

CABINET

MONDAY 15 JULY 2019
10.00 AM

Bourges/Viersen Room - Town Hall
Contact – philippa.turvey@peterborough.gov.uk, 01733 452460

AGENDA

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**MINUTES OF THE CABINET MEETING
HELD AT 10:00AM, ON
MONDAY, 17 JUNE 2019
COUNCIL CHAMBER, TOWN HALL, PETERBOROUGH**

Cabinet Members Present: Councillor Holdich (Chair), Councillor Allen, Councillor Ayres, Councillor Farooq, Councillor Fitzgerald, Councillor Hiller, Councillor Seaton, Councillor Walsh

Cabinet Advisors Present: Councillor Bashir

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Cereste.

2. DECLARATIONS OF INTEREST

No declarations of interest were received.

3. MINUTES OF CABINET MEETINGS HELD ON:

(a) 25 FEBRUARY 2019

The minutes of the meeting held on 25 February 2019 were agreed as a true and accurate record.

(b) 25 MARCH 2019

The minutes of the meeting held on 25 March 2019 were agreed as a true and accurate record, subject to the removal of the sentence with minute 89 'Active Lifestyles and Sports Strategy', "It was considered that working alongside the integrated communities' strategy."

4. PETITIONS PRESENTED TO CABINET

There were no petitions presented to Cabinet.

Cabinet agreed to reorder the agenda and switch the debate for agenda item 6 'Establishing New Schools Including Faith Schools' and agenda item 10 'Peterborough Local Plan and Development Plan Document (Version for Adoption)'. This was in order to ensure the Local Plan was considered before any supplementary planning documents.

STRATEGIC DECISIONS

5. PETITION FOR DEBATE – 'PARKING ZONE E'

The Cabinet received a report in relation to a petition presented to the Council around Parking Zone E.

The purpose of this report was to consider the response to the petition, which stated 'The new, electronic system of residents/visitor parking permits is proving unsatisfactory in a number of ways. Even where residents have internet access, the logging of visitor number plates is fiddly and intrusive. The website is unreliable, and parking fines can easily be incurred unwittingly. Enforcement is insufficient in the evenings and weekends, and residents struggle to find parking spaces. Holders of Zone E permits feel they are not getting value for money, and ask that the current permit system be reviewed.'

Councillor Joseph, representing the Lead Petitioner, addressed the Cabinet and advised that it was felt by residents that the introduction of the electronic parking permit scheme had resulted in no clear benefits. Enforcement, it was claimed, was sporadic, though residents were being ticketed for minor infringements. It was felt by some residents that the scheme represented a form of tracking. Additionally, the Council was considered to have made a number of assumptions about residents' engagement with online facilities.

The Cabinet Member for Communities addressed the Cabinet, stating that the Assistant Director for Public Protection had responded to the petition. It was advised that there had been more patrols in the past 12 months than in previous years, and there was to be an increase in enforcement coverage in the future, including evenings and weekends. It was considered the online system was a more efficient use of resources. It was noted that if a resident was unable to access the online system, they would still be able to use the paper system if necessary. The Cabinet Member for Communities proposed that the petition and comments made in response be noted.

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

- It was queried what was considered a 'minor' infringement.
- Comment was made that many services were now provided online, so concerns around tracking were misleading.
- It was noted that the proposals in relation to moving to an online parking permit system were contained with the previous year's budget consultations, and was a high profile issue.

Cabinet considered the report and **RESOLVED** to note the petition and comment but take no action for the reasons given in the debate.

REASONS FOR THE DECISION

The Council was working to continue with the progression to digital formats but would assist any residents that were having issues in relation to the new online systems.

ALTERNATIVE OPTIONS CONSIDERED

To take the action requested in the petition or to refer the petition to either a Cabinet Member or the relevant Scrutiny Committee.

6. PETERBOROUGH LOCAL PLAN AND DEVELOPMENT PLAN DOCUMENT (VERSION FOR ADOPTION)

The Cabinet received a report in relation to the Peterborough Local Plan and Development Plan Document (Version for Adoption).

The purpose of this report was to set out the recommendations made by the Independent Inspector and subsequently seek Cabinet's approval to recommend the Local Plan to Council for adoption.

The Cabinet member for Strategic Planning and Commercial Strategy and Investments introduced the report and advised that the local plan and associated documents had been delivered on time, on budget and with a limited number of issues raised by examiners. It was noted that other authority areas continued to seek Peterborough's expertise. The documents attached to the report would set out a clear framework for the delivery of growth, homes and the management of environmental assets. The Plan would also place the Council in a strong position to resist predatory development.

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

- It was considered that the adoption of a more up to date plan would lead to less speculative development proposals on open land, though these would not disappear completely.
- The Local Plan could not make rulings on individual sites, but could be used confidently by decision makers as a framework tool and could provide indicative figures for development.
- It was advised that there was no legal date in place a review of the plan, but officers anticipated that the Plan would be reviewed again in three to four years' time.
- In relation to the level of social houses to be provided, it was advised that the current plan was to deliver approximately 5,000 over five years, which was considered by officers to be deliverable. An additional 3,000 on top of this, which had been queried, would be exceptional.
- It was noted that additional external funding was available for social housing, for example, through the Cambridgeshire and Peterborough Combined Authority.
- In terms of environmental issues, the Council was constrained by nation policy. However, it was considered that the Plan went as far as it could.
- Members noted that the Plan was not able to identify specific named sites for schools, however, set out a framework for development and negotiation for development contribution.
- It was considered that community was an important aspect of development and should be incorporated in the vision for development in the authority area.

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

1. Note the conclusions of the independent Inspector who was appointed to examine the council's submitted Peterborough Local Plan.
2. Recommend to Council the adoption of the Peterborough Local Plan, incorporating modifications as recommended by the Inspector ('Main Modifications') and other minor editorial modifications ('Additional Modifications').
3. Note that should Council adopt the Local Plan, the following council documents would be revoked and must not be used for decision making:
 - Core Strategy DPD (2011),
 - Site Allocations DPD (2012),

- Planning Policies DPD (2012) and
 - City Centre DPD (2014).
4. Subject to recommendation 2, recommend that Council endorses the updated 'Policies Map' in line with draft maps provided via this agenda report, in order to reflect the policies of the new Local Plan, and the deletion of policies from the above listed revoked documents.

REASONS FOR THE DECISION

As outlined in the report, 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 Local Plan, and, in adopting it, Peterborough would have a clear and robust policy document setting out its vision, objectives for the city.

ALTERNATIVE OPTIONS CONSIDERED

The option of not adopting the Local Plan was not recommended, because in doing so the Council could reduce potential investment in Peterborough, including fewer new jobs and homes. If the Local Plan was not adopted the Council would be in a position going forward where it would be at risk of being unable to robustly defend its supply of housing sites, and could be subject to speculative applications (especially in and around villages) and challenges at appeal.

7. DEVELOPER CONTRIBUTIONS SUPPLEMENTARY PLANNING DOCUMENT

The Cabinet received a report in relation to the Developer Contributions Supplementary Planning Document.

The purpose of this report was to approve the Developer Contributions Supplementary Planning Document (SPD) for adoption. The SPD expanded on overarching headline policy contained in the Council's soon to be adopted Local Plan. Consultation with the public and stakeholders on the draft SPD was carried out in March 2018.

The Cabinet member for Strategic Planning and Commercial Strategy and Investments introduced this report and the reports for agenda item 8 'Peterborough Flood and Water Management Supplementary Planning Document', and agenda item 9 'Green Infrastructure and Biodiversity Supplementary Planning Document' and advised that all the supplementary planning documents before Cabinet were complimentary to the Local Plan. These covered such areas and when developers should contribute to Council schemes, what infrastructure should be in place to minimise flooding issues, and how nature sites can be provided alongside development.

Cabinet agreed to debate this report and the reports for agenda item 8 'Peterborough Flood and Water Management Supplementary Planning Document', and agenda item 9 'Green Infrastructure and Biodiversity Supplementary Planning Document' as one. In summary, key points raised and responses to questions included:

- As Peterborough and the surrounding area was relatively flat, it was advised that the biggest flooding risk was related to surface water. The supplementary planning document was key for planners and developers to tackle this issue.
- Members noted officers' work with the Environment Agency and taking into account climate change factors into their projections and assumptions.

- It was commented that while the Local Plan and the supplementary planning documents did not have any direct financial implications, all subsequent planning decisions would have both positive and negative financial implications attached to them.

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

1. Agree that the Developer Contributions SPD be adopted as part of the council's policy framework, subject to Full Council adopting a new Peterborough Local Plan at its meeting of 24 July 2019. If Full Council did resolve to adopt a new Peterborough Local Plan, then this SPD would come into effect at the same time as that resolution.
2. Delegate to officers the ability to make any minor presentational or typographical changes to the SPD, prior to its publication post 24 July 2019, provided any such changes did not materially affect the content of the SPD.

REASONS FOR THE DECISION

There was no statutory duty to prepare this SPD. However, without it, there would be a lack of clarity for developers about what contributions to infrastructure would be sought by the Council. Without the SPD there could be a detrimental impact on development coming forward and the ability of the council to deliver new and improved infrastructure to support growth.

ALTERNATIVE OPTIONS CONSIDERED

Alternative options considered were:

Option 1 - do not update the document - For this option, policies remained outdated, references out of date and the opportunity to simplify the document to make it more usable was missed. As such this was not the recommended option.

Option 2 - Remove the SPD from circulation - this would result in a loss of a valuable resource for both planners and developers and carried the risk of infrastructure not being delivered in support of new development. As such this was not the recommended option.

Option 3 - full SPD rewrite - this option was more resource intensive with little, if any, additional benefit. The demand on resources made this not a recommended option.

8. PETERBOROUGH FLOOD AND WATER MANAGEMENT SUPPLEMENTARY PLANNING DOCUMENT

The Cabinet received a report in relation to the Peterborough Flood and Water Management Supplementary Planning Document.

The purpose of this report was to seek cabinet approval for the Flood and Water Management SPD. The SPD would provide guidance to developers on flood and water management in Peterborough. It would expand on overarching headline policy contained in the Council's emerging Local Plan (which was scheduled to be adopted by Full Council on 24 July 2019).

The debate in relation to this item was as above.

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

1. Agree that the Flood and Water Management SPD be adopted as part of the council's policy framework, subject to Full Council adopting a new Peterborough Local Plan at its meeting of 24 July 2019. If Full Council did resolve to adopt a new Peterborough Local Plan, then this SPD would come into effect at the same time as that resolution.
2. Delegate to officers the ability to make any minor presentational or typographical changes to the SPD, prior to its publication post 24 July 2019, provided any such changes did not materially affect the content of the SPD.

REASONS FOR THE DECISION

There was no statutory duty to prepare this SPD. However, without it, developers could be confused or misinformed as to how they can deliver fit-for-purpose development schemes in Peterborough that meet flood and water management requirements. This could have an impact on development coming forward as additional time would need to be spent on applications where flood or water management issues occur.

The existence of policy and guidance that all of Peterborough's water management partners support would improve current and future service delivery through the more efficient processing of planning applications and future drainage application approvals.

ALTERNATIVE OPTIONS CONSIDERED

Alternative options considered were:

Option 1 - do not update the document. For this option, policies remained outdated, weblinks broken and missed opportunity to simplify the process for those involved in managing flood risk through development. As such this was not the recommended option.

Option 2 - remove the SPD from circulation - this would result in a loss of a valuable resource for both planners and developers and carried the risk of flood risk not being consistently managed. As such this was not the recommended option.

Option 3 - full SPD rewrite - this option was more resource intensive with little, if any, additional benefit. The demand on resources made this not a recommended option.

9. GREEN INFRASTRUCTURE AND BIODIVERSITY SUPPLEMENTARY PLANNING DOCUMENT

The Cabinet received a report in relation to the Green Infrastructure and Biodiversity Supplementary Planning Document.

The purpose of this report was to present the City Council's updated Green Infrastructure and Biodiversity Supplementary Planning Document (SPD) for the Cabinet to approve, and bring it into effect if Full Council subsequently adopt the Peterborough Local Plan at the meeting on 24 July 2019.

The debate in relation to this item was as above.

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

1. Agree that the Green Infrastructure & Biodiversity SPD be adopted as part of the council's policy framework, subject to Full Council adopting a new Peterborough Local Plan at its meeting of 24 July 2019. If Full Council did resolve to adopt a new Peterborough Local Plan, then this SPD would come into effect at the same time as that resolution.
2. Delegate to officers the ability to make any minor presentational or typographical changes to the SPD, prior to its publication post 24 July 2019, provided any such changes did not materially affect the content of the SPD.

REASONS FOR THE DECISION

There was no statutory duty to prepare SPDs, though the preparation and adoption of an SPD was clearly defined in legislation (should a council choose to prepare one).

Accordingly, there was no strict requirement for Cabinet to approve a Green Infrastructure and Biodiversity SPD. However, without this "one stop shop" document, developers could be confused or misinformed in relation to appropriate consideration and implementation of biodiversity and green infrastructure requirements in Peterborough. This could have an impact on development coming forward as additional time would need to be spent on applications where biodiversity and GI issues occur.

In addition, this SPD provided a focus for identifying and driving forward delivery of priority GI projects in partnership with a wide range of environmental organisations and community groups within Peterborough.

ALTERNATIVE OPTIONS CONSIDERED

Alternative options considered were:

Option 1 - do not update the 2006 Green Grid Strategy and various biodiversity guidance notes available on the Council's website. This would represent a missed opportunity to simplify the process for those requiring advice in relation to both biodiversity and green infrastructure, as such this was not the preferred option.

10. ESTABLISHING NEW SCHOOLS INCLUDING FAITH SCHOOLS

The Cabinet received a report in relation to the establishment of new schools, including faith schools.

The purpose of this report was to provide Cabinet with an understanding of the different routes and associated processes for opening new schools, and for Cabinet to agree to adopt a policy position regarding the establishment of new faith schools and single sex schools which will provide a context within which to consider any future applications or proposals to open new schools with a religious designation and/or single sex designation.

The Cabinet Member for Children's Services, Education, Skills and the University introduced the report and advised that the proposal before Cabinet confirmed historic practice around mixed and single sex schools. The Department for Education had approved two applications for new schools, in Paston and in Hampton Waters, to open in approximately 2022. The school in Hampton Waters was to be a voluntary aided Roman Catholic school, and this required a stage of statutory consultation.

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

- Concern was raised in relation to the establishment of a faith school regarding the location any catchment boundary and officers confirmed that within Hampton the whole area was one catchment. Therefore, parents could choose to access any school in the city if there is space.
- It was noted that the requirement to provide transport to children at a faith school was removed in 2012.
- Officers advised that the final decision to progress with the faith school. Prior to this work could be done to evaluate the demand for places.
- Comment was made in relation to work under a mixed sex system, and it was noted that previous single sex schools led to issues around integration.

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

1. Note the routes and processes for establishing new schools.
2. Adopt the proposed policy position set out in section 4.8 of the report when considering proposals for the establishment of a new voluntary aided faith school or academy with religious designation.
3. Adopt the proposed policy position set out in section 4.9 of the report regarding whether new schools in Peterborough should be single sex or mixed.

REASONS FOR THE DECISION

Establishment of new schools

For Cabinet to understand the routes available for establishing new schools, and how new schools are funded.

Voluntary aided schools

Two applications had been made to the Department for Education's capital fund to open two new voluntary aided primary schools in Peterborough. If either or both of these funding applications were approved by the DfE (decision expected late May 2019) the Council would need to exercise its statutory power as decision maker to determine whether or not to establish the new schools. It was therefore, important that the Council had a policy which would provide the context within which to consider these and any future applications or proposals to open new schools with a religious designation.

Whether the school will be mixed or single sex

The Council did not currently have a policy on whether new schools should be mixed or single sex. It was important that the Council had a policy which would provide the context within which to consider any future applications or proposals to open new schools with single sex designation.

ALTERNATIVE OPTIONS CONSIDERED

Status quo i.e. having no policy on the development of new faith schools could run the risk of legal challenge that the Council was not complying with its duty to promote choice, diversity and equality of education provision. Whereas it would be good practice to consider the provision of sufficient and suitable denominational school

places as part of its broader approach to place planning for basic need, with each new development, or area of growth, being considered on its individual circumstances and needs.

MONITORING ITEMS

11. BUDGET CONTROL REPORT APRIL 2019

The Cabinet received a report in relation to the Budget Control Report for April 2019.

The purpose of this report was to provide Cabinet with an early indication of the forecast for 2019/20 at the April 2019 budgetary control position.

The Cabinet Member for Finance introduced the report and advised that the early indicative position was of a £20million overspend. It was noted that this was a complex process and that, until finished, it was likely an overspend would be identified. It was further advised that the Council faced pressure in relation to parking income, street lighting and home to school transport.

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

1. The Budgetary Control position for 2019/20 at April 2019 includes an early indication of an overspend of £5.504m against budget.
2. The Key variances and Budget risks, highlighted in Appendix A to the report.
3. The estimated reserves position for 2019/20 outlined in Appendix B to the report.

REASONS FOR THE DECISION

The report updated Cabinet on the April 2019 budgetary control position.

