



## **MINUTES OF CABINET MEETING HELD 26 SEPTEMBER 2016**

### **PRESENT:**

**Cabinet Members:** Councillor Holdich (Chair), Councillor Eley, Councillor Fitzgerald, Councillor Hiller, Councillor Lamb, Councillor Seaton, Councillor Smith and Councillor Walsh

**Cabinet Advisors:** Councillor Casey and Councillor Stokes

### **1. APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor Goodwin.

### **2. DECLARATIONS OF INTEREST**

Councillor Eley declared a pecuniary interest in item 5. As a director of the company he would not speak on this matter.

### **3. MINUTES OF THE CABINET MEETINGS HELD ON 25 JULY 2016**

The minutes of the meeting held on 25 July 2016 were agreed as a true and accurate record.

### **4. PETITIONS PRESENTED TO CABINET**

Councillor Holdich presented a petition regarding the Travellers Site within his Ward.

Councillor Smith presented a petition regarding the adoption of Charlotte Way which includes the removal of shrubbery and pillars at the entrance to the estate.

Councillor Holdich advised that the petitions would be presented to the relevant officers for response.

### **STRATEGIC DECISIONS**

### **5. AMENDMENT OF EXISTING LOAN ARRANGEMENTS TO EMPOWER COMMUNITY MANAGEMENT LLP**

Cabinet received a report which followed a request from the Cabinet Member for Resources.

The purpose of the report was to authorise the provision of additional capital finance to ECS Peterborough 1 LLP to which the Council already provided finance. This followed the decision by Council on 13 July 2016 to increase the Invest to Save budget.

The Cabinet Member for Resources introduced the item and advised that Empower delivered free solar panels to households across Peterborough and also generated an income for the Council for undertaking similar work elsewhere. The proposed loan would be required to implement the next stage of the project to purchase additional solar panels and to extend their provision, thereby generating further income for the Council.

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

- The proposals were similar to the Axiom loan in principle, however for a different purpose.
- The security of the loan was discussed. It was stated that funding was managed by an independent regulated manager. If there was be a default on the loan, the Council had the right to step in and sell the solar panels, which would generate additional income.
- Empower had meetings planned with the executives of other local authorities to deliver the scheme further afield.
- The scheme linked into the Poverty Strategy
- It had recently been announced that the savings achieved through the scheme amounted to £1million, which in turn had led to an improvement in lifestyles and additional investment in business within the city.

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

1. Approved the amendment of the terms of the Strategic Partnership with Empower Community Management LLP;
2. Approved the amendment of the financing agreement with ECS Peterborough 1 LLP;
3. Approved the due diligence on the purchase of the existing operational solar PV installation;
4. Approved Council entering into such further agreements with ECS Peterborough 1 LLP and any other body necessary to facilitate the arrangements set out in this report; and
5. Delegated to the Corporate Director; Resources and Director of Governance the ability to finalise any individual matters including the amendment as necessary of any existing contractual documents.

## **REASONS FOR THE DECISION**

The decision would:

1. Generate a surplus income which would contribute to the Renewable Energy Savings targets in the MTFs.
2. Support the Council's aspirations to be the UK's Environment Capital by promoting and facilitating use of sustainable energy sources.

## **ALTERNATIVE OPTIONS CONSIDERED**

The Council had a discretion as to whether to advance any additional funding to ECS Peterborough 1 LLP and could determine not to make such further advance. However the Council would lose the opportunity to enhance the refinancing package offered by ECS Peterborough 1 LLP and lose the opportunity to receive the additional interest income from the increased loan until the re-financing takes place.

## **6. CONTRACT AWARD FOR NEW PERMANENCY SERVICES**

Cabinet received a report which followed a request from the Cabinet Member for Children's Services.

The purpose of the report was to seek Cabinet Approval to proceed with a contract award for a new Permanency Service.

