talking to the unions and we would publicise to staff that they were able to reduce their hours. If we were to reduce pay we would need to come out of national bargaining which we did not plan to

Category	Source	Issue	Response
			do. We are currently in discussions with the unions whose national position was no pay cuts.
	Email	Cutting all funding for Peterborough Delivery Partnership	The growth team and Peterborough Delivery Partnership is responsible for delivering major growth and regeneration for the city, such as Fletton Quays, Station Quarter, Football Club redevelopment and Peterborough District hospital site. As schemes progress and joint venture structures are set up, the cost of this partnership will be progressing subsumed into the joint venture vehicles. To end this service will mean these schemes are not progressed. The role of Opportunity Peterborough will be reviewed in light of the proposals for the Local Enterprise Partnership.
	Email	Ceasing production of "Your Peterborough";	It was proposed to remove the dedicated funding for Your Peterborough. The new Director of Communications is currently reviewing the magazine and how we can continue to communicate with the public at a greatly reduced or cost neutral basis
	Email	Delaying the spending of money on changing the lamps in the street lights	We are currently preparing a strategy for significant long term energy cost and carbon savings that will involve changes to the street light network including turning off or dimming lights together with the use of energy saving bulbs. This will be progressed in partnership with local communities and in a way that will not prejudice highway or community safety.
	Email	That you do not give free bikes to children who already have bikes	



To MR MARK SWIFT

DEAR SIR.

I would like to give my response to the tipping the allotment cost by 200% it appears to be a bit too much.

Yours faithfully

To the Leader of Peterborough City Council,

Sir,

We the tenants of the above Allotment site has asked our representative to write on our behalf, to tell you that we are concerned that the members of the council should consider axing the concessionary rates for the allotment fees. We accept that the council has to find its shortfall in the finances of the city, but this time we ask you to reconsider this action owing to the hardship it will cause.

A large number of us are retired and on very fixed Incomes, and would like to point out that the government is trying to protect the low income and retired people from exactly this situation. Inflation busting increases.

On behalf of the tenants

Dear Mark,

Further to my discussion with you regarding the above and proposed increase in charges. As you will know the Raised Bed Plots are specific only to this allotment site, and are for the use of the less able people to be able to grow fruit and veg. As you will know all of these beds are surrounded by hardware to enable the use of wheelchairs, electric scooters etc when/if necessary. Each row of 3 raised beds has a growing space of only 16.7sq mtrs. As you are aware we have 4 rows of Raised Beds - a total of 12 which therefore total a growing area of 66.8sq mtrs compared to the average size plot of 250sq mtrs. Even with these measurements as you know we previously rounded these figures up. I would therefore ask that you consider this information when you make a decision regarding the increase in costs of rents for these beds, as understandably even if we could we

cannot dig up the ~~the~~ hardcore for planting. This is in itself an extra cost for us to keep weed free to avoid pests, etc.

As you will see the growing area of our beds of 66·84mtrs (with no capacity to extend) compared to the average size plot of 250sq mtrs, which in our case equates to just over a $\frac{1}{4}$ of an average plot, we would ask you to take this into account favourably in making a decision regarding the allotment rents. We are currently paying £22·62p total p.a. for 12 beds which also covers the hardcore issue under the circumstances on both sides, we also recognise the difficult financial circumstances of the Council and we would be willing to pay £25 per 12 beds per annum, with a cap on this increase for the next five years (please note this is still a proposal of payment to the equivalent of virtually half a standard size plot.

I look forward to an early response,

Dear Sir

Yes another letter complaining about the increase in the allotment rents.

First about the half plots which people now have to paid three quarters of the price for this is scandalous Most people would like a full plot, but can only have half, because of the waiting list, of course this is one reason why the price is going up, when you divide a plot an extra pathway has to be put in so less than half the plot can be cultivated. so less than half price not more.

You are not just taking away one concession, the active card, but two. Pensioners and those on low incomes are no longer getting a reduced rate, so the rent is not just doubling but trebling. It is not just these cost that are going up, but seed and fertilize, the Council are not the only one who have to work with in a budget

And with next to no notice as well. I only renewed ~~the~~ my active card in August, and now that money is wasted.