ALTERNATIVE OPTIONS CONSIDERED

There had been no alternative options considered.

12. BUDGET MONITORING REPORT FINAL OUTTURN 2018/19

The Cabinet received a report in relation to the Budget Monitoring Report Final Outturn 2018/29.

The purpose of this report was to provide Cabinet with the outturn position for both the review budget and capital programme for 2018/29, subject to any changes required in the finalisations of the Statement of Accounts.

The Cabinet Member for Finance introduced the report and advised that overall outturn had improved to an overspend position of £2 million. In Children's Services along a £4 million demand requirement had been successfully brought down.

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

1. Note the final outturn position for 2018/19 (subject to finalisation of the statutory statement of accounts) of a £2.119m overspend on the Council's revenue budget.

2. Note the reserves position outlined in section 6 and Appendix C to the report, which included a contribution from the capacity building reserve of £2.119m, as a result of departmental overspends highlighted in the revenue outturn report in Appendix A to the report and further detail of the People & Communities directorate in Appendix B to the report.
3. Note the outturn spending of £95.9m in the Council's capital programme in 2018/19 outlined in section 7 of the report.
4. Note the performance against the prudential indicators outlined in Appendix D to the report.
5. Note the performance on payment of creditors, collection performance for debtors, local taxation and benefit overpayments outlined in Appendix E to the report.

REASONS FOR THE DECISION

This monitoring report formed part of the 2018/19 closure of accounts and decision making framework culminating in the production of the Statement of Accounts and informed Cabinet of the final position.

ALTERNATIVE OPTIONS CONSIDERED

There had been no alternative options considered.

13. OUTCOME OF PETITIONS

The Cabinet received a report in relation to the outcome of petitions received by the Council.

The purpose of this report was to update the Cabinet on the progress being made in response to petitions submitted to the Council.

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

REASONS FOR THE DECISION

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.

ALTERNATIVE OPTIONS CONSIDERED

There had been no alternative options considered.

Chairman
10:00am – 11:24am
17 June 2019

CABINET	AGENDA ITEM No. 5
15 JULY 2019	PUBLIC REPORT

Report of:	Peter Carpenter - Acting Corporate Director of Resources	
Cabinet Member(s) responsible:	Councillor Marco Cereste - Cabinet Member for Waste and Street Scene	
Contact Officer(s):	Richard Pearn, Head of Waste, Resources, and Energy James Collingridge, Head of Environmental Partnerships Clair George, Acting Head of Service Prevention and Enforcement	Tel.01733 864739 Tel.01733 864736 Tel.01733

REPORT OF THE TASK AND FINISH GROUP TO REVIEW FLY TIPPING AND WASTE POLICY - PHASE 2

R E C O M M E N D A T I O N S	
FROM: Task and Finish Group Reviewing Fly Tipping and Waste Policy	Deadline date: N/A
<p>It is recommended that Cabinet, subject to the approval of the Growth, Environment, and Resources Scrutiny Committee:</p> <ol style="list-style-type: none"> 1. Endorse the Task and Finish Group Review Fly Tipping and Waste Policy report (Appendix 1 to the report) and recommendations for implementation. 2. For recommendations where financial implications have been identified agree that a business case be produced and brought back to Cabinet for approval. 	

1. ORIGIN OF REPORT

- 1.1 Councillor John Holdich, Leader of the Council, indicated in his speech at Full Council on the evening of 21 May 2018 that Fly Tipping in the City is a challenge and that a cross party group be set up to investigate and make recommendations to Cabinet on policy changes that might reduce the amount of fly tipping.

2. PURPOSE AND REASON FOR REPORT

- 2.1 This report is submitted to the Cabinet following a review of fly tipping and waste policy. The report is to be considered by the Growth Environment and Resources Scrutiny Committee on the 10 July 2019. The purpose of this report is to seek Cabinet's approval to implement the findings of the report and produce business cases for those recommendations with a financial implication.
- 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 services.'

3. TIMESCALES

Is this a Major Policy Item/Statutory Plan?	NO	If yes, date for Cabinet meeting	N/A
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4. BACKGROUND AND KEY ISSUES

- 4.1 Fly tipping of waste is a national issue as well as being a very local issue to Peterborough residents who share the City with such incidents of illegal and anti-social behaviour, it currently costs the authority annually over £200,000 in collection alone just from PCC owned land.
- 4.2 A number of areas of Council operation may have an influence on such incidents and as such the scope of the group follows the following core subjects.
- The HRC in Fengate due to take over from Dogsthorpe in early 2019
 - Investigation of potential additional HRC site
 - Waste, Recycling and Cleansing policies and procedures where relevant
 - Fly Tipping collection and handling
 - Education, Information Gathering, Surveillance, Enforcement and Prosecution
- 4.3 The Task and Finish Group completed their initial investigation in to the issue of Fly Tipping in Peterborough and presented their findings of the review to the Growth, Environment and Resources Scrutiny Committee on 9 January 2019. Whilst the Committee were satisfied with the findings within the report and the conclusions and recommendations reached the Committee requested that a further piece of work should be undertaken. Therefore a further recommendation was added to the report for presentation to Cabinet on 4 February 2019. The additional recommendation was as follows:

The Growth, Environment and Resources Scrutiny Committee endorsed the development of detailed policy proposals namely;

Bulky waste Collection Policy, including examining the following: price, price banding, number of items per collection, times and days per week. Scheduled community collection events with Parish Councils etc.

· HRC Restrictions on van and trailers, opening hours, trade waste ban, DIY waste limits/charging, electronic permit application and/or use on site (e-permits) neighbouring authority policies, legal restrictions and financial implications.

To include where possible detail on legislative restrictions, neighbouring authority policies and cost estimations for consideration.

- 4.4 On presentation to Cabinet on 4 February 2019 all recommendations including the additional one made by the Committee on 9 January were accepted. The Task and Finish Group have therefore continued to meet to work on the development of detailed policy proposals as requested by the Committee and approved by Cabinet. The report attached at Appendix 1 therefore contains the conclusions and recommendations following the request from Cabinet.

5. CONSULTATION

- 5.1 Significant consultation had been undertaken with a wide range of stakeholders during the development of the second stage of the review which was focussed on the implications arising from the specific recommendations developed by the group.

6. ANTICIPATED OUTCOMES OR IMPACT

- 6.1 If Cabinet endorse the recommendation those that do not carry a financial implication will be implemented as soon as possible and those that do will be worked into a full business case for approval and implementation.

7. REASON FOR THE RECOMMENDATION

- 7.1 Following the decision to extend the remit and work of the Task and Finish Group both by scrutiny and Cabinet, the recommendations in the report have been made to support the additional points that were asked of the Task and Finish Group.
- 7.2 Based on the considerable evidence gathered during the work of the Task and Finish Group a sound understanding and basis in evidence has been generated to support the specific recommendations.

8. ALTERNATIVE OPTIONS CONSIDERED

- 8.1 To not undertake the work of the Task and Finish group and report back was considered as unsuitable as this would fail to action the leaders desire to undertake said investigation into these challenging issues.

9. IMPLICATIONS

Financial Implications

- 9.1 The elements mentioned in the report may have financial implications, however at this point in time only budget estimates are available as procurement exercises have not been undertaken.
- 9.2 Each element will require a proposal and business case before proceeding, based on the processes followed for specification and procurement, subsequently following appropriate officer or Cabinet Member approval processes.
- 9.3 It should be noted however that any decisions ultimately taken based on these recommendations, which require additional funds not presently accounted for, will be subject to the existing budget bid process in order to secure appropriate funds to be implemented.

Legal Implications

- 9.4 The Council has the powers to undertake the changes to policy and procedure highlighted in this report which would be implemented through the Cabinet Member Decision Notice (CMDN) process which forms part of the governance procedure employed at the Council.
- 9.5 Individual decisions taken in order to implement the proposals contained within this report will be subject to prior legal, financial, procurement and other appropriate analysis which will be detailed in any applicable CMDN.

Equalities Implications

- 9.6 There are no equalities implications from this recommendation report, however if specific actions are implemented in the future arising from this report they will be subject to an Equalities Impact Assessment as required.

10. BACKGROUND DOCUMENTS

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

- 10.1 None.

11. APPENDICES

- 11.1 Appendix 1 - Report of the Task and Finish Group - Phase 2

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**GROWTH, ENVIRONMENT AND
RESOURCES SCRUTINY COMMITTEE
TASK AND FINISH GROUP**

FLY TIPPING AND WASTE POLICY REVIEW

Part 2

10 JULY 2019

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1. INTRODUCTION

At Annual Council on 21 May 2018, Cllr John Holdich OBE, Leader of the Council announced that due to the challenges around fly-tipping being faced in the city of Peterborough that a cross-party Task and Finish Group would be set up to investigate and make recommendations to Cabinet on policy changes that might reduce the amount of fly tipping.

The proposal to set up the Task and Finish Group was presented to the Growth, Environment and Resources Scrutiny Committee on 4 July 2018. The proposal was accepted and the terms of reference agreed. Possible nominations to the Task and Finish Group were sought at the meeting to be confirmed following the meeting through the Group Secretaries.

The cross-party Task and Finish Group comprised of the following members:



Cllr Judy Fox
Werrington First
Chairman



Cllr Aasiyah Joseph
Labour and Co-operative



Cllr Richard Brown
Conservative



Cllr Christian Hogg
Parish Councillor, Neil Boyce
Liberal Democrats Co-opted Member



Officers supporting the Task and Finish Group were:

- Richard Pearn, Head of Waste, Resources and Energy (Lead Officer)
- Rob Hill, Assistant Director - Community Safety (Peterborough and County)
- James Collingridge, Head of Environmental Partnerships
- Clare George, PES Head of Service
- Paulina Ford, Senior Democratic Services Officer
- Daniel Kalley, Senior Democratic Services Officer

The Task and Finish Group wish to thank all of the officers who have provided guidance and assistance in producing this report for their hard work and support.

2. SUMMARY OF RECOMMENDATIONS

Recommendation 1.

The group support the wider corporate project examining the development of a Peterborough Fix my Street mobile friendly web service to replace the now redundant MyPeterborough App. Recommend resources be given to advance the project and ensure it delivers functions in support of tackling fly tipping.

Recommendation 2

Put a business plan together to look at cost of specialist vehicles, or to have new fleet fitted with weighing equipment to improve business and bulk waste services. Also to bill in advance for trade waste.

Recommendation 3

Propose that the Landlord bulk waste collection service be altered so they are required to pay a deposit and supply pictures of waste to be collected, to simplify administration and remove the need for a staff member to visit on each occasion.

Recommendation 4

To establish systems of work to allow information on fly tipping enquiries reported that are judged not to be on Council land to relevant landowners or partners.

Recommendation 5

To change the Bulk Waste Collection service to allow up to 5 items free per household per annum, thereafter additional items and collections would have banded prices.

Recommendation 6

To review Fengate HRC opening hours once customer survey undertaken in September 2019 and report back to scrutiny committee.

Recommendation 7

Progress a proposal to purchase an electronic system for replacing the existing paper HRC permit system with same allowance of annual visits, vehicle size and other controls as exists at present.

Recommendation 8

Work up a proposal to allow commercial waste to be disposed of at the HRC for a charge.

3. TERMS OF REFERENCE

Purpose

To examine the issue of Fly Tipping in Peterborough and how alterations to relevant policies and procedures might be undertaken to help achieve the Environment Capital agenda as well as improving the wellbeing of city residents. To make recommendations to the Growth, Environment and Resources Scrutiny Committee on proposed changes to such policies and procedures identified by the group.

Scope

1. To review the existing policies and procedures on Waste, Recycling and Cleansing as a basis to the group's ongoing work.
2. To review all available data and information relating to Fly Tipping issues, and agree what issues are specifically in-scope for this work.
3. To review all existing policies and procedures in place at Dogsthorpe HRC with a view to informing the operation of the new site being developed in Fengate.
4. To review HRC provision and investigate the potential for provision of another site within the City and the scope of its service provision.
5. To identify and review other areas of the UK where there have been successful alterations to policies and procedures which have impacted on Fly Tipping.
6. To identify and meet with industry, local authority and other sector specialists to help inform discussions and recommendations.
7. To investigate best practice from other local authorities across the country are pursuing in relation to Fly Tipping Collection and handling.
8. To investigate best practice from other local authorities regarding Fly Tipping Education, Information Gathering from incidents, Surveillance, Enforcement and Prosecution techniques.
9. To engage with all Councillors to try and obtain as much evidence as possible.

Reporting

The Task and Finish group will report to the Growth, Environment and Resources Scrutiny Committee.

Approved on 4 July 2018 by the Growth, Environment and Resources Scrutiny Committee

4. PROCESS AND METHODOLOGY USED FOR THE INVESTIGATION

4.1 Methodology

- Desktop research
- Local knowledge / information obtained by the Task and Finish Group members.
- Data, evidence provided by PES Head of Service, Head of Environmental Partnership, Head of Waste, Resources and Energy
- Financial information associated with the cost of dealing with fly tipping

4.2 Process

The timetable of the events leading to the production of this report are set out below:

Meeting Date	Items Discussed / Guests Attending
7 February 2019	Meeting to discuss recommendations from Growth, Environment and Resources Scrutiny Committee and way forward and policies and further evidence associated with this.
11 March 2019	Meeting to discuss education and communication around fly tipping.
22 May 2019	Discussion on conclusions and possible recommendations and content of Phase 2 report.
10 July 2019	Presentation of Phase 2 report of Task and Finish Group to the Growth, Environment and Resources Scrutiny Committee

5. BACKGROUND

The Task and Finish Group completed their initial investigation in to the issue of Fly Tipping in Peterborough and presented their findings of the review to the Growth, Environment and Resources Scrutiny Committee on 9 January 2019. Whilst the Committee were satisfied with the findings within the report and the conclusions and recommendations reached the Committee requested that a further piece of work should be undertaken. Therefore a further recommendation was added to the report for presentation to Cabinet on 4 February 2019. The additional recommendation was as follows:

The Growth, Environment and Resources Scrutiny Committee endorsed the development of detailed policy proposals namely;

- *Bulky waste Collection Policy, including examining the following: price, price banding, number of items per collection, times and days per week. Scheduled community collection events with Parish Councils etc.*
- *HRC Restrictions on van and trailers, opening hours, trade waste ban, DIY waste limits/charging, electronic permit application and/or use on site (e-permits) neighbouring authority policies, legal restrictions and financial implications.*

To include where possible detail on legislative restrictions, neighbouring authority policies and cost estimations for consideration.

On presentation to Cabinet on 4 February 2019 all recommendations including the additional one made by the Committee on 9 January were accepted. The Task and Finish Group have therefore continued to meet to work on the development of detailed policy proposals as requested by the Committee and approved by Cabinet. This report therefore contains the conclusions and recommendations following the request from Cabinet.

6. FINDINGS AND CONCLUSIONS

The Task and Finish Group has met numerous times and after having received further information and evidence from officers the Task and Finish Group concluded the following regarding the development of policies around:

- *Bulky waste Collection Policy, including examining the following: price, price banding, number of items per collection, times and days per week. Scheduled community collection events with Parish Councils etc.*
- *HRC Restrictions on van and trailers, opening hours, trade waste ban, DIY waste limits/charging, electronic permit application and/or use on site (e-permits) neighbouring authority policies, legal restrictions and financial implications.*

General.

- There was a need to ensure all agencies who are involved in this area are working together and sharing resources and information where possible, look for best practice elsewhere as we can learn from others.
- There are a multitude of different approaches taken by Councils across the Country to dealing with the challenges that Fly Tipping brings, no one has 'fixed' the problem but there is considerable good practice that can be followed based on the research the group has undertaken.

Progress update.

- A Cambridgeshire and Peterborough wide project has begun to develop a coordinated approach to the management of fly tipping and related environmental crime in the region, under the control of the Recycling in Cambridgeshire and Peterborough (RECAP) partnership. Aims include sharing intelligence on suspected Fly Tippers, sharing core communications material, specialist enforcement equipment, resources and best practice.
- The City Council are now members of the Keep Britain Tidy group, following the recommendation in the groups interim report. Keep Britain Tidy memberships allows the council access to a wide range of educational material, and provides up to date learning on how to combat environmental crime and access to courses for officers and litter picking groups .

Bulky Waste.

- The current bulky waste service is utilised by residents with over 4000 bulkies collected last financial year and many users unaware that the current service will allow an unlimited number of list A items to be collected for £23.50.

- There is a need to look at how we can make the service accessible for those on low incomes who do not have access to vehicles to be able to use the HRC.
- Over 50% of those that used the bulky waste service had up to 3 items collected and up to 5 items would cover 80% of those that use the service.
- There are a myriad of different approaches to bulk waste collections across Cambridgeshire District areas and as such there is no common foundation upon which Peterborough could base any proposed changes

HRC Policies

- Peterborough does not exist in a vacuum and as such must ensure its policies and procedures reflect those of surrounding Authorities so as to ensure it is not seen as an easy touch by some for the disposal of waste and recycling.
- There are examples of Councils that have a free bulky waste service alongside no restrictions on vehicles entering their HRC sites, Nottingham being discussed at length, and it was accepted that evidence shows fly tipping continues to be a significant problem for such Cities. There was also strong evidence that following an awareness and education program this also had a positive impact on the number of fly tips being reduced.