The Cabinet Member for Children's Services introduced the report and advised that The Adolescent and Children's Trust (TACT) were the proposed providers for the service. Their appointment for the delivery of the Permanency Service within Peterborough would come to a total value of £126,150,000 from 1 April 2017 until 31 March 2027, with a further option for the Council to extend for a 10 year period. Three bids were received and TACT were the clear winner, who shared the Council's ethos of "Children First".

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

- It was emphasised that TACT had significant experience in the provision of care and would introduce a 24 hour support approach which the Council would struggle to achieve by itself.
- Close working with Vivacity had been included in the service specification.
- The proposals centered around having confidence that the providers could recruit the levels of foster carers required.

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

1. Agree to award a contract to The Adolescent and Children's Trust [known as 'TACT'] for the delivery of the Permanency Service within Peterborough for a total value of £126,150,000 from 1 April 2017 until 31 March 2027 with a further option for the Council to extend for a 10 year period.
2. Authorise the Corporate Director: People and Communities to (i) extend the contract for a further 10 year period at a cost of up to £125,000,000, adjusted for inflation as necessary, should the Council exercise the option to extend, and (ii) approve any variations to the contract, subject to consultation with the Director of Governance.
3. Authorise the Director of Governance to enter into any other legal documentation necessary to document the contractual and other legal arrangements between the parties.

## **REASONS FOR THE DECISION**

Although there were financial savings attached to the proposed contract, the approach to developing the proposed Permanency Service has been built on improving outcomes for vulnerable children and young people in Peterborough, as outlined in the report. To summarise, improved outcomes would be achieved as a result of:

- Increased placement choice for children and young people needing care or who were in care through an increased number of 'in-house' foster placements;
- Better placement matching between children in care and foster carers whom the Council knows well and who were local to Peterborough;
- Increased placement stability as a result of improved levels of support and training for foster carers;
- Increased capacity within the Family Group Conferencing Service, increasing the likelihood that children were able to remain with families on a sustainable basis or, where this fails, to remain within their extended family, benefiting from legal permanency as offered by a Child Arrangement or Special Guardianship Order;
- Reduced risk of the breakdown of placements under the above orders coming to unplanned ends as a result of the development of improved support services that were in line with adoption support;
- The development of innovative programmes to help to support children and young

people returning home to their families after a period in care, reducing the likelihood of a return to care, and all the associated negative consequences to relationships and long term outcome;

- The continued strong performance in relation to adoption and adoption support as outlined in the service specification;
- The capacity of a new charitable provider to draw in other charitable organisations and funding streams to support children, young people and their families in Peterborough.

## **ALTERNATIVE OPTIONS CONSIDERED**

The following options were considered and rejected:

Option 1 - Continuation of current services. This option was rejected for the following reasons:

- a) The Council had a responsibility to use public resources responsibly and faced significant budget pressures. Doing nothing would imply acceptance of reliance on as many as 100 relatively high cost placements for children and young people, leading to the need to make savings elsewhere in children's services.
- b) A tender exercise would generate competition within the market, potentially leading to innovation and the potential to invest in additional services for children and young people, as outlined elsewhere in this report.

Option 2 – Cease to provide placement services. This option was rejected as Peterborough City Council has a statutory duty to deliver these services.

## **7. REGIONAL AND NATIONAL APPROACHES TO MEETING NEEDS OF UNACCOMPANIED ASYLUM SEEKING YOUNG PEOPLE**

Cabinet received a report which followed a request from the Cabinet Member for Children's Services.

The purpose of the report was to seek approval for the Council to participate in regional and national schemes that ensure the responsibility for supporting unaccompanied asylum seeking children and young people was managed as equitably as possible between local authorities.

The Cabinet Member for Children's Services introduced the report and advised that Peterborough experience a higher than average number of unaccompanied asylum seeking young people due to its extensive travel links. The proposal before Cabinet would ensure that distribution between local authorities struck the correct balance.

