

CABINET

MONDAY 15 DECEMBER 2014

9.00 AM

Bourges/Viersen Room - Town Hall

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AGENDA

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Circulation

Cabinet Members

Scrutiny Committee Representatives

Directors, Heads of Service

Press

*Any agenda item highlighted in bold and marked with an * is a 'key decision' involving the Council making expenditure or savings of over £500,000 or having a significant effect on two or more wards in Peterborough. These items have been advertised previously on the Council's Forward Plan (except where the issue is urgent in accordance with Section 15 of the Council's Access to Information rules).*



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MINUTES OF CABINET MEETING HELD 24 NOVEMBER 2014

PRESENT

Cabinet Members: Councillor Cereste (Chairman), Councillor Holdich, Councillor Elsey, Councillor Fitzgerald, Councillor Hiller, Councillor North, Councillor Seaton and Councillor Serluca.

Cabinet Advisers: Councillor Casey and Councillor Lamb.

1. APOLOGIES FOR ABSENCE

Apologies were received from Councillor Scott.

2. DECLARATIONS OF INTEREST

Councillor Cereste declared an interest in item 6, Reviewing Peterborough Library Services and Community Centres, in that he was the Chairman of the Italian Community Association.

3. MINUTES OF THE CABINET MEETINGS HELD ON 22 SEPTEMBER 2014

The minutes of the meeting held on 22 September 2014 were agreed as a true and accurate record.

STRATEGIC DECISIONS

4. THE HOMELESSNESS REVIEW 2014 AND STRATEGY 2013-2018

Cabinet received a report which requested it to note and comment on the activity of the Housing Needs Service over the previous year and to review and comment on the information contained within the Homelessness Review. The report further sought Cabinet's comments and agreement on the broad strategic aims of the Homelessness Strategy and to recommend the Strategy be adopted by Council.

Councillor Hiller introduced the item and provided an overview of the background to the issue, advising that the document had originally been presented to the Strong and Supportive Communities Scrutiny Committee in June 2013 where there had been a number of comments made regarding the relevance of some of the comparative data and other references being out of date. A subsequent re-write of the Review had been undertaken to ensure it was current and relevant to the issues faced in the city. The draft Strategy had also been revised to incorporate an overview of the work of the whole of the Strategic Housing Team.

Further key points were highlighted by Councillor Hiller including the re-submission and subsequent approval of the report by the Strong and Supportive Scrutiny Committee; the Strategy taking the form of an action plan, which was to be reviewed on a quarterly basis; the four strategic aims contained within the action plan; the new Housing Allocations Policy which had been adopted two years ago and the resulting changes for applicants; the number of apparent live applications which had been on the housing register in January 2013, being in the region of 10,000, there now being only 3,000; the

number of times that the service had been contacted during 2013/14, this being in the region of 25,000 times; the numbers of individuals who had gone on to have face to face interviews, this being around 5,500; from April 2013 to March 2014 nearly 1,000 new applications had been registered 1,200 properties had been allocated through the Choice Based Letting Scheme; the Council having a statutory responsibility for genuinely homeless people and the dramatic reduction in the numbers of homelessness applications in the city; the continued support offered to rough sleepers and the improved situation in this arena with the numbers of known rough sleepers having reduced by 85% in the last five years and the good work undertaken by not just the Council, but also the One Service resettlement staff at the prison.

Cabinet debated the report and key points raised, along with responses to questions provided by Councillor Hiller and the Council's Housing Needs Manager, included:

- Councillor Seaton positively commended the work of the service, particularly in relation to the work undertaken to reduce homelessness;
- Concern was expressed that individuals were being made homeless due to rent increases by landlords and subsequently being advised by the Council's Housing Needs Team that they were deliberately making themselves homeless due to incurring rent arrears. It was confirmed that each case was addressed on its own merits, and the changes which had been made to the Allocations Policy had made changes to the entry criteria with regards to evictions. Exploration had to be undertaken as to why particular individuals were in arrears and whether they had control over that situation or not. Members were requested to contact the Council's Housing Needs Manager directly if there were any particular cases of concern within their wards;
- A holistic approach was being taken to the situation and the Council supported the work of Partners, including private landlords and the construction of houses by the Housing Associations; and
- There had been a significant improvement made in relation to the empty homes situation over the last three years and this could be attributed to the work of the Empty Homes Officer, utilising the valued resource in the city through effective working with landlords and bringing properties up to standard.

Cabinet considered the report and **RESOLVED:**

1. To note and comment on the activity of the Housing Needs Service over the last year;
2. To comment on the Homelessness Review; and
3. To agree on the broad strategic aims of the Homelessness Strategy and to recommend that the Strategy be adopted by Council.

REASONS FOR THE DECISION

The Homelessness review and Strategy had been written to meet the requirements of Section 1 of the Homelessness Act 2002.

ALTERNATIVE OPTIONS CONSIDERED

To not conduct the homelessness review and formulate a strategy. Section 1(4) required housing authorities to publish a new homelessness strategy, based on the results of a further homelessness review, within the period of five years beginning with the day on, which their last homelessness strategy was published.

5. PETERBOROUGH CITY CENTRE DEVELOPMENT PLAN DOCUMENT (VERSION FOR ADOPTION)

Cabinet received a report which followed the decision of Council on 4 December 2013 to approve the Peterborough City Centre Development Plan Document (DPD) (Proposed Submission Version) for the purpose of public consultation and submission to the Secretary of State. Such consultation had taken place and the document had been submitted on 1 April 2014. Subsequently an independent Planning Inspector, appointed by the Secretary of State, had carried out a public examination into the document.

The report set out the recommendations made by Independent Inspector and sought Cabinet's approval to recommend the City Centre Plan to Council for adoption.

Councillor Hiller introduced the item and provided an overview of the background to the issue, advising that the Plan had been found to be sound by the Planning Inspector, subject to minor changes as detailed with the report to Cabinet. This meant that the Council could now formally adopt the document and if the document was approved, it would become part of the Council's Statutory Plan and would be used in determining planning applications in the heart of the authority's area. The adoption of the Plan would mean that the city had a full and up to date Local Plan, very few councils were in such a position. The Council would also have a clear plan and cohesive vision for delivering future growth in the city centre, this would help to strengthen the city centre as an attractive investment opportunity.

Councillor Holdich wished it to be noted that schools had played a large part in the development of the Plan, and over the years, engagement with young people had been sought with varying levels of success. This year, led by Jack Hunt School, the School's Council had visited the Council for a day and engaged had also taken the issues back to their Annual School's Council, for all schools, for further discussion. This was highlighted as being a successful formula which could be taken forward in order to engage young people in the future of the city.

The Chairman commended the work of officers and thanked all those involved. The document set out clear ambitions for the city centre and would enable delivery.

Cabinet considered the report and **RESOLVED:**

1. To note the conclusions of the Independent Inspector who was appointed to examine the Council's submitted Peterborough City Centre Development Plan document; and
2. To recommend to Council the adoption of the Peterborough City Centre Development Plan Document, incorporating modifications as recommended by the Inspector (Main Modifications) and other minor editorial modifications (Additional Modifications).

REASONS FOR THE DECISION

Council only had two options available to it; either adopt the document with the modifications or not adopt the document. The former was recommended, as it was a statutory duty to prepare a City Centre DPD, and, in adopting it, Peterborough would have a clear and robust policy document setting out its vision, objectives and for the city centre.

ALTERNATIVE OPTIONS CONSIDERED

The option of not adopting the DPD was not recommended, because in doing so the Council:

- Would not have sufficient sites available to deliver the planned growth of the city set out in the adopted Core Strategy; and
- Reduce potential investment in Peterborough, including fewer new jobs and homes.

6. REVIEWING PETERBOROUGH LIBRARY SERVICES AND COMMUNITY CENTRES

Cabinet received a report which requested it to review and approve the results from the public consultation on the use of libraries and community centres and to consider how the responses informed the Council's spending plans for 2015-2016. The report further sought Cabinet's approval for the approach outlined to supporting community centres in the future in order to secure a sustainable network of effective and efficient centres through a new model for community centres.

Councillor Serluca introduced the item and advised that a fact finding consultation had been undertaken over an eight week period and over 5,000 responses had been received. The top three findings for libraries, each achieving over 50% were 'the books on the shelves'; 'the location' and 'the access to information'. People had also stated that they would use their libraries more if they could be used outside normal hours. These principles would be utilised in formulating new models for delivering the libraries, with recommendations due to be presented back to Cabinet on 19 January 2014.

It was further advised that community centres had not presented a strong message but the responses had shown the strong social value that many community centres had, with a wide range of activities. Findings included 'most people used their centres at least once a week'; 'the highest usage was for health and wellbeing, slimming and fitness'; 'the centres were used mostly by people who were over the age of 65'; and 'most people did not travel more than a mile to their community centres'. Cabinet was requested to review and agree the new module for centres and task the Communities Directorate with carrying out the recommendation. It was proposed to undertake a comprehensive survey of all the community centres in order to understand their current state and further maintenance needs. This information would be paired with ward profiles and current community needs. The timeline for community centres was set to run from November 2014 to March 2016. Thanks were extended to the lead officers for all the work undertaken.

Cabinet debated the report and key points raised, along with responses to questions provided by the Council's Culture and Leisure Partnership Manager, included:

- The mobile library was a valued asset, particularly in the rural areas and it was confirmed that this service had not formed part of the review;
- There were no planned changes for the mobile library service due to its importance for those individuals who could not access libraries in buildings and also those individuals who were housebound;
- A number of libraries were utilised by school children as well as by the general public and consultation had been undertaken with those schools having a library building attached to them. Their recommendations had been taken on board and all the schools had offered their support in relation to the library service going forward;
- There were 52 community centres in Peterborough, 33 of which were supported by the Council. All centres had been mapped against ward profiles and the need for the different wards, this provided a sound overview of the centres not supported by the Council and how they were providing services for the people of Peterborough;
- There had been a good understanding gained of occupancy levels and how people were using their community centres and what activities were held at the centres;

- The next piece of work would be to ascertain whether any of the community centres could support themselves by offering assistance through the Communities Team and helping them to build their skills and capacity in order to help them to become self-sufficient;
- A programme had been recently launched through the Literacy Trust to encourage young people to read, literacy being a key aspect of education. More community centres could offer the facility of informal book lending;
- Could schools or centres utilised frequently by numbers of people provide a static library facility instead of the mobile provision?
- Utilities and insurance payments appeared inconstant across community centres, this may be a historical issue dependent on past agreements signed when the community centres were set up;
- Some of the community centres could operate independently and an exercise to map occupancy in the centres should be undertaken;
- The data from the 20,000 library card holders had been obtained, including a breakdown of the different ethnic groups and how they used their cards, the internal library data would be utilised to inform the new models for future delivery real time as well as consultation data;
- More dual use was required and the most successful libraries were linked to schools; and
- There was a system up and running for an electronic library; audio books were downloadable and eBooks were also downloadable, further promotion around this service needed to be undertaken. The Chairman advised that this information should be included on the Council's website.

Cabinet considered the report and **RESOLVED:**

1. To review and approve the results from the public consultation on the use of libraries and community centres and to consider how the responses informed the Council's spending plans for 2015-16; and
2. To approve the proposed approach to supporting community centres in the future, to secure a sustainable network of effective and efficient centres through a new model for community centres.

REASONS FOR THE DECISION

To review and approve the results from the public consultation on the use of libraries and community centres and to consider how the responses inform the Council's spending plans for 2015 – 2016.

To approve the proposed approach to supporting community centres in the future, to secure a sustainable network of effective and efficient centres through a new model for community centres.

ALTERNATIVE OPTIONS CONSIDERED

A 'do nothing' approach had been considered but discounted on the grounds that the consultation undertaken suggested there was a strong case to bring greater coherence to the Council's approach in delivering library and community centre services in the future.

7. MEDIUM TERM FINANCIAL STRATEGY 2015/16 TO 2014/25

Cabinet received a report as part of the Council's Budget and Policy Framework that required it to initiate and propose budget proposals to set a balanced budget for the forthcoming financial year.

The purpose of the report was for Cabinet to approve the first phase of budget proposals for consultation to contribute towards closing the budget gap of £25m. Subject to Scrutiny feedback and comments from all residents, partner organisations, businesses and other interested parties, Cabinet would recommend budget proposals to Council in December 2014 to implement at the earliest opportunity; to approve and outline the approach for the remaining budget process; and to outline the financial challenge the council faces in the current financial year and in setting a balanced budget for 2015/16.

Councillor Seaton introduced the item and advised that the Council was committed to ensuring a bright future for the city and all its people and that would mean maintaining focus on education, jobs creation, economic prosperity and the quality of life for residents.