The Task and Finish Group also concluded that further work should be undertaken with regard to Education and Communication around how residents should deal with their waste in the correct way. We recognise that there are various groups and communication needs to be tailored to the correct method for each group, Appendix A shows the relevant plan for communications.

7. RECOMMENDATIONS

The Task and Finish Group makes the following recommendations:

7.1 That Scrutiny give their support to the corporate project, presently in its initial development stages, which aims to deliver mobile web access that enable residents to report street care issues as was previously possible on the MyPeterborough Application available on mobile devices.

That the project be specifically tasked to include the reporting of Fly-tipping, if not already considered in the specification, and that the importance of this as a contributory tool to managing waste and reducing Fly-tipping be accepted.

7.2 Officers to be tasked with requiring a business plan to be developed by Aragon Direct Services to examine the cost benefit of specialist vehicles being procured when new fleet vehicles are ordered to be fitted with weighing equipment on the lifts. This will allow for trade waste to be collected amongst household waste as we will be able to accurately distinguish how much of the load is to be charged and disposed of trade waste. The onboard weighing will allow the billing of customers very accurately and we would also look to require business customers to pay their bills, at least in part, in advance for trade waste.

7.3 Recommend that the Landlord bulk waste collection service be altered so that pictures of the waste can be sent to Aragon Direct Services (ADS) to arrange a quote rather than having to go out to site. This would require strict rules in place that any waste not being made aware to ADS would not be collected and would require a further quote. Also to reduce the risk, payment is required in full prior to collection. This aims to reduce the cost and administrative burden of the system whilst simplifying the process for those landlords who request a collection.

7.4 To establish a workflow to be distributed through all departments that deal with fly tipping enquiries to allow for reports that are not on PCC land to be forwarded to the relevant land owner for action.

7.5 To change the Bulk Waste Collection service to allow up to one collection of 5 items free per household per annum, thereafter further items on the same collection and additional collections in the same year would have banded prices. The proposed banded prices are: -

1-3 Items - £15.00

4-6 Items - £30.00

7-10 Items £45.00

Propose that 10 (Ten) be the Maximum number of items collected through this service.

The current Bulky waste service cost the authority last financial year £71,000 with an income of £41,000 towards collections, to offer any free service would both directly impact on any income but also would result in the need to increase the department by at least one team and van which would be a cost of circa £70,000. The present service is administered through Peterborough Direct who take the payment and send the jobs over to Aragon Direct Services to collect, to adopt the above approach would require a new ICT system to manage the jobs and to ascertain if a resident had already had their free bulky collection.

7.6 To review Fengate HRC opening hours once customer survey undertaken in September 2019 and report back to scrutiny committee.

7.7 Recommend progress on a proposal to purchase an electronic system for replacing the existing paper HRC permit system with same allowance of annual visits, vehicle size and other controls as exists at present.

The proposal includes the ability to obtain a permit in advance, whilst on site on a mobile device and also after visiting the site for the first time if the resident was unaware of the system when they first used the site.

Two main approaches are possible, one with staff using handheld devices for recording the visits and the other with an Automatic Number Plate Recognition (ANPR) system reading every registration as vehicles arrive, each has its advantages and disadvantages as well as cost implications.

An example which would satisfy the recommendation is shown in Appendix B, based on a system introduced in Northamptonshire which is presently under consideration for implementation within Cambridgeshire. The Cambridgeshire implementation would follow the same vehicle, trailer, visit limits etc. as is contained within the Peterborough paper based scheme. Example in Appendix B.

7.8 Recommend the development of a proposal to allow commercial waste to be disposed of at the HRC for a charge, alongside the existing site operation for residents.

The Councils HRC site developer and operating partner, FCC Environment UK has drawn up an outline of an arrangement to undertake this on the Council's behalf at the Fengate facility and this can be seen in Appendix C. **Within Appendix C there is a specific reference to charging for all DIY waste. It should be noted that this element of the proposal from FCC had not been discussed by the Task and Finish Group and is therefore not supported by the Task and Finish Group.**

8. FINANCIAL IMPLICATIONS

The elements mentioned in the report may have financial implications, however at this point in time only budget estimates are available as procurement exercises have not been undertaken.

Each element will require a proposal and business case before proceeding, based on the processes followed for specification and procurement, subsequently following appropriate officer or Cabinet Member approval processes.

It should be noted however that any decisions ultimately taken based on these recommendations, which require additional funds not presently accounted for, will be subject to the existing budget bid process in order to secure appropriate funds to be implemented.

9. LEGAL IMPLICATIONS

The Council has the powers to undertake the changes to policy and procedure highlighted in this report which would be implemented through the Cabinet Member Decision Notice (CMDN) process which forms part of the governance procedure employed at the Council.

Individual decisions taken in order to implement the proposals contained within this report will be subject to prior legal, financial, procurement and other appropriate analysis which will be detailed in any applicable CMDN.

10. LIST OF BACKGROUND PAPERS AND RESEARCH SOURCES USED DURING THE INVESTIGATION

<https://www.nottinghampost.com/news/nottingham-news/fly-tipping-down-more-42-326767>

<https://www.nottinghampost.com/news/nottingham-news/been-4730-cases-fly-tipping-2231409>

11. APPENDICES

Appendix A - Fly Tipping Education and Engagement Action Plan

Appendix B - Example of an electronic HRC permit system

Appendix C - Peterborough HRC Draft Chargeable Waste Proposal June 2019

Further information on this review is available from:

Democratic Services Team
Governance Directorate
Town Hall
Bridge Street
Peterborough
PE1 1HG

Telephone – (01733) 747474

Email – scrutiny@peterborough.gov.uk

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Objectives: Education in schools across Peterborough					
Engage with schools across the city who express and interest in the environment, link with partners in delivery in particular PECT					
Priority	Action	Officer(s)	Target/ Milestones	RAG Rating	Progress
Engagement with Primary Schools across Peterborough	Offer Aragon Recycling roadshow to schools	JC/Aragon	July 2020		Contact schools before the end of the Academic Year to draft a timetable for start of Academic Year 2019/20. Arrange for recycling/litter messages to be promoted as part of Safety Challenge June 2019.
	Litter Picks	Aragon	July 2020		Contact schools encouraging pupils to take part in litter picks - equipment provided
	Ad-hoc activities such as poster competitions	Aragon/ PES	July 2020		Work with schools who express interest in the environment from setting competitions to ad hoc workshops
Engagement with Secondary School	Litter Picks	Aragon	July 2020		Contact schools encouraging pupils to take part in litter picks, wider community events - equipment provided
Engagement with other groups such as Scouts, Duke of Edinburgh etc.	Media Studies	Aragon/ PES	July 2020		Link with schools to produce short media clips on the environment and the impact of litter on the environment
Objective 2: General engagement with residents across the city to promote different ways to dispose of waste as well as impact fly tipping has on the city and consequences - legal enforcement/finance and impact on communities					

Online activities	Review websites and social media channels	JC/RP/PES			Undertake a review of the current website and update were necessary. Link with other community websites/facebook pages to share information.
Promotion of HRC	Activities to promote the new HRC	JC/RP	Ongoing		Various advert to promote the new HRC facilities
Bulky Waste	Activities to promote Bulky Waste Collection Service as well as sign posting to charities which collect	JC/RP			Various activities to promote bulky waste service as well as ensuring website is up to date to sign post individuals to charities which collect furniture etc.
Publicity Campaign	Link to Keep Britain Tidy campaign or other activities being delivered by RECAP Partnership	CG/JC/RP			We are watching you campaign. Also produce a leaflet which cuts across language barriers tick and cross Produce short film clips highlighting public services about how much fly tipping is costing the city. For example you could have x amount of nurses for the cost of clearing all the fly tips. Price Tags on fly tips?
Social Media - Councillors To follow	Clips various languages	PES / CC			Work with communities to produce short clips detailing the legal and financial consequences of fly tipping. Distribute via social media
Objective 3: Engagement with landlords / Residents					
New tenants	Engagement with agents/landlords	PES/HE			Speak with Housing Enforcement to see if information around waste responsibility could be

	about waste collection				circulated to landlords to include in welcome packs
Landlords / new residents -	Engagement with landlords	PES/HE			Speak with Housing Enforcement engagement through the Selective Licensing Scheme
Objective 4: Enforcement					
Covert Cameras	Signage at sites detailing successful fines/prosecuted fly tippers	PES			Place signage at sites after investigations completed if successful. Promote covert cameras in operation across Peterborough.
Reporting	Encourage residents to report incidents and make statements	PES			Post incidents on social media, linking in with parish council and community groups. Increase public confidence in reporting in incidents
Investigation Tape	Investigation Tape to be placed around accumulations when being investigated	PES/ Aragon			Works with Aragon, Parish and other community groups in using the tape around fly tips
Promotion of success	Advertise successful prosecutions	PES			Work with media team to issue statement/releases when prosecutions have been successful
Duty of Care	Promotion of existing and new duty of care legislation	PES			Undertake activities to promote the changes to the duty of care legislation to residents including updating website and social media

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Appendix B - Example of an electronic HRC permit system.

As an example we have captured some images from a system employed at Northamptonshire County Council (NCC), which is the basis of a scheme being developed for Cambridgeshire County Council (CCC). CCC are using Peterborough City Councils permit system rules as a base for their implementation and the IT system behind NCC system for its management.

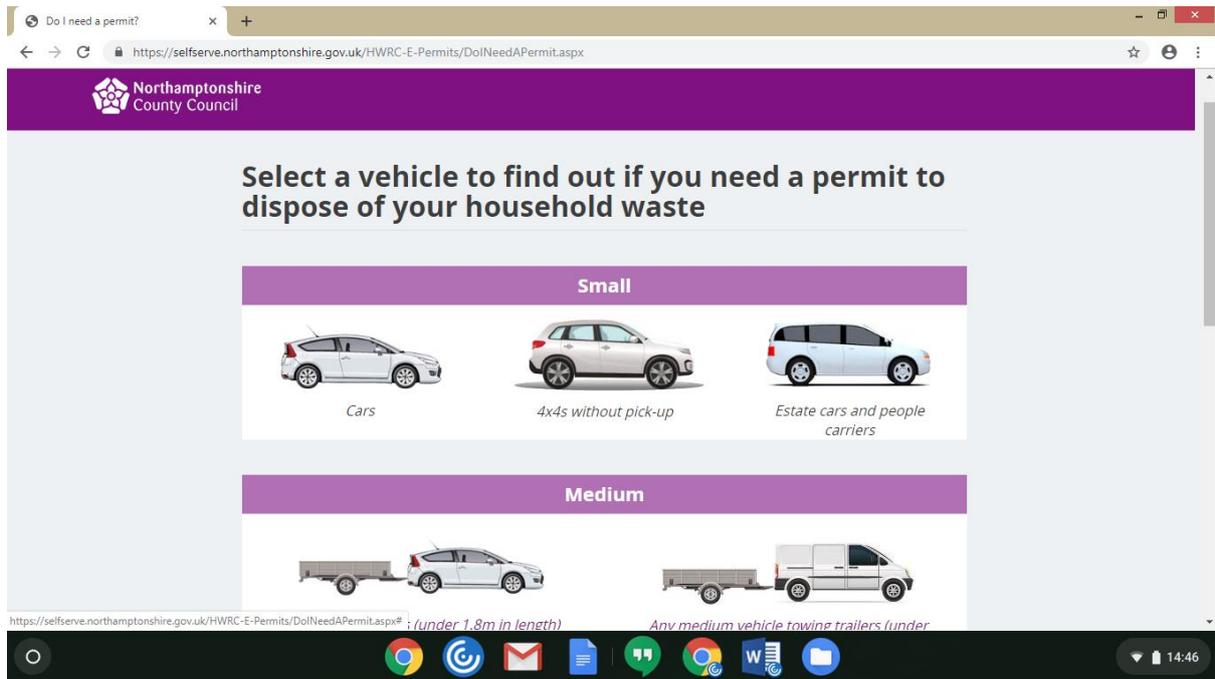
The following information is an example of how the process would work from a residents perspective, using NCC system as an example, it is not intended to indicate how such a scheme may be tailored to the needs of Peterborough as such work would be undertaken as part of the implementation of the system if a decision to proceed were to be made.

The page below is the first one a resident sees after selecting 'Apply for Permit' from the Councils HWRC information page. This includes background information on the permit system and can be tailored to the needs of the Council using it.

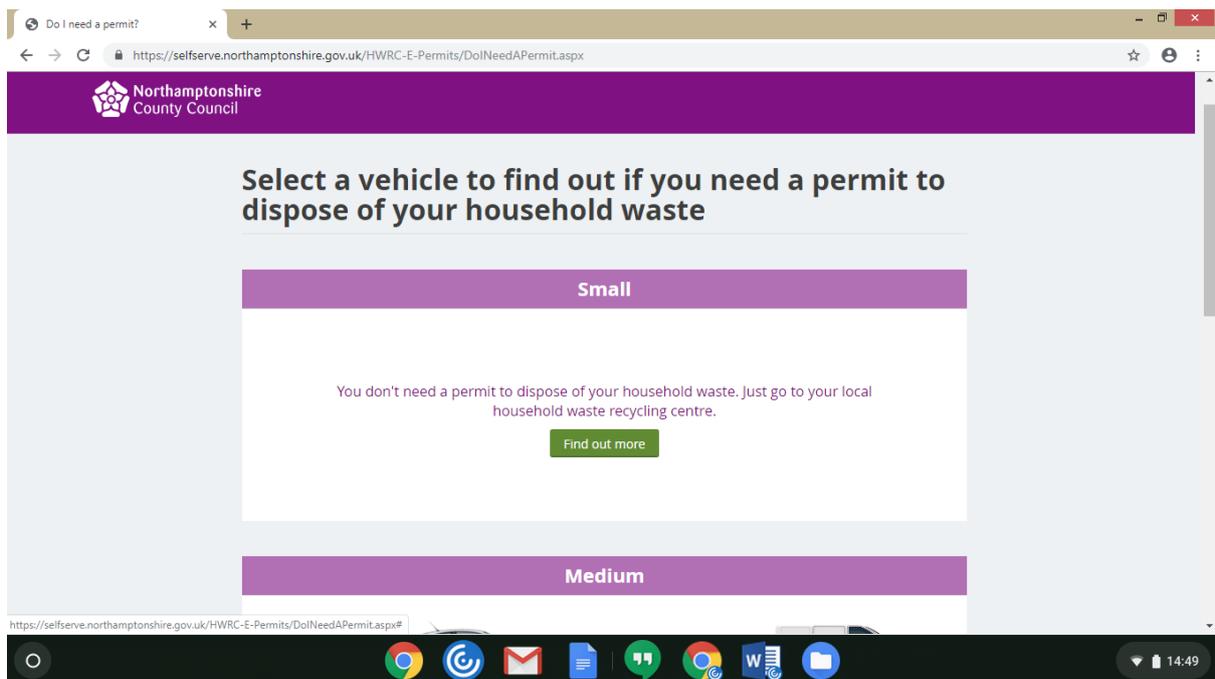


The following screen images follow on from the above page and include a range of vehicle types, specific to the policies employed in NCC, which can be tailored to fit the policies local to Peterborough. In this case there are three classes of vehicles being Small, Medium and

Large and images are included of typical vehicles in these groups to assist users in determining the vehicle type they have. Note that for Peterborough a similar page can be created so as to assist users with their application tailored to our scheme.