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

- Members felt that the scheme would ensure that all communities nationwide contributed equitably and that the task of caring for such young people would be more fairly distributed.
- Peterborough had received 30 – 40 young people over the last 18 months, Kent over 1,000, whilst Norfolk and Suffolk had only two.
- There were currently 31 young people in care, the majority were from Afghanistan and Syria aged 16-18 years and 70% were males. Most had travelled to the country to learn the language and to do well as possible.
- The young people stay would in care until the Home Office reached a decision regarding their status. Beyond the age of 18 the local authority ceased to receive financial support from the government.
- The costs involved were estimated to be between £800,000 to £1million.

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

1. Agree that Peterborough City Council play a full part in national arrangements under the Government's National Transfer Scheme that is intended to ensure that unaccompanied asylum seeking children and young people account for no more than 0.07% of the child population of any one local authority; and
2. Agree that Peterborough City Council also play a full part in supporting arrangements across the eastern region to support the transfer of unaccompanied minors between regional authorities by agreement and where transfer would be in the interests of the child or young person concerned.

### **REASONS FOR THE DECISION**

Participating in the National Transfer Scheme would ensure that Peterborough continued to fully play its part in contributing to the support needs of vulnerable unaccompanied minors and former minors and any vulnerable children identified under the provisions of the Immigration Act 2016.

Importantly, however, this contribution would be made in a planned and predictable way that ensured that this support was provided within a framework that is equitable across the country.

Participating in the regional scheme agreed by Directors of Children's Services would enable the Council to help children and young people placed outside of the City to be better supported in the longer term by, for example, supporting case responsibility to transfer to the local authority within which they were placed, by agreement.

### **ALTERNATIVE OPTIONS CONSIDERED**

The following options were considered and rejected:

Option 1 – Not to participate in either the National Transfer Scheme or regional arrangements. This option was rejected because:

- a) Non-participation in the National Transfer Scheme would result in the Council continuing to be required to meet the needs of unaccompanied minors being apprehended within Peterborough as at present. Current arrangements led to an unpredictable and variable resource pressure as numbers arriving fluctuate throughout the year;
- b) Non-participation in the National Transfer Scheme would risk the Council being perceived as being unwilling to accept its fair share of responsibility for supporting unaccompanied minors, although clearly not actually the case given its history;
- c) Non-engagement in the regional scheme would mean that the Council may not be able to secure the agreement of other regional local authorities to accept case and financial responsibility for children and young people its had placed outside of Peterborough, affecting the ability of those young people to access long term and consistent support in an area that had become familiar to them.

## **8. CHILD POVERTY STRATEGY**

Cabinet received a report which followed consideration of the draft Child Poverty Strategy by the Creating Opportunities and Tackling Inequalities Scrutiny Committee on 12 September 2016.

The purpose of the report was to seek consideration and approval of the draft Child Poverty strategy in order to meet the council statutory obligations under the Child

Poverty Act 2010.

The Cabinet Member for Children's Services introduced the report and advised that the Strategy outlined the current position regarding both children and their families in terms of tackling housing, financial management, education, health, employment and skills, and trying to break the cycle of deprivation. All portfolios were involved. The Strategy would be overseen by Safer Peterborough Delivery Board with six monthly reviews, which would result in a change of direction if required.

The Cabinet Member for Children's Services further advised that the wording of the recommendation should be amended to remove the word 'draft' from the document title.

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

- Child poverty had a knock on effect in many ways and areas of the city, affecting the health of both children and their families.
- Areas such as educational needs, homelessness and children in care were affected. Additional costs in relation to associated benefit payment would also need to be considered
- Using officers from existing boards, the newly formed Health and Wellbeing Board and Safer Peterborough Partnership Programme Board would ensure delivery of a comprehensive cross-area policy with key strands to target specific issues.

Cabinet considered the report and **RESOLVED** to approve the Child Poverty Strategy.

#### **REASONS FOR THE DECISION**

The draft strategy fulfilled the Council's statutory obligations under the Child Poverty Act 2010.

