

CABINET

MONDAY 15 JUNE 2015
10.00 AM

Bourges/Viersen Room - Town Hall

Contact – gemma.george@peterborough.gov.uk, 01733 452268

AGENDA

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*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 7 APRIL 2015

PRESENT:

Cabinet Members: Councillor Holdich (In the Chair), Councillor Elsey, Councillor Fitzgerald, Councillor Hiller, Councillor North, Councillor Seaton and Councillor Serluca.

Cabinet Advisers: Councillor Casey.

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Cereste, Councillor Scott and Councillor Lamb.

2. DECLARATIONS OF INTEREST

There were no declarations of interest.

3. MINUTES OF THE CABINET MEETING HELD ON 20 MARCH 2015

The minutes of the meeting held on 20 March 2015 were agreed as a true and accurate record.

STRATEGIC DECISIONS

4. PETERBOROUGH COMMUNITY INFRASTRUCTURE LEVY (CIL) – DRAFT CHARGING SCHEDULE

Cabinet received a report which followed the Examination in Public of the Peterborough Community Infrastructure Levy (CIL) Draft Charging Schedule (PDCS). The report explained the outcome of the Examiner's report on the Schedule, the proposed modifications to the final charging schedule and associated policies and proposed a formal adoption date of 24 April 2015.

Councillor Hiller introduced the report highlighting the main issues contained within. He further highlighted the positive strides made across the city relating to housing, schooling, jobs provision and healthcare, to name a few, and summarised how the CIL would work, the rate structure, the current scheme it would replace this being the Planning Obligation and Implementation Scheme and confirmed that Section 106 contributions would continue alongside the new scheme. Cabinet was asked to recommend the Schedule to Council and to approve the associated Developer Contributions Supplementary Planning Document.

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

- There were only a few other Local Authorities who had adopted a CIL, however the rates proposed were in line with those authorities who did have a CIL;
- The Schedule included a zero rate charge for new businesses;
- It was accepted that potentially the CIL would not cover all new required infrastructure and there would be an element of shortfall. In this instance prioritisation of projects would need to be undertaken;

- The Draft Regulation 123 List, as presented to Cabinet, defined which projects and/or types/sections of infrastructure that the Council may fund in whole or part through CIL revenue. Members could put projects forward to officers for consideration and the governance arrangements for the list were currently being worked upon;
- A neighbourhood proportion of the CIL would be passed onto local communities where development had taken place. Where development took place in a Parish Council area the neighbourhood proportion would be passed to that Parish Council and unparished areas would not hold CIL funds;
- Guidance as to how the Scheme would work had been widely disseminated and there was a clear 'commonly asked questions' guide available;
- The POIS Scheme was due to become unlawful in April and therefore a replacement scheme was required; and
- It would be for the Council to decide how the central pot of money was to be utilised.

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

1. Recommend to Council that:

- A. The Examiner's Report into the Draft CIL Charging Schedule was considered and the recommendations and conclusions that underpin them were accepted;
- B. The Peterborough Community Infrastructure levy (CIL) Charging Schedule was adopted, with CIL to come into effect for all planning applications approved on or after 24 April 2015;
- C. The Council's CIL Supporting Policies Document (including Regulation 123 List, Instalment Policy, Payment in Kind Policy and Statement of Exceptional Circumstances Relief) be adopted and published;
- D. Delegated authority be given to the Director of Growth and Regeneration (a) to take all steps necessary to implement the Community Infrastructure Levy Regulations 2010 (as amended), and (b) to take all necessary enforcement action under the Community Infrastructure Levy Regulations 2010 (as amended);
- E. Local Validation Requirements be amended to require the submission of CIL liability details from 24 April 2015;
- F. 5% of CIL be retained for the administration and governance costs incurred by the Council, in accordance with the CIL Regulations; and,
- G. The Community Infrastructure Levy be added to the Council's Major Policy Framework and to approve the consequential Constitutional amendments resulting.

2. Approve the Developer Contributions Supplementary Planning Document (SPD) for adoption, with the SPD coming into effect on 24 April 2015; and

3. Revoke the Planning Obligations Implementation Scheme (POIS) SPD, effective from 24 April 2015.

REASONS FOR THE DECISION

Government had introduced changes to the way developer contributions could be collected and spent. Charging Authorities had the option of adopting a CIL. From April 2015, the use of the existing methodology for collecting and pooling developer contributions (POIS) would become unlawful and so unless a CIL was adopted, the collection and use of developer contributions would be severely limited from that date.

ALTERNATIVE OPTIONS CONSIDERED

The option to not adopt a CIL had been considered and rejected. There were limited genuine alternatives to adopting the CIL Charging Schedule. Although CIL was not a statutory requirement, authorities without a charging schedule from April 2015 would generally not be able to take into account, as a reason for approval, pooled contributions towards strategic infrastructure. There was no option to amend the Charging Schedule without doing further research and going through the consultation and adoption process again.

Chairman
10.00pm – 10.23am

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CABINET	AGENDA ITEM No. 5
15 JUNE 2015	PUBLIC REPORT

Cabinet Member(s) responsible:	Councillor John Holdich, Leader of the Council and Cabinet Member for Education, Skills and University	
Contact Officer(s):	Adrian Chapman, Service Director, Adult Services and Communities	Tel. 863887

CUSTOMER STRATEGY

RECOMMENDATIONS	
FROM : Service Director, Adult Services and Communities	Deadline date : N/A
That the Cabinet approves the proposed Customer Strategy (attached as Appendix A).	

1. ORIGIN OF REPORT

1.1 This report is submitted to Cabinet following the development of the Strategy as a result of the Customer Experience Programme being agreed within the Medium Term Financial Strategy.

2. PURPOSE AND REASON FOR REPORT

2.1 The purpose of the Peterborough City Council Customer Strategy is to ensure all Council services are developed and delivered with the customer at the centre. Cabinet is asked to approve the Strategy in order that we have an agreed framework against which we can deliver and be measured.

2.2 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 service'.

3. TIMESCALE

Is this a Major Policy Item/Statutory Plan?	NO
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4. CUSTOMER STRATEGY

4.1 Peterborough City Council has always taken pride in delivering quality services and putting customers at the heart of all we do. We know that our customers have high expectations of the services that they want to receive from the Council. However, to ensure we meet these expectations we need an agreed framework and set of principles against which we can deliver and be measured.

4.2 The Council is already making progress on reviewing and redesigning services around the customer through our Customer Experience programme, which sits as part of the Council's Medium Term Financial Strategy. The development of this Strategy enables an agreed framework to be established against which the Customer Experience programme can be fully delivered, as well as the Council's other services and programmes.

- 4.3 There are a number of additional drivers for developing a Customer Strategy including the increasing expectations of our customers around accessibility, availability, choice and quality which means that a 'one size fits all' solution is no longer appropriate. Additionally, the traditional ways of delivering services may no longer be sustainable in every case. Reviewing these approaches against the Customer Strategy will ensure that the needs of customers are placed at the very heart of the review process ensuring those most in need of service and support receive it in the most appropriate ways.
- 4.4 The Customer Strategy sets the vision for improving our customers' experience and making Peterborough City Council a customer focussed organisation. This Strategy together with our transformation programme will help us to deliver our core values to all of our customers whether they are residents, businesses or visitors to our city.
- 4.5 A copy of the proposed Customer Strategy is attached at Appendix A.

5. CONSULTATION

- 5.1 A project team was set up to develop this Strategy, which has contributed to its content and format; this included identifying service improvements in relation to access to services and using data around customer contact.
- 5.2 Research data from surveys showing customer preferences in relation to access channels and demographics, in terms of the make-up of our communities, has also been used to ensure the Strategy is focussed around customer needs.

6. ANTICIPATED OUTCOMES

- 6.1 Once agreed, the Customer Strategy will provide the basis for transformation across our services and will help shape the way the Council engages and supports its customers and delivers its services. The Strategy and the Customer Experience programme will lead to a better understanding of our customers' needs and then our ability to tailor our services in response to that.

7. REASONS FOR RECOMMENDATIONS

- 7.1 The Strategy provides a framework for ensuring our services are customer focused.

8. ALTERNATIVE OPTIONS CONSIDERED

- 8.1 The first option considered was to do nothing, however this may lead to the development of services and delivery of the Customer Experience programme without an agreed strategic approach, and may not enable the most effective and beneficial process for customer service improvements to be achieved.
- 8.2 The second option considered was to delay developing the Strategy until the Customer Experience programme has been completed. This was rejected because the development of the strategy and the Customer Experience programme should not be mutually exclusive.

9. IMPLICATIONS

- 9.1 Adoption of the Strategy will result in its use across all Council services and during relevant transformation and other programme work.

10. BACKGROUND DOCUMENTS

- Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985)
- 10.1 None

Peterborough City Council's Customer Service Strategy - Putting you at the heart of what we do

Introduction

Peterborough is one of the fastest growing cities in the country bringing new housing, jobs and opportunities for the people who live here and attracting new residents from across the UK and beyond. As our city grows and the needs and demands of our customers change and grow, we will adapt and respond to these by providing high quality and cost effective services.

We know that our customers have high expectations of the service(s) that they want to receive from the council. However, we recognise that currently the way the council delivers its services, does not always fully meet these expectations.