Further key points highlighted by Councillor Seaton included the substantial amount lost in grant funding equating to £44m; the government grant reductions of £12.3m in 2015/16, and the additional financial pressures faced as a result of an increasing demand for services and legal changes; the total of £25m of savings and efficiencies which needed to be found in order to balance the books, whilst also allowing the Council to continue to invest in the city for future generations; an overview of why the gap had increased by £3m from the report presented to Cabinet in September 2014; the close work being undertaken with officers and the cross party working budget group; the budget proposals being shared as early as possible and the proposals being released in two phases to achieve this; the first set of budget proposals looking to save £16.8m and the second set, to close the remaining £8m gap to be published in the new year; the budget conversation that was on the website and which had featured in local media; the conversation being kept open until 11 December and all feedback to be considered at Cabinet on December 15, with recommendations to Council on 17 December; the early responses received and the value put on services such as meals on wheels, flytipping, graffiti, work around ASB, domestic abuse, drink, drugs and mental health, street cleansing, parks and open spaces.

Cabinet debated the report and key points raised, along with responses to questions provided by Councillor Seaton included:

- The Cabinet had spent many days looking into the budget proposals and there had been a number of all party budget meetings held;
- A number of false facts had appeared in the press. It was misleading to say that the opposition groups had made suggestions that had subsequently been ignored;
- Suggestions that were not practical, or implementable, could not be considered;
- The public's views were taken seriously, as had been demonstrated by the library consultation, and the public were requested to take part in the consultation in order to inform the decisions made; and
- There had been a number of good suggestions from other groups however there was a level of prioritisation which needed to be implemented to ensure the protection of front line services.

Cabinet considered the report and **RESOLVED:**

1. To note the context for the amended budget process in light of the unprecedented financial challenge the Council faced in setting a balanced budget for 2015/16;
2. To take a two phased approach to consultation on formulation of the 2015/16 Budget, publishing the Phase 1 proposals immediately as the basis to seek feedback from Scrutiny and views from all residents, partner organisations, businesses and other interested parties; and

3. To convene on 15 December 2014 to consider feedback in order to seek the endorsement of the Council meeting of 17 December 2014 to the Cabinet's approach to consultation, savings proposals and plan to implement those proposals at the earliest opportunity.

REASONS FOR THE DECISION

The Council must set a lawful and balanced budget. The approach outlined within the report worked towards setting a lawful and balanced budget.

ALTERNATIVE OPTIONS CONSIDERED

Cabinet considered releasing all budget proposals in the New Year after the provisional finance settlement announcement as Cabinet had done so over previous financial years. The cross party Budget Working Group expressed a desire to release budget proposals earlier than in previous years. Cabinet considered the cross party Budget Working Group's view and recognised that as work was continuing to identify and propose further budget proposals, and given the unprecedented scale of the savings to find, Cabinet agreed to publish their budget proposals in two stages.

MONITORING ITEMS

8. OUTCOME OF PETITIONS

Cabinet received a report which updated Cabinet on the progress being made in response to petitions submitted to Full Council on 8 October 2014.

Cabinet considered the report and **RESOLVED:**

To note the action taken in respect of petitions presented to Full Council.

REASONS FOR THE DECISION

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

ALTERNATIVE OPTIONS CONSIDERED

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

Chairman
9.30am - 10.22am

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CABINET	AGENDA ITEM No.4
15 DECEMBER 2014	PUBLIC REPORT

Cabinet Member(s) responsible:	Leader of the Council and Cabinet Member for Growth, Strategic Planning, Housing, Economic Development and Business Engagement	
Contact Officer(s):	John Harrison Executive Director, Resources	Tel. 452520

INSTALLATION OF SOLAR PANELS ON ROOF TOPS

R E C O M M E N D A T I O N S	
FROM : Executive Director, Resources	Deadline date : 17th December 2014
<p>That Cabinet approves:</p> <ol style="list-style-type: none"> 1. That Council enters into a strategic partnership agreement with Empower Community Management LLP to enable a first project to deliver solar PV on private residential properties in Peterborough. 2. That the Council enters into a shareholder agreement to become an equal partner in a Community Interest Company with Empower Community Management LLP. 3. That the initial target area be the Green Deal Community Fund area set out in section 4.6 of the report. 4. An intention to roll out the solar PV project from the initial target area to the remainder of the city. 5. That, subject to: <ol style="list-style-type: none"> a) Council approving the amendment to the treasury management strategy below; and b) Finalisation of the issues set out at 9.1.7 below to the satisfaction of the Executive Director, Resources; the Council enters into a finance agreement with the Special Purpose Vehicle (SPV). 6. That Council enters into such further agreements with the Community Interest Company, the Special Purpose Vehicle (SPV) and any other body necessary to facilitate the terms of the strategic partnership agreement and solar PV project set out in this report. 7. That Cabinet delegates to the Executive Director, Resources and Director of Governance the ability to finalise any individual matters. <p>That Cabinet recommends to Council:</p> <ol style="list-style-type: none"> 8. Approval of an amendment to the existing treasury management strategy to enable a Special Partnership Vehicle (SPV) between Empower Community Management LLP and Empower Community Foundation to be added to the list of external bodies that the Council is able to undertake capital investment in. 	

1. ORIGIN OF REPORT

1.1 This report is submitted to Cabinet following a referral from CMT.

2. PURPOSE AND REASON FOR REPORT

2.1 The purpose of this report is to seek approval to enter into a strategic partnership with Empower Community Management LLP (EC), a social enterprise that will, as its primary purpose, deliver the installation of solar PV on residential properties in the city and deliver a community benefit scheme to Peterborough.

- 2.2 This would be the first scheme of its type in the UK and in particular, the first of its kind that involves a Council.
- 2.3 This report is for Cabinet to consider under its Terms of Reference No. 3.2.1 'to take collective responsibility for the delivery of all strategic Executive functions within the Council's Major Policy and Budget Framework and lead the Council's overall improvement programmes to deliver excellent services.

3. **TIMESCALE** (If this is not a Major Policy item, answer **NO** and delete second line of boxes).

Is this a Major Policy Item/Statutory Plan?	NO
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4. **SOLAR PV ON PRIVATE RESIDENTIAL PROPERTIES**

4.1 **CURRENT UK RESIDENTIAL SOLAR PV MARKET**

4.1.1 The Solar PV market across the UK is complex and the ability of residential owners to have solar PV on their properties has been limited and typically only available to:

- Those who are fortunate to have the necessary funds to enable installation. Their investment returns are the free energy generated and feed in tariff income from central government
- Those that are approached by companies who provide the PV installation free and the owner benefits from the free energy (known as 'rent a roof' schemes). Even with these benefits it is often difficult for those approached to understand whether it offers them a good deal.

Both of the above lead to a 'pepper pot' approach and by their very nature exclude the vast majority of owners. In addition, the companies that provide such schemes often only target homes that are east-west in alignment (and therefore have greater exposure to direct sunlight throughout the day) and return maximum benefit whilst ignoring homes which are orientated slightly differently yet still may return some legitimate benefit to the owner.

4.1.2 Solar PV is becoming more common as a feature in social housing – indeed Cross Key Homes are installing PV at their properties. This has also led to a position where residential owners feel "left out", without a solar PV installation model that is easily accessible and affordable to them.

4.2. **A NEW APPROACH FOR PRIVATE RESIDENTIAL PROPERTIES**

4.2.1 The report proposes an approach where solar PV would have the following characteristics:

- Delivery of an area wide programme, backed by the Council
- No cost to the owner for installation
- Free energy generated to the occupier
- A fee for installation paid to the owner
- Creation of a local community fund out of profits
- A fee to the Council out of profits generated
- Investment returns generated by the Council

4.2.2 The delivery via an area wide programme offers greater scope for installation on more houses as less profitable roofs can be subsidised by more profitable roofs. This benefits our community in a way other schemes would not.

4.3 **EMPOWER COMMUNITY MANAGEMENT LLP (EC)**

4.3.1 EC is a social enterprise. Social enterprises are businesses that trade in the market with a social purpose.

4.3.2 The purpose of EC is to provide local communities throughout the UK with efficient, scalable project development and delivery solutions for renewable energy and energy efficiency projects. It was first introduced to the Council as part of an option appraisal for the large scale ground mounted PV projects within the city boundaries.

4.3.2 Whilst it has delivered area wide PV solutions on housing association properties, the discussions on how a similar, community-benefit model could be used more widely led to the creation of a new product in the UK for its delivery in the private sector. The Council will take a key role in developing the model to ensure that it works in the best interests of the community. The Council would also be the first adopter of the model.

4.4 **HOW DOES THE SOLAR PV SCHEME WORK?**

4.4.1 Attached to the report as Annex 1 is a diagram detailing the proposed legal structure of the private residential solar PV scheme, which can be summarised as follows:

- The Council and EC would promote the scheme to the defined area agreed via a jointly owned Community Interest Company (CIC). A CIC is a limited liability company, designed for social enterprises that want to use their profits and assets for the public good. A CIC has the specific aim of providing a benefit to a community and must use its income, assets and profits for the community it is formed to serve.
- In addition to promoting the scheme the CIC will commission contractors to install the solar PV.
- The CIC would have two shareholders one of which will be the Council – with two representatives from each party. This will be one of the Council’s strategic and executive partnerships and the executive seats required by the shareholders agreement will be filled by the relevant Cabinet Members.
- All costs of the CIC would be reimbursed from the successful scheme returns generated by the Special Purpose Vehicle (SPV) referred to below.
- Residential owners would express an interest in solar PV being installed and if successful, would then sign a standard roof lease on typical market terms and conditions.
- The SPV would be created by EC to manage the delivery and installation of the solar PV installations on behalf of the CIC including letting contracts for installation, dealing with maintenance and collecting feed in tariffs. The SPV will take the form of a Limited Liability Partnership.
- The SPV would be funded in the short term by the Council at a commercial rate of interest until such time as the scheme receives long term funding with a private funder. This does not create any state aid issues for the Council as set out more fully in the ‘Legal Implications’ below.
- All profits from the scheme would be allocated on the following basis:
 - £100 paid to the owner every five years under the roof lease;
 - remaining profits split equally between the Council and Empower Community Foundation (the latter of which holds the money on trust for the purposes of a local community fund, as described below).

4.5 **LOCAL COMMUNITY FUND**

4.5.1 Empower Community Foundation (ECF) will hold the local community funds from the scheme. At the local level this in effects creates an earmarked community fund that would be distributed locally within the broad charitable objects of the ECF. The ECF has been set up by EC and is currently in the process of obtaining charitable status.

4.5.2 To enable the local distribution of monies to take place, a local investment committee is established to determine its use. The committee would be made up of Council representatives and other nominations of stakeholders from the local community. The exact composition is for local decision.

4.6 **PROPOSED DELIVERY IN PETERBOROUGH**

4.6.1 Cabinet will be aware that the Council was successful in receiving £3.9m from the Green Deal Community Fund (GDCF) that is currently being delivered in the following target area:

1. Bourges Boulevard
2. Clarence Road
3. Cromwell Road
4. Crown Street
5. Dogsthorpe Road
6. Eastfield Road
7. Gladstone Street
8. Harris Street
9. Lincoln Road
10. St Paul's Road

4.6.2 It is therefore appropriate to seek to deliver the first phase of the private residential PV scheme in this area as:

- The Council is already engaging with the community;
- There are options for economies of scale around delivery e.g. scaffolding; and
- The area is referred to as 'hard to treat' properties with residents in fuel poverty.

4.6.3 Assuming that the programme is a success then the Council would seek to roll this programme out across the city.

4.6.4 It should be noted that it may not be possible for all properties to have PV installed due to certain factors e.g. grid resilience, condition of roof or elevation.

4.6.5 The scheme has been devised in such a way that it can also be adopted by any Council in the UK.

4.7 SPECIFIC ANALYSIS OF THE BENEFITS OF THE SOLAR PV SCHEME

4.7.1 The benefits to the different stakeholders of the scheme are as follows:

Occupiers receive the free energy generated. The typical benefit is equivalent to circa £200 per annum (net) initially. The value of the benefit should effectively increase as energy prices go up over time.

Owners receive an annual income of circa £20 per annum, aggregated and paid out every 5 years

- The wider community receives the benefit of the Local Community Fund. Based on an assumed take up of 1500 properties the fund would total approximately £1,052,000 over the 20 years of the scheme.

4.8 COUNCIL INCOME AND INVESTMENT

The Council will also benefit from an income of approximately £1,052,000 generated over the lifetime of the solar PV scheme. Short term investment income of funding the SPV of approximately £83,000 will be received.