I have crops on my plot that will not be ready until after the New Year, but if I decide to give up my plot, because of the increase in costs, I will lose these crops, more money wasted.

There is all this talk about going green and

growing your own. But you have to be able to afford it first. So if you are on a low income, keep going to the supermarket buy cheap veg, and sit at home, not doing a lot.

Well at least it's one way of cutting down the waiting list.

Ms G Beasley
Chief Executive
Peterborough City Council

Medium-Term Financial Plan Proposals

Dear Gillian

I welcome the early publication of the above and the opportunity to respond to this, offering suggestions and ideas. As a major provider of public transport in the Peterborough area the policies of the authority significantly affect our ability to develop and therefore invest in public transport solutions for the city.

We acknowledge the national awards the council has received, but disappointed to note that none of the many transport awards are detailed in the document – UK Bus Awards Transport Authority of the Year is a prestigious award, rightly recognising the achievements of the council in this field and envied by many neighbouring authorities. For our company to be named UK Bus Operator of the Year, again recognising what has been done to develop transport in the city, shows how our partnership success has been recognised above other regions in the UK.

The cabinet have clearly faced some difficult choices, the targeted approach taken, based on priorities as opposed to top slicing all budgets is commendable.

We, as a commercial operator are also facing similar impacts of the Government's Comprehensive Spending Review. The delayed introduction of the 20% reduction in BSOG (Fuel Duty Rebate) is welcomed, however the threat to Concessionary Fares re-imbursement is of great concern.

I am particularly pleased to note the authority's support for the following initiatives:-

- Investment in CCTV cameras on council vehicles: I welcome this opportunity to identify motorists non compliance with traffic regulations and enforcement of the same.
- Top up Local Transport Plan funding: I trust this will continue to include investment in sustainable transport measures as well as physical highway improvements
- Investment in street lights and traffic signals: I trust these will be of the appropriate standard to link into the council's plans for an 'intelligent transport system' whereby the traffic signals link up to the buses fitted with real time tracking which will enable priority to be given to buses only when required.
- New approach to tourism: I trust any subsequent reinvestment of funding will include the Travelchoice Centre located in the bus station.

I would respectfully ask that you take into consideration my comments on the following proposals, before taking these forward.

- Increased Income from parking charges:- I acknowledge the council is seeking a more commercial approach to the management of it's car parks. However, I urge you to consider prevailing bus fares as part of the process when revising charges. The need to maximise income from assets is appreciated, but if this isn't viewed strategically in conjunction with all forms of sustainable transport together with pollution, CO2, noise etc, you run the risk of increasing income at the expense of a negative impact on bus passenger journeys, As a result walking, cycling and environmental targets may require increased investment to reverse this trend. There would be a real risk that the authority would find itself financially supporting bus services that become commercially unviable as a result of the parking charges policy.

As a company we will continue to work with you to achieve savings, such as the recent example of increasing the capacity on the commercial service between Eye and Glinton to offer home to school transport at season ticket rates. This alleviated the need to hire a bespoke coach for this purpose.

The DfT recognise the importance of sustainable transport even in this difficult financial climate, as demonstrated by the sustainable travel indicators listed in their recently published business plan; sustainable travel will be key to delivering growth in the city and at the same time realise Environment Capital status. Here again the award winning achievements in patronage growth was not down to increased population only, but also showed an increase in passenger trips per head of population.

Stagecoach Group has a policy of investing in locations where a positive and proactive partnership working arrangement exists with the local authority. With over £4million invested in Peterborough buses alone since the launch of the prestigious 'Citi' network in 2004 and a further £2million investment in buses due to arrive in early 2011 the city clearly is deemed to fulfil that criteria. In addition we have made significant investment in real time passenger information, driver training and the council's own Sustainable Travel Demonstration Town Project to name just a few other areas. Working closely with the Public Transport Team as I do, there is clearly a focus on developing the infrastructure to facilitate opportunities for public transport in the growing city. I am extremely concerned that if this focus is watered down or outsourced, priorities would change and a less progressive relationship might develop.

If you require any further information or clarification on any of the points I have made, please do not hesitate to contact me.

Yours sincerely

Andy Campbell
Managing Director