We understand that it has not always been easy to find the information you want quickly or that you sometimes have to speak to us on more than one occasion to get things done. Customers have also told us that they can get passed around to different people.

We also know that:

- The way the council engages with its customers can vary across different parts of the council
- There is no single customer database that enables staff to access what the council knows about a customer and therefore better assist with an enquiry
- It has been difficult for customers to carry out some routine transactions online due to the limited functions of the council's website
- We need to work more with our partners to jointly deliver services that matter most to our customers.

Transforming our customer services

Peterborough City Council has embarked on an ambitious transformation programme that will ensure that customers have greater choice and control of how they engage with council services. We will redesign the way we deliver our services to the people we serve to always put them first in everything we do.

Our vision is to deliver needs led, easy to access customer services however you choose to contact us. We will put you at the heart of what we do, to ensure that we continue to deliver the right services, by the right people, at the right time, in the right place and at the right cost.

This strategy and transformation programme will help us to deliver our core values to all of our customers whether they are residents, businesses or visitors to our city:

- **Expertise:** We recognise and value the differences, skills, knowledge and experience of all our colleagues
- **Trust:** We are honest and open in all our dealings and deliver on our promises
- **Initiative:** We are proactive and use our creativity to identify and resolve problems
- **Customer Focused:** We understand and aim to meet our customers diverse needs, treating them fairly and with respect
- **Work together/One team:** We work with colleagues and partners to deliver the best seamless services possible.

Our transformation programme is based upon the following aims:

➤ **Our information will be provided in an easy to find, clear and understandable way**

We have already begun to radically overhaul our website to make it easier for you to find information you want quickly. Over the coming months, we will offer more services online and make it easier for you to contact us via email, social media or via the My Peterborough App.

➤ **The Services you need are always delivered...**

...by the right people – We are working with our staff to build a culture where excellent customer services is a key part of everybody's job. We will achieve a right-first-time approach wherever possible so that you can complete the transaction you want without the need to be passed on to other members of staff in the council.

...at the right time – We will ensure that you can contact us at a time and by a method that is convenient to you. We know that more people than ever go online to find information and carry out routine transactions such as shopping or banking. We already provide a range of online services and we will be extending and improving these over the next year.

... in the right way - We will use customer feedback, council and partner data and intelligence to better understand the needs, experiences and expectations of our customers. We will design intelligent and responsive services that can respond quickly to changing or emerging needs.

➤ **We will deliver value for money on all of our services**

We remain within an extremely challenging financial climate meaning that it is more important than ever to deliver the right service for the right price. We will ensure that we deliver all of our services in the most efficient way possible to minimise cost.

➤ **Delivering excellent customer service skills**

The way the council interacts with its customers is crucial to delivering needs led services. Our customers should always expect to interact with well trained staff who have excellent communication skills are polite, friendly and always treat you with respect.

The Right Services in the Right Way

Ensuring that the Council provides the right services for the people, business and communities in our city underpins our Customer Strategy. We will use our understanding of our customer and business needs to shape the way we deliver our services.

Case Study – service redesign

We know that the residents, communities and businesses in our city already contribute to the way Council services are designed and delivered, but we want to do more. We want to bring the power of residents and communities into the delivery of services we provide. For example in Adult Social Care, we have worked with Service Users and their parents and carers to redesign day services for people under 65. The Council worked with a group of users and their parent/ carers as equal partners and co-creators to help design how the service should operate. This approach not only gave service users a strong voice in saying how the service should be run, but provided reassurance regarding the availability and quality of the service for the future.

We are a Commissioning led Council, this means that we will deliver better outcomes for our customers through identifying the most efficient, effective and economic models of service delivery. This may mean the council continuing to deliver services on its own, or directly through other agencies and organisations or as a partnership between the council and other organisations. This will provide us with a range of different abilities, skills and knowledge to enable targeted services to be delivered in the right place at the right time. A commissioning approach offers significant benefits to local residents and businesses alike. Services will be delivered in more efficient ways, stimulating local enterprise by creating new markets in the provision of local services, and an increased emphasis on the scrutiny of those services.

The Right People

Our Staff

We know that our customers expect a consistent and seamless service from the Council, whichever department they come into contact with. Currently, the way the council manages customer information and records is ineffective with many different systems that aren't able to share information across departments. Over the next year, we will replace all of our existing databases with a single customer management system. This will allow staff to quickly access all the information we hold on a customer and better assist with enquiries.

Many of our staff are also our customers. Nearly three quarters of the people working here also live in the city. Both they and their families make use of the services we provide such as schools, housing or leisure facilities. Our staff provide us with vital local knowledge of their experience of living in Peterborough shaping the way we deliver services and helping to make the city a healthy, safe and vibrant place to live and work.

We are committed to providing the highest standard of services to our customers whilst achieving value for money in everything we do. We remain within an extremely challenging financial climate which has seen funding to the council cut by £44m in the five years leading up to 2015/16. To continue to meet our high standards we need to think differently about the way we provide services, this includes promoting the use of technology, encouraging self-service and collaborative working with our partners and the community to save money and develop joint solutions to multi-agency problems.

This will mean that we work outside traditional organisational boundaries and find collaborative and innovative ways to meet the needs of our customers, an example of this in practice is outlined in the case study below.

Case Study - The 'MASH' Hub

The Multi-Agency Safeguarding Hub (MASH) involves staff from a range of agencies such as the Police, Probation, Women's Aid, Health and Mental Health working alongside Children's and Adult Social Care, education and others. When a professional, family member or member of the public is concerned about the safety of an adult or a child, the MASH brings agencies together to provide a collaborative, multi-agency response to ensure that children, young people or vulnerable adults are safe. Through the MASH Hub staff from across these agencies will be able to share data in a secure environment so that our collective support for the most vulnerable children and adults living in Peterborough is more effective. For more information about the Mash Hub click [here](#).

The Right Time

Getting in Touch With Us in Ways and Times Convenient to You

You can contact us in a variety of ways to find the information you need and to ask for help and support. We recognise that your expectations are changing and you will compare your experience with Peterborough City Council to your digital interactions with other organisations for example when online shopping or banking. We live in a digital age: people are already well used to online shopping from their smartphones, tablets or PCs and whilst we already have a range of online services, we will be extending and improving these over the next year.

While council customers cannot choose where to get their council services from, they nevertheless rightly expect high standards of effectiveness, efficiency and value for money. This means that if we are to keep pace with changing expectations, we must plan and deliver our services in ways that make sense to customers, in ways that are convenient to them.

We are improving the ways customers can access our services; you will have a choice about how to get in contact with us quickly and easily. What's more you will be able to do it at times that suit you and receive an answer to your query in a timely manner and in a way that you prefer. We will use new digital technology including mobile apps and social media to make contacting us easier than ever before.

Case Study - My Peterborough App

My Peterborough enables you to report issues such as fly-tipping, graffiti or abandoned vehicles direct to the council. Attach a photo or let your phone record the exact location to help us pinpoint the problem. The information will be sent straight to the right department. Once we've resolved the issue we'll also be able to let you know. The app can be downloaded from the App Store or Google Play for free.

We understand that not everyone will be able to access services digitally and so we will continue to provide alternative methods for those who need it. You can still contact us in person at Bayard Place, by telephone (01733 747474) or in writing. We will work with partners across the City to make sure everyone is able to access our self-service facilities. Whilst self-service works well for many of the services the Council offers, it cannot completely replace face to face contact to resolve complex problems. We will ensure that our Customer Service staff are always able to provide the information and help you are looking for.

Working with and in our Communities

We are committed to championing and developing projects that build skills, knowledge and support within communities, so that people can work together to solve their problems.

Spotting when things are starting to go wrong and getting support quickly can help to stop problems from getting worse or a crisis developing. At different times in our lives, we all need help from our friends, families or professionals to manage our problems such as our health, housing, our children's education or dealing with money problems. We know how difficult this can be and our services will work with you to help provide the right solutions for you and your family.

Case study - Community Connectors

Successful customer service and engagement is dependent on using the right communication methods. Peterborough is a highly diverse city, home to many people from across the UK and the world. With such a range of different backgrounds, cultures and needs we know that we cannot simply use a "one size fits all" approach to providing services. Our Community Connectors are council staff who understand the differing needs that communities have and know how to use the right approach to support these needs. They know this because the staff come from a range of different communities themselves and can not only speak a number of languages fluently, but also have a deep understanding of cultural and faith issues and how these can be handled sensitively. Through our Community Connectors we can engage more communities more effectively and ensure that the services we provide are having a positive effect for the people we serve.

We will work with our communities to strengthen and build community capacity wherever we can. We believe that in almost all circumstances, families, friends and neighbours are more than able to support their communities, especially when they have access to the right support.

Case Study - Getting Help

You can find help and information on the council's website (www.peterborough.gov.uk) on a whole range of services. For example the Family Information Service pages on our website provide information on a range of community services available to support children, young people and their families in Peterborough. On our website you can also find information and support for children and young people who have special educational needs or disabilities by searching for the Local Offer. In this one place, you can find information about providers of the following services:

Special educational provision.

Health services.

Social care services.

Other educational provision.

Training.

Travel arrangements for children and young people to schools, colleges and early year's education settings.

Preparing for adulthood, including housing and employment.

Leisure and social opportunities.