4.9 FUTURE DEVELOPMENT OF THE PV SCHEME

It is envisaged that the second phase of the strategic partnership agreement will consider further roll out of the solar PV scheme to commercial rooftops. This will be subject to a separate decision.

5. CONSULTATION

- 5.1 Once the scheme has received Cabinet approval, full details relating to its scope and delivery will be provided to the public. The success of the scheme will rely upon good levels of public engagement.
- 5.2 The way in which the scheme will be extended beyond the initial target area will be subject to consultation with elected members.

6. ANTICIPATED OUTCOMES

- 6.1 The proposals in the report:
- are in line with the Environmental capital policy of the Council;
 - allow owners to benefit from free solar PV installation
 - generate income for owners;
 - generate free energy for occupiers;
 - will contribute to the alleviation of fuel poverty;
 - delivery an area wide programme
 - will lead to the creation of a local community fund out of profits
 - generate a fee to the Council out of profits generated
 - generate investment returns by the Council

7. REASONS FOR RECOMMENDATIONS

To enable a strategic partnership to be entered into with Empower Community to enable the delivery of area wide Solar PV for private residential owners.

8. ALTERNATIVE OPTIONS CONSIDERED

- 8.1 Do nothing: the Council would lose the significant opportunities devised by the scheme.
- 8.2 Procure a solution on the open market: the Council would need to establish procurement and social enterprise vehicles at significant cost. These are the benefits of partnering with EC.

9. IMPLICATIONS

9.1 FINANCIAL

9.1.1 Financial overview

The SPV would be funded in the short term by the Council at a commercial rate of interest (in accordance with Market Economy Investor Principles) until such time as the schemes receive long term funding with a private funder. This short-term funding will be used as development finance for the installation of the solar PV equipment, as well as paying for the costs of the CIC's marketing and development services.

The Council will receive returns from two sources:

- Interest income on the investment
- Profit share from the SPV - The SPV's revenue will be built on receipts from FIT and export of excess energy to the distribution network. This will be used to cover the operational costs of the SPV and for residual profit distribution

All figures outlined in this section are based on a take-up of 1,500 properties.

9.1.2 Investment and total returns

The initial costs of investment for the project is estimated at £4.45m which will be drawn down as set out in table 1 below.

Table 1

Investment	£	£	£	£	£	£	Total
	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	
	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	
Capital Drawdown	£ 330,000	£ 450,000	£ 600,000	£ 720,000	£ 1,050,000	£ 1,300,000	£ 4,450,000

It is estimated that PWLB interest rates of 1.4% costing £45,000 will be incurred. The SPV will be charged interest on the loan at 6% (£128,000) delivering a net benefit to the Council of £83,000.

Further details of this investment are included in paras 9.1.4 to 9.1.6 below.

The estimated income for the Council over 20 years from the scheme is £1,052,000 with the Community Fund receiving an equal amount.

The total benefit to the Council is shown in table 2.

Table 2

Benefits	£
Interest Earned Net	£83,000
Distributed Income	£1,052,000
Total Benefit	£1,135,000

9.1.3 Income –5 year detail

Table 3 shows the 5 year cash flow of the scheme and table 4 shows the income that will accrue for the Community Fund.

The Council will receive net income of £286,800 (including interest on loans) while the Community Fund will receive £203,800.

Table 3 - Net Benefits to PCC

Five Year Cash Flow	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	
Year Commencing	01/06/2015	01/04/2016	01/04/2017	01/04/2018	01/04/2019	01/04/2020	Total
PCC	£	£	£	£	£	£	£
Interest Earned Net	£16,600	£66,400					£83,000
Income from SPV			£94,685	£30,580	£30,408	£48,127	£203,800
Net Benefit PCC	£16,600	£66,400	£94,685	£30,580	£30,408	£48,127	£286,800

Table 4 - Net Benefits to Community Fund

Five Year Cash Flow	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	
Year Commencing	01/06/2015	01/04/2016	01/04/2017	01/04/2018	01/04/2019	01/04/2020	Total
Community Fund	£	£	£	£	£	£	£
Income from SPV			£94,685	£30,580	£30,408	£48,127	£203,800

The costs of marketing and community engagement undertaken by the Council will be fully recovered from the CIC. These costs, as yet not known have not been included in the above tables.

9.1.4 Within the Council's accounts, it is expected that the bridging loan to the SPV will be treated as Capital Expenditure. Within the definition of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 (the "Regulations") section 25 states that expenditure of a local authority will be treated as capital expenditure if:

‘the giving of a loan, grant or other financial assistance to any person, whether for use by that person or by a third party, towards expenditure which would, if incurred by the authority, be capital expenditure’

- 9.1.5 The capital expenditure will be funded through the invest to save capital budget. As the Council will make a margin plus returns from the SPV on the loan, this use will meet the criteria for use of that budget.
- 9.1.6 At its meeting of 8th October 2014, Council approved an amendment to the Treasury Management Strategy providing the relevant accounting treatment to allow for the loan to Axiom housing. It will need to be recommended to Council that the SPV is added to the list of organisations that the Council undertake capital investment with in this manner.
- 9.1.7 Commercial discussions with Empower are currently on-going, and it will be recommended that delegated authority is approved for the Executive Director Resources to finalise the commercial discussions. These issues to be finalised will include:
- The financial control of arrangements with the SPV where the funds will be placed (the arrangements may be that loans are only made as and when payments are due. This would reduce risk, but would also impact the interest return made by the Council).
 - The security arrangements for the bridging investment. This will include finalising the Council’s step-in rights to take ownership of the assets and resultant income if the SPV should fail.
 - Confirming that the interest rate payable by the SPV is a commercial rate of interest (in accordance with Market Economy Investor Principles)
 - Confirming that the final loan arrangements meet the definition of capital expenditure outlined in para 9.1.4 above (if they are classed as a treasury investment, then there are different risk issues to consider).
 - Exit arrangements for when the loan is repaid, and whether the Council should have a cap on exposure.

9.2 LEGAL

9.2.1 This section considers:

- Powers of the Council to:
 - Participate in the CIC;
 - participate in the Peterborough Community Fund;
 - lend money to the SPV.
- Procurement
- State aid

9.2.2 POWERS OF THE COUNCIL

Participation in the CIC

Under the Localism Act 2011 the Council has a general power of competence, which allows it to enter into a shareholder agreement with EC to form the CIC and perform services on behalf of the CIC.

A CIC is a limited liability company, designed for social enterprises that want to use their income, profits and assets for the benefit of the community. All CICs must satisfy an on-going "community interest test". This test as well as several statutory restrictions must be followed to ensure that the purposes of the CIC, and the exercise of those purposes, act in the interest of the community. The agreement between EC and the Council creating the CIC and the CIC's constitutional documents will therefore adhere to these requirements.

The Council and Empower shall appoint an equal number of directors to the board of directors of the CIC. The directors will have equal voting rights. No board resolution will be passed without at least one director appointed by the Council and one director appointed by EC voting in favour of it. If a chairperson is appointed, she or he will not have a casting vote.

Under the Companies Act 2006, the directors appointed by the Council will have duties to the CIC, including (among others) to promote the success of the company for the benefit of the shareholders as a whole; exercise independent judgment and avoid conflicts of interest. As such, the Council's directors cannot be fettered in their discretion to fulfil these duties.

The Council is also familiar with the statutory Guidance issued to local authorities operating as part of a company and will adhere to that Guidance in its participation within the CIC.

Participation in a Local Community Fund

As described at 4.5, the Council will be involved in a local community fund (Empower Community Foundation). This entity will not have legal personality itself but will act as the committee that decides how to spend the profit that the SPV gives the Empower Community Foundation. Again, the Council has power to take this role under its general power of competence.

In order to ensure that the local community fund performs its role correctly and that it has appropriate control over how the money held by the ECF is spent, the Council will work with ECF to devise the agreements that will govern how the money is managed and decisions are made on how it is spent.

Lending to the SPV

The Council has the ability to lend to the SPV under the Local Government Act 2003 "power to invest" as well as under the general power of competence.

In making any such investment the Council is required to give regard to the Government's commentary to the Guidance on Local Government Investments, as well as the statutory guidance issued by the Secretary of State and specific guidance published by the Chartered Institute of Public Finance and Accountancy. Furthermore, any such investment must be consistent with the Council's Annual Investment Strategy.

9.2.3 Procurement

As the Council will be an equal partner in the CIC, this means that the CIC will not be considered a "contracting authority" for the purposes of the procurement regime. The CIC will therefore not be required to comply with the Regulations in its procurement processes or face other regulatory constraints applicable to wholly Council owned companies. However, this situation will continue to be monitored to ensure that as the commercial terms of the CIC are finalised, the Council remains compliant with the requirements of procurement law.

9.2.4 State aid

Unlawful state aid occurs where a benefit is granted from a public resource for free or on favourable terms which distort competition. The scheme structure follows market principles and as such there is no unlawful state aid implication. However, this situation will also continue to be monitored to ensure that no state aid issues arise as commercial terms are finalised.

9.2.5 Conclusion

For the reasons set out in this section, there are no adverse legal implications arising from the strategic partnership with Empower or the private residential solar PV scheme described in this report.

10. BACKGROUND DOCUMENTS

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

<http://empowercommunity.co.uk/>

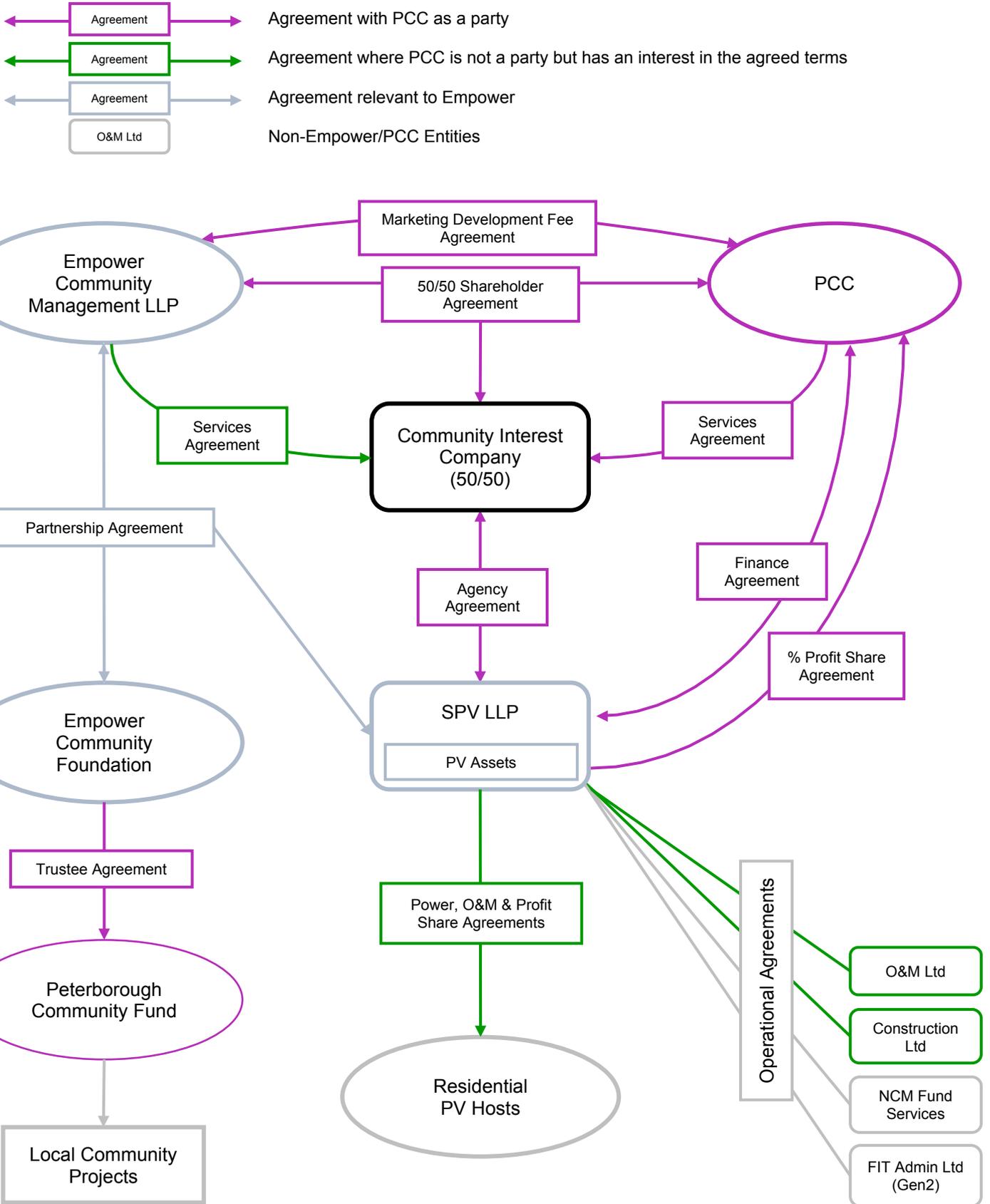
Office of the Deputy Prime Minister: General Power for Local Authorities to Trade in Function Related Activities Through a Company.