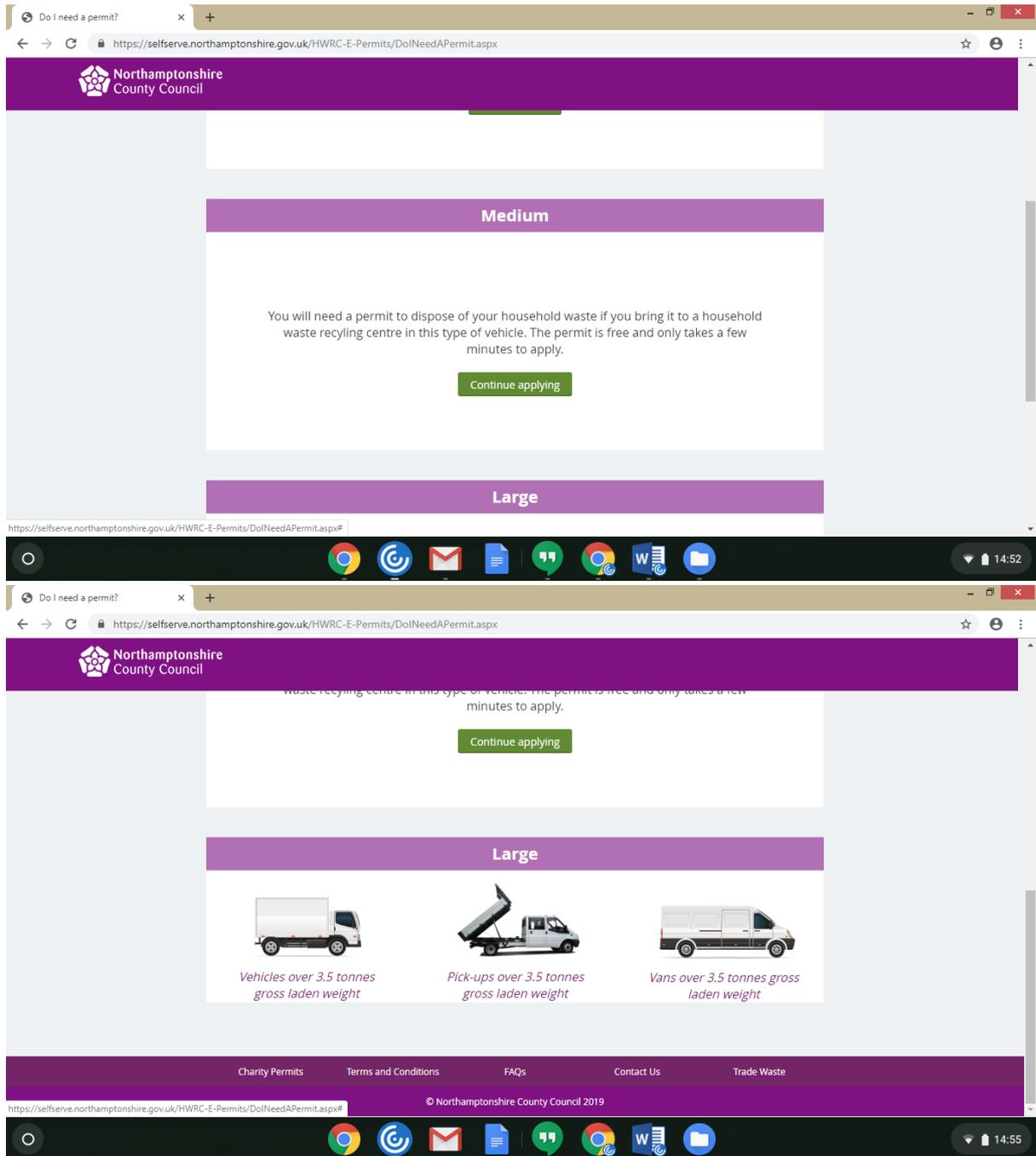


The following image shows that under NCC rules there is no requirement to obtain a permit for small vehicles like cars in the category on the website and when selecting this vehicle type the following message is displayed.

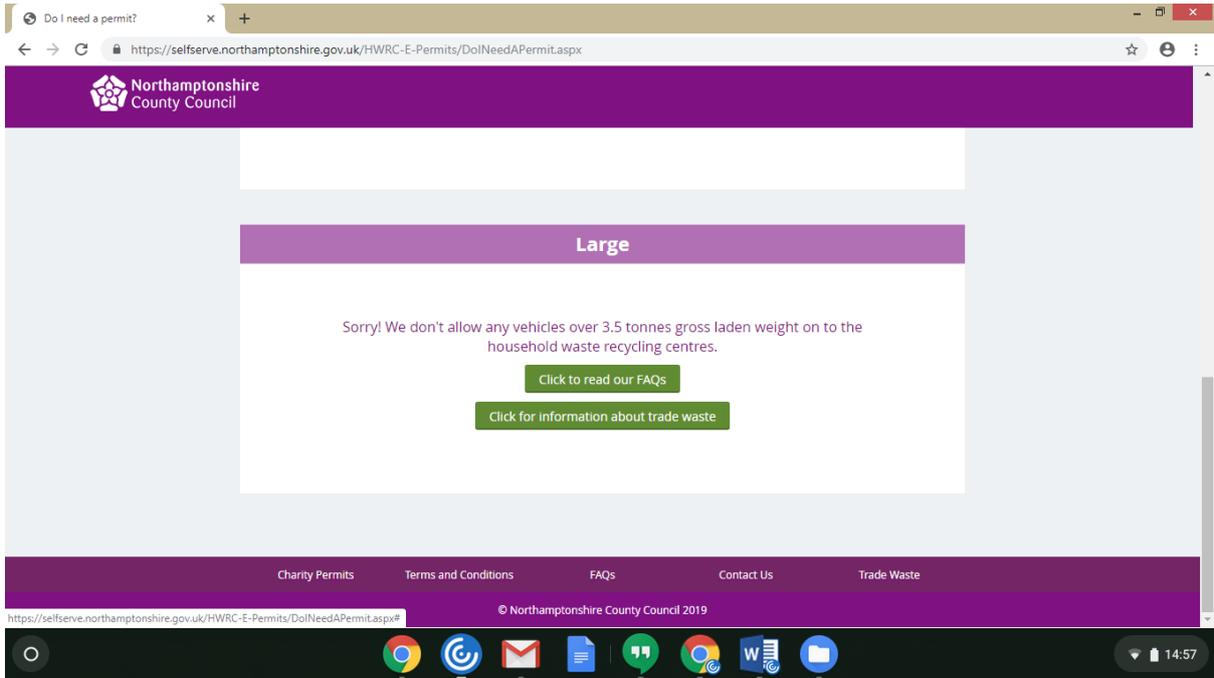


If a resident were to select a Medium sized vehicle from the options available on the vehicle choice webpage a message is displayed indicating that a permit will be required and this

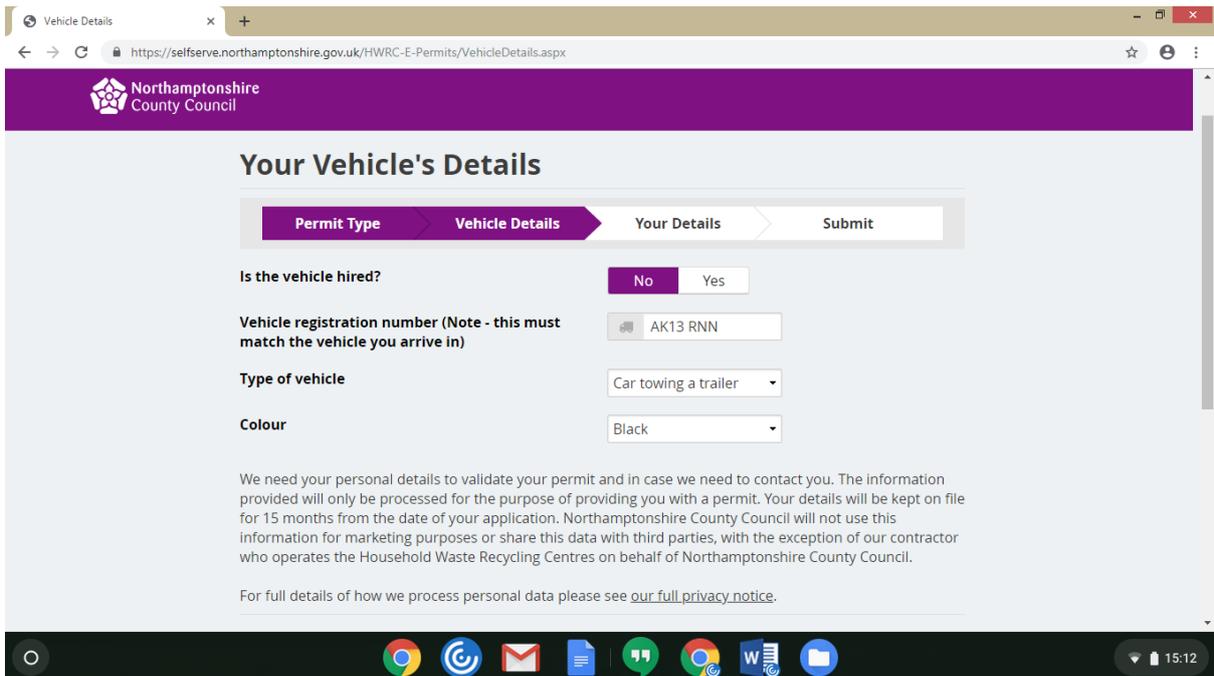
would take the user onto the pages where vehicle information and resident details can be entered.



Vehicles classed as large according to NCC are not accepted at their facilities and this is clearly set out on the following page.



If the resident has selected a 'Medium' vehicle from the available list then the system will bring them through to the following page in order to complete the application process. This page seeks information regarding to the vehicle type, registration and colour.



The following page collects name, address and contact details for the resident before bringing them to the final page which contains the final warnings and declarations required before the permit can be processed and issued.

Declaration

House Prices in NN1 9EX

https://selfserve.northamptonshire.gov.uk/HWRC-E-Permits/Declaration.aspx

Northamptonshire County Council

Permit Type Vehicle Details Your Details Declaration

By completing this form, you are declaring that any waste you will deposit is from your house and has not been generated through any activity for which you have been paid or have paid for, neither is it from premises including houses, that you own and rent or lease to other persons.

Think carefully - if you are the owner or operator of a business you have a duty of care under [Controlled Waste \(England and Wales\) Regulations 2012](#) and [The Environmental Protection \(Duty of Care\) Regulations 1991](#) to ensure that any waste generated from your premises or by your business activities is disposed of legally.

I confirm that all the details I have provided are correct and commit to only using this permit to deposit my household waste

I have read and agree with the E-Permit scheme [terms and conditions](#)

I understand that failure to do so can result in prosecution with an unlimited fine upon conviction and/or up to 6 months imprisonment if the case is heard in a Magistrates Court, and up to 5 years imprisonment and/or unlimited fine at the Crown Court

Back Submit

Once this process is complete the applicant will receive a confirmation email indicating the number of visits they have available for the type of permit they have applied. Each time the resident makes use of a permit by visiting the site an email can be sent by the system indicating that the number of remaining visits has reduced in line with the number of uses. The resident need not take anything with them to the HRC as the vehicle registration is the permit for visiting and when scanned by systems on the site the visit is logged and is deducted from that users remaining allocation.

If a resident was to visit the site without having obtained a permit in advance, it is possible to configure the system so as to allow that one off visit and require them to apply for a permit before visiting again. Upon applying for a permit following this initial visit the system can be configured to remove one of the total number of visits that resident is able to make in the remaining year by the one visit they made before registering.

There is some considerable flexibility in having an electronic system for the issuance and management of HRC permits, from a customer and Council perspective. The system allows a considerable amount of information to be gathered on site use and also to carefully manage instances of suspected trade waste disposal, site misuse etc. in a manner not possible with a paper based system.

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Appendix C



Peterborough Household Recycling Centre

Outline Proposal for Provision of Chargeable Commercial Waste Service and DIY Waste Service at Fengate HRC

19th June 2019

1. Proposal to provide a chargeable service for the following waste services;
 - Commercial and Industrial waste service for small to medium sized businesses for the disposal and recycling of their own waste. This should cover a broad range of materials and where possible should encourage recycling.
 - DIY waste – waste not classified as household waste, specifically hard-core, rubble, soil and plasterboard.

2. As well as the associated benefits of providing a safe and legal disposal route for many SMEs, this service also gives some consistency to site operatives in enforcing the Council Policies, notably that all site users carrying hard-core, rubble, soil and plasterboard will be charged for the service regardless of vehicle type, source of waste etc.

3. Measurement, payment and containers:

Charges would be applied on a volume and apportioned basis – see attached example in Appendix 1. The rates shown here are indicative and will vary depending on location and market information. It is recommended that the prices for large vans etc., are disproportionately greater to discourage this type of user which can cause problems on site. The electronic form will allow percentage fill to be applied to the different type of vehicle and class of waste.

The advantage of the Fengate site is that we have access to a weighbridge for out-going loads, which we could use to validate the charging mechanism once a container is full.

An electronic form will be completed by the site operative on the iPad to calculate the cost, complete waste transfer note, and payment taken and receipt issued before the waste is deposited.

We have a number of possible options for container provision for chargeable waste:

- **Hard-core, rubble, soil, plasterboard & asbestos** – dedicated containers on lower level
- **Wood (x2) and green** – either dedicated containers or commingled with household containers.

If we were to use dedicated containers, located at the end of the line adjacent to the van parking area, then this may require an additional dedicated resource to monitor and enforce. This approach has the advantage containers being weighed as they leave site. Commingling with the other household containers would be easier to supervise and police, and over time as the practice becomes embedded we could relocate to dedicated containers located elsewhere.

- **Residual** – commingled with household waste container.
- **Other recycling (card, paper, ferrous etc.)** – commingled in remainder containers.

4. Staffing

This is the area that can be difficult to get right from day one but is key to the scheme working.

We would recommend that a security officer and/or your enforcement officers has a permanent presence on site for the first 4 weeks of the scheme. This will ensure that users are effectively and robustly challenged and comply with the new policy and charges or are asked to leave the site. This will also provide a clear steer to the site team on how this should be applied and that what may have been 'normal arrangements' prior to the changeover are no longer acceptable and that the new policies have to be enforced.

It may be necessary to have an additional member of staff on site on an ongoing basis to effectively cover the DIY/Trade waste areas, but that decision should be left until we have some good sales data and the scheme has settled in.

However it would be prudent to budget for that now.

5. Restrictions

- Service is typically for disposal of waste generated in connection with the persons business only. If the service is to be opened up to include those carrying other people's waste, such as house clearance then that needs to be considered very carefully as these users tend to take up a lot of room on the site and we only have one HRC in which to try to balance the needs of residents and small businesses.
- All those carrying trade waste will be required to hold a Waste Carriers Licence, and this will be checked before being allowed to deposit waste.
- Trade service only available Monday to Friday.
- De-minimis quantities of DIY waste will be accepted for e.g. gravel from a fish tank, single paving slab etc.
- Site operatives decision would be final (unless PCC representatives on site at the time), with a protocol for dealing with complaints, after the event.
- Card/phone payment only – no cash.
- Recyclable and reusable waste still chargeable.

- Users must be encouraged to segregate and recycle, rather than simply and conveniently deposit in residual container; refusal could result in waste being turned away, or banned in future.
- Need access to ANPR system and records.

6. Planning & Permitting

The cost of amending this is not included in the proposal at this early stage.

7. Costs and profit share

Establishment costs and ongoing running costs would be invoiced on an open book basis. An admin charge would also be invoiced based on 10% of revenue sales to cover processing of transactions, banking etc. Disposal costs and haulage would be reimbursed as per the contract and recycling bonus paid in accordance with the contract pay-mech.

We would also like to propose that there is a profit share after all revenues and costs have been accounted for; this would help incentivise the effective implementation and development of the scheme.

Budget costs are detailed below and give an indication of what the costs could be;

Establishment Costs		Qty	Item	total	
1	Signage	1	£2,000	£2,000	
2	Comms	1	£2,000	£2,000	
3	Ipad x3 (one already provided)	2	£500 item	£1,000	incl protective covers
4	Software - forms development	3	tbc	tbc	This may change in the future depending on our service provic
5	Security Personnel (or similar) for first 4 weeks	4	£1,400 wk	£5,600	
6	CCTV camera to cover areas in question	2	£2,000 item	£4,000	
7	Misc. consumables	1	£250	£250	
				£14,850	
On-going revenue costs					
1	Transaction costs			tbc	2-3% per transactions
2	Chip & Pin machines - rent £25/mth per machine - £300pa	3	£300 per year per item	£900	
3	Sim cards for chip and pin	3	£240	£720	
4	6 days of security guard if required	6	£200	£1,200	
5	Additional operative resource, if required.	1	£30,000	£30,000	
6	Hardware/software replacement			tbc	difficult to quantify at this stage
7	Licence costs for software			tbc	unlikely
				£32,820	

In our experience, the introduction of charging has on some occasions reduced the site usage and the volume handled and recycling levels. Whilst this does reduce the council's disposal costs it does also reduce our ability to earn the recycling bonus, and we would like to propose that in the event of this happening there is a mechanism in place to protect our position.

Appendix 1**Example of Commercial and Industrial Waste Charges**

	Non- recyclable / unsorted waste	Pre-sorted recyclables	Green garden waste	Wood
Small car	£32	£20	£10	£20
Large car, estate, MPV, 4 x 4, small trailer (less than 2m x 1m)	£40	£25	£15	£25
Car derived vans, unbraked large trailer (over 2m x 1m)	£54	£35	£25	£32.50
Medium van, double axle or braked trailer	£81	£40	£30	£49
Large Van (SWB, single wheel axle only)	£108	£60	£45	£65
Large van (MWB)	£135	£75	£56.50	£81
Large van (LWB)	£162	£90	£67.50	£98

Example of DIY Waste Charges (Hardcore, rubble, soil)

Volume	Charge (including VAT)
Up to ten (25 litre) bags or equivalent	£2 per 25 litres (minimum charge £2)
Over ten (25 litre) bags or equivalent	£2.50 per 25 litres
Half transit van or equivalent	£25
Full transit van or equivalent	£50
Double wheeled van or equivalent	£100

Example of DIY Waste Charges (Plasterboard)

Volume	Charge (including VAT)
Up to 3 sheets or equivalent	£2.50 per sheet
4 to 8 sheets or equivalent	£5 per sheet
Half transit van or equivalent	£50
Full transit van or equivalent	£100
Double wheeled van or equivalent	£200

Single item charges

Item	Charge (including VAT)
Toilet bowl	£2
Toilet cistern	£2
Single sink	£2
Sink pedestal	£2
Double sink	£4
Small shower tray	£2
Large shower tray	£4

Minimum £2 charge regardless of size. Other items charge at the discretion of site staff based on estimated volume.