There is a great deal of expertise and knowledge within our communities that can help people when they are in need. We will support our communities to have the right skills, knowledge and confidence to help people when they need it.

Putting You at the Heart of What We Do

We want customers to feel that they are being listened to and their queries are being dealt with quickly. In future when you contact us you will experience a seamless, consistent and easy to access service whenever you need it.

You will receive the support you need at the right time and in the right place from professional, friendly, helpful staff. Getting your query resolved to your satisfaction first time will reduce the need for repeat calls to the council saving you time and us money.

We are committed to high standards of customer service however, we know that sometimes things might go wrong, if they do we will make common sense decisions to rectify them as soon as possible. Our Customer Charter, available on our [website](#) makes our commitment clear as to the service you should expect.

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CABINET	AGENDA ITEM No. 6
15 JUNE 2015	PUBLIC REPORT

Cabinet Member(s) responsible:	Cllr David Seaton, Cabinet Member for Resources	
Contact Officer(s):	John Harrison, Corporate Director Resources Steven Pilsworth, Service Director, Financial Services	Tel. 452520 Tel. 384564

BUDGET MONITORING REPORT FINAL OUTTURN 2014/15

R E C O M M E N D A T I O N S	
FROM : Corporate Director Resources	Deadline date : N/A
<p>That Cabinet:</p> <ol style="list-style-type: none"> 1. Note the final outturn position for 2014/15 (subject to finalisation of the statutory statement of accounts) of a balanced position on the council's revenue budget. 2. Note the final outturn spending of £108.8m under the Council's capital programme 2014/15. 3. Note the reserves position for the Council, including the use of £0.6m from reserves to support the budget in 2014/15, which is less than forecast as actions have reduced pressures 4. Note the performance against the prudential indicators; 5. Note the performance on treasury management activities, payment of creditors, collection performance for debtors, local taxation and benefit overpayments, and 6. Note the forecast budget gap of over £10m for 2016/17 is expected to increase with the update of national expenditure plans, and that Cabinet may need to review 2015/16 plans in light of the Budget to be released on 8th July . 	

1 ORIGIN OF THE REPORT

- 1.1 This report is submitted to Cabinet as a monitoring item. The report will also be submitted to Audit committee on 29 June as part of the closure of accounts process.

2 PURPOSE AND REASON FOR REPORT

- 2.1 The report provides Cabinet with the outturn financial position for both the revenue budget and capital programme for 2014/15, subject to any changes required in the finalisation of the detailed statutory statement of accounts.
- 2.2 The report also contains performance information on treasury management activities, payment of creditors and collection performance for debtors, local taxation and benefit overpayments.
- 2.3 The report is for Cabinet to consider under its terms of reference 3.2.7 to be responsible for the council's overall budget and determine action to ensure that the overall budget remains within the cash limit.

3 TIMESCALE

Is this a Major Policy Item/ Statutory Plan	No	If yes, date for Cabinet meeting	N/A
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4 FINAL OUTTURN 2014/15

4.1 Corporate Overview

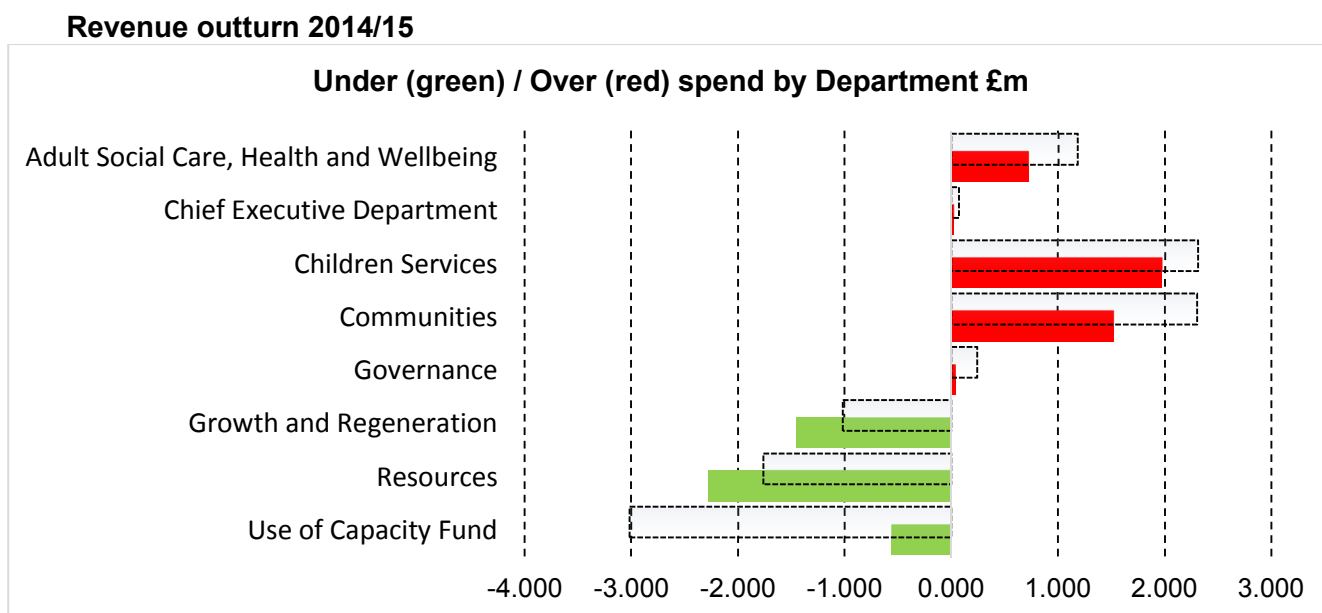
- 4.1.1 The Council at its meeting in March 2014 approved a balanced budget for 2014/15 that supported the council's key priorities to meet the changing characteristics of the city, its residents, businesses and those that visit the city. The approved budget included £19m of savings as a result of a £9m reduction in funding and increased demand for services creating pressures of £10m. The MTFs also outlined a number of risks that required to be monitored during the year.
- 4.1.2 Since the budget was set by Council in March 2014 the council has experienced a variety of pressures against those budget plans. Audit Committee approved a one-off contribution of £3.2m from the capacity fund in June 2014 to mitigate pressures on children's services and adult social care. There remained a £1.3m forecast overspend based on July 2014 figures.
- 4.1.3 During the year CMT received regular updates on the in-year budget position including tracking the delivery of savings approved as part of the budget and monitoring of identified risks. Through robust management action savings have been made to mitigate pressures, albeit some of the savings are one off actions, and the budget outturn has steadily improved. The November information upon which the probable outturn was based was for a £0.3m overspend with CMT committed to delivering a balanced position.
- 4.1.4 The Cabinet discussed the financial position regularly, with formal positions reported to Cabinet meetings held between September 2014 and March 2015 to ensure that pressures and risks were managed and taken account of in developing budget proposals for 2015/16 and future financial years. Financial plans were also considered by a cross-party budget working group.
- 4.1.5 Actions undertaken by the CMT and Cabinet have included:
- Departmental management teams have reviewed the budget position monthly and taken appropriate action including action plans to address budget issues. These have been acknowledged in corporate budget reports;
 - The regular reports to CMT have included a summary of progress with savings proposals, additional pressures and risks using a red, amber and green approach with the focus on red and amber issues;
 - Savings were brought forward as part of a two stage budget process for 2015/16 at December council;
 - The capital programme has been reviewed during the year, deferring projects into future financial years or removing projects that are no longer required. Any reduction in the amount that the council requires to borrow to fund the capital programme has reduced the costs of financing borrowing which has been reflected in the revenue outturn position;
 - Where possible all opportunities have been taken to capitalise expenditure relieving pressure on the general fund; and
 - Review of reserves and provisions, in particular the commitments within the capacity reserve including to support transformation costs and as a risk contingency against exceptional in-year spending pressures.
- 4.1.6 The overall financial position for 2014/15 for the council is detailed in this report. In summary, the council has a balanced budget position and an improved reserves position. The capital programme spend is £108.8m.
- 4.1.7 In conclusion, the council has successfully managed the financial challenges during 2014/15 by taking positive action and balancing the demands of local circumstances and the financial constraints of the national economic climate, with the outcome of delivering a balanced budget position.
- 4.1.8 The council's budget for 2015/16 includes spending reductions of £25.1m and a further budget gap for 2016/17 exceeding £10m. The budget gap is expected to increase when the government updates its national expenditure plans, a first indication of which might be given

in the Chancellor's post-election budget on 8 July. Cabinet may need to review budget plans in light of this.

- 4.1.9 The council remains committed to its strategy in managing council finances effectively and efficiently over the medium term.

4.2 Financial Report – Revenue Outturn

- 4.2.1 The council's overall revenue outturn position is a balanced position on the council's revenue budget 2014/15 after drawing down £0.6m from reserves, which is less than the £3.2m set aside when closing the accounts last financial year to support social care pressures.. The graph below summarises the revenue outturn position by the Directorates during 2014/15, with the position at probable outturn shown as empty bars.



- 4.2.2 A breakdown of the outturn by Directorate and explanation of the major variations is provided in Appendix A.

- 4.2.3 The Dedicated Schools Grant shows an under spend of £5.5m against a budget of £118.2m. Schools Forum is responsible for decisions related to the Dedicated Schools Grant. This has been included for information purposes only. In accordance with accounting guidance, the under spend has been carried forward to next financial year.