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ANNEX 1

PETERBOROUGH CITY COUNCIL – EMPOWER PARTNERSHIP

LEGAL STRUCTURE DIAGRAM – PRIVATE RESIDENTIAL



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CABINET	AGENDA ITEM No.5
15 DECEMBER 2014	

Cabinet Member(s) responsible:	Cllr Wayne Fitzgerald, Cabinet Member for Adult Social Care	
Contact Officer(s):	Wendi Ogle-Welbourn, Director of Communities	Tel. 01733 863749

TRANSFORMING DAY OPPORTUNITIES FOR ADULTS UNDER 65

RECOMMENDATIONS	
FROM : The Cabinet Member for Adult Social Care	Deadline date :
<p>It is recommended that Cabinet agree:</p> <ol style="list-style-type: none"> 1. To an open tender for the delivery of day opportunities for under 65s which are currently provided by the council; 2. To provide a service for people with complex needs at Kingfisher Day Centre and have a micro enterprise situated within it; 3. Provision of community based satellite centres to provide independent living skills, employment and social opportunities; 4. For the 2015/16 budget to be amended to reflect the savings arising from the redesigned services; 5. A further period of consultation on the new proposed model of delivery. 	

1. ORIGIN OF REPORT

- 1.1 In the Medium Term Financial Strategy (MTFS) signed off by Council in March 2013 it was agreed that greater emphasis should be placed on supporting adults to maintain their independence for as long as possible, including, where possible, enabling them to stay living in their own homes, and for them to play a bigger part in the community in which they live.
- 1.2 A review of current day opportunities for people with learning and physical disabilities provided by the council was commissioned to understand if they were meeting people's needs or could be offered differently and improved.
- 1.3 Cabinet received reports on this subject in December 2013 and then again in March 2014¹ where it was agreed that future options should be considered in consultation with stakeholders, with a recommendation being brought back to Cabinet for consideration and implementation. The agreed model of service and the delivery vehicle would subsequently be subject to consultation with stakeholders.
- 1.4 In March 2014, Cabinet concluded that the current day service model was not compatible with personalisation and did not support individuals to maximise

¹ *Cabinet Paper – Transforming Day Opportunities for Adults under 65 – December 2013 – <http://democracy.peterborough.gov.uk/ieListDocuments.aspx?CId=116&Mid=3126&Ver=4>*
Cabinet Paper – Transforming Day Opportunities for Adults under 65 – March 2014 – <http://democracy.peterborough.gov.uk/ieListDocumetns.aspx?CId=116&id=3131&Ver=4>

opportunities for independence. Cabinet requested a proposal that took the following factors into consideration:

- To reinvest in support that prevents people from needing long term support from Adult Social Care.
- To help people to maintain independence in the community through greater use of personal assistants and the employment of enablement and reablement strategies
- To re-focus investment in more reablement and transitional support to help people gain employment and skills for living.
- To redesign an existing in house day opportunity model that employs staff, carers and users in its ongoing design and delivery.
- To create up to four community satellite facilities, enabling service users to access services without the need for lengthy journeys. Locations where they can meet others and access the local community that contain assisted bathing/showering and changing facilities, provide areas to develop independent living skills and have communal areas to socialise.
- To provide a building based service for service users with profound and complex needs which would be community based and provided in a mixed environment alongside service users with less complex needs to maximise integration.
- To strengthen the employment offer and develop micro-enterprises businesses to support people into paid employment.
- To redesign the independent sector day opportunities by working with local providers in transforming the day opportunities offer across Peterborough.
- To support people with physical disabilities into more community based activities through greater use of personal assistants through direct payments.

2. PURPOSE AND REASON FOR REPORT

2.1 The purpose of this report is to seek agreement for the recommended changes to day services for adults under 65 provided by the council, as set out on page one of this report.

3. TIMESCALE

Is this a major policy item/statutory plan?	NO	If yes, date for relevant Cabinet meeting	
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4. BACKGROUND

4.1 In March 2014, Cabinet concluded that the day opportunities model currently offered by the council did not meet all the needs of local people and requested a proposal that invested in preventing people from needing long term support from adult social care. In addition, it should help people maintain their independence in the community and invest in helping people gain employment and skills for living.

4.2 The council currently runs five centres. Fletton Day Centre and Kingfisher Day Centre are traditional day centres that operate principally around leisure based activities. The other three centres that provide support around employment opportunities are 1-2 Westcombe Square, 441 Lincoln Road and 49 Lincoln Road. These centres support approximately 347 people and are open five days a week, typically between 9am and 4pm.

- 4.3 As this paper explains, the council is now looking to proceed with the development of a new way of delivering day opportunities for under 65s, which will support people to be as independent as possible in their own communities. In particular, it will look to support people to gain skills which will help them to gain employment, or skills which will support them to live independently. This new model should better support people to reach their full potential in life.
- 4.4 The model also aligns with national adult social care policy such as Our Health Our Care Our Say 2006, Putting People First 2007 the Valuing People 2009 and the new Care Act 2014. The main principle behind these policies and legislation is to put the individual at the center of their care and support plans, something many local authorities have already been doing.

5. PROPOSAL

5.1 The vision for day opportunities for adults under 65 is as follows:

- To transform day opportunities for adults by moving away from primarily a leisure based model to offer people greater independence, employment and ordinary living skills.
- To create employment related day opportunities for young people when they move into adult services.
- To target support using personal assistants where possible.

5.2 To deliver this vision it is recommended that we commission one provider to deliver these services. This will ensure seamless service delivery and economies of scale around back office functions such as management and administration.

5.3 The future proposal for each of the existing centres is as follows, including the creation of new community based satellite centres:

5.4 Kingfisher Day Centre, Bretton

We propose that the centre will continue to support people with complex needs. We would also propose that those adults with complex needs that currently use the Fletton Day Centre would move to the Kingfisher Day Centre. There will be a wider range of activities provided including the opportunity to develop employment related skills with the development of micro enterprises, such as the car wash scheme or catering company which offer people the chance to earn a living. This is to avoid a segregated service that only caters for people with complex needs.

There have been many benefits already achieved from operating micro enterprises. For example, there has been a reduction in the amount of intensive support received by some service users as issues related to their behaviour have reduced through meaningful employment activities and increased inclusion within their community.

Micro enterprises are small businesses which enable people with learning disabilities to achieve paid employment, vocational skills and work experience. There are 12 micro enterprises already operating under the current model in Peterborough.

5.5 Fletton Day Centre, Fletton

If Cabinet approves the proposals as they stand, people with complex needs would transfer from Fletton Day Centre to Kingfisher Day Centre from August 2015. It is

envisaged that the centre will continue to provide services for people with lesser needs until the new provider had developed its redesigned services. It will be up to the new provider to decide if they want to continue using Fletton as one of the satellite centres or acquire an improved site and location.

5.6 441 Lincoln Road, Westcombe Square and 49 Lincoln Road

These service will create employment related opportunities by:

- Developing new micro enterprises and building on existing enterprises such as Royce Rolls Catering, Westcombe Car Wash and Horticultural Activities. The aim is to establish businesses which will allow people to achieve paid employment, vocational skills and work experience.
- Working with organisations to support individuals to develop and run new and current micro enterprises by building on the successful launch of recent enterprises such as 49 Laundry Services and The Friendly Fruit Co.
- Offering voluntary placement with employers for work experience.

The goal is for people to be able to progress into unsupported employment.

The new provider may wish continue to provide these services from these locations or may decide to acquire improved sites with better facilities and access.

5.7 Investment in new community based satellite centres

The satellite centres will be fully equipped to provide assisted changing facilities including bathing/showering provision.

The main focus will be supporting people to move away from traditional leisure based activities towards services which promote greater independence. The types of opportunities that will be on offer include:

- Development of employment related skills and opportunities.
- Development of ordinary living and social skills.
- Friendship activities.
- Special interest activities such as sewing, arts and crafts.
- Health and wellbeing related learning sessions.
- Use as a platform to access local community opportunities and mainstream city wide activities.

This will be achieved by:

- Enabling people to access services locally without the need to undertake lengthy journeys from pick up points around the city.
- Using the centres as a base for people to meet others to improve social skills.
- Working closely with local area co-ordinators², personal assistants and volunteers to maximise local opportunities and access local resources so people can be more active within their communities.
- Linking individuals with communities including other people, activity groups, employment, volunteering and social events. Local area coordinators, personal assistants and volunteers will help people to build a circle of support to enable

² *Local Area Coordinators: A team of people that will be based in each community satellite locality with the aim to link people with disabilities with communities including individual people, activity groups, employment, volunteering and social events.*

them to be as independent as possible and access support from within their community.

- Enabling people to develop greater independence and ordinary living skills in a structured way. This will be delivered either through personal assistants or volunteers and where necessary through staff allocated to each satellite centre for focused activities around independent living skills.

5.8 What the new model offers and delivers

The new model will better support people to reach their full potential in life. It will look to support people to develop skills which will help them to gain employment, and/or skills which will support them to live independently. It will also support those people with complex needs with a more targeted approach to ensure that their needs are met.

People with less complex needs will be supported through a combination of employment related services, community satellite centres and where possible, with personal assistants.

Employment services will continue to offer employment related activities ranging from supported employment, voluntary work to paid employment. This will be offered to every person eligible to receive a service.

The ultimate aim of this investment will be to allow people to secure paid employment wherever possible.

5.9 How the new model was arrived at

The recommended new model of delivery has been developed with stakeholders. A design group made up of service users, family carers and staff was tasked with developing the new model following the Cabinet decision. Many issues raised by the design group were addressed and resolved, such as how to avoid a segregated service for people with complex needs and what innovative solutions could be considered to support people to gain employment.

Independent sector providers have also been fully involved in the design of the new delivery model. A provider conference was held in July 2014 inviting local, regional and national independent sector providers which helped shape the future model. This built upon extensive work already undertaken with stakeholders over the past 18 months.

There has been regular communication with people including responses to emails, Facebook postings and letters, as well as a progress newsletter for service users.

6. DELIVERY MODEL - OPTIONS CONSIDERED

- 6.1 **A)** One organisation that offers day opportunities and employment under one management structure. This would comprise of community satellite centres, a complex needs centre and employment and micro enterprises managed within one service.

6.2 **B)** More than one organisation to take responsibility and ownership for delivering services. This would comprise of community satellite centres, a complex needs centre and employment and micro enterprises delivered by different organisations.

6.3 **C)** Continue with the delivery of in-house provision.

7. RECOMMENDED DELIVERY MODEL

7.1 Based upon a benefits and risk evaluation scoring method³ the highest scoring was option A. This option would allow:

- better links between the different day opportunities and the employment offer
- a person centred approach that has no barriers across the services
- greater flexibility in resource and management of staff
- A more efficient model to manage and achieve economies of scale.

7.2 The delivery mechanism for this single organisational model would be to commission an external provider to develop and deliver current in house services through an open tender exercise.

7.3 **Note:**

One of the recommendations agreed by Cabinet in March was for the new model of delivery to involve service users, staff and carers in the governance and management of the organisation. This will be achieved by making this a contractual requirement within Option A. The successful organisation will be required to implement a structure that has stakeholder involvement at its heart. This will include agreeing where the satellite centres need to be sited.

8. ALTERNATIVE DELIVERY MODELS CONSIDERED

8.1 Other delivery vehicles and options were considered in providing an alternative to the current in house service, (excluding the option to do nothing) which is owned and staffed wholly by the council. All options have undergone a SWOT analysis and scoring methodology, which considers price and quality of service.

8.2 Once the scoring and analysis had been completed, a risk analysis for the top three options was completed. The options have then been ranked by their total weighted score. All options were ranked against the council's need to deliver a long-term, value for money service, which can best meet the needs of people and deliver the necessary outcomes of the recommended delivery model⁴.

8.3 The continuation of in-house services was not considered a viable option for a number of reasons. It could not achieve the level of savings desired and would be unable to take advantage of external grant funding opportunities afforded to the independent sector.

9. HUMAN RESOURCES

9.1 There are 62 (FTE) staff who will be affected by the proposals set out in this document. These staff will transfer to the new provider once it is appointed. Staff will be fully supported and consulted throughout the process in accordance with the council's policies and procedures.

