

MINUTES OF CABINET MEETING HELD 10 FEBRUARY 2012

PRESENT

Cabinet Members: Councillor Cereste (chair), Councillor M Dalton, Councillor S Dalton, Councillor Fitzgerald, Councillor Hiller, Councillor Holdich, , Councillor Scott, Councillor Seaton and Councillor Walsh.

Cabinet Adviser: Councillor Goodwin

In attendance: Niamh Kingsley (Deputy Youth MP)

1. APOLOGIES FOR ABSENCE

Apologies were received from Councillor S Dalton and Councillor Lee.

2. DECLARATIONS OF INTEREST

No declarations of interest were received.

3. MINUTES OF CABINET MEETINGS 12 DECEMBER 2011 AND 20 JANUARY 2012

Cabinet agreed the minutes of the meetings held 12 December 2011 and 20 January 2012 were accurate.

STRATEGIC DECISIONS

4. BUDGET 2012/13 AND MEDIUM TERM FINANCIAL STRATEGY (MTFS) TO 2021/22

Councillor Seaton introduced a report presenting budget proposals for 2012/13 through to 2021/22, in line with the final local government finance settlement for 2012/13 and the possible outcome for future local government funding arrangements from 2013/14 onwards. Councillor Seaton highlighted that this year's budget came in one of the most challenging financial situations the council had seen but provisions were included to ensure the provision of key services, improvements for the city's future, continued school improvements and funding to address the challenges faced for adult social care and children's social care.

An addendum document was included with the papers for the meeting updating Cabinet on any amendments made following public consultation. This included a reduced savings target for Enterprise, a reduction to the Trees and Woodlands strategy budget and updates to the reserves schedule and addressed other points raised in consultations.

During debate on the report, it was highlighted that the council tax rise was needed to continue to provide front line services, improvements to Children's Services were being made, school investment would continue, an ageing population brought additional funding pressures, savings continue to be made and accepting the government council tax freeze offer would see the council lose money in the long term.

Niamh Kingsley, Deputy Youth MP, read a statement from the Peterborough Youth Council responding to the Budget. The investments into schools and into Children's Services were

welcomed and the Youth Council was largely supportive of the budget that had been put forward.

Following consideration of the report and accompanying document Cabinet **RESOLVED** to:

1. Have regard to the consultation feedback and statutory advice detailed in the report when determining the budget recommendations.
2. Agree that the following be approved and recommended to Council on 22 February 2012, noting that updates may be necessary if additional information emerges:
 - a) That the Medium Term Financial Strategy is set in the context of the council priorities and sustainable community strategy;
 - b) The Budget monitoring report as the latest probable outturn position for 2011/12, noting the use of reserves to deliver a balanced budget;
 - c) The revenue budget for 2012/13 and indicative figures for 2013/14 to 2021/22 (including the capacity bids and saving proposals outlined in pages 77-87 of the MTFS);
 - d) The recommendation of the Cabinet Member for Resources that the school crossing patrol saving proposal is dropped from the budget plans;
 - e) The capital programme for 2012/13 to 2021/22 associated capital strategy, treasury strategy and asset management plan;
 - f) The principles supporting the plans for the allocation of the Invest to Save capital budget;
 - g) The medium term financial plan for 2012/13 to 2021/22, extended to a ten year plan so that the key challenges around delivery of growth can be adequately captured and financial challenges arising from significant local government funding changes be modelled;
 - h) The proposed council tax increase of 2.95% for 2012/13, indicative increases of 2.95% for 2013/14 to 2016/17 and return to 2.50% for 2017/18 to 2021/22;
 - i) To spend at the level of the Dedicated Schools Grant for 2012/13 to 2021/22; and
 - j) The proposals for reserves and balances.
3. These recommendations are put forward on the basis of the confirmed local government finance settlement for 2012/13 and best estimates of future local government funding.

In considering the addendum document Cabinet noted the following changes affecting the recommendations above:

- i. The updated consultation feedback and summary (recommendation 1);
- ii. A reduction to the Enterprise saving proposal from £420k to £100k per annum (recommendation 2c and 2g);
- iii. A revision to the Trees and Woodland Strategy capacity bid to £750k per annum resulting in a saving of £250k (recommendation 2c and 2g);
- iv. A presentational change of the Vivacity saving proposal from service reduction category to efficiency category following discussion with Vivacity; and
- v. An update to the reserves schedule (recommendation 2j).