4.3 Financial Report – Reserves

- 4.3.1 The Council's departmental reserves and the capacity building reserve are monitored throughout the year as part of budget monitoring and feed into the budget setting process accordingly. The next table summarises the balance for all reserves at the end of 2014/15 and the estimated position at the end of 2015/16 before new commitments that may be required to deliver savings to close the 2016/17 budget gap.

	2014/15 £k	2015/16 £k
Earmarked Reserves		
Departmental Reserve	6,716	424
Schools Capital Expenditure Reserve	1,151	1,151
Future Cities Reserve	2,073	0
Insurance and Other minor reserves	4,364	4,373
Risk Management Contingency		657
Capacity Building Reserve	8,774	4,146
Subtotal - Earmarked Reserves	23,078	10,751
General Fund Balance	6,000	6,000

- Departmental Reserves – The amounts set aside by departments during the preparation of the accounts is in accordance with financial guidance to minimise risk exposure to the council in the following financial year.
- Schools Capital Expenditure reserves and Insurance and Other Minor reserves are held on behalf of others and sums that we are independently advised to hold, e.g. insurance reserve.
- Risk Management Contingency – This reserve was created in the 2015/16 budget process by transfer from the capacity building reserve.
- Capacity Building Reserve – This reserve is held to meet one off costs of service transformation and the delivery of savings within the MTFs.
The balance on the capacity building reserve at March 2015 is £5.4m higher than forecast when the 2015/16 budget was set due to the reduced drawdown to balance the budget (£2.5m), a higher level of capitalisation (£1.2m), costs of change slipping into 2015/16 or no longer required (£1.4m), the release of additional other reserves (£0.2m) and other changes in the timing of spending commitments (£0.1m).
- General Fund – The general fund will be maintained at £6m and this is consistent with the current budget strategy.

4.3.2 The majority of reserve balances are set aside for specific purposes and a significant element will be required during 2015/16. They are therefore not additional monies, only a timing issue between financial years of when the commitments are likely to occur.

4.3.3 The capacity building reserve forecast reduces to £4.146m during 2015/16. It currently includes an initial estimate for change costs to support delivery of 2015/16 savings. Further commitments will be needed to provide investment to drive the level of savings support the 2016/17 budget strategy.

4.4 Financial Report – Capital

4.4.1 The planned capital programme for the financial year was £260.8m. Slippage of expenditure from 2013/14 of £24.2m increased the agreed budget at 1 April 2014 to £285.0m. Throughout the year the capital programme was regularly reviewed and finally reduced to £127.9m through slippage and savings. Much of the slippage has been built into future budgets as part of setting the 2015/16 budget.

4.4.2 Capital expenditure during 2014/15 totalled £108.8m as shown in the summary table below:

Capital Programme 2014/15			
Capital Programme by Directorate	Budget 01/04/2014	Revised Budget	Actual Expenditure
	£000	£000	£000
Governance	69	69	20
Chief Executives	671	130	65
Adult Social Care	3,860	1,190	975
Communities	3,954	3,114	2,398
Growth & Regeneration	46,496	26,450	26,164
Resources - CHS	33,369	24,567	21,889
Resources - Renewable Energy	26,200	500	62
Resources - Other	75,080	61,387	52,963
Invest to Save	95,274	10,500	4,319
Total	284,973	127,907	108,855
Financed by:			
Grants & Contributions	37,081	34,545	35,561
Capital Receipts	9,764	1,887	2,905
Borrowing	238,128	91,475	70,389
Total	284,973	127,907	108,855

4.4.3 The Council and CMT have agreed to reduce and rephase some projects in the programme during the year to reduce the impact on financial resources or to reflect changing demographic needs. Other projects have been subject to delays which have led to budgets being slipped to 2015/16. Significant projects that contributed to the overall reduction of capital budget during the year from £285m to £127.9m include:

Growth & Regeneration

- £ 4.3m Public Realm
- £ 3.3m Affordable Housing
- £ 3.2m Roads & Bridges projects
- £ 3.0m Joint Venture

Resources

- £ 2.8m ICT Projects – rephasing and slippage
- £ 2.0m Cost of Disposals
- £ 3.3m Waste Management Strategy
- £ 8.9m New School Places

Invest to Save

- £84.8m Invest to Save
- £25.7m Renewable Energy project

4.4.4 The Invest to Save outturn of £4.3m in 2014/15 includes expenditure on delivering energy efficiency measures across the council's buildings portfolio including schools. The schemes are self-funding in two ways:

- Firstly, introducing energy efficiency measures through the replacement of plant inside the buildings driving down energy costs (for example in our swimming pools through new filters and a combined heat and power unit for the regional pool, more efficient lighting in car parks and replacing school boilers)
- Secondly, putting solar panels on roofs to provide a cheaper source of energy for the buildings and an income stream by selling surplus energy to the grid (including schools and the central library).

4.4.5 The capital programme is financed through borrowing, capital receipts, grants and contributions. Although the amount of borrowing required has reduced due to slippage in the capital programme since the MTFs was approved, the Council will need to borrow £70.4m to fund 2014/15 capital expenditure.

4.5 Financial Report – Treasury Management Activity for 2014/15

4.5.1 The Council is required to operate a balanced budget, which means that cash raised through the year will meet cash expenditure. The role of treasury management is to ensure cash flow is adequately planned so that cash is available when it is needed. Surplus monies are invested in low risk counterparties commensurate with the Council's low risk appetite ensuring that security and liquidity are achieved before considering investment return.

4.5.2 Another role of treasury management is to fund the Council's capital programme. The programme provides a guide to the borrowing needs of the Council and the planning of a longer term cash flow to ensure capital obligations are met. The management of long term cash may involve arranging short or long term loans or using longer term cash flow surpluses.

4.5.3 The treasury activity for the council during 2014/15 is compliant with the Treasury Management Strategy approved in February 2014. Investment and borrowing activities include:

- a. Investment – The Council aims to achieve the optimum return (yield) on investments commensurate with the proper levels of security and liquidity. In the current economic

climate it is considered appropriate to keep investments short term and only invest with Barclays (the Council's current banking provider), the Debt Management Office and Local Authorities. As at 31 March 2015 the Council's external investments totalled £9.0m and have yielded interest at an average rate of 0.29% in the financial year 2014/15. Investments were placed for short periods to cover daily cash flow fluctuations.

- b. Borrowing – In 2014/15 the Council increased its borrowing by £52m. Although £70m was required to fund the capital programme, due to timing issues surplus cash balances were utilised to off-set the actual borrowing requirement in the year. The borrowing has been taken out over a range of periods to best fit the Council's maturity profile of debt. Also the best possible interest rate has been sought in line with the budget for borrowing, including the continuation of the council benefitting from reduced interest rates on long term PWLB loans by 20 basis points (0.2%) due to it submitting borrowing plans to government.

Consideration has been made to rescheduling debt however there have been no suitable opportunities to do this. The difference between the repayment rate and the rate of a new loan has not resulted in a net discount to the Council and no savings were to be made.

- 4.5.4 The Capital Financing Requirement (CFR) measures the Council's underlying need to borrow money in the long term for capital purposes. In accordance with the 2009 SoRP this now includes the liability for the Private Finance Initiative (PFI) agreement and the 2010 Code of Practice has revised the way the Council accounts for some leases which also impacts on the CFR.

- 4.5.5 In 2014/15 the CFR was:

	£000
Opening Capital Financing Requirement 1 April 2014	365,748
New Capital Expenditure Financed by Borrowing	70,370
Minimum Revenue Provision for Debt Repayment	(8,791)
Minimum Revenue Provision for PFI	(1,487)
Minimum Revenue Provision for Leases	(638)
Closing Capital Financing Requirement 31 March 2015	425,202

- 4.5.6 As part of the setting of the treasury strategy, the Council sets annual prudential indicators to measure effectiveness of treasury management and reports against these indicators during the financial year. The indicators have not been breached during 2014/15.

- 4.5.7 Further information on the Council's capital financing arrangements can be found in the Prudential Indicators performance found in Appendix B along with an update on treasury management activity in Appendix C.

4.6 Financial Report – Performance Monitoring

- 4.6.1 An outline of performance against key indicators can be seen in Appendix C.

5. CONSULTATION

- 5.1 Detailed reports have been discussed in Departmental Management Teams.

6 ANTICIPATED OUTCOMES

- 6.1 To note the final outturn position for revenue and capital for 2014/15 for the Council.
- 6.2 To note the reserves position for the Council.

7. REASONS FOR RECOMMENDATIONS

7.1 This monitoring report for the 2014/15 financial year forms part of the closure of accounts and decision making framework culminating in the production of the Statement of Accounts and informs Cabinet of the final position.

8. ALTERNATIVE OPTIONS CONSIDERED

8.1 None required at this stage.

9. IMPLICATIONS

9.1 This report does not have any implications effecting legal, or human resource issues.

9.2 Members must have regard to the advice of the Section 151 Officer.

10. BACKGROUND DOCUMENTS

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

Detailed monthly budgetary control reports prepared in Departments.