³ Risk Scoring Service Delivery Model Appendix A

⁴ Summary of Options, Including Discounted Appendix B

- 9.2 The provisions of the Transfer of Undertakings (Protections of Employment) Regulations 2006 (TUPE) apply to a relevant business transfer where the transferor has a dedicated team of employees that carry out the service activity that is to be transferred. In practice, this will apply where any council service is outsourced or externalised. In such cases all employees essentially dedicated to the services within scope would transfer on existing terms and conditions and there would be no break in their continuity of service. A programme for informing staff and unions of the proposals is in place.

10. FINANCIAL IMPLICATIONS

- 10.1 The current cost of providing in house day opportunities and employment is £1,747,269. If agreed, the proposals would generate savings in the region of £292,453 in 2015/16. The new provider would be instructed to deliver this level of saving when redesigning the service. However, this saving will only be achieved following the contract award and mobilisation of the new service.
- 10.2 For any new provider who takes over the service, there will be a mobilisation period of up to six months when the new model and specification will be put in place in line with the terms and conditions the contract will set out. This means that any benefit expected to be realised from the model will not be fully delivered until the new model has been implemented post contract award, which could take up to six months.
- 10.3 Capital investment of up to £500,000 for community satellite locations or improvements to Kingfisher Day Centre and any other building the provider takes on will also be made available. The funding required has already been identified and allocated in the Adult Social Care Health & Wellbeing capital programme budget.
- 10.4 The council also commissions services from independent sector providers. The overall cost for these services is circa £1.2million. Through contract negotiations and better value for money in the independent sector there will be a further £307,547 saving achieved in 2015/16.
- 10.5 This brings the total savings across all day services to £600,000 per annum recurring.

11. PROCUREMENT

- 11.1 Discussions have taken place with procurement to ensure services can be successfully and legally transitioned to an alternative governance model. Further work will be undertaken on the proposals as they progress from the consultation exercise itself and these will be presented to Cabinet as part of a future report. An equality impact assessment has been completed⁵.

12. LEGAL

- 12.1 Legal advice has been sought to ensure that services in the alternative governance model can be legally transitioned.

Currently the council has a legal duty to provide section 29 National Assistance Act 1948 and section 2 of the Chronically Sick and Disabled Persons Act 1970 to provide facilities for occupational, social, cultural, educational and recreational activities but

5 Equality Impact Assessment Appendix C

these do not have to be provided in traditional day centres run by the Council. The alternative governance model would conform to the current duty.

- 12.2 The Care Act 2014 comes into force on 1 April 2015 and replaces the current legislation. The duty on the Council will be ensure that service users are met appropriately with a mixture of high quality services and the Council working with partners and outside providers to ensure that this happens.

13. CONSULTATION

13.1 Duty to consult

A principle of fairness applies to consultation on the new governance model proposals, both consultation required under section 138 of the Local Government and Public Involvement in Health Act 2009 and more generally, which operates as a set of rules of law. These rules are that:

- Consultation must be at a time when proposals are still at a formative stage;
- The proposer must give sufficient reasons for any proposal to permit of intelligent consideration and response;
- Adequate time must be given for consideration and response; and
- The product of consultation must be conscientiously taken into account in finalising any statutory proposals.

Added to which are two further principles that allow for variation in the form of consultation which are:

- The degree of specificity with which, in fairness, the public authority should conduct its consultation exercise may be influenced by the identity of those whom it is consulting; and
- The demands of fairness are likely to be somewhat higher when an authority contemplates depriving someone of an existing benefit or advantage than when the claimant is a bare applicant for a future benefit.

13.2 Consultation activity

There has already been a comprehensive and extensive period of consultation and stakeholders including service users, family carers and staff have worked closely with the council to develop the proposed model.

To shape the wider independent market place for day opportunities, we met with the eight independent day opportunities providers that offer services for people with learning disabilities and physical disabilities. We also hosted a major market development event in July 2014.

Independent sector providers understand the new approach and many are already making changes to their service offer by supporting people into employment related services and offering support to develop people's independence. This engagement is further intended to support local day service providers, particularly small and medium size businesses, to understand the requirements of the subsequent tender exercise and what they would need to do now to prepare for it.

13.3 Additional consultation period

Subject to approval of the recommendations within this report, a further four week period of formal consultation will be required prior to any final decision by Cabinet. Events with service users, parents and carers, staff, providers, ward councillors and other key stakeholders have provisionally been organised for January 2015 should the proposal by Cabinet be agreed.

At the end of this consultation, when all the responses have been fully considered and any amendments made, final proposals will be made to Cabinet for approval in March 2015.

14. DISCRIMINATION AND EQUALITY

- 14.1 The council must consider and comply with the Equality Act 2010. Therefore it has considered the possible impact of the proposals and has carried out an equality impact assessment which has provided an analysis of all the potential effects and possible impacts on the relevant community. The conclusions of this assessment have been considered against the proposals in the Cabinet report and the proposed delivery model moving forward. The council is therefore seeking to ensure it complies with the act. Equality issues will also be considered prior to a final decision being taken.

15. PROPERTY

- 15.1 There will be changes to the property portfolio arising from the change of provider. Engagement is ongoing with the Councils Strategic Property Department and other Adult Social Care transformation work streams which will continue through implementation phase with the new provider.

16. BACKGROUND DOCUMENTS

- 16.1 The following was used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985)

Cabinet paper -Transforming Day Opportunities for Adults under 65 - December 2013 -
<http://democracy.peterborough.gov.uk/ieListDocuments.aspx?CId=116&MId=3126&Ver=4>

Cabinet paper - Transforming Day Opportunities for Adults Under 65 - March 2014 -
<http://democracy.peterborough.gov.uk/ieListDocuments.aspx?CId=116&MId=3131&Ver=4>

Consultation January 2014 to March 2014 Survey Response -
www.peterborough.gov.uk/ascreponses

Have your say on transforming day opportunities for adults under 65 consultation page and YouTube presentation -
http://www.peterborough.gov.uk/community_information/consultation_and_engagement/current_consultations/transforming_day_opportunities.aspx

APPENDICES

Appendix	Title
A	Risk scoring – service delivery model
B	Risk scoring – service delivery vehicle and summary of options, including discounted
C	Equality impact assessment

APPENDIX A

Risk scoring – service delivery model

100.0%	Project	One organisation that offers day opportunities and employment under one structure	Different organisations delivering separate services under separate lots
5.0%	Funding source	0.1	0.4
12.5%	Sustainability	0.5	1
2.5%	Member support	0.05	0.05
2.5%	Complexity	0.1	0.2
7.5%	Reputational risk	0.15	0.6
12.5%	Timescale	0.5	0.5
7.5%	Targets	0.3	0.6
17.5%	HR	2.8	2.8
2.5%	Policy	0.2	0.2
7.5%	Stakeholders	0.6	0.6
5.0%	Track record	0.4	0.4
17.5%	Outcomes	0.7	2.8
	TOTAL RISK SCORE	6.4	10.15

Total Score	0.0 - 3.9/12	4.0 – 7.9/12	8+/12
Level of Risk	Low	Medium	High

APPENDIX B

Risk scoring – service delivery vehicle

100.0%	Project	Maintain in-house provision with increased investment	Commission external provider to develop and deliver in house service (competitive tender)	Outsource of In house to PCC Setup of CIC (Social Enterprise) (Single Source)
5.0%	Funding source	0.20	0.20	0.20
12.5%	Sustainability	1.50	0.75	1.25
2.5%	Member support	0.15	0.10	0.05
2.5%	Complexity	0.10	0.25	0.35
7.5%	Reputational risk	0.60	0.60	0.45
12.5%	Timescale	0.50	0.75	1.50
7.5%	Targets	0.60	0.60	0.60
17.5%	HR	2.10	2.80	2.80
2.5%	Policy	0.10	0.10	0.10
7.5%	Stakeholders	0.60	0.90	0.60
5.0%	Track record	0.40	0.20	0.60
17.5%	Outcomes	2.80	1.40	2.10
	TOTAL RISK SCORE	9.65	8.65	10.60

Total Score	0.0 - 3.9/12	4.0 – 7.9/12	8+/12
Level of Risk	Low	Medium	High

Summary of options, including discounted.

Rank	Option	Potential saving	Risk	Price (60% weighting)	Quality (40% weighting)	Weighted score (100%)
1 st	Outsource open market	£292k	8.65/12	60%	70%	64%
2 nd	Outsource community interest company	£200k	10.60/12	50%	60%	54%
3 rd	Maintain in house	£160k	9.65/12	40%	60%	48%
4 th	Retain some in house service	£160k	N/A	40%	50%	44%
5 th	LA LOCO	£160k	N/A	40%	50%	44%
6 th	Joint venture	£160k	N/A	40%	40%	40%
7 th	Do nothing	£0	N/A	20%	30%	24%
8 th	Decommission in house service	£0	N/A	10%	3%	18%

APPENDIX C

Equality Impact Assessment:

Initial Assessment

Name: Transforming Day Opportunities for Adults under 65 – Changing In House Deliver Model

1). What is the aim of your policy, project or strategy/purpose of activity?

To propose a service delivery model and service delivery vehicle for the provision of person centred day opportunities for adults under 65 years old. The model will have up to four community satellites located across Peterborough and one complex needs service. The proposed model includes one service that offers day opportunities and employment under one structure. The proposed vehicle is to commission an external provider or providers to develop and deliver current in-house services (competitive tender)

2). Will your policy/project/strategy have a disproportionate effect on members of the equality groups below? (See Appendix A for further information):

Equality Group	(✓)	Is the effect Positive, Negative, Neutral or Unclear? Please comment where applicable
Particular age groups		<p>18 to 65 Adults (People using the service) Positive impact as service will move to be enabling and more person centred, creating more individualised opportunities with clear outcomes.</p> <p>Adults aged 16 and over (Staff) Neutral: due to recent local policy to recruit to vacancy via Short Term Contracts and agency the risk of redundancy is limited</p>
Disabled people		<p>Adults with a learning disability, physical disability and mental health under the age of 65 are the largest single group accessing adult social care day opportunity services and as such any changes may have an impact on them.</p> <p>Positive: The proposed service delivery model will have positive effects as services will be more person centred, inclusive and personalised and employment focused.</p> <p>Negative: The proposed service delivery model may mean some people are provided support in different ways/settings. If this was to occur then great care will be taken to ensure people are consulted and informed of any proposed changes, and appropriate</p>

		transitional support will be provided to manage any change. Neutral/Indirect More effective use of people's personal budgets will ensure people have greater choice and control over the services they purchase and receive. The new service delivery model will promote social inclusion, integration and better and more focussed outcomes through the opportunities this will present.
Married couples or those entered into a civil partnership		At the current time, neither a positive or negative impact is presented.
Pregnant women or women on maternity leave		At the current time, neither a positive or negative impact is presented.
Particular ethnic groups, including Gypsy and Travellers and new arrivals		At the current time, neither a positive or negative impact is presented.
Those of a particular religion or who hold a particular belief		At the current time, neither a positive or negative impact is presented.
Male/Female		Staff Neutral: the majority of staff are women however as the risk of redundancy is minimal there is a neutral impact to staff as a result of gender At the current time, neither a positive or negative impact is presented.
Those proposing to undergo, currently undergoing or who have undergone gender reassignment		At the current time, neither a positive or negative impact is presented.
Sexual orientation		At the current time, neither a positive or negative impact is presented.

If there are any negative or unclear affects, you are required to do a full EqIA.
Need for a full EqIA? Please circle: **No**

Date Initial EqIA completed:	2 Oct 2014
Assessment completed by:	Julie Bennett and Mubarak Darbar
Policy Review Date:	
Signed by Head of Service:	Paul Grubic

CABINET	AGENDA ITEM No.6
15 December 2014	PUBLIC REPORT

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

PHASE ONE BUDGET PROPOSALS

R E C O M M E N D A T I O N S	
FROM : Cabinet Member for Resources	Deadline date : 5 December 2014
<p>It is recommended that Cabinet:</p> <ol style="list-style-type: none"> 1. Have regard to the consultation feedback received to date and statutory advice detailed in the report when determining the phase one budget proposals, noting that consultation remains open and an addendum will be provided prior to the Cabinet meeting and to the council meeting. 2. Recommend to Council on the 17 December 2014, having had regard to feedback, <ol style="list-style-type: none"> a) Approval of phase one budget proposals summarised in appendix 1 to enable implementation of these budget proposals to commence; 3. Note the timetable for the phase two consultation and formal approval of the 2015/16 to 2024/25 Medium Term Financial Strategy as detailed at section 6. Furthermore, budget proposals approved by Council on the 17 December will form part of the medium term financial strategy but will not form part of the second stage of consultation or Council debate on 4 March 2015. 	