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CABINET	AGENDA ITEM No. 6
15 July 2019	PUBLIC REPORT

Report of:	Sue Grace: Director Customer and Digital Services	
Cabinet Member(s) responsible:	Councillor Mohammed Farooq: Cabinet Member for Digital Services and Transformation	
Contact Officer(s):	Sam Smith: Strategic Lead for IT Strategy Peterborough City Council and Cambridgeshire County Council	Tel. 07565 009838

IT STRATEGY FOR PETERBOROUGH CITY COUNCIL AND CAMBRIDGESHIRE COUNTY COUNCIL

RECOMMENDATIONS	
FROM: Director of Customer & Digital Services, Sue Grace	Deadline date: N/A
It is recommended that Cabinet:	
<ul style="list-style-type: none"> ● Approve the IT and Digital Strategy; ● Approve the decision to share the Sand Martin House Data Centre with Cambridgeshire County Council. 	

1. ORIGIN OF REPORT

1.1 This report is submitted to Cabinet following a referral from CMT on 8 May 2019.

2. PURPOSE AND REASON FOR REPORT

2.1 The purpose of this report is to advise Cabinet of:

- The proposed IT & Digital Strategy for Peterborough City Council and Cambridgeshire County Council;
- Including the proposal to share the Sand Martin House Data Centre with Cambridgeshire County Council.

2.2 This report is for Cabinet to consider under its Terms of Reference No. 3.2.4, '*To promote the Council's corporate and key strategies and Peterborough's Community Strategy and approve strategies and cross-cutting programmes not included within the Council's major policy and budget framework.*'

3. TIMESCALES

Is this a Major Policy Item/Statutory Plan?	NO	If yes, date for Cabinet meeting	N/A
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4. BACKGROUND AND KEY ISSUES

4.1 Sharing services with Cambridgeshire County Council

- 4.1.1 In 2015 Peterborough City Council took the decision to investigate sharing services with Cambridgeshire County Council. This began with the appointment of a shared Chief Executive post in October 2015, followed by other shared senior management posts including, as of January 2019, the appointment of Sue Grace as Director of Customer & Digital Services for both authorities.
- 4.1.2 Some shared teams and front line services have been in place since 2017 and it is increasingly evident that there is a need for an IT and Digital Strategy to support these shared services and to progress the transformation of both councils.
- 4.1.3 With the appointment of Sue Grace and Sam Smith, as the shared Strategic Lead for IT for Peterborough City Council & Cambridgeshire County Council, it is possible to create strategy to do that.

4.2 IT and Digital Strategy

- 4.2.1 The existing and planned convergence of services across both Peterborough and Cambridgeshire requires a step change in delivery of IT for both councils as the current arrangements are ad-hoc, localised and therefore ineffective and expensive.
- 4.2.2 This vision for future IT and Digital services, that has been articulated in the Strategy attached to this Cabinet report, is for staff in shared services to be able to work more effectively across both organisations, and therefore be able to deliver more effective services to our citizens. Staff should have access to IT that supports joint working and enables secure, easy and robust sharing and collaboration through IT tools that are delivered on a cost effective basis with the minimum level of duplicate costs for equipment and licences. In short converged IT systems supporting converged teams that can work seamlessly across the two organisations.
- 4.2.3 To deliver the vision articulated above an IT and Digital Strategy for Peterborough City Council & Cambridgeshire County Council is proposed for consideration by Cabinet. This strategy is summarised below:
- Office 365 – more than just email;
 - Shared IT Infrastructure;
 - Converged Business Systems;
 - Shared Digital approach;
 - Shared Data to inform decision making;
 - An organisational Structure for 2020 and beyond.

The full strategy is available as Appendix 1

- 4.2.4 To ensure that the areas of work that provide the biggest benefit are implemented first it is proposed that activity be prioritised and grouped into phase one of the implementation of this strategy.
- 4.2.5 Firstly all current projects with an IT element are being reviewed to see where they sit in terms of the overall strategy, whether they represent value for money for Peterborough City Council, and whether they contribute to the existing savings target within IT and/or savings targets elsewhere in the council. Work on projects that do not fit these criteria will be paused or ceased. For example, in 2018 (23rd July) Cabinet decided that Peterborough City Council would move away from using Google for Office software (Email, calendar, Word & Excel) and instead implement Microsoft Office 365. This was done in part to facilitate closer collaboration and more efficient working between Peterborough City Council and Cambridgeshire County Council, Cambridgeshire have also made a commitment to move to Microsoft Office 365. A project to achieve this is underway and includes close working between the two authorities to ensure that this technology is configured to support the existing and future sharing of services.

- 4.2.6 Secondly some new projects will be identified to meet the specific areas of the strategy, for instance the replacement of the existing Customer Relationship Management system with one that can be shared with Cambridgeshire County Council.
- 4.2.7 The proposed activity for phase one is listed below:
- Adult Services' social care case management and finance system, Mosaic;
 - The implementation of the new, cross-organisational Children's social care case management and finance system, LiquidLogic;
 - Office 365;
 - Shared Customer Relationship Management system;
 - Software to support business intelligence, Power BI (a product that is associated with Office 365).
- 4.2.8 It is anticipated that this phase will take 18 months to complete. During that time work will begin to look at what other areas will be part of further phases.
- 4.2.9 A key part of the IT and Digital Strategy is convergence of services across both Peterborough and Cambridgeshire. As part of this it is proposed that in future there will be a single organisational structure for IT staff supporting both authorities. The details of how this could be achieved will be considered during the coming months.
- 4.3 Shared Data Centre**
- 4.3.1 The proposed IT and Digital Strategy is a 'Cloud First' strategy with an expectation that the majority of business applications will be transformed into the Cloud over a period of 3 to 4 years. During this time there is still a significant requirement for the IT systems (and associated IT equipment) to be hosted on site (known as 'On Prem'). This requirement would gradually reduce over time as each system is migrated to the Cloud in the most effective way.
- 4.3.2 Sand Martin House includes a data centre facility which is currently used to host many of the IT systems used by Peterborough City Council. It is however underutilised and, as such facilities are designed to operate most efficiently at a certain level of capacity, it is not operating at peak efficiency.
- 4.3.3 Cambridgeshire County Council are disposing of the Shire Hall site in Cambridge, which is where its Data Centre is located, with the move planned for the end of 2020.
- 4.3.4 As the Cambridgeshire data centre will not be available after 2020 it is proposed that the IT systems are moved to the data centre in Sand Martin House and that this facility is shared. This move will be a financial benefit to Peterborough as Cambridgeshire would contribute towards the running costs (e.g. power), any costs of upgrades as well as paying a hosting charge (rent). It has already been confirmed that the new tenants of Sand Martin House second floor will not require use of the data centre space.
- 4.3.5 This approach was endorsed, subject to approval by Peterborough City Council's Cabinet, by the 28th May meeting of Cambridgeshire County Council's General Purposes Committee.
- 4.3.6 An additional benefit of this approach is that it would allow for the investigation of a shared IT infrastructure between Peterborough and Cambridgeshire rather than being driven into the most expensive Cloud solutions. By using Sand Martin House it will be possible to maintain an On Premise capability whilst managing the migration to the most appropriate, cost-effective Cloud solution.
- 4.3.7 Part of this investigation will include reviewing existing revenue based cloud solutions in use within Peterborough to ensure they represent value for money, as we look to optimise the balance between capital expenditure and increasing demand on revenue expenditure.

4.4 Strategic Principles

In formulating the IT Strategy the following principles have been applied.

4.4.1 Convergence

Strategically the principle is to *converge the IT systems*, and the supporting infrastructure, that is used by both authorities to reduce costs and to support the wider sharing of services across both authorities.

4.4.2 People

Supporting the convergence of systems is the ambition of having a *single organisational model* for IT staff to support this single, connected infrastructure and the converged systems. This ambition is informing our engagement with Serco in Peterborough and our discussions with LGSS in Cambridgeshire.

4.4.3 Technical

In line with the strategic advice from Serco, LGSS and central government guidance, the IT Strategy for Peterborough and Cambridgeshire is based on a '*Cloud First*' approach.

4.4.4 Financial

At all points the IT and Digital Strategy will be focused on achieving *best value for money* for each and both councils.

4.4.5 Data

The *data to inform strategic and operational decision making* should be accurate, available to decision makers as required and not duplicated.

4.5 Cambridgeshire County Council General Purposes Committee

4.5.1 The IT and Digital Strategy is one that supports the convergence and sharing of services between Peterborough City Council and Cambridgeshire County Council. It proposes a shared and convergent set of IT Services. As such the approach set out in the strategy needs to be approved by both councils. Cambridgeshire County Council will be considering the IT and Digital Strategy at its General Purposes Committee on the 16th July 2019.

5. CONSULTATION

5.1 The IT and Digital Strategy has been shared with and reviewed by the following groups:

- Peterborough City Council's Corporate Management Team;
- The Peterborough City Council and Cambridgeshire County Council Joint Management Team;
- Directorate Management Teams and staff teams in both councils.

6. ANTICIPATED OUTCOMES OR IMPACT

6.1 One outcome of the approval of this report, and the accompanying strategy, is that work can commence on setting up the necessary governance to drive forward and oversee all this work. Some projects are already in progress but this strategy brings current and future activity into a coherent framework.

6.2 A second outcome is that Peterborough will share the Sand Martin House data centre space with Cambridgeshire County Council.

7. REASON FOR THE RECOMMENDATION

7.1 The IT and Digital Strategy has been set out in response to the existing and planned sharing of services across Peterborough and Cambridgeshire. It will enable staff to work more effectively across both organisations, and thereby deliver more effective services to our citizens. It is essential that the IT provision supports and enables secure, easy and robust

sharing and collaboration. It is important that this is done on a cost effective basis with the minimum level of duplicate costs for equipment and licences.

8. ALTERNATIVE OPTIONS CONSIDERED

- 8.1 In terms of the IT and Digital strategy, and the convergence of IT with Cambridgeshire, the alternative option is to retain the status quo and continue with separate systems that are not shared or converged with Cambridgeshire. This option has been rejected due to the overwhelming need for front line services, that are already shared between the councils, to move away from duplication of systems, logins, data entry and data analysis.

9. IMPLICATIONS

Financial Implications

- 9.1 The IT and Digital Strategy is predicated on existing capital and revenue commitments made by Cabinet in 2018 and by Full Council in the budget setting for 2019/20. The service is currently reviewing this activity to ensure that it meets the objectives of the strategy. Any re-prioritisation of activity, to support the implementation of the first phase of the IT and Digital Strategy, will be done in consultation with the Cabinet Member for Digital Services and Transformation. Any changes to the current budget, or any requests for additional investment, will be taken through the Council's budget review and approval process. All our IT expenditure is expected to deliver financial and business benefits these will be articulated on a case by case basis throughout the course of the Strategy implementation. This will include identifying how IT can be used in front line and back office services to provide efficiencies and savings.

Legal Implications

- 9.2 None.

Equalities Implications

- 9.3 None.

10. BACKGROUND DOCUMENTS

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

- 10.1 None.

11. APPENDICES

- 11.1 Appendix 1 – IT Strategy for Peterborough City Council & Cambridgeshire County Council

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Appendix 1 - IT Strategy to support sharing of services across CCC & PCC

1.0 Summary

1.1 This is the proposed IT Strategy to support the sharing of services between Cambridgeshire County Council (CCC) and Peterborough City Council (PCC). It sets out the following:

- Vision and Strategy for sharing services
- Approach to achieving the strategy and interdependencies with other projects/programmes
- Current & proposed IT structures
- Programme requirements

2.0 Vision

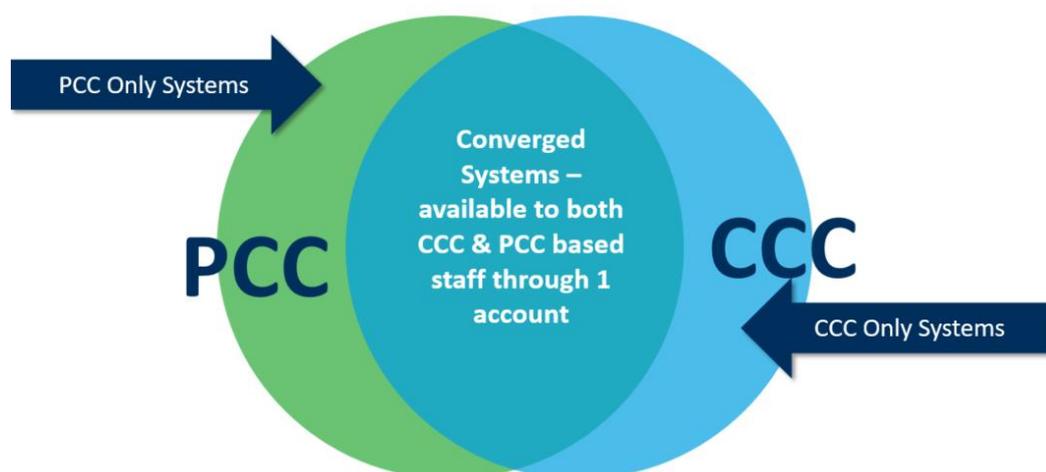
2.1 The Vision for shared IT services for PCC & CCC has been defined as the below.

“Simplify, Standardise and Share”

Shared IT infrastructure delivered by a single provider

Alignment/convergence of key **business systems**

Shared **web and digital platform** between both authorities



2.2 This vision has been articulated in response to the existing and planned convergence of services across both CCC & PCC. For staff in converged services to be able to work effectively with colleagues from both organisations, and therefore to deliver effective services to citizens, it is essential that the IT provision supports and enables secure, easy and robust sharing and collaboration. It is important that this is done on a cost effective basis with the minimum level of duplicate costs for equipment and licences.

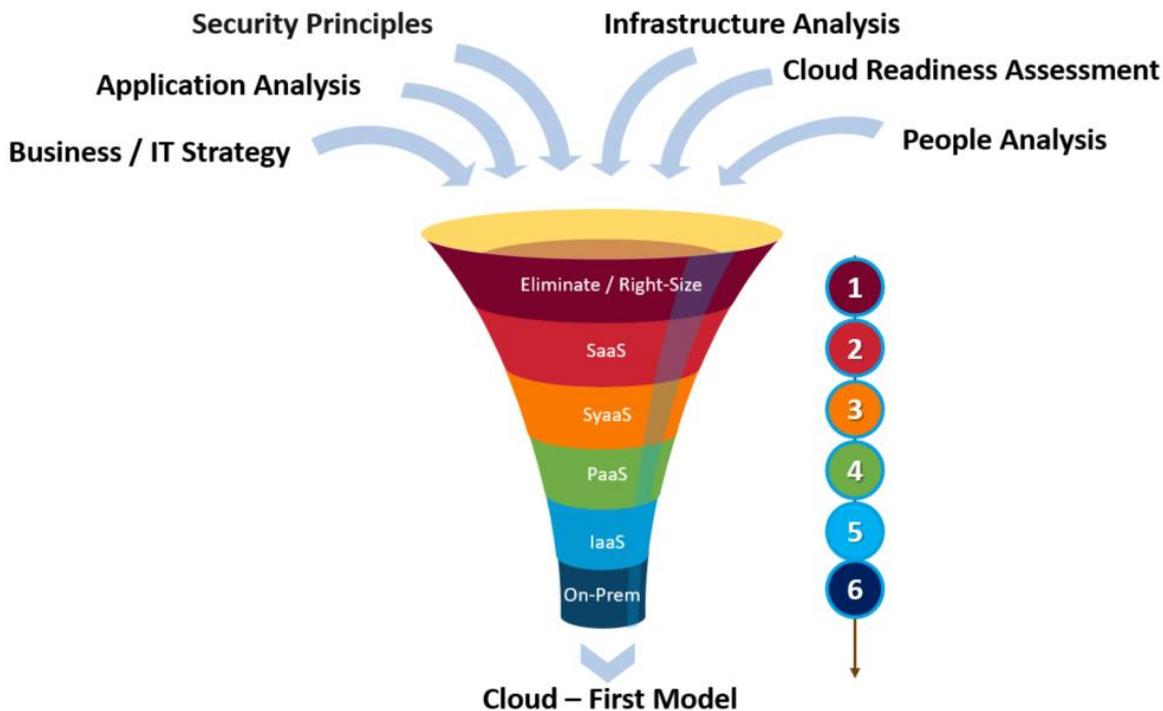
2.3 Currently some tactical arrangements are in place for some services, such as the Multi Agency Safeguarding Hub, but these are localised, require two logins for staff and rekeying of data between systems. As such, although functional, they are far from ideal and have resulted in the requirement for additional licences at additional cost. The shared services programme team are already seeing multiple requests from staff to have both CCC & PCC equipment in order to have access to systems and data across both authorities.

2.4 As more and more people require access to both PCC & CCC systems and data, without a comprehensive and strategic approach these tactical and costly solutions will proliferate.