APPENDIX A - REVENUE MONITORING REPORT AT END OF MARCH 2015

Probable Outturn £k	New Department (showing previous department and service area)	Budget 2014/15 £k	Spend 2014/15 £k	Variance 2014/15 £k
0	ASC - Directors Office	438	439	1
629	ASC - Care Services	6,748	6,872	124
-298	ASC - ISP	35,303	35,489	186
241	ASC - Quality and Information	567	583	16
614	ASC - Finance and Organisational change	-1,898	-1,500	398
1,186	TOTAL ADULT SOCIAL CARE, HEALTH AND WELLBEING	41,158	41,883	725
0	Cex- Chief Execs Office	327	297	-30
71	Cex - Chief Execs Departmental Support	117	174	57
71	TOTAL CHIEF EXECUTIVE'S DEPARTMENT	444	471	27
2,317	CHS - Education and Resources	8,604	10,581	1,977
0	CHS - Safeguarding families and communities	0	0	0
	DSG	5,440	5,440	0
2,317	TOTAL CHILDREN SERVICES	14,044	16,021	1,977
1,702	CHS - Strategy, Commissioning and Prevention	20,336	21,501	1,165
971	ASC - Strategic Commissioning	2,836	3,208	372
0	Ops - Public Health	0	-11	-11
-366	Savings to be identified	0	0	0
	DSG	17,664	17,664	0
2,307	TOTAL COMMUNITIES	40,836	42,362	1,526
-175	Cex - Legal & Governance	5,029	4,845	-184
120	Cex - Communications	568	738	170
0	Cex - Human Resources	1,317	1,219	-98
-49	Ops - Neighbourhoods	612	458	-154
346	Ops - Commercial Operations	-1,564	-1,254	310
242	TOTAL GOVERNANCE	5,962	6,006	44
155	Cex - Growth and Regeneration	0	0	0
-1,175	OPS - Planning Transport and Engineering	15,075	13,624	-1,451
-1,020	TOTAL GROWTH AND REGENERATION	15,075	13,624	-1,451
0	SR - Director's Office	226	226	0
-3,174	SR - Corporate Services	21,427	17,336	-4,086
0	SR - Environment Capital	3,904	3,904	0
0	SR - Internal Audit	315	307	-8
0	SR - Insurance	1,284	1,113	-171
14	SR - Strategic Client Services	5,428	5,890	462
0	SR - Peterborough Serco Strategic Partnership	9,795	9,684	-111
0	SR - ICT	4,330	4,430	100
60	SR - Waste and Operational Services Management	12,618	12,674	56
0	SR - Cultural Services	3,565	3,512	-53
14	SR - Registration and Bereavement	-915	-1,034	-119
-93	SR - Westcombe Engineering	7	-89	-96
1,415	CHS - Resources	1,036	2,793	1,757
0	OPS - Planning Transport and engineering	155	145	-10
	DSG	-23,104	-23,104	0
-1,764	TOTAL RESOURCES	40,071	37,787	-2,279
-3,019	Capacity Fund Contribution		-569	-569
320	OUTTURN – SURPLUS (-) / DEFICIT (+)	157,590	157,590	0

Key Variances:

Adult Social Care, Health and Wellbeing - £0.7m overspend

- This includes one off project costs and interim support to support the delivery of an adult social care transformation programme totalling £1.5m and as reported to September Cabinet will be partly offset by a one off contribution from the capacity fund.
- A pressure of £0.2m relates to a recent legal case, known as the West Cheshire judgement. This means that Deprivation of Living (DOLS) assessments now need to be applied in domestic settings, such as extra care and supported living. Previously they were restricted mainly to residential and hospital settings.
- Further demographic pressures of £0.2m, are offset by overachievement of savings targets (£0.6m) and other departmental actions (£0.6m).

Chief Executive Department - balanced

- Specialist HR work to support formulation of the budget proposals offset by other departmental actions.

Children Services - £2.0m overspend

- Demand for children social care services and the complexity of the cases has increased within Peterborough meaning that the demand for these services is over and above the budget, which has been addressed in future financial years. These costs relate to the recruitment and retention of social workers including agency social workers to meet increased workloads, essential to support vulnerable children.

Communities - £1.5m overspend

- The increased demand in children social care cases within Peterborough increases pressure on providing placements for children coming into local authority care resulting in an overspend of £0.7m. The council has a statutory duty to provide care.
- The continued costs of supporting independent living clients within adult social care supporting people budget is £0.2m overspent.
- Adult social care commissioning services includes transformation costs of £0.8m which will be offset by a one off contribution from the capacity fund.
- The income target for selective licensing is showing a £0.2m pressure.
- Partly offset by staffing savings of £0.2m and other departmental action/savings of £0.2m.

Governance - £0.0m balanced

- The Coroners and Justice Act 2009 requires the council to employ a medical examiner. There has been a delay nationally in implementing the reforms and therefore there is a one off saving in 2014/15 of £0.2m.
- The council held local elections around the same time as the European elections during May 2014. A one off saving of £0.1m has arisen following a reimbursement of costs for the European elections.
- Following the 2014 elections, the costs of current Members has not increased, a one off saving of £0.1m has been confirmed. Savings in future financial years is dependent on the annual review of the members allowance scheme and may be impacted by the result of the local elections.
- Achieving income budgets within commercial operations is a challenge for the council, with a shortfall of £0.2m on car parking income and £0.1m on market income.
- There is also a £0.3m cost pressure relating to temporary staffing offset by other departmental actions (£0.2m).

Growth and Regeneration - £1.5m underspend

- An underspend of £0.4m relates to a contract saving mechanism within the concessionary fares budget which is not due for review until 2016 and demand and increased costs being lower than budgeted for.
- There are employee savings of £0.6m, additional net income and grant income of £0.3m and other departmental actions of £0.2m.

Resources - £2.3m underspend

- Since the budget was set, the funding assumption for the adoption reform grant has reduced resulting in a pressure of £0.6m on the council's financial position. It has also now been identified that there is a shortfall in the Education Services grant of £0.2m.
- The support and education budgets transferred into the Resources department during 2013/14. Some of the budgets are demand led resulting in pressures in the following areas:
 - An increase in home to school transport provision requirements for secondary schools places caused an overspend of £0.5m.
 - An overspend of £0.1m on the secondary school public finance initiative (PFI) contract energy costs being in excess of inflationary increases.
 - Increased demand for services to support children social care including business support and legal services of £0.3m after being partly offset by departmental actions.
- A refresh of the capital programme projects since the budget was set coupled with a reduction in forecast interest rates for the remainder of this year and borrowing requirements impacting on the minimum revenue provision has identified a one off underspend of £3.6m.
- The council has received one off income relating to the former agreement with Cross Keys for VAT shelter income of £1.0m
- There have been further savings identified of £0.1m reduced business rate levy payment, a dividend received from ESPO of £0.1m and a trading surplus of £0.1m at Westcombe Engineering.
- Additional income from an unexpected rise in bereavement services for the period December 2014 to March 2015 of £0.1m
- The council has increased the sundry debt provision by £0.6m, although it remains committed to recovering outstanding debt

Appendix B – Treasury Management Strategy – Prudential Indicators – 2014/15

- 1 The Prudential Code for Capital Finance in Local Authorities provides a framework for local authority capital finance to ensure that:
 - Capital expenditure plans are affordable,
 - All external borrowing and other long term liabilities are within prudent and sustainable levels,
 - Treasury management decisions are taken in accordance with professional good practice.
- 2 In taking decisions in relation to the above points, the local authority is accountable by providing a clear and transparent framework.
- 3 The Code requires the Council to set a range of Prudential Indicators for the next five financial years. During the financial year to date the Council has operated within the treasury limits and Prudential Indicators set out in the Council's Annual Treasury Management Strategy.

Indicator One: Estimates and actual Capital Expenditure 2014/15

This indicator is the actual capital expenditure for the financial year.

	Indicator	Actual
Capital Expenditure	£260.8m	£108.8m

Indicator Two: Estimates of actual capital financing requirements and net borrowing

The Capital Financing Requirement (CFR) measures the Council's underlying need to borrow money in the long term for capital purposes. It is calculated from various capital balances in the Council's Balance Sheet.

	Indicator	Actual
CFR	£594.1m	£425.2m

Indicator Three: Affordability (1) Estimate of actual ratio of financing costs to net revenue stream

The Council must estimate the proportion of the revenue budget, which is taken up in financing capital expenditure i.e. the net interest cost and to make provision to repay debt. This ratio has been revised to reflect the impact of finance lease adjustments.

	Indicator	Actual
Financing costs to revenue stream	7.1%	5.9%

Indicator Four: Affordability (2) Estimate of the incremental impact of capital investment decisions on Council Tax

This indicator is intended to show the impact of the Council's decisions about capital investment on the level of Council Tax required to support those decisions over the medium term.

The calculation of this indicator has been done on the basis of the amount of the capital programme that was financed from borrowing. The calculation is based on the interest assumption for borrowing that was included in the capital financing budget. The revenue costs are divided by the estimated Council Tax Base for the year.

	Indicator	Actual
Incremental impact on Council Tax	(£72.33)	(82.17)

Indicator Five: Net Debt and the CFR

This indicator ensures that over the medium term debt will only be for capital purposes and the Council should ensure that gross debt does not, except in the short term, exceed the total of CFR in the preceding year or for the current and next two financial years.

	Indicator	Actual
Gross Debt	£525.8m	£346.4m
% of Gross Debt to CFR	88.5%	81.5%

Indicator Six: External Debt Prudential Indicator

The Authorised Limit represents the maximum amount the Council may borrow at any point in time in the year. It is set at a level the Council considers is “prudent”.