1. ORIGIN OF REPORT

- 1.1 This report comes to Cabinet as part of the Council's agreed two stage budget process as outlined in a report considered by Cabinet on 24 November 2014.

2. PURPOSE AND REASON FOR REPORT

- 2.1 The purpose of this report is to enable Cabinet to consider the feedback from consultation undertaken to date with Scrutiny, residents, partner organisations, businesses and other interested parties to recommend to Council approval of phase one budget proposals.
- 2.3 This report is for Cabinet to consider under its Terms of Reference No. 3.2.1 which states to take collective responsibility for the delivery of all strategic Executive functions within the Council's Major Policy and Budget Framework and lead the Council's overall improvement programmes to deliver excellent services.

3. TIMESCALE

Is this a Major Policy Item/Statutory Plan?	Yes	If Yes, date for relevant Cabinet Meeting	15 December 2014
Date for relevant Council Meeting	17 December 2014	Date for submission to Government department	

4. FINANCIAL POSITION AND BUDGET PROPOSALS

4.1 The table below provides a budget summary of the current budget proposals for 2015/16 to 2019/20 as reported to the Cabinet meeting on 24 November 2014.

	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k	2019/20 £k
Budget Deficit b/fwd	17,603	22,236	23,593	26,107	28,610
New pressures	7,139	7,078	7,672	8,005	8,488
Budget Deficit - (Expenditure budgets exceed funding estimates)	24,742	29,314	31,265	34,112	37,098
Total savings – phase one proposals (appendix 1)	-16,788	-14,510	-15,100	-15,300	-15,717
Saving proposals still to find (second phase)	7,954	14,804	16,165	18,812	21,381

4.2 In order to ensure that a balanced budget is set for 2015/16, a second phase of budget proposals will follow after Christmas and Members and interested parties will again be able to provide feedback on these proposals (section 6).

5. FEEDBACK ON PHASE ONE BUDGET PROPOSALS

5.1 Cabinet's approach to seek feedback on council priorities and phase one budget proposals was outlined within the 24 November Cabinet report.

5.2 All the phase one proposals which went out to consultation, excluding Council Tax Support are included at appendix 1. Final decisions on the phase one proposals to be approved and recommended to Council on 17th December, taking into consideration the consultation feedback received will be taken at this Cabinet meeting.

5.3 The proposals for changes to the Council Tax support scheme were included in the current consultation to raise early awareness of the proposal prior to the legislative timetable detailed at section 6.2. These proposals do not form part of the budget proposals for discussion on 17 December 2014 and will form part of the decision making to be conducted on 28 January, as detailed at section 6.2.

5.4 The opportunity to provide feedback on council priorities within a Budget Conversation document has been in the public domain since 14 November, confirmed by Cabinet on 24 November and will run until 11 December. The budget conversation has to date received:

- a) 174 responses via an online survey. An initial analysis of council priorities by age group can be seen in appendix 2 and will be considered by Cabinet to develop phase two budget proposals. Cabinet continue to review comments made and specific ideas;
- b) Three emails and one letter. Of the responses received two specifically focussed on the closure of bowling facilities at Itter Park, City Park and Bushfields and the implementation of parking charges for Blue Badge holders in council owned car parks.

- 5.5 To date Cabinet leads have attended the following meetings and discussion forums to gather feedback. The presentations provided context to the council's financial position, phase one budget proposals and included specific issues that may impact on specific interest groups attending the meetings or discussion forum and provided an opportunity to ask questions.

Discussions held with:

- a) Staff
 - b) Trade unions
 - c) Business community – via an event with 140 attendees
 - d) Borderline Peterborough Local Commissioning Group
 - e) Peterborough Housing Partnership
 - f) Parish Councils
 - g) Disability Forum
 - h) Connect Group
- 5.6 Given the timing of the agenda despatch for this meeting and further meetings planned during the consultation period, it is not possible to include feedback from some of the consultation events in this report. The feedback listed below, if any from these discussions will be included as an addendum to this report and to Council on 17 December.
- i) Schools Forum
 - j) Voluntary Sector
 - k) Youth Council

- 5.7 Due to the timing of consultation events and the release of the Cabinet papers, it will be necessary to issue an addendum to this report to provide detailed analysis of feedback received to date and any further responses Cabinet may make having discussed and listened to all feedback and comments received. Cabinet is reviewing all comments and suggestions received and is intended to be responded to within an addendum.

- 5.8 The addendum will be publically available prior to Cabinet on 15 December 2014 and will include:

- the finalised phase one budget proposals to be recommended to Council on 17th December 2014 having given consideration to the feedback received, and
- Cabinet's response to the feedback received.

Scrutiny feedback on phase one budget proposals

- 5.9 The Joint meeting of the Scrutiny Committees and Commissions discussed the budget proposals and changes to the Council Tax Support Scheme at a meeting held on 3 December making comments and nine recommendations. Cabinet will provide a full response to the recommendations within the feedback addendum to be tabled at Cabinet on 15 December. In summary, the recommendations were as follows:

- a) *Children's Services – Recruitment of Social Workers* -The Committee *recommends* to Cabinet that they continue to focus on the recruitment of more permanent social workers and reducing the amount of agency social workers employed by the Council.
- b) *Governance – Parking Blue Badge Holders* The Committee *recommends* to Cabinet that the proposal to charge blue badge holders to park in council car parks be deferred to Phase 2 of the budget consultation.

- c) *Governance – Parking Blue Badge Holders* The Committee *recommends* to Cabinet that all stakeholders affected by the proposal to charge blue badge holders to park in council car parks be consulted further on the proposed charges to obtain their views.
- d) *Governance – Parking Blue Badge Holders* The Committee *recommends* to Cabinet that they look at increasing the number of free on street parking spaces for blue badge holders.
- e) *Growth and Regeneration – Climate Change* - The Committee *recommends* to Cabinet that they work with other organisations to ensure that the educational support regarding climate change which has currently been provided by the council to schools, businesses and communities continues to be provided.
- f) *Growth and Regeneration – Bus Route* - The Committee *recommends* to Cabinet that £150K be found from the savings in Phase 1 of the budget to reinvest in a further bus route in Peterborough.
- g) *Growth and Regeneration –Concessionary Bus Fares* - The Committee *recommends* to Cabinet to extend concessionary bus fares to include carers who look after people with disabilities.
- h) *Resources (including Strategic Commissioning and Partnerships) – Street Services* - The Committee *recommends* to Cabinet that they consider the changes to street services and look for additional frequencies in litter cleaning of the city and request that Cabinet do not go ahead with the proposed closure of the 11 tennis courts and 4 bowling greens and look for alternative savings.
- i) *Council Tax Support Scheme* - The Committee *recommends* to Cabinet that they fully consider the impact that the proposed Council Tax Support Scheme proposals on which they are consulting will have on low income residents in Peterborough before making a decision.

6. Phase Two Budget Proposals and Formal Budget Process

- 6.1 The Council will look to repeat this consultation approach with the phase two proposals released in January, in line with the following timetable and as part of the formal budget process.

Phase Two (second tranche) including the remaining budget documents for council tax, reserves and the medium term financial strategy		
Cabinet	Release of second tranche of budget proposals	19 January 2015
Scrutiny	Formal scrutiny of budget proposals	9 February 2015
Cabinet	To recommend the second tranche of budget proposals to Council having regard to feedback	23 February 2015
Council	Approval of budget and council tax	4 March 2015

- 6.2 Alongside the budget process, there is a legislative requirement to approve the council's council tax support scheme annually each year. The timeline is as follows:

Meeting	Content	Date
Cabinet	Recommend the scheme to Council for approval	19 January 2015
Council	Approve the Council Tax Support Scheme	28 January 2015

7 ANTICIPATED OUTCOMES

- 7.1 Taking into consideration the results of the consultation feedback received to date, Cabinet is required to approve and recommend to Council prior to the formal budget approval process the phase one budget proposals. The approval of phase one budget proposals will enable the Council to implement savings at the earliest opportunity either under Director Delegation, Cabinet Member Decision Notice or a further report to Cabinet.
- 7.2 These budget proposals will be included as an addendum to the Medium Term Financial Strategy 2015/16 to 2024/25, noted as approved by Council on 17 December 2014 but will not be debated again by Council on 4 March 2015.
- 7.3 The council must set a balanced budget for 2015/16 within the financial resources it will have next year and the feedback received will help inform Cabinet in considering budget proposals within the second tranche.
- 7.4 Early implementation of the phase one budget proposals will assist the balancing of the 2014/15 budget and reduce the need to apply reserves in 2014/15.

8 REASONS FOR RECOMMENDATIONS

- 8.1 Under statutory requirements the Council must set a lawful and balanced budget. The approach outlined in this report work towards fulfilling this requirement.

9 ALTERNATIVE OPTIONS CONSIDERED

- 9.1 Cabinet considered releasing all budget proposals in the New Year after the provisional finance settlement announcement as Cabinet had done so over previous financial years. The cross party Budget Working Group expressed a desire to release budget proposals earlier than in previous years. Cabinet considered the cross party Budget Working Group's view and recognise that as work is continuing to identify and propose further budget proposals, and given the unprecedented scale of the savings to find, Cabinet agreed to publish their budget proposals in two stages. This will enable the remaining phase one budget proposals to be approved by Council on 17 December to allow the implementation process to commence depending on whether the proposals require to be implemented under Director delegation, Cabinet Member Decision Notice or a further report to Cabinet.

10. IMPLICATIONS

10.1 Elected Members

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.

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

10.2 Legal Implications

In terms of the Council's executive arrangements, the adoption of the Council's Budget is a role shared between the Cabinet and the Council, whereby the Cabinet (Leader) is responsible for formulating the budget proposals and full Council is responsible for then approving (or not) those proposals and setting the budget and council tax requirement.

For the remainder of the year, the principal purpose of the Budget is to set the upper limits of what the executive (Leader, Cabinet or officer under delegated executive authority) may decide to spend the Council's resources on. The Council cannot through the Budget

overrule an executive decision as to how to spend the money, but the Budget will require the Cabinet to exercise their responsibilities for decision making so as not to make a decision where they are 'minded to determine the matter contrary to, or not wholly in accordance with the authority's budget'. This means that a decision that leads to excess expenditure, a virement from one budget heading to another over the amount allowed by Council in the Budget Book or expenditure of unexpected new money outside of the Budget is required to have approval of the Council before the Leader and Cabinet can make that decision.

When it comes to make its decision on 4th March 2015, the Council is under a legal duty to meet the full requirements of section 31A of the Local Government Finance Act 1992 which includes the obligation to produce a balanced budget.

A principle of fairness applies to consultation on the budget proposals, both consultation required under s65 of the Local Government Finance Act 1992 and more generally as proposed here, which operates as a set of rules of law. These rules are that:

1. consultation must be at a time when proposals are still at a formative stage;
2. the proposer must give sufficient reasons for any proposal to permit of intelligent consideration and response;
3. adequate time must be given for consideration and response; and
4. the product of consultation must be conscientiously taken into account in finalising any statutory proposals.

Added to which are two further principles that allow for variation in the form of consultation, which are

5. the degree of specificity with which, in fairness, the public authority should conduct its consultation exercise may be influenced by the identity of those whom it is consulting; and
6. the demands of fairness are likely to be somewhat higher when an authority contemplates depriving someone of an existing benefit or advantage than when the claimant is a bare applicant for a future benefit.

It should be noted that the consultation to be undertaken as a result of this report is on the Budget proposals, and consequently the Cabinet's general approach to the savings requirements, and not on the various decisions to take whatever actions that may be implicit in the proposals and later adoption of that budget, each of which may or may not require their own consultation process.

10.3 Human Resource Implications

In order to deliver the phase one changes outlined in this document the council is proposing to restructure a number of teams and departments which may result in a number of posts being affected. The table below explains the staffing implications including the outcome of the recent voluntary redundancy process and has been refreshed since the publication included in the November Cabinet report.

The council's approach to minimising any compulsory redundancies will be the same as in other years, including deleting vacant posts, redeployment of affected staff and seeking voluntary redundancies where we are able to do so.

This information relates to council staff only. The phase one proposals will also impact on the council's partners. Cabinet will outline the impact of the phase two proposals when they are published in January.

Staff implications	Total
Total number of affected posts	55
Less vacant posts to be deleted	-12
Posts be to found through redundancies	43
Less voluntary redundancy acceptances	-14
Less redeployment of staff at risk of redundancy	-1
Compulsory redundancy total	28

In addition to the figures in the table above, the council has accepted a further five voluntary redundancies for various reasons.

10.4 Equality Impact Assessments

All budget proposals published in this first phase have been considered with regards to equality issues and where appropriate equality impact assessments have been completed and available on the council's website.