#### **ALTERNATIVE OPTIONS CONSIDERED**

Do not approve the strategy. This option was not recommended as the Council would not be able to meet its statutory requirements.

### **9. MEDIUM TERM FINANCIAL STRATEGY AND BUDGETARY CONTROL REPORT – JULY 2016**

Cabinet received a report which followed discussions by the Corporate Management Team, Cabinet Policy Forum, and the cross-party Budget Working Group.

The purpose of the report was to provide a quarterly update of the Budgetary Control position and to set out the proposed process and timetable for the 2017/18 budget process including dates for the 'budget conversation' with the public.

The Cabinet Member for Resources introduced the report and advised that the report considered two elements, the current financial situation and that of the coming year. Proposed savings totalled £24 million in the current year, although further pressure from housing the homeless meant the Council was facing an overspend on the current period. As such all other options were being considered to make savings elsewhere. A recent audit had reported a no issues with last year's accounts or the Council's ability to combat the financial challenges ahead.

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

1. The financial pressures in the current financial year and the continuing work by CMT to deliver a balanced budget;
2. The forecast budget gap for the financial year 2017/18 and onwards, and the key assumptions currently included in the MTFs forecast; and
3. The proposed report to Council on October 12 that recommends updates to the Budget and Policy Framework to reflect the Council's approach to a two-phase budget process.

## **REASONS FOR THE DECISION**

The Cabinet was responsible for initiating Budget Proposals within the Council's Budget and Policy Framework Procedure Rules. The proposed approach and timetable for the 2017/18 budget-setting process contained within the report varied from that contained within the Procedure Rules and Cabinet was being asked to put forward this alternative, two-stage process, for Council approval. The two stage process was used last year and was successful in enabling the Council to set a lawful and balanced budget. Another benefit of the two stage approach was that the early agreement of Phase 1 budget proposals in the December before the start of the new financial year gave departments more time to implement these proposals, some of which may require long lead in times to achieve successful implementation.

## **ALTERNATIVE OPTIONS CONSIDERED**

No alternative option was considered as the Cabinet was responsible under the Constitution for initiating Budget Proposals and the Council was statutorily obliged to set a lawful and balanced budget by 11 March annually.

### **10. EFFICIECNY STRATEGY 2016/17 – 2019/20**

Cabinet received a report which followed a referral from the Section 151 Finance Officer.

The purpose of the report was for Cabinet to consider the proposed 2016/17 – 2019/20 Efficiency Strategy which will enable the Council to become eligible for a Four-Year Funding Settlement from Government.

The Cabinet Member for Resources introduced the report and advised that the £24 million savings referred to previously were achieved without any reduction in services. Submitting an Efficiency Strategy to assist in financial planning in these challenging times would also contribute to achieving a greater level of certainty over future grant levels, as per recent Government guidelines.

Cabinet considered the report and **RESOLVED** to approve the Peterborough City Council Efficiency Strategy for 2016/17 – 2019/20.

## **REASONS FOR THE DECISION**

The approval of the Strategy was a Government requirement for eligibility for a 4 year funding settlement.

## **ALTERNATIVE OPTIONS CONSIDERED**

The Council was not bound to accept a 4 year funding settlement. It had the option to receive one year funding settlements as per the current arrangements. However, the Government had said that it could not guarantee the same levels of funding for Councils who did not accept the offer.

## **MONITORING ITEMS**

### **11. OUTCOME OF PETITIONS**

Cabinet received a report which followed the presentation of petitions to Council at its meeting on 19 July 2016.

The report provided an update on the progress being made in response to petitions as follows:

1. Petition relating to Livermore Green Tree Pruning
2. Petition relating to Parking in Deaconscroft
3. Petition relating to Noise and Anti-Social Behaviour in Century Square

### **ALTERNATIVE OPTIONS CONSIDERED**

No alternative options had been considered.

Cabinet considered the report and **RESOLVED** to note the actions taken in respect of petitions.

Chairman  
10.00am – 11.05am