The indicator takes account of the capital financing requirement estimated at the start of each year, plus the expected net borrowing requirement for the year. This makes allowance for the possibility that the optimum time to do all borrowing may be early in the year.

The limits also incorporated margins to allow for exceptional short-term movements in the Council’s cash flow, bids from service departments to finance efficiencies, changes to the timing of capital payments and fluctuations in the realisation of capital receipts.

	Indicator	Actual
Authorised Limit for external debt	£817.3m	£306.0m
Operational Boundary for external debt	£666.7m	£306.0m

It is ultra vires to exceed the Authorised Limit so this should be set to avoid circumstances in which the Council would need to borrow more money than this limit. However, the Council can revise the limit during the year.

“Other long term liabilities” include items that would appear on the balance sheet of the Council under that heading. For example, the capital cost of finance leases and the PFI agreement.

The Operational Boundary is a measure of the day to day likely borrowing for the Council, whereas the Authorised Limit is a maximum limit. The Code recognises that circumstances might arise when the boundary might be exceeded temporarily, should this occur it would be reported immediately to members of the Audit Committee and an explanatory report taken to the next committee meeting.

The following indicators take into consideration the capital programme over the life of the MTFs and the ability to phase the borrowing over this period. The indicators provide flexibility for the Council to take advantage of favourable interest rates in advance of the timing of the actual capital expenditure.

Indicator Seven: Variable interest rate exposure

This indicator places an upper limit on the total amount of net borrowing (borrowing less investment) which is at variable rates subject to interest rate movements. The intention is to keep the variable rate borrowing below 25% of the total gross borrowing.

The limit is expressed as the value of total borrowing less investments

	Indicator	Actual
Upper limit for variable rate exposure	£195.0m	£0

Indicator Eight: Fixed Interest rate exposure

This indicator places an upper limit on the total amount of net borrowing (excluding PFI and leases) which is at fixed rates secured against future interest rate movements. The upper

limit allows flexibility in applying a proportion of the investment portfolio to finance new capital expenditure. It also reflects a position where the great majority of borrowing is at fixed rate which provides budget certainty with 100% of borrowing being at fixed rate. The upper limit for fixed rate interest exposure was set to allow for flexibility in applying a proportion of the investment portfolio to finance new capital expenditure. It also reflected a position where the great majority of borrowing was at fixed rate to provide budget certainty.

	Indicator	Actual
Upper limit for fixed rate exposure	£779.8m	£306.0m

Indicator Nine: Prudential limits for maturity structure of borrowing

The prudential limits have been set with regard to the maturity structure of the Council's borrowing, and reflected the relatively beneficial long term rates that were expected to be available over the next few years. The limits were as follows:

Period	Upper Limit Estimate	Actual Borrowing
Under 12 months	40%	11%
1 – 2 years	40%	4%
2 – 5 years	80%	7%
5 – 10 years	80%	5%
Over 10 years	100%	73%

Indicator Ten: Total Investments for periods longer than 364 days

Authorities are able to invest for longer than 364 days; this can be advantageous if higher rates are available. However it would be unwise to lend a disproportionate amount of cash for too long a period particularly as the Council must maintain sufficient working capital for its operational needs.

The Corporate Director Resources has therefore sought the advice of Capita Asset Services, the Council's treasury advisors, who recommended that, given the structure of the Council's balance sheet and its day to day cash needs, it would be reasonable to maintain the limit for investments with life spans in excess of 1 year to £25m. Consequently, it is proposed to keep the limit for investments that may be deposited for more than 1 year at £25m for 2014/15 and later years.

In accordance with the approved Treasury Management Strategy the Council currently has no investments of more than 364 days.

Appendix C – Performance Monitoring

1. Treasury Management Update – March 2015

1.1 Economic Update

The following paragraphs are based on information from the Council's Treasury Advisors (Capita Asset Services)

1.1.1 Having slowed towards the end of 2014, the economic recovery does appear to have turned upwards in the early part of 2015. Whilst there has been a slight reduction in the service sector, both manufacturing and construction are improving. The Quarter 4 Gross Domestic Product (GDP) figures indicate that recovery has become more balanced. Indications are that export growth will remain slow, and, to counter the strength of sterling, exporters have further cut sterling prices to remain competitive.

1.1.2 Employment figures are improving with unemployment down to 5.7%. Consumer Price Index (CPI) Inflation also fell to a record low of 0.3% due mainly to transport costs, although this was partly off-set by price rises in clothing. With gas price cuts expected and the impact of reduced oil prices still to be fully reflected, analysts expect a temporary period of deflation during 2015.

1.1.3 General business lending has seen a steep downward curve as firms are repaying more external debt than they are taking out. Business confidence remains high overall. The market expects the first base rate increase to be in Quarter 1 2016.

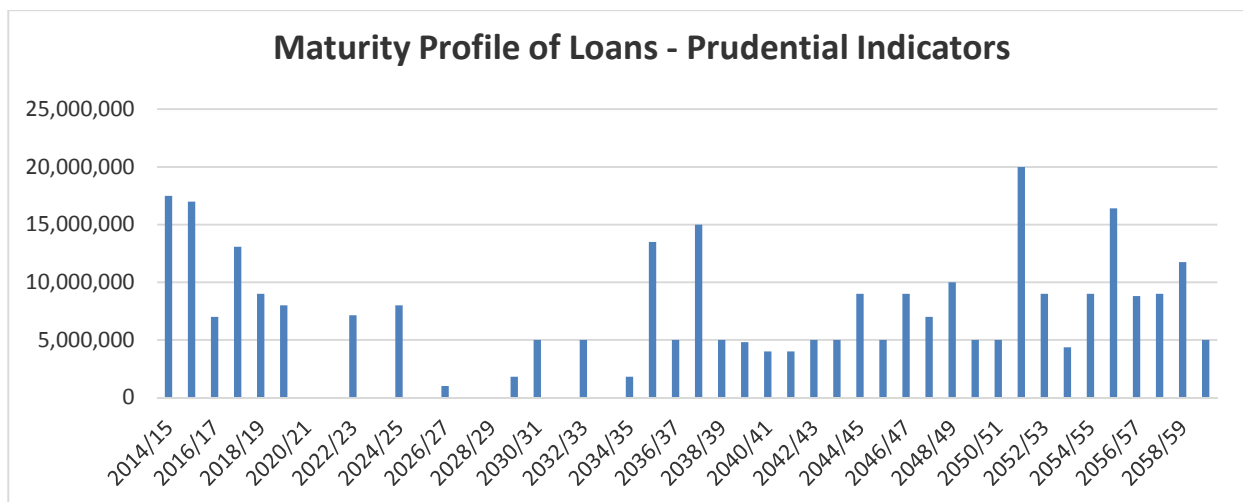
2.1 Borrowing

2.1.1 It is a statutory duty for the Council to determine and keep under review the "Affordable Borrowing Limits". The Council's approved Prudential Indicators (affordability limits) are outlined in the approved Treasury Management Strategy.

2.1.2 The Council's borrowing as at 31 March was £346.4m. The actual total external debt is measured against the Council's Authorised Limit for borrowing of £817.3m, which must not be exceeded and the Operational Boundary (maximum working capital borrowing indicator) of £666.7m. The table below shows a breakdown of the borrowing:

	31 Mar 2014	31 Mar 2014	31 Mar 2015	31 Mar 2015
Borrowing	Amount (£m)	Average Interest Rate	Amount (£m)	Average Interest Rate
Long Term:				
Public Works Loan Board	149.4	4.38%	234.4	4.09%
Market Loans	17.5	4.53%	17.5	4.53%
Local Enterprise Partnership	0.1	0.00%	3.1	0.00%
Short Term:				
Local Authorities	87.0	0.9%	51.0	1.58%
Total 'Market' Borrowing	254.0		306.0	
Public Finance Initiative & Leases	40.1		40.4	
Total Borrowing	294.1		346.4	

2.1.3 The graph below shows the maturity profile of the Council's debt as at 31 March 2015:



*Please note 2014/15 includes £17.5m of market loans which are repayable in the long term but are classed as current year loans due to a callable option in the loan agreement.