11. BACKGROUND DOCUMENTS

n/a

Appendix 1 – Phase one budget proposals

Appendix 1: Phase One Budget Proposals

Further detail on these proposals can be seen in the published document: 'MTFS Phase 1 budget proposals'

Dept.	UID	Description	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k	2019/20 £k
Adult Social Care & Health and Wellbeing	Z002	Better Care Fund - protecting social care	-1207	0	0	0	0
	Z003	Continuing Health Care	-625	-625	-625	-625	-625
	Z004	Assistive Technology	-250	-500	-500	-500	-500
	Z005	Reablement	-350	-350	-350	-350	-350
	Z007	Joint Funding Protocol Review	-250	-250	-250	-250	-250
	Z008	High Costs Placement Review	-800	-800	-800	-800	-800
	Z009	Low Cost care Packages Review	-400	-400	-400	-400	-400
	Z011	Electronic Call Monitoring	-500	-500	-500	-500	-500
	Z012	Transformation of Adult Social Care	-363	-363	-363	-363	-363
	Z014	Interim Beds	-100	-100	-100	-100	-100
	Z018	Day opportunities for under 65's	-600	-600	-600	-600	-600
	Z023	Community-based Care	-400	-400	-400	-400	-400
	Z023b	Development of Extra Care Housing schemes	-100	-100	-100	-100	-100
	Z073	Adult social care demography changes	-1072	-1514	-2033	-2561	-3019
Children's Services	Z016	Meeting the needs of challenging behaviour in schools	-150	-150	-150	-150	-150
Communities	Z015	Redesign of direct intervention, supervised contact and family group meeting services	-50	-50	-50	-50	-50
	Z017	Foster Care agency	-375	-750	-750	-750	-750
	Z020	Increase income generates by early years support team	-100	-100	-100	-100	-100
	Z021	Improving Public Health Awareness	-50	-50	-50	-50	-50
	Z022	Adolescent Intervention service	-323	-323	-323	-323	-323
Corporate	Z013	Pre-paid payment cards	-50	-50	-50	-50	-50
	Z027	Business Support	-1000	-1000	-1000	-1000	-1000
	Z079	Inflation	-1107	-1107	-1107	-1107	-1107

Dept.	UID	Description	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k	2019/20 £k
Governance	Z028	Restructuring within regulatory services	-200	-200	-200	-200	-200
	Z029	Communications	-200	-200	-200	-200	-200
	Z030	Coroner's Office	-150	-150	-150	-150	-150
	Z031	Elections	-100	150	-100	-100	-100
	Z078	Parking Revenue	-112	-112	-112	-112	-112
Growth and Regeneration	Z033	Increase in traded or shares planning services and reduction in staffing	-175	-175	-175	-175	-175
	Z034	Planning Service - reduction in legal and consultant budget	-40	-40	-40	-40	-40
	Z035	Reduction in Local Plan budget	-63	-63	-63	-63	-63
	Z036	Reduction in Tree Management	-127	-127	-127	-127	-127
	Z037	Concessionary Fares	-450	-250	-250	-250	-250
	Z039	Street Light Maintenance	-55	-55	-30	0	0
	Z040	Peterborough Highway Services staffing reduction	-130	-130	-130	-130	-130
	Z041	Climate Change staffing reduction	-28	-28	-28	-28	-28
	Z042	Climate Change Removal of Powerdown budget	-12	-12	-12	-12	-12
	Z075	Highways Contract inflation	-144	-144	-144	-144	-144
Resources	Z045	External Audit - reduced fees	-30	-40	-40	-40	-40
	Z046	Reorganisation of finance team	-100	-100	-100	-100	-100
	Z047	Insurance and risk management	-100	-100	-100	-100	-100
	Z048	Strategic Client team review	-100	-100	-100	-100	-100
	Z051	Property review	-100	-100	-100	-100	-100
	Z053	Serco Strategic Partnership	-266	266	0	0	0
	Z056	Waste Management - Energy from waste plant	-750	-100	-100	-100	-100
	Z058	Street Scene Services	-165	-165	-165	-165	-165
	Z059	Parks, Trees and Open Spaces	-278	-278	-278	-278	-278
	Z060	Waste Management - removal of bring bank sites	-45	-45	-45	-45	-45
	Z061	Waste Management - reduce treatment costs	-55	-55	-55	-55	-55
	Z062	Repairs and Maintenance	-130	-130	-130	-130	-130

Dept.	UID	Description	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k	2019/20 £k
Resources	Z067	Schools Capital programme	-411	-324	-324	-324	-324
	Z068	Growth Capital programme	-720	-1345	-1165	-865	-823
	Z069	Resources Capital programme	-430	-276	-36	-38	-39
	Z070	Capital project financing	-900	0	0	0	0
		TOTAL	-16,788	-14,510	-15,100	-15,300	-15,717

CABINET	AGENDA ITEM No.7
15 DECEMBER 2014	PUBLIC REPORT

Cabinet Member(s) responsible:	Cllr Sheila Scott	
Contact Officer(s):	Sue Westcott – Executive Director of Children’s Services	Tel. 01733 863606

CHILDREN’S SERVICES DIRECTOR’S UPDATE

R E C O M M E N D A T I O N S	
FROM : Sue Westcott, Executive Director of Children’s Services	Deadline date : N/A
<p>1. To note the contents of this report:</p> <p>Key points (as of October 2014):</p> <ul style="list-style-type: none"> • Continued increase in early intervention assessments (CAFs) • Conversion rate from contact to referral 20% lower than same time two years ago • Majority of referrals had a single assessment completed and in timescale • Re-referral rate staying low • Continuing high number of Child Protection enquiries • High number of children subject to a Child Protection Plan • Continued increase in Looked After Children (383) 	

1. ORIGIN OF REPORT

1.1 Quarterly updated Director’s report to Cabinet.

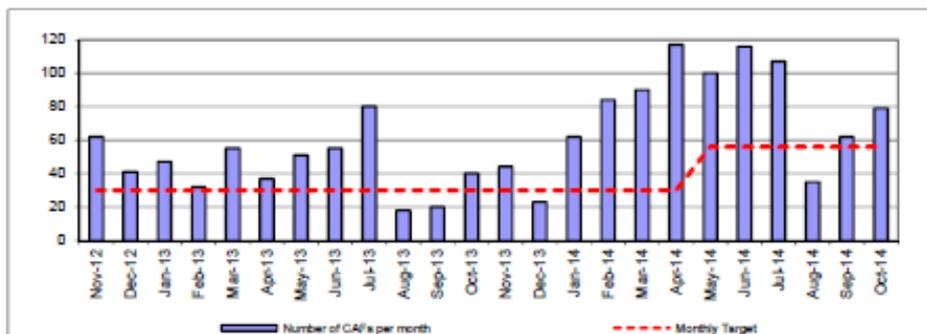
2. PURPOSE AND REASON FOR REPORT

2.1 To report to Cabinet on Children’s Services improvement.

3. SOCIAL CARE PERFORMANCE

3.1 Early Intervention Assessments (CAFs)

79 early intervention assessments were opened in October which is higher than the previous month and notably higher than the same time last year (40 in October 2013). The rate per 10,000 at 204.2 is 38.1% higher than the target.



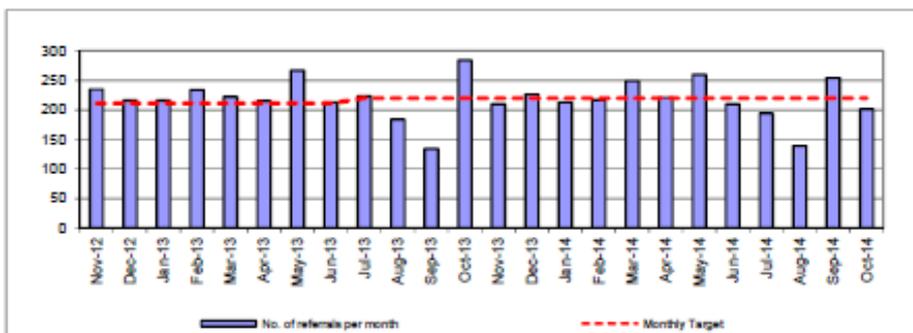
3.2 Number of Contacts

October data shows 870 contacts coming in to the service of which 201 went on to referral. This is a conversion rate of 23.1% which is lower than the same time last year (31.6% in October 2013).



3.3 Number of Referrals

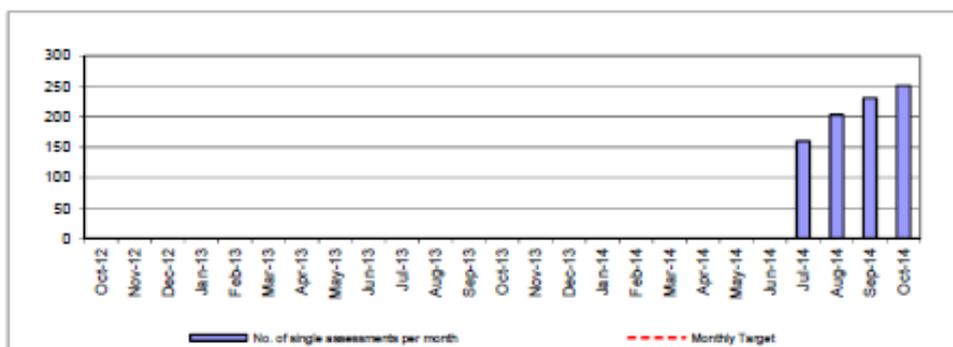
There were 201 referrals in October which is lower than the previous month (254 in September). The rolling 12 month rate per 10,000 has increased to 576.4 which is just 4.2% below target.



The re-referral rate remains lower than statistical neighbours indicating referrals being worked thoroughly.

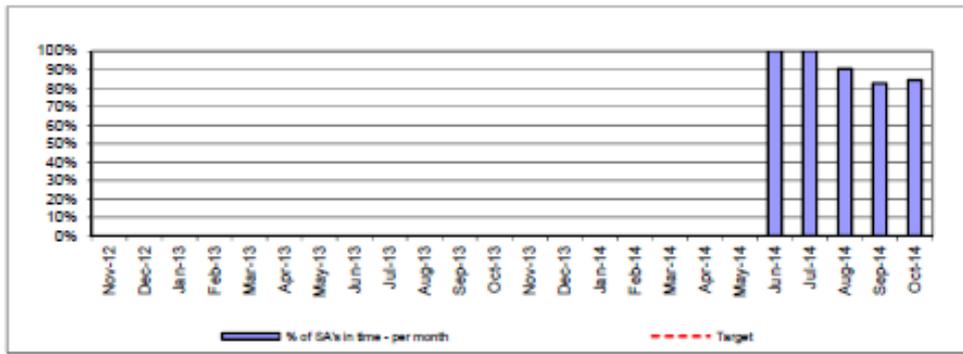
3.4. Number of Single Assessments

There were 251 single assessments completed during October. There is no comparable data to measure this by although 231 were completed in September.



3.5 Single Assessments Timescales

88.8% of single assessments completed up to the end of October have been in timescale. Staff sickness, jury leave, compassionate leave and maternity leave (10.5 posts) has impacted upon this including new staff commencing.



Exception reporting:

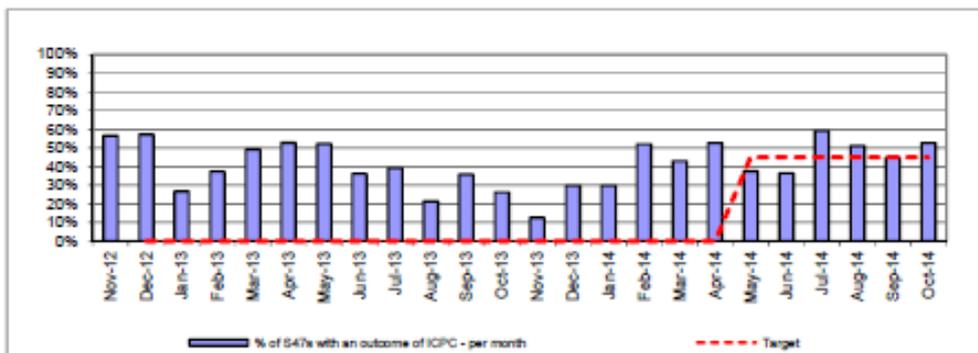
There were 39 single assessments not completed within 35 days which relate to 26 families. From a dip sample of 18 cases, 1 case was delayed due to unavailability of the child / family. In all other cases sampled a number of social work visits had been completed and information gathered from partner agencies within the 35 day assessment timescale. However the actual assessment had not been written up until after this timescale. In the majority of these cases plans and support were actioned prior to the written completion of the assessments. 7 cases were already open Child in Need cases, Looked After, or subject to Child Protection plans, and within the 35 day assessment period, ongoing work took place under those processes.