3.0 IT Strategy – Cloud first

- 3.1 To achieve the vision of converged IT systems supporting converged teams that can work seamlessly across the two organisations a cloud first strategy is proposed. This strategy follows the approach advised by central government and strategic work produced by both LGSS & Serco IT.
- 3.2 LGSS IT has produced a comprehensive strategy which has been reviewed and approved by Gartner¹ and can be applied to CCC & PCC. This strategy sets out a Cloud first converged approach for both traditional IT services and for digital services. But, why choose a Cloud first strategy at all?
- 3.3 One reason is the ‘push and pull’ effect; there is both a technical push from suppliers to host their systems in the Cloud and a pull resulting from the multiple benefits that Cloud hosting realises, such as:
- Innovation
 - Security and governance
 - Citizen self-service
 - Flexible and collaborative working
 - Access to a far greater range of digital services
 - Automation of services where possible
 - Rationalisation of business systems
 - Integration of IT systems
- 3.4 An extract from the LGSS IT strategy states:
“As local government authorities seek to do more with less, hybrid clouds seem like a natural fit. They allow IT to shift workloads between internal datacentres and a public cloud provider during peak periods. Cloud computing can reduce costs while boosting project flexibility. Digital transformation is a key driver for Local Authorities to allow citizens to interact and complete tasks effortlessly. Cloud technologies are more than often enablers of Digital Services”
- 3.5 It goes on to describe how a well-developed, centralised cloud strategy which is informed by business strategy, provides strong foundations for governing the use of cloud services and that there are tangible service and cost benefits if it is carried out correctly.
- 3.6 Conversely, where a centralised cloud/cloud first approach is not adopted, organisations risk a piecemeal cloud migration resulting in issues around compliance and security, and significantly higher costs. More information on Cloud First approach as well as some common terms and concepts is available in Appendix 1
- 3.7 The best practice approach to migrating to cloud based services is shown below.

¹ Global research and advisory firm providing insights, advice and tools for leaders in IT.



3.8 The IT Strategy to support shared services across both organisations breaks down into the following areas.

- Office 365 – more than just email!
- Shared IT Infrastructure
- Converged Business Systems
- Shared Digital approach
- Shared Data to inform decision making
- An organisational Structure for 2020 + beyond

4.0 Office 365 – more than just email!

4.1 *Current situation*

4.2 Currently PCC use Google cloud software for web based email and calendar for almost all staff and Google Docs for many others. Conversely CCC have entirely Microsoft Office products services but these are On-Prem (physically located in the Octagon Data Centre) rather than cloud based. PCC by default use Chromebooks for mobile devices and CCC use Windows laptops. Therefore the starting positions of each authority are technically very different and this compounds the issues experienced by staff in shared teams.

4.3 *Strategic approach*

4.4 From two very different starting points PCC & CCC are both moving to use Office 365 software. The Office 365 suite includes many new features and software tools/options which are part of the overall licence and therefore represent a sunk cost to each council. Most people will be familiar with Office 365 for email and calendar as well as Onedrive but there are many more modules including the following (not definitive list):

- **SharePoint/Teams** for collaboration
- **Flow** for workflow between applications
- **Stream** to share video of presentations, training sessions etc.
- **Forms & Planner** for surveys and planning team work
- **Sway** for interactive reports

- 4.5 In addition to the applications above Office 365 provides additional and constantly evolving functionality that can be utilised to ensure a more secure and compliant organisation, including the following areas:
- **Electronic discovery, (eDiscovery)**, additional tools to identify electronic information that can be used as evidence in legal cases as well as with Subject Access requests from members of the public
 - **Access controls** (the selective restriction of access to information (e.g. documents))
- 4.6 *Considerations*
- 4.7 Office 365 software is more expensive than previous version of Office and is a subscription service, which means it is an annual cost. This additional cost represents good value only if it is used and exploited effectively through changes in how staff interact with their IT and by IT supporting business change through use of the new features. It will also be important to move away from any other systems where functionality is duplicated in order to minimise expenditure. The collaborative capability of O365 means staff can stop using other tools such as Huddle. As each licence has a monthly and annual cost it will be necessary to review starters and leavers processes to ensure that these licences are only provided to those that need them and crucially not duplicated across PCC & CCC for staff working in shared teams.

5.0 Converged Business Systems

- 5.1 *Current situation*
- 5.2 Office 365 provides collaboration and efficiency options for staff and its importance to the IT Strategy can't be overstated, but what it won't do is provide any changes to the line of business systems that are fundamental to service delivery for both PCC & CCC. Currently there are two separate sets of systems for each authority for each area of business and staff in directorates such as People & Communities are already faced with dual keying of information into some of these systems as well as having to use two logins and two devices. As well as being inefficient dual keying of data is notoriously prone to error and in front line services this could be potentially catastrophic. In addition to that reporting against two sets of separate systems has to be duplicated at every level, hindering the production of business insight and preventing sharing of key business intelligence services.
- 5.3 *Strategic approach*
- 5.4 CCC & PCC will align business systems, initially by using the same supplier and versions and then converging to a single version. The functional requirements for systems across the two councils have been mapped into a business systems map (Appendix 2). The majority of areas, Tier 1, have shared functions and therefore can be considered for shared systems. The exception being the Tier 2 Unitary functions of PCC which are not shared by CCC.
- 5.5 *Tier 1 functions and systems*
- 5.6 To address the needs of already converged teams across CCC & PCC the strategic approach is to converge business systems for certain services into a single version. This is an approach that will take some significant time (1-3 years) as these systems have underpinning contracts and dependencies that make any change a long process. Projects in this area include:
- 5.7 *Adults' Social Care*
- 5.8 Both CCC & PCC use products from the same vendor with CCC being on a later version (Mosaic) and PCC on an earlier one (Framework). A project is in flight to upgrade and convert the PCC version so it is aligned with that in use in CCC as an initial stage by the end of March 2020 and then for both organisations to move to a shared, single version of the system.

5.9 *Childrens' Social Care & Early Help*

5.10 Whilst CCC are implementing LiquidLogic, due to go live in October 2019, PCC are already using that system and are making some significant changes to improve its functionality and drive business process change. The changes will be mirrored in CCC's system when it goes live, enabling both authorities to converge in 2020.

5.11 *Education (Capita One & others)*

5.12 Work has commenced looking at what a converged option would be for this area.

5.13 *Highways* – system to be confirmed.

5.14 *Tier 2 functions and systems*

5.15 For Tier 2 functions, that PCC do not share with CCC, the strategic approach is to look at convergence with district councils within the overall CCC/PCC boundary, in particular with the 3 councils that share the 3C ICT service. These councils have a clear strategic roadmap for systems and the Head of IT & Digital for 3C ICT is shared with the Programme Lead for the IT Strategy for CCC & PCC. This represents an opportunity to look at longer term convergence of systems and in the short term a single approach to procurement of these large and expensive systems.

5.16 *Other functions and systems*

5.17 Outside of the Tier 1 & Tier 2 systems there are other functions within PCC & CCC where convergence of business systems presents an opportunity. These include:

- Property Services – system to be confirmed
- ERP - CCC currently use the LGSS provided ERP Gold system for integrated HR, payroll and finance. PCC do not have an integrated system and have separate solutions for each function. More and more staff in the shared services are working in roles that cut across both organisations and also work in or manage teams that do the same. ERP Gold is capable of being configured to support shared services across multiple organisations and is already doing so for LGSS. The knowledge and expertise to implement and support that also exists within LGSS. Consideration should be given to whether CCC & PCC both utilise the ERP Gold system.

6.0 **Shared Infrastructure**

6.1 *Current situation*

6.2 CCC & PCC currently have entirely separate IT infrastructures, housed in separate physical datacentres (Octagon in Cambridge & Sand Martin House in Peterborough). PCC have a large amount of IaaS (Infrastructure as a Service). Because of this complete physical separation there are almost no points of convergence or sharing across these infrastructures. As stated in section 5 CCC & PCC will be converging and sharing business systems and the majority of those systems will require a shared infrastructure to support that convergence.

6.3 *The problems*

6.4 In addition to the physical separation of existing infrastructures, each authority faces a problem with their current IT Infrastructure.

- For PCC this is the ongoing and increasing cost of the Infrastructure as a Service (800k per annum)
- For CCC this is the upcoming disposal of Shire Hall and the DataCentre in 2020.

6.5 *Strategic Approach*

6.6 In order to address the problems above, support converged business systems and to further the strategic aims of the councils this strategy includes a specific workstream to identify and design the optimum and most cost effective shared infrastructure to support convergence of people, teams, systems and data.

6.7 *Options*

6.8 There are several options to be considered to achieve this strategy – summarised below:

1. One organisation hosts all the systems and the other accesses them from their home network using existing or expanded equipment
2. Both organisations purchase new infrastructure in the same physical space and share this between them
3. One organisation hosts all the systems and the other accesses them from a cloud network
4. Both organisations create a shared infrastructure in a cloud network and share this between them

Options 2 & 4 are both being progressed to assess technical feasibility, cost and fit with other work (Office 365 and Converged business systems).

6.9 *Considerations*

6.10 A shared infrastructure is an important part of the overall IT Strategy and a fundamental building block for convergence of systems, data and process. It is important to note that it is not in itself a solution. We need to understand what it will and won't deliver and see it in the context of the overall IT Strategy.

6.11 Shared infrastructure will:

- Support the move to converged systems
- Allow for secure and easy sharing of information across all services
- Support collaborative working across all services
- Allow standard business processes to be implemented quickly and consistently
- Reduce capital costs of system upgrades (upgrading one system not two)
- Enable services to take out cost through process change and integration of teams

6.12 Shared Infrastructure will not:

- Be achieved without investment
- Work without commitment to the shared vision from right across the two councils so the benefits of the systems' change can be realised in services

7.0 Shared Digital approach

7.1 *Current situation*

7.2 As with other areas covered in this document the digital approaches of the two councils have up to this point been quite divergent with different systems and support models.

7.3 *Strategic approach*

7.4 The strategic approach to a shared digital solution has two key elements, shared systems and shared content/usage.

7.5 *Shared Systems*

Opportunities include:

- Re-procuring a web Content Management System

- Re-procuring the Customer Relationship Management system to strengthen links between the web and our contact centres
- Working together on use of other digital tools – Directories, Forms packages, Mobile working

7.6 *Shared Content/Usage*

- Write once use often
- Supported by a shared Communications team delivering standard communications using a shared language and tone

8.0 **Data to inform decision making**

8.1 *Current situation*

8.2 There is a pressing need for improved business intelligence to inform both CCC & PCC in their own strategic and operational decision making, in particular supporting planning to identify where there are areas of potentially avoidable spend. As the management and approaches to shared services align between the two authorities, and the fact that the people we support do not necessarily see the administrative boundary between Cambridgeshire and Peterborough, the need for analysis and intelligence to be consistent is increasing also.

8.3 This intelligence is needed by officers and members to support initiatives such as Think Communities, with its ambition for data and intelligence to be shared between public sector organisations and the public leading to effective and integrated service delivery. This intelligence needs to be informed by and shared with other organisations to gain the full picture of need and spend across the geography.

8.4 There is a single Business Intelligence service across CCC & PCC but the data is stored separately and the tools used for extraction and reporting are different. As a result, although effective at reporting in their individual organisations, the teams are unable to provide joined up intelligence in the way described above. This also impacts our attempts to share and join data with other organisations' business intelligence teams.

8.5 *Strategic approach*

8.6 The strategy in this area is to implement software to enable staff at operational and strategic levels in CCC & PCC to intuitively interrogate and explore data, so as to make data driven decisions, with full integration to Office 365 as well as publication and collaboration options. This would be based on a Power BI platform, which presents data interactively and fully integrates with other features of Office 365 and the user desktop. Power BI can be connected to a variety of existing data sources (such as case management systems in social care), but a cloud based solution providing a data 'lake', an automated multi source data loading, single view of the truth, master data management and advanced analytics is the strategic goal. What this means is summarised below:

- We would have the infrastructure to combine and connect different data sources (such as local authority case management systems, but could also include information from partners too, such as health data)
- We would have the software to help us to visualise the data in an attractive and accessible way
- The software allows managers and staff to explore pathways through their own data, so they can discover the most important factors driving trends
- The integration and collaboration features allow our staff to share what we discover with the right people easily & quickly

- The infrastructure allows us to automatically update dashboards and analytics, so that we have the most up-to-date picture of what is going on as possible without the need for labour intensive manual work to update a report

8.7 Some other local authorities are moving to using this model and others are considering it, which would present an opportunity to share knowledge and expertise in setting up the platform as well as data and intelligence when it is up and running. Local authorities have the scope, scale and expertise to be leaders in partnerships in this area to combine different data sources.

9.0 Organisational Structure for 2020 + beyond

9.1 *Current situation*

9.2 In Peterborough IT is outsourced via a managed service contract to Serco and in Cambridgeshire it is part of the overall LGSS shared service. A recent restructure has resulted in a single IT & Digital Service for Cambridgeshire & Peterborough reporting to Sue Grace as Director. This marks the beginning of a real opportunity to converge not just the IT systems but the IT services and provision to support the wider sharing of services across the front line directorates. This service includes client teams as well as service delivery teams across both authorities.

9.3 *Strategic approach*

9.4 Cross team working is already in place to support discrete projects across both authorities and this will continue. To support the convergence of front line services, business systems and infrastructure the strategic approach is to have a single organisational model of IT staff.

10.0 Implementation Approach

10.1 In order to deliver the significant change that has been outlined above, a structured programme of work is required. The joint ICT strategy programme will operate collectively between PCC and CCC and both councils will adopt a standard operating model that will determine the governance arrangements and controls, with clear lines of roles and responsibilities, to deliver successfully the strategy.

10.2 Central to the approach will be the co-design of change between the ICT service, operational teams that are impacted and service users, as appropriate. This will ensure that any changes required to achieve the strategy will be aligned to business needs.

10.3 A stage gate approach will be followed that will use milestone quality criteria as a means of controlling delivery of activities to time, cost and quality. This will ensure that the Councils are able to balance the need to deliver at pace, whilst introducing change incrementally.

10.4 This approach will:

- Ensure sufficient design is carried out before implementing change
- Ensure third party providers are given comprehensive requirements to hold them to account
- Deliver the change within agreed timescales
- Provide clarity on decision-making during the project lifecycle
- Enable both Councils to plan staff involvement to minimise the impact on daily operations
- Provide rigor around delivery but flexibility to respond to change

11.0 Programme Plan

The programme is expected to run for at least three years and phase one will incorporate current work already underway, such as introducing Office 365 and merging both Adult & Children's Social Care systems.

The projects will be structured across six workstreams:

- Office 365 – more than just email!
- Shared IT Infrastructure
- Converged Business Systems
- Shared Digital approach
- Shared Data to inform decision making
- An organisational Structure for 2020 + beyond

Appendix 1 – Cloud First

Extract from Government Cloud First policy

“Consider cloud solutions before alternatives

When procuring new or existing services, public sector organisations should consider and fully evaluate potential cloud solutions first before considering any other option. This approach is mandatory for central government and strongly recommended to the wider public sector.”

“Public cloud first

By Cloud First, we mean the public cloud rather than a community, hybrid or private deployment model. There are circumstances where the other deployment models are appropriate but the primary benefits for government come when we embrace the public cloud. Departments are encouraged to initially consider Software as a Service models, particularly for their enterprise IT and back office functions.”

Extract from LGSS IT Strategy

Terms and concepts:

1. Eliminate/Right size – Cease using applications that are not required or where functionality is available in other products. Or reduce the ‘footprint’ of others by scaling down capacity.
2. Software as a Service (SaaS) - we ‘consume’ products that have been developed by the cloud providers (e.g. Microsoft Office).
3. System as a Service (SyaaS) – Typically large Line of Business systems (e.g. Liquid Logic) hosted with providers but we are responsible for the system configuration to ensure they conform to and support our business processes. Note this is not an industry standard term but is used to identify large vendor hosted systems which require significant local configuration.
4. Platform as a Service (PaaS) – these are a variety of software ‘tools’ or building blocks used to create other (typically Digital) products used in services such as Blue Badge.
5. Infrastructure as a Service (IaaS) – Servers and other infrastructure that works the same and is configured in the same way as servers in the Octagon but hosted by Microsoft (Azure), Amazon (AWS) or other provider. Best used for services that can be switched off when not needed or need to scale up or down quickly.
6. On Premise (On Prem) – Physical servers, storage (SAN), networking located on a site such as the Octagon data centre providing IT systems and services.

CABINET	AGENDA ITEM No. 7
15 JULY 2019	PUBLIC REPORT

Cabinet Member(s) responsible:	Cllr David Seaton, Cabinet Member for Resources	
Contact Officer(s):	Peter Carpenter, Acting Director of Corporate Resources Kirsty Nutton, Head of Corporate Finance	Tel. 452520 Tel. 384590

BUDGET CONTROL REPORT MAY 2019

RECOMMENDATIONS	
FROM: Corporate Director: Resources	Deadline date: 5 July 2019
<p>It is recommended that Cabinet notes:</p> <ol style="list-style-type: none"> 1. The Budgetary Control position for 2019/20 at May 2019 includes a projected overspend of £5.457m against budget. 2. The key variance analysis and explanations are contained in Appendix A. 3. The estimated reserves position for 2019/20 outlined in Appendix B 4. In year budget risks are highlighted in Appendix C. 5. The Asset Investment and Treasury Budget Report is contained in Appendix D. 	