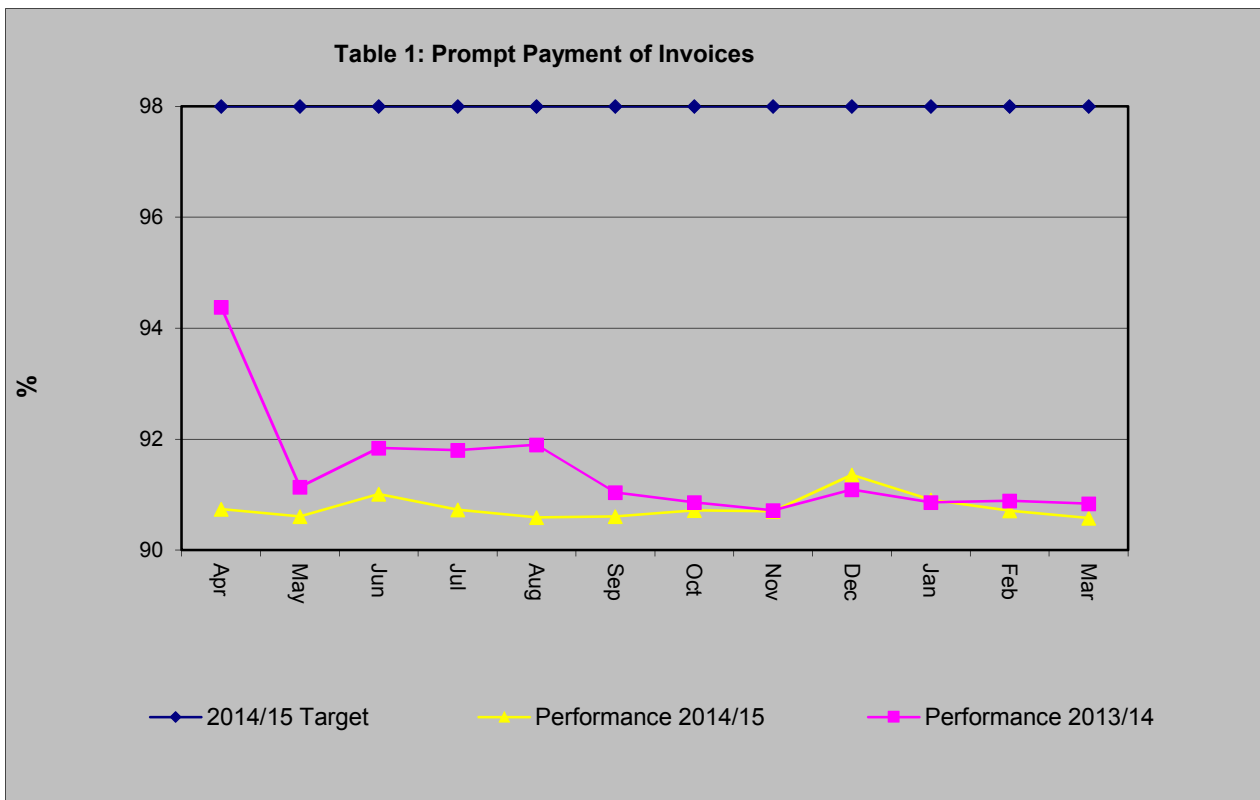
3.1 Investments

3.1.1 The Council aims to achieve the optimum return (yield) on investments commensurate with the proper levels of security and liquidity. In the current economic climate it is considered appropriate to keep investments short term, and only invest with Barclays (the Council's banking provider), Bank of Scotland, the Debt Management Office and Local Authorities.

2. Prompt Payment of Invoices (Invoices paid within 30 Days)

The cumulative position on prompt payment of invoices as at 31 March 2015 was 90.58 % which is below the target of 98% and 0.26% below the previous year's performance (90.84%). The current year performance is shown alongside the equivalent figures for 2013/14 in table 1.

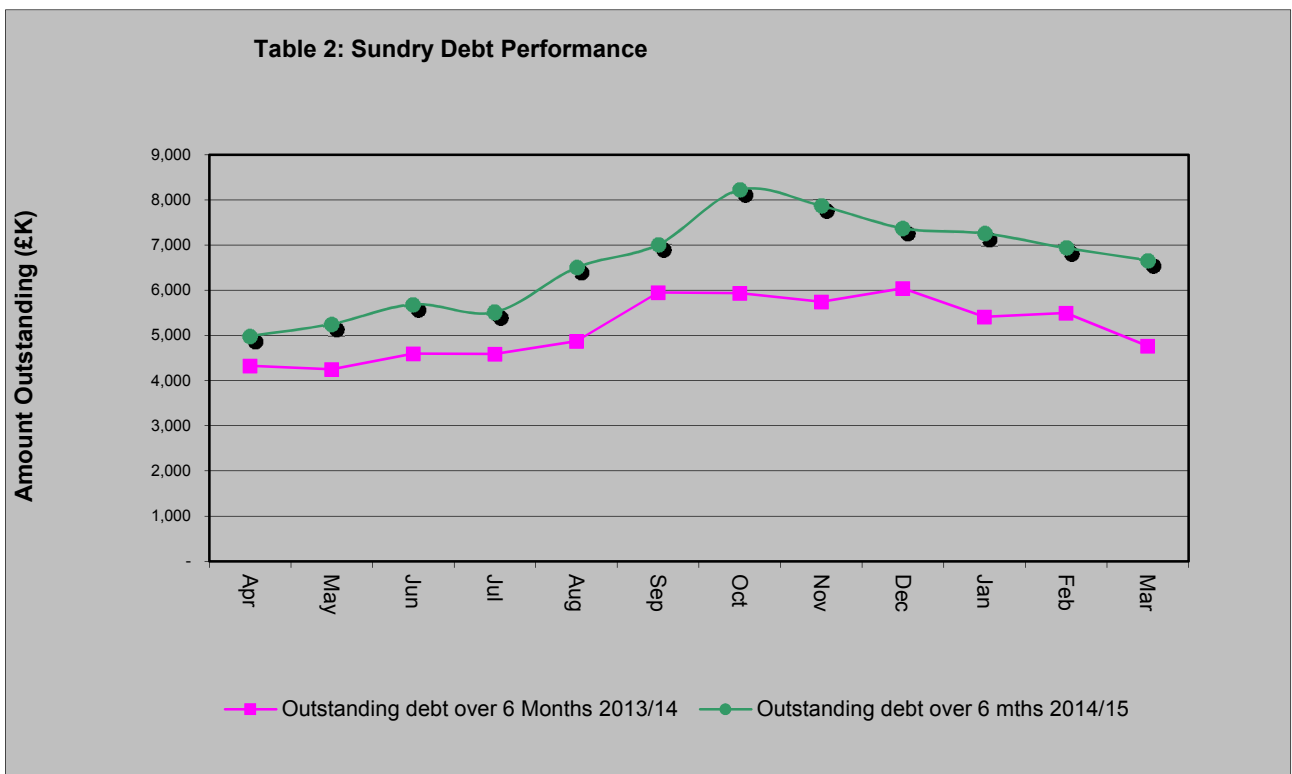
Performance against the prompt payment of invoices indicator has been adversely affected by current business processes which require intervention from officers across the council. It is anticipated that when the council changes financial system during 2015/16 business processes will be improved.



3. Sundry Debt Performance

The total outstanding sundry debt at 31 March 2015 is £14.35M, although £3.67M is not overdue and 53.52% is less than six months old. Of the overall debt, £6.67M is in excess of six months old compared to £4.77M at the end of 2013/14. Table 2 shows both years. The amount of debt written off for 2014/15 to 31 March 2015 is £35K.

The Sundry Debt team continue to prioritise and target the higher value debts, whilst at same time ensure that all stages of the recovery process are tight and that debts are progressed quickly. A review is underway to recover older debt.

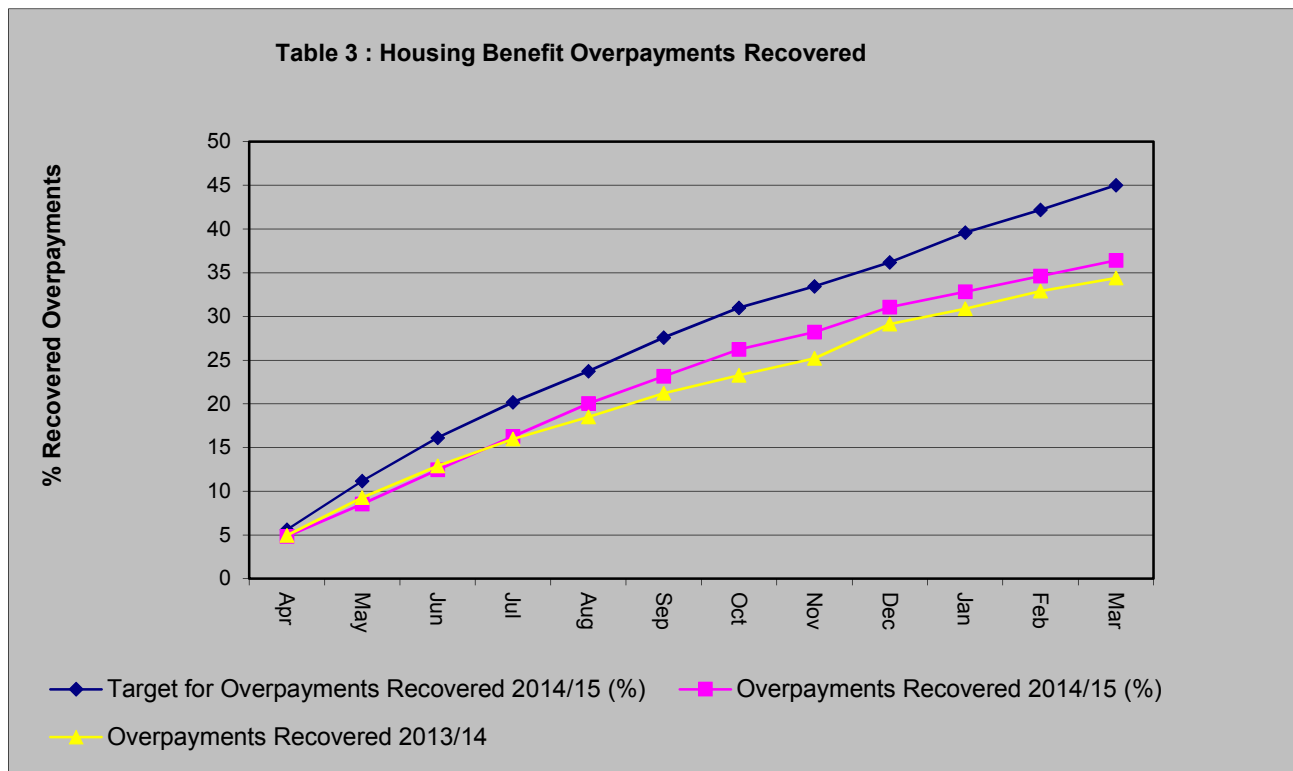


4. Housing Benefit Overpayments

Table 3 shows the total amount of housing benefit overpayments recovered against the cumulative target rate set for 2014/15 and the 2013/14 figures.