3.6 Section 47 Enquiries

The number of child protection enquiries completed during October, was 76 and 40 of them (52.6%) had the outcome of an initial child protection conference selected on the form. The year to date figure is 46.3% which is higher than at the same time last year (26.5% in October 2013).

Although this is higher than the English average at 47.3%, it is comparable to our statistical neighbours at 52.3%.

We are working with the police to reduce the amount of joint agency enquiries. The police accept that more enquiries could be undertaken as a single agency and then escalated if necessary.

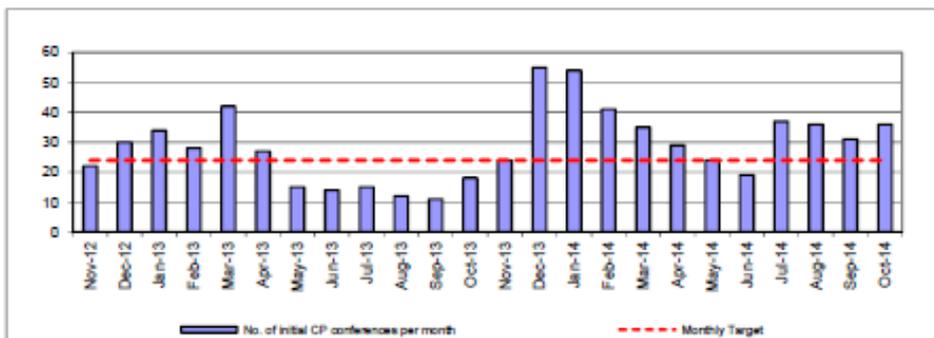


3.7 Child Protection Conferences

Only just over half of child protection enquiries resulted in in a child protection conference in October. The number of children becoming subject to a child protection plan is 37 for October, an increase of 7 from the previous month, but 4 below the number in August 2014.

The rolling 12 month rate per 10,000 at 80.7 is 51.1% above the target and much higher than the English average of 46.2% and our statistical neighbour average of 54.3% per 10,000 of the population.

The reasons for this are many: the increasing complexity of cases, changes of worker, multi-agency confidence in child protection meetings and lack of confidence in Children in Need procedures, diversity issues and the high number of cases of unborn babies at risk, domestic violence and substance abuse.



3.8 Number of Children subject to a Child Protection Plan

The number of children presented to Conference over this reporting period continues to be high. The main category children have been registered by is neglect. There has been a recent workshop to look at Child Protection thresholds and further work is planned to reduce the numbers by continuing to strengthen the Child In Need process.

3.9 Child Protection Conference Timescales

All children subject to a Child Protection plan have been reviewed within timescales. The data is showing that there have been late reviews as a result of the Conference process within Liquidlogic not being able to be finalised due to Child Protection minutes not being uploaded. This has been caused by a backlog, which, as at 3 December, has been cleared. The data should reflect this moving forward.

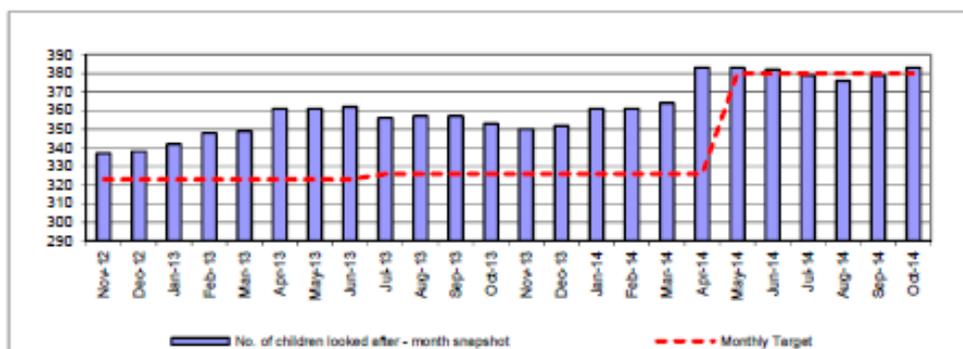
3.10 Child Protection Visits in Timescale

93.1% of children with a child protection plan received a statutory visit within timescale. This is an improvement from the previous month.

3.11 Number of Looked After Children

At the end of October, 383 children were looked after: a net increase of 4 compared to the previous month (379 in September).

The number of looked after children remains relatively high in relation to the previous two years and is currently equivalent to a rate of 85.1 per 10,000, compared to 79.0 for our statistical neighbours and 60.0 for the English average.



3.12 Number of Children ceasing to be Looked After

The number of Looked After Children has gone up because fewer children are being discharged from care because of their age. 7 children ceased to be Looked After during October. This is below the target level. The rolling 12 month rate per 10,000 at 31.6 remains lower than the target of 38.0. To meet the target, an average of 14 children would need to cease to be Looked After per month.

3.13 Looked After Children Reviews

There have been no out of date Looked After Children reviews.

3.14 Update on First Response/MASH

The First Response Screening team came into effect on 27th October 2014. This team consists of 1 team manager, 2 social workers and 1 support worker, with plans for a further support worker to join the team in December. The team is complimented by the 4 Child Sexual Exploitation workers.

Further discussion has taken place with regard to how the CAF coordinators supplement the work of this team in order to assist in triaging referrals and actively facilitate the setting up of CAFs when cases do not meet the threshold for Children's Services, but early coordinated help is warranted. From 1st December 2014, a CAF coordinator will be situated with the screening team for half a day every day.

The Missing from Home worker from the NEET team, has been based in the screening team for three mornings a week from 24th November 2014.

The job description of the joint funded health post has been agreed and is currently in job evaluation, following which, it can be advertised.

Links are established with the police Missing and CSE teams, but attempts to situate the team in the same room as the screening team have not been successful due to difficulties for the police in accessing their data base. It is planned for this technical issue to be resolved and for the Missing and CSE police officers to be based in the team before the end of December.

It was anticipated that a part time post from Women's Aid would be based in the team from November, however this has not happened. A decision with regard to the funding bid for a worker to be based in the screening team is to be made in December.

The MASH Project Board continues to meet and further work is needed to take forward plans to further develop links with adult services, housing, drug and alcohol services, and integrated offender management services. A meeting is arranged for the Head of Service and Team Manager to meet probation on 17th December 2014, to discuss furthering links with probation.

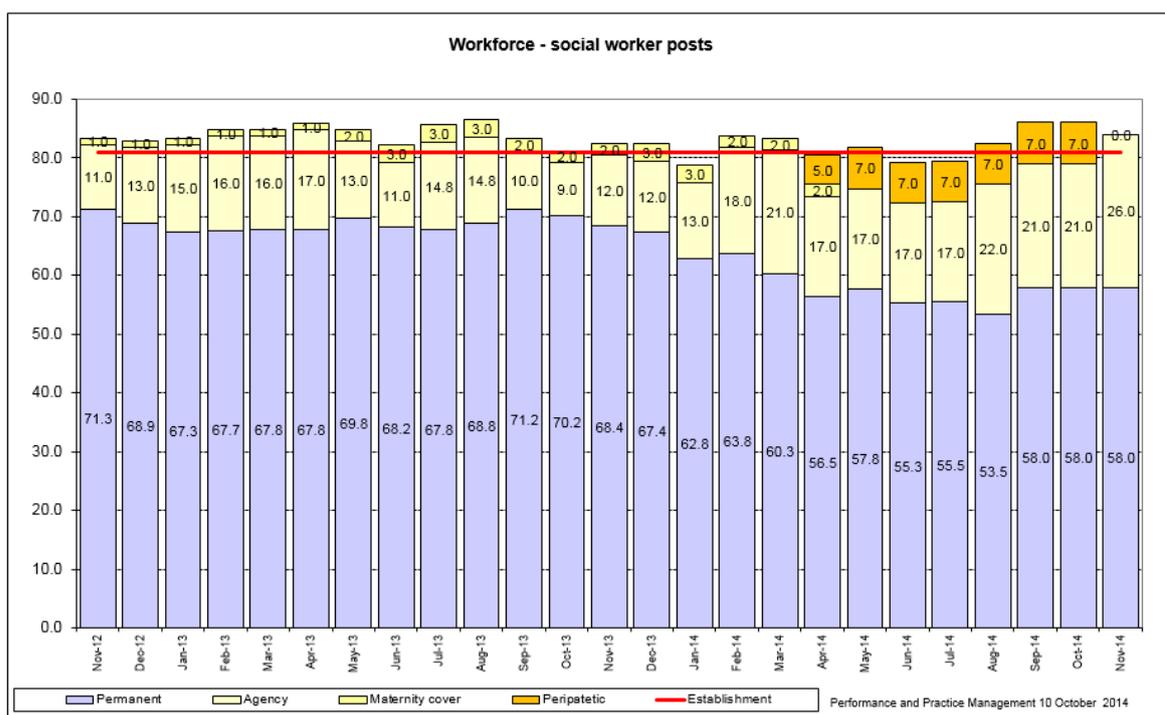
3.15 Workforce

The advertisement for our new Assistant Director has been successful, bringing forth three candidates, all of whom have been interviewed. The existing interim Assistant Director withdrew from the application process for personal reasons. One candidate will be placed before the Employment Committee on 4 December.

3 permanent Team Managers have been recruited to fill all of the vacancies within First Response. Necessary safer recruitment checks are in the process of being finalised with a view to starting posts in early 2015. This also means that the 3 interim Team Managers currently occupying posts will be given notice to leave; this will reduce agency costs as a result.

1 Social Worker has been appointed to a permanent post within Looked after Children. The candidate has accepted the role and safer recruitment checks will now be carried out. As a result of this appointment 1 agency Social Worker will be released from post.

The final NQSW has started in post within the Leaving Care Service. This also means that the agency Social Worker covering this post has left the service.



3.16 Raising Quality of Practice

During November and December 2014, an exercise is underway to ensure that all Court reports are robust and are submitted in a timely fashion so that Courts can make timely and informed decisions about children’s futures. The objectives of this exercise is to:

- To improve quality of Court reports and statements, including viability and regulation 24 reports
- To improve timeliness of Court reporting
- To improve preparation for and attendance at Advocates meetings and Court Hearings

Regular meetings are taking place between the Assistant Director and the Senior Lawyer to review the progress of this exercise.

Children in Need

From our 1,063 Children in Need profile, 410 are children from a different ethnicity, the highest proportion being White Other at 157. Our work with Eastern European families is becoming very time consuming with interpreters, different cultural norms and with a high prevalence of domestic violence.

An exercise is underway to improve the way in which Child in Need cases are brought to closure. All Child in Need cases which are over 9 months old from the point of referral and which have not recently de-escalated from Child Protection or have any other statutory requirement upon them, for example, Supervision Orders, are under review. The Principal Social Worker is supporting social workers to use the Risk and Safety tool to determine how safe it is to close or de-escalate cases and to assert at Child in Need reviews, case closure or step down recommendations.

It is currently estimated that in excess of 80 cases will close, due to this review, by the end of December 2014.

Additionally a Peterborough Safeguarding Children Board multi-agency task and finish group is currently reviewing the Children in Need process and how we can strengthen partnership working.

4. EARLY INTERVENTION & PREVENTION

Early Intervention Assessments (CAFs)

- The number of professionals engaging in the CAF agenda continues to increase with almost 400 practitioners now trained in eCAF with a further 40 booked onto courses up to the end of December.
- The autumn Term CAF forum held at the Fleet Community Centre was well attended and included presentations on Domestic Abuse from the Police, Adult Drug support from Aspire, the Restorative Justice Programme from YOS as well as an update on the SEND reforms.

Early Years

To support the development of Early Literacy the Early Years Team arranged an Early Literacy Event. Approximately 11 pre-schools and nurseries, 115 children and 70 parents attended the Early Years Literacy Event in Central Park on Wednesday 15th October 2014. This event was based on research which has demonstrated the impact of working with families when children are very young to support effective early literacy development.

Early Support for children who are disabled or have complex additional needs

A clear pathway for early support has been developed which aims to improve the delivery of services for children who are disabled or who have complex additional needs.

It promotes:

- Partnerships with parents, who are at the heart of decision making about their child
- Services working together
- Flexible key working which provides a single point of contact for families and professionals
- The provision of accurate up to date information in a format that is relevant to the family

Emotional Health and Wellbeing

As part of a comprehensive training programme we have commissioned a range of training aimed at up-skilling professionals which has included staff in schools. The programme has been designed to assist professionals develop the skills, knowledge and understanding to be better able to support children, families and young people, where substance misuse and linked emotional wellbeing may be an identified difficulty. The training commenced in September and has received very good feedback from professionals.

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