1. ORIGIN OF THE REPORT

1.1. This report is submitted to Cabinet following discussion by the Corporate Management Team (CMT).

2. PURPOSE AND REASON FOR REPORT

2.1. This report is for Cabinet to consider under its Terms of Reference No. 3.2.7 'To be responsible for the Council's overall budget and determine action required to ensure that the overall budget remains within the total cash limit'.

2.2. This report provides Cabinet with an early indication of the forecast for 2019/20 at May 2019 budgetary control position.

3. TIMESCALE

Is this a Major Policy Item/ Statutory Plan	NO	If yes, date for Cabinet meeting	N/A
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4. MAY 2019 BUDGETARY CONTROL- REVENUE

4.1. The revenue budget for 2019/20, agreed at Full Council on 6 March 2019, was approved at £150.768m.

	£m
Approved Budget 2019/20	150.768
Use of reserves per MTFS	3.084
Revised Budget 2019/20	153.852
Drawdown of reserves during 2019/20	1.394
NNDR Timing Issue	(1.030)
Revised Budget 2019/20	154.216

4.1. The 2019/20 year-end outturn position is currently forecast to be overspent by £5.457m, which will need to be met from the Capacity reserve. This is based on reported departmental information as at the end of May 2019. It should be noted that this is an early projection for 2019/20, and where risks are highlighted within this report, CMT are putting plans in place to mitigate these as far as possible.

4.2. This has reduced by £0.047m in comparison to a £5.504m overspend position forecast at the end of April 2019, which was reported to Cabinet on 10 June 2019. The main reasons for the movement are outlined in the following table:

Key Movements between the Forecasts	£m
Previous month forecast	5.504
Highways Development - additional income and savings on professional services and contractors	(0.251)
Housing temporary accommodation	0.945
Housing Needs employee savings	(0.112)
Cultural Services - non-achievement of savings target	0.250
Capital Financing and Capital Receipts	(0.867)
Other	(0.012)
Current Month forecast	5.457

CMT have put plans in place to manage and scrutinise expenditure throughout the council through the use of additional levels of spending approval across all Council expenditure, to mitigate the financial impact of the forecast overspend identified.

The key negative variances are in the following areas:

- Working with partners to deliver back office services in more cost effective ways (PSSP, Finance, HR, Legal, Highways) £3.360m which is an ongoing piece of work;
- Peterborough Serco Strategic Partnership £1.341m, made up of variable costs reduction saving £1.000m, Business Support saving £0.100m, Annual Delivery Plan (ADP) costs £0.132m, reduction in Housing Benefit and Council tax admin subsidy £0.109m;
- Housing temporary accommodation costs £0.945m;

- Home to School Transport £0.372m;
- Underachievement of parking income £0.300m.

4.3. At the beginning of 2019/20 there were some key reporting changes for services. New directorates were created for Customer & Digital Services and Business Improvement and the Growth & Regeneration directorate has been renamed to Place & Economy. Therefore these directorate budgets will have different totals in comparison to the Medium Term Financial Strategy (MTFS) agreed at Council on 6 March 2019. These changes are summarised in the following table:

Service Area	Directorate Previously reported within	New Directorate for 2019/20
Coroners	Governance	People & Communities
ICT	Resources	Customer & Digital Services
Energy	Resources	Place & Economy
Programme Management Office	Resources	Business Improvement
Corporate Property	Growth & Regeneration	Resources
Regulatory Services	Growth & Regeneration	People & Communities
Parking Services	Growth & Regeneration	People & Communities
Marketing & Communications	Growth & Regeneration	Customer & Digital Services
Resilience, Health & Safety	Growth & Regeneration	Customer & Digital Services

4.4. The summary budgetary control position is outlined in the following table:

	Budget 2019/20	Cont. from reserve	Revised Budget 2019/20	Forecast Spend 2019/20	Cont. to reserve	Forecast Variance 2019/20	Forecast Variance 2019/20	Previous Month Variance	Movement
Directorate	£000	£000	£000	£000	£000	£000	%	£000	£000
Chief Executives	1,340	0	1,340	1,600	0	260	19%	260	0
Governance	4,069	0	4,069	4,432	0	363	9%	363	0
Place & Economy	20,619	0	20,619	21,009	0	390	2%	622	(232)
People & Communities	87,041	0	87,041	88,802	0	1,761	2%	672	1,089
Public Health	63	364	427	427	0	0	0%	0	0
Resources	33,482	0	33,482	35,417	377	2,312	7%	3,237	(925)
Customer & Digital Services	7,065	0	7,065	7,436	0	371	5%	350	21
Business Improvement	173	0	173	173	0	0	0	0	0
Total Expenditure	153,852	364	154,216	159,296	377	5,457	0	5,504	(47)
Financing	(153,852)	(364)	(154,216)	(154,216)	0	0	0	0	0
Net	0	0	0	5,080	377	5,457	0	5,504	(47)

4.5. Further information is provided in the following appendices:

- Appendix A- Detailed revenue budgetary control position and explanation of Key variances and risks
- Appendix B- Reserves position
- Appendix C – Budget risk register
- Appendix D - Asset Investment and Treasury Budget Report

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Appendix A – Detailed Revenue Budgetary Control position and explanation of Key Variances and Risks

Chief Executives

	Budget 2019/20	Cont. from reserve	Revised Budget 2019/20	Forecast Spend 2019/20	Cont. to reserve	Forecast Variance 2019/20	Forecast Variance 2019/20	Previous Month Variance	Movement
Budget Group	£000	£000	£000	£000	£000	£000	%	£000	£000
Chief Executive	243	0	243	243	0	0	0	0	0
Human Resources	1,097	0	1,097	1,357	0	260	24%	260	0
Total Chief Executives	1,340	0	1,340	1,600	0	260	19%	260	0

The only variance currently being reported within Chief Executive Department is to HR where working with partners to deliver back office services in more cost effective ways has not progressed at the rate originally forecast

Governance

	Budget 2019/20	Cont. from reserve	Revised Budget 2019/20	Forecast Spend 2019/20	Cont. to reserve	Forecast Variance 2019/20	Forecast Variance 2019/20	Previous Month Variance	Movement
Budget Group	£000	£000	£000	£000	£000	£000	%	£000	£000
Director of Governance	324	0	324	336	0	12	4%	12	0
Constitutional Services	2,107	0	2,107	2,152	0	45	2%	45	0
Legal Services	1,436	0	1,436	1,742	0	306	21%	306	0
Performance & Information	202	0	202	202	0	0	0%	0	0
Total Governance	4,069	0	4,069	4,432	0	363	9%	363	0

The main adverse variance being reported within Governance relates to the £.0306m in Legal Services where working with partners to deliver back office services in more cost effective ways has not progressed at the rate originally forecast

Election costs are anticipated to be approx. £0.045m higher than budgeted. There is also a risk of approx. £0.100m for future unbudgeted election costs.

Place & Economy

Budget Group	Budget 2019/20	Cont. from reserve	Revised Budget 2019/20	Forecast Spend 2019/20	Cont. to reserve	Forecast Variance 2019/20	Forecast Variance 2019/20	Previous Month Variance	Movement
	£000	£000	£000	£000	£000	£000	%	£000	£000
Director, Opportunity Peterborough & Joint Venture	128	0	128	131	0	3	2%	74	(71)
Development and Construction	158	0	158	158	0	0	0%	38	(38)
Peterborough Highway Services	4,262	0	4,262	4,528	0	266	6%	410	(144)
Sustainable Growth Strategy	1,395	0	1,395	1,392	0	(3)	0%	0	(3)
Waste, Cleansing and Open Spaces	13,658	0	13,658	13,658	0	0	0%	0	0
Westcombe Engineering	115	0	115	115	0	0	0%	0	0
Energy	480	0	480	480	0	0	0%		0
City Centre Management	274	0	274	358	0	84	31%	100	(16)
Service Director Environment & Economy	149	0	149	189	0	40	27%	0	40
Total Place & Economy	20,619	0	20,619	21,009	0	390	2%	622	(232)

Peterborough Highway Services

Joint working with partners within the Highways service is not currently achievable, as there is no approved plan in place to deliver this. This is generating a pressure of £0.160m. There is also a pressure of £0.309m in relation to the energy pricing for street lighting where price increases have been significantly higher than estimates. These are partially offset by savings in Highways Development due to additional income and savings on professional services and contractors, where the Budget manager has assessed the workload and provided a forecast that they feel is realistic taking into consideration departmental performance in the last two years. This involves the use of temporary staff to catch up and also deal with the current workload from developers. Having good technically qualified temporary staff allows the Budget Manager to cut back on the use of Professional Services and Contractors to pay for the staff and helps generate more income. The income forecast is in accordance with the last two years and considered to be a reasonable target given the number of sites progressing.

City Centre Management

There is a £0.100m pressure relating to the stall rental income target for the Market stall rent income, with minor savings to offset part of this.

People & Communities

	Budget 2019/20	Cont. from reserve	Revised Budget 2019/20	Forecast Spend 2019/20	Cont. to reserve	Forecast Variance 2019/20	Forecast Variance 2019/20	Previous Month Variance	Moveme nt
Budget Group	£000	£000	£000	£000	£000	£000	%	£000	£000
Adults	46,555	0	46,555	46,475	0	(80)	0%	0	(80)
Commissioning and Commercial Operations	17,544	0	17,544	17,547	0	3	0%	0	3
Children's & Safeguarding	10,616	0	10,616	10,615	0	(1)	0%	0	(1)
Director	528	0	528	528	0	0	0%	0	0
Education	5,638	0	5,638	6,078	0	440	8%	372	68
Communities	5,898	0	5,898	7,297	0	1,399	24%	300	1,099
DSG	262	0	262	262	0	0	0%	0	0
Total People & Communities	87,041	0	87,041	88,802	0	1,761	2%	672	1,089

Further Breakdown in to the key service areas:

	Budget 2019/20	Cont. from reserves	Revised Budget 2019/20	Forecast Spend 2019/20	Cont. to reserves	Variance 2019/20	Variance 2019/20	Previous Month Variance	Movement
	£000	£000	£000	£000	£000	£000	%	£000	£000
Adults:									
ISP	35,067		35,067	35,067		0	0%		0
ASC Teams	8,195		8,195	8,110		(85)	-1%		(85)
Block Contracts	6,352		6,352	6,360		8	0%		8
Financing	(4,512)		(4,512)	(4,512)		0	0%		0
Home Service Delivery Model	1,453		1,453	1,450		(3)	0%		(3)
Total Adults	46,555	0	46,555	46,475	0	(80)	0%	0	(80)
Commissioning & Commercial Operations:									
Permanency Service	15,723		15,723	15,723		0	0%		0
Clare Lodge	(1,081)		(1,081)	(1,079)		2	0%		2
Commissioning & Commercial Operations - Other	2,902		2,902	2,903		1	0%		1
Total Commissioning & Commercial Operations	17,544	0	17,544	17,547	0	3	0%	0	3
Childrens & Safeguarding:									
Children's Social Care	6,801		6,801	6,801		0	0%		0
Childrens - Other	3,815		3,815	3,814		(1)	0%		(1)
Total Childrens & Safeguarding	10,616	0	10,616	10,615	0	(1)	0%	0	(1)
Director:									
Director	1,531		1,531	1,531		0	0%		0
Department Savings target	(1,003)		(1,003)	(1,003)		0	0%		0
Total Director	528	0	528	528	0	0	0%	0	0

	Budget 2019/20	Cont. from reserves	Revised Budget 2019/209	Forecast Spend 2019/20	Cont. to reserves	Variance 2019/20	Variance 2019/20	Previous Month Variance	Movement
	£000	£000	£000	£000	£000	£000	%	£000	£000
Education:									
HTS & CSC Transport	4,007		4,007	4,379		372	9%	372	0
School Improvement Traded Service	(937)		(937)	(937)		0	0%		0
Education - Other	2,568		2,568	2,636		68	3%		68
Total Education	5,638	0	5,638	6,078	0	440	8%	372	68
Communities:									
Housing	928		928	1,805		877	95%		877
Cultural Services	2,487		2,487	2,747		260	10%		260
Targeted Youth Support Service (TYSS)	1,760		1,760	1,761		1	0%		1
Prevention Enforcement Service (PES)	(2,020)		(2,020)	(1,720)		300	-15%	300	0
Regulatory Services	856		856	842		(14)	-2%		(14)
Communities - Other	1,887		1,887	1,862		(25)	-1%		(25)
Total Communities	5,898	0	5,898	7,297	0	1,399	24%	300	1,099
DSG	262		262	262		0	0%	0	0
Total People and Communities	87,041	0	87,041	88,802	0	1,761	2%	672	1,089

Education- Home to School and Children's Social Care Transport

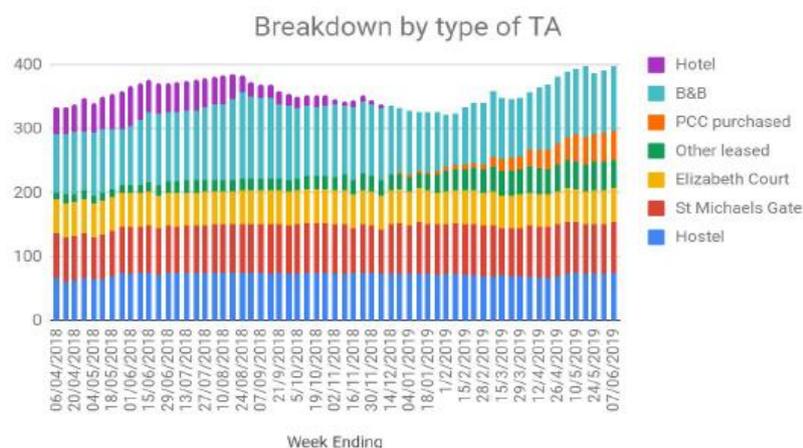
A pressure of £0.372m is reported in relation to Home to School Transport. This is based on the outturn position for the last financial year and does not take account of the contract changes for Academic Year 2019-20.

Communities- Housing

There is an overall pressure of £0.877m relating to Housing budgets, this is made up of £0.945m forecast overspend on temporary accommodation. The Council has faced significant demand from homelessness and the need for housing in Peterborough, the latest figures show that it is at the highest level in over a year with 397 households in temporary accommodation. This is despite 172 households being prevented from needing temporary accommodation so far this year through the interventions of the Housing Needs service. The Housing Needs service continue to support families to prevent them being in a position where they require housing in addition to reducing the number of families in temporary accommodation.

Plans are in place to ensure there is a supply of housing to meet this need, to avoid putting families in B&B, Travelodges or out of the area. The Housing Board regularly review the position and required actions to mitigate, and the manager of this service holds regular meetings with senior management and the leader of the council for updates and review.

Graph 1 below outlines the trend of the number of households in temporary accommodation and the type of accommodation which has been used.

Graph 1: Temporary Accommodation trend analysis

There are further minor overspends within the Housing Service which are offset by employee savings of £0.112m.

Communities- Cultural Services

A savings target of £0.250m against the contract with Vivacity will not be achieved.

Communities- Prevention Enforcement Service (PES)

There is an adverse forecast of £0.300m due to the projected underachievement of parking income. This is now under a new area of management, and the cost and income within this service including mitigation measures set out in the draft parking strategy are under review.

Public Health

Budget Group	Budget 2019/20	Cont. from reserve	Revised Budget 2019/20	Forecast Spend 2019/20	Cont. to reserve	Forecast Variance 2019/20	Forecast Variance 2019/20	Previous Month Variance	Movement
	£000	£000	£000	£000	£000	£000	%	£000	£000
Children 0-5 Health Visitors	3,663	364	4,027	4,027	0	0	0%	0	0
Children 5-19 Health Programmes	944	0	944	944	0	0	0%	0	0
Sexual Health	1,938	0	1,938	1,938	0	0	0%	0	0
Substance Misuse	2,269	0	2,269	2,269	0	0	0%	0	0
Smoking and Tobacco	318	0	318	318	0	0	0%	0	0
Miscellaneous Public Health Services	1,552	0	1,552	1,552	0	0	0%	0	0
Public Health Grant	(10,621)	0	(10,621)	(10,621)	0	0	0%	0	0
Total Public Health	63	364	427	427	0	0	0%	0	0

Work on a new Section 75 agreement for children's public health services with Cambridgeshire and Peterborough NHS Foundation Trust has identified some additional unfunded costs for the service, which

are currently being addressed non-recurrently through the ring-fenced public health reserve, under an extension to the existing Section 75 agreement. Work is ongoing to clarify the current position in relation to historical funding transfers and to finalise negotiations on the new Section 75, which will be joint with Cambridgeshire County Council.