Housing benefit overpayment collection as at the 31 March 2015 was 36.41% which is below the target of 45.0% but 2.03% higher than the figure for March 2014 (34.38%).

The focus for 2015/16 will be around maximising recovery, using the powers available, for example direct attachment of earnings (DEA). Also £69K was recovered via attachment of benefit (AOB) in 2014/15 (an increase of £49K from the previous year). The work position in respect of Housing Benefit is significantly better than 12 months ago and therefore the number and value of overpayments will reduce.



5. Council Tax and Business Rates Collection

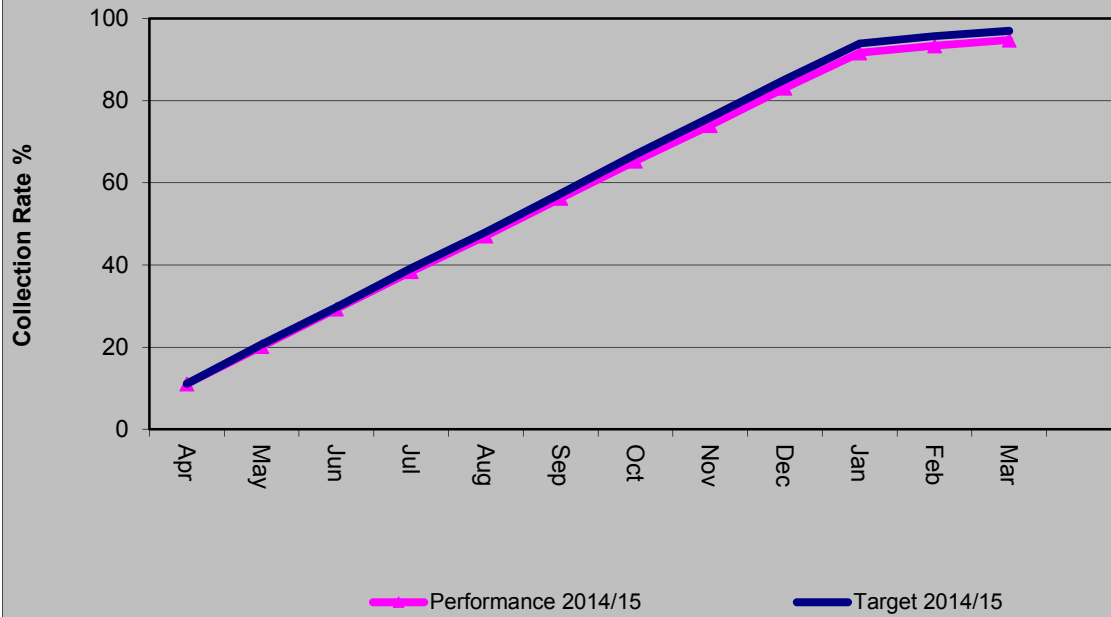
Tables 4 and 5 show the performance for the collection of Council Tax and Business Rates for the period to date.

6. Council Tax Collection

In year council tax collection at 31 March 2015 is 94.78%, which is 0.48% less than the amount collected by this stage in 2013/14.

The administration of the council's local council tax support scheme remains challenging and continues to impact overall council tax collected in the year. However, proactive work continues in terms of recovery of outstanding amounts from previous years. As at 31 March 2015 a further 1.91% of 2013/14 council tax has been collected and now stands at 97.17% (2013/14, 95.26%)

Table 4: Council Tax Collection

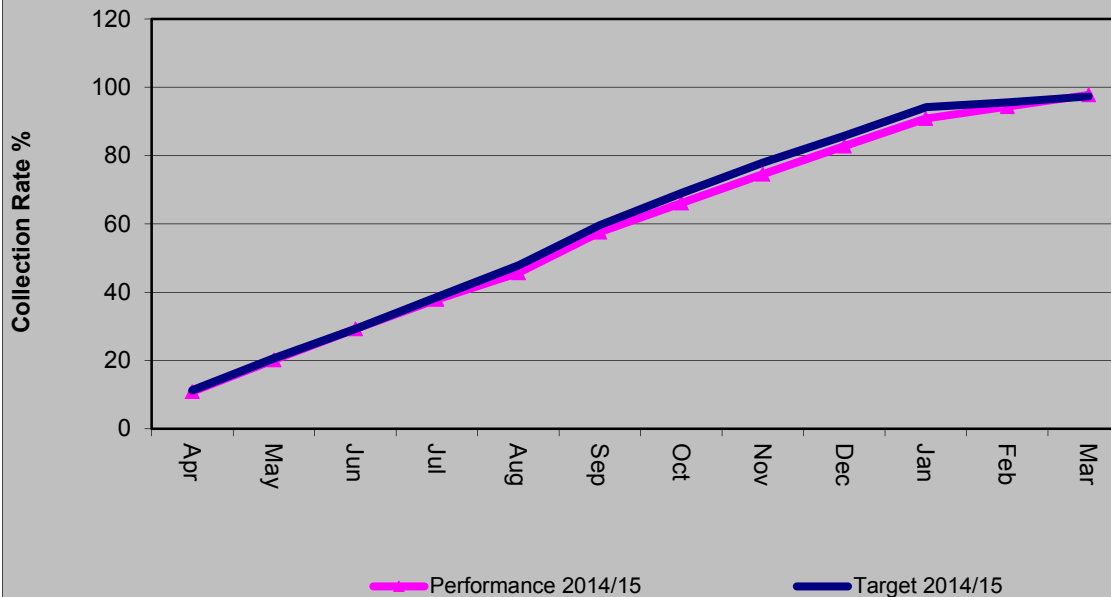


7. Business Rates

The in-year collection of business rates as at 31 March 2015 was 97.78%, which is 0.53% above the target set and an increase of 0.86% compared with 2013/14. This was the best collection rate achieved in Peterborough since 2007/08.

Under the business rate retention scheme introduced in April 2013 the council benefits from any growth in business rates and it is all the more important to ensure robust collection.

Table : Business Rate Collection



CABINET	AGENDA ITEM No. 7
15 JUNE 2015	PUBLIC REPORT

Contact Officer:	Gemma George, Democratic Services Manager	Tel. 01733 452268
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OUTCOME OF PETITIONS

R E C O M M E N D A T I O N S	
FROM : Directors	Deadline date : N/A
It is recommended that Cabinet notes the action taken in respect of the petition presented to Council.	

1. ORIGIN OF REPORT

- 1.1 This report is submitted to Cabinet following the presentation of a petition to Council at its meeting held on 15 April 2015.

2. PURPOSE AND REASON FOR REPORT

- 2.1 The purpose of this report is to update Cabinet on the progress being made in response to petitions.
- 2.2 This report is for Cabinet to consider under its Terms of Reference No. 3.2.3 – ‘To take a leading role in promoting the economic, environmental and social well-being of the area’.

3. TIMESCALE

Is this a Major Policy Item/Statutory Plan?	NO	If yes, date for Cabinet meeting	N/A
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4. OUTCOME OF PETITIONS

4.1 Petition relating to Parking along Nottingham Way

This petition was presented to Council on 15 April 2015 by Councillor John Shearman on behalf of residents of Nottingham Way. The petition outlined the concerns of the residents, this being the increase in the number of vehicles parking along Nottingham Way, particularly in the stretch close to Newark Avenue. The purpose of the petition was to obtain the following objective:

1. To request that the Council extend the current parking restriction further along Nottingham Way in order to eliminate the nuisance of cars, not belonging to residents or their visitors, parking along the road.

The Council’s Group Manager, Peterborough Highway Service, responded stating that “an onsite meeting would be convened with Councillor Shearman and local residents along with the Council’s Network and Traffic Manager. This meeting would enable explanation of the possible options in terms of parking restrictions that could be used and how these would impact on the residents in terms of their own parking and that of their visitors. Further

explanation of how any parking restrictions could be taken forward through the necessary statutory process would also be outlined”.

5. REASONS FOR RECOMMENDATIONS

- 5.1 As the petition presented in this report has been dealt with by Cabinet Members or officers, it is appropriate that the action taken is reported to Cabinet, prior to it being included within the Executive’s report to Council.

6. ALTERNATIVE OPTIONS CONSIDERED

- 6.1 There have been no alternative options considered.

7. LEGAL IMPLICATIONS

- 7.1 There are no legal implications.

8. BACKGROUND DOCUMENTS

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

- 8.1 Petition presented to Council and responses from officers.