REASONS FOR THE DECISION

The Council must set a lawful and balanced budget.

The Council is required to set a Council Tax for 2012/13 within statutory prescribed timescales and in accordance with the local referendum requirements contained within the Localism Act 2011.

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

ALTERNATIVE OPTIONS CONSIDERED

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

5. PETERBOROUGH HOUSING STRATEGY 2011-2015 AND THE PETERBOROUGH STRATEGIC TENANCY POLICY

Councillor Hiller introduced a report seeking Cabinet's support for the attached Peterborough Housing Strategy 2011 to 2015 and the Peterborough Strategic Tenancy Policy (as attached at Appendix 1 to the Housing Strategy) and for it to recommend adoption of both documents by Council at its meeting of 22 February 2012. This was seconded by Councillor Seaton.

During debate, officers confirmed that there were provisions in place to tackle homelessness, an option to require planning permission for Houses of Multiple Occupation in certain areas could be investigated and any student properties had to be classed as student accommodation to be exempt from council tax.

Following consideration of the report and accompanying document Cabinet **RESOLVED** to:

Support the Peterborough Housing Strategy and the Peterborough Strategic Tenancy Policy (as attached at Appendix 1 to the Housing Strategy) and agreed to recommend the Housing Strategy and the Strategic Tenancy Policy to Council for adoption at Council's meeting of 22 February 2012.

REASONS FOR THE DECISION

It is a statutory duty to prepare a Housing Strategy, albeit there is very limited statutory guidance as to what it must contain. The Council's current Housing Strategy (2008 to 2011) has come to the end of its intended period and thus a revised strategy is necessary. The Localism Act November 2011 introduced the requirement for local authorities to publish a Strategic Tenancy Policy within 12 months of the Commencement Order that came into force on 15 January 2012.

The Housing Strategy has also been prepared bearing in mind the financial constraints under which the council will operate during the 2011 to 15 period.

ALTERNATIVE OPTIONS CONSIDERED

The council could decide to delay adoption of a revised Housing Strategy. However, not only is the existing Strategy coming to the end of its life but it was prepared under a very different national economic and policy situation – it is considered essential, therefore, that our local housing strategy is updated to reflect both of these matters.

Alternative policy options are, of course, possible for inclusion within the strategy. However, the ones presented today are considered by officers as fit for purpose, tackle the key issues that Peterborough faces, yet are realistic and take account of financial constraints.

6. ANNUAL AUDIT LETTER

Councillor Seaton introduced a report to consider and respond to the Annual Audit Letter for 2010/2011, prepared jointly by the council's external auditors PriceWaterhouseCoopers (PwC) and the Audit Commission Relationship Manager. Councillor Seaton highlighted that the letter reflective the good financial management at the council.

Cabinet **RESOLVED** to:

Approve the Annual Audit Letter 2010/2011.

REASONS FOR THE DECISION

The Council is required to consider the statutory Annual Audit Letter and make appropriate arrangements in response to recommendations.

ALTERNATIVE OPTIONS CONSIDERED

The External Auditor may take on board responses received prior to its formal publication, though he has a duty to produce and arrange for the publication of the Annual Audit Letter as soon as reasonably practical. No specific alternative options are submitted to Cabinet for consideration.

7. OUTCOME OF PETITIONS

Cabinet considered a report recommending it notes the action taken in respect of petitions presented to full Council.

CABINET **RESOLVED** TO:

Note the action taken in respect of petitions presented to full Council.

REASONS FOR THE DECISION

Standing Orders require that Council receive a report about the action taken on petitions. As the petitions presented in this report have been dealt with by Cabinet Members or officers it is appropriate that the action taken is reported to Cabinet, prior to it being included within the Executive's report to full Council.

ALTERNATIVE OPTIONS

Any alternative options would require an amendment to the Council's Constitution to remove the requirement to report to Council.

3.00 p.m.