Resources

	Budget 2019/20	Cont. from reserve	Revised Budget 2019/20	Forecast Spend 2019/20	Cont. to reserve	Forecast Variance 2019/20	Forecast Variance 2019/20	Previous Month Variance	Moveme nt
Budget Group	£000	£000	£000	£000	£000	£000	%	£000	£000
Director's Office	273	0	273	273	0	0	0%	0	0
Financial Services	2,563	0	2,563	2,821	377	635	25%	634	1
Capital Financing and Capital Receipts	17,564	0	17,564	16,697	0	(867)	-5%	0	(867)
Corporate Items	8,211	0	8,211	7,821	0	(390)	-5%	(388)	(2)
Peterborough Serco Strategic Partnership	4,231	0	4,231	7,423	0	3,192	75%	3,191	1
Cemeteries, Cremation & Registrars	(1,393)	0	(1,393)	(1,441)	0	(48)	3%	0	(48)
Corporate Property	2,033	0	2,033	1,823	0	(210)	-10%	(200)	(10)
Total Resources	33,482	0	33,482	35,417	377	2,312	7%	3,237	(925)

The main variances being reported within Resources are in relation to the back office savings targets included in the budget, where there is currently no approved plan in place to achieve these savings. These variances are £0.634m within Financial Services, £1.850m within Peterborough Serco Strategic Partnership (PSSP). Work is underway, as per the Tranche Two Medium Term Financial Strategy report to deliver a £1m savings in business support, but there are associated timing and redundancy risks which require further consideration and agreement, before the saving can be realised. Therefore at the moment the full amount is shown as a pressure, until plans are actively in place, at which time this pressure will reduce once the programmes are put in place.

Within the PSSP service there is an additional further forecast overspend of £1.000m and £0.100m in relation to savings targets from prior year Medium Term Financial Strategy, namely the Variable costs reduction saving and Business Support saving.

Capital Financing and Capital Receipts

The forecast underspend for Capital Financing is forecast at £0.867m and is a result of a combination of factors:

- Less borrowing was undertaken for the capital programme in 2018/19 than budgeted for in the MTFs resulting in less budget being required to fund existing borrowing.
- forecast interest rates for new borrowing are lower than those forecast at the time the MTFs was set, and the impact of these lower rates have been factored in to the forecast underspend. The prevailing uncertainty in the worlds economy, alongside the uncertainty of the impact of Brexit has led the Councils treasury advisors to note that since previous forecasts there has been *"a sharp deterioration of economic growth news, and expectations for growth, in the major economies of the*

world – the US, EU and China. This has led to a sharp downturn in government bond yields, lower than we previously anticipated."

- The capital programme is under review for 2019/20 to ensure that all schemes are delivered in year, the impact of this review is yet to be fully reflected in the forecast outturn. Additional information can be found in Appendix D of this report.

The level of interest receipts forecast to be generated from loans the council has issued has been reduced from those contained in the MTF5 as a result of the early repayment of loans from a housing association received at the end of 2018/19 and the delay in the draw down of the loan granted to the hotel build in Fletton Quays.

Corporate Items

There is a saving of £0.388m against the VAT shelter due to Cross Keys capital expenditure profile varying from previously advised.

Peterborough Serco Strategic Partnership (PSSP)

Within PSSP there is a risk that ADP (Annual Delivery Plan costs) which is currently costing the Council £0.066m per month will create an adverse variance against the budget unless costs are switched off or charged to a budgeted project. Within the forecast variance two months of cost at £0.132m has been assumed, which relates to April and May 19, this is pending a Notice of Change (NoC) to the contract which will change the allocation of these costs so that they are retrospectively fully allocated to projects being delivered.

The Housing Benefit and Council Tax admin subsidy due to be received this year is expected to be £0.109m lower than budgeted and this is being reported adverse within PSSP.

Corporate Property

There is a forecast favourable position of £0.210m reported within the Corporate Property Budget in relation to the following:

- A saving due to the rateable value for Sand Martin House being lower than budgeted and due to the recently announced lease with the Construction Industry Training Board £0.171m
- Additional income due to the delay in the sale of the football ground to Peterborough United £0.190m
- Offset by a pressure due to the Town Hall North letting to commence during summer of 2020 rather than the assumption of January 2020 £0.110m
- Other minor variances £0.041m

Customer and Digital Services

	Budget 2019/20	Cont. from reserve	Revised Budget 2019/20	Forecast Spend 2019/20	Cont. to reserve	Forecast Variance 2019/20	Forecast Variance 2019/20	Previous Month Variance	Moveme nt
Budget Group	£000	£000	£000	£000	£000	£000	%	£000	£000
Director Customer & Digital Services	0	0	0	0	0	0	0	0	0
ICT	6,560	0	6,560	6,810	0	250	4%	250	0
Marketing & Communications	272	0	272	364	0	92	34%	100	(8)
Resilience and Health & Safety	233	0	233	262	0	29	12%	0	29
Total Customer and Digital Services	7,065	0	7,065	7,436	0	371	5%	350	21

ICT

Within the ICT budget there is a pressure of £0.150m relating to back office savings targets, where there is currently no plan in place to achieve these saving however the service has plans to achieve £0.450m of the £0.600m target held within the department.

ICT is reporting a further £0.100m adverse variance relating to staffing costs within the service, due to three additional posts over establishment being created.

Business Improvement

	Budget 2019/20	Cont. from reserve	Revised Budget 2019/20	Forecast Spend 2019/20	Cont. to reserve	Forecast Variance 2019/20	Forecast Variance 2019/20	Previous Month Variance	Moveme nt
Budget Group	£000	£000	£000	£000	£000	£000	%	£000	£000
Director Business Improvement	0	0	0	0	0	0	0	0	0
Programme Management Office	173	0	173	173	0	0	0%	0	0
Total Business Improvement	173	0	173	173	0	0	0%	0	0

No Variances reported.

Financing

	Budget 2019/20	Cont. from reserve	Revised Budget 2019/20	Forecast Spend 2019/20	Cont. to reserve	Forecast Variance 2019/20	Forecast Variance 2019/20	Previous Month Variance	Movem ent
Budget Group	£000	£000	£000	£000	£000	£000	%	£000	£000
Council Tax	(71,925)	0	(71,925)	(71,925)		0	0%	0	0
Council Tax - Adult Social Care precept	(5,450)	0	(5,450)	(5,450)		0	0%	0	0
NDR Income	(45,727)	0	(45,727)	(45,727)		0	0%	0	0
NDR Levy	306	0	306	306		0	0%	0	0
NDR S31 grants	(5,442)	1,030	(4,412)	(4,412)		0	0%	0	0
NDR Tariff	2,424	0	2,424	2,424		0	0%	0	0
Revenue Support Grant	(10,246)	0	(10,246)	(10,246)		0	0%	0	0
Parish Precept	(672)	0	(672)	(672)		0	0%	0	0
New Homes Bonus	(4,713)	0	(4,713)	(4,713)		0	0%	0	0
Section 31 Grant	(8,616)	0	(8,616)	(8,616)		0	0%	0	0
Contribution from/to Grant Equalisation Reserve	(3,084)	0	(3,084)	(3,084)		0	0%	0	0
Contribution from/to Reserves	0	(1,394)	(1,394)	(1,394)		0	0%	0	0
Collection Fund - Council Tax	(201)	0	(201)	(201)		0	0%	0	0
Collection Fund - NDR	(506)	0	(506)	(506)		0	0%	0	0
Total Financing	(153,852)	(364)	(154,216)	(154,216)	0	0	0%	0	0

A cash flow risk in respect of Business Rates has been identified, which will mean the 2019/20 income from Section 31 grants will be £1.030m lower than budget. This income will be received in 2020/21 instead, therefore this represents a cash flow timing. It has been agreed that the general fund reserve is used in 2019/20 and fully replenished in 2020/21 to mitigate the impact of this timing change. This is within the financial regulations (the Councils Constitution).

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Appendix B - Reserves

The Council's departmental reserves and the capacity building reserve are monitored throughout the year and feed into the budget setting process accordingly. The next table summarises the expected balance for all reserves for 2019/20 to 2021/22

Out of the total reserves balance only £6.3m is deemed available or uncommitted, due to restrictions placed on the remaining reserves.

Summary of Reserves	Balance Brought Forward 1.4.19	Forecast Balance 31.03.20	Forecast Balance 31.03.21	Forecast Balance 31.03.22
	£'000	£'000	£'000	£'000
General Fund Balance***	6,000	4,970	6,000	6,000
Available Reserves				
Capacity Building Reserve**	14,973	5,194	5,194	5,194
Grant Equalisation Reserve*	4,214	0	0	0
Departmental Reserve	6,890	1,147	1,147	1,147
	26,077	6,341	6,341	6,341
Ring-Fenced Reserves				
Insurance Reserve	3,398	3,398	3,398	3,398
Schools Capital Expenditure Reserve	482	482	482	482
Parish Council Burial Ground Reserve	54	54	54	54
Hackney Carriage Reserve	226	226	226	226
Lease Consolidation Reserve	615	574	495	495
Public Health Reserve	364	0	0	0
	5,139	4,734	4,655	4,655
Total Available and Ring-Fenced reserves and General Fund Balance	37,216	16,045	16,996	16,996

* £3.1m was drawn down as part of the budget setting process, the remaining balance has been moved to the Capacity Building reserve.

** Capacity Building Reserve

- May be used to finance transformational costs associated with delivery of savings plans outlined in the 2019/20 – 2021/22 MTFS
- The forecast overspend in 2019/20 of £5.5m will be required to be funded from the Capacity reserve.

*** General Fund Balance

- £1.030m will be used in 2019/20 for the Business Rates timing issue and replenished when the income is received in 2020/21.

Appendix C – Budget Risk Register

The following table highlights the risks which have been identified within the 2019/20 Budget

Dept	Risk	Description	Rag rating	£m	Preventative Management Action taken, or planned
Resources	POSH Sale	Dependent on sale of Football Ground to PUFC	Amber		Draft MOU signed in November 2018 to take project forward.
Place & Economy	Street lighting maintenance saving	Street lighting maintenance saving	Amber	0.365	Street lighting capital cable replacements intended to help mitigate maintenance risk.
Customer & Digital Services	Shared Head of Communications	Additional role over and above budgeted posts.	Amber	0.024	It is anticipated that savings will be identified to offset part of this, and also a potential reduction in the charge.
Governance	Election reserve request	Potential requirement to earmark £100k from reserves to cover additional costs	Amber	0.100	Review of whether any cost lines can be reduced
Resources	ADP	Within PSSP there is a risk that ADP (Annual delivery plan costs) which is currently costing the Council £0.066m per month will create an adverse variance against the budget unless costs are switched off or charged to a budgeted project	Amber	0.660	Requirement for a change request to be signed off by Serco
Place & Economy	Shared Director posts	As per employment committee report (£144k) until there is the 2 shared director posts in place which will take over 2 current PCC positions this saving is not deliverable and flagged as a risk. If this is on hold until June when Steve Cox starts there is at least 3 months of Pressure of £36k.	Amber		
Public Health	0-5 Health Visitors contract	Pressure from contract costs of 0-5 Health Visitors contract with CPFT	Amber		Children's public health allocation to Peterborough being escalated nationally
Parking	Reduced income	Loss of parking income	Amber		Parking manager is reviewing this service for any mitigating actions
Coroner Service	Demand	Increased demand seen recently	Amber	0.100	Need to understand service as recently transferred into P&C. Review to take place
Adult Social Care	Independent Sector Placements - care package budget	Potential need for care could escalate above current budget allocations	Green		Low level risk due to demand led nature, and no mitigating actions are required currently.
Childrens Social Care	Childrens Placements	Increase in Looked After Children numbers and general need for care could go above budget	Green		Low level risk due to demand led nature, and no mitigating actions are required currently.

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Appendix D - Asset Investment and Treasury Budget Report as at May 2019

Introduction

The following report provides an update on the Council's Capital Programme and the Treasury activity as at May 2019. It provides an estimate of the borrowing requirement for 2019/20 to fund this programme.

Capital Programme 2019/20

The revised Capital Programme budget as at May 2019 is £135.1m, which includes £37.1m for Invest to Save (I2S) Schemes. The agreed investment as per the Medium Term Financial Plan (MTFS) was £114.1m. The movement between the MTFS position and the £124.4m as at April 2019 was a result of extensive re-profiling of the budget during 2018/19 and the slippage of schemes from 2018/19 into 2019/20.

The revised Capital Programme is being reviewed with the target to bring overall spending down in year to the £80m mark (which is similar to what has been delivered in previous years). This re-profiling will be based on prioritisation and linkage to the Council's strategic direction and overall priorities.

The actual expenditure as at May 2019 is £3.8m (16.9% of the revised budget to date). The latest forecast for expenditure is £135.1m, therefore the Council is expecting to spend a further £131.3m before March 2020 however this does not factor in any assumptions linked to the review detailed previously.

The Council has a Capital Review Group (CRG) which meets monthly to ensure that the capital programme is not aspirational in terms of the timing of the delivery of schemes, to challenge and ensure the future five years programme is in line with the capital strategy, and monitor the expenditure and progress of schemes.

The following table shows the breakdown of the Council's Capital Programme over the directorates and how this investment is to be financed.

Directorate	MTFS Budget	1st April Budget	Current Budget FY	Revised Budget YTD	Actual YTD
	£000	£000	£000	£000	£000
Governance	90	90	90	15	-
Growth & Regeneration	38,827	47,836	47,086	7,848	2,692
People & Communities	34,571	31,421	31,921	5,320	734
Resources	4,447	8,003	18,923	3,154	371
Invest to Save	36,199	37,086	37,086	6,181	(2)
TOTAL	114,134	124,436	135,106	22,518	3,795
Grants & Contributions	26,826	32,856	33,112	5,519	1,461
Capital Receipts (repayment of loans made to third parties)	23,150	23,150	23,150	-	-
Borrowing	64,158	68,430	78,844	16,999	2,334
TOTAL	114,134	124,436	135,106	22,518	3,795

Borrowing and Funding the Capital Programme

It is a statutory duty for the Council to determine and keep under review the level of borrowing it considers to be affordable. The Council's approved Prudential Indicators (affordable, prudent and sustainable limits) are outlined in the Treasury Management Strategy approved as part of the MTFS.

The Council borrows only to fund the Capital Programme. The current plan assumes that 58.4% of the budgeted expenditure will be funded by borrowing.

The Council's total borrowing as at the end of May 2019 was £447.6m (see following table). The level of debt is measured against the Councils Authorised Limit for borrowing of £785.5m which must not be exceeded and the Operational Boundary (maximum working capital borrowing indicator) of £670.6m. These limits are set to enable borrowing in advance of need to take advantage of favourable loan rates in consideration of future years capital programme.

The Council's Total Borrowing as at 31 May 2019

Borrowings	Less than 1yr £000	1-2yrs £000	2-5yrs £000	5-10yrs £000	10+yrs £000	Total £000	Ave. Interest Rate %
PWLB	0	5,628	11,000	20,715	332,244	369,587	3.53
Local Authority	38,000	22,500	0	0	0	60,500	1.17
Market Loans	0	0	0	0	17,500	17,500	4.53
Total Borrowing	38,000	28,128	11,000	20,715	349,744	447,587	3.39
% of total Borrowing	8%	6%	3%	5%	78%		
Borrowing Limit (PI)	40%	40%	80%	80%	100%		

The majority of the debt is taken on a 10+yr basis. PWLB's long term interest rates remain historically low which reflect investors' fears and confidence, currently favouring the safe haven of bonds due to continuing uncertainty of other countries financial markets.

The following table shows the activity in loans held by the Council for the year to date, with £10m of loans being repaid to date. A further £18m is due to be repaid in June.

Loans Portfolio £000		
April 2019 b/f		457,587
repayment of loans to date	(10,000)	
new loans in year	-	
net increase/(decrease) to date		(10,000)
Loans portfolio as at May 2019		447,587

Total interest payable on existing loans for the year (£447.6m) is expected to be £14.6m.

The Council currently holds £14.0m of S106 and POIS funding, of this £3.0m is earmarked for specific projects. The Capital Review Group (CRG) will continue to review the funding at the monthly meetings with a view to allocate the remaining funding to reduce the borrowing costs to the Council. CRG invites the S106 Officer to the meeting to discuss current investment projects which may be able to use this funding to reduce this funding balance further.

Investments

The Council aims to achieve the optimum interest on investments commensurate with the proper levels of security and liquidity. In the current economic climate the Council considers it appropriate to keep investments short term to cover cashflow fluctuations. This financial year investment returns have been from Barclays (the Council's banking provider), CCLA Money Market funds, the Debt Management Office and Local Authorities. As at May 2019 the Council's external investments totalled £9.7m.

Capital Receipts Used To Fund Minimum Revenue Provisions

Capital Receipts are used to repay debt, and this debt repayment is factored into the Minimum Revenue Provision as approved in the MTFS. Close monitoring of the receipts from asset sales is maintained as any change to the budget will have a direct impact on the revenue position.

Capital Receipts are monitored on a monthly basis and each sale given a status of Red, Amber or Green to identify the likely receipt before March 2020. The £10.8m Capital Receipts in the MTFS will be used to repay debt and forms part of the calculation of the reducing the overall debt through MRP.

Capital Receipts To Off Set Revenue MRP Charge RAG Status	MTFS Budget £000	Revised Budget £000	Received to Date £000	Not yet received £000
Green	-	-	-	-
Amber	10,819	10,819	7,661	5,291
Red	-	-	-	-
Total (not inc Investment Assets)	10,819	10,819	7,661	5,291
Investment Assets	-	-	-	-
Total Capital Receipts	10,819	10,819	7,661	5,291

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